Alpha Services and Holdings S.A

Pillar III Disclosures

Report for June 30, 2023

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ALPHA SERVICES AND HOLDINGS

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List of Abbreviations

Abbreviation	Definition
ALCo	Assets-Liabilities Management Committee
BoD	Board of Directors
BoG	Bank of Greece
Bps	Basis Point
BRRD	Bank Recovery and Resolution Directive
CAR	Capital Adequacy Ratios
CBR	Combined Buffers Requirements
CCF	Credit Conversion Factor
CCP	Code of Civil Procedure
CCR	Counterparty Credit Risk
CCyB	Countercyclical Capital Buffer
CDS	Credit Default Swaps
CET1	Common Equity Tier 1
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CRD	Capital Requirements Directive
CRE	Commercial Real Estate
CRM	Credit Risk Mitigation
CRO	Chief Risk Officer
CRR	Capital Requirements Regulation
CSA	Credit Support Annex
CVA	Credit Valuation Adjustment
DTA	Deferred Tax Assets
EAD	Exposure at Default
EBA	European Banking Authority
ECAI	External Credit Assessment Institutions
ECB	European Central Bank
ECL	Expected Credit Loss
ELA	Emergency Liquidity Assistance
EU	European Union
FRTB	Fundamental Review of the Trading Book
FTP	Fund Transfer Pricing mechanism
FVTOCI	Fair Value Through Other Comprehensive Income
FVTPL	Fair Value Through Profit or Loss
FX	Foreign Exchange
GDP	Gross Domestic product
GL	Guidelines
GMRA	Global Master Repurchase Agreement
KPI	Key Performance Indicator
KRI	Key Risk Indicator
LAS	Liquidity Adequacy Statements
LCR	Liquidity Coverage Ratio
LGD	Loss given default
LTV	Loan to Value

Abbreviation	Definition
HDIGF	Hellenic Deposit and Investment Guarantee Fund
IAS	International Accounting Standards
ICAAP	Internal Capital Adequacy Assessment Process
ICS	Internal Control System
ILAAP	Internal Liquidity Adequacy Assessment Process
IFRS	International Financial Reporting Standards
IMA	Internal Model Approach
IRB	Internal Ratings Based (approach)
IRRBB	Interest Rate Risk in the Banking Book
ISDA	International Swap and Derivatives Association
IT	Information Technology
MREL	Minimum Requirement for Eligible Liabilities
NCA	National Competent Authorities
NPE	Non-Performing Exposure
NPL	Non-Performing Loan
NRA	National Resolution Authorities
NSFR	Net Stable Funding Ratio
OCR	Overall Capital Requirement
O-SII	Other Systemically Important Institution
OTC	Over the Counter
P2R	Pillar 2 Requirement
PD	Probability of default
POCI	Purchased or Originated Credit Impaired
RAF	Risk Appetite Framework
RAS	Risk Appetite Statement
RAY	Risk Authority
RCSA	Risk Control Self – Assessment
RRE	Residential Real Estate
RemCo	Remuneration Committee
RWA	Risk Weighted Assets
SA	Standardized Approach
SFTs	Securities Financing Transactions
SME	Small & Medium Enterprises
SPPI	Solely Payments of Principle and Interest
SRB	Single Resolution Board
SREP	Supervisory Review and Evaluation Process
SRM	Single Resolution Mechanism
SRPC	Supervisory and Resolution Projects Committee
SSM	Single Supervisory Mechanism
STA	Standardized Approach
SVaR	Stressed Value at Risk
TAC	Troubled Assets Committee
TC	Total Capital
TSCR	Total SREP Capital Requirements
UTP	Unlikely to Pay
VaR	Value at Risk

1 Introduction

1.1 General Information

Alpha Bank is one of the leading banks of the Greek privately owned banking sector and constitutes a consistent point of reference for over 140 years. The Bank offers a wide range of high-quality financial products and services, including retail banking, SMEs and corporate banking, asset management and private banking, distribution of insurance products, investment banking, brokerage and real estate management.

Alpha Bank, which was founded in 1879 by John F. Kostopoulos, has its headquarters at 40 Stadiou Street, Athens, and is registered in the Register of Companies with number 6066/06/B/86/05. The Bank is subject to the Greek banking law and is supervised by the European Central Bank (ECB) and the Single Supervisory Mechanism (SSM).

On 2.4.2021 the Extraordinary General Meeting of the Shareholders approved the demerger of the société anonyme under the corporate name "Alpha Bank S.A." by way of hive down of its banking business sector with the incorporation of a new entity.

On 16 April 2021, the demerger of the former Alpha Bank S.A., then authorized to operate as a credit institution (under G.E.MI. number 223701000 and Tax Identification Number 094014249), which has been already renamed to "Alpha Services and Holdings S.A.", ("Group") was announced pursuant to the Decision of the Ministry of Development and Investments under protocol no 45089/16.4.2021 by way of hive-down of the banking business sector with the incorporation of a new company, which was licensed to operate as a credit institution under the name "Alpha Bank S.A." (under G.E.MI. number 159029160000 and Tax Identification Number 996807331) (the "Bank"), in accordance to the provisions of Article 16 of Greek law 2515/1997, as well as Articles 54 paragraph 3, 57 paragraph 3, 59-74 and 140 paragraph 3 of Greek law 4601/2019 and Article 145 of Greek law 4261/2014, as in force (the "Hive Down"). As a consequence of the Hive Down, the Bank substituted Alpha Holdings by operation of Greek law, as universal successor, in all of its assets and liabilities, rights and obligations and in general its legal relationships within the banking business sector.

Following the demerger, "Alpha Services and Holdings S.A.", is supervised on a consolidated basis and "Alpha Bank S.A" is supervised on a standalone basis by the European Central Bank (ECB) and the Bank of Greece (BoG).

The Group is active in the Greek and international banking market, with presence in Romania, Cyprus, the United Kingdom and Luxemburg.

2 Pillar III Disclosures Overview

2.1 Background

The Group Pillar III Report is prepared in accordance with disclosure requirements as laid down in Part Eight of the “Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms” (Capital Requirements Regulation, or ‘’CRR’’) and the “Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms” (Capital Requirements Directive IV, or ‘’CRD IV’’).

The purpose of Pillar 3 report is:

- to disclose regulatory information relating to the risk management framework,
- to enhance transparency as well as investors information and market discipline.

2.1.1 Disclosure’s enhancements

Starting from 30 June 2021, institutions should align their disclosures with the changes introduced by the revised Regulation (EU) No 2019/876 (CRR2), amending Regulation (EU) No 575/2013 (CRR). The new regulation, combined with the implementation of the EBA’s new policy strategy on institutions’ Pillar III disclosures, seek to increase efficiency, consistency and comparability between insitutions’ disclosures and promote market discipline, in alignment with Basel Standards.

In November 2021, EBA published final draft Implementing Technical Standards (ITS) on Pillar 3 disclosure of institutions’ exposures to interest rate risk on positions not held in the trading book (IRRBB). The ITS put forward comparable disclosures of information on institutions’ IRRBB risk management and the sensitivity of institutions’ economic value of equity and net interest income to changes in interest rates.

The new disclosures requirements introduce the following updates:

i) qualitative information on institutions’ risk management objective and policy with regard to interest rate risk on positions not held in the trading book (IRRBB), and

ii) quantitative information including the impact of interest rate supervisory shock scenarios on institutions’ changes in the economic value of equity and net interest income.

These draft ITS have been developed with the intention to minimise any potential future change that might be needed following the finalisation of the regulatory work, developing a single and comprehensive Pillar 3 package that should facilitate implementation by institutions and further promote market discipline.

On 24 January 2022, EBA published the final draft ITS on Pillar 3 disclosures on Environmental, Social and Governance (ESG) risks, which follows the release of a Consultation Paper (CP) in March 2021. The final draft ITS put forward comparable disclosures to show how climate change may exacerbate other risks within institutions’ balance sheets, how institutions are mitigating those risks, and their ratios, including the GAR, on exposures financing taxonomy-aligned activities, such as those consistent with the Paris agreement goals.

More specifically, the ITS specifies the requirement laid out in Article 449a of CRR for large institutions to disclose prudential information on environmental, social and governance (ESG) risks, including transition and physical risk. The ITS includes:

(i) tables for qualitative disclosures on environmental, social and governance risks;

(ii) templates with quantitative disclosures on climate change transition risk;

(iii) a template with quantitative disclosures on climate change physical risk;

(iv) templates with quantitative information and key performance indicators (KPIs) on climate change mitigating measures, including the Green Asset Ratio (GAR) on Taxonomy-aligned activities according to Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (Taxonomy Regulation), extended information on Taxonomy alignment of exposures in the banking book and other mitigating actions.

On 17 October 2022, EBA published an Opinion on the amendments proposed by the European Commission to the EBA final draft Implementing Technical Standards (ITS) on prudential disclosures of environmental, social and governance (ESG) information. In the Opinion, while accepting the two substantive changes proposed by the Commission to enhance proportionality, the EBA insists that institutions should make every effort to collect and disclose the very relevant information reflected in the BTAR. The EBA highlights that the aim of the BTAR is to prevent an asymmetric treatment of exposures towards counterparties which may raise similar level of riskiness to the institution and emphasizes the importance that institutions make every effort to disclose this ratio and to collect the relevant information from their counterparties.

On 16 December 2022, the European Banking Authority (EBA) published its closure report of Covid-19 measures, which provides an overview of the wide range of policy measures taken on the back of the pandemic, their state of play and the path out of policy support. Although the EU banking system proved overall resilient, the ample support provided does not give room to complacency, and the framework is to be further strengthened with a loyal and prompt implementation of Basel III. The publication is accompanied by an update to the list of public guarantee schemes (PGS) and general payment moratoria schemes issued in response to the pandemic. Finally, the EBA Guidelines on Covid-19 reporting and disclosure have been repealed in response to the decreasing relevance of the related public support measures, and the overall EBA proportionate approach to reporting.

In the context of the EBA reporting framework release 3.3 on July 2023, new and amended reporting requirements have been included. More specifically, an integration of a subset of Pillar 3 disclosure templates will be in preparation for the Pilot of the Pillar 3 Data hub project. The scope of the project is to centralise the prudential disclosures and make prudential information readily available through a single electronic access point (on EBA's website), promoting market discipline by facilitating access to Pillar 3 information, and increasing data usability and comparability.

2.1.2 Approval and publication

In accordance with the Group's internal governance framework, a "Pillar III Disclosures Policy" has been developed and implemented aiming to ensure consistent and continuous compliance with the disclosure requirements of the regulatory framework and best practices.

The adopted policy sets the minimum content of public disclosures presented.

The Bank with the aim to apply, at all times, best practices and cover any new regulatory requirements, reviews its disclosure policy when deemed necessary and at least on an annual basis and updates the extent and type of information provided at each disclosure date accordingly.

The Bank publishes the Pillar III report via its website, within the applicable deadlines. The data included in this report may be different than the respective accounting data, mainly due to differences between the regulatory consolidation and the accounting consolidation and/or differences in the definitions used. However, the Group's financial statements, used together with Pillar III disclosures, complement market participants' information and enhance transparency.

The Pillar III disclosures have been prepared in accordance with the Bank's formal policy and internal processes, systems & controls. The Supervisory and Resolution Projects Committee (SRPC) attests that the report has been prepared in accordance with the requirements under Article 431 (3) CRR and the respective internal control processes. The disclosures are endorsed by the Risk Management Committee (RMC) and approved by the Board of Directors (BoD).

2.2 Supervision and Regulatory Framework

Single Supervisory Mechanism (SSM)

Since November 2014, Alpha Bank has been assessed as "Other Systemically Important Institution" (O-SII) and, as such, is directly supervised by the ECB in accordance with the SSM framework.

The Single Supervisory Mechanism (SSM) refers to the system of banking supervision in Europe and it comprises the ECB and the national supervisory authorities of the participating countries.

The applicable banking regulatory framework in the European Union (EU), the Basel 3 capital framework, is effective from January 1, 2014.It was implemented by the "Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms" (Capital Requirements Regulation, or CRR) published on June 27, 2013, in combination with the "Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms" (Capital Requirements Directive IV, or CRD IV) published on June 27, 2013 that has been transposed into the Greek legislative framework by the Law 4261/2014. The framework has been amended by the Regulation (EU) 2019/876 (CRR II) of 20 May 2019 and the Directive (EU) 2019/878 (CRD V) of 20 May 2019. The latter has been transposed into the Greek legislative framework by the Law 4799/2021.

For the calculation of capital adequacy ratio the provisions of the aforementioned regulatory framework are followed. In addition:

- Besides the 8% capital adequacy limit, limits of 4.5% for CET 1 ratio and 6% for Tier 1 ratio are applied.
- Capital buffers over and above the CET1 capital limits are required to be maintained. In particular:
  - Capital conservation buffer stands at 2.5%.
  - Capital buffers as provided by the Bank of Greece through its Executive Committee Acts as follows:

    - countercyclical capital buffer, equal to "zero percent" (0%) for the H1 2023

    - other systemically important institutions (O-SII) buffer, which will gradually rise to "one percent" (1%) from 1.1.2019 to 1.1.2023. For 2023, the O-SII buffer stands at 1%.

These limits should be met on a consolidated basis.

Supervisory Review and Evaluation Process (SREP)

According to Council Regulation 1024/2013, ECB conducts annually a Supervisory Review and Evaluation Process (SREP) to assess the risk profiles of the institutions under its remit.

This process evaluates the:

- Sustainability and viability of business model
- Adequacy of governance and risk management
- Assessment of risks to capital and
- Assessment of risks to liquidity and funding

Following the assessment, the ECB determines the minimum capital requirements and sets qualitative and quantitative requirements to each of the banking institutions.

Taking into consideration the 2022 SREP decision, ECB notified Alpha Services and Holdings S.A., that for Q2 2023 it was required to meet the minimum limit for consolidated Overall Capital Requirements (OCR), of at least 14.58% (OCR includes for Q2 2023 the CCB Capital Buffer of 2.5% the O-SII buffer of 1% and the CCyB of 0.08%) which mainly derives from the contribution of subsidiaries.

The OCR consists of the minimum limit of the total Capital adequacy Ratio (8%), in accordance with art. 92(1) of the CRR, the additional regulatory requirements of Pillar2 (P2R) in accordance with article 16(2)(a) of the Council Regulation EU 1024/2013 (3%), as well as the combined buffers' requirements (eg CCB, OSII, CCyB), in accordance with Article 128 (6) of Directive2013/36/ EU. The minimum rate should be kept on an on-going basis, considering the CRR/ CRD Transitional Provisions.

The ECB's relief measures for capital requirements to address the effects of Covid-19 ended at 31 December 2022.

Single Resolution Mechanism (SRM)

The Single Resolution Mechanism (SRM) that implements the EU-wide Bank Recovery and Resolution Directive (BRRD – see next paragraph) in the euro area. The Single Resolution Board (SRB) in cooperation with the National Resolution Authorities (NRAs), are responsible for the design of the specific resolution strategy for each institution which, among others, includes the resolution actions that could be executed following adequate preparation.

Recovery and Resolution

The European Bank Recovery and Resolution Directive (2014/59/EU – "BRRD"), which is part of the Single Rulebook, establishes a framework for the recovery and resolution of credit institutions and investment firms. The Directive introduced a set of common rules to deal with banking crises across the EU and the orderly recovery and resolution of financial institutions, with the aim to avoid significant adverse effects on financial stability and to ensure that shareholders and creditors (including unsecured depositors) will share the burden in case of a potential recapitalization and/or liquidation. The Directive was transposed into the Greek legislation with Law 4335/2015.

Among other topics, the Directive requires Member States to ensure that institutions prepare and regularly update a Recovery Plan setting out the measures that may be taken to restore their financial position following a significant deterioration thereof. The recovery plan addresses, amongst other aspects, various types of recovery measures that a credit institution may adopt in order to maintain or restore its financial position following a significant deterioration, a framework of recovery indicators that determines the areas in which such measures could be implemented, as well as a set of hypothetical scenarios of instability affecting either the institution alone or the entire financial system and which are used to assess the feasibility of the recovery measures being considered. The Group develops its Recovery Plan on an annual basis, taking into consideration applicable EU Regulations and Directives, national laws, relevant Regulatory Technical Standards (RTS) and Guidelines published by the European Banking Authority (EBA) as well as reports published by the European Central Bank (ECB) on lessons learnt and best practices.

The BRRD also established the framework to create a Single Resolution Mechanism (SRM), the second pillar of the European Banking Union, which was subsequently developed through Regulation EU 806/2014 (SRMR). Under the SRM, the Single Resolution Board (SRB) in cooperation with the National Resolution Authorities (NRAs) are responsible for the design of the specific resolution strategy for each credit institution which, among others, includes the resolution actions that could be executed following adequate preparation. These authorities also draw up the Resolution Plan for credit institutions, which cooperate by providing the necessary information.

Following a legislative reform in November 2016 (“banking reform package”), the regulatory framework applicable to recovery and resolution topics has been amended, introducing the following updates:

- Regulation (EU) 2019/876 of the European Parliament and of the Council amending the Capital Requirements Regulation as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements (CRR 2). The CRR II has entered into force in 27 June 2019.
- Regulation (EU) 2019/877 of the European Parliament and of the Council amending Regulation (EU) No 806/2014 as regards loss-absorbing and recapitalization capacity for credit institutions and investment firms (known as “SRMR2”), applicable from 28 December 2020.
- Directive (EU) 2019/879 of the European Parliament and of the Council amending Directive 2014/59/EU on loss-absorbing and recapitalisation capacity of credit institutions and investment firms (known as “BRRD2”). The Directive is expected to be transposed into Greek law within 2021.
- On January 13, 2022 the EBA published its final Guidelines for institutions and resolution authorities on improving banks’ resolvability. These Guidelines represent a significant step in complementing the EU legal framework in the field of resolution based on international standards and leveraging on EU best practices.

Minimum Requirement for Own Funds and Eligible Liabilities (MREL)

Under the Directive 2014/59 (Bank Recovery and Resolution Directive or ("BRRD"), as amended by Directive 2019/879 (BRRD II), banks in the European Union are required to maintain a Minimum Requirement for own funds and Eligible Liabilities ("MREL"), which ensures sufficient loss-absorbing capacity in resolution. MREL includes a risk and a leverage-based dimension. MREL is therefore expressed as two ratios that both have to be met: (i) as a percentage of Total Risk Exposure Amount ("TREA"), (the "MREL-TREA"); and (ii) as a percentage of the Leverage Ratio Exposure ("LRE"), (the "MREL-LRE").

As per the latest official SRB decision, as of January 1, 2026, the consolidated "fully loaded" MREL will be set at 23.60% of RWAs and 5.91% of LRE. The MREL, expressed as a percentage of risk-weighted assets, does not include the Combined Buffer Requirement (CBR), which stands at 3.6% effective 01 January 2023. The interim binding MREL target to be met on 1 January 2022 was set at 17.27 % of RWAs, including a CBR of 3.25%.

Following four Senior Preferred Bond issuances in 2021 and 2022 amounting to EUR 1.7 billion in total, the Bank successfully completed in February 2023 an issuance of € 400 million Additional Tier 1 instruments ("AT1 notes"), with a maturity of 5.5 years and a yield of 11.875%. More recently, in June 2023, the Bank proceeded with the issuance of a senior preferred bond of € 500 million with a 6.875% coupon rate, a yield of 7% and a six-year maturity.

The transactions are fully aligned with the communicated Alpha Bank's MREL strategy and significantly enhanced the Bank's presence in the international capital markets, diversified its investor base and improved its funding profile.

On June 30, 2023, the Bank's MREL ratio on a consolidated basis stood at 24.34% RWAs, which is well above the interim target of 19.94% RWAs (effective 01.01.2023. The said ratio includes the profit of the financial reporting period that ended on June 30, 2023 post a provision for dividend payout. Excluding the provision for dividend, the MREL ratio increases by c. 20 bps and stands at 24.54% RWAs.

Other Regulatory Restrictions

Group's significant restrictions regarding the use of assets or the settlement of obligations, are those imposed by the regulatory framework in which foreign subsidiaries, supervised for their capital adequacy and liquidity, mainly operate In particular, the regulatory authorities request, where appropriate and depending on the nature of the company, the compliance with specific thresholds, as for example the maintenance of a specific level of capital buffers and/or liquid assets, the limitation of the exposure to other Group companies and the compliance with specific ratios.

2.3 Significant Developments

2.3.1 NPE Plan/NPE Initiatives

NPE Plan (Update)

In March 2023 the Bank submitted an updated NPE Business Plan covering the period 2023 –2025.

Based on that, the NPE ratio for 2023 is estimated to be below 7% and further reduced in the following years.

One of the key pillars of the Bank's Strategy is the de-risking of its balance sheet, optimizing capital allocation towards core business activities while also improving its asset quality and normalizing the cost of risk. This targeted NPE reduction will be achieved through initiatives, the majority of which has already been concluded, also supported by Alpha Bank's ongoing organic NPE reduction (i.e. cures, debt forgiveness, collateral based recoveries and other closing procedures). After the successful completion of NPE reduction initiatives, the Bank will be able to achieve significantly improved asset quality levels and reduced cost of risk, at par with other European banks, while maintaining a satisfactory capital position above minimum regulatory capital requirements.

Continuous monitoring of the evolution of NPE stock is performed for any negative developments/deviations in order to be counterbalanced by mitigating actions.

NPE Initiatives

One of the key pillars of the Bank's Strategy is the de-risking of its balance sheet, putting capital to work with a view to improve its asset quality and normalize the cost of risk.

Project Hermes:

On 25.5.2023 Alpha Services and Holdings S.A. announced that its 100% subsidiary, Alpha Bank S.A., completed the disposal of a mixed pool of secured Non-Performing Loans to Greek Large Corporate Entities and Small and Medium-sized Enterprises (the "Hermes Portfolio") of a total on-balance sheet gross book value of approximately Euro 0.65 billion, as follows:

A) to Saturn Financial Investor Designated Activity Company and to Pluto Financial Investor Designated Activity Company, entities financed by funds managed by affiliates of Fortress Credit Corp. (the "Hermes Tranche A Portfolio"),

B) to Hermes Acquisitions B Designated Activity Company, an entity financed by funds managed by affiliates of Davidson Kempner Capital Management and funds managed by affiliates of Fortress Credit Corp. (the "Hermes Tranche B Portfolio")

Project Sky:

On 19.6.2023, Alpha Services and Holdings S.A. (together with its Subsidiaries the "Alpha Bank Group") announced the completion of the disposal of a portfolio of Cypriot Non-Performing Loans and real estate properties (the "Sky Portfolio") with a total gross book value of Euro 2.3 billion in the first quarter 2023. The Sky Portfolio was held by SkyCAC Limited ("SkyCAC"), a credit acquisition company of the Alpha Bank Group, and on 16.6.2023 all of SkyCAC shares owned directly or indirectly by the Alpha Bank Group were transferred to an affiliate of Cerberus Capital Management, L.P.

Project Solar

Moreover, Alpha Bank SA is participating in a joint initiative together with the other Greek systemic banks, targeted to the sale of the notes to be issued in the context of the concurrent securitization by the Banks of a portfolio consisting primarily of Non-Performing Exposures with a total gross book value of approximately Euro 1.2 billion (aggregate for all systemic Banks, which corresponds to an amount of c. Euro 0.4 billion for the Bank's participation) as of September 30, 2021 (the "Solar Transaction"). The Banks will hold 100% of the Senior notes as well as 5% of the Mezzanine and of the Junior notes.

The Solar Transaction is expected to be completed within Q4 2023 and is subject to customary conditions for such transactions including, among others, the issuance of the Ministerial Decision on the provision of the guarantee under the "Hercules" Hellenic Asset Protection Scheme (HAPS) (Greek Law 4649/2019) regarding the senior notes and the issuance of the supervisory approval with regard to the Significant Risk Transfer (SRT) of the underlying loan portfolio by the Single Supervisory Mechanism (the "SSM").

Strategic Plan (Update)

Alpha Bank, during an Investors' Day event held in June 7th 2023, unveiled its 2023-2025 strategy, laying the foundations for creating value and empowering growth, by leveraging on the identity of its franchise, its distinctive positioning in highly specialized and profitable segments, its long-standing commitment to create shareholder value and its track record in delivering on its promises.

The Strategy announced was based on 6 clearly defined pillars that will drive profitability across the Group's business units:

– Boost digital and focus on high-value segments in Retail

– Revamp service model to increase penetration in Wealth

– Consolidate leadership position in Wholesale

– Improve return on deployed capital in International

– Maintain balance sheet resilience

– Leverage ESG as a value creation lever

The strategic pillars are underpinned by an ongoing commitment to maximizing the potential of the Bank's staff while elevating digital and data capabilities. Alpha Bank will continue to invest in developing a market-leading employee value proposition and will double-down on the ambition to digitize the full spectrum of the customer journey.

In 2023-2025, the Bank will focus on the following financial priorities:

– Achieve significant profitability uplift through improvements across Business units and re-allocation of capital from NPA unit

– Preserve the Balance sheet resilience by retaining a liquid and diversified balance with reduced NPE balances

– Aim for strong capital generation and distribution, restarting dividend distribution from 2023 profits, subject to regulatory approval.

2.3.3 Capital Issuances

On 08.02.2023 Alpha Services and Holdings S.A. completed the issuance of its Euro €400 million Fixed Rate Reset Additional Tier 1 Notes (the "AT 1 Notes"). The AT1 Notes, which are non-call 5.5 perpetual notes, are issued with a yield of 11.875. Dividend payment is on a semi-annual basis and is subject to the approval of The Board of Directors (BoD).

2.3.4 EU-Wide 2023 Stress test

The EU-wide Stress Test is a biannual exercise and is conducted by EBA for the largest European banks and by ECB for the banks which are not included in the first group. The EU-wide Stress Test 2023 included additional 26 banks that have been added to the stress test sample compared to the 2021 exercise and further proportionality has been introduced into the methodology. Alpha Bank was part of the EBA sample for the 2023 Stress Test exercise.

The 2023 EU-wide stress test used a constrained bottom-up approach with some top-down elements. Focus was on the assessment of the impact of adverse shocks on banks' solvency. Banks were required to estimate the evolution of a common set of risks (credit, market, counterparty, and operational risk) under a baseline and an adverse scenario.

The Stress Test was conducted based on a static balance sheet approach under a baseline and an adverse macro scenario with a 3-year forecasting horizon (2023-2025).

Alpha Services and Holdings successfully concluded the 2023 EU-wide Stress Test and the results were published by EBA on 28.07.2023.

The results of Alpha Services and Holdings (IFRS 9 - fully loaded basis) are presented in the following table:

Stress Test Results

	31.12.2022	31.12.2025	31.12.2025
	Starting Point	Baseline	Adverse
CET1 fully loaded (%)	**11.9%**	**14.1%**	**8.9%**
Tier I fully loaded (%)	**11.9%**	**14.1%**	**8.9%**
Total Capital fully loaded (%)	**14.9%**	**16.9%**	**11.7%**

It is noted that the Stress Test methodology does not incorporate the Bank's H1 2023 capital strengthening actions. These include, among others, NPE deleveraging through the "Sky" and "Hermes" transactions, the shipping synthetic securitization, Additional Tier 1 issuance and organic capital accretion. The CET 1, Tier I and Total capital ratios of December 2022 pro-forma for the above actions are enhanced by c. 1.3%, 2.5% and 2.6% respectively.

In the base scenario there is a capital accretion with an increase in the Common Equity Tier I (FL) by 2.2 pp in the 3 years horizon including also a dividend pay-out of 30 %.

Since the previous EU ST 2021, Alpha Services and Holdings has transformed itself, significantly strengthening its balance sheet, decisively reducing its NPEs, restoring its organic profitability and successfully building a track record in the capital markets through the issuance of capital and MREL instruments while also further enhancing capital and liquidity buffers. The capital depletion in the Common Equity Tier I (IFRS9-fully loaded basis) over the three years horizon in the adverse scenario (ignoring any post year-end events) was 3.1 pp. compared to 4.6 pp for the EU Average.

3 Capital Management

The overall Group's Risk and Capital Strategy sets specific risk limits, based on management's risk appetite, as well as thresholds to monitor whether actual risk exposure deviates from the limits set.

The Capital Strategy of the Group commits to maintain sound capital adequacy both from economic and regulatory perspective. It aims at monitoring and adjusting the Group's capital levels, taking into consideration capital markets' demand and supply, in an effort to achieve the optimal balance between the economic and regulatory considerations. The objectives of the Group's capital management policy are to ensure that the Group has sufficient capital to cover the risks of its business, to support its strategy and to comply with regulatory capital requirements, at all times.

The Group remains committed to the implementation of its strategy, re-calibrating its approach in order to reflect changes in the market environment. The Bank has consistently delivered on its targets to clean-up its balance sheet and is on track with the execution of its NPE plan.

Main elements impacting Asset Quality, Capital and Liquidity

- The NPE stock in Greece remained flat at €2.8bn, as higher inflows mainly attributed to a single corporate exposure were fully offset by robust curing activity and repayments. The NPE ratio at the Group level remained stable at 7.6%. In Q2 2022, two large transactions with a total gross book value of c.€3bn (Hermes and Sky), previously in the Held-for Sale have been completed, further de risking the NPE plan.
- The Group's NPE cash coverage stood at 40% at the end of Q2, while total coverage including collateral reached 111%. The Group NPL coverage ratio reached 80%, while total coverage including collateral reached 144%.
- The Group's Fully Loaded CET 1 Capital base stood at €4.3bn, resulting in a Fully Loaded CET 1 ratio of 13.5%, or 13.4% post dividend accrual, up by 109bps q/q, positively affected by the organic capital generation and the conclusion of two NPE transactions and a synthetic securitisation.
- The Group's Loan to Deposit Ratio stands at 75% while the Group's Liquidity Coverage Ratio (LCR) stands at 186.1%, exceeding the regulatory minimum of 100%.
- The Group's TLTRO funding was reduced to €5bn at the end of Q2, following the repayment of a further €4bn of TLTRO funding in June 2023, The Bank's blended funding cost stood at 118bps in the quarter, up from 90bps in Q1 2023, mainly attributable to the higher cost of deposits.

3.1 Capital Ratios

The Capital Adequacy Ratio is calculated as the result of the Group's regulatory capital (own funds) to its RWAs. Regulatory capital includes Common Equity Tier 1 (CET1) capital (share capital, reserves, and minority interests), additional Tier 1 capital (AT1) (hybrid securities) and Tier 2 capital (subordinated debt). RWAs include the credit risk of the banking book, the market risk of the trading book, the operational risk, the counterparty credit risk (CCR) and credit valuation adjustment (CVA).

As shown in the following table, on 30.06.2023, Group's CET1 stood at € 4.4 bn and the total Regulatory Capital at €5.8 bn, while the total RWAs amounted to € 32.5 bn resulting in a CET1 ratio of 13.5%, and total Capital Adequacy Ratio of 17.8**%,** increased by c.128 bps, mainly affected by the period profitability, the decrease in RWAs from the conclusion of two NPE transactions (Hermes, Sky) and the Compass' completion .

Greek law 4302/2014 introduced Article 27A to the Greek Income Tax Code, which was initially replaced by Greek law 4303/2014 and then by Greek law 4340/2015 and was most recently amended by Greek law 4549/2018, 4722/2020 and, most recently, 4831/2021 ("DTA Framework"), to allow, under certain conditions, from 2016 onwards, credit institutions to convert DTAs falling within the scope of such law and arising (a) from the participation in the PSI and the buy-back programme and (b) from the sum of (i) the unamortised part of the crystallised loan losses from write-offs and disposals, (ii) the accounting debt write-offs and (iii) the remaining accumulated provisions and other general losses, with respect to existing amounts up to 30 June 2015, into final and due receivables from the Hellenic Republic ("Tax Credit"). In the case of an accounting loss in a specific year, the Tax Credit will be calculated by multiplying the total amount as per the above of the deferred tax asset by the percentage represented by the accounting losses over net equity before such year's losses as appearing in the annual financial statements of the credit institution, excluding such year's accounting losses.

This legislation allows Greek credit institutions to treat such eligible DTAs as not "relying on future profitability" according to the CRD Directive, and as a result such DTAs are not deducted from Common Equity Tier I capital but rather risk weighted. As of 30 June 2023, the eligible amount as not "relying on future profitability" according to the CRD Directive stood at €2.66bn.

Template 1: Capital Adequacy Ratios (%)(*)

(Amounts in millions of Euro)

	a	b
	30.06.2023	**31.03.2023**
Capital Type		
CET1	4,380	4,206
Tier 1 Capital	4,780	4,606
Tier 2 Capital	1,000	1,000
Total Regulatory Capital for C.A.R. calculation	5,780	5,606
Risk Weighted Assets	32,462	33,937
Capital Ratios		
CET1 Ratio	**13.5%**	**12.4%**
Tier 1 Ratio	**14.7%**	**13.6%**
Capital Adequacy Ratio (Tier 1 + Tier 2)	**17.8%**	**16.5%**

(*)the above capital ratios include period profits post a provision for dividend payout according to the dividend policy.

3.1.1 Key metrics

In the following table EU KM1 key regulatory metrics and ratios are provided as well as related input components as defined by the amended versions of CRR and CRD. They comprise own funds, RWAs, capital ratios, additional requirements based on SREP, capital buffer requirements, leverage ratio, liquidity coverage ratio and net stable funding ratio.

Template 2: EU KM1 - Key metrics template as of 30.06.2023(*)

(Amounts in millions of Euro)

		a	b	c	d	e
		30.06.2023	31.03.2023	31.12.2022	30.09.2022	30.06.2022
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	4,380	4,206	4,540	4,546	4,445
2	Tier 1 capital	4,780	4,606	4,540	4,546	4,445
3	Total capital	5,780	5,606	5,540	5,546	5,445
	Risk-weighted exposure amounts					
4	Total risk-weighted exposure amount	32,462	33,937	34,286	34,736	36,030
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	13.5%	12.4%	13.2%	13.1%	12.3%
6	Tier 1 ratio (%)	14.7%	13.6%	13.2%	13.1%	12.3%
7	Total capital ratio (%)	17.8%	16.5%	16.2%	16.0%	15.1%
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	3.00%	3.00%	3.00%	3.00%	3.00%
EU 7b	of which: to be made up of CET1 capital (percentage points)	1.69%	1.69%	1.69%	1.69%	1.69%
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	2.25%	2.25%	2.25%	2.25%	2.25%
EU 7d	Total SREP own funds requirements (%)	11.00%	11.00%	11.00%	11.00%	11.00%
	Combined buffer requirement (as a percentage of risk-weighted exposure amount)					
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Institution specific countercyclical capital buffer (%)	0.08%	0.06%	0.06%	0.00%	0.00%
10	Global Systemically Important Institution buffer (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 10a	Other Systemically Important Institution buffer	1.00%	1.00%	0.75%	0.75%	0.75%
11	Combined buffer requirement (%)	3.58%	3.56%	3.31%	3.25%	3.25%
EU 11a	Overall capital requirements (%)	14.58%	14.56%	14.31%	14.25%	14.25%
12	CET1 available after meeting the total SREP own funds requirements (%)	6.47%	5.32%			
	Leverage ratio					
13	Leverage ratio total exposure measure	70,756	71,407	76,625	76,164	74,340

		a	b	c	d	e
		30.06.2023	31.03.2023	31.12.2022	30.09.2022	30.06.2022
14	Leverage ratio	6.8%	6.5%	5.9%	6.0%	6.0%
	Additional own funds requirements to address risks of excessive leverage (as a percentage of leverage ratio total exposure amount)					
EU 14c	Total SREP leverage ratio requirements (%)	3.00%	3.00%			
EU 14e	Overall leverage ratio requirements (%)	3.00%	3.00%			
EU 14f	Overall leverage ratio requirements (%)	3.00%	3.00%			
	Liquidity Coverage Ratio					
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	13,077	12,070	11,810	11,535	
EU 16a	Cash outflows - Total weighted value	9,193	8,830	8,457	8,092	
EU 16b	Cash inflows - Total weighted value	1,141	1,233	1,308	1,326	
16	Total net cash outflows (adjusted value)	8,052	7,596	7,149	6,766	
17	Liquidity coverage ratio (%) (adjusted values) (**)	162.5%	159.5%	165.6%	171.2%	
17a	Liquidity coverage ratio (%)	186.1%	163.3%			
	Net Stable Funding Ratio					
18	Total available stable funding	56,354	54,702			
19	Total required stable funding	44,386	44,531			
20	NSFR ratio (%)	127.0%	122.8%			

(*) The above figures include the period results

(**)Average figures based on previous monthly data points

3.2 Transitional Arrangements

On December 12, 2017 the EU adopted Regulation No 2395/2017 of the European Parliament and of the Council amending EU Regulation 575/2013, as regards transitional arrangements to mitigate the impact of the introduction of IFRS 9 on regulatory capital and leverage ratios. This Regulation inserted a new article 473a in CRR 575/2013 which introduced a 5-year transitional period during which allowed banks to add to the CET1 ratio the post-tax amount of the difference in provisions that resulted from the transition to the IFRS 9 in relation to the provisions that have been recognized at 31.12.2017 in accordance with IAS 39 ("Static” amount). The weighting factors were set per year at 0.95 in 2018, 0.85 in 2019, 0.7 in 2020, 0.5 in 2021 and 0.25 in 2022.

On June 22, 2020 as a response to the COVID-19 pandemic the EU adopted Regulation No 2020/873 of the European Parliament and of the Council amending Regulations (EU) No 575/2013 and (EU) 2019/876.

The Bank has adopted art 468 and 473a of the Regulation (EU) 2020/873. The purpose of the new regulation is:

- To mitigate the negative impact on the regulatory capital of the Bank from the increase in the expected credit loss as a result from the Covid-19 pandemic. This article extents to another two-year period the ability to add-back to the regulatory capital the expected credit losses recognized in 2020 and afterwards relating to performing financial instruments. This transition period is effective until the end of 2024. More specific, the weighting factors were set at 1.00 for the first two years (2020 and 2021), 0.75 in 2022, 0.5 in 2023 and 0.25 in 2024.
- The temporary treatment of unrealised gains and losses from Sovereign investment securities measured fair value through other comprehensive income (FVOCI), introduced by CRR 'quick fix' Article 468, ceased to apply from 1 January 2023.

The following table shows a comparison of own funds and capital and leverage ratios with and without the application of the transitional arrangements.

Template 3: EU IFRS9-FL - Comparison of own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS(*)

(Amounts in millions of Euro)

	a	b	c	d	e
	30.06.2023	**31.03.2023**	**31.12.2022**	**30.09.2022**	**30.06.2022**
Available capital (amounts)					
Common Equity Tier 1 (CET1) capital	4,380	4,206	4,540	4,546	4,445
CET1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	4,340	4,167	4,043	4,046	3,948
CET1 capital as if the temporary treatment of unrealized gains and losses measured at fair value through OCI (other comprehensive income)I in accordance with Article 468 of the CRR had not been applied			4,520	4,523	4,425
Tier 1 capital	4,780	4,606	4,540	4,546	4,445
Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	4,740	4,567	4,043	4,046	3,948
Tier 1 capital as if the temporary treatment of unrealized gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied			4,520	4,523	4,425
Total capital	5,780	5,606	5,540	5,546	5,445
Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	5,740	5,567	5,043	5,046	4,948
Total capital as if the temporary treatment of unrealized gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied			5,520	5,523	5,425
Risk-weighted assets (amounts)					

	a	b	c	d	e
	30.06.2023	**31.03.2023**	**31.12.2022**	**30.09.2022**	**30.06.2022**
Total Risk-weighted assets	32,462	33,937	34,286	34,736	36,030
Total Risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	32,462	33,937	33,887	34,337	35,631
Capital ratios					
Common Equity Tier 1 ratio (%)	13.5%	12.4%	13.2%	13.1%	12.3%
CET1 ratio (%) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	13.4%	12.3%	11.9%	11.8%	11.1%
CET1 ratio (%) as if the temporary treatment of unrealized gains and losses measured at fair value through OCI (other comprehensive income)I in accordance with Article 468 of the CRR had not been applied			13.2%	13.0%	12.3%
Tier 1 ratio (%)	14.7%	13.6%	13.2%	13.1%	12.3%
Tier 1 ratio (%) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	14.6%	13.5%	11.9%	11.8%	11.1%
Tier 1 ratio (%) as if the temporary treatment of unrealized gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied			13.2%	13.0%	12.3%
Total ratio (%)	17.8%	16.5%	16.2%	16.0%	15.1%
Total ratio (%) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	17.7%	16.4%	14.9%	14.7%	13.9%
Total ratio (%) as if the temporary treatment of unrealized gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied			16.1%	15.9%	15.1%
Leverage ratio					
Leverage ratio total exposure measure	70,756	71,407	76,625	76,164	74,340
Leverage ratio	6.8%	6.5%	5.9%	6.0%	6.0%
Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	6.7%	6.4%	5.3%	5.4%	5.3%
Leverage ratio as if the temporary treatment of unrealized gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied			5.9%	5.9%	6.0%

(*) The above figures include the period results

The analysis of Own funds structure is presented in the following table:

Template 4: Own Funds Structure

(Amounts in millions of Euro)

	30.06.2023	31.03.2023
Share capital	681	681
Share premium	5,260	5,260
Own Shares	(4)	(2)
Retained Earnings and Other Reserves	529	529
o/w FVOCI reserves	(15)	(19)
Period results	241	88
Common equity tier 1 capital before regulatory adjustments	**6,708**	**6,555**
PVA	(6)	(6)
Intangible assets	(421)	(413)
DTA amortization	(1,770)	(1,819)
Irrevocable payment commitment	(30)	(24)
Other Adjustments	(101)	(87)
Total regulatory adjustments to common equity tier 1	**(2,328)**	**(2,349)**
Common equity tier 1 capital (CET1)	**4,380**	**4,206**
Additional Tier I instruments	400	400
Additional Tier I before regulatory adjustments	**400**	**400**
Additional Tier I	**400**	**400**
Tier I Capital (CET1 + AT1)	**4,780**	**4,606**
Subordinated loan	1,000	1,000
Hybrid instruments (transitional)	-	-
Tier II capital before regulatory adjustments	**1,000**	**1,000**
Tier II capital	**1,000**	**1,000**
Total Capital (TC = Tier I + Tier II)	**5,780**	**5,606**
Total RWA	**32,462**	**33,937**
Common equity tier 1 Ratio	**13.5%**	**12.4%**
Tier I Ratio	**14.7%**	**13.6%**
Capital Adequacy Ratio (Tier I + Tier II)	**17.8%**	**16.5%**

3.3 Reconciliation of regulatory own funds to the balance sheet according to IFRS

The table below highlights the difference in the basis of consolidation for accounting and prudential purposes as it compares the carrying values as reported under IFRS with the carrying values under the scope of the regulatory consolidation. References in the last column of the table provide the mapping of regulatory balance sheet items used to calculate regulatory capital. The reference-columns presented below provides the mapping to the references-columns as presented in the template "EU CC1– Composition of regulatory own funds".

Template 5a: EU CC2 - reconciliation of regulatory own funds to balance sheet in the audited financial statements as of 30.06.2023

(Amounts in millions of Euro)

		a	b	c
		Balance sheet as in published financial statements	**Under regulatory scope of consolidation**	**Reference**
		30.06.2023		
Assets - *Breakdown by asset classes according to the balance sheet in the published financial statements*				
1	Cash and balances with central banks	6,551	6,551	
2	Due from banks	1,619	1,160	
3	Trading securities	34	34	
4	Derivative financial assets	2,124	2,124	
5	Loans and advances to customers	38,681	39,136	
6	Investment securities			
	- Measured at fair value through other comprehensive income	1,900	1,424	
	- Measured at amortised cost	461	97	
	- Measured at fair value through profit or loss	13,107	13,020	
7	Investments in associates and joint ventures	99	195	(g)
8	Investment property	267	267	
9	Property, plant and equipment	535	533	
10	Goodwill and other intangible assets	504	476	(d)
11	Deferred tax assets	5,120	5,123	(e)
12	Reinsurance contract assets	0	-	
13	Other assets	1,281	1,262	
14	Assets classified as held for sale	639	639	
15	**Total assets**	**72,921**	**72,041**	

		a	b	c
		Balance sheet as in published financial statements	**Under regulatory scope of consolidation**	**Reference**
		30.06.2023		
Liabilities - *Breakdown by liability classes according to the balance sheet in the published financial statements*				
1	Due to banks	7,352	7,465	
2	Derivative financial liabilities	2,235	2,235	
3	Due to customers	51,795	51,266	
4	Debt securities in issue and other borrowed funds	2,926	2,963	(f)
5	Liabilities for current income tax and other taxes	35	30	
6	Deferred tax liabilities	24	33	(e)
7	Insurance contract liabilities	370	-	
8	Employee defined benefit obligations	24	24	
9	Other liabilities	1,020	905	
10	Provisions	144	144	
11	Liabilities related to assets classified as held for sale	1	1	
12	**Total liabilities**	**65,925**	**65,065**	
Equity				
1	Share Capital	681	681	(a)
2	Share premium	5,260	5,260	(a)
3	Additional Tier I capital	400	400	(c)
4	Special Reserve from Share Capital Decrease	296	296	(c)
5	Reserves	-243	-212	
6	Retained earnings	587	536	(b)
7	Treasury shares	-4	-4	(a)
8	Non-controlling interests	18	18	
9	Hybrid securities	-	-	
	Total equity	**6,996**	**6,976**	

Template 5b: EU CC2 - reconciliation of regulatory own funds to balance sheet in the audited financial statements as of 31.12.2022

(Amounts in millions of Euro)

		a	b	c
		Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
		31.12.2022		
Assets - *Breakdown by asset classes according to the balance sheet in the published financial statements*				
1	Cash and balances with central banks	12,895	12,895	
2	Due from banks	1,368	1,368	
3	Trading securities	4	4	
4	Derivative financial assets	2,142	2,142	
5	Loans and advances to customers	38,748	38,746	
6	Investment securities			
	- Measured at fair value through other comprehensive income	1,806	1,323	
	- Measured at amortised cost	11,336	11,309	
	- Measured at fair value through profit or loss	328	78	
7	Investments in associates and joint ventures	99	194	(g)
8	Investment property	245	245	
9	Property, plant and equipment	529	528	
10	Goodwill and other intangible assets	475	447	(d)
11	Deferred tax assets	5,232	5,239	(e)
12	Other assets	1,295	1,274	
13	Assets classified as held for sale	1,517	1,517	
14	**Total assets**	**78,019**	**77,308**	
Liabilities - *Breakdown by liability classes according to the balance sheet in the published financial statements*				
1	Due to banks	14,345	14,345	
2	Derivative financial liabilities	2,305	2,305	
3	Due to customers	50,246	50,264	
4	Debt securities in issue and other borrowed funds	2,923	2,958	(f)
5	Liabilities for current income tax and other taxes	23	18	
6	Deferred tax liabilities	23	35	
7	Employee defined benefit obligations	24	24	
8	Other liabilities	920	921	
9	Provisions	921	168	

		a	b	c
		Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
		31.12.2022		
10	Liabilities related to assets classified as held for sale	11	11	
11	**Total liabilities**	**71,741**	**71,047**	
Equity				
1	Share Capital	681	681	(a)
2	Share premium	5,259	5,259	(a)
3	Special Reserve from Share Capital Decrease	296	296	(c)
4	Reserves	-273	-228	(c)
5	Amounts directly recognized in equity and associated with assets classified as held for sale			
6	Retained earnings	297	235	(b)
7	Treasury Shares	(1)	(1)	(a)
8	Non-controlling interests	18	18	
9	Hybrid securities			
10	**Total equity**	**6,277**	**6,260**	

3.4 Capital requirements under Pillar I

The Group calculates and reports to the designated authorities its capital requirements (Pillar I RWAs) according to the provisions of the CRR and implementing the Technical Standards developed by the EBA on a solo and consolidated basis.

The approaches adopted for the calculation of the capital requirements under Pillar I (advanced or standardized methodologies) are determined by the general policy of the Group in conjunction with factors such as the nature and type of risks the Group undertakes, the level and complexity of the Group's business and other factors such as the degree of readiness of the information and software systems.

Capital Requirements are calculated using the following approaches:

- **Credit Risk:** The Group follows the Standardized Approach (STA). The advanced method is used for the valuation of financial collateral.
- **Operational Risk:** The Group follows the Standardized Approach (STA).
- **Market Risk:** A Value at Risk (VaR) model developed at a bank level for the significant exposures and approved by the Bank of Greece. Additionally, the Bank uses the Standardized approach to calculate Market Risk for the remaining, non-significant exposures.

The following template summarizes RWA and minimum capital requirements by risk type. Minimum capital requirement is calculated at 8% of RWA.

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Template 6: EU OV1 – Overview of risk weighted exposure amounts as of 30.06.2023

(Amounts in millions of Euro)

		Risk weighted exposure amounts (RWEAs)		Total own funds requirements
		a	b	c
		30.06.2023	31.03.2023	30.06.2023
1	**Credit risk (excluding CCR)**	**28,177**	**29,769**	**2,254**
2	Of which the standardised approach	28,177	29,769	2,254
3	Of which the foundation IRB (FIRB) approach			
4	Of which slotting approach			-
EU 4a	Of which equities under the simple riskweighted approach			-
5	Of which the advanced IRB (AIRB) approach	-	-	-
6	**Counterparty credit risk - CCR**	**303**	**228**	**24**
7	Of which the standardised approach	151	130	12
8	Of which internal model method (IMM)	-	-	-
EU 8a	Of which exposures to a CCP	4	4	0
EU 8b	Of which credit valuation adjustment - CVA	114	94	9
9	Of which other CCR	33	1	3
15	**Settlement risk**			
16	**Securitisation exposures in the non-trading book (after the cap)**	**587**	**433**	**47**
17	Of which SEC-IRBA approach	-	-	-
18	Of which SEC-ERBA (including IAA)	181	164	14
19	Of which SEC-SA approach	406	270	32
EU 19a	Of which 1250%/ deduction	-	-	-
20	**Position, foreign exchange and commodities risks (Market risk)**	**270**	**380**	**22**
21	Of which the standardised approach	35	19	3
22	Of which IMA	235	361	19
EU 22a	**Large exposures**	**-**	**-**	**-**
23	**Operational risk**	**3,126**	**3,126**	**250**
EU 23a	Of which basic indicator approach	-	-	-
EU 23b	Of which standardised approach	3,126	3,126	250
EU 23c	Of which advanced measurement approach	-	-	-
24	**Amounts below the thresholds for deduction (subject to 250% risk weight)** (for information)	**1,653**	**1,590**	**132**
29	**Total**	**32,462**	**33,937**	**2,597**

3.5 Capital Buffers

The countercyclical capital buffer (CCyB) is a CRD IV instrument, designed to help counter pro-cyclicality in the financial system. Credit institutions are required to set aside additional CET 1 capital during periods of excessive credit growth. This will help maintain the supply of credit and dampen the downswing of the financial cycle. The main purpose of the CCyB is to increase the banks' resilience in good times to absorb potential losses that could arise in a downturn and to support the continued supply of credit to the real economy. For 2023 Bank of Greece, as National Competent Authority, set the countercyclical buffer at 0%.

Total Risk exposure amount in the following tables includes General Credit (excluding CCR) and Securitization exposures.

Template 7a: EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer as of 30.06.2023

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m
		General credit exposures		**Relevant credit exposures – Market risk**		**Securitisation exposures Exposure value for non-trading book**	**Total exposure value**	**Own fund requirements**				**Risk-weighted exposure amounts**	**Own fund requirements weights (%)**	**Countercyclical buffer rate (%)**
		Exposure value under the standardised approach	**Exposure value under the IRB approach**	**Sum of long and short positions of trading book exposures for SA**	**Value of trading book exposures for internal models**			**Relevant credit risk exposures - Credit risk**	**Relevant credit exposures – Market risk**	**Relevant credit exposures – Securitisation positions in the non-trading book**	**Total**			
010	**Breakdown by country:**													
10	Romania	3,064					3,064	139			139	1,732	7%	0.50%
11	United Kingdom	900					900	47			47	590	3%	1.00%
12	France	158					158	10			10	129	1%	0.50%
13	Netherlands	165					165	9			9	117	1%	1.00%
14	Ireland	132					132	9			9	111	1%	0.50%
15	Luxembourg	108					108	7			7	90	0%	0.50%
16	Bulgaria	76					**76**	**4**			**4**	**55**	0%	1.50%
17	other	27,441		40	34,568	3,772	65,821	1,581	31	47	1,659	20,739	88%	
18	Total	32,043		40	34,568	3,772	70,423	1,807	31	47	1,885	23,563	100%	

Template 7b: EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer as of 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m
		General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures Exposure value for non-trading book	Total exposure value	Own fund requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
		Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
010	**Breakdown by country:**													
10	Bulgaria	66					66	4			4	48	0%	1.00%
11	Denmark	2					2	0			0	1	0%	2.00%
12	Luxembourg	70					70	5			5	63	0%	0.50%
13	Norway	2					2	0			0	1	0%	2.00%
14	Romania	3,054					3,054	127			127	1,590	6%	0.50%
15	Sweden	15					15	0			0	2	0%	1.00%
16	United Kingdom	833					833	43			43	539	2%	1.00%
17	other	30,353		10	29,964	2,334	62,660	1,805	30	33	1,868	23,351	91%	
18	Total	34,395		10	29,964	2,334	66,703	1,985	30	33	2,048	25,596	100%	

The following table presents an overview of institution - specific countercyclical exposure and buffer requirements.

Key drivers of the raise of the CCyB requirements at mid-year, is the increase of the buffer rates in countries where the Group has exposures.

Template 8a: EU CCyB2 - Amount of institution-specific countercyclical capital buffer as of 30.06.2023

(Amounts in millions of Euro)

		a
		30.06.2023
1	Total risk exposure amount	32,462
2	Institution specific countercyclical capital buffer rate	0.08%
3	Institution specific countercyclical capital buffer requirement	26.8

The following table presents an overview of institution - specific countercyclical exposure and buffer requirements.

Template 8b: EU CCyB2 - Amount of institution-specific countercyclical capital buffer as of 31.12.2022

(Amounts in millions of Euro)

		a
		31.12.2022
1	Total risk exposure amount	34,286
2	Institution specific countercyclical capital buffer rate	0.06%
3	Institution specific countercyclical capital buffer requirement	19.6

4 Leverage

The leverage ratio, which is defined as Tier 1 capital divided by total exposure, is a binding requirement with the application of the CRR II package, as of June 2021. The "risk of excessive leverage" means the risk that results from an institution's vulnerability due to leverage or contingent leverage that may require unintended corrective measures to its business plan, including distressed selling of assets which might result in losses or in valuation adjustments to its remaining assets.

The level of the leverage ratio with reference date 30.06.2023 on consolidated basis was 6.8%, according to the transitional definition of Tier 1 capital, exceeding by 2.3x the 3% minimum threshold applied by the competent authorities, implying that the Bank is not taking on excessive leverage risk.

The Bank submits to the regulatory authorities the leverage ratio on a quarterly basis and monitors the level and the factors that affect the ratio.

The table below provides a reconciliation of the total exposure measure with the total assets disclosed in published financial statements.

Template 9a: EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures as of 30.06.2023

(Amounts in millions of Euro)

		a
		Applicable amount
1	Total assets as per published financial statements	72,921
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	(880)
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-
4	(Adjustment for temporary exemption of exposures to central bank (if applicable))	-
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of point (i) of Article 429a(1) CRR)	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustment for eligible cash pooling transactions	-
8	Adjustments for derivative financial instruments	(445)
9	Adjustment for securities financing transactions (SFTs)	85
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	1,921
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-
12	Other adjustments	(2,847)
13	**Total exposure measure**	**70,756**

Template 9b: EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures as of 31.12.2022

(Amounts in millions of Euro)

		a
		Applicable amount
1	Total assets as per published financial statements	78,019
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	(711)
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-
4	(Adjustment for temporary exemption of exposures to central bank (if applicable))	-
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of point (i) of Article 429a(1) CRR)	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustment for eligible cash pooling transactions	-
8	Adjustments for derivative financial instruments	(386)
9	Adjustment for securities financing transactions (SFTs)	1
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	1,766
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-
12	Other adjustments	(2,064)
13	**Total exposure measure**	**76,625**

The following template presents a breakdown of the components of the leverage exposure, the minimum requirements and buffers.

Template 10: EU LR2 - LRCom: Leverage ratio common disclosure as of 30.06.2023

(Amounts in millions of Euro)

		CRR leverage ratio exposures	
		a	b
		30.06.2023	31.12.2022
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	69,577	75,221
2	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	10	10
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(670)	(318)
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-

		CRR leverage ratio exposures	
		a	b
		30.06.2023	31.12.2022
5	(General credit risk adjustments to on-balance sheet items)	-	-
6	(Asset amounts deducted in determining Tier 1 capital)	(2,247)	(1,816)
7	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	**66,670**	**73,097**
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	1,549	1,598
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	163	163
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	-	-
EU-9b	Exposure determined under Original Exposure Method	-	-
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original exposure method)	-	-
11	Adjusted effective notional amount of written credit derivatives	-	-
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
13	**Total derivatives exposures**	**1,713**	**1,760**
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	366	0
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)		
16	Counterparty credit risk exposure for SFT assets	85	1
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	-	-
17	Agent transaction exposures	-	-
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	-	-
18	**Total securities financing transaction exposures**	**452**	**1**
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	10,314	9,534
20	(Adjustments for conversion to credit equivalent amounts)	(8,393)	(7,768)
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)		
22	**Off-balance sheet exposures**	**1,921**	**1,766**
Excluded exposures			
EU-22a	(Exposures excluded from the leverage ratio total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-	
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a (1) CRR (on and off balance sheet))	-	-
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)	-	-

		CRR leverage ratio exposures	
		a	b
		30.06.2023	31.12.2022
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans): - Promotional loans granted by a public development credit institution - Promotional loans granted by an entity directly set up by the central government, regional governments or local authorities of a Member State - Promotional loans granted by an entity set up by the central government, regional governments or local authorities of a Member State through an intermediate credit institution)	-	-
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units): - Promotional loans granted by a public development credit institution - Promotional loans granted by an entity directly set up by the central government, regional governments or local authorities of a Member State - Promotional loans granted by an entity set up by the central government, regional governments or local authorities of a Member State through an intermediate credit institution)	-	-
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	-	-
EU-22g	(Excluded excess collateral deposited at triparty agents)	-	-
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	-	-
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	-	-
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	-	-
EU-22k	**(Total exempted exposures)**	**-**	**-**
	Capital and total exposure measure		
23	**Tier 1 capital**	4,780	4,540
24	**Total exposure measure**	**70,756**	**76,625**
	Leverage ratio		
25	Leverage ratio	6.76%	5.93%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	6.76%	5.93%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	6.76%	5.93%
26	Regulatory minimum leverage ratio requirement (%)	3.00%	3.00%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	0.00%	0.00%
EU-26b	of which: to be made up of CET1 capital (percentage points)	0.00%	0.00%
27	Leverage ratio buffer requirement (%)	0.00%	0.00%
EU-27a	Overall leverage ratio requirement (%)	3.00%	3.00%
Choice on transitional arrangements and relevant exposures			
EU-27	Choice on transitional arrangements for the definition of the capital measure	Transitional	Transitional

Template 11a: EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures) as of 30.06.2023

(Amounts in millions of Euro)

		a
		CRR leverage ratio exposures
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	68,918
EU-2	Trading book exposures	-
EU-3	Banking book exposures, of which:	68,918
EU-4	Covered bonds	25
EU-5	Exposures treated as sovereigns	23,186
EU-6	Exposures to regional governments, MDB, international organisations and PSE **not** treated as sovereigns	553
EU-7	Institutions	2,014
EU-8	Secured by mortgages of immovable properties	12,735
EU-9	Retail exposures	3,541
EU-10	Corporate	12,237
EU-11	Exposures in default	2,073
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	12,553

Template 11b: EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures) as of 31.12.2022

(Amounts in millions of Euro)

		a
		CRR leverage ratio exposures
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	74,913
EU-2	Trading book exposures	-
EU-3	Banking book exposures, of which:	74,913
EU-4	Covered bonds	22
EU-5	Exposures treated as sovereigns	28,276
EU-6	Exposures to regional governments, MDB, international organisations and PSE **not** treated as sovereigns	443
EU-7	Institutions	2,011
EU-8	Secured by mortgages of immovable properties	12,907
EU-9	Retail exposures	3,593
EU-10	Corporate	13,291
EU-11	Exposures in default	2,112
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	12,256

Alpha Bank monitors and submits to the regulatory authorities the leverage ratio, as defined in Regulation (EU) No 2015/62 of October 10th 2014, on a quarterly basis and monitors the level and the factors that affect the ratio.

5 Credit Risk

Credit risk arises from the potential weakness of borrowers or counterparties to repay their debts as they arise from their loan obligations to the Group. The primary objective of the Group's strategy for the credit risk management in order to achieve the maximization of the adjusted return relative to the performance risk is the continuous, timely and systematic monitoring of the loan portfolio and the maintenance of the credit risks within the framework of acceptable overall risk limits. The framework of the Group's credit risk management is developed based on a series of credit policy procedures, systems and models for measuring, monitoring and validating credit risk. These models are subject to an ongoing review process.

In order to effectively manage credit risk, the Group has developed specific methodologies and credit risk measurement systems in accordance with regulatory and Basel III requirements while incorporating banking industry best practices. These methodologies and systems are continuously evolving to provide the Business Units with timely and effective support in the decision-making process and to avoid possible adverse consequences for the Group.

The Group identifies and assesses existing and potential risks inherent in any product or activity as the basis for effective credit risk management.

The table below presents the net credit exposures by maturities:

Template 12a: EU CR1-A: Maturity of exposures 30.06.2023

(Amounts in millions of Euro)

		a	b	c	d	e	f
		Net exposure value					
		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	175	6,372	17,272	14,861	-	38,681
2	Debt securities	-	1	8,207	6,212	-	14,420
3	**Total**	**175**	**6,373**	**25,479**	**21,073**	**-**	**53,101**

Template 12b: EU CR1-A: Maturity of exposures 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f
		Net exposure value					
		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	163	6,925	16,864	14,796	-	38,748
2	Debt securities	-	1,585	6,255	4,768	-	12,608
3	**Total**	**163**	**8,510**	**23,119**	**19,564**	**-**	**51,356**

Template 13a: EU CQ5: Credit quality of loans and advances to non-financial corporations by industry as of 30.06.2023

(Amounts in millions of Euro)

		a	c	e	f
		Gross carrying amount		Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which defaulted		
010	Agriculture, forestry and fishing	283	82	(23)	-
020	Mining and quarrying	35	6	(2)	-
030	Manufacturing	3,827	231	(107)	-
040	Electricity, gas, steam and air conditioning supply	2,212	2	(3)	-
050	Water supply	33	2	(1)	-
060	Construction	1,191	67	(31)	-
070	Wholesale and retail trade	3,716	357	(158)	-
080	Transport and storage	4,271	53	(30)	-
090	Accommodation and food service activities	2,667	84	(27)	-
100	Information and communication	288	7	(3)	-
110	Financial and insurance activities	-	-	-	-
120	Real estate activities	1,750	40	(15)	-
130	Professional, scientific and technical activities	225	17	(8)	-
140	Administrative and support service activities	381	23	(9)	-
150	Public administration and defense, compulsory social security	4	0	(0)	-
160	Education	79	2	(1)	-
170	Human health services and social work activities	219	8	(5)	-
180	Arts, entertainment and recreation	81	13	(5)	-
190	Other services	144	48	(57)	-
200	**Total**	**21,406**	**1,042**	**(485)**	**-**

Template 13b: EU CQ5: Credit quality of loans and advances to non-financial corporations by industry as of 31.12.2022

(Amounts in millions of Euro)

		a	c	e	f
		Gross carrying amount		Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which defaulted		
010	Agriculture, forestry and fishing	401	24	(8)	-
020	Mining and quarrying	46	4	(2)	-
030	Manufacturing	4,020	234	(110)	-
040	Electricity, gas, steam and air conditioning supply	2,161	2	(3)	-
050	Water supply	30	1	(1)	-
060	Construction	1,145	73	(33)	-
070	Wholesale and retail trade	3,701	373	(175)	-
080	Transport and storage	4,317	59	(34)	(0)
090	Accommodation and food service activities	2,667	89	(32)	-
100	Information and communication	193	9	(4)	-
110	Financial and insurance activities	0	-	(0)	-
120	Real estate activities	1,700	31	(15)	-
130	Professional, scientific and technical activities	254	17	(8)	-
140	Administrative and support service activities	333	24	(10)	-
150	Public administration and defense, compulsory social security	3	0	(0)	-
160	Education	80	3	(1)	-
170	Human health services and social work activities	221	7	(5)	-
180	Arts, entertainment and recreation	182	12	(5)	-
190	Other services	407	35	(56)	-
200	**Total**	**21,860**	**997**	**(503)**	**(0)**

The tables below present the credit quality of the Group's exposures broken down by significant geographical area as of 30.06.2023 and 31.12.2022.

Template 14a: EU CQ4: Quality of non-performing exposures by geography as of 30.06.2023

(Amounts in millions of Euro)

		a	c	e	f	g
		Gross carrying/nominal amount		Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which defaulted			
010	***On-balance-sheet exposures***	***54,754***	***3,089***	***(1,213)***		***(7)***
020	*Greece*	33,582	2,841	(1,060)		(5)
030	*United Kingdom*	987	37	(19)		-
040	*Romania*	3,688	93	(75)		(2)
050	*Cyprus*	1,381	63	(23)		-
070	*Other countries*	15,117	54	(36)		-
080	***Off-balance-sheet exposures***	***10,316***	***272***		***40***	
090	*Greece*	9,324	260		25	
100	*United Kingdom*	57	0		0	
110	*Romania*	686	7		9	
120	*Cyprus*	175	5		6	
140	*Other countries*	75	0		0	
150	**Total**	**65,071**	**3,361**	**(1,213)**	**40**	**(7)**

Template 14b: EU CQ4: Quality of non-performing exposures by geography as of 31.12.2022

(Amounts in millions of Euro)

		a	c	e	f	g
		Gross carrying/nominal amount		Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which defaulted			
010	***On-balance-sheet exposures***	***52,847***	***3,188***	***(1,276)***		***(3)***
020	*Greece*	33,666	2,959	(1,130)		(1)
030	*United Kingdom*	804	22	(7)		-
040	*Romania*	3,613	86	(76)		(2)
050	*Cyprus*	1,376	63	(22)		-
070	*Other countries*	13,389	59	(41)		(0)
080	***Off-balance-sheet exposures***	***9,538***	***281***		***41***	
090	*Greece*	8,665	267		25	
100	*United Kingdom*	25	0		0	
110	*Romania*	611	7		9	
120	*Cyprus*	181	6		6	
140	*Other countries*	56	0		0	
150	**Total**	**62,385**	**3,469**	**(1,276)**	**41**	**(3)**

The following tables provide an overview of the credit quality of forborne exposures.

Template 15a: EU CQ1: Credit quality of forborne exposures as of 30.06.2023

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
				Of which defaulted	Of which impaired				
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
010	Loans and advances	2,359	2,081	2,081	2,081	(120)	(490)	3,302	1,360
020	*Central banks*	-	-	-	-	-	-	-	-
030	*General governments*	0	0	0	0	(0)	(0)	0	-
040	*Credit institutions*	-	-	-	-	-	-	-	-
050	*Other financial corporations*	0	1	1	1	(0)	(0)	0	0
060	*Non-financial corporations*	686	604	604	604	(23)	(172)	917	353
070	*Households*	1,672	1,475	1,475	1,475	(97)	(317)	2,383	1,006
080	Debt Securities	-	-	-	-	-	-	-	-
090	Loan commitments given	1	0	0	0	0	0	0	0
100	**Total**	**2,359**	**2,081**	**2,081**	**2,081**	**(120)**	**(490)**	**3,302**	**1,360**

Template 15b: EU CQ1: Credit quality of forborne exposures as of 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
				Of which defaulted	Of which impaired				
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
010	Loans and advances	2,504	2,171	2,171	2,169	(116)	(542)	3,361	1,342
020	*Central banks*	-	-	-	-	-	-	-	-
030	*General governments*	0	1	1	1	(0)	(0)	0	0
040	*Credit institutions*	-	-	-	-	-	-	-	-
050	*Other financial corporations*	0	1	1	1	(0)	(0)	0	0
060	*Non-financial corporations*	865	577	577	574	(24)	(173)	1,009	308
070	*Households*	1,638	1,593	1,593	1,593	(92)	(368)	2,351	1,033
080	Debt Securities	-	-	-	-	-	-	-	-
090	Loan commitments given	1	0	0	0	0	0	0	0
100	**Total**	**2,505**	**2,172**	**2,172**	**2,169**	**(116)**	**(542)**	**3,362**	**1,342**

Template 16a: EU CQ3: Credit quality of performing and non-performing exposures by past due days as of 30.06.2023

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l
		Gross carrying amount/nominal amount											
		Performing exposures			Non-performing exposures								
			Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted
005	Cash balances at central banks and other demand deposits	7,267	7,267	-	-	-	-	-	-	-	-	-	-
010	Loans and advances	37,233	37,102	132	3,079	1,516	169	203	406	322	72	390	3,079
020	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-
030	*General governments*	25	25	-	1	0	-	-	-	0	-	0	1
040	*Credit institutions*	458	458	-	70	-	-	-	-	-	-	70	70
050	*Other financial corporations*	6,585	6,585	-	1	0	0	0	1	0	0	0	1
060	*Non-financial corporations*	20,365	20,322	43	1,042	464	40	52	144	87	23	232	1,042
070	*Of which SMEs*	7,920	7,890	30	896	353	40	50	129	77	22	226	896
080	*Households*	9,800	9,711	89	1,966	1,053	129	151	262	235	48	88	1,966
090	Debt securities	14,433	14,433	-	9	-	7	3	-	-	-	-	9
100	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-
110	*General governments*	11,648	11,648	-	-	-	-	-	-	-	-	-	-
120	*Credit institutions*	1,279	1,279	-	-	-	-	-	-	-	-	-	-
130	*Other financial corporations*	349	349	-	-	-	-	-	-	-	-	-	-
140	*Non-financial corporations*	1,157	1,157	-	9	-	7	3	-	-	-	-	9
150	Off-balance-sheet exposures	10,044			272								272
160	*Central banks*	-			-								-
170	*General governments*	193			-								-
180	*Credit institutions*	760			-								-
190	*Other financial corporations*	485			0								0
200	*Non-financial corporations*	6,991			272								272
210	*Households*	1,615			1								1
220	**Total**	**68,977**	**58,801**	**132**	**3,361**	**1,516**	**176**	**205**	**406**	**322**	**72**	**390**	**3,361**

Template 16b: EU CQ3: Credit quality of performing and non-performing exposures by past due days as of 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l
		Gross carrying amount/nominal amount											
		Performing exposures			Non-performing exposures								
			Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted
005	Cash balances at central banks and other demand deposits	13,577	13,577	-	-	-	-	-	-	-	-	-	-
010	Loans and advances	37,022	36,870	152	3,186	1,460	192	339	441	261	69	423	3,186
020	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-
030	*General governments*	27	27	-	1	1	-	-	0	-	-	0	1
040	*Credit institutions*	218	218	-	70	-	-	-	-	-	-	70	70
050	*Other financial corporations*	6,009	6,009	-	1	0	0	1	0	0	0	0	1
060	*Non-financial corporations*	20,863	20,807	56	997	360	49	107	123	70	31	257	997
070	*Of which SMEs*	8,104	8,074	30	903	305	48	93	119	57	29	251	903
080	*Households*	9,905	9,809	96	2,116	1,099	143	231	318	191	38	95	2,116
090	Debt securities	12,637	12,637	-	2	2	-	-	-	-	-	-	2
100	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-
110	*General governments*	10,233	10,233	-	-	-	-	-	-	-	-	-	-
120	*Credit institutions*	1,191	1,191	-	-	-	-	-	-	-	-	-	-
130	*Other financial corporations*	142	142	-	-	-	-	-	-	-	-	-	-
140	*Non-financial corporations*	1,071	1,071	-	2	2	-	-	-	-	-	-	2
150	Off-balance-sheet exposures	9,256			281								281
160	*Central banks*	-			-								-
170	*General governments*	192			-								-
180	*Credit institutions*	742			-								-
190	*Other financial corporations*	427			0								0
200	*Non-financial corporations*	6,223			280								280
210	*Households*	1,671			1								1
220	**Total**	**72,492**	**63,084**	**152**	**3,469**	**1,462**	**192**	**339**	**441**	**261**	**69**	**423**	**3,469**

Template 17a: EU CR1: Performing and non-performing exposures and related provisions as of 30.06.2023

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
005	Cash balances at central banks and other demand deposits	7,267	7,267	-	-	-	-	(0)	(0)	-	-	-	-		-	-
010	Loans and advances	37,233	31,536	4,312	3,079	-	2,412	(258)	(65)	(159)	(919)	-	(728)	(2,042)	28,610	1,855
020	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	*General governments*	25	24	1	1	-	1	(0)	(0)	(0)	(1)	-	(1)	(1)	25	0
040	*Credit institutions*	458	458	-	70	-	70	(0)	(0)	-	(70)	-	(70)	-	-	-
050	*Other financial corporations*	6,585	6,082	6	1	-	1	(2)	(2)	(0)	(0)	-	(0)	(5)	5,502	1
060	*Non-financial corporations*	20,365	18,098	1,985	1,042	-	791	(103)	(51)	(47)	(383)	-	(282)	(1,213)	15,331	555
070	*Of which SMEs*	7,920	6,726	1,119	896	-	730	(45)	(6)	(35)	(319)	-	(244)	(1,039)	5,747	477
080	*Households*	9,800	6,874	2,321	1,966	-	1,550	(153)	(12)	(111)	(465)	-	(375)	(823)	7,752	1,300
090	Debt securities	14,433	14,418	2	9	-	9	(30)	(30)	(0)	(6)	-	(6)	(4)	-	-
100	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	*General governments*	11,648	11,648	-	-	-	-	(21)	(21)	-	-	-	-	-	-	-
120	*Credit institutions*	1,279	1,277	-	-	-	-	(6)	(6)	-	-	-	-	-	-	-
130	*Other financial corporations*	349	339	-	-	-	-	(0)	(0)	-	-	-	-	-	-	-
140	*Non-financial corporations*	1,157	1,154	2	9	-	9	(3)	(3)	(0)	(6)	-	(6)	(4)	-	-
150	Off-balance-sheet exposures	10,044	9,722	319	272	-	272	(9)	(5)	(4)	(31)	-	(31)		1,091	37
160	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-		-	-
170	*General governments*	193	192	1	-	-	-	(0)	(0)	(0)	-	-	-		0	-
180	*Credit institutions*	760	759	1	-	-	-	(1)	(1)	(0)	-	-	-		-	-
190	*Other financial corporations*	485	483	2	0	-	0	(0)	(0)	(0)	-	-	-		28	-
200	*Non-financial corporations*	6,991	6,737	252	272	-	272	(7)	(4)	(3)	(31)	-	(31)		1,035	37
210	*Households*	1,615	1,552	63	1	-	1	(0)	(0)	(0)	(0)	-	(0)		27	0
220	**Total**	**68,977**	**62,944**	**4,634**	**3,361**	**-**	**2,694**	**(297)**	**(100)**	**(162)**	**(956)**	**-**	**(766)**	**(2,046)**	**29,701**	**1,892**

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Template 17b: EU CR1: Performing and non-performing exposures and related provisions as of 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions**						**Accumulated partial write-off**	**Collateral and financial guarantees received**	
		Performing exposures			**Non-performing exposures**			**Performing exposures – accumulated impairment and provisions**			**Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions**				**On performing exposures**	**On non-performing exposures**
			Of which stage 1	**Of which stage 2**		**Of which stage 2**	**Of which stage 3**		**Of which stage 1**	**Of which stage 2**		**Of which stage 2**	**Of which stage 3**			
005	Cash balances at central banks and other demand deposits	13,577	13,577	-	-	-	-	(0)	(0)	-	-	-	-		-	-
010	Loans and advances	37,022	31,229	4,533	3,186	-	2,524	(268)	(72)	(162)	(976)	-	(770)	(1,973)	28,746	1,826
020	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	*General governments*	27	27	0	1	-	1	(0)	(0)	(0)	(1)	-	(1)	(0)	27	0
040	*Credit institutions*	218	218	-	70	-	70	(0)	(0)	-	(70)	-	(70)	-	-	-
050	*Other financial corporations*	6,009	5,998	8	1	-	1	(3)	(3)	(0)	(0)	-	(0)	(5)	5,484	0
060	*Non-financial corporations*	20,863	18,029	2,170	997	-	787	(115)	(57)	(53)	(388)	-	(287)	(1,198)	15,463	480
070	*Of which SMEs*	8,104	6,655	1,369	903	-	721	(50)	(7)	(39)	(338)	-	(247)	(1,046)	5,847	440
080	*Households*	9,905	6,957	2,354	2,116	-	1,664	(150)	(12)	(109)	(517)	-	(412)	(770)	7,773	1,345
090	Debt securities	12,637	12,614	12	2	-	2	(30)	(26)	(4)	(2)	-	(2)	-	-	-
100	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	*General governments*	10,233	10,233	-	-	-	-	(18)	(18)	-	-	-	-	-	-	-
120	*Credit institutions*	1,191	1,190	-	-	-	-	(5)	(5)	-	-	-	-	-	-	-
130	*Other financial corporations*	142	133	-	-	-	-	(0)	(0)	-	-	-	-	-	-	-
140	*Non-financial corporations*	1,071	1,058	12	2	-	2	(6)	(3)	(4)	(2)	-	(2)	-	-	-
150	Off-balance-sheet exposures	9,256	8,902	354	281	-	281	(9)	(5)	(3)	(32)	-	(32)		1,098	40
160	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-		-	-
170	*General governments*	192	191	1	-	-	-	(0)	(0)	(0)	-	-	-		0	-
180	*Credit institutions*	742	741	2	-	-	-	(1)	(1)	(0)	-	-	-		-	-
190	*Other financial corporations*	427	426	1	0	-	0	(0)	(0)	(0)	-	-	-		18	-
200	*Non-financial corporations*	6,223	5,941	282	280	-	280	(7)	(4)	(3)	(32)	-	(32)		1,047	40
210	*Households*	1,671	1,603	68	1	-	1	(1)	(0)	(0)	(0)	-	(0)		33	0
220	**Total**	**72,492**	**66,321**	**4,899**	**3,469**	**-**	**2,808**	**(307)**	**(104)**	**(169)**	**(1,010)**	**-**	**(804)**	**(1,973)**	**29,844**	**1,866**

Template 18a: EU CR2: Changes in the stock of non-performing loans and advances as of 30.06.2023

(Amounts in millions of Euro)

		a
		Gross carrying amount
010	**Initial stock of non-performing loans and advances**	3,186
020	Inflows to non-performing portfolios	516
030	Outflows from non-performing portfolios	(622)
040	Outflows due to write-offs	(158)
050	Outflow due to other situations	(465)
060	**Final stock of non-performing loans and advances**	3,079

Template 18b: EU CR2: Changes in the stock of non-performing loans and advances as of 31.12.2022

(Amounts in millions of Euro)

		a
		Gross carrying amount
010	**Initial stock of non-performing loans and advances**	5,190
020	Inflows to non-performing portfolios	1,324
030	Outflows from non-performing portfolios	(3,328)
040	Outflows due to write-offs	(297)
050	Outflow due to other situations	(3,032)
060	**Final stock of non-performing loans and advances**	3,186

Template 19a EU CR5 – standardised approach as of 30.06.2023

(Amounts in millions of Euro)

	Exposure classes	Risk weight															Total	Of which unrated
		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others		
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
1	Central governments or central banks	22,913	-	5	545	9	-	-	-	-	2,660	-	621	-	-	-	26,753	
2	Regional government or local authorities	-	-	-	-	7	-	-	-	-	-	-	-	-	-	-	7	
3	Public sector entities	734	-	-	-	0	-	-	-	-	436	-	-	-	-	-	1,170	
4	Multilateral development banks	667	-	-	-	-	-	-	-	-	-	-	-	-	-	-	667	
5	International organisations	339	-	-	-	-	-	-	-	-	-	-	-	-	-	-	339	
6	Institutions	0	-	-	-	911	-	662	-	-	470	-	-	-	-	-	2,044	
7	Corporates	-	-	-	-	33	-	238	-	-	11,334	23	-	-	-	-	11,628	
8	Retail exposures	-	-	-	-	-	-	-	-	2,854	-	-	-	-	-	-	2,854	
9	Exposures secured by mortgages on immovable property	-	-	-	-	-	6,953	3,847	-	643	969	-	-	-	-	-	12,412	
10	Exposures in default	-	-	-	-	-	-	-	-	-	1,719	281	-	-	-	-	2,000	
11	Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	121	-	-	-	-	121	
12	Covered bonds	-	-	-	25	-	-	-	-	-	-	-	-	-	-	-	25	
13	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
14	Units or shares in collective investment undertakings	0	-	-	-	-	-	-	-	-	22	-	-	-	-	-	22	
15	Equity exposures	-	-	-	-	-	-	-	-	-	360	-	40	-	-	-	399	
16	Other items	502	-	-	-	-	-	-	-	-	1,953	-	-	-	-	-	2,455	
17	**TOTAL**	**25,155**	**-**	**5**	**571**	**960**	**6,953**	**4,748**	**-**	**3,497**	**19,923**	**424**	**661**	**-**	**-**	**-**	**62,896**	

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Template 19b EU CR5 – standardised approach as of 31.12.2022

(Amounts in millions of Euro)

	Exposure classes	Risk weight															Total	Of which unrated
		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others		
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
1	Central governments or central banks	28,762	-	-	-	6	-	-	-	-	2,739	-	581	-	-	-	32,088	
2	Regional government or local authorities	-	-	-	-	7	-	-	-	-	-	-	-	-	-	-	7	
3	Public sector entities	764	-	-	-	0	-	-	-	-	436	-	-	-	-	-	1,200	
4	Multilateral development banks	728	-	-	-	-	-	-	-	-	-	-	-	-	-	-	728	
5	International organisations	287	-	-	-	-	-	-	-	-	-	-	-	-	-	-	287	
6	Institutions	0	-	-	-	949	-	774	-	-	292	-	-	-	-	-	2,015	
7	Corporates	-	-	-	-	28	-	182	-	-	12,230	29	-	-	-	-	12,469	
8	Retail exposures	-	-	-	-	-	-	-	-	2,863	-	-	-	-	-	-	2,863	
9	Exposures secured by mortgages on immovable property	-	-	-	-	-	6,897	3,836	-	753	1,195	-	-	-	-	-	12,680	
10	Exposures in default	-	-	-	-	-	-	-	-	-	1,687	334	-	-	-	-	2,022	
11	Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	98	-	-	-	-	98	
12	Covered bonds	-	-	-	22	-	-	-	-	-	-	-	-	-	-	-	22	
13	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
14	Units or shares in collective investment undertakings	0	-	-	-	-	-	-	-	-	10	-	-	-	-	-	10	
15	Equity exposures	-	-	-	-	-	-	-	-	-	338	-	37	-	-	-	375	
16	Other items	507	-	-	-	-	-	-	-	-	3,253	-	-	-	-	-	3,760	
17	**TOTAL**	**31,048**	**-**	**-**	**22**	**990**	**6,897**	**4,792**	**-**	**3,616**	**22,179**	**462**	**618**	**-**	**-**	**-**	**70,624**	

5.1 Credit risk mitigation

Credit risk mitigation techniques reduce exposure value and expected loss. According to CRR 575/2013, only specific types of credit risk mitigation are eligible for capital adequacy calculation purposes.

Moreover, the Bank of Greece sets additional criteria which should be satisfied during the collateral management process (market value monitoring, insurance, legal validity) and the terms and conditions of the relevant agreements.

Collateral can be used in order to mitigate the credit risk created in case a customer or counterparty to a financial instrument fails to meet their contractual obligations.

Collaterals are holdings or rights of every type provided to the Bank by its debtors or third parties to be used as additional funding sources in case of claim liquidation.

The main collateral types are mortgages, cash, mutual funds and sovereign securities (repos, bonds).

5.1.1 Collateral valuation and management policies and procedures

Collateral can be used in order to mitigate the Credit Risk created to a financial instrument in case a customer or counterparty fails to meet his contractual obligations.

Collaterals are holdings or rights of every type provided to the Bank by its debtors or third parties to be used as additional funding sources in case of claim liquidation.

The main collateral types held for retail customers are mortgages, cash, mutual funds and sovereign securities (repos, bonds). Additionally, in case of real estate loans maximum Loan to Value (LTV: loan amount to property commercial value) limits have been set, depending upon loan purpose and collateral. The amount the customer contributes to the asset being financed is a very important factor during the loan approval process since it directly affects customer’s repayment ability.

In case the debtor is a private individual, the Group seeks to have her/him insured against death and severe injuries.

As far as wholesale customers are concerned, loan repayment depends upon the viability and growth perspectives of the company, the servicing ability of the company and its owners, the circumstances prevailing at the sectors and markets they are active in, as well as unexpected factors, positively or negatively affecting their operation.

In order to assess an acceptable value for collateral, the Bank calculates the value based on the potential proceeds that could arise if and when this collateral is liquidated. This estimation is referred to as the acceptable guaranteed value of the collaterals provided to the Bank for the determination of which the quality of the assets as well as their market value are taken into account. In this way, the ratio of acceptable guaranteed values is determined for each type of collateral, those are expressed as a percentage of their market value, nominal or weighted value, depending on the type of collateral. Depending on the type of collateral, the assessments of the value of collateral is carried out by partners (Appraisers), with the necessary expertise and specialisation. The selection of the appraiser is subject to specific criteria, while their performance is assessed on an ongoing basis.

Especially for tangible collaterals, the Bank entrusts independent qualified appraisers who have the necessary qualifications, ability and experience in evaluation (as defined in the article 208 paragraph 3 of the EU Regulation No 575/2013).
According to the Bank's Credit Policy, the existence and the valuation of both pledged collateral and mortgaged property are closely monitored. Depending on the right or the underlying asset on which a pledge is registered, the periodic revaluation frequency varies from one month to one year.

In addition to the review of collateral values, the Bank also validates such collateral values on an annual basis. On a regular basis and through proper sampling, the Bank performs audits for the procedures of implementation of the Bank's Loan Collateral Policy and audits (back-testing) for the verification of property valuations. Audits are based on indices and individual assessments in order to ensure the proper collateral valuation is captured in the Bank's core systems and controls are in place for the Bank's relevant committee reviews and approvals.

Regarding the rest of the companies of Alpha Bank Group, apart from the general principles applying to the Group as a whole, additional clauses also exist. To specify, as far as leasing contracts are concerned, apart from the leased property, Alpha Leasing might request additional collateral. Moreover, Factoring customers are subject to collateral limits depending upon debtor's creditworthiness and reexamined according to the Bank's Policy regarding loans to corporate customers.

5.1.2 Description of the main collateral types

Collateral used to mitigate risk, both for mortgage and other lending is diversified. The main types of guarantors are corporates, individuals, financial institutions and sovereigns. Their creditworthiness is assessed on a case by-case basis.

There are two broad categories of collateral: Contractual collaterals – guarantees and tangible collaterals.

Guarantees are the most common collateral type of the first category. A guarantee is a legally enforceable relationship between the Bank and the borrower, through which the guarantor assumes the responsibility of paying the debt. It is documented and presupposes the existence of another legally enforceable relationship between the Bank and the borrower (loan).

The provided guarantees are usually found in the banking practice into: Personal Guarantee, Corporate Guarantee, Credit Institutions Guarantee, Greek State Guarantee, Guarantee of HDB (Hellenic Development Bank), Guarantee Programs of the European Investment Fund (EIF), Letter of Comfort. The most common types of tangible collateral are: mortgages on real estate properties and pledges on commodities, deposits and cheques or claims and receivables.

Tangible collateral value is estimated on a regular basis, at least annually, except for cases where the contract foresees something different, in cases of known changes on the property or in the business process, or in cases there are urban planning changes or other considerable factors; in case of exceptional/unforeseen events, additional valuation can take place. In case of significant negative changes at collateral values, the Bank seeks to restore the loan to collateral value ratio to the desired levels. The initial valuations of a real estate property, provided as collateral, are carried out through on-site appraisals and internal property inspections to further improve the effect of credit risk mitigation. The Bank requests that all mortgages are covered by an insurance contract and the compensation is assigned to the Bank. The same might apply, on a case-by-case basis, on other physical collaterals as well.

The following table presents the exposure value covered through eligible collateral and guarantees / credit derivatives for each asset class, based on regulatory standards while it also shows the volume of unsecured and secured exposures. Secured exposures are limited to those exposures against which eligible collateral which meets CRR definitions is held and has been used in the calculation of the Group's capital requirements. Haircuts are applied consistent with CRR requirements.

Exposures where the Group nets derivative mark-to-market positions with certain interbank counterparties against cash collateral placed and received with those counterparties under CSA agreements are excluded. For cash collateral held against derivative exposures refer to the counterparty credit risk section.

Template 20a: EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques as of 30.06.2023

(Amounts in millions of Euro)

		Unsecured carrying amount	Secured carrying amount			
				Of which secured by collateral	Of which secured by financial guarantees	
						Of which secured by credit derivatives
		a	b	c	d	e
1	Loans and advances	15,937	30,465	22,320	8,145	-
2	Debt securities	14,442	-	-	-	
3	**Total**	**30,379**	**30,465**	**22,320**	**8,145**	**-**
4	*Of which non-performing exposures*	1,234	1,855	1,734	121	-
EU-5	*Of which defaulted*	1,234	1,855			

Template 20b: EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques as of 31.12.2022

(Amounts in millions of Euro)

		Unsecured carrying amount	Secured carrying amount			
				Of which secured by collateral	Of which secured by financial guarantees	
						Of which secured by credit derivatives
		a	b	c	d	e
1	Loans and advances	21,968	30,572	22,180	8,393	-
2	Debt securities	12,640	-	-	-	
3	**Total**	**34,607**	**30,572**	**22,180**	**8,393**	**-**
4	*Of which non-performing exposures*	1,362	1,826	1,687	139	-
EU-5	*Of which defaulted*	1,362	1,826			

Template 21a: EU CR4 – standardised approach – Credit risk exposure and CRM effects as of 30.06.2023

(Amounts in millions of Euro)

	Exposure classes	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWAs density (%)
		a	b	c	d	e	f
1	Central governments or central banks	21,018	189	26,752	0	4,270	15.96%
2	Regional government or local authorities	7	1	7	0	1	20.00%
3	Public sector entities	547	3	1,170	0	436	37.29%
4	Multilateral development banks	59	-	667	-	-	0.00%
5	International organisations	339	-	339	-	-	0.00%
6	Institutions	2,014	786	2,017	27	984	48.12%
7	Corporates	12,237	5,697	10,589	1,039	10,397	89.42%
8	Retail	3,541	3,291	2,599	255	1,968	68.96%
9	Secured by mortgages on immovable property	12,735	70	12,392	21	5,363	43.21%
10	Exposures in default	2,073	239	1,971	29	2,140	107.01%
11	Exposures associated with particularly high risk	144	-	121	-	181	150.00%
12	Covered bonds	25	-	25	-	3	10.00%
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	0.00%
14	Collective investment undertakings	22	-	22	-	22	99.11%
15	Equity	399	-	399	-	459	114.91%
16	Other items	2,455	3	2,455	-	1,953	79.56%
17	**TOTAL**	**57,615**	**10,279**	**61,524**	**1,372**	**28,177**	**44.80%**

Template 21b: EU CR4 – standardised approach – Credit risk exposure and CRM effects as of 31.12.2022

(Amounts in millions of Euro)

	Exposure classes	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWAs density (%)
		a	b	c	d	e	f
1	Central governments or central banks	26,205	189	32,088	0	4,193	13.07%
2	Regional government or local authorities	7	1	7	0	1	20.00%
3	Public sector entities	435	3	1,199	0	436	36.33%
4	Multilateral development banks	77	-	728	0	-	0.00%
5	International organisations	287	-	287	-	-	0.00%
6	Institutions	2,011	671	2,012	3	869	43.12%
7	Corporates	13,291	5,004	11,550	919	11,080	88.86%
8	Retail	3,593	3,297	2,614	249	1,986	69.37%
9	Secured by mortgages on immovable property	12,907	88	12,658	22	5,638	44.46%
10	Exposures in default	2,112	248	1,990	32	2,189	108.27%
11	Exposures associated with particularly high risk	121	-	98	-	147	150.00%
12	Covered bonds	22	-	22	-	2	10.00%
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	0.00%
14	Collective investment undertakings	10	-	10	-	10	98.54%
15	Equity	375	-	375	-	430	114.73%
16	Other items	3,760	-	3,760	-	3,253	86.51%
17	**TOTAL**	**65,214**	**9,500**	**69,398**	**1,225**	**30,234**	**42.81%**

ALPHA SERVICES AND HOLDINGS

Template 22a: EU CQ7: Collateral obtained by taking possession and execution processes as of 30.06.2023

(Amounts in millions of Euro)

		a	b
		Collateral obtained by taking possession	
		Value at initial recognition	Accumulated negative changes
010	Property, plant and equipment (PP&E)	45	(13)
020	Other than PP&E	859	(198)
030	*Residential immovable property*	254	(27)
040	*Commercial Immovable property*	590	(164)
050	*Movable property (auto, shipping, etc.)*	0	-
060	*Equity and debt instruments*	15	(7)
070	*Other collateral*	-	-
080	**Total**	**904**	**(211)**

Template 22b: EU CQ7: Collateral obtained by taking possession and execution processes as of 31.12.2022

(Amounts in millions of Euro)

		a	b
		Collateral obtained by taking possession	
		Value at initial recognition	Accumulated negative changes
010	Property, plant and equipment (PP&E)	45	(12)
020	Other than PP&E	1,086	(287)
030	*Residential immovable property*	369	(74)
040	*Commercial Immovable property*	702	(206)
050	*Movable property (auto, shipping, etc.)*	0	-
060	*Equity and debt instruments*	15	(7)
070	*Other collateral*	-	-
080	**Total**	**1,131**	**(299)**

6 Counterparty credit risk (CCR)

Counterparty credit risk is the risk of default of a counterparty before the final settlement of all existing transactions' cash flows. An economic loss would occur if the portfolio of transactions with the counterparty has a positive economic value to the Group at the time of counterparty default. According to CRR 575/2013 the term transaction refers to:

- Over the counter (OTC) derivative transactions, such as FX or interest rate derivative transactions
- Repurchase transactions, securities or commodities lending or borrowing transactions or margin lending transactions
- Long settlement transactions

Alpha Bank Group has the first two types of transactions.

The exposures generating counterparty credit risk are monitored on a daily basis. The Group has set limits per counterparty group, per counterparty and per product.

In order to reduce counterparty credit risk exposure, Alpha Bank Group uses ISDA (International Swap and Derivatives Association) and GMRA (Global Master Repurchase Agreement) bilateral contracts for financial products transactions with financial institutions.

Since 30/06/2021 Alpha Bank Group has adopted the Standardised approach for counterparty credit risk (SA-CCR), the new methodology for calculating the EAD under CRR II, which is significantly different to its predecessor, the CEM under the CRR I. The SA-CCR is more risk sensitive compared to the prescribed approaches under CRR I, thus is expected to provide an EAD value which better reflects the risks to which Banks are exposed to as a result of derivative transactions.

The tables below present the Group's counterparty credit exposures, including the impact of netting and collateral. Current credit exposures consist of the replacement cost of contracts together with potential future credit exposure.

Template 23a: EU CCR1 – Analysis of CCR by approach as of 30.06.2023

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h
		Replacement cost (RC)	**Potential future exposure (PFE)**	**EEPE**	**Alpha used for computing regulatory exposure value**	**Exposure value pre-CRM**	**Exposure value post-CRM**	**Exposure value**	**RWEA**
EU1	EU - Original Exposure Method (for derivatives)	-	-		1.4	-	-	-	-
EU2	EU - Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
1	SA-CCR (for derivatives)	99	117		1.4	1,351	302	302	151
2	IMM (for derivatives and SFTs)			-		-	-	-	-
2a	*Of which securities financing transactions netting sets*			-		-	-	-	-
2b	*Of which derivatives and long settlement transactions netting sets*			-		-	-	-	-
2c	*Of which from contractual cross-product netting sets*			-		-	-	-	-
3	Financial collateral simple method (for SFTs)					-	-	-	-
4	Financial collateral comprehensive method (for SFTs)					1,745	85	85	33
5	VaR for SFTs					-	-	-	-
6	**Total**					**3,096**	**387**	**387**	**184**

Template 23b: EU CCR1 – Analysis of CCR by approach as of 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h
		Replacement cost (RC)	**Potential future exposure (PFE)**	**EEPE**	**Alpha used for computing regulatory exposure value**	**Exposure value pre-CRM**	**Exposure value post-CRM**	**Exposure value**	**RWEA**
EU1	EU - Original Exposure Method (for derivatives)	-	-		1.4	-	-	-	-
EU2	EU - Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
1	SA-CCR (for derivatives)	90	116		1.4	1,384	288	288	139
2	IMM (for derivatives and SFTs)			-		-	-	-	-
2a	*Of which securities financing transactions netting sets*			-		-	-	-	-
2b	*Of which derivatives and long settlement transactions netting sets*			-		-	-	-	-
2c	*Of which from contractual cross-product netting sets*			-		-	-	-	-
3	Financial collateral simple method (for SFTs)					-	-	-	-
4	Financial collateral comprehensive method (for SFTs)					1	1	1	0
5	VaR for SFTs					-	-	-	-
6	**Total**					**1,385**	**290**	**290**	**139**

According to CRR 575/2013 Article 381, financial institutions are required to calculate the own funds requirements for Credit Valuation Adjustment (CVA Risk).

The CVA reflects the current market value of the counterparty credit risk to the institution. Own Funds requirements for CVA risk, are calculated for all derivative transactions with financial institutions all OTC derivative instruments excluding credit derivatives.

In order to calculate CVA, Alpha Bank incorporates the Standardized methodology according to article 384 of CRR 575/2013. Value at Risk is calculated with a 99% confidence interval and with one-year risk horizon.

The most important factors that influence the capital requirements of CVA are the Weight of the counterparty, the real notional-weighted maturity, the contribution of the exposures to the counterparties as well as the number of the counterparties of the portfolio.

The following tables present the CVA calculation of the Group:

Template 24a: EU CCR2 – Transactions subject to own funds requirements for CVA risk as of 30.06.2023

(Amounts in millions of Euro)

		a	b
		Exposure value	**RWEA**
1	Total transactions subject to the Advanced method	-	-
2	(i) VaR component (including the 3× multiplier)		-
3	(ii) stressed VaR component (including the 3× multiplier)		-
4	Transactions subject to the Standardised method	166	114
EU4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)	-	-
5	**Total transactions subject to own funds requirements for CVA risk**	**166**	**114**

Template 24b: EU CCR2 – Transactions subject to own funds requirements for CVA risk as of 31.12.2022

(Amounts in millions of Euro)

		a	b
		Exposure value	**RWEA**
1	Total transactions subject to the Advanced method	-	-
2	(i) VaR component (including the 3× multiplier)		-
3	(ii) stressed VaR component (including the 3× multiplier)		-
4	Transactions subject to the Standardised method	148	112
EU4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)	-	-
5	**Total transactions subject to own funds requirements for CVA risk**	**148**	**112**

The tables below present the Group's exposures to central counterparties (CCPs) and related capital requirements.

Template 25a: EU CCR8 – Exposures to CCPs as of 30.06.2023

(Amounts in millions of Euro)

		a	b
		Exposure value	RWEA
1	**Exposures to QCCPs (total)**		**4**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	204	4
3	(i) OTC derivatives	204	4
4	(ii) Exchange-traded derivatives	-	
5	(iii) SFTs	-	-
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	-	
8	Non-segregated initial margin	41	-
9	Prefunded default fund contributions	-	-
10	Unfunded default fund contributions	-	-
11	**Exposures to non-QCCPs (total)**		-
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
13	(i) OTC derivatives	-	-
14	(ii) Exchange-traded derivatives	-	-
15	(iii) SFTs	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	
18	Non-segregated initial margin	-	-
19	Prefunded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

The tables below present the Group's exposures to central counterparties (CCPs) and related capital requirements.

Template 25b: EU CCR8 – Exposures to CCPs as of 31.12.2022

(Amounts in millions of Euro)

		a	b
		Exposure value	**RWEA**
1	**Exposures to QCCPs (total)**		**4**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	199	4
3	(i) OTC derivatives	199	4
4	(ii) Exchange-traded derivatives	-	
5	(iii) SFTs	-	-
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	-	
8	Non-segregated initial margin	29	-
9	Prefunded default fund contributions	-	-
10	Unfunded default fund contributions	-	-
11	**Exposures to non-QCCPs (total)**		-
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
13	(i) OTC derivatives	-	-
14	(ii) Exchange-traded derivatives	-	-
15	(iii) SFTs	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	
18	Non-segregated initial margin	-	-
19	Prefunded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

The tables below show the CCR exposures by regulatory portfolio and risk as of 30.06.2023 and 31.12.2022

Template 26a: EU CCR3 – Standardized approach – CCR exposures by regulatory portfolio and risk as of 30.06.2023

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l
	Exposure classes	**Risk weight**											**Total exposure value**
		0%	**2%**	**4%**	**10%**	**20%**	**50%**	**70%**	**75%**	**100%**	**150%**	**Others**	
1	Central governments or central banks	10	-	-	-	-	-	-	-	-	-	-	10
2	Regional government or local authorities	-	-	-	-	-	-	-	-	-	-	-	-
3	Public sector entities	-	-	-	-	-				-			-
4	Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
5	International organisations	-	-	-	-	-	-	-	-	-	-	-	-
6	Institutions	74	204	-	-	123	101	-	-	3			505
7	Corporates	-	-	-	-	-	-	-	-	110	-	-	110
8	Retail	-	-	-	-	-	-	-	17	-	-	-	17
9	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
10	Other items	-	-	-	-	-	-	-	-	-	-		-
11	**Total exposure value**	**84**	**204**	**-**	**-**	**123**	**101**		**17**	**113**	**-**	**-**	**642**

Template 26b: EU CCR3 – Standardized approach – CCR exposures by regulatory portfolio and risk as of 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l
	Exposure classes	Risk weight											Total exposure value
		0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	
1	Central governments or central banks	24				-				-			24
2	Regional government or local authorities					-							-
3	Public sector entities	-				-				-			-
4	Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
5	International organisations	-	-	-	-	-	-	-	-	-	-	-	-
6	Institutions	51	199	-	-	44	103	-	-	1	-	-	398
7	Corporates	-	-	-	-	-	-		-	89	-	-	89
8	Retail	-	-	-	-	-	-	-	7	-	-	-	7
9	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
10	Other items												0
11	**Total exposure value**	**75**	**199**		**-**	**44**	**103**		**7**	**90**	**-**	**-**	**518**

The following tables provide a breakdown of all types of collateral posted or received to support or reduce CCR exposures related to derivative transactions or to securities financing transaction (SFTs) as of 30.06.2023 and 31.12.2022

Template 27a: EU CCR5 – Composition of collateral for CCR exposures 30.06.2023

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h
		Collateral used in derivative transactions				Collateral used in SFTs			
	Collateral type	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
		Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
1	Cash – domestic currency	206	653	217	207	-	-	-	549
2	Cash – other currencies	3	-	2	-	-	-	-	-
3	Domestic sovereign debt	-	-	-	400	-	88	-	304
4	Other sovereign debt	-	-	-	-	-	150	-	48
5	Government agency debt	-	-	-	-	-	-	-	-
6	Corporate bonds	-	-	-	-	-	129	-	75
7	Equity securities	-	-	-	-	-	-	-	-
8	Other collateral	-	-	-	-	-	1,231	-	559
9	**Total**	**209**	**653**	**219**	**607**	**-**	**1,598**	**-**	**1,534**

Template 27b: EU CCR5 – Composition of collateral for CCR exposures 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h
		Collateral used in derivative transactions				Collateral used in SFTs			
	Collateral type	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
		Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
1	Cash – domestic currency	174	678	246	238	-	-	-	-
2	Cash – other currencies	4	-	1	-	-	-	-	-
3	Domestic sovereign debt	-	-	-	-	-	-	-	-
4	Other sovereign debt	-	-	-	-	-	-	-	-
5	Government agency debt	-	-	-	-	-	-	-	-
6	Corporate bonds	-	-	-	400	-	-	-	-
7	Equity securities	-	-	-	-	-	-	-	-
8	Other collateral	-	-	-	-	-	97	-	31
9	**Total**	**178**	**678**	**248**	**638**	**-**	**97**	**-**	**31**

7 Exposure to Securitisation positions

According to the provisions set by points (a) to (i) of Article 449 of Regulation (EU) 575/2013 CRR regarding Exposures to securitisation positions, the Group provides details of traditional and synthetic securitization exposures in the banking and trading book.

7.1 Non-STS traditional Securitisations

In accordance with article 4(37) of the Banking Consolidation Directive (Definitions), traditional securitization entails the economic transfer of the exposures being securitized under a securitisation special purpose entity which in return issues securities. This must be accomplished by the transfer of ownership of the securitized exposures from the originator. Securities issued by the securitization SPVs do not represent any payment obligations of the originator institution.

Within 2021, Alpha Bank completed the Galaxy and Cosmos transaction, which involved the securitization of a portfolio of Non-Performing Exposures (NPEs) with a total gross book value of c. €14.2bn as of cut-off date, following fulfillment of all conditions' precedent, pursuant to the securitization framework. The underlying portfolios were segmented to four distinct securitization SPVs based on the underlying assets' type:

a) Orion X Securitisation DAC, consists of secured residential Mortgages of total gross book value c. €1.9bn., as of 31.03.2019

b) Galaxy II Funding DAC, consisting of secured residential Mortgages and Consumer Loans and Small Business Lending ("SBL") of total gross book value c. €5.7bn as of 30.06.2019, and

c) Galaxy IV Funding DAC, consisting of wholesale exposures to Small and Medium Enterprises ("SMEs") and Large corporates of total gross book value c. €3.2bn as of 30.06.2019, and

d) Cosmos Securitization DAC, consisting of Residential Mortgage loans, Large Corporate, Small and Medium Enterprises ("SMEs"), Small Business Lending ("SBL") of total gross book value c.€3.4bn, as of 30.6.2020

Both transactions entailed the sale of the 51% of the Mezzanine and Junior Notes of the securitisation SPVs (Galaxy and Cosmos subordinated Notes) to entities managed and advised by Davidson Kempner Capital Management LP ("Davidson Kempner"), while Alpha Bank has retained the 100% of the Senior Notes and 5% of Galaxy and Cosmos subordinated Notes, pursuant to the risk retention requirements of article 6 of the Securitisation Regulation. The 44% of Galaxy and Cosmos subordinated Notes are owned by Galaxy Cosmos Mezz Plc

In accordance with Art. 247 of the CRR, and given that Galaxy and Cosmos transactions are traditional non-STS securitizations and SRT requirements are fulfilled, Alpha Bank uses the SECSA method for the calculation of risk-weighted exposure amounts for mezzanine and junior securitisation notes according to EU 2017/2401 Art. 261.

As regards the senior securitization positions as per EU 2017/2401 Art. 254 (2), SEC-ERBA methodology is applied instead of the SEC-SA, on the grounds of the recognized ECAI rating provided in the context of Galaxy and Cosmos applications under the Greek Law 4649/2019 "Asset Protection Scheme ("HAPS"), also known as the "Hercules Scheme".

Investment in securitisation positions

On June 30th, 2023, the Group held investments in collateralized loan obligations ("CLOs") with a total carrying amount of € 321 mn.

7.2 Synthetic Securitisation

In synthetic securitisation, the ownership of the securitised exposures remains with the originator and the transfer of the credit risk of an asset portfolio risk is achieved by the use of credit derivatives or guarantees (mainly Credit Default Swaps (CDS) or Financial Guarantees). An institution which implements a synthetic securitisation, may elect to structure the transaction either with the use of an SSPE or not. In the first case, the SSPE issues a Note only for the protected portion of the securitised pool which is purchased by investors and then the institution and the SSPE conclude a credit derivative or financial guarantee agreement. In the second case, the institution issues directly the Note equivalent to the protected portion of the securitised pool and enters into a credit derivative or financial guarantee with the investor.

Project "Aurora"

Securitisation of SME/Corporate portfolio

In December 2021, Alpha Bank concluded a synthetic securitization of a €1.9bn performing SME/Corporate portfolio with Christofferson, Robb & Company, as lead investor, AnaCap Financial Partners and the European Bank for Reconstruction and Development. The transaction allows for Credit Risk protection for the Mezzanine Tranche, resulting in Risk Weighted Asset relief and by extension regulatory and economic capital relief.

The synthetic securitisation achieves Significant Risk Transfer (SRT) as well as Simple, Transparent and Standardised (STS) designation which enhances Risk Weighted Asset relief. The Bank retains the 5% of the securitised portfolio in compliance with the retention rule laid down by the supervisory regulations.

With respect to the transaction's structure, the Bank has entered into a Financial Guarantee for the protection of the Mezzanine Tranche with an SSPE (Aurora SME I Dac – Protection Seller). In turn, Aurora SME I Dac, have issued an equivalent Credit Linked Note purchased by the aforementioned investors. Alpha Bank has assumed the roles of Protection Buyer, Calculation Agent and Collateral Manager.

In accordance with Art. 247 of the CRR, and given that the synthetic securitisation is STS designated and relevant SRT requirements are fulfilled, Alpha Bank can exclude the underlying exposures from its calculation of risk-weighted exposure amounts, and calculate the risk-weighted exposure amounts for the positions it holds in the securitisation. Specifically, Alpha Bank uses the SEC-SA method for the calculation of risk-weighted exposure amounts for the securitisation positions according to Regulation (EU) 2401/2017 Art. 261 and 262. More specifically the Bank applies to the Junior position and Synthetic Excess Spread the alternative provided by Regulation (EU) 575/2013 Art. 36.1 (k), deducting that exposure amount from the amount of Common Equity Tier 1 items.

Project "Tokyo"

Securitisation of SME/Corporate portfolio

In 2022, Alpha Bank concluded a synthetic securitization of a €626mn performing SME/Corporate portfolio. The transaction allows for Credit Risk protection for the Junior Tranche, resulting in Risk Weighted Asset relief and by extension regulatory and economic capital relief.

The Tokyo securitisation consists of the Bank entering into a Financial Guarantee agreement with the Guarantor (EIF/EIB), through which any credit losses that pertain to the First Loss Tranche of the portfolio will be covered. Contrary to Aurora, the Guarantee is entered into directly with the EIF/EIB and there is no SPV involved. Moreover, as the Guarantor in Tokyo is a Supranational Organisation, there is no requirement for the Guaranteed Amount to be collateralized. As the Financial Guarantee in Tokyo guarantees losses that refer to the First Loss Tranche, this means that losses in the portfolio are covered from the first EUR up until the entire commitment amount is consumed.

The synthetic securitisation achieves Significant Risk Transfer (SRT) which enhances Risk Weighted Asset relief. The Bank retains the 5% of the securitised portfolio in compliance with the retention rule laid down by the supervisory regulations.

In accordance with Art. 247 of the CRR, and given that relevant SRT requirements are fulfilled, Alpha Bank can exclude the underlying exposures from its calculation of risk-weighted exposure amounts, and calculate the risk-weighted exposure amounts for the positions it holds in the securitisations. Specifically, Alpha Bank uses the SEC-SA method for the calculation of risk-weighted exposure amounts for the securitisation positions according to Regulation (EU) 2401/2017 Art. 261.

Project "Compass"

Securitisation of Shipping portfolio

In H1 2023, Alpha Bank concluded a synthetic securitization of a $1.8mn performing Shipping portfolio. The transaction allows for Credit Risk protection for the Mezzanine Tranche, resulting in Risk Weighted Asset relief and by extension regulatory and economic capital relief.

The synthetic securitisation achieves Significant Risk Transfer (SRT) as well as Simple, Transparent and Standardised (STS) designation which enhances Risk Weighted Asset relief. The Bank retains the 5% of the securitised portfolio in compliance with the retention rule laid down by the supervisory regulations.

With respect to the transaction's structure, the Bank has entered into a Financial Guarantee for the protection of the Mezzanine Tranche with an Irish SSPE. In turn, SPE, have issued an equivalent Credit Linked Note purchased by the investors. The SPV will make credit protection payments to the Bank based on any realised losses incurred in the reference portfolio (in excess of the junior tranche), following the occurrence of a credit event. Alpha Bank has assumed the roles of Protection Buyer, Calculation Agent and Collateral Manager.

In accordance with Art. 247 of the CRR, and given that the synthetic securitisation is STS designated and relevant SRT requirements are fulfilled, Alpha Bank can exclude the underlying exposures from its calculation of risk-weighted exposure amounts, and calculate the risk-weighted exposure amounts for the positions it holds in the securitisation. Specifically, Alpha Bank uses the SEC-SA method for the calculation of risk-weighted exposure amounts for the securitisation positions according to Regulation (EU) 2401/2017 Art. 261 and 262. More specifically the Bank applies to the Junior position the alternative provided by Regulation (EU) 575/2013 Art. 36.1 (k), deducting that exposure amount from the amount of Common Equity Tier 1 items.

The template EU SEC1 below presents the total non-trading book securitization exposure split by exposure type that is securitized as either originator or sponsor and finally positions which have been purchased through investment activities as investor.

Template 28a: EU-SEC1 - Securitisation exposures in the non-trading book as of 30.06.2023

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
		Traditional				Synthetic		Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
		STS		Non-STS			of which SRT		STS	Non-STS			STS	Non-STS		
			of which SRT		of which SRT											
1	**Total exposures**	**-**	**-**	**5,978**	**2**	**3,439**	**3,439**	**9,417**	**-**	**-**	**-**	**-**	**-**	**331**	**-**	**331**
2	Retail (total)	-	-	4,969	2	-	-	4,969	-	-	-	-	-	10	-	10
3	residential mortgage	-	-	4,273	2	-	-	4,273	-	-	-	-	-	10	-	10
4	credit card	-	-	695	-	-	-	695	-	-	-	-	-	-	-	-
5	other retail exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Wholesale (total)	-	-	1,010	1	3,439	3,439	4,448	-	-	-	-	-	321	-	321
8	loans to corporates	-	-	501	1	3,439	3,439	3,939	-	-	-	-	-	321	-	321
9	commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	lease and receivables	-	-	475	-	-	-	475	-	-	-	-	-	-	-	-
11	other wholesale	-	-	34	-	-	-	34	-	-	-	-	-	-	-	-
12	re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Template 28b: EU-SEC1 - Securitisation exposures in the non-trading book as of 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
		Traditional				Synthetic		Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
		STS		Non-STS			of which SRT		STS	Non-STS			STS	Non-STS		
			of which SRT		of which SRT											
1	**Total exposures**	**-**	**-**	**7,882**	**2**	**2,202**	**2,202**	**10,083**	**-**	**-**	**-**	**-**	**-**	**130**	**-**	**130**
2	Retail (total)	-	-	6,841	2	-	-	6,841	-	-	-	-	-	9	-	9
3	residential mortgage	-	-	6,108	2	-	-	6,108	-	-	-	-	-	9	-	9
4	credit card	-	-	733	-	-	-	733	-	-	-	-	-	-	-	-
5	other retail exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Wholesale (total)	-	-	1,040	1	2,202	2,202	3,242	-	-	-	-	-	121	-	121
8	loans to corporates	-	-	501	1	2,202	2,202	2,702	-	-	-	-	-	121	-	121
9	commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	lease and receivables	-	-	475	-	-	-	475	-	-	-	-	-	-	-	-
11	other wholesale	-	-	65	-	-	-	65	-	-	-	-	-	-	-	-
12	re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Templates EU-SEC3 and EU-SEC4 include information on securitisation exposures in the non- trading book only with significant risk transfer

Template 29a: EU-SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor as of 30.06.2023

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	EU-p	EU-q
		Exposure values (by RW bands/deductions)					**Exposure values (by regulatory approach)**				**RWEA (by regulatory approach)**				**Capital charge after cap**			
		≤20% RW	**>20% to 50% RW**	**>50% to 100% RW**	**>100% to <1250% RW**	**1250% RW/ deductions**	**SEC-IRBA**	**SEC-ERBA (including IAA)**	**SEC-SA**	**1250%/ deductions**	**SEC-IRBA**	**SEC-ERBA (including IAA)**	**SEC-SA**	**1250%/ deductions**	**SEC-IRBA**	**SEC-ERBA (including IAA)**	**SEC-SA**	**1250% RW/ deductions**
1	**Total exposures**	**3,382**	**-**	**-**	**5**	**55**	**-**	**-**	**3,441**	**-**	**-**	**-**	**406**	**-**	**-**	**-**	**32**	**-**
2	Traditional transactions	-	-	-	2	-	-	-	2	-	-	-	21	-	-	-	2	-
3	Securitisation	-	-	-	2	-	-	-	2	-	-	-	21	-	-	-	2	-
4	Retail underlying	-	-	-	2	-	-	-	2	-	-	-	18	-	-	-	1	-
5	Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Wholesale	-	-	-	1	-	-	-	1	-	-	-	3	-	-	-	-	-
7	Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Synthetic transactions	3,382	-	-	2	55	-	-	3,439	-	-	-	384	-	-	-	31	-
10	Securitisation	3,382	-	-	2	55	-	-	3,439	-	-	-	384	-	-	-	31	-
11	Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Wholesale	3,382	-	-	2	55	-	-	3,439	-	-	-	384	-	-	-	31	-
13	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Template 29b: EU-SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor as of 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	EU-p	EU-q
		Exposure values (by RW bands/deductions)					**Exposure values (by regulatory approach)**				**RWEA (by regulatory approach)**				**Capital charge after cap**			
		≤20% RW	**>20% to 50% RW**	**>50% to 100% RW**	**>100% to <1250% RW**	**1250% RW/ deductions**	**SEC-IRBA**	**SEC-ERBA (including IAA)**	**SEC-SA**	**1250%/ deductions**	**SEC-IRBA**	**SEC-ERBA (including IAA)**	**SEC-SA**	**1250%/ deductions**	**SEC-IRBA**	**SEC-ERBA (including IAA)**	**SEC-SA**	**1250% RW/ deductions**
1	**Total exposures**	**2,160**	**-**	**-**	**3**	**41**	**-**	**-**	**2,204**	**-**	**-**	**-**	**276**	**-**	**-**	**-**	**22**	**-**
2	Traditional transactions	-	-	-	2	-	-	-	2	-	-	-	21	-	-	-	2	-
3	Securitisation	-	-	-	2	-	-	-	2	-	-	-	21	-	-	-	2	-
4	Retail underlying	-	-	-	2	-	-	-	2	-	-	-	19	-	-	-	1	-
5	Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Wholesale	-	-	-	1	-	-	-	1	-	-	-	3	-	-	-	0	-
7	Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Synthetic transactions	2,160	-	-	1	41	-	-	2,202	-	-	-	254	-	-	-	20	-
10	Securitisation	2,160	-	-	1	41	-	-	2,202	-	-	-	254	-	-	-	20	-
11	Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Wholesale	2,160	-	-	1	41	-	-	2,202	-	-	-	254	-	-	-	20	-
13	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Template 30a: EU-SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor as of 30.06.2023

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
		≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions
1	**Total exposures**	**321**		**0**		**9**		**331**				**181**				**14**		
2	Traditional securitisation	321		0		9		331				181				14		
3	Securitisation	321		0		9		331				181				14		
4	Retail underlying			0		9		10				117				9		
5	Of which STS																	
6	Wholesale	321						321				64				5		
7	Of which STS																	
8	Re-securitisation																	
9	Synthetic securitisation																	
10	Securitisation																	
11	Retail underlying																	
12	Wholesale																	
13	Re-securitisation																	

ALPHA SERVICES AND HOLDINGS

Template 30b: EU-SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor as of 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
		≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions
1	**Total exposures**	**121**		**0**		**9**		**130**				**132**				**11**		
2	Traditional securitisation	121		0		9		130				132				11		
3	Securitisation	121		0		9		130				132				11		
4	Retail underlying			0		9		9				108				9		
5	Of which STS																	
6	Wholesale	121						121				24				2		
7	Of which STS																	
8	Re-securitisation																	
9	Synthetic securitisation																	
10	Securitisation																	
11	Retail underlying																	
12	Wholesale																	
13	Re-securitisation																	

Templates EU-SEC5 reflect the exposures in default and credit risk adjustments made during the period

Template 31a: EU-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments 30.06.2023

(Amounts in millions of Euro)

		a	b	c
		Exposures securitised by the institution - Institution acts as originator or as sponsor		
		Total outstanding nominal amount		Total amount of specific credit risk adjustments made during the period
			Of which exposures in default	
1	**Total exposures**	**23,373**	**14,545**	113
2	Retail (total)	15,524	11,668	153
3	residential mortgage	14,829	11,662	157
4	credit card	695	5	(4)
5	other retail exposures	-	-	-
6	re-securitisation	-	-	-
7	Wholesale (total)	7,849	2,878	(40)
8	loans to corporates	7,340	2,870	(40)
9	commercial mortgage	-	-	-
10	lease and receivables	475	8	-
11	other wholesale	34	-	-
12	re-securitisation	-	-	-

Template 31b: EU-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments 31.12.2022

(Amounts in millions of Euro)

		a	b	c
		Exposures securitised by the institution - Institution acts as originator or as sponsor		
		Total outstanding nominal amount		Total amount of specific credit risk adjustments made during the period
			Of which exposures in default	
1	**Total exposures**	**24,023**	**15,462**	116
2	Retail (total)	17,402	12,718	(34)
3	residential mortgage	16,669	12,704	(37)
4	credit card	733	13	3
5	other retail exposures			
6	re-securitisation			
7	Wholesale (total)	6,621	2,744	150
8	loans to corporates	6,081	2,736	150
9	commercial mortgage			
10	lease and receivables	475	8	0
11	other wholesale	65		
12	re-securitisation	-	-	-

8 Market Risk

Market risk is the risk of reduction in economic value arising from unfavorable changes in the value or volatility of interest rates, foreign exchange rates, stock exchange indices, equities and commodities.

Market risk management is conducted in accordance with policies and procedures that have been developed and are implemented by all Group companies.

The Group Risk Management Committee is responsible for supporting and supervising the Market Risk management framework and ensuring the application of all the necessary measures to identify, estimate, monitor and control this type of risk. Group ALCO is responsible for approving the guidelines and the strategy as far as Market Risk is concerned.

Market Risk is controlled through the establishment and implementation of a well-structured set of limits, according to the Group Market Risk Appetite while satisfying the relevant customer needs.

Alpha Bank calculates Value at Risk (VaR) for internal risk management purposes since 1999. In 2008, the Bank of Greece validated the Bank's internal model for VaR and approved its application for the calculation of capital requirements for general market risk on a solo level in accordance to the Bank of Greece Governor's Acts 2577/2006 and 2591/2007. From the end of 2011 and in accordance to the Bank of Greece Governor's Act 2646/093093.2011, the Bank became compliant with Basel 2.5 and Stressed VaR was estimated together with VaR for the calculation of capital.

The VaR methodology applied is historical simulation, using a 99% percentile, one tailed confidence interval, a historical observation period of 2 years un-weighted data and a 1 and 10–day holding period. 10 day VaR is calculated with a 10 day horizon and a 1 day fixed step (overlapping periods). Calculation of the value-at-risk value is performed on a daily basis using full valuation across all risk factors and positions. Market and position data are updated on a daily basis. The model uses a mixed approach when applying variations in market rates and prices. For Interest rate and credit spread market risk factors absolute change is performed, while relative changes are used for FX, volatility and equity. The VaR methodology used is the same both for regulatory VaR and internal risk management VaR, with the only difference being that credit spread risk is not addressed for regulatory purposes.

The Stressed VaR methodology is based on the current VaR methodology. All risk factors included in the regulatory VaR model are considered in the Stressed VaR model. The Bank computes the Stressed VaR measure on a daily basis, to coincide with the VaR periodicity. Currently, the stress period used by the Bank is -26/09/2012 – 25/09/2013. The selection of the stressed period is based on the assessment of the most volatile period in recent history.

8.1 IMA approach for market risk

For the purpose of the calculation of the own fund requirements for the general market risk according to Article 365 the Capital Requirements Regulation (CRR) ((EU) No 575/2013), institutions are expected to calculate at least weekly a “stressed value at risk” of the current Trading book. Historical data is used from a continuous 12-month period of financial stress relevant to the Bank’s portfolio. The Stressed Period is reviewed at least annually and the authorities are notified of any changes accordingly. The Stressed VaR methodology is based on the current VaR methodology. All risk factors included in the regulatory VaR model are considered in the Stressed VaR model. The Bank computes the Stressed VaR measure on a daily basis, to coincide with the VaR periodicity.

During December 2022, the stress period was reviewed and the new Stress period implemented by the Bank since December 27th 2022 is 26/09/2012 –25/09/2013. The selection of the stress period is based on the assessment of the most volatile period in recent history.

The risk categories covered by Alpha Bank’s regulatory internal model are general risk of equity instruments, general risk of debt instruments, foreign exchange risk and commodities risk.

The own fund requirements under the IMA at 30.06.2023 are displayed in the following table:

Template 32a: EU MR2-A - Market risk under the internal Model Approach (IMA) as of 30.06.2023

(Amounts in millions of Euro)

		a	b
		RWAs	**Own funds requirements**
1	**VaR** (higher of values a and b)	89	7
(a)	Previous day’s VaR (VaRt-1)		2
(b)	Multiplication factor (mc) x average of previous 60 working days (VaRavg)		7
2	**SVaR** (higher of values a and b)	146	12
(a)	Latest available SVaR (SVaRt-1))		3
(b)	Multiplication factor (ms) x average of previous 60 working days (sVaRavg)		12
3	**IRC** (higher of values a and b)		
(a)	Most recent IRC measure		
(b)	12 weeks average IRC measure		
4	**Comprehensive risk measure** (higher of values a, b and c)		
(a)	Most recent risk measure of comprehensive risk measure		
(b)	12 weeks average of comprehensive risk measure		
(c)	Comprehensive risk measure Floor		
5	Other		
6	**Total**	235	19

Template 32b: EU MR2-A - Market risk under the internal Model Approach (IMA) as of 31.12.2022

(Amounts in millions of Euro)

		a	b
		RWAs	**Own funds requirements**
1	**VaR** (higher of values a and b)	119	10
(a)	Previous day’s VaR (VaRt-1)		2
(b)	Multiplication factor (mc) x average of previous 60 working days (VaRavg)		10
2	**SVaR** (higher of values a and b)	127	10
(a)	Latest available SVaR (SVaRt-1))		6
(b)	Multiplication factor (ms) x average of previous 60 working days (sVaRavg)		10
3	**IRC** (higher of values a and b)		
(a)	Most recent IRC measure		
(b)	12 weeks average IRC measure		
4	**Comprehensive risk measure** (higher of values a, b and c)		
(a)	Most recent risk measure of comprehensive risk measure		
(b)	12 weeks average of comprehensive risk measure		
(c)	Comprehensive risk measure Floor		
5	Other		
6	**Total**	**246**	**20**

A flow statement explaining the variations in the market RWAs is displayed in the following table:

Template 33a: EU MR2-B - RWA flow statements of market risk exposures under the IMA as of 30.06.2023

(Amounts in millions of Euro)

		a	b	c	d	e	f	g
		VaR	SVaR	IRC	Comprehensive risk measure	Other	Total RWAs	Total own funds requirements
1	**RWAs at previous period end**	112	249	-	-	-	361	29
1a	*Regulatory adjustment [1]*	*88*	*205*	-	-	-	*293*	*23*
1b	*RWAs at the previous quarter-end (end of the day)*	*24*	*44*	-	-	-	*68*	*5*
2	Movement in risk levels	2	(11)	-	-	-	(9)	(1)
3	Model updates/changes	-	-	-	-	-	-	-
4	Methodology and policy	-	-	-	-	-	-	-
5	Acquisitions and disposals	-	-	-	-	-	-	-
6	Foreign exchange movements	-	-	-	-	-	-	-
7	Other	0	-	-	-	-	0	0
8a	*RWAs at the end of the disclosure period (end of the day)*	26	33	-	-	-	59	5
8b	*Regulatory adjustment [1]*	64	113	-	-	-	177	14
8	**RWAs at the end of the disclosure period**	89	146	-	-	-	235	19

Template 33b: EU MR2-B - RWA flow statements of market risk exposures under the IMA as 31.03.2023

(Amounts in millions of Euro)

		a	b	c	d	e	f	g
		VaR	SVaR	IRC	Comprehensive risk measure	Other	Total RWAs	Total own funds requirements
1	**RWAs at previous period end**	119	127	-	-	-	246	20
1a	*Regulatory adjustment [1]*	*91*	*55*	-	-	-	*146*	*12*
1b	*RWAs at the previous quarter-end (end of the day)*	*28*	*72*	-	-	-	*100*	*8*
2	Movement in risk levels	(7)	(28)	-	-	-	(35)	(3)
3	Model updates/changes	-	-	-	-	-	-	-
4	Methodology and policy	-	-	-	-	-	-	-
5	Acquisitions and disposals	-	-	-	-	-	-	-
6	Foreign exchange movements	-	-	-	-	-	-	-
7	Other	2	-	-	-	-	2	0
8a	*RWAs at the end of the disclosure period (end of the day)*	24	44	-	-	-	68	5
8b	*Regulatory adjustment [1]*	88	205	-	-	-	293	23
8	**RWAs at the end of the disclosure period**	112	249	-	-	-	361	29

[1] The regulatory adjustment takes into account the Bank's multiplier in terms of the Internal Model which is embedded in the calculation of the RWAs.

In order to investigate any extreme market situations, market risk stress tests are performed on the banking and trading book portfolios. Stress Tests are performed by creating scenarios (‘what if’ hypothesis) to estimate the losses that may occur on the positions from potential unfavorable substantial movements/shocks in the market and in order to identify potential concentration risk within the portfolios.

Stress Tests may be carried out at any time on any position; however, they are carried out on a regular basis at the end of every month on the banking and trading book portfolios as well as in the context of ICAAP and the results are reported to the Risk Management Committee and ALCo Committee.

Typical stress scenarios consider the following changes in risk factors:

Interest rates:

+/-200bp (up/down) parallel movement

+50bp (0 to 1 year); +150bp (1 to 5 years); + 300bp (5-10 years); (up – steepening)

-0bp (0 to 1 year); -100bp (1 to 5 years); -200bp (5-10 years); (down – flattening)

FX rates:

+/- 30% against EUR (worst case - depending on the overall position of the portfolio)

Prices (e.g. equities and indices):

+/-30% (depending on the portfolio position)

Volatilities:

-/+ 50% (depending on the portfolio position)

VaR and SVaR values as estimated during 2023 for the Bank trading portfolio, including the FX position due to participations, are given in the following table:

Template 34a: EU MR3 - IMA values for trading portfolios as of 30.06.2023

(Amounts in millions of Euro)

		a
		30.06.2023
VaR (10 day 99%)		
1	Maximum value	3
2	Average value	2
3	Minimum value	1
4	Period end	2
SVaR (10 day 99%)		
5	Maximum value	6
6	Average value	4
7	Minimum value	3
8	Period end	3
IRC (99.9%)		
9	Maximum value	-
10	Average value	-
11	Minimum value	-
12	Period end	-
Comprehensive risk measure (99.9%)		
13	Maximum value	-
14	Average value	-
15	Minimum value	-
16	Period end	-

Template 34b: EU MR3 - IMA values for trading portfolios as of 31.12.2022

(Amounts in millions of Euro)

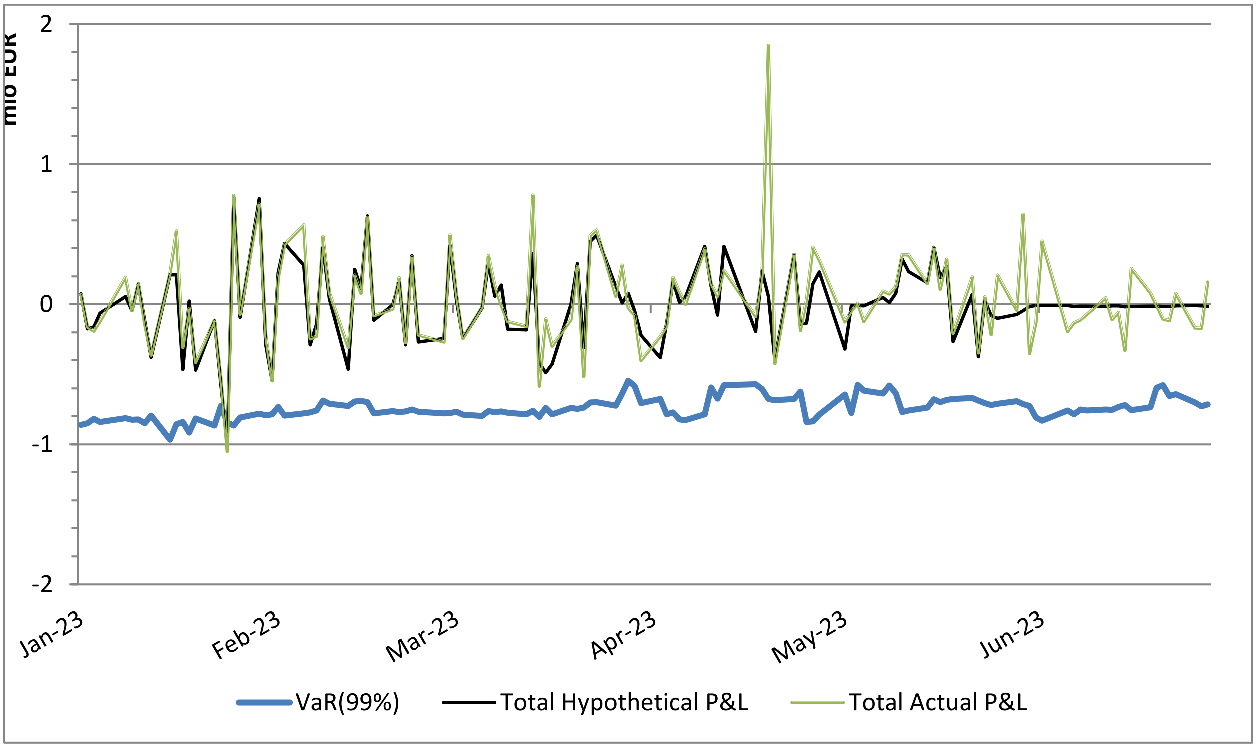
		a
		30.6.2022
VaR (10 day 99%)		
1	Maximum value	7
2	Average value	3
3	Minimum value	1
4	Period end	2
SVaR (10 day 99%)		
5	Maximum value	11
6	Average value	4
7	Minimum value	1
8	Period end	6
IRC (99.9%)		
9	Maximum value	-
10	Average value	-
11	Minimum value	-
12	Period end	-
Comprehensive risk measure (99.9%)		
13	Maximum value	-
14	Average value	-
15	Minimum value	-
16	Period end	-

Additionally, VaR model validation (back testing) is performed on a daily basis. Both actual and hypothetical back testing is conducted in order to comply with the regulatory requirements. In terms of the hypothetical back testing process the daily VaR at a 99% confidence level is compared to the buy-and-hold profit and loss, i.e. the profit and loss impact if the trading portfolio is held constant at the end of the day and re-priced the following day considering the daily change in the underlying risk factors, excluding realized trading revenue, net interest, fees and commissions. Moreover, actual back testing is performed by comparing the daily VaR at 99% confidence interval with the actual daily profit/loss of the Bank's trading portfolio excluding net interest, fees and commissions. In both tests, based on a 99% confidence level of the VaR model, the losses would be expected to exceed the VaR of the portfolio two to three days in any one year. Periods of unstable market conditions could increase the number of back testing exceptions.

A comparison between the results of estimates from the regulatory VaR model with both hypothetical and actual trading outcomes is presented in the following graph:

Template 35: EU MR4 - Comparison of VaR estimates with gains/losses

(Amounts in millions of Euro)



Alpha Bank Group is in compliance with Bank of Greece requirements regarding the systems and controls through which the requirement for the provision of accurate and reliable valuation results is satisfied with, as described in Appendix VII of Directive 2591/20.8.2007.

During the first semester of 2023 one overshooting on both actual and hypothetical backtesting was observed (25/01/2023) and the competent authorities were notified accordingly. There was no impact on capital requirements for Market Risk.

8.2 Standardized approach for market risk

Capital charges for specific risk on a solo basis are calculated with the Standardized approach. Alpha Bank Group uses also the Standardized approach for the measurement of market risk exposure and capital requirements for all its subsidiaries.

The following table summarizes the capital requirements for market risk per risk factor based on Standardized approach:

Template 36a: EU MR1 - Market risk under the standardised approach as of 30.06.2023

(Amounts in millions of Euro)

		a
		RWEAs
	Outright products	
1	Interest rate risk (general and specific)	0
2	Equity risk (general and specific)	25
3	Foreign exchange risk	9
4	Commodity risk	-
	Options	
5	Simplified approach	-
6	Delta-plus approach	-
7	Scenario approach	-
8	Securitisation (specific risk)	-
9	**Total**	**35**

Template 36b: EU MR1 - Market risk under the standardised approach as of 31.12.2022

(Amounts in millions of Euro)

		a
		RWEAs
	Outright products	
1	Interest rate risk (general and specific)	0
2	Equity risk (general and specific)	10
3	Foreign exchange risk	8
4	Commodity risk	0
	Options	
5	Simplified approach	-
6	Delta-plus approach	0
7	Scenario approach	-
8	Securitisation (specific risk)	-
9	**Total**	**17**

9 Interest Rate Risk in the Banking Book

9.1 Definition

New Guidelines on IRRBB were released in October 2022 for which the date of application is defined in June & December 2023. Generally, the Guidelines maintain continuity to the current one, however, some new elements are introduced like prudent behavioral assumption on non-maturity deposits from non-financial counterparties.

The Guidelines also incorporate specific chapters to Credit spread risk from non-trading book activities (CSRBB) identification, assessment, and monitoring. CSRBB is the risk driven by changes of the market price for credit risk, for liquidity and for potentially other characteristics of credit-risky instruments, which is not captured by another existing prudential framework such as IRRBB or by expected credit/(jump-to-) default risk. CSRBB captures the risk of an instrument's changing spread while assuming the same level of creditworthiness, i.e. how the credit spread is moving within a certain rating/PD range.

In the context of the measurement of the impact of IRRBB and CSRBB under internal systems, interest income, interest expenses and market value changes should be considered. This ensures a comprehensive assessment of the impact of all interest rate and credit spread sensitive items. Furthermore, in this context, a five-year cap on weighted average repricing maturity is introduced now for certain retail and wholesale deposits without a specified maturity. This behavioral assumption targets prudent treatment of these deposits which prove to be a material item in the calculation of the impact of changes of interest rates.

According to the guidelines, IRRBB should be treated as an important risk and IRRBB exposure needs to be identified and managed since it affects both economic value and net interest income plus market value changes.

Moreover, CSRBB exposures should identify and ensure that are adequately assessed, monitored, and controlled both under economic value and net interest income measures plus market value changes.

IRRBB refers to the current or prospective risk to the Bank's capital and earnings arising from adverse movements in interest rates that affect the Bank's book positions. When interest rates change, the present value and timing of future cash flows change. This in turn changes the underlying value of the Bank's assets, liabilities and off-balance sheet items and hence its economic value of equity (EVE). Changes in interest rates also affect the Bank's earnings by altering interest rate – sensitive income and expenses, affecting its net interest income (NII).

The main components of IRRBB are the following:

- **Gap risk** arises from the term structure of banking book instruments and describes the risk arising from the timing of instruments' rate changes. Since rate may reset on different instruments at different tenors, the risk to the bank arises when the rate of interest paid on liabilities increases before the rate of interest received on assets or reduces on assets before interest rate paid on liabilities. Unless hedged, in terms of tenor and amount, the bank may be exposed to a period of reduced or negative interest margins or may experience changes in the relative economic values of assets and liabilities. The extent of gap risk also depends on whether changes to the term structure of interest rates occur consistently across the yield curve (parallel risk) or irregularly by period (non-parallel-risk)

- **Basis risk** describes the impact of relative changes in interest rates for financial instruments that have similar tenors but are priced using different interest rates indices (bases) . Basis risk arises from the imperfect correlation in the adjustment of the rates earned and paid on different instruments with otherwise similar rate change characteristics.
- **Option risk** arises from option derivative positions or from optional elements embedded in the Bank's assets, liabilities and/or off-balance sheet items, where the Bank or the customer can alter the level and timing of the cash flows. Option risk can be further be characterized into automatic option risk and behavioral option risk:
    - **Automatic option risk** arising from over-the-counter option contracts or explicitly embedded within the contractual terms of a financial instruments (i.e. capped rate loan) and where the holder will almost exercise the option if it is in their interest to do so,
    - **Behavioral option risk** arising from flexibility embedded implicitly or within the terms of financial contracts, such that changes in interest rates may affect a change in the behavior of the client (i.e. rights of a borrower to prepay a loan, with or without a penalty, or the right of a depositor to withdraw their balance in search of higher yield).

9.2 Interest Rate Risk Framework

Alpha Group aims to maximize its profitability in line with its risk appetite and business objectives. Therefore, it recognizes the need to provide a sound framework for the identification, estimation, monitoring, controlling and reporting of interest rate and foreign exchange risks in the Banking Book, in a consistent manner across the Group. In 2016, Alpha Bank has been self-assessed as Level 3 bank in the classification set out by EBA on Interest Rate Risk in the Banking Book (IRRBB).

Interest rate risk management for the Banking Book is performed on a monthly basis and according to Asset and Liability Management Policies & Procedures which have been adopted at Group level.

Interest rate and Foreign Exchange risk management for the Banking Book is performed through effective and timely identification and the estimation of their effects on Alpha Group's earnings and economic value.

9.3 Interest Rate Risk Identification and Assessment

For interest rate risk assessment and monitoring the following estimation techniques in line with EBA guidelines are used:

- Static Gap analysis for each currency.
- Scenario analysis for each currency.

When performing Interest Rate Static Gap Analysis, Group assets and liabilities are allocated into time buckets according to their repricing date for variable interest rate instruments, or according to their maturity date for fixed rate instruments Assets or Liabilities with no specific re-pricing schedule (such as revolving loans or savings and sight deposits), are allocated into time buckets according to a specific statistical model, as well as qualitative and quantitative business analysis.

9.4 Interest Rate Risk Statement

Market Risk / ALM Risk and ALM Division are responsible for interest rate risk measurement. The main measure of Interest Rate risk is Interest Rate Risk Gap for each currency which represents the repricing schedule showing assets, liabilities and off balance sheet exposures by time band according to their maturity (for fixed rate instruments), or next reprice date (for adjustable/floating rate instruments).

The measures that the institution uses to gauge its sensitivity to IRRBB are calculated monthly. Specifically:

- Changes in expected earnings (ΔNII):

The earnings-based measure used for IRRBB purposes is the change in Net Interest Income (ΔNII), which is defined as the maximum reduction in NII under the regulatory & internal interest rate shocks used for IRRBB measurement purposes over a period of 1-year versus the base scenario.

- Changes in economic value of equity (ΔEVE).

The economic value-based measure used for IRRBB purposes is the change in Economic Value of Equity (ΔEVE), which is defined as the maximum decrease of the banking book's economic value under the regulatory & internal interest rate shocks used for IRRBB measurement purposes versus the base scenario. The change in economic value of equity (ΔEVE) is defined as the change in fair value of assets caused by a change in interest rates, minus the change in fair Value of liabilities caused by the same change in interest rates.

- DV01 by time tenor

The DV01 specifies the sensitivity by time bucket of the banking book portfolio if the interest rate changes by 1 basis point (0.01%)

Interest Rate Risk Stress Scenarios

The stress tests which are performed by Market Risk / ALM Risk on a monthly basis cover both regulatory requirements and internal needs. The stress scenarios imply the parallel movement, the steepening as well as the flattening of the yield curve by either changing the short-term rates or the long-term rates or both. These scenarios are applied to IRRBB exposures in each currency for which the bank has material positions. Specifically, Market Risk / ALM Risk performs six regulatory interest rate shocks for IRRBB measurement purposes according to EBA Guidelines (EBA/GL/2022/14):

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

Furthermore, Market Risk / ALM Risk implements additional interest rate shocks for internal purposes:

- Parallel shock up (+25bps);

- Parallel shock down (-25bps);
- Parallel shock up (+50bps);
- Parallel shock down (-50bps);
- Parallel shock up (+100bps);
- Parallel shock down (-100bps);
- Long rates shock up
- Long rates shock down

Moreover, the supervisory outlier test shocks are applied to the IRRBB measurement on a monthly basis under the responsibility of Market Risk / ALM Risk. They include the standard outlier test shock, i.e. a sudden parallel shift of the yield curve equal to 200bp (upwards and downwards) and four additional interest rate shocks consisting of:

- Parallel shock up (+200bp);
- Parallel shock down (-200bp);
- Short rates shock up;
- Short rates shock down;
- Steepener shock (short rates down and long rates up); and
- Flattener shock (short rates up and long rates down).

ALCo is responsible for approving and reviewing stress test scenarios for their appropriateness on an annual basis. Market Risk /ALM Risk is in charge to calculate the impact of the stress scenarios on forecasted earnings as well as on economic value by incorporating assumptions relating to Alpha Group's business developments, customer behavior and future market developments.

9.5 Interest Rate Risk Monitoring

Alpha Bank Group has adopted an adequate, timely and accurate information system in order to monitor and report risk in line with its policies and regulatory requirements.

Group ALM and countries' local Treasuries are responsible for managing Alpha Group's positions in compliance with any established limits and escalating any significant issues with respect to the Group's interest rate and foreign exchange positions to Group ALCO and local ALCOs respectively. In addition, Market Risk / ALM Risk provides support and input to Group ALCO, regarding Alpha Group's balance sheet management issues.

Market Risk /ALM Risk consolidate the information received from countries' local Risk Management Units and communicate a summary report to Group ALCO.

According to BIS standards concerning interest rate limits on banking book, Alpha Bank implements limits on consolidated basis in terms of both economic value and earnings.

9.6 Interest Rate Risk management and mitigation strategies

The Bank is managing its IRRBB holistically taking into account short, medium and long-term considerations like macro and micro economic environment, forward looking balance sheet dynamics, capital, liquidity and regulatory requirements. Regarding hedging strategy, natural hedging within assets and liabilities are complemented with derivatives to achieve the optimal IRRBB structure given the Bank's Balance Sheet. Fair value and cash flow hedging strategies can be used with the aim to maintain an accounting geography symmetry. At times, economic hedges can also be deployed to optimally manage the Bank's IRRBB. All the above-mentioned hedging strategies are incorporated in Bank's Interest Rate Gaps and other relevant IRRBB reports in order to monitor their impact on the management of the IRRBB.

Assets Liabilities Management Committee (ALCo),in the framework of its responsibilities, discusses, acknowledges and approves the strategies and the relevant proposed actions for the management and hedging of Financial Risks of the Bank, including Interest Rate Risk in the Banking Book (IRRBB).

ALCo deck incorporates an in-depth analysis of IRRBB, inclusive of monitoring tools and metrics. Calculated outcomes related to the Bank's EVE and NII under several stress scenarios in relation to specific limits, Interest Rate Gaps, hedging actions and current IRRBB profile of the Bank's balance sheet is presented on a monthly basis to ALCo members.

Furthermore, the independent validation unit of the Bank submits to ALCo for endorsement the validation results and recommendations on models developed for the management of IRRBB.

The Committee meets once a fortnight or extraordinarily upon request, closely monitoring market conditions and developments.

9.7 Interest Rate Risk Key modelling and parametric assumptions

The Bank performs time series analysis to determine the behavioral/repricing of the NMDs under BAU. As a first step the Bank via its models distinguishes the stable and non-stable part of NMDs and estimates an amortization tenor. In a second step the stable subset of NMDs is further broken into a core and non-core component. To achieve this the Bank via its interest rate model estimates the rate sensitive part (i.e. pass through rate) distinguishing the core and non-core part of the stable subset.

As of 30.06.2023, the average repricing maturity of the total NMDs (including non-core) is c. 2.9 years and for the core part is c. 3.6 years . The NMDs longest repricing maturity is 9 years (average repricing maturity 4.5 years). The NMDs passthrough is on average at the level of 26%.

The magnitude of the optionality risk (loan prepayments and fixed term deposits early withdrawals) is considered immaterial for the Bank. The vast majority of the contracts in the Bank's loan book are floating rate loans which do not expose the Bank to a material IRRBB risk especially under the current raising interest rate environment.

The Bank's product mix does not include material exposures in financial products with embedded optionality, apart from the embedded floors on loan products which are taken into consideration in IRRBB modeling.

9.8 Significance of the IRRBB measures and significant variations since previous disclosures

Changes of interest rates lead to changes in the present value (PV) and timing of future cash flows. The changes in PV and the timing of future cash flows lead to changes in the underlying value of the Bank's assets, liabilities and off-balance sheet items and hence its economic value. Changes in interest rates affect the Bank's earnings by altering interest rate-sensitive income and expenses, affecting the Bank's Net Interest Income (NII). Excessive exposure to IRRBB can pose a significant threat to the Bank's current capital base and/or future earnings, if not managed appropriately.

Furthermore, IRRBB remained within risk appetite framework limits. This also includes subsidiary level limits.

Template 37a: EU-IRRBB1 - Interest rate risks of non-trading book activities as of 30.06.2023

(Amounts in millions of Euro)

		a	b	c	d
Supervisory shock scenarios		**Changes of the economic value of equity**		**Changes of the net interest income**	
		Current period	**Last period**	**Current period**	**Last period**
1	Parallel up	306	329	62	121
2	Parallel down	(295)	(416)	(196)	(108)
3	Steepener	(6)	(152)		
4	Flattener	59	118		
5	Short rates up	98	206		
6	Short rates down	(94)	(397)		

Template 37b: EU-IRRBB1 - Interest rate risks of non-trading book activities as of 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d
Supervisory shock scenarios		**Changes of the economic value of equity**		**Changes of the net interest income**	
		Current period	**Last period**	**Current period**	**Last period**
1	Parallel up	329	640	121	207
2	Parallel down	(416)	(483)	(108)	(158)
3	Steepener	(152)	(188)		
4	Flattener	118	440		
5	Short rates up	206	625		
6	Short rates down	(397)	(503)		

10 Liquidity Risk

Definition

Liquidity is the risk arising from the Group's inability to meet its obligations as they become due, or fund new business, without incurring substantial losses as well as the inability to manage unplanned contraction or changes in funding sources. Liquidity risk also arises from the Group's failure to recognize or address changes in market conditions that affect the ability to liquidate assets quickly and with minimal loss in value. Liquidity risk is also a Balance Sheet risk, since it may arise from banking book activities.

10.1 Liquidity Coverage Ratio (LCR)

The LCR refers to the proportion of the high-quality liquid assets held by financial institutions, to ensure their ability to meet their short-term net cash flows, over a 30-day stress period. The LCR became mandatory on 1 October 2015. The regulatory limit established is 100%.

The Bank monitors and reports the LCR on an individual and on consolidated basis. The LCR disclosures of the Pillar III report refer to the consolidated figures.

As of June 2023, the Group LCR stood at 186.1% and the HQLA buffer at EUR 15.7 billion

The following table provides a breakdown of the LCR as of 30 June 2023, in accordance with Article 435 of the Regulation (EU) No 575/2013 and the respective guidelines on LCR disclosure (EBA/GL/2017/01).

The figures are calculated as simple averages of end-of-month observations of the Group LCR.

Template 38: EU LIQ1 - Quantitative information of LCR as of 30.06.2023

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h
		Total unweighted value (average)				**Total weighted value (average)**			
EU 1a	Quarter ending on (DD Month YYY)	**30.06.2023**	**31.03.2023**	**31.12.2022**	**30.09.2022**	**30.06.2023**	**31.03.2023**	**31.12.2022**	**30.09.2022**
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
HIGH-QUALITY LIQUID ASSETS									
1	**Total high-quality liquid assets (HQLA)**					**13,077**	**12,070**	**11,810**	**11,535**
CASH - OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	37,425	37,296	37,174	36,827	2,386	2,408	2,402	2,337
3	*Stable deposits*	20,907	21,105	21,156	20,936	1,045	1,055	1,058	1,047
4	*Less stable deposits*	11,391	11,643	11,721	11,379	1,340	1,352	1,343	1,289
5	Unsecured wholesale funding	11,252	10,601	10,165	9,708	4,948	4,652	4,450	4,289
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	331	330	322	305	83	83	80	76
7	*Non-operational deposits (all counterparties)*	10,871	10,221	9,836	9,397	4,814	4,520	4,362	4,206
8	*Unsecured debt*	51	50	7	6	51	50	7	6
9	*Secured wholesale funding*					5	7	11	10
10	Additional requirements	1,419	1,320	1,115	867	538	513	449	376

		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
11	*Outflows related to derivative exposures and other collateral requirements*	449	435	386	331	449	435	386	331
12	*Outflows related to loss of funding on debt products*	-	-	-	-	-	-	-	-
13	*Credit and liquidity facilities*	969	886	729	535	88	78	63	45
14	Other contractual funding obligations	730	746	735	712	695	709	701	680
15	Other contingent funding obligations	8,707	8,355	7,957	7,648	623	540	444	400
16	**TOTAL CASH OUTFLOWS**					**9,193**	**8,830**	**8,457**	**8,092**
CASH - INFLOWS									
17	Secured lending (e.g. reverse repos)	-	-	-	-	-	-	-	-
18	Inflows from fully performing exposures	1,188	1,167	1,185	1,109	636	604	617	578
19	Other cash inflows	627	753	894	1,097	505	630	691	748
20	**TOTAL CASH INFLOWS**	**1,815**	**1,920**	**2,079**	**2,206**	**1,141**	**1,233**	**1,308**	**1,326**
EU-20c	*Inflows subject to 75% cap*	1,815	1,920	2,079	2,206	1,141	1,233	1,308	1,326
TOTAL ADJUSTED VALUE									
EU-21	LIQUIDITY BUFFER					13,077	12,070	11,810	11,535
22	**TOTAL NET CASH OUTFLOWS**					**8,052**	**7,596**	**7,149**	**6,766**
23	LIQUIDITY COVERAGE RATIO					162%	160%	166%	171%

10.2 Net Stable Funding Ratio

The NSFR ratio relates the Bank's available stable funding to its required stable funding and it should be equal to at least 100%. The ratio is calculated in accordance with the Regulation (EU) 2019/876 of the European Parliament and of the Council and a limit of 100% became binding in June 2021.

Template 39a: EU LIQ2: Net Stable Funding Ratio as of 30.06.2023

(Amounts in millions of Euro)

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	**6,957**	**-**	**-**	**923**	**7,880**
2	*Own funds*	6,957	-	-	923	7,880
3	*Other capital instruments*		-	-	-	-
4	Retail deposits		35,569	1,533	**806**	**35,357**
5	*Stable deposits*		22,450	718	352	22,362
6	*Less stable deposits*		13,119	816	454	12,995
7	Wholesale funding:		**14,135**	**1,615**	**6,417**	**13,110**
8	*Operational deposits*		308	-	-	154
9	*Other wholesale funding*		13,826	1,615	6,417	12,955
10	Interdependent liabilities		**-**	**-**	**-**	**-**
11	Other liabilities:	**462**	**1,080**	**-**	**7**	**7**
12	*NSFR derivative liabilities*	462				

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
13	*All other liabilities and capital instruments not included in the above categories*		1,080	-	7	7
14	**Total available stable funding (ASF)**					**56,354**
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					**295**
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		-	-	-	-
16	Deposits held at other financial institutions for operational purposes		-	-	-	-
17	Performing loans and securities:		**4,102**	**2,292**	**32,183**	**31,994**
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		-	-	-	-
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		552	3	368	425
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		3,150	2,043	17,190	25,441
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		202	148	1,667	6,909
22	*Performing residential mortgages, of which:*		352	193	7,474	-
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		293	163	6,072	-
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		47	53	7,150	6,128
25	Interdependent assets		-	-	-	-
26	Other assets:		**2,559**	**25**	**10,748**	**11,366**
27	*Physical traded commodities*				-	-
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		-	-	157	134
29	*NSFR derivative assets*		-			-
30	*NSFR derivative liabilities before deduction of variation margin posted*		1,018			51
31	*All other assets not included in the above categories*		1,542	25	10,591	11,182
32	Off-balance sheet items		**596**	**1,208**	**4,058**	**731**
33	**Total RSF**					**44,386**
34	**Net Stable Funding Ratio (%)**					**127%**

Template 39b: EU LIQ2: Net Stable Funding Ratio as of 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	**6,242**	**-**	**-**	**941**	**7,183**
2	*Own funds*	6,242	-	-	941	7,183
3	*Other capital instruments*		-	-	-	-
4	Retail deposits		**36,054**	**1,407**	**8**	**34,890**
5	*Stable deposits*		22,687	665	4	22,188
6	*Less stable deposits*		13,367	742	4	12,702
7	Wholesale funding:		**21,065**	**322**	**6,978**	**12,766**
8	*Operational deposits*		371	-	-	186
9	*Other wholesale funding*		20,693	322	6,978	12,581
10	Interdependent liabilities		**-**	**-**	**-**	**-**
11	Other liabilities:	**286**	**1,115**	**-**	**133**	**133**
12	*NSFR derivative liabilities*	286				
13	*All other liabilities and capital instruments not included in the above categories*		1,115	-	133	133
14	**Total available stable funding (ASF)**					**54,972**
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					**253**
16	Deposits held at other financial institutions for operational purposes		**-**	**-**	**-**	**-**
17	Performing loans and securities:		**5,832**	**2,292**	**30,980**	**31,892**
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		-	-	-	-
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		561	5	444	502
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		4,916	1,893	15,930	25,211
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		162	132	1,483	6,515
22	*Performing residential mortgages, of which:*		260	207	7,502	-
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		208	169	6,021	-
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		94	186	7,104	6,179
25	Interdependent assets		**-**	**-**	**-**	**-**
26	Other assets:		**3,712**	**1,142**	**11,197**	**11,447**
27	*Physical traded commodities*				-	-

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		-	-	151	128
29	*NSFR derivative assets*		-			-
30	*NSFR derivative liabilities before deduction of variation margin posted*		1,074			54
31	*All other assets not included in the above categories*		2,638	67	10,122	11,265
32	Off-balance sheet items		**493**	**1,340**	**3,750**	**709**
33	**Total RSF**					**44,301**
34	**Net Stable Funding Ratio (%)**					**124%**

11 Environmental, Social and Governance (ESG) Risks

11.1 ESG Strategy and Governance

11.1.1 Environmental Risk

Business Strategy and Processes

Alpha Services and Holdings, assesses periodically and prioritizes the environmental and climate issues which are related to its activities and might impact the Group's operations and/or its Stakeholders. The materiality analysis serves to identify the actual and potential impacts on the economy, environment, and people, including impacts on human rights, across the organization's activities and business relationships. Impacts can be negative or positive, long term or short term.

Further information on business strategy, policies, and processes, as well as ESG Commitments and targets are presented in the TCFD (Task Force on Climate-related Financial Disclosures) and Sustainability Reports 2022, that are available at the website of Alpha Services and Holdings.

Following the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD"), the Bank assesses current and impending environmental policies, legal requirements and regulatory guidelines relating to climate and the environment, including the recording and the efficient management of any transitional risks, related to its activities. In that context, the Group has developed a comprehensive action plan, submitted to ECB in May 2021, presenting how the climate and environmental risk assessment will be incorporated in its operations and in the risk management process. Implementation of the plan began in June 2021, it was continued throughout 2022 and was enhanced taking into consideration the feedback provided by SSM in the context of the Climate Stress Test exercise and the Thematic review exercises of climate-related and environmental risk strategies, governance and risk management frameworks, conducted in January 2022 and June 2022 respectively. This plan is being implemented during 2023.

Strategic Plan and GRI Materiality Assessment

Alpha Bank S.A. has deployed a comprehensive strategic plan, and in this context has taken the following actions:

a) Performed an impact analysis of its loan portfolio by utilizing the UNEPFI PRB Tool for Banks and by conducting a GRI Materiality analysis (in accordance with the "GRI 3: Material Topics 2021"), to understand the positive and negative socio-economic, environmental, and social impacts of its portfolio

b) Introduced environmental, social and governance KPIs (such as % of disbursements to RES over total disbursements to Energy sector, ii) gross disbursements aligned with Sustainable Finance Framework etc.), which will be monitored on a quarterly and annual basis to take corrective action when needed.

c) Is in the process of developing science-based sector specific targets around its financed emissions, in alignment with Paris agreement on climate change and the net zero emissions target for 2050

d) Is in the process of developing short, medium, and long-term targets until 2050, so as to incorporate the short-term transition pathway into its 3-year Business Plan."

The following steps were conducted to perform the materiality analysis in accordance with the GRI methodology:

1. **Understand the organization's context**
The Bank determined the scope and perimeter of its financed activities (financial products and services) to be included in the analysis based on the UNEPFI Principles for Responsible Banking (PRB) Impact Analysis "context module" methodology.

2. **Identify actual and potential impacts**
The purpose of this step is to identify "the actual and potential impacts on the economy, environment, and people, including impacts on human rights, across the organization's activities and business relationships. Impacts can be negative or positive, long term or short term.

3. **Identify "in-house" and "financed" impacts**
To identify **in-house impacts** across its operations and its supply chain, outputs from internal management systems, including certifications, anti-corruption and compliance management systems, occupational health and safety inspections, grievance mechanisms and CSR initiatives, have been reviewed. To identify the Bank's **financed impacts (i.e. impacts from the Bank's portfolio)**, a dedicated portfolio alignment analysis, in accordance with the UNEP FI Principles for Responsible Banking (PRB) Impact Analysis, using the Portfolio Impact Analysis Tool for Banks (version 3) has been conducted.

4. **Assess the significance of the impacts**
The assessment of impacts was based on a qualitative analysis by the Bank's ESG Working Group, through a dedicated electronic survey (e-survey) tool.

5. **Prioritize the most significant impacts**
The prioritization was based on the results of an e-survey assessment, via which the significance of the impacts was determined, and thresholds set to determine which positive and negative impacts will be material for the organization's strategy and disclosures. The final list of material impact areas was debated by a dedicated working group, comprised of executives from Governance & Sustainability Division, Strategy & Investments, Digital, Transformation Office, Climate & ESG Risk and HR, was validated by a discussion at the Group Sustainability Committee and approved by the Board of Directors.

The material impact areas in the context of the environment, whether potentially positive or negative, for 2023 identified and prioritized are the following:

- **Climate Stability** (impacts through specific financial products/services that address climate change, and through energy reduction and efficiency initiatives in the Bank's supply chain and operations)
- **Circularity** (Impacts created through operational activities that affect the efficient use of limited, non-renewable natural and renewable natural resources and/or are focused on waste management and the ability to manage waste)

- **Biodiversity** (air, soil, waterbodies, species and habitats) (Impacts created through financial products/services to certain sectors and operational activities that create air pollutants (e.g. NOx, SOx, PM, VOCs), that affect the composition of soil and its ability to deliver ecosystem services, the quality and quantity of surface water and groundwater, the ability to maintain species and/or the ability to protect, restore and promote sustainable ecosystems and habitats)

The Bank applies also the PCAF methodology, to identify **financed impacts** (i.e. impacts from the Bank's portfolio), to measure emissions per asset class (i.e. commercial real estate, listed and unlisted equities, corporate bonds, corporate loans, project finance, mortgages and motor vehicle loans), to identify climate-related transition risks and opportunities, and to set the baseline emissions for target setting in alignment with the Paris Agreement.

Based on these analysis and impact areas, the Bank is deploying a comprehensive strategic plan to support an environmentally sustainable economy and mitigate climate change. The Bank's actions focus on the increase in Sustainable Financings and the reduction of financings that may have a negative impact on the environment. Additionally, the Group has developed policies and procedures to reduce the operational environmental footprint and to strengthen its commitments associated with this objective.

Specifically, the Bank's strategic plan aims to incorporate the following commitments to support a Net Zero economy:

- Support Bank's customers' decarbonization
- Align portfolio emissions to meet the Paris objectives
- Mitigate key drivers of biodiversity loss
- Support the transition to a circular economy
- Achieve Net Zero in own operations
- Support the transition to a circular economy

Climate and Environmental Targets			
Commitments	**Targets[1]**	**Target Date**	**KPIs**
Support Bank's Customers' decarbonization and align Bank's portfolio emissions with the objectives set in the Paris Agreement	Allocate Euro 3 billion to new Sustainable Financings by 2025	2025	New financing volumes (in Euro million)
	Within the total Sustainable Financings, achieve at least Euro 1 billion to Renewable Energy Systems by 2025	2025	New financing volumes (in Euro million)
	Within the total Sustainable Financings, achieve at least Euro 300 million of Retail green loans, including loans to small businesses in 2023	2025	New financing volumes (in Euro million)
	Launch new sustainability-based mortgage and consumer loan products and credit cards	2025	No. of Products Launched
	Zero financing to new investments in thermal coal mining, upstream oil exploration or coal-fired electricity generation	Ongoing as of 2023	New financing volumes (in Euro million)
Mitigate key drivers of biodiversity loss	Zero financing to targeted activities harming species diversity, habitats and waterbodies	Ongoing as of 2023	New financing volumes (in Euro million)
Support the transition to a circular economy	Reduction of annual paper usage rate by 50% by the end of 2025 (compared to 2019)	2025	Tones of paper used (including copying paper, statements, bank forms, etc.)
Achieve Net Zero emissions in own operations	Reduction of Bank's operating footprint and setting Net-Zero targets within 2023	2023	Target Year for Carbon Neutral Operations and interim targets
	Reduction of scope 1 and 2 GHG emissions by 20% until 2025	2025	Scope 1 and 2 emissions (tCO2e)
	Upgrading lighting to LED lighting throughout the network	2028	Number of Branches with upgraded LED lighting
	Continue to procure 100% renewable electricity for all Bank's buildings and Branches	2023	Percentage of electrical power used that is derived from non-renewable energy sources *(Alpha Bank)*
	Replacement of 70 % of the Bank's fleet with electric and/or plug-in and hybrid vehicles.	2025	Number of vehicles replaced with hybrid and/or plug-in or hybrid ones.

Certified Management Systems (ISO)

Regarding **in-house impacts** across Bank's operations and its supply chain the Group also applies, among other measures, internal management systems certified with ISO (14001, 14064, 45001, 22301, and 22316)[1], that cover all of its operations and employees.

Additionally, through its Environmental Management System, the Bank aims to reduce its environmental and carbon footprint by promoting the rational use of lighting, heating and cooling installations in its buildings, the use of environment-friendly class A++ or higher energy efficiency equipment, by implementing initiatives for the efficient use of raw and other materials and by applying the "reduce, reuse, recycle" principles of circular economy in the waste management. Indicatively, the Bank recycles paper, batteries, light bulbs, printer consumables, electric and electronic equipment, and donates old office equipment. The Group has implemented adequate Environmental Policy and procedures according to the requirements of ISO 14001 Environmental Management System, aiming to improve the management of these issues. The certification of ISO14001 applies to all its activities and employees, along with the monitoring and reporting of its GHG emissions following ISO14064 requirements, verified by TUV AUSTRIA. Through these procedures, the Bank identifies and assesses known and potential environmental risks and opportunities in a more formal and detailed manner. Furthermore, the Bank has established a holistic ESG training program, as well as organizes, supports, and participates in environmental actions to cultivate the ecological conscience of its Employees and their families and to improve the quality of the environment.

The above-mentioned certified management systems (ISO) implemented by the Group aim to enable it to better respond to the ever-changing business environment and to the needs of Customers, in full alignment with current legislative and regulatory requirements. In that context, Alpha Bank, commencing 2021 (with data of 2020) is also continuously developing, a voluntary Environmental Statement in accordance with the EU Eco-Management and Audit Scheme (EMAS) which is validated by TUV Austria and is submitted to the Ministry of Environment and Energy for review and registration, allowing its publishing. On 20/03/2023 the Ministry of Environment and Energy decided the registration of Alpha Bank S.A. in the EU EMAS system, along with the registration of the respective Environmental Statement 2021 (with data of 2020), with registration number EL-000118. The Environmental Statement 2022 (with data of 2021) has been also submitted to the above-mentioned Ministry and is still pending for registration.

As part of its broader ESG strategy, Alpha Services and Holdings has recognized the EU Taxonomy (EU Regulation 2020/852), as the central pillar of its institutional framework on climate change, environmental protection, and equitable development for all. The company has adopted a holistic approach to its ESG strategy, aiming to support its customers in their transition to sustainability, and ensure the long-term value of its investors, supporting the objectives of the Paris Climate Agreement.

Through the structured collection, management, and application of relevant sustainability data, for each customer's loans and investments, the Bank assesses the quality of its assets. Moreover, these data constitute the basis for target setting and directed actions to improve the Group's sustainability KPIs, in line with the evolving requirements of investors, regulators, markets and society.

[1] ISO 14001 (Environmental Management System), ISO 14064 (Greenhouse Gas Emissions Management System), ISO 45001 (Occupational health and safety), ISO 22301 (Business Continuity Management System), ISO22316 (Organizational resilience)

Sustainable Finance

As part of the initiative to incorporate sustainability criteria in its lending operations, the Group has developed a **Sustainable Finance Framework**, which defines criteria in line with the International Capital Markets Association (ICMA) principles and the EU Taxonomy Regulation. Green eligible categories are grouped into four distinct themes: Energy efficiency, renewable energy, sustainable transport, resource efficiency and pollution control.

Sustainable Finance Framework eligible themes, sub-themes and activities*:*

Themes	Energy Efficiency	Renewable Energy	Sustainable Transport	Resource efficiency and pollution control
Sub-themes and relevant division	• Transmission and Distribution Systems and Upgrades ***(W)*** • Energy Efficiency Technologies ***(W, SB, IB)*** • Public Services and Utilities ***(W)*** • Real Estate ***(W, SB, IB)*** • Agricultural processes ***(SB)*** • Industrial processes ***(W)***	• Generation of electricity from renewable sources ***(W, SB)*** • Renewable energy technologies ***(W)*** • Transmission and distribution systems ***(W)*** • Heat production and thermal energy ***(W)***	• Electric, hydrogen and hybrid vehicles ***(W, SB, IB)*** • Public or mass transportation systems ***(W, SB)*** • Infrastructure ***(W, SB)*** • Shipping ***(W)***	• Recycling and reuse ***(W)*** • Circular economy ***(W)***
Indicative Eligible Activities	• Retrofit of **renewable energy power plants.** • Construction/ acquisition of **green buildings**. • Development, manufacture and/ or installation of **energy efficiency technologies/** products.	• Projects that aim at promoting electricity generation from **renewable sources** (i.e. Green hydrogen projects). • Development and/or manufacture of **renewable energy technologies**.	• Acquisition/ manufacture of **zero-emission vehicles.** • Development/ maintenance of infrastructure for **electric vehicles.** • Upgrade/ replacement of vessels with **low-emission vessels.**	• Processes and infrastructure that facilitate **recycling**. • Companies/projects that substitute **virgin raw materials with secondary** (recycled) materials originating from materials and resources recovery.

W: WHOLESALE (Commercial Banking, Corporate Banking, Structured Finance); RETAIL - SB: Small Business Banking; IB: Individual Banking.

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Alpha Bank classifies its sustainable financing solutions into the categories of dedicated-purpose financing and general-purpose financing, aiming at establishing an overarching set of sustainability guardrails across the Bank's operating system; creating a coherent path for more coordinated action; producing metrics to track performance; and creating meaningful sustainability results both for the Bank and its clients.

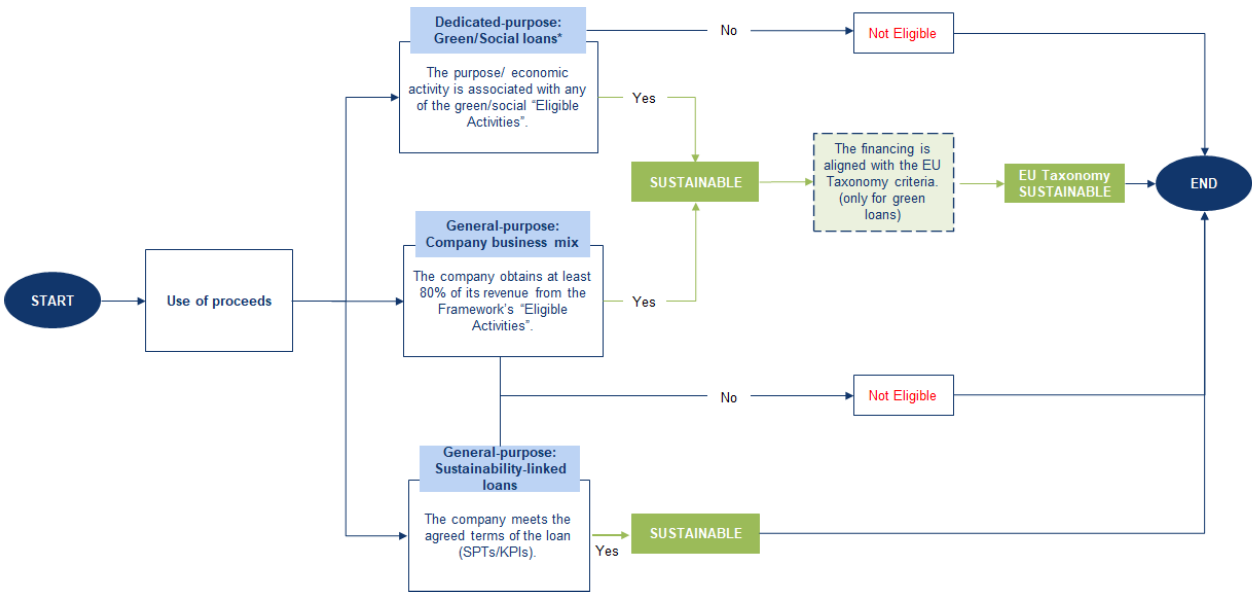
A. Dedicated Purpose Financing

- Green/Social Loans: The funds are 100% directed towards a project/investment listed under the eligible green/social criteria
- Recovery and Resilience Facility (RRF financing)

B. General Purpose Financing

- Company Business Mix: When a company derives a certain percentage (at least 80%) of its revenues from eligible activities
- Sustainability-Linked Loans/Facilities: General Purpose financing that is linked with measurable ESG targets at obligor level based on pre-determined sustainability performance targets agreed with the client.

Sustainable Finance Framework Decision Process diagram:



Concurrently, work is underway to operationalize the framework within the Bank's lending operations as part of the Transaction Assessment & Loan Approval Process. Favorable pricing scenarios with respect to the categories of dedicated-purpose loans, company business-mix loans and sustainability-linked loans are in place, in line with the transition dynamics of different sectors and eligible economic activities. For wholesale clients, the pricing scenarios considered are expected to differentiate between high climate risk sectors with high and lower availability of transition investments as well as low emission sectors. In terms of retail clients, the pricing scenarios will effectively address housing/vehicle loans and green consumer loans.

The SFF constitutes the basis for the Bank's sustainable lending strategy as well as supporting future funding operations, including the issuance of Green Bonds, by defining the use of proceeds and impact assessment of financings. The framework is currently being reviewed by an independent third party, to ensure the proper implementation of the principles.

The cornerstone of Alpha Services and Holdings' Sustainable Finance Strategy, includes the design of specific financial products to enable its customers' transition to low-carbon business models and carbon-reduction / climate defense technologies.

In the context of Sustainable financing, the Bank offers a wide range of "green" loans (Alpha Green Solutions) with preferential interest rate which can cover consumers' needs, such as:

- Purchase and renovation of a house classified at least under energy class B.

- Purchase of electric/hybrid cars, bicycles, motorcycles, and private charging points.

- Purchase and installation of home equipment, such as photovoltaic and solar panels, heat pumps, or natural gas boilers for a home energy upgrade.

In order to further enhance its commitment to sustainable environmental solutions, the Bank also participates in various State supported energy-saving programs such as "Exoikonomo 2021", and "e-Astypalea". Alpha Bank, being the only bank with a presence on the island of "Astypalea", is an integral member of the local community, contributing to the initiatives of the authorities for the creation of a model island of clean mobility. For its participation in this action, the Bank received two gold awards at the Hellenic Responsible Business Awards in the categories "Responsible Product / Affinity Marketing / Cause-Related Marketing" and "Sustainable Cities & Communities" and a silver award at the Environmental Awards 2022.

For small and large businesses, the Bank provides financing opportunities in relation to the Greece 2.0 National Recovery and Resilience Plan. Through the Recovery and Resilience Facility, the Bank provides financing for the green transition, with a focus on renewable energy sources. Eligible categories under the "green pillar" include green technologies, green skills, biodiversity, energy efficiency, building renovation, preservation of energy security, circular economy, sustainable development and creation of jobs.

With respect to green solutions for small businesses, the Bank offers financing for the installation and operation of photovoltaic stations.

The Bank has a specialized Project Finance unit, which works on securing financing for investments in Renewable Energy Sources (RES) projects, large infrastructure projects and Public-Private Partnerships (PPPs). New disbursements to projects related to renewables, waste, other energy and distribution networks and infrastructure expected to confirm the Bank's dominant position.

More details about the **green products** can be found on the Bank's **website**.

Participation in global initiatives for sustainability

Alpha Services and Holdings actively participates in the global effort to build a sustainable future for the economy and the planet., In this context, it **is the first Greek bank to join UN-convened Net Zero Banking Alliance, committing to net zero greenhouse gas emissions by 2050**

Alpha Bank becomes the first Greek bank to join the **UN-convened Net Zero Banking Alliance (NZBA),** having formally **committed to achieving net zero greenhouse gas emissions by 2050**. This undertaking reflects the Bank's societal responsibility, as a leading financial institution in Greece, to help mitigate climate change and drive the transition to a net zero economy.

As part of its commitment to environmental stewardship, Alpha Bank has developed a **comprehensive strategy** to achieve net zero emissions, focusing on the following key actions:

- **Reducing operational emissions**: The Bank implements energy-efficiency measures across all Branches, offices, and data centers to reduce its carbon footprint. This includes using electricity from renewable energy sources, optimizing energy consumption, and adopting sustainable practices in day-to-day Group operations.
- **Financing sustainable projects**: Alpha Bank allocates capital to Green and Social investments, in line with its Sustainable Finance Framework, with emphasis on the power generation sector, buildings and transportation. Through sustainable financing, the Bank aims to support the development of low-carbon infrastructure and accelerate Greece's transition to an environmentally sustainable and resilient economy.

- **Engaging Customers**: The Bank is committed to support its customers transition to a low carbon economy, offering advice and flexible financing solutions while facilitating access to funding, via tools like the EU Resilience and Recovery Facility and the Hellenic Development Bank.
- **Collaboration and advocacy**: Alpha Bank actively engages with its stakeholders, aiming to increase awareness and foster sustainable practices to the entire spectrum of financial and social activity.

In the same direction, in 2019, the Bank signed the Principles for Responsible Banking, which were developed as an international initiative of the United Nations – Environment Programme Finance Initiative (UNEP FI). A year earlier, in 2018, and Alpha Asset Management M.F.M.C. became a signatory of the Principles for Responsible Investment (PRI) Initiative.

For the purpose of implementing the Principles, Alpha Services and Holdings has already submitted three self- assessment reports. It should be noted that in the end of 2022, a new dedicated portfolio alignment analysis has been conducted, in accordance with the UNEP FI Principles for Responsible Banking (PRB) Impact Analysis, using the Portfolio Impact Analysis Tool for Banks (version 3). Positive and negative impacts that the Bank creates through its institutional and consumer banking portfolios, were assessed and mapped against the impact areas and topics of the revised Impact Radar (June 2022). The Bank identified positive and negative associations between its portfolio and the 23 environmental, economic and social areas defined by the UNEP FI PRB. The results of the analysis were used in order to define the Group's Sustainability Strategy.

The Bank is dedicated defending the environment, through its Environmental and Social Risk Management Policy on Legal Entities Lending by not financing polluting projects and a list of specific industries[2], and also actively contributes through its activities and operations.

In 2022 the Bank promoted impact Investing to Private Banking Customers by creating an environmental "bonus" scheme linked to Structured Notes. Through this action, sustainable investing is impacting reforestation. Through the "Reforest Action", which is highly relevant for Greece due to the wildfire outbreaks for consecutive years, almost thirty thousand trees have been planted, which translates to 4.5 thousand tons of CO2 stored and the creation of ninety thousand natural shelters for wild animals. Additionally, the above-mentioned action created the need to cover about thirty thousand hours of work. The Reforest Action is particularly important for Greece not only for the environment but also for the residents of the affected areas by the wildfires since the reforestation prevents severe floods. The above initiative of Alpha Bank is of great significance due to the introduction of Impact Investing, for the first time in the Group, as well as the effect on Customers' awareness on environmental issues and the direct and measurable environmental impact of their investments.

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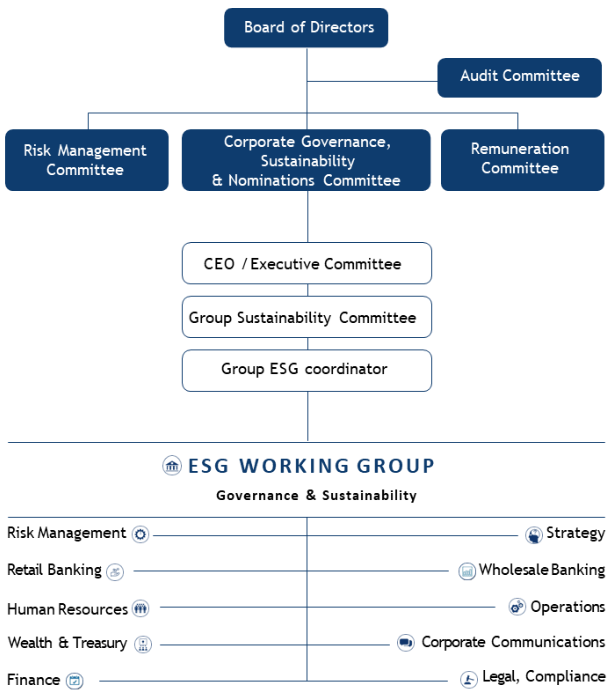
[2] More details are presented in the 2022 Sustainability report and Climate related (TCFD) reports.

Governance

Alpha Bank's organization and operation are governed by the principles of integrity, honesty, objectivity and independence, confidentiality and discretion, disciplined and reasonable risk taking, transparency as provided for in the Bank's Code of Ethics and in the principles of Corporate Governance. There is focus to the identification, measurement and management of risks undertaken, to the compliance with the current legal and regulatory framework and to transparency with the provision of full, accurate and truthful information to the Bank's Stakeholders.

The chart below presents the Organizational Structure for supervising and managing the implementation of the objectives, strategy, and policies in the context of Climate and ESG initiatives, as well as to effectively identify, manage, monitor and report the risks that might be also exposed.



Board level oversight

The Board of Directors (BoD) is responsible for managing the affairs of the of Alpha Services and Holdings S.A. and representing it vis-à-vis third parties. Further, it has the ultimate and overall responsibility for the Company and defines, oversees and is accountable for the implementation of the governance arrangements within the Company that ensure effective and prudent management.

The BoD, among others, supervises and approves the ESG objectives and commitments and it has the oversight of the Group risk management framework. Within this context, the BoD reviews the risk management strategy, delegates authorities to Committees and Senior Management for implementing the risk management strategy, reviews the overall risks assumed under the delegated authorities, provides guidelines, and ratifies the Group's risk appetite. Additionally, it promotes and ensures a robust risk and compliance culture.

Four Committees operate at Board level, namely the:

- Corporate Governance, Sustainability and Nominations Committee,
- Risk Management Committee,
- Remuneration Committee and
- Audit Committee

The responsibilities of the above Committees in the context of ESG, among others, are as follows:

- The Corporate Governance, Sustainability and Nominations Committee acts as the ultimate liaison/responsible Board Committee with respect to all sustainability/ESG issues and promotes respective communications and feedback from all the BoD Committees.
- The Risk Management Committee has oversight of the identification, monitoring, and management of Climate & Environmental risks.
- The Remuneration Committee is responsible for ensuring ESG metrics are incorporated in Remuneration Policies.
- The Audit Committee performs the oversight of the Sustainability Report and Non-Financial Information reporting, including sustainability and ESG disclosures.

The BoD, through the Risk Management Committee, receives regular reports and communication by the Chief Risk Officer (CRO) and other relevant functions, about the current risk profile, current state of risk culture, utilization against the established risk appetite and limits, limit breaches and mitigation plans.

Lines of reporting and frequency of reporting relating to environmental risk

The Risk Management Committee and the Corporate Governance Sustainability and Nominations Committee, are informed, on an at least bi-monthly basis, by the Group ESG coordinator, the CRO, the General Manager of Wholesale Banking and the Chief of Corporate Center, on issues related to Sustainability and Climate Risk. The Chairman of each Committee endorses for approval by the BoD, specific items that are being discussed and the BoD proceeds to the final approval.

Executive level decision making

A Group Sustainability Committee (GSC) was established in November 2021, to approve and oversee sustainability strategy and to steer all related initiatives. The Committee takes cognizance of and decides upon Sustainability and ESG related matters to ensure an internal governance framework that allows the Bank to manage ESG risks and consider all sustainability topics.

GSC membership includes six General Managers as permanent members and 8 additional members at the General Manager or senior executive level. During 2022, the committee met 12 times, highlighting Management's commitment to enhancing the Bank's sustainability position. The Group Sustainability Committee's agenda covered a range of topics, including the design and rollout of the Climate Risk Management, ESG training, Strategy & Target setting, as well as progress of the Bank's ESG Action Plan.

The role of Group ESG Coordinator was also established, to lead sustainability initiatives and steer operational teams on implementation.

Operational level implementation

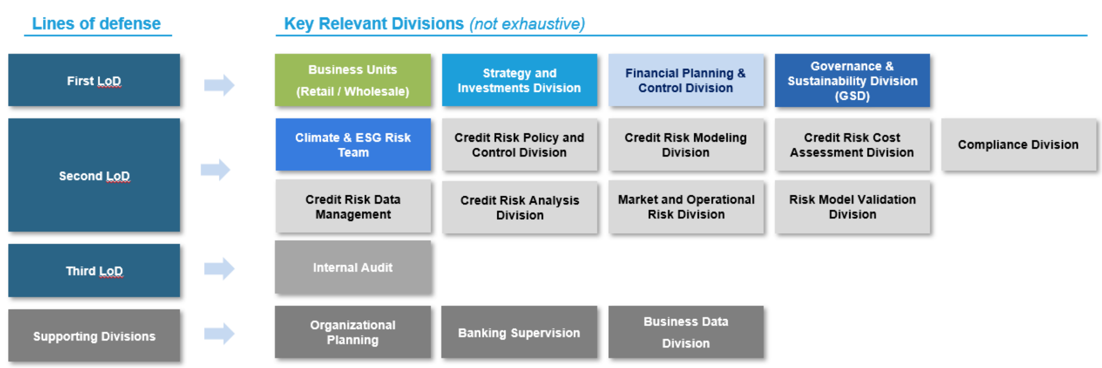
At the Operational level, an **ESG Working Group** was established to support cross-functional collaboration aiming to effectively facilitate the internal adoption of ESG practices across the organization. The ESG Working Group represents all areas of the Bank that take ownership of ESG integration and ensures the flow of information across relevant teams.

It should be noted that in 2022, the Bank, also, completed the integration of ESG, including Climate and Environmental Risk management, in its **Operating Model**. More specifically, the model defines the roles and responsibilities of relevant divisions and their respective Management, on major activities and workflows relevant for Climate Risk and ESG issues management across the three lines of defense.

A new **Governance and Sustainability Division** was created, incorporating the Secretariat of the Board of Directors as well as a specialized Sustainability Unit with the overall responsibility for the management of corporate governance matters as well as Environmental, Social, and Governance issues. The Governance and Sustainability Division drives the ESG agenda and ensures internal adoption of best practice.

Also in 2022, the Bank's ESG capability was further developed by the establishment of the Climate & ESG Risk function in the CRO area under the newly assigned Chief Risk Control Officer. The Climate & ESG risk coordinates closely with the Governance & Sustainability Division for ESG and climate related issues, as well as with Supervisory Issues Management Division, for the for risk-related input to supervisory processes/submissions. Among others, the Climate Risk function provides expert guidance for ESG integration in the risk management framework, supports consistency and adequacy of risk input across risk types, reviews questionnaires in the borrower assessment process, designs assessment methodologies (e.g. for physical climate risk) and is responsible for risk- related aspects of strategy-setting and business planning.

<u>Operating Model</u>



Remuneration policy

Regarding the alignment of the remuneration policy with environmental risk-related objectives, it is noted that the Bank is in the process of incorporating ESG and Climate Risk related objectives in its remuneration policy through their inclusion in the performance appraisal system of its employees, starting with 2023.

11.1.2 Social Risk

Business Strategy and Processes

GRI Materiality Assessment

Alpha Services and Holdings, periodically, tries to identify, assess and prioritize social issues which are related to its activities and might impact the Group's operations and/or its Stakeholders, through a materiality analysis process, in accordance with the "GRI 3: Material Topics 2021". Through the materiality analysis "the actual and potential impacts on the economy, environment, and people, including impacts on human rights, across the organization's activities and business relationships, are being identified. Impacts can be negative or positive, long term or short term.

The material social impact areas, whether potentially positive or negative, for 2023 identified and prioritized are the following:

- Finance (Impacts created through specific financial products/services and operational initiatives that improve accessibility to the use of financial services)
- Health, Safety and well-being (Impacts created through specific financial products/services that affect the ability of stakeholders to live in a state of complete physical, mental and social well-being and stakeholders' accessibility to quality essential healthcare services)
- Employment (impacts created through specific financial products/services and operational activities that improve stakeholders' accessibility to productive work in conditions of freedom, equity, security and human dignity)
- Gender Equality (impacts created through operational activities and initiatives that improve stakeholders' ability to live free from gender inequality)
- Age Discrimination (impacts created through specific financial products/services and operational activities that improve stakeholders' ability to live free from ageism)
- Culture and Heritage (impacts created through specific financial products/services and CSR initiatives that improve stakeholders' ability to access and participate in cultural life, to enjoy the arts and to share in scientific advancement and its benefits)
- Data Privacy (impacts of operational activities that affect stakeholders' accessibility to the right of personal privacy (Issues of non-compliance)).

As already mentioned in the Environmental section of this report, the Bank also ran an internal exercise and determined the following risks that are related to social and governance matters that have been defined by the Greek Law 4548/2018 and could negatively affect the organization's operations:

- Conduct Risk
- ICT & Information Security
- Financial Crime risk
- Fraud Risk
- Execution, Delivery & Process Management
- Outsourcing Risk

Social Targets

Based on the identified impact areas, the Bank has set concrete targets to:

- Enhance people's financial health through inclusive access to financing
- Provide an Inclusive and Safe Work environment
- Support equal access to Healthcare, Education, Culture and Heritage

Social targets and commitments of Alpha Bank are presented in the following table:

Foster Healthy Economies and Societal Progress			
Commitments	**Targets[1]**	**Target Date**	**KPIs**
Enhance people's financial health through inclusive access to financing	Increase employment of young people by 20% by 2025	2025	Percentage of Employees in the age group of 18-25
			Percentage of hirings in the age group of 18-25
	Support financial inclusion through educational programs addressed to teachers, students and people over 55	Ongoing as of 2023	Number of CSR programs implemented for the financial inclusion addressed to people over 55
	Increase access to people with mobility limitations to 85% of Branches by 2025	2025	Percentage of branches accessible (ramp or easily accessible) to people with disabilities (%)
Provide an inclusive and safe work environment	Provide a safe and inclusive work environment	Annual	Number of injuries[3] in the workplace (number of Employees)
	Maintain >40% women representation in Managerial positions	Annual	Percentage of women in managerial positions
Support inclusivity and access to Healthcare, Education, Culture and Heritage	Support equal access to culture for people with disabilities, cognitive impairment, the elderly and children in remote areas	Ongoing as of 2023	Number of CSR initiatives targeted to the provision of equal access to cultural programs
	Limited financing to activities that can affect health and well-being, including gambling, tobacco and alcohol	Ongoing as of 2023	Financing provided to gambling, tobacco and alcoholic beverages as % of total loan portfolio (aggregate financing cap of 5%)

Social Initiatives

Alpha Services and Holdings respects and promotes human rights through the business policies it applies, its responsible supply chain and the relations it develops with its Customers. Alpha Bank's Corporate Responsibility Policy and its Code of Ethics describe its approach and commitment to the management of human rights. At the same time, it applies the law and follows internationally acclaimed directives, principles and initiatives to protect human rights, such as the Core Labour Conventions of the International Labour Organization (ILO) and the Universal Declaration of Human Rights (UDHR).The Bank recognizes the right to union membership and collective bargaining (see section "Social and employee matters – Alpha Services and Holdings' Management of this Report) and opposes all forms of child, forced or compulsory labor.

As stated in its Corporate Responsibility Policy, Alpha Services and Holdings respects and defends the diversity of its Employees and treats all Employees with respect. The Bank promotes a culture that fosters diversity and inclusion for its workforce and implements appropriate metrics to monitor diversity at all levels. For Alpha Bank, the integration of diversity and inclusion practices in its operating culture and, of course, in all aspects of its corporate and social activity is of paramount importance. To this end, Alpha Bank is the first Greek bank to be included in the Bloomberg Gender Equality Index (GEI) and to firmly remain there for 4 consecutive years, while a few months ago, it was the first Bank in Greece to adopt the most modern framework against bullying and harassment at the workplace in March 2022.

In this context, a framework of interventions has been developed in the past years, not only with respect to providing equal opportunities for professional development, equal performance evaluation and rewards, but most importantly, a framework for personal development for women throughout their life cycle. A key part of these interventions has been the practice of mentoring, placing women in the drivers' seat, through the role of mentor for new joiners and young colleagues, both male and female. An important example of the empowerment initiatives implemented within the first half of 2023 is the second phase of "Trading Alpha Brains" (TAB) mentoring program, involving Mentors and Mentees working in teams and developing implementable business ideas.

To further strengthen HR communication with all employees, especially those who work remotely or are located outside of Athens, and improve employee experience and engagement, a new communication platform was launched in Q2 2022 (#talk2us), through which employee can book appointments with Human Resources Business Partners (HRBPs) who act as 'people advocates' and serve as a first point of contact for employees to discuss and help resolve professional issues of concern.

As a mean to promote collaboration and networking, employee groups with common interests or characteristics, the "Communities of Change" were further developed within the first half of 2023 to facilitate:

- Learning from the unique experiences of employees capitalizing on their diverse professional backgrounds.
- Distributing best practices among Units in order to achieve the goal of shaping the next day for Alpha Bank.
- Nurturing cross-functional alliances for employees from different areas and promote collaboration.
- Establishing Alpha Bank as an employer of choice and introducing practices that enhance Bank's employee value proposition.

In 2022, the revamped learning brand of Alpha Bank, "ACE #together we grow", was enriched with new content consisting of e- Learnings, classroom trainings and webinars, in cooperation with consultants selected for their functional expertise and leading learning practices. What is more, new learning Academies were launched, based on in-depth Training Needs Analysis with relevant stakeholders, in view of further accelerating the establishment of a growth culture in the Bank.

In 2022 ESG Academy of the Bank was launched aiming to cover the following thematic areas:

- Horizontal Awareness:
  - Understanding of the ESG components and their impact on the Banking Sector while inspiring behavioral change inside and outside of work
- Fundamentals towards ESG integration:
  - ESG Governance & Operating Model
  - Risk Management Framework
  - Sustainable Finance Framework
  - Business & Strategic Planning around ESG
  - Data Governance and Processes
  - Disclosures and Reporting
  - ESG Stakeholders' requirements
- . Technical capabilities for ESG:
  - Sustainable Finance Framework Operationalization
  - Loan Origination Process
  - ESG scoring & modeling
  - Data Governance and Processes
  - Diversity, Equity & Inclusion

Through the ESG Academy and other initiatives the Bank aims to provide awareness and training, to its employees, customers and markets on ESG and climate risks, aiming also to add the power of its brand name to the wider sustainability transition effort. On top of this, the Bank intends to leverage its large ecosystem of partners and suppliers, to further promote the implementation of the EU Taxonomy Regulation and EU green deal, via the adoption of environmental criteria and minimum social safeguards in the markets in which it operates.

The Group acknowledges the importance of fostering a safe and healthy work environment and promotes a strong health and safety and wellbeing culture, by ensuring regulatory compliance and investing in efficient health and safety management, personnel consultation, and trainings.

Finally, aiming to increase its positive effect on society and the environment, through new business opportunities that generate value for all stakeholders, theBank offers thematic investments with a positive direct or indirect impact on humanity and the environment (Socially Responsible Investing - SRI) as well as on mutual fund choices that also take into account social responsibility and corporate governance with regards to the underlying assets under management (Environmental, Social and Governance - ESG criteria). Aiming to raise awareness regarding ESG and sustainable investments, Alpha Bank organizes informative events and on a regular basis publishes relevant informative material in reports. It supports households and business responsible investment choices and invests in large infrastructure projects and projects that have a positive environmental and social impact. On this basis, Alpha Bank regularly coordinates internal and external (Customer) events focused on the merits of ESG investing.

Finally, the Bank manages the social dimension of financing through its responsible and financing approach, as explained in the "Responsible Investments and Financing" section of the Non-Financial Report 2022 (p. 34-54). Relevant information is also described in the environmental risk section of this report.

Certified Management Systems (ISO)

The development of a comprehensive and effective Business Continuity Management (BCM) Framework ensures, to the maximum extent possible, the protection of the health and safety of Employees, the uninterrupted provision of services to Customers and other Stakeholders (Shareholders, business partners, suppliers, Regulatory and State Authorities etc.) and the minimization of the consequences (in terms of operation, finances, legal issues and reputation) in case of an unforeseen event which can affect its operation. The BCM processes of Alpha Bank Group include the assessment of climate related, environmental and social risks that may cause business disruption.

The BCM framework of the Alpha Bank Group is certified with ISO22301. The ISO22301 certification includes more than 2000 employees from the following companies:

- Alpha Bank S.A. (Sectors/Activities certified: Information Technology and Back Office Operations, Treasury Management, Cyber Security & Information Security, Organization)
- Alpha Bank Romania S.A. (Sectors/Activities certified: Information Technology and Back Office Operations, Treasury Management, Organization, Cards, Alternative Networks)
- Alpha Leasing S.A. (all activities)
- Alpha Supporting Services S.A. (all activities)
- Alpha Finance S.A. (all activities).

Health and Safety

Alpha Bank was also certified in 2022 with an Occupational Health and Safety Management System in accordance with ISO 45001:2018, covering all its activities and employees. In addition, there is a permanent presence of Occupational Physicians within work premises with large number of Personnel, while the Bank engages with experts (i.e. psychologists) and offers Employees the opportunity for consultation and support services.

Occupation Physicians are available full time to premises with many employees. Evacuation drills are scheduled by branches at least every 3 months. Training (both live events and e learning) are available to all, covering fire safety, emergencies, first aid and violence and harassment at the workplace.

All personnel are offered and covered by medical insurance. Additionally, licensed psychotherapists are available for off-site counselling at no cost, to employees.

Alpha Bank seeks to continuously improve its management system while introducing new training programs and improving personnel participation.

Governance

As mentioned above, the BoD and its Committees have oversight of all issues with the Corporate Governance, Sustainability and Nominations Committee having overall ownership of the Sustainability agenda.

In this respect, during 2023 the Corporate Governance, Sustainability and Nominations Committee reviewed the material impact areas identified through the Global Reporting Initiative (GRI) materiality analysis and the respective targets associated with the social impact areas that have been identified and was informed on the ESG Workplan, the timeline for key disclosures and sustainability strategy.

The Risk Management Committee was updated of the ESG/Climate Risk and of the ESG Workplan.

Additionally, during 2023, the Audit Committee's agenda included the review of the Sustainability Strategy and the alignment of the environmental and social targets with the financial ones. Further to the above, the Committee took cognizance of the updated methodology of the materiality analysis for the year 2022 which was based on the revised 2021 Global Reporting Initiative (GRI) materiality standards as well as the Committee endorsed the Sustainability Report and the Task Force on Climate related Financial Disclosures Status Report for the year 2022.

The Remuneration Committee, during 2023, endorsed the Remuneration Policy as per Law 4548/2018 which was updated in order to incorporate, among others, disclosures on ESG criteria.

At the Executive level, the Group Sustainability Committee that has been established approves any new social initiatives and monitors its implementation in order to ensure alignment with the Group's overall sustainability strategy and targets.

Finally, the ESG Strategy working group that is guided by the ESG Coordinator, is responsible for the implementation of the materiality analysis (as described in the "Strategic Plan and GRI Materiality Assessment" section of this report) and the assessment and prioritization of the impact areas and topics (environmental and social), identified.

The ESG Working Group represents all areas of the Bank that take ownership of ESG integration and ensures the flow of information across relevant teams. Those teams consist of ESG specialists and dedicated representatives of relevant functions (Retail Banking, Wholesale Banking, Risk Management, Strategy, Human Resources, Wealth Management and Treasury, and others). Representatives from each area participating in the ESG Working Group form the Operating Committee, which is responsible for providing the Group Sustainability Committee with information on the progress of the respective ESG project areas, including environmental and social issues.

The Bank's Governance and Sustainability Division drives the ESG agenda and ensures the adoption of best practices across the Group. The Division also leads communication and the exchange of knowledge and expertise between the Bank and its Group Companies. In addition, high-level responsibilities are defined in the updated Operating Model emphasizing ESG Strategy and ESG integration.

Bank's Governance and Sustainability Division, drives the ESG agenda and ensures internal adoption of best practice across the Group.

Recently, the Bank’s ESG capability was further developed by the establishment of expert teams with advanced skills in specific areas, such as the **Climate & ESG Risk Team** in the CRO area under the newly assigned **Chief Risk Control Officer** and the nomination of a **Sustainability Strategy lead** in the Strategy and Investments Division.

The Climate & ESG risk coordinates closely with the Governance & Sustainability Division for ESG and climate related issues, as well as with Supervisory Issues Management Division, for the for risk-related input to supervisory processes/submissions. Among others, the Climate Risk Team provides expert guidance for ESG integration in the risk management framework, supports consistency and adequacy of risk input across risk types, reviews questionnaires in the borrower assessment process, designs assessment methodologies (e.g. for physical climate risk) and is responsible for risk- related aspects of strategy-setting and business planning.

11.1.3 Governance Risk

Regarding the governance arrangements of Alpha Services and Holdings, including committees, see also the governance as described in the respective environmental and social risk sections.

With respect to counterparties, the Group has incorporated the "Environmental and Social Risk Management Policy on Legal Entities Lending" in the Group's existing Credit Risk Management Framework and the Group's Credit Policy, thereby enhancing the effective management of the environmental and social dimension of financing. The Policy presents the responsibilities and the approach followed in managing environmental and social risk at every stage of the lending process and also provides an industry-specific Exclusion List (i.e. a list of sectors that the Group does not finance), as well as a list of crucial industry sectors/activities associated with environmental and social risk.

For corporate clients in the wholesale banking and the retail Small Business Unit, the Bank has developed ESG customer assessment questionnaires, aiming at collecting data and assessing the borrowers in terms of ESG criteria.

The Bank also applies a granular sector-specific customer assessment during the credit origination process that assesses material topics for designated sectors against certain environmental, social and governance criteria. Those customers whose economic activity falls into the CPRS[3] perimeter, tobacco & gambling will be assessed through the sector-specific questionnaire. For customers, whose economic activity falls into the non- CPRS perimeter, a sector agnostic assessment will be applied, considering fundamental aspects of ESG criteria that are common across all sectors.

The ESG customer assessment questionnaires comprise three independent sections (Environmental, Social, Governance). Each of the Environmental & Social sections is further segmented into:

- Management approach: Captures customer's ability to manage Environmental and Social factors.
- Evaluation of the Management approach: Captures customer's ability to evaluate the management approach for Environmental and Social factors.
- Performance Assessment: Assesses customer's efficiency regarding Environmental and Social factors and detects whether the customer keeps track of quantitative sector-specific information.

Governance assessment is common across sectors and captures the decision-making process and roles & responsibilities regarding Environmental and Social factors.

[3] The Climate Policy Relevant Sectors (CPRS) is a classification of economic activities to assess climate transition risk, first developed in the article by Battiston et al. (2017) published on Nature Climate Change. CPRS are identified considering: i) role in the energy value chain (technology), ii) role in the GHG emissions chain, iii) specific policy processes and iv) business model (input substitutability of fossil fuel)

ESG criteria to evaluate corporate customers

The ESG questionnaires consider relevant standards published by various organizations, such as the Sustainability Accounting Standards Board (SASB), the Carbon Disclosure Project (CDP), S&P Global, Fitch, Morgan Stanley Capital International (MSCI), International Petroleum Industry Environmental Conservation Association (IPIECA) and European Financial Reporting Advisory Group (EFRAG), as well as industry best practices.

When specific criteria are met, an environmental and social due diligence, i.e. on-site visit at customer's premises, is conducted by environmental and social specialists in order to assess customer's compliance with the respective legislation. Similarly, in order to assess the investments, the Project Finance team collaborates with specialized technical advisors on the projects' environmental licensing and environmental due diligence. Following the disbursement of credit, adherence to environmental terms and commitments is obligatory, throughout the long duration of the said financings.

The Bank in Q4 2022 through its ESG Academy launched trainings to the wholesale Relationship Managers (RMs) regarding the ESG customer assessment questionnaires. Afterwards in Q1 of 2023 planned an ESG Customer Assessment Pilot Exercise to around 50 large and medium corporate Customers, with key objectives:

- Get feedback on the ESG Obligor questionnaires that were developed in 2022 and finalize the content before moving to Data Collection phase
- Test adequacy of RMs training education
- Test process framework of communicating the questionnaires

Certified Management Systems (ISO)

Alpha Bank was distinguished for its organizational resilience, as it obtained is certification in accordance with the ISO 22316 international standard by TÜV AUSTRIA Hellas, becoming the first bank in Greece to obtain a certificate of compliance with this particular international standard. This distinction confirms Alpha Bank's commitment to best practices and innovative methodologies that ensure its successful adaptation and resilience to the changing business environment, as well as the smooth attainment of the objectives of its daily operation. At the same time, the adoption of the requirements of ISO 22316 standard helps create within Alpha Bank the right conditions to improve its ability to absorb, adapt and rise to the challenges of the changing business environment.

Finally, they are a strong factor in strengthening governance structures with a view successfully managing processes related to critical administrative and operational functions, such as, among others, strategic planning, cybersecurity management, risk and crisis management, financial control, fraud, environmental management, etc.

11.2 ESG Risk Management Framework

11.2.1 Environmental Risk

Risk Management

The Group adopts a proactive approach to the management of Environmental, Social and Governance (ESG) risks. Emphasis is placed on risks arising from climate change, which is a key component of its Risk Management Strategy. Following the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”), the Bank assesses current and upcoming environmental policies, legal requirements and regulatory guidelines relating to climate and the environment, in order to record and efficiently manage any transitional risks related to its activities.

The Group has developed a comprehensive action plan, submitted to the European Central Bank (ECB) in May 2021, in which it presented how the climate risk assessment would be incorporated in its operations and in the risk management process. The implementation of the plan began in June 2021, continued throughout 2022 and was enhanced, taking into consideration the feedback provided by the Single Supervisory Mechanism (SSM) in the context of the Climate Stress Test, conducted in January 2022, and the Thematic Review of Climate-related and Environmental Risk Strategies, Governance and Risk Management Frameworks, conducted in June 2022. This plan is still in place and will be completed by the end of 2023.

C&E risks: Definition, Identification and Materiality Assessment

In alignment with the relevant external guidance across different sources[4], Alpha Bank considers C&E risks as a theme, i.e. as a transversal, cross-cutting risk and has incorporated such factors as drivers of existing financial and non-financial risk categories (e.g., credit risk, operational risk, market risk, liquidity risk etc.) in its risk management framework. The table below provides an indicative illustration of the way existing risk types could be affected by ESG drivers:

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[4] Some indicative regulatory and other references are:

i) In the 2020 ECB Guide on climate-related and environmental risks: "Institutions are expected to incorporate climate-related and environmental risks as drivers of existing risk categories into their risk management framework." and "Climate-related and environmental risks may, in fact, be drivers of several different risk categories and sub-categories of existing risk categories simultaneously."

ii) In the 2021 EBA Report on management and supervision of ESG risks for credit institutions and investment firms: *"The EBA recommends that institutions manage ESG risks as drivers of financial risks, in a manner consistent with the risk appetite, and as reflected in both the ICAAP and ILAAP frameworks."*

iii) In the 2021 European commission final study, "Development of tools and mechanisms for the integration of environmental, social and governance (ESG) factors into the EU banking prudential framework and into banks' business strategies and investment policies": "*The majority of banks mentioned that this requires a clear mapping of ESG risks as drivers of existing risk types, rather than treatment as a stand-alone risk type", "Most banks that include ESG risks in their RAF fall under the second category, meaning they consider ESG risk as a transversal risk driver."* and *"Participants acknowledged the impact ESG risks can have on financial and non-financial risks, as opposed to considering ESG risk as a standalone risk type."*

iv) In the Climate Financial Risk Forum Guide 2020, "Risk Management Chapter": *"Good practice is to treat climate risk as a cross-cutting risk type that manifests through most of the established principal / standalone risk types."*

Risk Type	Indicative impact of ESG drivers (not exhaustive)
Credit risk	- Impact on the credit risk parameters (PD, LGD, EAD) as a result of transition or/and physical risk events, affecting the creditworthiness of counterparties (e.g. increased PD of companies sensitive to ESG factors, impact on collateral values from physical risk related events and from disorderly transition to low-carbon economy).
Market risk	- Volatility and reduction in values and risk returns of financial assets (e.g. corporate/sovereign bonds, equity) from climate-related factors (e.g. from transition risk drivers leading to repricing of securities and derivatives).

Liquidity risk	- Volatility and reduction in values and risk returns of financial assets (e.g. corporate/sovereign bonds, equity) from climate-related factors (e.g. from transition risk drivers leading to repricing of securities and derivatives), which may reduce the value of high quality liquid assets, thereby affecting the liquidity buffer.
	- Impact through Bank's ability to raise funds or liquidate assets., e.g.:
	  - the ability to access stable sources of funding is reduced.
	  - Climate-related asset classes/instruments are prioritized over other traditional asset classes/instruments.
	  - Deposits and credit lines are drawn down by counterparties.

Operational risk	- The Bank's operations may be disrupted due to physical risk events, (e.g. extreme weather event) leading to damages to physical assets or critical infrastructure that is essential for providing services to customers (e.g. property, branches, energy supply, data centers etc.). - The Bank may incur fines due to lack of consideration on compliance with environmental standards or as a result of the greenwashing, leading to conduct risk.
Business & Strategic risk	- Failure to account for rising ESG factors, having as key drivers the potential shift in consumer preferences, behavioral/ demand patterns, market sentiment and the potential change in the competitive landscape, leading to misalignment of business model to market practices (e.g. not being able to finance the environmental transition).
Reputational risk	- Impact on the Bank's public perception and reputation and consequently in its valuation, considering also changing market and consumer sentiment, due to its association with activities and counterparties linked to adverse environmental impacts (e.g. financing of companies with significant polluting activities, investments in sectors with high GHG emissions etc.). - Continually rising stakeholder expectations in the area of climate risk (e.g. Bank's commitments regarding the mitigation of climate risk) could lead to reputational risk, if the Bank does not deliver fully on its position.

The Bank has updated its Risk Inventory in order to include the dimension of climate-related risks in its Risk Registry. The main climate-risk transmission channels in the area of risk management include transition risk (e.g. the risk of any negative financial impact on the institution, stemming from the current or from prospective impacts of the transition to an environmentally-sustainable economy on its counterparties or its invested assets) and physical risk (e.g. the risk of any negative financial impact on the institution, stemming from the current or prospective impacts of the physical effects of environmental factors on its counterparties or its invested assets).

Also, the Bank has incorporated ESG in its regular risk identification process and has been performing a regular materiality assessment process since 2022. For this materiality assessment, the Bank considers several factors, covering both financial materiality, as well as qualitative factors, such as the perceived impact on the environment and society and potential reputational-related aspects, in alignment with the "double materiality" principle.

In the context of ESG materiality assessment analysis the Bank identified the sectors that are most sensitive both to climate and other environmental (e,g. resources' scarcity, air and water pollution, bio-diversity loss, etc) risks. The overall credit risk materiality to ESG factors takes into consideration additional components e.g. exposures sensitive to ESG factors, different breakdowns of sectors, portfolios, maturity of exposures, collateral type, etc. aiming to integrate additional effects such as time horizons, capturing difference sensitivity to ESG of economic activity, etc. The materiality assessment covered all key risk aspects (i.e. Credit Risk/ Operational Risk/ Market Risk/ Liquidity Risk/ Reputational Risk and Business/ Strategic Risk). In detail:

- Credit Risk – Transition Risk: The Bank conducted a transition risk assessment exercise in its Non-Financial Corporations (NFC) portfolio based on the Climate Policy Relevant Sectors (CPRS) perimeter corporate portfolio, to identify its exposure per sector and the allocation of the portfolio to potentially high transition risk categories. Furthermore, the NFC portfolio has been examined in relation to the underlying residual maturity since the sensitivity of the exposures of this portfolio to environmental risks is expected to materialize in long-term horizons.

In addition, the Bank has conducted a top-down materiality assessment for transition risk sub-types per sector, in order to identify the climate-related transition risks that materially affect each sector as well as the respective time horizon (short / medium / long). The subtypes examined were:

  - Current regulation
  - Emerging Regulation
  - Legal
  - Market
  - Reputation
  - Technology

This analysis has been performed by taking into account the 2021 CDP climate change disclosures, in which organizations are categorized based on country, as well as primary industry/sector of operation.

Beyond the materiality assessment conducted in its NFC portfolio, the Bank recognizes the materiality of Climate and Environmental risks in its retail portfolio, in terms of the energy efficiency of real estate collateral held by the Bank. In this context, the Bank has incorporated the Energy Performance Certificate (EPC) criterion in its Credit Policies. In parallel, the Bank has developed a model in order to evaluate proxies for the energy efficiency score and EPC label, that enabled the distribution of energy efficiency score bands and EPC label of the real estate properties included in the Bank's portfolio (as real estate owned assets) or used as collateral on existing assets. The Bank's retail portfolio is materially affected by ESG factors, due to its considerable size.

- Credit Risk – Physical Risk: Regarding physical risk, the Bank conducted a materiality assessment for physical risks in the loan portfolio. The Bank has laid down a methodology based on sensitivity and exposure analysis to derive vulnerability to physical risk factors. The vulnerability assessment aims to identify potential significant hazards and related risks and forms the basis for the decision to continue the risk assessment, while it is aligned with the Invest EU methodology (“Technical guidance on the climate proofing of infrastructure in the period 2021-2027”) and with the “ECB: Good practices for climate related and environmental risk management: Observations from the 2022 thematic review”). The analysis is applied to the Business portfolio per NACE sector (22 NACE codes) at a country level, while for exposures covered by real estate collaterals the analysis is applied per climate zone at a regional level, based on the location of the real estate property. The vulnerability analysis (either by NACE sector, or climatic zone) combines the outcome of the sensitivity analysis and the exposure analysis, categorizing physical climate risk as High, Medium or Low. In the context of further future actions, the Bank intends to perform detailed analyses ("deep dives") regarding its exposure to specific areas with high physical risk vulnerabilities. Alpha Bank offers solutions for mortgage insurance through a full range of products including benefits associated with risks related to natural disasters as flood, wildfires and storm. Moreover, the level of total insured amount is based on the real replacement cost of the building, based on the square meters of the household and the average construction value per square meter and not linked only with the loan amount. Alpha Bank’s property portfolio is insured by 90% for the basic risks while regarding flood risks is insured by ca. 44%, which is currently reviewed, with aim to further enhance the Bank’s insurance level, especially in the high and medium risk areas.

- Operational Risk: The Bank has identified within its database and assessed historical loss events that were driven by ESG risk factors. Despite the fact that the analysis showed very limited materiality of such loss events, the Bank followed a proactive and forward-looking approach and applied a number of enhancements in its Operational Risk Management framework in order to better monitor and manage environmental and social risk factors. The basic premise underpinning this approach is that future operational risk losses driven by ESG risk factors may increase in materiality going forward, due to increased attention to ESG matters, emerging regulations and compliance themes (such as greenwashing). More specifically, the enhancements related to the following:

    - Risk Taxonomy
    - Loss Events Management
    - Risk and Control Self-Assessment (RCSA)
    - Scenario analysis
    - Key Risk Indicators (KRIs)
    - Outsourcing Risk Assessment

This is mostly based on a conservative forward-looking view (i.e. future ESG-related losses may be greater compared to historical ones) as well as on the fact that such events may have material reputational impact in the future, due to the shifting expectations of the Customers and the society as a whole regarding ESG issues.

- Especially regarding legal risk, the Bank is in the process of introducing enhancements to better identify, manage, mitigate and monitor legal risk driven by ESG-related factors.

- Reputational risk: is generally considered to arise as a result of the manifestation of other risk types (i.e. a second-order impact), while it could also give rise to other risk types subsequently (e.g. liquidity outflows, following a reputational impact). In that sense, a separate evaluation of the materiality of ESG-related drivers is not required. The materiality assessment for other risk types suffices to cover potential one-off (acute) events with reputational repercussions (e.g. within operational risk) as well as longer-term brand value impacts that could arise in the context of Strategic Risk. The Bank has outlined several measures to mitigate reputational risk and ensure the long-term viability of the Group. These include adopting a conservative approach and strong governance practices, as well as implementing a focused strategy to protect the Group's reputation. Additionally, the Bank has developed a dedicated Crisis Management Manual to provide top-level guidance and support in the event of a crisis. To stay ahead of potential issues, the Bank actively monitors media and social networks, and maintains relationships with institutional investors. If necessary, proactive legal and remedial actions are taken to protect the Group's reputation and interests. Furthermore, the Bank plans to launch public relations campaigns to promote its charitable programs and social responsibility initiatives. In addition, and in order to effectively and efficiently monitor Reputational Risk, the Bank is in the process of formalizing and enhancing its overall Reputational Risk Management Framework by the end of 2023. This Framework will include all aspects and drivers that contribute to reputational risk, including ESG-related drivers, regardless of whether they originate from credit, market, or operational risk events. Particular emphasis is placed on ESG-related reputational risk due to customer and third-party controversial activities, as well as the internal processes that are being established to prevent misleading claims of sustainability (greenwashing) in the future. This will be achieved through the introduction of internal controls specifically focused on identifying and categorizing sustainable finance exposures. Furthermore, the Bank is actively engaged in the development of an additional questionnaire intended to assess the potential involvement of counterparties in controversial activities. This supplementary assessment will be mandatory in instances where triggering questions (upon obligor assessment questionnaire) related to controversial activities come into play. In parallel, the Bank is in the process of designing a comprehensive internal framework and procedure to effectively govern these assessments. This multifaceted approach underscores the Bank's commitment to responsible practices and transparent evaluation of potentially sensitive issues.

- Market risk: Based on the materiality assessment of the Bank's bond portfolio, there seems to be limited potential effect from climate related and other ESG factors. The corporate perimeter that is potentially most vulnerable to ESG risks is quite low in volume. The analysis performed is based on ESG risk sensitive perimeter of debt securities that impact both market and liquidity risk profile (ESG sensitive perimeter including CPRS, plus corporates in the Tobacco & Gambling Sectors). Portfolio analysis performed focusing on climate transition risks based on type of issuer (Governments, Financial, Corporates) considering time horizon for the impact from those risk areas. The Bank has performed, also, a materiality assessment of the Physical Risk for the Corporate Portfolio of Greek Issuers, leveraging the analysis used also in the case of credit risk per NACE sector. The assessment also covered the sovereign bonds portfolio, which is material in size. The materiality of ESG factors on the prices of EU members' issuances is considered particularly limited, considering that coordinated actions at the EU level (e.g., through recovery packages, state of emergency frameworks etc.) will be taken, in case any of these countries was severely impacted by environmental factors, primarily concerning physical risk. Materiality is perceived as limited also for non-EU issuers with "strong" currencies (e.g. USA, Switzerland etc.). The Bank's equity & funds' portfolio is particularly immaterial as of 31/12/2022 compared to the portfolio's total size thus was not considered in the current analysis.

- Liquidity risk: there seems to be no material effect from climate – related and other ESG factors. On the asset liquidity side, this is driven by the composition of the buffer, mainly consisting of sovereign rather than corporate bonds, which are considered to be immaterially impacted by ESG factors, as described in the market risk section above. On the funding side, deposits constitute the main funding source, mostly consisting of retail Customers, thus corporate Customers constitute a relatively smaller part of the Bank's funding position, limiting the exposure to ESG risks.

- Business and Strategic Risk: The relevance of ESG factors in Business and Strategic Risk is reflected through the failure to account for rising ESG factors, considering both idiosyncratic (strategic) and systemic (business) components. The Bank acknowledges that ESG factors could have a significant impact from a Business and Strategic Risk perspective. The impact on Business & Strategic risk would materialize through several drivers, including the Bank's inability to properly execute its strategy (e.g., not being able to finance the environmental transition), or changes in the customers' demand of various Bank's products (e.g., shift in market expectations for green products) and adjustments in the related product pricing due to ESG factors, with a financial impact on the Bank's interest income. The impact on profitability could also materialize from downward fees and commissions, as well as from the structure of the Bank's funding side (e.g., reliance to deposits from clientele not aligned to "green" strategies, prone to transition risk). The impact that ESG factors can have on Business and Strategic Risk is also highlighted by the fact that they can lead to significant reputational risk, as a second-order effect, in terms of a long-term impact on the Bank's brand and reputation (e.g. the Bank gradually lagging in terms of strategy and brand in ESG – related issues, compared to its peers). The impact of the Bank's financing activity and overall strategic direction on the environment is often subject to public scrutiny and, hence, associated with reputational considerations. The Bank has performed the materiality assessment of Business and Strategic risk for the Gross Interest and Fees & Commissions income generated by the Non-Financial Corporations (NFC) portfolio, broken down to activities/sectors more sensitive to transition risk, based on the Climate Policy Relevant Sectors (CPRS) perimeter, by using the NACE code assigned at the obligor level.

Environmental and Social Risk Data related to Collection Structure, Quality and Accuracy

Based on the outcome of the materiality assessment exercise, for obligors falling within the ESG – sensitive perimeter, obligor – level assessment questionnaires have been developed, aiming at collecting data and assessing the borrowers in terms of ESG criteria. Regarding the non – ESG sensitive perimeter, a sector – agnostic assessment is applied, considering fundamental aspects of ESG criteria that are common across all sectors. For the development of these questionnaires, as a 1st step there has been identified the ESG sensitive perimeter of the Bank portfolio, then the identification of material E & S topics per sector level has been performed, and, finally, the questions and KPIs used to appropriately evaluate material topics and management of E&S aspects were selected[5]. Questionnaires comprise 3 independent sections (Environmental / Social / Governance), whereas each of the E & S sections is further segmented to Management approach subsection which aims to captures obligor's ability to manage the E & S factors, the Evaluation of the Management Approach subsection which aims at capturing the ability of obligor to evaluate the management approach of E & S and the Performance Assessment subsection, which is the selection of indicators based on internationally available standards. This area assesses the efficiency of the obligor regarding E & S factors and whether the obligor keeps track of quantitative sector-specific information. In the first half of 2023, the Bank completed the setting up of these questionnaires and rolled-out the relevant functionality as well as a pilot exercise communicating it to a small, selected group of its customers. Currently, the Bank runs the data collection phase. The relevant questionnaires also serve as ESG rating models, as the information collected feeds into the development of ESG scorecards. The finalization of these scorecards is expected by the end of 2023.

[5] During the questionnaire design process, material from relevant organizations and standards such as the Sustainability Accounting Standards Board (SASB), the Carbon Disclosure Project (CDP), the S&P Global, the Fitch, the Morgan Stanley Capital International (MSCI), the International Petroleum Industry Environmental Conservation Association (IPIECA) and the European Financial Reporting Advisory Group (EFRAG), as well as industry best practices were used.

In parallel, the Bank participates in an interbank project with Tiresias (the Greek Credit Bureau) for the deployment of common ESG questionnaires and a common data repository for the information provided through these questionnaires. The common questionnaire has been finalized upon being agreed with consensus by all systemic Banks. Currently, the Banks are establishing the specifications for the implementation of the interbank initiative on the common platform, which will be launched in the last quarter of 2023.

Regarding the data that will be collected during the obligor assessment questionnaires, the Bank uses the support of third parties to access external climate related data not already available in the systems, due to newly implemented methodologies (i.e. GHG Financed emissions' measurement following the PCAF methodology, model development for the estimation of EPCs, vulnerability to physical hazards, etc.). During first quarter of 2023, the Bank completed a full measurement of its financed emissions, covering investment and lending products of its corporate portfolio across all the sectors it finances, based on the latest GHG emissions of its borrowers or investee companies. To measure its financed emissions, the Bank follows the Global Greenhouse Gas (GHG) Accounting and Reporting Standard for the Financial Industry developed by the Partnership for Carbon Accounting Financials (PCAF, version Nov. 2021). PCAF builds upon the GHG Protocol Corporate Value Chain (Scope 3) emissions – Investments (Category 15)[6], to provide asset class specific calculation approaches. According to the PCAF methodology, financed emissions are calculated by multiplying an attribution factor, specific to the asset class, by the emissions of the borrower or investee company. The attribution factor is defined as the share of total annual GHG emissions of the borrower or investee that is allocated to the loans or investments. The Bank is in the process of measuring its financed emissions with 2022 emissions data, which is expected to be completed in the last quarter of 2023.

Furthermore, criteria have been developed to evaluate each requested transaction, on top of the assessment at obligor level, including the alignment with specific criteria, as defined on the Group's Sustainable Finance Framework, in order to identify and capture sustainable activities as well as transaction-specific characteristics. System development of the transaction assessment as well as the interplay between obligor and transaction assessment will be completed by the end of 2023.

In addition, as part of its action plan to incorporate Climate & Environmental Risk Management in its operations, the bank is currently designing the incorporation of new ESG related data into its systems, taking into account related business needs and processes.

In this context, the Energy Performance Certificate (EPC) is requested during the credit process and the Bank has started to collect the EPCs from its customers. This initiative serves a dual purpose: firstly, to systematically monitor the energy performance classification of its real estate collaterals (financed or not); and secondly, to be used as a potential differentiating factor when assessing the impact of climate related risks to ECL. Concurrently, the Bank has pinpointed the data requirements essential for ESG-related treasury activities, covering both bonds and stocks. To cover these needs, the Bank is in the midst of identifying an appropriate provider that aligns with its objectives and the needs of various business stakeholders. These actions aim, among other things, to ensure accurate and comprehensive ESG data to facilitate informed decision-making processes.

[6] According to the GHG Protocol Standard, Scope 3 emissions represent all indirect GHG emissions that occur in the value chain of a company. Scope 3 emissions are divided into upstream (related to purchased or acquired goods and services) and downstream emissions (related to sold goods and services, with the latter being associated with the provision of capital or financing) and categorized into 15 distinct categories. Category15 – Investments accounts for equity investments, corporate debt holdings (such as bonds or loans), project finance and investments managed on behalf of clients or services provided to clients.

Further developments made or to be made by the Bank in terms of the collection, quality, and accuracy of ESG Risk data for monitoring and reporting purposes, have been described in detail in the accompanying narrative of the quantitative tables of Pillar 3. The holistic data flow is assessed from the data capturing until the data usage, considering both the front lines' needs and the monitoring or reporting requirements. The introduction of the new data follows the principles of Bank's Data Governance Framework for ensuring that the data governance procedures are effectively applied. The objective is to ensure high quality data is available, to support decision making both in terms of new credit approvals as well as to ensure clear visibility of the loan and investments portfolios' ESG related characteristics, enabling prudent and effective risk management of Climate & Environmental Risk.

Incorporation of C&E risk in Risk Management Framework

The Group has already incorporated in its Risk Appetite Framework (RAF) a set of quantitative indicators and qualitative commitments regarding climate risks. Specifically:

- The Group is committed to integrating climate risks into its overall risk management framework. In this context, the Bank has initiated within 2023 the regular monitoring of the concentration of its exposure in climate-sensitive sectors in its loan portfolio, through a new risk indicator under RAF. Moreover, the Risk Appetite Framework has been enhanced with additional quantitative indicators designed to improve the sustainability of the portfolio and mitigate potential exposure to climate risk. Currently, the introduced KPIs focus on % of new disbursements in sustainable lending (as defined in the Sustainable Finance Framework), the ESG-related investments (such as Green Bonds), as well as the Scope 3 Financed emissions or, specifically for the Energy sector, a target to increase financing of Renewable Energy Sources, etc. As calculation approaches become more mature and more data points become available through measurement and monitoring, the Group will further enhance its RAF with the introduction of additional specific quantitative indicators and the setting of respective thresholds.

The Group has limited appetite towards environmental and social risk; therefore, it establishes specific assessment procedures and due diligence requirements that are to be understood and met without exception before Alpha Bank Group considers providing financial products and services to the Wholesale Banking obligors and/or financing projects.

The Group aims to enhance its due diligence process with respect to the assessment of its Customers' ESG/climate risk profile, through the collection of relevant information. In this setting, the Bank will take initiatives to encourage its customers to clearly define and communicate their commitments and to develop and execute effective strategies to mitigate climate risks. The Group aims to finance its counterparties' green/sustainable transition both in the short-and in the long-term.

In addition to the above, the Bank is in the process of updating the Credit Policy in order to incorporate the ESG obligor, as well as the ESG transaction level assessment in the credit process. Furthermore, the Bank is working on additional issues such as the enhancement of the exclusion list, the collateral policy, the relevant ESG related terms in loan agreements etc.

Simultaneously, the Bank is engaged in a collaborative effort with Alpha Real Estate (Alpha Astika Akinita S.A.) to identify and evaluate the environmental and climate characteristics of the properties. This includes a thorough examination of factors such as renovation timelines, floor levels, on-site physical risk appraisals, biodiversity zones, and other relevant attributes. The overarching objective is to examine possible enhancements on the Bank's property valuation approach and make necessary adjustments to its collateral valuation policy.

Regarding ICAAP, the Bank has developed climate risk-specific methodologies to estimate the impact of climate scenarios under both the Economic and Normative perspective. The methodologies focus on the impact of both transition and physical risks on credit risk, considering the relevant risk materiality assessment that has been performed. More specifically, the Bank is examining the impact in Normative perspective under different climate scenarios, which vary according to their focus on Transition or Physical risk as the main driver. These are examined as stand-alone climate scenarios. At a high level, the methodology adopted by the Bank follows the below steps:

i. Selection of a relevant climate scenario for Transition (e.g., disorderly transition scenario) or Physical risk (e.g., impact from Flood from the 2021 Climate Risk EU Wide Stress Testing exercise), leveraging on internal or external sources.

ii. Use relevant credit risk models to calculate impact from the scenarios (e.g., through sector models for risk parameters affected by transition risk or through impact on collaterals for physical risk) and estimate risk parameters.

iii. Leverage on the process employed for stress test purposes in credit risk, to calculate impact and perform projections based on the scenario parameters and calculated additional impairment or other metrics.

iv. Integrate with other P&L and Balance sheet items and calculate capital ratios under the scenario.

For the Economic perspective, the Bank estimates the impact from climate scenarios in a similar fashion as in the Normative perspective (selection of scenario, use of relevant credit risk models to calculate impact). It then considers the adoption of the additional impact as Pillar 2 add-on hit.

In subsequent submissions, the Group will enhance the above approach for the incorporation of climate risk in its economic and normative perspective, taking into consideration the progress that has already been performed. During the first semester of 2023, the Bank conducted workshops with various data providers in order to introduce climate change scenarios to foster consideration of uncertainty and prepare a response for future climate and societal conditions.

In order to assess the impact of climate risk on the calculation of Expected Credit Loss (ECL), detailed information on the location of collateral as well as information on EPCs is being collected. The information will be incorporated into the respective data systems and methodological approaches will be developed in order to adapt the models for calculating the ECL. More specifically, the following are in progress:

- Finalization of new scorecards simplified and advanced (full-blown), for environmental risks, providing differentiation by industry and depending on the size of the company (e.g. turnover) as well as scorecards for governance and social risks.
- Development of a validation methodology for the new models that assess environmental, governance and social risks and integration of the former into the Credit Risk Models Validation Framework.
- Performing enhancements or additions to the current set of models used for risk parameter estimation and prediction, in order to integrate ESG risks.
- Identifying ESG-related data needs, leveraging the data that will be collected for the borrower’s assessment and supplementing it with additional information, where needed.
- Examining alternative methodological approaches for the quantification and the integration of ESG risks into the credit risk parameters.

Environmental and Social Risk Management Policy on Legal Entities Lending

Alpha Bank Group is committed to sustainable finance, including the effective management of the Environmental and Social dimension of its lending activities. To this direction, during the credit approval process, supplementary to the credit risk assessment, the strict compliance of the principles of an environmentally and socially responsible credit facility are also examined, as those are defined in the "Group Environmental and Social Risk Management Policy on Legal Entities Lending" which is in place since 2016.

The main purpose of the E&S Risk Management Policy is to provide the appropriate guidance, roles, perimeter, conditions, credit rules and tools in order to identify, manage, avoid, minimize, offset the risks arising from the business operations of the clients-Legal Entities that may be connected with a damage to the environment or the society, or with any direct threat of such a damage, having as a result a negative impact on the business operations and financial results of the Bank and the Group.

Key principles and requirements related to the integration of E&S Risk Assessment and Monitoring Procedures into the existing Risk Management Procedures are:

- Definition of critical sectors that are especially connected with potential E&S risks.
  - ❖ Industry specific Exclusion List.
  - ❖ Industry sectors connected with E&S risks are considered as critical, albeit at different levels and therefore classified accordingly to High, Medium and Low risk categories.
- Compliance to the applicable national environmental and social regulations, Greek and European legislation, and international standards.
- Environmental and Social screening, due diligence process and monitoring conducted by Business and Credit Units, in order to identify the potential E&S risks and impacts and specify the appropriate measures for their management.
- Monitor the ongoing Obligor's/ Project's E&S performance.
- Managing Obligor's/Project's Non-Compliance with the Environmental and Social Risk Policy Rules and Standards.
- Annual Environmental and Social Performance Report to stakeholders (EBRD).

11.2.2 Social Risk

Risk Management

Social risks are managed through the implementation of the E&S Risk Management Policy, as outlined in the previous section.

The obligor level assessment questionnaires include a specific section that captures information related to social risk and have been developed taking into consideration relevant standards published by various organizations, such as the Sustainability Accounting Standards Board (SASB), the Carbon Disclosure Project (CDP), S&P Global, Fitch, Morgan Stanley Capital International (MSCI), International Petroleum Industry Environmental Conservation Association (IPIECA) and European Financial Reporting Advisory Group (EFRAG), as well as industry best practices. The criteria by which counterparties are evaluated in terms of social factors relate to areas such as the management approach, the evaluation of the management approach and well as the performance assessment across mail areas of interest (e.g. Human rights, local communities, health and safety, labor issues, customer privacy). The ESG assessment of business customers through these sector specific questionnaires is expected to go live before the end of 2023.

Regarding legal risk, the Bank is in the process of introducing enhancements to better identify, manage, mitigate and monitor legal risk driven from ESG-related factors. Emphasis is placed to ESG-related legal risk due to customer and third-party controversial activities (through enhancements on the obligor assessment process), as well as to internal processes that are being established to prevent greenwashing going forward (through the introductions of internal controls around the identification and tagging of sustainable finance exposures).

Additional details related to the identification and management of Social and Employee, Human Rights, Anti – Corruption & Bribery matters can be found in the respective sections, as well as the Responsible Investments and Financing of the Non – Financial report section of the Alpha Services & Holdings Annual Report (alpha-services-and-holdings-financial-statements-31122022-en.pdf (alphaholdings.gr)).

11.2.3 Governance Risk

Risk Management

In terms of internal governance, during 2022 the Risk Management Committee reviewed progress in the development of the Bank's Climate Risk Management Framework, the risk materiality assessment methodology, the ESG Action plan, the Sustainable Finance Framework, as well as progress in meeting the requirements of the ECB on the Management of Climate & Environmental Risks. The committee also reviewed Supervisory requirements in detail and provided feedback to Management, which also supported the establishment of the Bank' s new Climate & ESG Risk team in the CRO area, in October 2022. In this aspect, the Bank's ESG capability was further developed by the establishment of the Climate & ESG Risk Team in the CRO area under the newly assigned Chief Risk Control Officer, in October 2022.

Furthermore, the obligor level assessment questionnaires include a specific section that captures information related to counterparties' governance performance and have been developed taking into consideration relevant standards published by various organizations, such as the Sustainability Accounting Standards Board (SASB), the Carbon Disclosure Project (CDP), S&P Global, Fitch, Morgan Stanley Capital International (MSCI) and European Financial Reporting Advisory Group (EFRAG), as well as industry best practices. The criteria by which counterparties are evaluated in terms of governance relate to areas such as business ethics, performance of governance bodies, roles and responsibilities, remuneration policy, transparency, strategy and risk management. The ESG assessment of business customers through these sector specific questionnaires is expected to start during 2023.

Additional details related to governance aspects can be found in the respective section of the Non – Financial report section of the Alpha Services & Holdings Annual Report (alpha-services-and-holdings-financial-statements-31122022-en.pdf (alphaholdings.gr)

11.3 Quantitative Disclosures on Climate change transition,Physical Risks and Mitigating actions

11.3.1 Banking book–Climate Change transition risk:Credit quality of exposures by sector, emissions and residual maturity

1. Overview

The template includes Group exposures towards non-financial corporates, including loans and advances, debt securities and equity instruments, classified in the accounting portfolios in the banking book, by sector of economic activities using NACE codes based on the principal activity of the counterparty. The template excludes financial assets held for trading or assets held for sale.

2. Approach, applicable standards and key assumptions

Exposures towards sectors that highly contribute to climate change

It is noted that for the purposes of defining the ESG sensitive perimeter that has been used in the materiality assessment for transition risk, the approach followed by the Bank (also applied within the ICAAP framework and reporting) is based on CPRS classification. This is the classification that has been also used by the ECB / EBA in various reports and publications (see references below). However, the exposures included by the Bank in Template 1 under 'Exposures towards sectors that highly contribute to climate change', exceed those in the ESG sensitive perimeter due to the particular design of the Template i.e., the particular NACE code breakdown presented therein (e.g., for NACE sector G, only G45 and specific subsectors of G46 & G47 fall under CPRS, whereas the majority of G46 & G47 is not ESG sensitive).

Exposures towards companies excluded from EU Paris-aligned Benchmarks

The majority of the Bank's counterparties do not yet disclose information on their corresponding revenue split per sector of economic activity. To overcome this limitation, the NACE code of the counterparty's principal activity has been used to identify exposures towards companies excluded from EU Paris-aligned Benchmarks. The following NACE codes have been selected for this purpose: 0510, 0520, 0610, 0620, 1920, 3511, 3521, 3522, 3523, 4671, 4730, 1910, 0910 and 4950. Regarding NACE sector D35, the exposures towards Renewable Energy Sources haven't been considered in PAB exclusions.

Non-performing status for exposures is fully aligned with the new Definition of Default regulatory guidelines and Stage 3 classification according to the IFRS9 accounting standard. Stage 2 exposures have been defined according to the IFRS9 accounting standard and exclude POCI loans.

Exposures have been allocated to maturity buckets according to the remaining maturity of the relevant financial instrument. The contractual maturity has been used for term loans whereas the IFRS9 behavioral maturity has been used for revolving loans, open loans and credit cards. A perpetual maturity has been applied for equities (set to 21yrs for weighting calculation purposes). Average maturity has been calculated by weighing the maturity of each exposure by the gross carrying amount of the exposures.

3. Limitations

Data on financed emissions have not been populated in the template. This disclosure is expected to be made from 31/12/2023 onwards, providing additional time for the granularity and quality of underlying data originating from the Bank's counterparties to improve. It is noted that the Bank has measured its financed emissions as of 31/12/2021 in all the PCAF asset classes: i. Listed equities and corporate bonds, ii. Corporate loans and unlisted equities iii. Commercial Real Estate, iv. Project finance, v. Mortgages, vi. Motor Vehicle Loans. Financed emissions are always calculated by multiplying an attribution factor (specific to that asset class) by the emissions of the borrower or investee. The attribution factor is defined as the share of total annual GHG emissions of the borrower or investee that is allocated to the loans or investments. The attribution factor is calculated by determining the share of the outstanding amount of loans and investments of a FI over the total value of the company, project, etc. that the FI is invested in (specific to that asset class).

4. Plans for enhanced disclosure

The industry classification is currently based on the client’s NACE code. In the future, certain holding companies and SPV’s may have a different NACE code as it will be based on the subsidiary or parent benefitting from the financing.

The Bank plans to work towards setting science-based emission targets for specific sectors in the forthcoming months. The Bank is already in the process of extending its financed emissions obligor perimeter aligning its methodology with the relevant Pillar 3 definitions and requirements, with the aim to be providing counterparty emissions per Sector for the entire portfolio by end 2023. In parallel, the Bank is in the process of measuring its financed emissions with 2022 emissions data, which is expected to be completed in the last quarter of 2023.

Additionally, the Bank also intends to capture information with respect to the revenue split per sector of economic activity, in addition to applying relevant data from PAB Administrators when such data becomes available, for the more accurate identification of PAB exclusions according to Art. 12.1, points (d) to (g) and Art. 12.2 of Commission Regulation (EU) 2020/1818.

The bank is also monitoring the PCAF data quality score for each obligor and is taking actions (i.e., collecting actual activity data) in order to improve it.

Template 40a: Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity 30.06.2023

(Amounts in millions of Euro)

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures					
1	**Exposures towards sectors that highly contribute to climate change***	20,844	1,705		1,831	934	(407)	(42)	(347)	*13,519*	*4,436*	*1,965*	*924*	*5*
2	A - Agriculture, forestry and fishing	283	-		23	82	(23)	(1)	(22)	185	72	13	14	5
3	B - Mining and quarrying	44	-		3	6	(2)	-	(1)	24	16	1	3	5

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)**							
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	**Of which environmentally sustainable (CCM)**	**Of which stage 2 exposures**	**Of which non-performing exposures**		**Of which Stage 2 exposures**	**Of which non-performing exposures**	**<= 5 years**	**> 5 year <= 10 years**	**> 10 year <= 20 years**	**> 20 years**	**Average weighted maturity**
4	*B.05 - Mining of coal and lignite*	-	-		-	-	-	-	-	-	-	-	-	1
5	*B.06 - Extraction of crude petroleum and natural gas*	-	-		-	-	-	-	-	-	-	-	-	1
6	*B.07 - Mining of metal ores*	*11*	-		-	-	-	-	-	1	10	-	-	5
7	*B.08 - Other mining and quarrying*	*28*	-		*3*	*6*	*(1)*	-	*(1)*	22	3	1	3	5
8	*B.09 - Mining support service activities*	*4*	-		-	-	-	-	-	1	4	-	-	6
9	C - Manufacturing	4,330	553		254	238	(113)	(8)	(100)	3,396	688	142	104	4

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)							
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
10	*C.10 - Manufacture of food products*	1,151	-		56	56	(25)	(1)	(23)	968	148	15	20	3
11	*C.11 - Manufacture of beverages*	162	-		9	10	(3)	-	(3)	145	8	6	3	4
12	*C.12 - Manufacture of tobacco products*	20	-		1	-	-	-	-	19	1	1	-	2
13	*C.13 - Manufacture of textiles*	62	-		8	10	(5)	-	(5)	42	4	13	3	6
14	*C.14 - Manufacture of wearing apparel*	82	-		13	36	(18)	-	(17)	58	8	7	9	6

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures					
15	*C.15 - Manufacture of leather and related products*	18	-		4	4	(1)	-	(1)	14	1	2	2	5
16	*C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials*	34	-		8	13	(7)	-	(6)	22	1	4	7	9

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures					
17	*C.17 - Manufacture of pulp, paper and paperboard*	*166*	-		*17*	*15*	*(8)*	-	*(8)*	124	36	3	4	4
18	*C.18 - Printing and service activities related to printing*	*50*	-		*6*	*4*	*(1)*	-	*(1)*	45	2	1	2	4
19	*C.19 - Manufacture of coke oven products*	*553*	*553*		-	-	-	-	-	492	61	-	-	2
20	*C.20 - Production of chemicals*	*229*	-		*7*	*6*	*(3)*	-	*(2)*	160	36	33	1	5

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures					
21	*C.21 - Manufacture of pharmaceutical preparations*	*163*	-		-	*1*	-	-	-	147	13	3	-	2
22	*C.22 - Manufacture of rubber products*	*182*	-		*22*	*8*	*(3)*	-	*(3)*	160	15	2	4	4
23	*C.23 - Manufacture of other non-metallic mineral products*	*139*	-		*16*	*16*	*(7)*	*(1)*	*(6)*	112	10	7	11	5
24	*C.24 - Manufacture of basic metals*	*472*	-		*5*	*2*	*(2)*	-	*(1)*	192	263	16	2	5

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)**			**<= 5 years**	**> 5 year <= 10 years**	**> 10 year <= 20 years**	**> 20 years**	**Average weighted maturity**
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	**Of which environmentally sustainable (CCM)**	**Of which stage 2 exposures**	**Of which non-performing exposures**		**Of which Stage 2 exposures**	**Of which non-performing exposures**					
25	*C.25 - Manufacture of fabricated metal products, except machinery and equipment*	*194*	-		*19*	*19*	*(8)*	*(1)*	*(6)*	136	30	13	15	5
26	*C.26 - Manufacture of computer, electronic and optical products*	*41*	-		*1*	*1*	*(1)*	-	-	32	8	1	-	3
27	*C.27 - Manufacture of electrical equipment*	*294*	-		*4*	*3*	*(2)*	-	*(2)*	274	15	2	2	2

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures					
28	*C.28 - Manufacture of machinery and equipment n.e.c.*	*87*	-		*30*	*10*	*(6)*	-	*(5)*	70	9	5	4	5
29	*C.29 - Manufacture of motor vehicles, trailers and semi-trailers*	*104*	-		*1*	*2*	*(1)*	-	-	94	8	1	1	2
30	*C.30 - Manufacture of other transport equipment*	*36*	-		*5*	*3*	*(3)*	*(2)*	*(1)*	27	5	1	2	5
31	*C.31 - Manufacture of furniture*	*45*	-		*13*	*13*	*(7)*	-	*(7)*	33	4	3	5	7

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)**							
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	**Of which environmentally sustainable (CCM)**	**Of which stage 2 exposures**	**Of which non-performing exposures**		**Of which Stage 2 exposures**	**Of which non-performing exposures**	**<= 5 years**	**> 5 year <= 10 years**	**> 10 year <= 20 years**	**> 20 years**	**Average weighted maturity**
32	*C.32 - Other manufacturing*	*25*	-		*6*	*6*	*(2)*	-	*(2)*	16	2	3	4	8
33	*C.33 - Repair and installation of machinery and equipment*	*21*	-		*2*	-	-	-	-	16	1	3	1	5
34	D - Electricity, gas, steam and air conditioning supply	2,427	803		73	2	(3)	-	(1)	1,178	977	272	1	5
35	*D35.1 - Electric power generation, transmission and distribution*	2,358	736		72	2	(3)	-	(1)	1,135	950	272	1	5
36	*D35.11 - Production of electricity*	*1,615*	*688*		*70*	*2*	*(2)*	-	*(1)*	873	472	269	1	5

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)**			**<= 5 years**	**> 5 year <= 10 years**	**> 10 year <= 20 years**	**> 20 years**	**Average weighted maturity**
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	**Of which environmentally sustainable (CCM)**	**Of which stage 2 exposures**	**Of which non-performing exposures**		**Of which Stage 2 exposures**	**Of which non-performing exposures**					
37	*D35.2 - Manufacture of gas; distribution of gaseous fuels through mains*	*68*	*68*		-	-	-	-	-	41	26	-	-	6
38	*D35.3 - Steam and air conditioning supply*	*1*	-		-	-	-	-	-	1	-	-	-	5
39	E - Water supply; sewerage, waste management and remediation activities	55	-		2	2	(1)	-	(1)	48	6	1	-	3
40	F - Construction	1,205	-		410	67	(33)	(7)	(24)	717	256	195	38	6

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)**							
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	**Of which environmentally sustainable (CCM)**	**Of which stage 2 exposures**	**Of which non-performing exposures**		**Of which Stage 2 exposures**	**Of which non-performing exposures**	**<= 5 years**	**> 5 year <= 10 years**	**> 10 year <= 20 years**	**> 20 years**	**Average weighted maturity**
41	*F.41 - Construction of buildings*	*645*	-		*315*	*16*	*(11)*	*(5)*	*(5)*	406	181	50	8	5
42	*F.42 - Civil engineering*	*407*	-		*65*	*29*	*(13)*	*(1)*	*(12)*	199	60	132	15	8
43	*F.43 - Specialised construction activities*	*153*	-		*30*	*22*	*(9)*	*(1)*	*(8)*	111	14	13	15	6
44	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	3,718	346		495	359	(160)	(17)	(137)	2,599	558	346	215	5
45	H - Transportation and storage	4,307	2		113	53	(31)	(1)	(29)	3,155	362	348	442	6

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures					
46	*H.49 - Land transport and transport via pipelines*	*122*	*2*		*16*	*13*	*(5)*	*(1)*	*(4)*	78	24	12	7	6
47	*H.50 - Water transport*	*3,011*	*-*		*87*	*17*	*(14)*	*-*	*(13)*	2,784	226	1	-	4
48	*H.51 - Air transport*	*191*	*-*		*-*	*-*	*(1)*	*-*	*-*	2	-	189	-	14
49	*H.52 - Warehousing and support activities for transportation*	*977*	*-*		*10*	*22*	*(11)*	*-*	*(11)*	287	111	146	434	13
50	*H.53 - Postal and courier activities*	*6*	*-*		*1*	*-*	*-*	*-*	*-*	5	-	-	1	5

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures					
51	I - Accommodation and food service activities	2,676	-		254	84	(27)	(5)	(20)	1,008	1,062	526	80	7
52	L - Real estate activities	1,797	-		204	40	(15)	(2)	(12)	1,211	439	120	27	5
53	**Exposures towards sectors other than those that highly contribute to climate change***	1,849	-		156	117	(87)	(5)	(42)	*1,463*	*219*	*90*	*77*	*5*
54	K - Financial and insurance activities	95	-		-	-	-	-	-	95	-	-	-	1

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures					
55	Exposures to other sectors (NACE codes J, M - U)	1,754	-		156	117	(87)	(5)	(42)	1,368	219	90	77	5
56	TOTAL	22,693	1,705		1,987	1,051	(494)	(47)	(389)	14,982	4,655	2,055	1,001	5

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6. European Banking Authority (EBA) report (EBA/Rep/2021/11) 'Mapping climate risk: Main findings from the EU-wide pilot exercise', May 2021

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ALPHA SERVICES AND HOLDINGS

Template 40b: Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity 31.12.2022

(Amounts in millions of Euro)

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures					
1	**Exposures towards sectors that highly contribute to climate change***	20,988	1,765	-	1,993	893	(422)	(51)	(350)	*13,111*	*5,013*	*1,919*	*945*	*6*
2	A - Agriculture, forestry and fishing	401	-	-	32	24	(8)	(1)	(7)	292	80	14	14	4
3	B - Mining and quarrying	55	0	-	6	4	(2)	(0)	(1)	35	16	1	3	5

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures					
4	*B.05 - Mining of coal and lignite*	*0*	*0*	-	-	*0*	*(0)*	-	*(0)*	0	-	-	-	1
5	*B.06 - Extraction of crude petroleum and natural gas*	*0*	*0*	-	*0*	*0*	*(0)*	-	*(0)*	0	-	-	-	1
6	*B.07 - Mining of metal ores*	*11*	-	-	*0*	*0*	*(0)*	*(0)*	*(0)*	2	10	0	-	6
7	*B.08 - Other mining and quarrying*	*39*	-	-	*5*	*3*	*(1)*	*(0)*	*(1)*	32	3	1	3	5
8	*B.09 - Mining support service activities*	*5*	*0*	-	*0*	*0*	*(0)*	*(0)*	*(0)*	1	3	0	-	6
9	C - Manufacturing	4,482	683	-	305	234	(114)	(12)	(98)	3,433	792	148	109	4

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)							
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
10	*C.10 - Manufacture of food products*	1,149	0	-	72	58	(26)	(2)	(23)	949	160	20	21	4
11	*C.11 - Manufacture of beverages*	152	-	-	12	5	(3)	(0)	(2)	136	12	1	3	4
12	*C.12 - Manufacture of tobacco products*	23	-	-	1	0	(0)	(0)	(0)	22	1	1	-	3
13	*C.13 - Manufacture of textiles*	63	-	-	8	10	(5)	(0)	(5)	42	3	13	4	6
14	*C.14 - Manufacture of wearing apparel*	81	-	-	20	37	(17)	(0)	(16)	61	7	5	9	6

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)**			**<= 5 years**	**> 5 year <= 10 years**	**> 10 year <= 20 years**	**> 20 years**	**Average weighted maturity**
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	**Of which environmentally sustainable (CCM)**	**Of which stage 2 exposures**	**Of which non-performing exposures**		**Of which Stage 2 exposures**	**Of which non-performing exposures**					
15	*C.15 - Manufacture of leather and related products*	17	-	-	6	4	(1)	(0)	(1)	12	1	2	2	6
16	*C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials*	33	-	-	8	14	(7)	(0)	(6)	19	1	4	8	10

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)**							
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	**Of which environmentally sustainable (CCM)**	**Of which stage 2 exposures**	**Of which non-performing exposures**		**Of which Stage 2 exposures**	**Of which non-performing exposures**	**<= 5 years**	**> 5 year <= 10 years**	**> 10 year <= 20 years**	**> 20 years**	**Average weighted maturity**
17	*C.17 - Manufacture of pulp, paper and paperboard*	*173*	*0*	-	*22*	*15*	*(8)*	*(0)*	*(7)*	122	37	10	4	4
18	*C.18 - Printing and service activities related to printing*	*49*	-	-	*8*	*3*	*(1)*	*(0)*	*(1)*	43	2	1	2	4
19	*C.19 - Manufacture of coke oven products*	*683*	*682*	-	*0*	*0*	*(0)*	*(0)*	*(0)*	594	88	0	0	3
20	*C.20 - Production of chemicals*	*230*	*0*	-	*8*	*7*	*(3)*	*(0)*	*(3)*	159	37	33	1	5

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures					
21	*C.21 - Manufacture of pharmaceutical preparations*	*159*	-	-	*0*	*1*	*(1)*	*(0)*	*(0)*	125	34	0	-	3
22	*C.22 - Manufacture of rubber products*	*184*	-	-	*23*	*8*	*(4)*	*(0)*	*(3)*	128	49	2	4	4
23	*C.23 - Manufacture of other non-metallic mineral products*	*143*	-	-	*17*	*17*	*(8)*	*(1)*	*(7)*	118	7	6	12	5
24	*C.24 - Manufacture of basic metals*	*511*	-	-	*3*	*3*	*(2)*	*(0)*	*(1)*	221	271	17	3	5

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)**							
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	**Of which environmentally sustainable (CCM)**	**Of which stage 2 exposures**	**Of which non-performing exposures**		**Of which Stage 2 exposures**	**Of which non-performing exposures**	**<= 5 years**	**> 5 year <= 10 years**	**> 10 year <= 20 years**	**> 20 years**	**Average weighted maturity**
25	*C.25 - Manufacture of fabricated metal products, except machinery and equipment*	*196*	*1*	*-*	*19*	*21*	*(8)*	*(1)*	*(7)*	140	29	12	15	5
26	*C.26 - Manufacture of computer, electronic and optical products*	*32*	*-*	*-*	*1*	*1*	*(1)*	*(0)*	*(0)*	28	3	1	0	3
27	*C.27 - Manufacture of electrical equipment*	*299*	*0*	*-*	*6*	*4*	*(2)*	*(0)*	*(2)*	261	30	5	3	3

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)**			**<= 5 years**	**> 5 year <= 10 years**	**> 10 year <= 20 years**	**> 20 years**	**Average weighted maturity**
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	**Of which environmentally sustainable (CCM)**	**Of which stage 2 exposures**	**Of which non-performing exposures**		**Of which Stage 2 exposures**	**Of which non-performing exposures**					
28	*C.28 - Manufacture of machinery and equipment n.e.c.*	*80*	-	-	*42*	*3*	*(5)*	*(4)*	*(1)*	71	2	3	4	5
29	*C.29 - Manufacture of motor vehicles, trailers and semi-trailers*	*98*	-	-	*1*	*2*	*(1)*	*(0)*	*(1)*	94	1	1	1	2
30	*C.30 - Manufacture of other transport equipment*	*33*	-	-	*6*	*3*	*(2)*	*(2)*	*(1)*	21	9	1	3	5

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)							
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
31	*C.31 - Manufacture of furniture*	*46*	-	-	*15*	*13*	*(8)*	*(0)*	*(7)*	34	3	4	5	7
32	*C.32 - Other manufacturing*	*25*	-	-	*6*	*6*	*(2)*	*(0)*	*(2)*	16	3	4	3	8
33	*C.33 - Repair and installation of machinery and equipment*	*23*	-	-	*2*	*0*	*(0)*	*(0)*	*(0)*	17	2	3	1	5
34	D - Electricity, gas, steam and air conditioning supply	2,368	731	-	23	2	(4)	(1)	(1)	1,055	971	340	2	6

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures					
35	*D35.1 - Electric power generation, transmission and distribution*	2,290	654	-	23	1	(4)	(1)	(1)	1,016	958	313	2	6
36	*D35.11 - Production of electricity*	*1,442*	*654*	-	*21*	*1*	*(3)*	*(1)*	*(1)*	768	359	313	2	6
37	*D35.2 - Manufacture of gas; distribution of gaseous fuels through mains*	*77*	*77*	-	*0*	*0*	*(0)*	*(0)*	*(0)*	38	12	26	-	7

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)**							
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	**Of which environmentally sustainable (CCM)**	**Of which stage 2 exposures**	**Of which non-performing exposures**		**Of which Stage 2 exposures**	**Of which non-performing exposures**	**<= 5 years**	**> 5 year <= 10 years**	**> 10 year <= 20 years**	**> 20 years**	**Average weighted maturity**
38	*D35.3 - Steam and air conditioning supply*	*1*	-	-	*0*	*0*	*(0)*	*(0)*	*(0)*	1	1	0	-	6
39	E - Water supply; sewerage, waste management and remediation activities	40	-	-	3	1	(1)	(0)	(0)	35	4	1	1	3
40	F - Construction	1,159	0	-	374	73	(34)	(7)	(25)	671	207	241	40	6
41	*F.41 - Construction of buildings*	*629*	-	-	*320*	*18*	*(11)*	*(5)*	*(5)*	392	176	52	8	5
42	*F.42 - Civil engineering*	*410*	*0*	-	*25*	*31*	*(13)*	*(1)*	*(12)*	202	17	175	16	8

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)							
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
43	*F.43 - Specialised construction activities*	*121*	-	-	*30*	*24*	*(10)*	*(1)*	*(9)*	78	14	14	16	8
44	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	3,703	351	-	528	376	(178)	(17)	(154)	2,577	555	338	234	6
45	H - Transportation and storage	4,352	-	-	144	59	(34)	(1)	(31)	2,863	710	340	440	7
46	*H.49 - Land transport and transport via pipelines*	*124*	-	-	*16*	*14*	*(6)*	*(1)*	*(5)*	71	29	16	8	7
47	*H.50 - Water transport*	*3,015*	-	-	*94*	*20*	*(15)*	*(0)*	*(14)*	2,453	561	1	0	4

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)**			**<= 5 years**	**> 5 year <= 10 years**	**> 10 year <= 20 years**	**> 20 years**	**Average weighted maturity**
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	**Of which environmentally sustainable (CCM)**	**Of which stage 2 exposures**	**Of which non-performing exposures**		**Of which Stage 2 exposures**	**Of which non-performing exposures**					
48	*H.51 - Air transport*	*195*	-	-	*0*	*0*	*(1)*	*(0)*	*(0)*	18	-	177	-	14
49	*H.52 - Warehousing and support activities for transportation*	*1,013*	-	-	*33*	*25*	*(13)*	*(0)*	*(11)*	319	117	146	431	13
50	*H.53 - Postal and courier activities*	*5*	-	-	*1*	*1*	*(0)*	*(0)*	*(0)*	2	2	0	1	10
51	I - Accommodation and food service activities	2,676	-	-	303	89	(32)	(7)	(22)	957	1,213	422	84	8
52	L - Real estate activities	1,752	-	-	276	31	(15)	(4)	(10)	1,193	466	74	19	5

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)**			**<= 5 years**	**> 5 year <= 10 years**	**> 10 year <= 20 years**	**> 20 years**	**Average weighted maturity**
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	**Of which environmentally sustainable (CCM)**	**Of which stage 2 exposures**	**Of which non-performing exposures**		**Of which Stage 2 exposures**	**Of which non-performing exposures**					
53	**Exposures towards sectors other than those that highly contribute to climate change***	1,964	-	-	191	107	(89)	(6)	(40)	*1,497*	*280*	*110*	*76*	*5*
54	K - Financial and insurance activities	0	-	-	-	-	(0)	-	-	0	-	-	-	1
55	Exposures to other sectors (NACE codes J, M - U)	1,964	-	-	191	107	(89)	(6)	(40)	1,497	280	110	76	5
56	TOTAL	22,952	1,765	-	2,184	999	(511)	(57)	(390)	14,608	5,294	2,029	1,021	6

References

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2. ECB/ESRB Project Team Report 'Climate related risk and financial stability'
3. The European Insurance and Occupational Pensions Authority (EIOPA) 2019 Financial Stability Report
4. EIOPA 2020 report 'Sensitivity analysis of climate-change related transition risk'
5. European Banking Authority (EBA) report 'Risk Assessment of European Banking System', December 2020
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7. The Swiss Financial Authority FINMA, 2021 Annual Report

11.3.2 Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral

1. Overview

The template shows the gross carrying amount of loans collateralised with commercial and residential immovable property and of repossessed real estate collaterals, including information on the level of energy efficiency of the collaterals.

Columns that show the EP score of the collateral include exposures based on the specific energy consumption of the collateral (in kWh/m²) as indicated in the collateral EPC label or estimated by the Bank in the absence of an EPC label. Columns that show collateral EPC labels only, include exposures for those collaterals where the EPC label is actual, not estimated. Exposures for which the Bank does not have the actual EPC label of the collateral are included under Column 'Without EPC label of collateral'.

It is noted that only collateral eligible to receive an EPC label according to the EU Energy Performance of Buildings Directive, is reported in this template.

2. Approach, applicable standards and key assumptions

Estimates of the level of energy efficiency have been performed relying on data and information compiled for the purposes of the Regulation on the Energy Performance of Buildings (KENAK). Energy consumption was calculated using a weighting of the results from two methodologies, the first relying on calculated EPCs for the Bank's property collaterals and associated information per property (e.g., year of construction, property type, postal code etc.) and the second on KENAK recorded data of average energy consumption for residential and commercial buildings per climate zone, derived from actual reported EPCs. The extent to which this data has been estimated and not based on EPC labels is indicated in rows 5 and 10 for the EU Area and non-EU Area respectively.

The EU / non-EU area distinction has been performed according to the country of collateral location. Additionally, the population of the 'collateralised by commercial / residential immovable property' rows for exposures that are covered by both CRE and RRE properties has been carried out through implementing an allocation algorithm with relevant collateral prioritization.

It is noted that only the portion of exposures collateralised by immovable property has been reported in the template. Exposures collateralised by other collateral types (either entirely or an allocated portion) have been excluded.

3. Limitations

The Energy Performance of Buildings Directive introduced the Energy performance certificates (EPC) as instruments for improving the energy performance of buildings. Availability of Energy Performance Certificates is a requirement when carrying out property transactions within the EU since the Energy Performance of Buildings Directive (2010/31/EU) and the Energy Efficiency Directive (2012/27/EU) came into force. However the Bank currently has limited data on actual EPCs since i) the Bank does not always have access to this information, especially in cases where other entities are involved in the actual transaction ii) no EPCs were issued for property collaterals in transactions that were concluded before the relevant EU Directive came into force iii) there is no central registry available in the country that collects and consolidates information on EPCs, which could be accessed by financial institutions to retrieve data on a large scale.

4. Plans for enhanced disclosure

The Bank to the extent possible has started collecting EPC rating certificates from its clients, in order to monitor the energy performance class of its real estate secured exposures. Further changes and improvements will be examined as the number of actual EPCs increases and a relevant assessment may be undertaken.

Template 41a: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral 30.06.2023

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Counterparty sector	Total gross carrying amount amount (in MEUR)															
			Level of energy efficiency (EP score in kWh/m² of collateral)						Level of energy efficiency (EPC label of collateral)							Without EPC label of collateral	
			0; <= 100	> 100; <= 200	> 200; <= 300	> 300; <= 400	> 400; <= 500	> 500	A	B	C	D	E	F	G		Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated
1	**Total EU area**	13,091	808	5,994	2,798	2,084	372	700	484	459	123	39	62	15	33	11,876	97%
2	Of which Loans collateralised by commercial immovable property	4,665	204	778	892	1,727	302	651	153	82	18	5	5	1	7	4,395	97%
3	Of which Loans collateralised by residential immovable property	8,245	601	5,151	1,861	325	55	28	331	377	101	19	46	7	11	7,355	97%
4	Of which Collateral obtained by taking possession: residential and commercial immovable properties	180	3	65	45	32	14	21	-	1	3	15	12	7	15	127	100%
5	Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	11,989	703	5,522	2,705	2,049	348	661								11,542	100%
6	**Total non-EU area**	395	-	362	-	-	-	-	-	-	-	-	362	-	-	33	0%
7	Of which Loans collateralised by commercial immovable property	110	-	90	-	-	-	-	-	-	-	-	90	-	-	20	0%
8	Of which Loans collateralised by residential immovable property	285	-	273	-	-	-	-	-	-	-	-	273	-	-	13	0%

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Counterparty sector	**Total gross carrying amount amount (in MEUR)**															
			Level of energy efficiency (EP score in kWh/m² of collateral)						**Level of energy efficiency (EPC label of collateral)**							**Without EPC label of collateral**	
			0; <= 100	**> 100; <= 200**	**> 200; <= 300**	**> 300; <= 400**	**> 400; <= 500**	**> 500**	**A**	**B**	**C**	**D**	**E**	**F**	**G**		**Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated**
9	Of which Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
10	Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	-	-	-	-	-	-	-								-	0%

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Template 41b: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Counterparty sector	**Total gross carrying amount amount (in MEUR)**															
			Level of energy efficiency (EP score in kWh/m² of collateral)						**Level of energy efficiency (EPC label of collateral)**							**Without EPC label of collateral**	
			0; <= 100	**> 100; <= 200**	**> 200; <= 300**	**> 300; <= 400**	**> 400; <= 500**	**> 500**	**A**	**B**	**C**	**D**	**E**	**F**	**G**		**Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated**
1	**Total EU area**	12,879	692	5,945	2,646	2,290	348	537	475	459	117	41	64	16	29	11,679	96%
2	Of which Loans collateralised by commercial immovable property	4,338	213	710	664	1,926	277	486	154	83	12	4	5	1	3	4,075	99%
3	Of which Loans collateralised by residential immovable property	8,351	473	5,166	1,937	331	57	28	321	374	100	18	46	6	10	7,476	95%
4	Of which Collateral obtained by taking possession: residential and commercial immovable properties	190	6	68	45	33	14	23	0	1	4	18	13	8	16	129	100%
5	Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	11,739	588	5,514	2,558	2,258	323	498								11,259	100%
6	**Total non-EU area**	383	-	361	-	-	-	-	-	-	-	-	361	-	-	22	0%
7	Of which Loans collateralised by commercial immovable property	126	-	110	-	-	-	-	-	-	-	-	110	-	-	16	0%
8	Of which Loans collateralised by residential immovable property	257	-	251	-	-	-	-	-	-	-	-	251	-	-	6	0%

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Counterparty sector	**Total gross carrying amount amount (in MEUR)**															
			Level of energy efficiency (EP score in kWh/m² of collateral)						**Level of energy efficiency (EPC label of collateral)**							**Without EPC label of collateral**	
			0; <= 100	**> 100; <= 200**	**> 200; <= 300**	**> 300; <= 400**	**> 400; <= 500**	**> 500**	**A**	**B**	**C**	**D**	**E**	**F**	**G**		**Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated**
9	Of which Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
10	Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	-	-	-	-	-	-	-								-	0%

11.3.3 Banking book - Climate change transition risk: Exposures to top 20 carbon-intensive firms

The template has not been populated since the Bank does not have any exposures to the top-20 most carbon intensive corporates worldwide.

11.3.4 Banking book - Climate change physical risk: Exposures subject to physical risk

1. Overview

The template includes Group exposures in the banking book (including loans and advances, debt securities and equity instruments not held-for-trading and not held-for-sale), towards non-financial corporates, on loans collateralized with immovable property and on repossessed real estate collaterals, exposed to chronic and acute climate-related hazards.

The column of Gross carrying amount includes all exposures irrespective of sensitivity to physical risk with the subsequent columns including only exposures sensitive to impact from climate change physical events.

2. Approach, applicable standards and key assumptions

The Bank is currently performing the assessment of materiality for physical risks in the Banking Book . The Bank has established a methodology to assess vulnerability to physical risk factors based on sensitivity and exposure analysis (each assessed separately). The vulnerability assessment is in line with the “ECB: Good practices for climate related and environmental risk management: Observations from the 2022 thematic review”) [2] and the Invest EU methodology (“Technical guidance on the climate proofing of infrastructure in the period 2021-2027”) [1]. It aims to identify potential significant hazards and related risk and forms the basis for the decision to continue the risk assessment. The analysis is applied per NACE sector to the corporate portfolio (22 NACE codes) at a country level, covering only Greece. For loans collateralized by immovable property (Real Estate properties – collateral) the analysis is applied for each of the 4 climatic zones in Greece, at a regional level. The analysis is performed in three consecutive phases, comprising of a sensitivity analysis, an assessment of the exposure, and then a combined assessment of sensitivity and exposure to derive the vulnerability assessment. For the NACE sector analysis, a 3-level sensitivity score is assigned (High/Medium/Low) to each sector taking into consideration the sensitivity of the specific economic activities (e.g., Mining & Quarrying) to each physical risk factors (e.g., wildfire). The sensitivity analysis is intended to identify climate risks which are relevant to the specific asset types, irrespective of the location of the assets. To assess sensitivity analysis the Bank utilized sources including national reports, EU reports and publicly available scientific literature [3, 14]. Exposure analysis respectively is intended to identify climate physical risks (eight chronic and eight acute and) which are relevant to the location, without taking into consideration the asset’s sector or type. It also serves as an indicator of how the exposure of different areas to climate physical risks will evolve as a result of changing climate conditions. Ultimately - In line with the approach for assessing sensitivity - a 3-level exposure score is assigned (High/Medium/Low) [14 – 31].

The Bank assessed exposure to future conditions, using climate projections for the hot-house scenario of IPCC AR5 RCP 8.5 with a horizon of 2050. The RCP8.5 combines assumptions about high population and relatively slow income growth with modest rates of technological change and energy intensity improvements, leading in the long term to high energy demand and GHG emissions in absence of climate change policies. Compared to the total set of Representative Concentration Pathways (RCPs), RCP8.5 corresponds to the pathway with the highest greenhouse gas emissions. Under RCP8.5, annual near surface temperature is projected to increase on average by 1.6 °C in the near future and 4.3 °C at the end of the century. As a consequence of warming in Greece, the number of hot days and tropical nights in a year is projected to increase significantly and the number of frost days to decrease. In addition, the future will be possibly drier. Precipitation is generally projected to decrease under RCP8.5 by −16% and the number of consecutive dry days in a year to increase by 15.4 days (30%) at the end of the century. This is a scenario and a period that can be considered representative and provides a clear picture of the upcoming changes and impacts due to climate change ("... shorter time horizons are highly relevant, and it is important to have scenarios which are useful on those horizons. Looking at midcentury and sooner, RCP8.5 is clearly the most useful choice."). While in the meantime, the Technical guidance on the climate proofing of infrastructure in the period 2021-2027, recommends that for "initial screening-type analyses, it is recommended to use climate projections based on RCP 6.0 or RCP 8.5, and If RCP 8.5 is used for the detailed climate vulnerability and risk assessment, there may be no further need for stress testing". Climate projections have been used from 7 selected state-of-the-art pairs of global (GCMs) / regional climate models (RCMs) developed under the EURO-CORDEX program [18].

According to our analysis NACE sector A - Agriculture, forestry and fishing has a high level of vulnerability (score = High) to both chronic and acute risks. Sectors 'B - Mining and quarrying', 'D - Electricity, gas, steam and air conditioning supply', and 'E - Water supply; sewerage, waste management and remediation activities' have a high level of vulnerability (score = High) to acute risks. Sub-sector D35.11 - Production of electricity is assessed with a climate vulnerability score Medium for chronic, acute and chronic and acute risks as part of additional analysis performed.

Respectively, Alpha Bank has developed a methodology to estimate vulnerability of immovable property (Real Estate properties) related to loans collateralized by residential or commercial immovable property and / or repossessed assets. Vulnerability is assessed for all risks and for selected physical climate risks which are more relevant to buildings type of asset (i. sea level rise, soil & coastal erosion; ii. soil & coastal erosion; iii. wildfire; iv. cyclone/ hurricane/ typhoon/ storm/ tornado; v. floods), taking into consideration their max value per climate zone (four climatic zones). Analysis was caried out at a regional level, in order to capture climate change impact with higher accuracy. Analysis indicated that the climate vulnerability of RE properties located at Climate Zone A (excl. Cyclades) is estimated to be High. Vulnerability at Cyclades and Climate Zones B, C is estimated to be Medium, while vulnerability at Climate Zone D is estimated to be low. Sensitivity to physical risk has been estimated using the results of the vulnerability assessment. Exposures to sectors / geographies identified with 'high' vulnerability for chronic, acute or both chronic & acute climate change events, were also identified as 'sensitive' with respect to the corresponding risks.

Non-performing status for exposures is fully aligned with the new Definition of Default regulatory guidelines and Stage 3 classification according to the IFRS9 accounting standard. Stage 2 exposures have been defined according to the IFRS9 accounting standard and exclude POCI loans.

3. Limitations

Repossessed assets under an 'investment' accounting classification have been excluded from the data reported. Assessment for physical risk has been performed on NFC which represent 80% of the total Group NFC exposures.

4. Plans for enhanced disclosure

Approach to assessing vulnerability to physical risks will be further enhanced to ensure a more comprehensive identification of such vulnerability, including i) further granularity in the assessment of sector / subsector risk, ii) further granularity in the geographical locations considered iii) asset & activity location based assessment for key counterparties.

Template 42a: Banking book - Climate change physical risk: Exposures subject to physical risk 30.06.2023

(Amounts in millions of Euro)

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Variable: Geographical area subject to climate change physical risk - acute and chronic events	Gross carrying amount (Mln EUR)													
			of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity							of which Stage 2 exposures	Of which non-performing exposures
1	A - Agriculture, forestry and fishing	283	179	72	13	14	5	-	10	268	23	81	(23)	(1)	(21)
2	B - Mining and quarrying	44	24	16	1	3	5	-	41	2	3	6	(2)	-	(1)
3	C - Manufacturing	4,330	68	16	-	-	3	-	83	-	8	2	(2)	-	(1)
4	D - Electricity, gas, steam and air conditioning supply	2,427	251	504	4	-	5	-	759	-	3	-	(1)	-	-
5	E - Water supply; sewerage, waste management and remediation activities	55	44	6	1	-	3	-	48	3	2	1	(1)	-	-
6	F - Construction	1,205	297	76	1	-	3	-	368	6	284	11	(11)	(5)	(6)

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	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Variable: Geographical area subject to climate change physical risk - acute and chronic events	Gross carrying amount (Mln EUR)													
			of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity							of which Stage 2 exposures	Of which non-performing exposures
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	3,718	-	-	-	-	-	-	-	-	5	-	-	-	-
8	H - Transportation and storage	4,307	4	-	-	-	3	-	4	-	1	-	-	-	-
9	L - Real estate activities	1,797	-	-	-	-	-	-	-	-	3	-	-	-	-
10	Loans collateralised by residential immovable property	8,714	76	125	402	660	21	-	1,263	-	271	223	(50)	(9)	(37)
11	Loans collateralised by commercial immovable property	6,310	495	551	350	188	9	-	1,580	5	321	132	(95)	(50)	(42)
12	Repossessed colalterals	242	-	-	-	-	-	-	33	-	-	-	(2)	-	-

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Variable: Geographical area subject to climate change physical risk - acute and chronic events	Gross carrying amount (Mln EUR)													
			of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity							of which Stage 2 exposures	Of which non-performing exposures
13	Other relevant sectors (breakdown below where relevant)														

References

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30. Landslide Susceptibility Mapping of Central and Western Greece, Combining NGI and WoE Methods, with Remote Sensing and Ground Truth Data. - link

31. Bank of Greece, Changes in the Intensity and Distribution of Natural Disasters – link

32. Ministry of Environment and Energy, Regulation of Energy Performance of buildings - Article 6 - Climatic zones - link

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Template 42b: Banking book - Climate change physical risk: Exposures subject to physical risk 31.12.2022

(Amounts in millions of Euro)

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Variable: Geographical area subject to climate change physical risk - acute and chronic events	Gross carrying amount (Mln EUR)													
			of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity							of which Stage 2 exposures	Of which non-performing exposures
1	A - Agriculture, forestry and fishing	401	288	80	14	14	4	-	9	387	32	23	(8)	(1)	(6)
2	B - Mining and quarrying	55	35	16	1	3	5	-	52	3	6	4	(2)	(0)	(1)
3	C - Manufacturing	4,482	39	12	-	-	0	-	51	-	3	2	(2)	(0)	(1)
4	D - Electricity, gas, steam and air conditioning supply	2,368	242	612	27	0	6	-	881	-	2	0	(1)	(0)	(0)
5	E - Water supply; sewerage, waste management and remediation activities	40	32	3	1	1	3	-	34	3	2	1	(1)	(0)	(0)
6	F - Construction	1,159	306	65	0	-	1	-	371	-	287	9	(11)	(5)	(6)

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Variable: Geographical area subject to climate change physical risk - acute and chronic events	Gross carrying amount (Mln EUR)													
			of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity							of which Stage 2 exposures	Of which non-performing exposures
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	3,703	-	-	-	-	-	-	-	-	1	0	(0)	(0)	(0)
8	H - Transportation and storage	4,352	4	0	-	-	0	-	4	-	2	0	(0)	(0)	(0)
9	L - Real estate activities	1,752	-	-	-	-	-	-	-	-	-	0	(0)	-	(0)
10	Loans collateralised by residential immovable property	8,843	175	122	400	682	20	-	1,379	-	373	236	(64)	(17)	(43)
11	Loans collateralised by commercial immovable property	5,751	272	568	307	188	11	-	1,334	0	197	124	(49)	(6)	(39)
12	Repossessed colalterals	252	-	-	-	-	-	-	32	-	-	-	(2)	-	-

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Variable: Geographical area subject to climate change physical risk - acute and chronic events	Gross carrying amount (Mln EUR)													
			of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity							of which Stage 2 exposures	Of which non-performing exposures
13	Other relevant sectors (breakdown below where relevant)														

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11.3.5 Other climate change mitigating actions that are not covered in the EU Taxonomy

1. Overview

Information aligned with the EU Taxonomy criteria will be required to be disclosed as of 31/12/2023 onwards. As a result, this template includes all exposures that support counterparties in the transition and adaptation process for the objectives of climate change mitigation and climate change adaptation. With the eventual disclosure of EU Taxonomy alignment templates next year, a number of exposures included in this template will be transferred to the relevant Taxonomy templates.

2. Approach, applicable standards and key assumptions

Exposures have been selected based on the Bank's Sustainable Finance Framework (SFF). The SFF follows a set of globally accepted industry guidelines, including: The Green Bond Principles (2021), the Green Loan Principles (2021), the Sustainability-Linked Loan Principles (2021), the Social Bond Principles (2020), and the EU Taxonomy Climate delegated act (2021). The Bank aims at aligning the SFF with the requirements of the EU Taxonomy eligibility criteria to the extent possible; thus, it will monitor any developments of the Taxonomy regulation in order to remain up to date.

Sustainable financing solutions are classified by the Bank into four categories: i) Dedicated-purpose – Green/Social Loans, ii) General-purpose – Company Business Mix, iii) General-purpose – Sustainability-linked Loans/Facilities, iv) Recovery and Resilience Facility-based financing.

Template 43a: Other climate change mitigating actions that are not covered in the EU Taxonomy 30.06.2023

(Amounts in millions of Euro)

	a	b	c	d	e	f
	Type of financial instrument	Type of counterparty	Gross carrying amount (million EUR)	Type of risk mitigated (Climate change transition risk)	Type of risk mitigated (Climate change physical risk)	Qualitative information on the nature of the mitigating actions
1	Bonds (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	213	Yes	No	Group Investments to counterparties (credit institutions, other financial corporations and non-financial corporations) Green Bonds/Loans, Recovery and Resilience Facility-based financing (RRF) with green tag and Sustainability Linked loans aimed at climate change mitigation were assessed in accordance with Alpha Bank's Sustainable Finance Framework. The dedicated purpose loans support projects related to mitigation of climate change transition risk, such as generation of renewable energy, development and implementation of products or technology that reduces the use of energy. Template 10 includes commercial or residential properties with a reported A or higher EPC certificate for new properties as granted by the Greek Government and B+ or higher EPC certificate for properties renovation. Properties not identified as "New" or "Renovation" have been excluded from the perimeter of Template 10 regardless their EPC certificate. As of today, the assessment of the alignment to the European taxonomy (UE 2020/852 regulation) is still ongoing, therefore Template 10 reporting does not distinguish between taxonomy aligned or not-aligned activities, although the gross carrying amounts potentially cover some taxonomy aligned activities
2		Non-financial corporations	222	Yes	No	
3		Of which Loans collateralised by commercial immovable property	-			
4		Households	-			
5		Of which Loans collateralised by residential immovable property	-			
6		Of which building renovation loans	-			
7		Other counterparties	198	Yes	No	
8	Loans (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	-			
9		Non-financial corporations	1,156	Yes	No	
10		Of which Loans collateralised by commercial immovable property	232	Yes	No	
11		Households	345	Yes	No	
12		Of which Loans collateralised by residential immovable property	345	Yes	No	
13		Of which building renovation loans	19	Yes	No	
14		Other counterparties	0			

Template 43b: Other climate change mitigating actions that are not covered in the EU Taxonomy 31.12.2022

(Amounts in millions of Euro)

	a	b	c	d	e	f
	Type of financial instrument	Type of counterparty	Gross carrying amount (million EUR)	Type of risk mitigated (Climate change transition risk)	Type of risk mitigated (Climate change physical risk)	Qualitative information on the nature of the mitigating actions
1	Bonds (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	192	Yes	No	Group Investments to counterparties (credit institutions, other financial corporations and non-financial corporations) Green Bonds, Loans and Sustainability Linked loans aimed at climate change mitigation were assessed in accordance with Alpha Bank's Sustainable Finance Framework. The dedicated purpose loans support projects related to mitigation of climate change transition risk, such as generation of renewable energy, development and implementation of products or technology that reduces the use of energy. Template 10 includes commercial or residential properties with a definitive A-level EPC certificate as granted by the Greek Government As of today, the assessment of the alignment to the European taxonomy (UE 2020/852 regulation) is still ongoing, therefore Template 10 reporting does not distinguish between taxonomy aligned or not-aligned activities, although the gross carrying amounts potentially cover some taxonomy aligned activities
2		Non-financial corporations	200	Yes	No	
3		Of which Loans collateralised by commercial immovable property				
4		Households				
5		Of which Loans collateralised by residential immovable property				
6		Of which building renovation loans				
7		Other counterparties				
8	Loans (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations				
9		Non-financial corporations	1,039	Yes	No	
10		Of which Loans collateralised by commercial immovable property	329	Yes	No	
11		Households	354	Yes	No	
12		Of which Loans collateralised by residential immovable property	353	Yes	No	
13		Of which building renovation loans	17	Yes	No	
14		Other counterparties				

ALPHA SERVICES AND HOLDINGS

12 Appendix

12.1 Appendix I– Own Funds structure

Template 44: EU CC1 - Composition of regulatory own funds as of 30.06.2023

(Amounts in millions of Euro)

		a	a	b
		30.06.2023	**31.12.2022**	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation**
Common Equity Tier 1 (CET1) capital: instruments and reserves				
1	Capital instruments and the related share premium accounts	5,941	5,940	(a)
2	Retained earnings	224	(133)	(b)
3	Accumulated other comprehensive income (and other reserves)	96	75	(c)
EU-3a	Funds for general banking risk	-	-	
4	Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1			
5	Minority interests (amount allowed in consolidated CET1)	0	0	
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	241	358	(b)
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**6,501**	**6,241**	
Common Equity Tier 1 (CET1) capital: regulatory adjustments				
7	Additional value adjustments (negative amount)	(6)	(6)	
8	Intangible assets (net of related tax liability) (negative amount)	(421)	(407)	(d)
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	(13)	(7)	(e)
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	210	219	(c)
12	Negative amounts resulting from the calculation of expected loss amounts	-	-	
13	Any increase in equity that results from securitised assets (negative amount)	-	-	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-	-	
15	Defined-benefit pension fund assets (negative amount)			

		a	a	b
		30.06.2023	31.12.2022	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	(4)	(1)	(a)
17	Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-	
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-	
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-	
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	(55)	(41)	
EU-20b	of which: qualifying holdings outside the financial sector (negative amount)	-	-	
EU-20c	of which: securitisation positions (negative amount)	(55)	(41)	
EU-20d	of which: free deliveries (negative amount)	-	-	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	(1,797)	(1,858)	(e)
22	Amount exceeding the 17,65% threshold (negative amount)	-	(20)	(e,g)
23	of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	-	(1)	(g)
25	of which: deferred tax assets arising from temporary differences	-	(18)	(e)
EU-25a	Losses for the current financial year (negative amount)	-	-	
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	-	-	

		a	a	b
		30.06.2023	31.12.2022	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	-	
27a	Other regulatory adjustments	(37)	420	
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**(2,121)**	**(1,701)**	
29	**Common Equity Tier 1 (CET1) capital**	**4,380**	**4,540**	
Additional Tier 1 (AT1) capital: instruments				
30	Capital instruments and the related share premium accounts			
31	of which: classified as equity under applicable accounting standards			
32	of which: classified as liabilities under applicable accounting standards			
33	Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1 as described in Article 486(3) CRR	-	-	
EU-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1			
EU-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1			
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties			
35	of which: instruments issued by subsidiaries subject to phase out			
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**400**	**-**	(c)
Additional Tier 1 (AT1) capital: regulatory adjustments				
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)			
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-	
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-	

		a	a	b
		30.06.2023	**31.12.2022**	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation**
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	-	
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)			
42a	Other regulatory adjustments to AT1 capital			
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	**-**	**-**	
44	**Additional Tier 1 (AT1) capital**	**400**	**-**	
45	**Tier 1 capital (T1 = CET1 + AT1)**	**4,780**	**4,540**	
Tier 2 (T2) capital: instruments				
46	Capital instruments and the related share premium accounts	1,000	1,000	(f)
47	Amount of qualifying items referred to in Article 484 (5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR	-	-	
EU-47a	Amount of qualifying items referred to in Article 494a (2) CRR subject to phase out from T2	-	-	
EU-47b	Amount of qualifying items referred to in Article 494b (2) CRR subject to phase out from T2	-	-	
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties			
49	of which: instruments issued by subsidiaries subject to phase out			
50	Credit risk adjustments	-	-	
51	**Tier 2 (T2) capital before regulatory adjustments**	**1,000**	**1,000**	
Tier 2 (T2) capital: regulatory adjustments				
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)			
53	Direct, indirect and synthetic goldings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-	

		a	a	b
		30.06.2023	31.12.2022	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-	
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	-	
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-	-	
EU-56b	Other regulatory adjustments to T2 capital			
57	Total regulatory adjustments to Tier 2 (T2) capital	-	-	
58	Tier 2 (T2) capital	1,000	1,000	
59	**Total capital (TC = T1 + T2)**	**5,780**	**5,540**	
60	**Total Risk exposure amount**	**32,462**	**34,286**	
Capital ratios and buffers				
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	13.5%	13.2%	
62	Tier 1 (as a percentage of total risk exposure amount)	14.7%	13.2%	
63	Total capital (as a percentage of total risk exposure amount)	17.8%	16.2%	
64	Institution CET1 overall capital requirement (CET1 requirement in accordance with Article 92 (1) CRR, plus additional CET1 requirement which the institution is required to hold in accordance with point (a) of Article 104(1) CRD, plus combined buffer requirement in accordance with Article 128(6) CRD) expressed as a percentage of risk exposure amount)	9.77%	9.49%	
65	of which: capital conservation buffer requirement	2.50%	2.50%	
66	of which: countercyclical buffer requirement	0.08%	0.06%	
67	of which: systemic risk buffer requirement	0.00%	0.00%	
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	1.00%	0.75%	
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	1.69%	1.69%	

		a	a	b
		30.06.2023	**31.12.2022**	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation**
68	**Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)**	6.47%	4.99%	
Amounts below the thresholds for deduction (before risk weighting)				
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	65	24	
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	40	37	
75	Deferred tax assets arising from temporary differences (amount below 17,65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	621	581	
Applicable caps on the inclusion of provisions in Tier 2				
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	-	-	
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	-	-	
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)			
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	-	-	
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)				
80	Current cap on CET1 instruments subject to phase out arrangements	-	-	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	-	
82	Current cap on AT1 instruments subject to phase out arrangements	-	-	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	-	
84	Current cap on T2 instruments subject to phase out arrangements	-	-	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	-	