



ALPHA BANK

REMUNERATION REPORT

for the year 2019



July 2020

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Letter from the Chair of the Remuneration Committee

Dear Shareholders,

As the Chair of the Remuneration Committee, I am pleased to present our Directors' Remuneration Report for the year ended December 31, 2019. Our listing is on the Athens Exchange, and our Bank is established in Greece. In this context, we ensure that we comply fully with the requirements of the relevant Greek legislation.

The Remuneration Report is presented for the first time, following the introduction of a legislative obligation. It reflects the Full Year 2019 implementation of the Remuneration Policy (**the "Policy"**), which was introduced as per the provisions of articles 110 and 111 of Law 4548/2018 (**the "Company Law"**) that transposed into Greek law the relevant provisions of the Shareholders Rights Directive (2017/828/EU amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement).

The Policy contributes to the Bank's business strategy, long-term interests and sustainability and is set to comply with the legislative and regulatory framework to align the interests between the Shareholders and the Management and to create value for the benefit of all stakeholders.

I welcome your feedback and suggestions regarding anything we can do to improve the report further.

Sincerely,

Richard R. Gildea

Chair of the Remuneration Committee

General information

1. Key Developments of the year

2019 has been a milestone year regarding the overall performance of the banking system in Greece. The management of the Non-Performing Exposures (NPEs) remained the major challenge, which had to be faced, while on 1.9.2019 the capital controls in the Greek banking system, which were imposed for the first time in 29.6.2015, were abolished.

For Alpha Bank S.A. (the “Bank” or “Alpha Bank”), 2019 marked the beginning of the remediation of its balance sheet as well as the Bank’s return to long-term profitability. In this context, from the beginning of the year the reliance of the Bank on the Emergency Liquidity Assistance funding was fully eliminated, while Alpha Bank continued expanding its deposit base.

In November 2019, the Bank announced its Strategic Plan for the years 2020-2022, targeting an acceleration of its balance sheet clean-up by launching a large NPE securitization of Euro 12 billion (Project Galaxy) with the utilization of the Hellenic Asset Protection Scheme (“HAPS”), introduced by the Greek Government. Alpha Bank also announced the reorganization of its NPE management platform through a partnership with a strong international player to be followed by a carve out of the relevant infrastructure into Cepal Hellas and the creation of a new servicer (“New Cepal”) which will combine the skills of both platforms, to support an accelerated buildup of servicing capacity for remedial actions on non-performing portfolios. The above will contribute to the significant de-risking of the balance sheet leading to a normalization of the cost of risk anticipated to be less than 100 basis points going forward. At the same time, the operating model transformation is expected to drive the Alpha Bank Group (the “Group”) cost to income ratio below 48% and counterbalance the income erosion from balance sheet deleveraging. The cost efficiency efforts continued and accelerated through the successful Voluntary Separation Scheme (VSS), while the forthcoming transaction-led NPE management outsourcing is expected to contribute significantly to cost reduction in the next two or three years.

The main highlights for the Alpha Bank Group during 2019, related to the information provided in this Report, were the following:

- Robust capital position with Common Equity Tier 1 (CET 1) ratio at 17.9% and with Total Capital Adequacy Ratio (CAD) at the same level of 17.9%, at the end of December 2019.
- Improved liquidity. Due to Customers increased by Euro 1.6 billion year over year in 2019, primarily as a result of inflows from the private sector. The Loan to deposit ratio for the Group reduced further to 118.9% as of 31.12.2019 versus 132.3% as of 31.12.2018.
- Improved profitability, since profit after tax in 2019 stood at Euro 97 million versus Euro 53 million for 2018, mainly supported by (i) the Gain less losses on financial transactions; (ii) the decreased Total expenses (before impairment losses and provisions to cover credit risk (excluding expenses for separation schemes)) and (iii) the decreased impairment losses and provisions to cover credit risk, reflecting a cost of risk of 158 basis points in 2019 compared to 296 basis points for 2018.

Finally, Alpha Bank launched in 2019 and successfully completed in February 2020 a landmark Tier II bond issuance of Euro 500 million at a yield of 4.25%, optimizing its capital structure and diversifying its capital sources. The Tier II issuance adds 104 basis points to the Group's total capital adequacy ratio.

Update on Covid-19

The emergence of Covid-19 in Europe in the first quarter of 2020 has added a major uncertainty in terms of both macroeconomic developments and the ability of businesses to operate under the regime of the restrictive measures imposed. The financial implications depend to a large extent on how long this crisis will last and vary on a case-by-case basis as each sector of the economy is affected differently.

Alpha Bank is closely monitoring the situation on Covid-19 and is continuously assessing the potential impact of the pandemic on the Bank's asset quality, risk profile and the execution of its Business Plan. In response to the Covid-19 outbreak and in light of the measures announced by the Greek Government, the Bank is reassessing its procedures so that a solid operational plan is in place to guarantee business continuity and operational readiness as well as to ensure the Bank will continue to strongly support the Greek economy.

Alpha Bank's top priority throughout the outbreak has been to ensure the health and safety of Customers and Employees. To this end, from the onset of the Covid-19 outbreak the Bank has taken a number of measures designed to prevent the spread of the virus, while still retaining its operational readiness.

Firstly, the most vulnerable Employees (including those who have to take care of minors) have been identified and allowed to either work remotely or stay at home under the special purpose leave from work. In addition, a robust communications plan containing guidelines as to how to protect against the virus was developed for Employees and Customers, while business trips and non-essential travel have also been restricted.

Furthermore, the Bank has taken the necessary steps to secure an adequate supply of protective equipment and medical supplies (i.e. antiseptics, hand sanitizers and over-the-counter medicine) across the Group's offices and Branches. The office buildings and Branches are regularly cleaned and sanitized to mitigate the spread of the virus.

The Bank has also reinforced its digital infrastructure. The related action plan is being regularly reassessed in order to guarantee that the Bank's Branch Network remains active to ensure that the needs of Customers can continue to be met without interruption.

100% of the Bank's Branches remained fully operational with approximately 50% of the Branch Employees on premises on a bi-weekly rotating basis. Due to remote working capabilities, over 90% of Employees in the Head Office Units were working remotely during the lockdown. Weekly calls were organized, regularly updating all Employees on the guidelines and policies and at the same time increased medical care was provided through an open line of communication with the Bank's physicians and direct online access to medical advice through myAXAdoctor.

Furthermore, the Bank actively supports Retail, Small Business and Commercial Customers in the current environment through flexible propositions including debt payment deferrals for both Individuals and Businesses, extension of revolving credit lines maturity, emergency working capital and the full support of Government Schemes, including the Government Guarantee Scheme and the new Entrepreneurship Fund II "Business Funding" scheme for SMEs.

On 4.5.2020 the gradual removal of the pandemic-related restrictions on economic activity was initiated by the

Greek Government, a fact that is expected to contribute to the mitigation of the economic impacts, in conjunction with the healthcare developments with regard to the spread of the virus.

After the lockdown, the Bank has been gradually bringing people back to the office in a very cautious and staggered approach, observing all applicable rules on safety. Alpha Bank's Board of Directors, in consultation with the management team, is closely monitoring the situation and, in particular, the impact of Covid-19 on the Bank's operational performance, its Shareholders and other stakeholders, such as Employees, Customers and Communities, and will take the relevant information into account in all decisions relevant to remuneration matters going forward.

2. Remuneration Governance

2.1 The Remuneration Committee (RemCo)

The composition of the Remuneration Committee was decided upon by the Board of Directors. On 31.12.2019, the Remuneration Committee comprised four Non-Executive Members, out of whom two were Non-Executive Independent Members.

| | | |
|---------------|--------------------------------------|--|
| Chair | Richard R. Gildea | Non-Executive Independent Member |
| Member | Jean L. Cheval | Non-Executive Independent Member |
| Member | Efthimios O. Vidalis | Non-Executive Member |
| Member | Johannes Herman Frederik G. Umbgrove | Non-Executive Member (pursuant to the provisions of Law 3864/2010) |

The Remuneration Committee meets at least quarterly per year and during 2019 it had 10 meetings, with an average participation rate of 98% (based on the RemCo's composition on 31.12.2019). No individual Member attended less than 75% of RemCo meetings.

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

- Assists the Board of Directors in ensuring that the remuneration policies are consistent with the values, culture, business strategy, risk appetite and strategic objectives of the Bank and the Group.
- Is responsible for the preparation of decisions on the remuneration of the Members of the Board of Directors to be granted to the Non-Executive Members.
- Reviews the variable remuneration framework. Advises on variable remuneration schemes, where these are permitted, for Personnel and Executives across the Bank and the Group and proposes the total envelope for variable remuneration across the Bank and the Group.
- Assesses the mechanisms and programs adopted to ensure that the remuneration system properly takes into account all types of risks, liquidity, capital levels and that the overall Remuneration Policies are consistent with and promote sound and effective risk management and are in line with the business strategy, objectives, corporate culture, values and the long-term interests of the Bank.
- Oversees the evaluation process for Senior Executives and Key Function Holders, ensuring that it is implemented satisfactorily and in accordance with the provisions of the Bank's respective Policy.

The specific duties and responsibilities of the Remuneration Committee are described in its Charter, which was amended in December 2019 and is posted on the Bank's website (<https://www.alpha.gr/en/group/corporate-governance/committees>).

During 2019 the Remuneration Committee:

- took cognizance of and reviewed the audit report on the Remuneration Policy for Alpha Bank and the Group Companies for the year 2018, which was carried out by the Internal Audit Division;
- reviewed and proposed to the Board of Directors the approval of the following documents:
 - Remuneration Policy as per the provisions of Law 4548/2018
 - Remuneration Policy for Alpha Bank and the Group Companies, in accordance with the provisions of the banking legislation
 - Benefits Policy for Alpha Bank and the Group Companies
 - Senior Executives Severance Payment Policy
 - Expenses Policy for the Non-Executive Members of the Board of Directors;
- finalized the Remuneration Amounts for the financial year 2018 and 2019 for the Non-Executive Members of the Board of Directors;
- endorsed the expansion of the 2018 Voluntary Separation Scheme (VSS) throughout 2019, took cognizance of the 2019 VSS design parameters and was informed of the results of the VSS, including the fact that the participation in the VSS exceeded expectations.
- took cognizance of the 2018 Sales Incentive Program (SIP) Bonus Pool allocation to Employees and recommended to the Board of Directors the allocation of Euro 2,152 thousand. Furthermore, the Committee was informed of the Sales Incentive Program for 2019 targets, taking cognizance of the performance of the Branch Network on a regular basis.
- took cognizance of the 2018 Performance Incentive Program (PIP) allocation of Euro 5.6 million to Units and Individuals, endorsed it and proposed its approval by the Board of Directors. Furthermore, the Committee was informed of the PIP – 2019 Bonus Pool formation as well as of the updated 2019 PIP Senior Management KPIs and Projects.
- was informed by the Human Resources Division of the 360 degrees Development Program with the participation of a total of 95 Executive General Managers and Division Managers as well as a total of 202 Division Assistant Managers.
- was informed of the results of the 2018 Performance Evaluation which was launched in January 2019 with the participation of 7,366 Employees.

Furthermore, the Chair of the Committee, Mr. R.R. Gildea, met with the Chairs of the Audit and the Risk Management Committees and they jointly took cognizance of, discussed and reviewed the 2018 performance evaluations of the General Manager - Chief Risk Officer, the Head of Internal Audit and the Head of Compliance as well as the relevant Key Performance Indicators (KPIs) for 2019. Further to the above, they were informed of the Senior Executives' annual remuneration for the year 2019 and verified that the 2019 annual remuneration for the General Manager - Chief Risk Officer, the Head of Internal Audit and the Head of Compliance is within the approved salary ranges.

Finally, the Remuneration Committee took cognizance of the Annual Activity Reports for the year 2019 of the Remuneration Committees of Alpha Bank London Ltd and Alpha Bank Romania S.A. as well as of the annual remuneration amounts of the Non-Executive Members of the Boards of Directors of Group Companies for the year 2018.

2.2 Remuneration Policy in 2019

During 2019 the Bank updated the Articles of Incorporation, established a Remuneration Policy as per the provisions of articles 110 and 111 of Law 4548/2018 (the “Remuneration Policy”) which incorporated into Greek law the relevant provisions of the Shareholders Rights Directive and updated the Senior Executives Severance Payment Policy, which applies to the Senior Executives of Alpha Bank. The aforementioned texts were approved by the Extraordinary General Meeting of Shareholders held on 20.11.2019 and are posted on the Bank’s website (<https://www.alpha.gr/en/group/corporate-governance>).

The Remuneration Committee will continue to keep policies under review so as to ensure that plans and programs relating to remuneration support the Bank’s strategy and are closely linked to Shareholders’ interests. The Bank embraces the dialogue with Shareholders and welcomes views on this Remuneration Report.

Key Pillars of the Remuneration Policy

The key pillars of the Policy are formed so as to promote the business strategy, the sustainability and the long-term interests of the Bank. These are:

- **Long-term value creation.** The Policy ensures that the Bank is remunerating its Directors on the basis of the Bank’s business plan, so as to continue creating value for Customers, Shareholders, Employees and other stakeholders.
- **Attraction and retention of Officers and Employees.** The Bank is required to attract, motivate and retain highly-skilled Officers and Employees in the long term, while ensuring due corporate governance and promoting the Bank’s values. In order to preserve competitiveness, compensation must be competitive by remaining current with market trends and dynamics.
- **Risk management.** The Policy ensures a proper alignment in place for risk undertaking on a sound basis, thus discouraging excessive risk taking which is detrimental to proper and prudent risk management. The performance management framework offers incentives for distinguished results.
- **Remuneration linked to performance evaluation.** The remuneration scheme consists of both fixed and variable components within a performance management framework, assuring clarity, coherence and consistency with the Bank’s strategy, while encouraging and rewarding distinguished performance. The level of fixed pay is determined on the basis of fair remuneration for the responsibilities of each position, taking into account the level of responsibility as well as the knowledge, the expertise and the experience required to deliver upon expectations and it is in compliance with the labor law provisions, while also considering the financial condition of the Bank and supporting its longer-term interests. Variable remuneration is linked to key performance indicators and is set to provide a balance, so as to ensure there is focus on the business plan objectives as well as on the long-term goals determined by the Bank’s strategy as at times in force, while respecting the applicable legislative constraints on acquiring and retaining shares (or other instruments) and aligning to the long-term performance and sustainability of the Bank and its Shareholders.

3. Remuneration of the Members of the Board of Directors

3.1 Non-Executive Members

3.1.1 Non-Executive Members' Remuneration

| Element of remuneration | Overview |
|--|---|
| Fixed remuneration (for their participation in the BoD) | 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. |
| Fixed remuneration (for their participation in the BoD Committees) | Depending on his/her position in the BoD Committees, each Non-Executive Member, including each Non-Executive Independent Member, may receive an additional annual fee for his/her role (either as Chair or as a Member) in any such BoD Committee, which cannot exceed a threshold set by the BoD and is reviewed annually, in accordance with the relevant legislative requirements, taking into consideration criteria such as the time commitment and the active participation in the Committees, the role in each Committee, the nature of each Committee and the number of BoD Committees in which a Non-Executive Member may participate. |
| Other Benefits | 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. |
| Variable remuneration | No variable remuneration is received by the Non-Executive BoD Members neither are they part of performance incentives. |
| Retirement plans | Non-Executive BoD Members are not part of retirements plans. |
| Severance payment programs | Non-Executive BoD Members are not part of severance programs. |

3.1.2 Non-Executive Members' Remuneration in 2019

The total remuneration (1) paid to the Non-Executive Members for the year 2019, in accordance with the provisions of article 112 of Law 4548/2018, is presented in the table below:

| Non-Executive Member | Position | Fixed Remuneration | Corporate Benefits ² | Variable Remuneration-Severance ² | Total remuneration |
|--|--|--------------------|---------------------------------|--|--------------------|
| Vasileios T. Rapanos | Chair | 259,000.00 | 0 | 0 | 259,000.00 |
| Efthimios O. Vidalis | Member of the Board of Directors | 59,000.00 | 0 | 0 | 109,000.00 |
| | Member of the Audit Committee | 25,000.00 | | | |
| | Member of the Corporate Governance and Nominations Committee | 12,500.00 | | | |
| | Member of the Remuneration Committee | 12,500.00 | | | |
| Demetrios P. Mantzounis 2.1.2019 - 31.12.2019 | Member of the Board of Directors | 54,083.33 | 0 | 0 | 54,083.33 |
| Jean L. Cheval | Member of the Board of Directors | 59,000.00 | | | 109,000.00 |
| | Member of the Audit Committee | 25,000.00 | | | |
| | Member of the Corporate Governance and Nominations Committee | 12,500.00 | | | |
| | Member of the Remuneration Committee | 12,500.00 | | | |
| Carolyn G. Dittmeier | Member of the Board of Directors | 59,000.00 | 0 | 0 | 134,000.00 |
| | Chair of the Audit Committee | 50,000.00 | | | |
| | Member of the Risk Management Committee | 25,000.00 | | | |
| Richard R. Gildea | Member of the Board of Directors | 59,000.00 | 0 | 0 | 109,000.00 |
| | Chair of the Remuneration Committee | 25,000.00 | | | |
| | Member of the Risk Management Committee | 25,000.00 | | | |
| Shahzad A. Shahbaz | Member of the Board of Directors | 59,000.00 | 0 | 0 | 84,000.00 |
| | Chair of the Corporate Governance and Nominations Committee | 25,000.00 | | | |
| Jan A. Vanhevel | Member of the Board of Directors | 59,000.00 | 0 | 0 | 134,000.00 |
| | Chair of the Risk Management Committee | 50,000.00 | | | |
| | Member of the Audit Committee | 25,000.00 | | | |
| Johannes Herman Frederik G. Umbgrove ³ | Member of the Board of Directors | 59,000.00 | 0 | 0 | 109,000.00 |
| | Member of the Audit Committee | 25,000.00 | | | |
| | Member of the Corporate Governance and Nominations Committee | 12,500.00 | | | |
| | Member of the Remuneration Committee | 12,500.00 | | | |

¹ All amounts in the table are presented in Euro on a gross basis.

² The Non-Executive Members of the BoD do not receive any variable remuneration or Corporate Benefits. As of 2010, payment of any performance-related reward (bonus) to BoD Members is prohibited by the statutory provisions of the Hellenic Financial Stability Fund (HFSF) Law (Law 3864/2010).

³ Mr. J.-H.-F.G. Umbgrove is a Member of all four Committees; however, according to a BoD resolution dated 29.11.2018, no Member may be paid for participation in more than three Committees of the Board of Directors.

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 Non-Executive Independent 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, special tax levy (STL) and stamp tax withholdings.

3.2 Executive Members of the Board of Directors (the “Executives”)

3.2.1 The Executives’ Remuneration

| Element of remuneration | Overview |
|-------------------------|---|
| Fixed remuneration | <p>The Executive Members of the BoD do not receive any remuneration for their participation in the BoD.</p> <p>The remuneration of the Executives of the Bank is effectuated as per the provisions of the applicable legislation (including eventual threshold restrictions and percentage allocations). In order to determine the salary, in line with the applicable law provisions, the Bank takes into consideration the position, the duties, the level of responsibility and risk undertaking, the skills required for the exercise of duties, the competence and the experience of the Executives, along with international trends, evolving market conditions and local market comparables. The Executives do not receive any remuneration related to their participation in Group Companies’ Board of Directors.</p> |
| Variable remuneration | <p>The variable component of the total compensation of the Executives is discretionary (at the Bank’s discretion) and refers to a performance-related reward (bonus) or other reward schemes that may vary per year. Variable remuneration, where applicable, reflects the annual sustainable and risk-adjusted performance as well as performance in excess of that required to fulfill the duties assigned.</p> <p>Variable remuneration is linked to Key Performance Indicators and is set to provide a balance, so as to ensure the focus on the business plan objectives as well as on long-term goals determined by the Bank’s strategy as at times in force, whilst discouraging excessive risk undertaking.</p> <p>Details in respect of the criteria and the allocation of variable remuneration are provided in the Remuneration Policy.</p> <p>As of 2010, however, payment of any performance-related reward to Executives is prohibited by the statutory provisions of the HFSF Law (Law 3864/2010).</p> |
| Corporate Benefits | <p>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 and for the period these positions are held. Those benefits either cover the operational needs of those positions such as corporate mobile phone, corporate car, fuel expenses and a corporate credit card exclusively for business-related expenses, 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.</p> |

| Element of remuneration | Overview |
|-----------------------------------|--|
| Severance payment programs | <p>In addition to the above, the Bank may offer, at its discretion, to Executives a severance payment, as per Alpha Bank's "Senior Executives Severance Payment Policy" in case of termination of their contract on terms and conditions proposed by the Bank. The plan covers, at the discretion of the Bank, cases of both voluntary and involuntary termination of the relevant agreement.</p> <p>Such severance plan comprises a severance payment of up to 24 gross monthly salaries depending on the period of service of the Executive (i.e. provided that they have been engaged by the Bank for at least 6 years (i) up to 18 gross monthly salaries for an up to 15-year continuous service and (ii) up to 24 gross monthly salaries for continuous service exceeding 15 years). The amount is payable as follows: up to 60% is paid after the execution of the relevant agreement and the remaining (at least 40% of the relevant amount) is paid in three equal annual installments at the annual anniversary of the execution of the termination agreement. Non-compete clauses may be included in the relevant termination agreement. The severance amount is subject to malus or clawback agreements in case of disciplinary offence. In case the Bank's Recovery Plan is triggered, any future payments are cancelled. The severance payment is taxed as per applicable law provisions and is offset against any other compensation by law. As part of the severance plan, the Bank may determine, inter alia, the period where favorable interest terms may apply, the amount of the severance that can be offset against debts of the Executives towards the Bank and the time period during which the health care plan may remain in force.</p> |
| Legal Proceedings Indemnification | <p>In line with customary market practice, the Bank may eventually undertake to indemnify the Members of the BoD in the event of their involvement in any proceeding (civil, criminal or administrative) (jointly the "Legal Proceedings") in the context of the services provided by them to the Bank, against any reasonable legal costs and fees in preparing or defending any such Legal Proceedings, unless such Legal Proceedings are caused by a BoD Member's fault and, furthermore, provided that the BoD Member was acting within his/her area of responsibility and competence and not against the law or the interests of the Bank. Such indemnification may be offered by a decision of the Board of Directors.</p> |

3.2.2 Executive Members of the BoD Remuneration in 2019

The total remuneration (1) paid to the Executive Members for the year 2019, in accordance with the provisions of article 112 of Law 4548/2018, is presented in the table below:

| Executive Member | Position | Fixed Remuneration ² | Corporate Benefits ³ | Variable Remuneration - Severance ⁴ | Total Remuneration |
|---|------------------------------|---------------------------------|---------------------------------|--|--------------------|
| Vassilios E. Psaltis * | CEO | 376,307.76 | 52,522.34 | 0 | 428,830.10 |
| Spyros N. Filaretos | BoD Member - General Manager | 365,000.01 | 43,653.32 | 0 | 408,653.33 |
| Artemios Ch. Theodoridis | BoD Member - General Manager | 365,750.01 | 43,546.49 | 0 | 409,296.50 |
| George C. Aronis ** | BoD Member | 365,000.01 | 52,062.13 | 0 | 417,062.14 |
| Demetrios P. Mantzounis *** | BoD Member | 43,584.80 | 2,696.14 | 337,950.00 ⁵ | 384,230.94 |
| * CEO as of 2.1.2019 ** BoD Member until 31.1.2020 *** CEO until 2.1.2019 and Non-Executive Member until 31.12.2019 | | | | | |

¹ All the amounts in the table are presented in Euro on a gross basis.

² Fixed Remuneration also includes off-site compensation paid.

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).

⁴ General remark:

- The Executive Members of the BoD do not receive any remuneration for their participation in the Board of Directors. They 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). Although not within the minimum content imposed by statute, the data on any remuneration payable to Executive Board Members under such Employment Contracts has been included in the present report.
- As of 2010, payment of any performance-related reward (bonus) to BoD Members is prohibited by the statutory provisions of the HFSF Law (Law 3864/2010). Thus, no performance-related reward (bonus) was paid and/or awarded to the Executive Members in 2019.

⁵ Mr. D.P. Mantzounis, following his resignation from the position of Managing Director - CEO on 2.1.2019, received an upfront payment of the severance payable in installments, subject to and in accordance with the terms and conditions of the Senior Executives Severance Payment Policy, as approved by the 2018 Ordinary General Meeting of Shareholders.

4. Additional Information

During the financial year 2019:

- No profit distribution, as provided by article 109 paragraph 2 of Law 4548/2018 to the Bank's Directors and Executives, has taken place;
- There were no active share distribution programs and no relevant rights were exercised by the Bank's Board Members;
- Clawback and malus provisions were not applied during the reporting year;
- The Bank did not proceed with indemnifications of Board Members and Executives due to their involvement in any proceeding (civil, criminal or administrative) (jointly the "Legal Proceedings") in the context of the services provided by them to the Bank;
- There were no derogations or deviations from the Company's approved Remuneration Policy regarding its scope of implementation during the financial year 2019.

5. Comparison of Remuneration and Bank's Performance Over Time

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

| Name | Position | Membership | Total Remuneration (amounts in Euro) | | | | |
|---|--|-----------------------|--------------------------------------|------------|------------|------------|------------|
| | | | 2015 | 2016 | 2017 | 2018 | 2019 |
| Vasileios T. Rapanos | Non-Executive Member | as of 29.5.2014 | 250,000.00 | 250,000.00 | 259,000.00 | 259,000.00 | 259,000.00 |
| YoY change (%) | | | - | - | 3.6% | - | - |
| Vassilios E. Psaltis | Executive Member | as of 29.11.2018 | n/a | n/a | n/a | 33,297.15* | 428,830.10 |
| YoY change (%) | | | - | - | - | - | 7.32%** |
| Spyros N. Filaretos | Executive Member | as of 19.4.2005 | 368,879.85 | 368,388.67 | 368,970.21 | 392,311.39 | 408,653.33 |
| YoY change (%) | | | - | (0.13)% | 0.16% | 6.33% | 4.17% |
| Artemios Ch. Theodoridis | Executive Member | as of 19.4.2005 | 369,359.41 | 369,763.83 | 370,064.13 | 392,901.46 | 409,296.50 |
| YoY change (%) | | | - | 0.11% | 0.09% | 6.18% | 4.17% |
| George C. Aronis | Executive Member | 22.3.2011 - 31.1.2020 | 379,608.01 | 380,092.14 | 380,424.23 | 404,375.33 | 417,062.14 |
| YoY change (%) | | | - | 0.13% | 0.09% | 6.3% | 3.14% |
| Efthimios O. Vidalis | Non-Executive Member | as of 29.5.2014 | 42,000.00 | 46,000.00 | 86,250.00 | 109,000.00 | 109,000.00 |
| YoY change (%) | | | - | 9.53% | 87.5% | 26.38% | - |
| Demetrios P. Mantzounis | Executive Member | 11.4.1995 - 2.1.2019 | 346,051.20 | 346,441.99 | 347,644.44 | 380,689.39 | 438,314.27 |
| | Non-Executive Member | 2.1.2019 - 31.12.2019 | | | | | |
| YoY change (%) | | | - | 0.11% | 0.35% | 9.51% | 15.14% |
| Jean L. Cheval | Non-Executive Independent Member | as of 29.6.2018 | n/a | n/a | n/a | 54,500.00 | 109,000.00 |
| YoY change (%) | | | - | - | - | - | -** |
| Carolyn G. Dittmeier | Non-Executive Independent Member | as of 26.1.2017 | n/a | n/a | 82,479.17 | 134,000.00 | 134,000.00 |
| YoY change (%) | | | - | - | - | 50.89%** | - |
| Richard R. Gildea | Non-Executive Independent Member | as of 28.7.2016 | n/a | 34,791.65 | 93,166.67 | 105,093.78 | 109,000.00 |
| YoY change (%) | | | - | - | 11.58%** | 12.80% | 3.72% |
| Shahzad A. Shahbaz | Non-Executive Independent Member | as of 29.5.2014 | 48,000.00 | 71,275.00 | 97,020.83 | 80,875.00 | 84,000.00 |
| YoY change (%) | | | - | 48.49% | 36.12% | (16.64)% | 3.87% |
| Jan A. Vanhevel | Non-Executive Independent Member | as of 21.4.2016 | n/a | 67,000.00 | 127,333.33 | 134,000.00 | 134,000.00 |
| YoY change (%) | | | - | - | 51.59%** | 5.24% | - |
| Johannes Herman Frederik G. Umbgrove | Non-Executive Member (pursuant to the provisions of Law 3864/2010) | as of 26.4.2018 | n/a | n/a | n/a | 59,333.36 | 109,000.00 |
| YoY change (%) | | | - | - | - | - | 22.47%** |

* Mr. Vassilios E. Psaltis was appointed as Member of the Bank'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 Bank. The Bank, however, for the sake of transparency and clarity has decided to include in the Remuneration Report related data in relation to the Executive Members even though it is not mandatory.

** 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.

5.2 Bank's Performance

Quantitative Measures

| | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|---------|---------|--------|--------|---------|
| Number of Employees ¹ | 9,729 | 8,580 | 8,372 | 7,816 | 6,993 |
| Change % | 0.8% | (11.8)% | (2.4)% | (6.6)% | (10.5)% |
| Staff Costs / Net Interest Income and Net Fee Income ² | 21.5% | 20.7% | 19.1% | 20.5% | 21.8% |
| Change (bps) | (73) | (8) | (16) | 14 | 14 |
| Return on Tangible Equity ³ | (12.7)% | 3.1% | 0.5% | 0.8% | 0.7% |
| Change (bps) | (118) | 158 | (26) | 4 | (1) |
| Assets (amounts in millions) / Employees | 6.68 | 7.04 | 6.67 | 7.06 | 8.29 |
| Change % | (4.7)% | 5.4% | (5.2)% | 5.8% | 17.5% |

¹ Number of Full-time Employees at end of year.

² Total staff costs over (I) total Net Income (Net Interest Income + Net Fee Income) related to the corresponding period.

³ Return on Tangible Equity (ROTE) is calculated by dividing the company's profit/(loss) for the year by total equity, after excluding intangible assets.

Quantitative Measures

| | 2015 | 2016 | 2017 | 2018 | 2019 |
|--|------|------|-------------|--|---|
| MSCI ESG Rating (scale CCC-AAA) | B | B | BB | BBB | A |
| FTSE4Good Emerging Index | | ✓ | ✓ | ✓ | ✓ |
| ISS ESG Quality Score (score 1-10, 1 indicates lower risk and better disclosure) | | | | Environment: 2 Social: 2 Governance: 8 June 2018 | Environment: 1 Social: 2 Governance: 6 December 2019* |
| Vigeo Eiris Best Emerging Market Performers | | | | | ✓ |
| Climate Change CDP | | | Awareness/C | Management/B- | Awareness/C |
| Bloomberg Gender Equality Index | | | | ✓ (Index 2019) | ✓ (Index 2020) |

* It is noted that the Bank's latest governance score change (Jun 30, 2020) is the following:

Environment: 1

Social: 2

Governance: 5

5.3 Average Remuneration on a full-time equivalent basis of the Bank's Employees

| | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|--------|--------|--------|--------|--------|
| Full-time Employees | | | | | |
| - at 31.12 | 9,729 | 8,580 | 8,372 | 7,816 | 6,993 |
| - at 1.1 | 9,648 | 9,729 | 8,580 | 8,372 | 7,816 |
| Average number of Full-time Employees * | 9,689 | 9,155 | 8,476 | 8,094 | 7,405 |
| Average Fixed Remuneration ** | 29,905 | 31,412 | 32,253 | 33,047 | 33,714 |
| YoY change (%) | - | 5.04% | 2.68% | 2.47% | 2.02% |

* The average number of full-time Employees is calculated as the sum of full-time Employees at 1.1 and at 31.12 divided by two.

** 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 above-mentioned average number of full-time Employees. All the amounts of the nominator are included in the categories "Wages and Salaries" and "Other charges" in the Note "Staff costs" of the published Bank's financial statements, while other charges to cover operational needs of the Bank have been excluded.

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

To the Board of Directors of Alpha Bank A.E.

We performed our work, as described below in paragraph "Scope of Work", based on our engagement letter dated 4 June 2020 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 Remuneration Report (Appendix A) for the year 2019 of Alpha Bank A.E. (the Bank) 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 Bank'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 Bank, in accordance with Article 110 of Law 4548/2018.

Management is also responsible to for designing all necessary internal controls to ensure Bank'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 Remuneration Report (Appendix A) for the year 2019 of the Bank 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 Bank'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 Bank and the average remuneration, on a full-time equivalent basis, of the employees of the Bank, 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 Bank'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 Remuneration Report (Appendix A) for the year 2019 of Alpha Bank A.E. 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 Bank's Board of Directors and shall not be used for any other purposes.

Athens, 9 July 2020

The Certified Public Accountant

Alexandra V. Kostara

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