



ALPHA  
SERVICES AND HOLDINGS

# Remuneration Report

2022



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## Letter from the Chair of the Remuneration Committee

Dear Shareholders,

As the Chair of the Remuneration Committee (the “Committee”), I am pleased to present our Directors’ Remuneration Report (the “Report”) of Alpha Services and Holding S.A. (the “Company”) for the year ended December 31, 2022. The Company’s main offices are in Greece and its stock is listed on the Athens Stock Exchange.

The Report reflects the implementation of the Remuneration Policy in 2022, the primary goal of which is to support the business’ strategic objectives and priorities. It seeks to align fixed and variable pay with commercial results and effective risk management, thereby aligning the interest of the Company, its employees and its shareholders.

For the financial year 2022, significant business achievements for the Company’s Group (the “Group”) included:

- Net profit of Euro 398 million with ROTBV reaching 7%;
- A notable reduction of the NPE ratio to below 10%, for the first time in a decade;
- An improvement in the cost to income ratio from 56% in 2021 to 54%;
- Loan disbursements of Euro 8.6bn to support retail and wholesale activity in the Greek economy.

These achievements are particularly noteworthy in light of the significant market volatility that was witnessed around the world in 2022. In spite of the uncertain macro conditions, the Company was able to successfully execute on its ambitious business targets while maintaining the highest standards of customer service.

In terms of areas of attention, the Committee met eleven times in 2022 to consider and approve a host of issues relating to the progressing of the human resource and talent management agenda of the Company. In particular, the Committee reviewed a new and enhanced occupational pension plan (IORP) scheduled to be implemented in 2023. It was also pleased to review the successful conclusion of two rounds of negotiations with the labour unions. A continuing focus was placed on the performance management practices of the Company, ensuring that all employees benefited from a mid-year and end-of-year performance review against pre-established goals and expectations. To that end, members of the Executive Committee were evaluated according to scorecards that set both qualitative and quantitative goals, including value-based management targets.

Two pools of variable incentive programs were approved during the year to reward the branch network, via the Sales Incentive Program, and the central functions, via the Performance Incentive Programs (“PIP”). As part of the PIP program, stock option awards were made to material risk takers of the Company thus creating shareholders among employees in order to encourage and reinforce long-term business performance and prudent risk management.

Finally, the repositioning of the Company’s training strategy, through the launch of four new Academies and enhanced focus on new online learning platforms, instilled a culture of continuous and autonomous learning process and gave the opportunity to our employees to become more effective and efficient. Our new career framework, together with the introduction of the first **dual career path** process in Greek



banking, created the basis for significant advancements in employees' development and made possible the transition to more agile ways of collaboration.

As we reflect on a year where the Company achieved considerable success despite a challenging environment, I welcome your feedback and suggestions regarding anything we can do to improve this report further.

Best regards,

Richard R. Gildea

Chair of the Remuneration Committee



## General Information

### 1. Key developments of the year

#### Overall Business Results

In 2022, the Company made substantial progress towards the key objectives of its strategic business plan. Balance sheet de-risking was delivered, with the Group NPE ratio dropping to single-digit percentage and, as a result, cost of risk rebasing to normalized levels.

In terms of business development, all Group targets were met. With regards to the main pillars:

- profitability (ROTBV) stood at 7% versus a 6% target,
- regulatory capital (fully loaded CET1%) ended the year at 12.5% versus a 12.5% target,
- tangible book value reached 5.8 billion Euros versus a 5.9 billion Euros target.

#### Results by Business Segment

In terms of segments, wholesale banking contributed 361 million Euros to group normalized profits off the back of sustainable and profitable growth in the loan book. Retail banking continued on to reposition, with profits up year-on-year off the back of higher rates and lower costs. Despite the market turbulence, the Wealth management and Treasury unit achieved meaningful growth in recurring profits for the year. On the international front, Romania experienced double digit percentage growth in loans and deposits, with a notable step up in new originations of wholesale, mortgage and SB loans.

#### Cultural Transformation

In parallel to the business outcomes, 2022 was a year where significant progress was made in a number of culture-shaping initiatives. Through a series of roadshows around Greece, the CEO and leadership team had the opportunity to interact with the employees who serve our customers daily, ensuring that the Company's strategic direction is fully understood throughout the organization. On the organizational front, starting from the Executive Committee, new operating models were designed and introduced in most business areas. In addition, extensive work was undertaken with regards to the job mapping of all distinct roles in the Company and the design of a new Career Framework, which signifies a clear direction towards employee development. This effort was supported by the design and launch of our Learning Academies, covering key functional areas of the business and offering the required reskilling and upskilling of employees. In terms of talent management, the Company remains focused on Succession Planning, which will be further enriched in 2023. Finally, significant progress has been made regarding the operationalization of our Purpose and Values, translating them into tangible products and initiatives that will pave the way towards the establishment of a refreshed corporate culture.

#### Outlook for 2023

Overall, Normalised Net Profit, grew by 30% in 2022 and is expected to grow further by approximately 35% in 2023. The Company's commercial policies ensure that we position our balance sheet in a sustainable manner. That is embedded, among other things, in the loan growth estimates and the conservative stance on provisioning as well as the continued cultural transformation initiatives which support the Bank's Business plan.

## 2. Remuneration Governance

### 2.1 The 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.

The Remuneration Committee is made up of four Non-Executive Members, three of whom are Independent Non-Executive Members.

<b>Chair</b>	<b>Richard R. Gildea</b>	<b>Independent Non-Executive Member</b>
<b>Member</b>	Aspasia F. Palimeri	Independent Non-Executive Member
<b>Member</b>	Dimitris C. Tsitsiragos	Independent Non-Executive Member
<b>Member</b>	Johannes Herman Frederik G. Umbgrove	Non-Executive Member (pursuant to the provisions of Law 3864/2010)

The Members of the Committee have collectively appropriate knowledge, skills and professional experience concerning remuneration policies and practices, risk management and control activities as well as concerning the incentives and risks that can arise therefrom. At least one Member has sufficient professional experience in risk management.

The Remuneration Committee should convene 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.

**In 2022 the Committee convened eleven times, and the Members' participation rate in the meetings stood at 100%** (based on the composition of the Remuneration Committee on 31.12.2022).

In 2022, the main activities of the Remuneration Committee focused on aligning the remuneration strategy with the Group strategy while supporting the introduction of various important HR initiatives. In addition, the Remuneration Committee contributed to building a solid governance basis and to actively supporting the Board of Directors on Remuneration-related matters.

Roles and responsibilities of the Remuneration Committee are briefly described in the Appendix.

Area of control	Main activities of Remuneration Committee in 2022
Regarding the Company and the Group	<ul style="list-style-type: none"> <li>• Reviewed and proposed to the Board of Directors the approval of:               <ul style="list-style-type: none"> <li>- its Charter;</li> <li>- the annual remuneration amounts of the Chairs and Members of the Audit Committee and Risk Committee and increased the pay of the Chairs and members of the Remco and the Corporate Governance, Sustainability and Nominations Committee.</li> <li>- the Alpha Bank Group Employees Institution for Occupational Retirement Provision (IORP);</li> <li>- the adjustment of stock options with respect to the Stock Options Plan, following the amendment of the Company's share nominal value following the OGM resolution dated July 22, 2022.</li> </ul> </li> <li>• 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.</li> <li>• Endorsed, as part of the material to be submitted to the Ordinary General Meeting of Shareholders, the Remuneration Report for the year 2021 as per Law 4548/2018.</li> <li>• Reviewed the Remuneration Policy for Alpha Services and Holdings and its Group as well as the Group Benefits and Corporate Expenses Policy and recommended the approval thereof by the Non-Executive Members of the Board of Directors.</li> <li>• Endorsed and recommended to the Board of Directors the approval of the amendments of the "Regulation on the Awarding of Stock Options Rights to Employees of the Company and its Affiliated Companies".</li> <li>• Resolved to recommend to the Board of Directors the approval of the allocation of Stock Options to Material Risk Takers, excluding the Top Team Senior Managers.</li> <li>• Endorsed and recommended to the Board of Directors for approval: the Performance Incentive Program – 2021 Bonus Pool as well as the respective Bonus Allocation and the 2022 Performance Incentive Program Redesign.</li> <li>• Endorsed and recommended to the Board of Directors for approval: the 2021 Sales Incentive Program Final Bonus Allocation to Branch Employees and the 2022 Sales Incentive Program Bonus Pool Proposal.</li> <li>• Reviewed and approved the list of Material Risk Takers for 2021.</li> <li>• Considered the Fairness Opinion prepared by "KPMG Advisors Single Member S.A." pertaining to the amendment of the Group Savings Plan for Senior Executives.</li> <li>• Finalized the remuneration amounts of the Members of the Board of Directors for the financial year 2022.</li> <li>• Considered the Expenses Policy for the Non-Executive Members of the Board of Directors.</li> <li>• Monitored the amendments of the HFSF Law with regard to Senior Management remuneration.</li> <li>• Reviewed and submitted its Annual Activity Report to the Board of Directors for information.</li> <li>• Reviewed the Annual Activity Reports of the Remuneration Committees of Alpha Bank London Ltd, Alpha Bank Romania S.A. and Alpha Astika Akinita S.A. for the year 2021.</li> <li>• Reviewed the annual remuneration amounts of the Non-Executive Members of the Boards of Directors of Alpha Bank Greece, 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.</li> </ul>



## 2.2 Remuneration Policy in 2022

On 22 July 2021, the Ordinary General meeting of the Shareholders of the Company approved the new Remuneration Policy of the Members of the Board of Directors (the “Policy”) currently in force, in accordance with articles 110 and 111 of law 4548/2018, which incorporated into Greek law the relevant provisions of the Shareholders Rights Directive, as proposed to the Board of Directors by the Remuneration Committee.

The Policy is in compliance with the applicable legal framework, including the framework regulating the Company’s and the Bank’s relationship with the Hellenic Financial Stability Fund (for so long as the Bank falls within the ambit of its provisions) and takes into consideration the provisions of the Company’s Articles of Incorporation, the Corporate Governance Code and the Group’s Policies.

**The Policy’s objective is to support and promote the business strategy, the long-term interests and sustainability of the Company as well as to enhance transparency through the description of the remuneration framework.** Additionally, it aims to ensure compliance with the legislative and regulatory framework, as well as align the interests between the Shareholders and the Management and create value for the benefit of all stakeholders. The Policy is posted on the Company’s website [https://www.alphaholdings.gr/-/media/alphaholdings/files/genikes-syneleysis/taktiki-geniki-syneleusi-22072021/remuneration-policy-2021\\_eng\\_site.pdf](https://www.alphaholdings.gr/-/media/alphaholdings/files/genikes-syneleysis/taktiki-geniki-syneleusi-22072021/remuneration-policy-2021_eng_site.pdf)

The Remuneration Committee will continue to keep policies under review to **ensure that plans and programs** relating to remuneration **support the Company’s strategy** and **are closely linked to Shareholders’ interests**. The Committee welcomes views on the Remuneration Report from Shareholders.





## Key Pillars of the Remuneration Policy

The key pillars of the Policy promote the business strategy, the sustainability, and the long-term interests of the Company and its Group.

Long-Term Value Creation		
The aim of the Policy is to ensure that the remuneration of the Members of the BoD takes into consideration market dynamics and strives to continue creating value for Shareholders and other stakeholders.		
Attraction and retention	Risk Management	Remuneration linked to Performance
The Company wants to attract, motivate, and retain highly skilled Executives in the long term, while ensuring due corporate governance and promoting the Group's values. To preserve competitiveness, compensation must be market-based, remaining current with market trends and dynamics.	The Policy seeks to govern appropriate risk taking, discouraging excessive risk taking which is detrimental to the short and long-term financial viability of the Group. The performance management framework offers incentives for distinguished results without encouraging excessive, particularly short-term, risk-taking. The Policy is designed in order to observe capital and liquidity levels necessary to support all activities and to avoid distorted incentives that could lead to breach of law and jeopardize the Company's and the Group's viability.	The remuneration framework consists of both fixed and variable components within a performance management framework, assuring clarity, coherence, and consistency with the Company's strategy, while encouraging and rewarding distinguished performance. The level of fixed pay is determined on the basis of fair remuneration for each position, taking into account the level of responsibility as well as the knowledge, expertise and experience required to deliver upon expectations, while variable remuneration is linked to key performance indicators. Both components of remuneration are in compliance with labor law provisions, respect all applicable legislative constraints, while also considering the financial condition of the Company and supporting its business plan, objectives and long-term interests.

### 3. Remuneration of the Members of the Board of Directors

#### 3.1 Non-Executive Members

##### Non-Executive Members' Remuneration

Remuneration Element <sup>(1)</sup>	Board Chair	Non-Executive Member	Independent Non-Executive Member
<b>Fixed remuneration</b> (BoD Membership) <sup>(2)</sup>	●	●	●
<b>Fixed remuneration</b> <sup>(3)</sup> (Committee Membership)		●	●
<b>Other Benefits</b> <sup>(4)</sup>	●		

Explanatory notes:

- <sup>(1)</sup> Non-Executive Members of the BoD do not receive variable remuneration and are not part of retirement plans or severance programs.
- <sup>(2)</sup> The fixed annual fee takes into account the time devoted to the meetings of the BoD and the execution of duties assigned to the Member.
- <sup>(3)</sup> Depending on his/her position in the Company's and the Bank's BoD Committees, each Non-Executive Member, including each Independent Non-Executive Member, receive an additional annual fee for his/her role (either as Chair or as a Member) in any such BoD Committee, which is reviewed annually, in accordance with the relevant legislative requirements, taking into consideration criteria such as the time commitment and the active participation in Committees, the role of the Member in each Committee, the nature of each Committee and the number of BoD Committees in which a Non-Executive Member may participate.
- <sup>(4)</sup> The Chair of the Board of Directors is granted a corporate credit card for the business expenses related to the discharge of his/her duties. Such expenses are not included in the Chair's remuneration.

## Fixed Annual Remuneration of the Non-Executive Members

According to the provisions of the Remuneration Policy of the Members of the Board of Directors, no Member is paid for participation in more than three Committees of the Board of Directors, while the Executive Members do not receive any remuneration in their capacity as Members of the Board of Directors. Moreover, a Member of the Board of Directors who is at the same time a Member of the Audit Committee and of the Risk Management Committee is paid for participation in only one of these Committees. Only if the Member of the Board of Directors is the Chair in one of the abovementioned Committees, may he/she be paid for participation in both.

The following table depicts the annual fees for each position up to 31.3.2022 and the respective annual adjustment as of 1.4.2022 onwards, as decided by the Ordinary General Meeting of Shareholders of the Alpha Services & Holding held on 22.07.2022.

Position	Fixed Annual Remuneration (in Euro)	
	until 31.3.2022	as of 1.4.2022
<b>Chair of the Board of Directors</b>	259,000.00	259,000.00
<b>Member of the Board of Directors</b>	59,000.00	59,000.00
<b>Chair of the Audit Committee</b> <b>Chair of the Risk Management Committee</b>	50,000.00	50,000.00
<b>Member of the Audit Committee</b> <b>Member of the Risk Management Committee</b>	25,000.00	25,000.00
<b>Chair of the Remuneration Committee</b> <b>Chair of the Corporate Governance, Sustainability and Nominations Committee</b>	25,000.00	31,250.00
<b>Member of the Remuneration Committee</b> <b>Member of the Corporate Governance, Sustainability and Nominations Committee</b>	12,500.00	15,625.00
<b>NPL Expert</b>	12,000.00	12,000.00
<b>Member in charge of overseeing ESG issues</b>	12,000.00	12,000.00

Due to the fact that the composition of the Board of Directors of Alpha Services and Holdings S.A. and that of the Board of Directors of its 100% Subsidiary Alpha Bank S.A. are the same, the remuneration of the Members of the Board of Directors is paid by one company only and, specifically, by Alpha Bank S.A.

## Non-Executive Members' Remuneration Paid in 2022

The total remuneration paid to the Non-Executive Members for the year 2022, in accordance with the provisions of article 112 of Law 4548/2018, is presented in the table below.

Period 2022

Euro, Gross

Name	Audit Committee	Risk Management Committee	Remuneration Committee	Corporate Governance, Sustainability and Nominations Committee	Base fee (BoD Member)	Committee fee(s)	Total
Vasileios T. Rapanos, Chair	-			-	259,000.00		259,000.00
Efthimios O. Vidalis	M			M	59,000.00	39,843.75	98,843.75
Elli M. Andriopoulou <sup>(1)</sup>	M			M	59,000.00	18,019.15	77,019.15
Aspasia F. Palimeri <sup>(2)</sup>		M	M		26,169.36	18,019.15	44,188.51
Dimitris C. Tsitsiragos		M	M		59,000.00	39,843.75	98,843.75
Jean L. Cheval <sup>(3)</sup>	M	C/M	M		59,000.00	55,090.72	114,090.72
Carolyn G. Dittmeier	C			M/ M ESG <sup>(4)</sup>	59,000.00	76,843.75	135,843.75
Richard R. Gildea		M/NPLE <sup>(5)</sup>	C		59,000.00	66,687.50	125,687.50
Elanor R. Hardwick <sup>(6)</sup>	M	M		C	59,000.00	54,687.50	113,687.50
Shahzad A. Shahbaz				M	59,000.00	14,843.75	73,843.75
Johannes Herman Frederik G. Umbgrove	M	M	M	M	59,000.00	54,687.50	113,687.50
Jan A. Vanhevel <sup>(7)</sup>	M	C			34,416.67	43,750.00	78,166.67
<b>Aggregate of all BoD Members 2022</b>							<b>1,332,902.55</b>

Explanatory notes:

- <sup>(1)</sup> Elli M. Andriopoulou has been appointed as Member of the Audit Committee and Member of the Corporate Governance, Sustainability and Nominations Committee as of 22.7.2022.
- <sup>(2)</sup> Aspasia F. Palimeri has been appointed as BoD Member, Member of the Risk Management Committee and Member of the Remuneration Committee as of 22.7.2022.
- <sup>(3)</sup> Jean L. Cheval has been appointed as Chair of the Risk Management Committee (previously held a position of the Risk Management Committee Member), and Member of the Audit Committee as of 22.7.2022. Also, Jean L. Cheval ceased serving as a Member of the Remuneration Committee as of 22.7.2022.
- <sup>(4)</sup> Member in charge of overseeing ESG issues.
- <sup>(5)</sup> NPL Expert.
- <sup>(6)</sup> Elanor R. Hardwick has been appointed as Member of the Risk Management Committee and ceased serving as a Member of Audit Committee as of 22.7.2022.
- <sup>(7)</sup> Jan A. Vanhevel ceased serving as a BoD Member, Member of Audit Committee and Chair of Risk Management Committee as of 21.7.2022.

It is noted that expenses, such as travel and accommodation, in relation to BoD and Committee meetings and relevant costs are reimbursed as per the Expenses Policy for the Non-Executive Members of the Board of Directors, including each Independent Non-Executive Member, which is reviewed annually. The corporate car granted as a security measure to the Chair of the Board of Directors is not included in his remuneration. The Non-Executive BoD Members may be granted a corporate mobile telephone for the discharge of the duties related to their capacity as Members of the Board of Directors. All such expenses are approved by the BoD, following a relevant endorsement by the Remuneration Committee, on an annual basis. Furthermore, all payments are subject, where applicable, to social security, income tax and stamp tax withholdings.

### 3.2 Executive Members of the Board of Directors

The Executive Members of the BoD are employed by the Bank with indefinite term contracts which provide for termination according to the applicable legislation.

The Executive Members of the BoD do not receive any remuneration for their participation in the BoD.

Additionally, it is mentioned that on 16.06.2022, law 4941/2022 was enacted amending the provisions of Law 3864/2010 on the establishment and operation of the HFSF Law. As per article 11 of Law 4941/2022 (amending article 10 par. 3 of Law 3864/2010):

(i) as long as the ratio of non-performing loans to total loans exceeds ten percent (10%), or for the financial years referring up to 2022, the fixed remuneration of the chairman, the chief executive officer and the other members of the Board of Directors, as well as those who hold the position or perform the duties of general director, and their deputies, may not exceed the total remuneration received by the Governor of the Bank of Greece; and

(ii) any additional variable remunerations (bonuses) of such persons shall be abolished throughout the duration of the restructuring plan of the credit institution submitted to the European Commission in the context of the approval procedure for the capital assistance program and until its completion or as long as the ratio of non-performing loans to total loans exceeds ten percent (10%), or for the financial years referring up to 2022.

Similarly, for the period of participation of the credit institution in the capital enhancement program of Article 7 of this Law, variable remuneration may only take the form of shares or stock options or other instruments within the meaning of Articles 52 or 63 of Regulation 575/2013, in accordance with Article 86 of Law 4261/2014 (A' 107).

#### The Executives' Remuneration

Remuneration Element	Element Description
<b>Fixed remuneration</b>	The salary is in line with the applicable law provisions, the position, the duties, the level of responsibility and risk taking. The following factors are also considered in its determination: the skills required for the exercise of duties, the competence and the experience of the Executive Members of the BoD, international trends, evolving market conditions and local market benchmarking.
<b>Variable Remuneration</b>	The variable component of the total compensation of the Executives is discretionary and refers to a performance-related reward (bonus) or other retention and reward schemes that may vary per year.  Variable remuneration is linked to annual performance scorecard which contains Key Performance Indicators, ensuring focus on strategic objectives, and alignment with long-term interest while ensuring retention of key Executives and discouraging excessive risk undertaking.  Details in respect of the criteria and the allocation of variable remuneration are provided in the Remuneration Policy.
<b>Corporate Benefits</b>	The Executives are entitled to benefits determined by the Bank's applicable policies and subject to the applicable legislation. The benefits include standard benefits applicable to all Personnel (indicatively, collective health insurance policy, collective insurance savings plan and outpatient insurance program) or benefits that are granted to the Executives (along with other Personnel) depending on the level of their position exclusively. Those benefits either cover the operational needs of those positions such as corporate mobile phone, corporate car, fuel expenses and a corporate credit card, or are commonly granted, as per market practice, to holders of those positions such as an annual medical check-up and a defined contribution savings plan, also applicable to the level of Division Managers and above.

In addition to the above, the Bank may offer to Executives, at its discretion, a severance payment, in case of termination of their contract on terms and conditions proposed by the Bank. The detailed terms for such payment are included in Alpha Bank's "Senior Executives Severance Payment Policy" dated March 2020.

Cases of unilateral termination of the relevant employment agreement and / or retirement by the Senior Executive are excluded.

### **Stock Options Plan**

By way of the resolution of the Annual General Meeting of the Company, dated 31 July, 2020 (hereinafter the “AGM”), a Stock Options Plan (hereinafter the “Plan”) was established for the five-year period 2020-2024, providing for the option right (hereinafter the “Options”) to receive newly issued common registered voting dematerialized shares of the Company (hereinafter the “New Shares”), for employees of the Company (including the Executive Board Members) and its Affiliated companies. The regulation of the Plan was approved by the Board of Directors at its meeting, dated 30 December, 2020, as subsequently amended. All terms and conditions as described in the Regulation apply to the above-mentioned Options granted to all Beneficiaries. A Description of the Regulation and the allocations that have taken place during 2020 can be found in the following Company’s announcement:

<https://www.alphaholdings.gr/-/media/alphaholdings/files/etairikes-anakoinwseis/20201231-etairiki-anakoinwsi-en.pdf>

Stock options were awarded as per the BoD Resolution dated 16.12.2021 to the Executive BoD members and Senior Managers falling within the ambit of article 10 par. 3 of Law 3864/2010, in respect of whom apply all the terms and conditions of the Plan and the Regulation as well as certain additional terms and conditions, which have been appended to the Regulation, including that the exercise of any Option is subject to the condition (in Greek anavlitiki airesi) of the amendment or abolition of the provisions of article 10 par. 3 of the HFSF Law in order to allow for the exercise of the Stock Options hereunder. No award of any Options was made to Executive Board Members in 2022 under the Plan.

Additional information can be found in the Company’s announcements dated 17.12.2021 and 22.07.2022:

<https://www.alphaholdings.gr/-/media/alphaholdings/files/etairikes-anakoinwseis/20211217-etairiki-anakoinosi-en.pdf>

[https://www.alphaholdings.gr/-/media/alphaholdings/files/etairikes-anakoinwseis/2022/20220722\\_etairiki\\_anakoinosi\\_b\\_en.pdf](https://www.alphaholdings.gr/-/media/alphaholdings/files/etairikes-anakoinwseis/2022/20220722_etairiki_anakoinosi_b_en.pdf)

## Executive Members of the BoD Remuneration in 2022

The total remuneration paid to the Executive Members for the year 2022, in accordance with the provisions of article 112 of Law 4548/2018, is presented in the table below:

Period 2022

Euro, Gross

Name, Position	Fixed Remuneration <sup>(1)</sup>	Variable Remuneration <sup>(3)</sup>	Corporate Benefits <sup>(2)</sup>	Total
Vassilios E. Psaltis, CEO	376,100.00	-	62,985.00	<b>439,085.00</b>
Spyros N. Filaretos, BoD Member - General Manager	365,000.00	-	48,877.00	<b>413,877.00</b>
Aggregate of 2022				<b>852,962.00</b>

Explanatory notes:

<sup>(1)</sup> Fixed Remuneration also includes business travel related compensation as incurred.

<sup>(2)</sup> Include gross amounts paid by the Bank for Check-up, Life-Disability insurance, Medical Plan, Outpatient Care Program and Savings/Pension Plans. Corporate Cars granted as a security measure to a Board Member are not included in his/her remuneration (i.e., executive Members of the Board of Directors).

<sup>(3)</sup> No variable remuneration was paid in 2022 to the Executive Board Members and no award of any Options took place in 2022.

The Executive Members of the BoD have in place employment contracts with the Bank (the “Employment Contracts”), which are regulated by the provisions on related party transactions, transparency, and accountability under Law 4548/2018 (transposing the respective provisions of the Shareholders Rights Directive II). The data on any remuneration payable to Executive Board Members under such Employment Contracts has been included in the present report.

- As per the terms and conditions of the Senior Executives Severance Payment Policy, as in force, former Executive Members of the Board of Directors are paid the deferred amounts of the severance approved upon termination of their employment, in the forthcoming years.

To that end:

- Mr. D.P. Mantzounis, a former member of the Board of Directors, received in 2019, following his resignation from the position of Managing Director - CEO on 2.1.2019, an upfront payment of the severance payable in installments. The installment paid in 2022 amounts to 137,683.34.
- Mr. A.Ch. Theodoridis, a former Executive Member of the Board of Directors up to 30.11.2020, received in 2020, following his resignation from the position of General Manager, an upfront payment of the severance payable in installments. The installment paid in 2022 amounts to 216,566.67.
- The late G.C. Aronis, a former member of the Board of Directors, received in 2020, following his resignation from the position of General Manager, an upfront payment of the severance payable in installments. The installment paid to his heirs in 2022 amounts to 158,166.67.



## 4. Additional Information

During the financial year 2022:

- No profit distribution, as provided by article 109 paragraph 2 of Law 4548/2018 to the Bank's Directors and Executives, has taken place.
- Clawback and malus provisions were not applied.
- No indemnifications have been paid to Board Members and Executives due to their involvement in any proceeding (civil, criminal, or administrative) in the context of the services provided by them.
- There were no derogations or deviations from the Company's approved Remuneration Policy regarding its scope of implementation.



## 5. Comparison of Remuneration and Performance Over Time

### Comparative table on Members of the Board of Directors' Remuneration

Euro, Gross

Name	Role	Date Active	Remuneration Paid				
			2018	2019	2020	2021	2022
Vasileios T. Rapanos	NE	29.5.2014	259,000.00	259,000.00	259,000.00	259,000.00	259,000.00
YoY change (%)			0.00%	0.00%	0.00%	0.00%	0.00%
Vassilios E. Psaltis <sup>(1)</sup>	E	29.11.2018	33,297.15	428,830.10	432,263.53	434,563.71	439,085.00
YoY change (%)			-	7.32% <sup>(2)</sup>	0.80%	0.53%	1.04%
Spyros N. Filaretos	E	19.4.2005	392,311.39	408,653.33	410,019.60	412,024.43	413,877.00
YoY change (%)			6.33%	4.17%	0.33%	0.49%	0.45%
Efthimios O. Vidalis	NE	29.5.2014	109,000.00	109,000.00	103,791.67	96,500.00	98,843.75
YoY change (%)			26.38%	0.00%	(4.78%)	(7.03%)	2.43%
Elli M. Andriopoulou	NE	1.1.2022-					77,019.15
	INE	22.7.2022					
YoY change (%)							-
Aspasia F. Palimeri	INE	22.7.2022					44,188.51
YoY change (%)							-
Dimitris C. Tsitsiragos	NE	2.7.2020-			45,125.00	96,500.00	98,843.75
	INE	31.7.2020					
YoY change (%)			-	-	-	6.93% <sup>(2)</sup>	2.43%
Jean L. Cheval	INE	29.6.2018	54,500.00	109,000.00	103,791.67	96,500.00	114,090.72
YoY change (%)			-	0.00% <sup>(2)</sup>	(4.78%)	(7.03%)	18.23%
Carolyn G. Dittmeier	INE	26.1.2017	134,000.00	134,000.00	128,791.67	121,500.00	135,843.75
YoY change (%)			50.89% <sup>(2)</sup>	0.00%	(3.89%)	(5.66%)	11.81%
Richard R. Gildea	INE	28.7.2016	105,093.78	109,000.00	109,000.00	121,000.00	125,687.50
YoY change (%)			12.80%	3.72%	0.00%	11.01%	3.87%
Elanor R. Hardwick	NE	2.7.2020-			45,125.00	99,625.00	113,687.50
	INE	31.7.2020					
YoY change (%)			-	-	-	10.39% <sup>(2)</sup>	14.12%
Shahzad A. Shahbaz	INE	29.5.2014	80,875.00	84,000.00	84,000.00	80,875.00	73,843.75
YoY change (%)			(16.64%)	3.86%	0.00%	(3.72%)	(8.69%)
Jan A. Vanhevel	INE	21.4.2016-	134,000.00	134,000.00	134,000.00	134,000.00	78,166.67
YoY change (%)			5.24%	0.00%	0.00%	0.00%	0.00% <sup>(2)</sup>
Johannes Herman Frederik G. Umbgrove	NE (pursuant to the provisions of Law 3864/2010)	26.4.2018	59,333.36	109,000.00	109,000.00	109,000.00	113,687.50
YoY change (%)			-	22.47% <sup>(2)</sup>	0.00%	0.00%	4.30%



Explanatory notes:

<sup>(1)</sup> Mr. Vassilios E. Psaltis has been appointed as Member of the Company's Board of Directors as of 29.11.2018; thus, the reported amount corresponds to 1/12 of his remuneration during 2018. As per the above clarification, he did not receive any remuneration for his participation in the Board of Directors. The reported amount is based on his employment contract with the Company. The data payable under this employment contract has been included in the present report.

<sup>(2)</sup> The above-mentioned changes have been calculated on a year-on-year (YoY) basis, despite the fact that the amount mentioned does not correspond to a full-year remuneration.

## Performance Quantitative and Qualitative measures

### Quantitative Measures <sup>(4)</sup>

	2018	2019	2020	2021	2022
<b>Number of Full-time Employees <sup>(1)</sup></b>	7,816	6,993	6,323	8,939	8,460
<b>Change %</b>	(6.60%)	(10.50%)	(9.60%)	N/A	(5.36%)
<b>Staff Costs / Net Interest Income and Net Fee Income <sup>(2)</sup></b>	20.50%	21.80%	21.10%	22.58%	21.93%
<b>Return on Tangible Equity <sup>(3)</sup></b>	0.80%	0.80%	1.80%	3.70%	7.00%
<b>Assets (amounts in millions) / Employees</b>	7.06	8.29	10.28	8.21	9.22
<b>Change %</b>	5.80%	17.50%	24.00%	N/A	12.38%

Explanatory notes:

<sup>(1)</sup> Number of Full-time Employees at end of year.

<sup>(2)</sup> Total staff costs over (/) total Net Income (Net Interest Income + Net Fee Income) related to the corresponding period.

<sup>(3)</sup> Up to 2021, Return on Tangible Equity (ROTE) is calculated by dividing Profit/(Loss) for the year by total equity, after excluding intangible assets. From 2022, ROTe is calculated by dividing Profit / (Loss) for the year by average balance of equity excluding the sum of Goodwill and other intangible assets, Non-controlling interests and Additional Tier 1 capital & Hybrid securities.

<sup>(4)</sup> The figures presented till year 2020 relate to the entity Alpha Services and Holdings S.A. (former Alpha Bank S.A.), while following the Demerger performed on April 16, 2021 the figures for 2021 onwards relate to the Group of Alpha Services and Holdings S.A. which are presented following the exclusion of non-recurring items.

### Qualitative Measures

	2018	2019	2020	2021	2022
<b>MSCI ESG Rating (scale CCC-AAA)</b>	BBB	A	AA	AA	A
<b>FTSE4Good Emerging Index</b>	✓	✓	✓	✓	✓
<b>ISS ESG Quality Score<sup>(1)</sup> (score 1-10, 1 indicates lower risk and better disclosure)</b>	Environment: 2 Social: 2 Governance: 8 June 2018	Environment: 1 Social: 2 Governance: 6 December 2019	Environment: 1 Social: 2 Governance: 4 December 2020	Environment: 1 Social: 2 Governance: 6 December 2021	Environment: 1 Social: 3 Governance: 3 December 2022
<b>Vigeo Eiris Best Emerging Market Performers</b>		✓	✓	✓	✓
<b>Climate Change CDP</b>	Management/B-	Awareness/C	Awareness/C	Management/B-	Management/B
<b>Bloomberg Gender Equality Index</b>	✓ (Index 2019)	✓ (Index 2020)	✓ (Index 2021)	✓ (Index 2022)	✓ (Index 2023)

<sup>(1)</sup> The ISS rating is a comparative rating, which fluctuates due to changes in the market, rather than the sustainability performance of Alpha Services and Holdings.

### Average Remuneration on a full-time equivalent basis Employees <sup>(3)</sup>

	2018	2019	2020	2021	2022
<b>Average number of Full-time Employees <sup>(1)</sup></b>	8,094	7,405	6,658	9,734	8,698
<b>Average Remuneration <sup>(2)</sup></b>	33,047.00	33,714.00	34,796.00	32,687.01	35,234.96
<b>YoY change (%)</b>	2.47%	2.02%	3.21%	N/A	7,79% <sup>(4)</sup>

Explanatory notes:

<sup>(1)</sup> The average number of full-time Employees is calculated as sum of full-time Employees at 1.1 and at 31.12 divided by two.

<sup>(2)</sup> Amounts in Euro. The above number is a quotient, the nominator of which includes salary, off-site compensation, employer's contributions for the Employees' and Managers' saving schemes, medical checkup expenses, cost of leasing for corporate cars, as well as employer's contributions for life, medical and outpatient insurance programs, while the denominator is the average number of full-time Employees, while other charges to cover operational needs have been excluded. The annual remuneration paid to the Executive Board Members has been excluded.

<sup>(3)</sup> The figures presented till year 2020 relate to the entity Alpha Services and Holdings S.A. (former Alpha Bank S.A.), while following the Demerger performed on April 16, 2021 the figures for 2021 and onwards relate to the Group of Alpha Services and Holdings S.A. which are presented following the exclusion of non-recurring items.

<sup>(4)</sup> Due to remuneration adjustments and the sale of Alpha Bank Albania.

## APPENDIX

### Roles and Responsibilities of the Remuneration Committee

The main responsibilities of the Remuneration Committee include but are not limited to those presented below. The Remuneration Committee:

Area of control	Responsibilities of Remuneration Committee
<b>Regarding the Remuneration Policy</b>	<ul style="list-style-type: none"> <li>Assists the Board of Directors in ensuring that the Group Remuneration Policy as well as the “Remuneration Policy of the Members of the Board of Directors as per the provisions of Law 4548/2018” are consistent with the values, culture, business strategy, risk appetite and strategic objectives of the Company and its Subsidiaries, taking into account Environmental, Social and Governance (ESG) risks that affect the business environment in the short, medium or long term.</li> </ul>
<b>Regarding advisory to the Board</b>	<ul style="list-style-type: none"> <li>Provides its support and advice to the Non-Executive Members of the Board of Directors on the design of the Remuneration Policies for the Company and the Group, including that such remuneration policies are gender-neutral according to the relevant legislative and regulatory provisions, support the equal treatment of Staff, promote inclusiveness and respect diversity in general.</li> <li>Recommends to the Non-Executive Members the remuneration of the Members of the Board of Directors.</li> <li>Is responsible for the preparation of decisions on remuneration to be taken by the Non-Executive Members, in particular regarding the remuneration of the Executive Members of the Board of Directors as well as of other identified Staff (i.e. Staff whose professional activities have a material impact on the Institution’s risk profile).</li> </ul>
<b>Regarding Company’ Remuneration decisions</b>	<ul style="list-style-type: none"> <li>Reviews and advises on reward elements within the Company (i.e. fixed salaries, benefits).</li> <li>Reviews the variable remuneration framework. Recommends to the Board of Directors for approval variable remuneration schemes and proposes the total envelope for variable remuneration of all Employees across the Company and the Group.</li> <li>Oversees the evaluation process for and validates the Evaluation Scorecards and the goals of Senior Executives and Key Function Holders, ensuring that it is implemented adequately and in accordance with the provisions of the respective Policy.</li> </ul>

The specific duties and responsibilities of the Remuneration Committee are set out in its Charter, which is posted on the Company’s website

<https://www.alphaholdings.gr/-/media/alphaholdings/pdf-files/simvoulia-kai-epitropes/2022/h-remco-charterdec-2022-eng.pdf>

## TRUE TRANSLATION

### REPORT OF THE INDEPENDENT AUDITOR ON THE REMUNERATION REPORT ACCORDING TO ARTICLE 112 OF LAW 4548/2018

To the Board of Directors  
of **ALPHA SERVICES AND HOLDINGS S.A.**

We performed our work, as described below in paragraph "Scope of Work", based on our engagement letter dated 8 May 2023 and according to the provisions of paragraph 4 of Article 112 of Law 4548/2018, in order to determine if and to what extent the attached Remuneration Report for the year 2022 of ALPHA SERVICES AND HOLDINGS S.A. (the Company) includes the information as provided in Article 112 of Law 4548/2018.

#### Regulatory Framework

Under the provisions of Article 112 of Law 4548/2018, entities with shares listed on a regulated market are obligated to prepare a clear and comprehensive Remuneration Report, which includes an overview of the total remuneration as stipulated in the remuneration policy of the entity, in accordance with Article 110 of Law 4548/2018. The Remuneration Report shall be submitted for discussion to the Annual General Meeting of Shareholders as a separate item of the Agenda. Following the discussion held at the Annual General Meeting of Shareholders, the Remuneration Report is published in accordance with paragraph 4 of Article 112 of Law 4548/2018 and is available for a period of ten (10) years. The same paragraph of this law also states that the entity's auditors should determine whether and to what extent the Remuneration Report includes the information required by Article 112 of Law 4548/2018.

#### Responsibilities of Company's Management

Management is responsible for the preparation and the overall fair presentation of the Remuneration Report in accordance with Article 112 of Law 4548/2018. In this context, Management is responsible to prepare a clear and comprehensive Remuneration Report, which provides an overview of the total remuneration as stipulated in the remuneration policy of the Company, in accordance with Article 110 of Law 4548/2018.

Management is also responsible to for designing all necessary internal controls to ensure Company's compliance with the provisions of Articles 110, 111 and 112 of Law 4548/2018, as effective.

#### Auditor's Responsibility

Our responsibility is limited to the issue of this Report and based on the work performed to determine whether and to what extent the attached Remuneration Report for the year 2022 of the Company includes the information required by of Article 112 of Law 4548/2018.

Our work is limited to the items described in "Scope of Work" paragraph below and was performed in accordance with the International Standard on Assurance Engagements 3000, "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information".

## Scope of work

Our work was performed to determine whether the Remuneration Report includes, as a minimum, the following information regarding the remuneration of each individual member of the Company's Board of Directors and the Chief Executive Officer:

- (a) total remuneration awarded, including remuneration of paragraph 2 of Article 109, providing analysis per type, fixed and variable remuneration percentages, as well as an analysis of the implementation of performance criteria and how total remuneration complies with the approved remuneration policy,
- (b) the annual change of remuneration of each member of the Board and the Chief Executive Officer, the performance of the Company and the average remuneration, on a full-time equivalent basis, of the employees of the Company, other than directors, over the last five (5) financial years, presented in a manner that allows comparison from the shareholders,
- (c) any remuneration of all kinds from any company belonging to the same group of companies, as defined in Article 32 of Law 4308/2014,
- (d) the number of shares and share options granted or offered to the members of the Board of Directors and the main conditions for the exercise of these rights, including the exercise price and date and any change thereof,
- (e) any share options vested by the Board of Directors under the Company's share-based remuneration plans,
- (f) information in relation to the use of the ability to recover variable remunerations,
- (g) information in relation to any deviation from the remuneration policy, pursuant to paragraph 7 of Article 110, including a description of the nature of the exceptional circumstances and the indication of the specific elements of the remuneration policy that has been breached.

## Conclusion

Based on the work performed and the evidence obtained, nothing has come to our attention that causes us to believe that the attached Remuneration Report for the year 2022 of Alpha Services and Holdings S.A. does not include the information required by Art 112 of Law 4548/2018.

## Restriction of use

Our Report has been prepared solely for the purpose stated in its first paragraph and is addressed exclusively to the Company's Board of Directors and shall not be used for any other purposes.

Athens, 30 June 2023

The Certified Public Accountant

## Fotini D. Giannopoulou

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