



**ALPHA  
SERVICES AND HOLDINGS**

**REPORT OF THE INDEPENDENT NON-EXECUTIVE  
MEMBERS OF THE BOARD OF DIRECTORS  
for the year 2021**



July 2022

This Report constitutes the joint Report of the Independent Non-Executive Members of the Board of Directors of Alpha Services and Holdings S.A. (hereinafter the “**Company**”) and is submitted to the Annual General Meeting of Shareholders of the Company of 22.7.2022 (hereinafter the “**GM**”), pursuant to article 9 par. 5 of Law 4706/2020.

By means of this Report, the Independent Non-Executive Members confirm their approval of the information included in the Company’s Board of Directors’ Annual Management Report, a special part of which is the Corporate Governance Statement of the Company for the financial year 2021, pursuant to article 152 of Law 4548/2018.

The Independent Non-Executive Members state that during the financial year 2021 they have properly and lawfully discharged their duties pursuant to article 7 of Law 4706/2020 and, in particular, they have monitored and reviewed the Company’s business strategy implementation towards the accomplishment of its targets, they have provided oversight of the Executive Members, including the monitoring of their performance, and they have examined and expressed opinions with respect to the proposals submitted by the Executive Members, on the basis of established information.

The Company’s Board of Directors (hereinafter the “**BoD**”) under its current composition as well as under the composition proposed for election by the GM, under item 11, consists of an appropriate combination of Executive, Non-Executive and Independent Non-Executive Members. In particular the proposal to the GM, which comprises the re-election of twelve (12) current Members of the BoD as well as the election of one (1) new Member, has been assessed and reviewed by the Corporate Governance, Sustainability and Nominations Committee (hereinafter the “**CGSNC**”), in line with the current applicable regulatory and legislative framework, the Hellenic Corporate Governance Code, which the Company has adopted and implements, the Suitability and Nomination Policy for the Members of the BoD of the Company, the Diversity Policy of the Company, high standards of corporate governance and best practices, so that the BoD can establish that the proposed nominees are suitable both on an individual basis and collectively.

It is noted that, following the election of the proposed composition by the GM, the level of gender diversity shall be 30.77%, surpassing the minimum ratio set by the legal and regulatory standards, while similarly the percentage of the Independent Non-Executive Members, which stands at 61.5% (8 out of 13 Members), ensures the desired level of independence on the Board and its Committees.

As explained in the Explanatory Report submitted to the GM, the CGSNC determined that each Member of the BoD is adequately qualified, in terms of knowledge and skills, including academic and professional qualifications, to perform the duties assigned to him/her, his/her professional experience as well as his/her position and the prerequisites of the Company, the absence of any obstacles or incompatibilities in his/her face in relation to his/her election, honesty and integrity, good reputation, as well as sufficient time to perform his/her duties. In addition, the CGSNC evaluated and ratified the collective suitability of the BoD, ascertaining that its composition reflects the knowledge, skills and experience required to perform its duties, that the Members of the BoD have the necessary skills to present their views and that the BoD collectively has adequate knowledge in all of the areas that the Company is active.

The Company demonstrates a clear division of responsibilities between the BoD and the Executive Management. The Non-Executive Members of the BoD do not have within their remit any executive responsibilities regarding the management of the Company, apart from the general duties stemming from their capacity as BoD Members, and have been entrusted with the role of carrying out systematic supervision and monitoring of the Management’s decision-making process. In particular, the Non-Executive Members of the BoD (including the Independent Non-Executive Members), in the context of discharging their duties in the BoD, are entrusted, among others, with the following responsibilities:

- a) Monitoring and assessing the Company's strategy and its implementation as well as the fulfillment of the Company's objectives;
- b) Participating fully in the work of the BoD and its Committees so that the Board may discharge all of its responsibilities;
- c) Ensuring the efficient supervision of the Executive Members, including monitoring and reviewing their management performance;
- d) Ensuring and periodically assessing the effectiveness of the internal governance framework and taking appropriate steps to address any identified deficiencies;
- e) Ensuring that the Company operates according to a proper risk appetite framework and within an appropriate risk culture;
- f) Overseeing the implementation and maintenance of a Code of Ethics or similar and effective policies to identify, manage and mitigate actual and potential conflicts of interest;
- g) Meeting annually or more frequently as required (without the presence of Executive Members), under the chairmanship of the Chair, to exchange views on any matter that they deem pertinent, to examine issues of conflict of interest between the Company and the Executive Members and to assess the overall performance of the Company's executive leadership team;
- h) Reviewing and approving the Remuneration Policy, ensuring the alignment of the remuneration of Senior Executives with the long-term interests of the Company and its Shareholders as well as reviewing and approving the Benefits Policy, with the support of the Remuneration Committee;
- i) Determining and overseeing the remuneration of the Members of the BoD.

During 2021, the Non-Executive Members of the BoD held seven (7) meetings without the presence of the Executive Members of the BoD, well above the minimum requirement, in order to discuss the following issues:

<b>Date of meeting</b>	<b>Agenda items</b>
31.3.2021	Alpha Performance Dialogue (APD) progress update.
	Executive Committee Members' Scorecards.
27.5.2021	Corporate Governance assessment by Nestor Advisors.
30.6.2021	Invitation to the Ordinary General Meeting of Shareholders.
	Draft Resolutions on the Items of the Ordinary General Meeting of Shareholders.
27.7.2021	Evaluation of the 2020 performance of Senior Executives and KFHs.
	Scorecards 2021 for Senior Executives and KFHs.
	Evaluation of the 2020 performance of the CEO and Scorecard for 2021.
29.7.2021	Collective Evaluation of the Board of Directors for the year 2020.
	Individual Evaluation of the Members of the Board of Directors for the year 2020.
27.10.2021	Corporate Governance Issues and Succession Plan of the Board of Directors.
16.12.2021	Training Program for the Members of the Board of Directors for the year 2022.
	Remuneration of the Non-Executive Members.

The average participation rate of the Non-Executive Members of the BoD in the meetings stood at 94%.

In addition, it should be noted that all four (4) Committees of the BoD are chaired by Independent Non-Executive Members (and the majority of their Members are also Independent Non-Executive Members) who support effectively the Chair in the execution of his/her duties and responsibilities.

With the support of the CGSNC, the BoD annually assesses its effectiveness and that of its Committees. From time to time and at least once every three years, the BoD may appoint external consultants to facilitate a more in-depth review of its effectiveness. The collective evaluation of the Members of the BoD and its Committees, for the year 2020, was conducted by Nestor Advisors Limited, a London-based corporate governance consulting firm, with the assistance of the CGSNC. The Individual Evaluation of the Members of the BoD for the year 2020 was conducted by the Chair of the BoD.

During 2021, further to the aforementioned evaluation of the BoD, an assessment of the Board Members' collective suitability in terms of knowledge, skills and experience based on the Joint ESMA/EBA Guidelines on "the assessment of the suitability of members of the management body and key function holders" (hereinafter the "**Joint ESMA/EBA Guidelines**") was conducted with the support of the CGSNC. In this context and for the purposes of preparing the assessment of the collective suitability, each Member of the BoD conducted an Individual Self-Assessment, based on the criteria listed in the Joint ESMA/EBA Guidelines. The Chair of the BoD completed the Collective Suitability Matrix of the Joint ESMA/EBA Guidelines, based on the Individual Self-Assessments and examining, among others, the areas of governance, risk management, compliance, audit, management, strategy, decision-making and past experience, as suggested by the said Guidelines. Based on the approved Collective Suitability Matrix, the BoD resolved that it would benefit from gender and ethnically diverse candidates, further Greek market expertise, experience in retail financial services, IT and Digital as well as with skills and knowledge and/or experience in the areas of Human Resources and ESG.

**Athens, June 30, 2022**

**The Independent Non-Executive Members  
of ALPHA SERVICES AND HOLDINGS S.A.**