



ALPHA
SERVICES AND HOLDINGS

REMUNERATION REPORT

for the year 2020



July 2021

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Preamble

On 16 April 2021, the banking business sector of the former Alpha Bank Société Anonyme was demerged, by way of hive-down, and was contributed into a newly-formed credit institution incorporated under the same corporate name, i.e. “Alpha Bank Société Anonyme” (the “Demerger”). Upon completion of the Demerger:

1. the newly-incorporated credit institution “Alpha Bank S.A.” (under G.E.MI. number 159029160000) substituted the demerged entity, former Alpha Bank S.A., by way of universal succession, to all the transferred assets and liabilities of the banking business sector of the former Alpha Bank S.A.; and
2. the former Alpha Bank S.A. ceased to be a credit institution, retained activities, assets and liabilities not related to the banking business sector, changed its corporate name to “Alpha Services and Holdings S.A.” (under G.E.MI. number 223701000) and holds 100% of the share capital of Alpha Bank S.A. and has become the direct or indirect ultimate parent holding company for all other companies that, prior to the Demerger, comprised the “Group” (as defined herein).

In this Report references to “Alpha Bank”, “Alpha Bank S.A.” or to the “Bank” should be read and construed to be references to Alpha Services and Holdings S.A. (formerly Alpha Bank S.A.) both prior to and after the completion of the Demerger, except to the extent otherwise specified or the context otherwise required.

Letter from the Chair of the Remuneration Committee

Dear Shareholders,

As the Chair of the Remuneration Committee, I am pleased to present our Directors' Remuneration Report for the year ended December 31, 2020 of Alpha Services and Holdings S.A. (the former Alpha Bank S.A.) that has been established in Greece and is listed on the Athens Stock Exchange. In this context, we ensure that we comply fully with the requirements of the relevant Greek legislation.

The Remuneration Report is presented, as a consequence of a legislative obligation. It reflects the Full Year 2020 implementation of the Remuneration Policy (the "**Policy**"), which was introduced as per the provisions of articles 110 and 111 of Law 4548/2018 (the "**Company Law**") that transposed into Greek law the relevant provisions of the Shareholders Rights Directive (2017/828/EU amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement).

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

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

Sincerely,

Richard R. Gildea

Chair of the Remuneration Committee

General Information

1. Key Developments of the year

2020 was a year of significant market instability due to the outbreak of the Covid 19 pandemic in the first quarter of 2020 and the reduced economic activity brought about by the restrictive measures in the operation of businesses during the year.

During a year of particularly adverse conditions, Alpha Bank SA. ("Bank" or "Alpha Bank"), achieved a strong operating performance, with Pre-Tax Result 23.7% higher in 2020 compared to 2019 and maintained its strong capital position with the Overall Capital Adequacy amounting to 18,4%. At the same time it continued to support the Greek economy with new loan disbursements in Greece amounting to € 5.6 billion, actively participating in all financial support programs guaranteed by government agencies.

In 2020, Alpha Bank remained committed to the implementation of its Strategic Plan for the years 2020-2022, announced in November 2019, having as a main priority the acceleration of the consolidation of its balance sheet. The strategic plan includes, among others:

- a) the accomplishment of a securitization transaction on receivables from non-performing exposures, amounting up to Euro 10.8 billion ("Project Galaxy"), which was completed on 30.4.2020, and the transfer of mezzanine and junior notes resulting from the securitization to third party investors.
- b) the transfer of the non-performing exposures servicing to the affiliated company "Cepal" (the "NPE Servicer"), which is a licensed, by the Bank of Greece, entity for the management of receivables from loans in accordance with Law 4354/2015, which was completed on December 1, 2020.

In this context, on February 22, 2021, the Bank has entered into a definitive agreement with Davidson Kempner, which includes the sale of 80% of its loan servicing subsidiary, Cepal Holdings Single Member S.A. and the sale of 51% of the Mezzanine and Junior securitization notes of Euro 10.8 billion NPE portfolio of the Galaxy transaction. The transaction is expected to be completed in the second quarter of 2021.

- c) the spinoff (hive down) of the banking activity sector of the Bank (Demerged Entity), by the establishment of a new entity, holding a bank license and being a 100% subsidiary of the Demerged Entity, which was completed on 16.4.2021. The Demerged Entity upon the completion of the demerger process, ceased to be a credit institution while it retained activities, assets and liabilities, which are not related to the core banking activity. Its shares remain listed on the Athens Stock Exchange.
- d) the inclusion of the securitization transaction under the Asset Protection Scheme ("Hercules" or "Iraklis") of the Law 4649/2019 for the limitation of the impact of the securitization transaction on the Bank's capital adequacy and the derecognition of non-performing exposures.
- e) the streamlining and optimization of the Group's operating expenses through a defined set of measures, which include, among others, measures to improve efficiency and productivity, the implementation of a new framework for the control of general and administrative expenditure (G&A) costs and the reduction in the number of the Group's branches of around 20 per cent.

In this context, the transformation project of the Bank and its operating model begun within 2020, on the one hand with the appointment of the General Manager - Chief Transformation Officer (CTO) on 1.4.2020 and on the other hand with the start of planning and implementation of a number of interventions and projects with the aim of enhancing the efficiency of the organization, optimizing the business model and further strengthening the systems for measuring and rewarding performance in all operations. The Bank maintains the strategic goal of reducing the ratio of operating expenses to income to levels below 50% in the medium term.

The main highlights for the Alpha Bank Group during 2020 related to the information provided in this Report, were the following:

- Robust capital base with the Bank's Common Equity Tier I (CET I) ratio at 17.3% and Total Capital Adequacy Ratio (CAD) at 18.4% at the end of December 2020.

In 2020 Alpha Bank started and in March 2021 successfully completed the issuance of a Euro 500 million Tier II Bond, with a coupon of 5.5%, optimizing its capital structure and diversifying its capital sources. The Tier II issuance adds approximately 125 basis points to the Group's Capital Adequacy Ratio.

- Improved liquidity. Obligations to Customers increased by Euro 3.5 billion on an annual basis, mainly as a result of deposit inflows from the private sector. The loan-to-deposit ratio for the Group further decreased on 31.12.2020 to 90% (31.12.2019: 97%).
- Stable profitability, as in 2020 the Group's profit after income tax amounted to Euro 104 million (2019: Euro 105 million), mainly affected by increased total income and reduced total expenses [before impairment losses and provisions to cover credit risk] (excluding staff retirement plans)], which were partially offset by increased impairment losses and provisions to cover credit risk, compared to 2019.

Other information

The General Meeting on 31.7.2020 approved the establishment and implementation of a five-year Stock Option Plan in the form of stock options rights by issuing new shares, in accordance with article 113 of law 4548/2018, to Members of the Management and of the Personnel of the Bank and its affiliated companies, within the meaning of article 32 of law 4308/2014, in the context of the implementation of the Performance Incentive Program (PIP), Bank's goal is at the same time aligning the Employees' incentives with the long-term interests of the Bank.

There were 86 participants in the first exercise period and 2,281,716 stock options were exercised.

2. Remuneration Governance

2.1 The Remuneration Committee

The Members of the current Remuneration Committee of the Bank were appointed by a resolution of the Annual Ordinary General Meeting of Shareholders of 31.7.2020. On 31.12.2020, the Remuneration Committee comprised four Non-Executive Members, out of whom three Non-Executive Independent Members.

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

The Remuneration Committee convenes at least quarterly per year and during 2020 it had twelve meetings, with an average participation rate of 96% (based on the Committee's composition on 31.12.2020). No individual Member attended less than 85% of Remuneration Committee meetings.

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

- Assists the Board of Directors in ensuring that the Remuneration Policies are consistent with the values, culture, business strategy, risk appetite and strategic objectives of the Bank and the Group.
- Provides its support and advice to the Non-Executive Members of the Board of Directors on the design of the Remuneration Policies for the Bank and the Group Companies according to the relevant legislative and regulatory provisions.

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

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

During 2020 the main activities of the Remuneration Committee, among others, were the following:

The Remuneration Committee:

- reviewed and proposed to the Board of Directors the approval of:
 - the Senior Executives Severance Payment Policy,
 - the amendment to the Savings Plan for Senior Executives of the Bank,
 - the Remuneration Policy for Alpha Bank and the other Group Companies,
 - the Benefits and Corporate Expenses Policy for Alpha Bank and the other Group Companies,
 - the Expenses Policy for the Non-Executive Members of the Board of Directors.
- endorsed, as part of the material to be submitted to the Ordinary General Meeting of Shareholders, the Remuneration Report as per Law 4548/2018.
- endorsed and recommended to the Board of Directors the approval of the Stock Option Plan Regulation.
- endorsed and recommended to the Board of Directors the approval of the 2019 Sales Incentive Program Bonus Allocation to Branch Employees as well as the 2020 Sales Incentive Program Bonus Pool Allocation.
- endorsed and recommended to the Board of Directors the approval of the 2019 Performance Incentive Program Bonus Allocation to Division Employees.
- reviewed and approved the 2019 Performance Evaluation of the Bank's Senior Executives and Key Function Holders as well as the 2020 Evaluation Scorecards of the General Managers and of the Key Function Holders.
- reviewed and provided input to creation of a set of corporate values.

Regarding the Subsidiaries, the Remuneration Committee reviewed:

- the Annual Activity Reports for the year 2019 of the Remuneration Committees of Subsidiaries.
- the annual remuneration amounts of the Non-Executive Members of the Boards of Directors of Subsidiaries in Greece and abroad for the year 2019.

2.2 Remuneration Policy in 2020

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

The Remuneration Committee will continue to keep policies under review to ensure that plans and programs relating

to remuneration support the Bank's strategy and are closely linked to Shareholders' interests. The Bank embraces the dialogue with Shareholders and welcomes views on this Remuneration Report.

Key Pillars of the Remuneration Policy

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

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

3. Remuneration of the Members of the Board of Directors

3.1 Non-Executive Members

3.1.1 Non-Executive Members' Remuneration

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

3.1.2 Fixed Annual Remuneration of the Non-Executive Members

Position	Fixed Annual Remuneration (amounts in Euro)
Chair of the Board of Directors	259,000.00
Member of the Board of Directors	59,000.00
Chair of the Audit Committee	50,000.00
Member of the Audit Committee	25,000.00
Chair of the Risk Management Committee	50,000.00
Member of the Risk Management Committee	25,000.00
Chair of the Remuneration Committee	25,000.00
Member of the Remuneration Committee	12,500.00
Chair of the Corporate Governance and Nominations Committee	25,000.00
Member of the Corporate Governance and Nominations Committee	12,500.00
Representative of the Hellenic Financial Stability Fund (HFSF)	109,000.00

In particular, as regards the remuneration amounts, as of 1.1.2020, the following apply:

- A. The remuneration of the Non-Executive Chair of the Board of Directors amounts to Euro 259,000 annually.
- B. The remuneration, per beneficiary, for the Non-Executive Members of the Board of Directors, in their capacity as Members of the Board of Directors of the Bank, amounts to Euro 59,000 annually.
- C. The remuneration, per beneficiary, for the Non-Executive Members of the Audit Committee of the Board of Directors of the Bank amounts to Euro 25,000 annually. The remuneration for the Chair of the Audit Committee of the Board of Directors of the Bank amounts to Euro 50,000 annually.
- D. The remuneration, per beneficiary, for the Non-Executive Members of the Risk Management Committee of the Board of Directors of the Bank amounts to Euro 25,000 annually. The remuneration for the Chair of the Risk Management Committee of the Board of Directors of the Bank amounts to Euro 50,000 annually.
- E. The remuneration, per beneficiary, for the Non-Executive Members of the Corporate Governance and Nominations Committee of the Board of Directors of the Bank amounts to Euro 12,500 annually. The remuneration for the Chair of the Corporate Governance and Nominations Committee of the Board of Directors of the Bank amounts to Euro 25,000 annually.
- F. The remuneration, per beneficiary, for the Non-Executive Members of the Remuneration Committee of the Board of Directors of the Bank amounts to Euro 12,500 annually. The remuneration for the Chair of the Remuneration Committee of the Board of Directors of the Bank amounts to Euro 25,000 annually.
- G. No Member is paid for participation in more than three Committees of the Board of Directors.
- H. A Member of the Board of Directors who is at the same time a Member of the Audit Committee and of the Risk Management Committee is paid for participation in only one of these Committees. Only if the Member of the Board of Directors is the Chair in one of the above-mentioned Committees, may he/she be paid for participation in both.
- I. Taking into account B. to H. above, the annual remuneration for the representative of the Hellenic Financial Stability Fund (HFSF) who is a Member of the Board of Directors and also a member of all the Board Committees amounts to Euro 109,000.

3.1.3 Non-Executive Members' Remuneration in 2020

The total remuneration ⁽¹⁾ paid to the Non-Executive Members for the year 2020, in accordance with the provisions of article 112 of Law 4548/2018, is presented in the table below:

Non-Executive Member	Position	Fixed Remuneration	Corporate Benefits ⁽²⁾	Variable Remuneration-Severance ⁽²⁾	Total remuneration
Vasileios T. Rapanos	Chair	259,000.00	0	0	259,000.00
Efthimios O. Vidalis	Member of the Board of Directors	59,000.00	0	0	103,791.67
	Member of the Audit Committee	25,000.00			
	Member of the Corporate Governance and Nominations Committee	12,500.00			
	Member of the Remuneration Committee until 31.7.2020	7,291.67			
Dimitris C. Tsitsiragos	Member of the Board of Directors as of 2.7.2020	29,500.00	0	0	45,125.00
	Member of the Risk Management Committee as of 31.7.2020	10,416.67			
	Member of the Remuneration Committee as of 31.7.2020	5,208.33			
Jean L. Cheval	Member of the Board of Directors	59,000.00	0	0	103,791.67
	Member of the Remuneration Committee	12,500.00			
	Member of the Risk Management Committee as of 31.7.2020	10,416.67			
	Member of the Audit Committee until 31.7.2020	14,583.33			
	Member of the Corporate Governance and Nominations Committee until 31.7.2020	7,291.67			
Carolyn G. Dittmeier	Member of the Board of Directors	59,000.00	0	0	128,791.67
	Chair of the Audit Committee	50,000.00			
	Member of the Corporate Governance and Nominations Committee as of 31.7.2020	5,208.33			
	Member of the Risk Management Committee until 31.7.2020	14,583.33			
Richard R. Gildea	Member of the Board of Directors	59,000.00	0	0	109,000.00
	Chair of the Remuneration Committee	25,000.00			
	Member of the Risk Management Committee	25,000.00			
Elanor R. Hardwick	Member of the Board of Directors as of 2.7.2020	29,500.00	0	0	45,125.00
	Member of the Audit Committee as of 31.7.2020	10,416.67			
	Member of the Corporate Governance and Nominations Committee as of 31.7.2020	5,208.33			
Shahzad A. Shahbaz	Member of the Board of Directors	59,000.00	0	0	84,000.00
	Chair of the Corporate Governance and Nominations Committee	25,000.00			
Jan A. Vanhevel	Member of the Board of Directors	59,000.00	0	0	134,000.00
	Chair of the Risk Management Committee	50,000.00			
	Member of the Audit Committee	25,000.00			
Johannes Herman Frederik G. Umbgrove	Member of the Board of Directors	59,000.00	0	0	109,000.00
	Member of the Audit Committee	25,000.00			
	Member of the Remuneration Committee	12,500.00			
	Member of the Corporate Governance and Nominations Committee	12,500.00			

Explanatory notes:

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

⁽²⁾ The Non-Executive Members of the BoD do not receive any variable remuneration or Corporate Benefits. As of 2010, payment of any performance-related reward (bonus) to the Members of the Board of Directors, General Managers and Deputy General Managers is prohibited by the statutory provisions of the HFSF Law (Law 3864/2010).

It is noted that expenses, such as travel and accommodation, in relation to BoD and Committee meetings and relevant costs are reimbursed as per the Expenses Policy for the Non-Executive Members of the Board of Directors, including each Non-Executive Independent Member, which is reviewed annually. The corporate car granted as a security measure to the Chair of the Board of Directors is not included in his remuneration.

The Non-Executive BoD Members may be granted a corporate mobile telephone for the discharge of the duties related to their capacity as Members of the Board of Directors. All such expenses are approved by the BoD, following a relevant endorsement by the Remuneration Committee, on an annual basis. Furthermore, all payments are subject, where applicable, to social security, income tax, special tax levy (STL) and stamp tax withholdings.

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

3.2.1 The Executives’ Remuneration

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

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

3.2.2 Executive Members of the BoD Remuneration in 2020

The total remuneration ⁽¹⁾ paid to the Executive Members for the year 2020, in accordance with the provisions of article 112 of Law 4548/2018, is presented in the table below:

Executive Member	Position	Fixed Remuneration ⁽²⁾	Corporate Benefits ⁽³⁾	Variable Remuneration - Severance ⁽⁴⁾	Total Remuneration
Vassilios E. Psaltis	CEO	376,733.02	55,530.51	0	432,263.53
Spyros N. Filaretos	BoD Member - General Manager	365,000.01	45,019.59	0	410,019.60
Artemios Ch. Theodoridis ⁽⁵⁾	BoD Member - General Manager	335,819.65	41,656.02	80,300.00	457,775.67
George C. Aronis ⁽⁶⁾	BoD Member - General Manager	26,071.43	0	395,500.00	421,571.43

Explanatory notes:

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

⁽²⁾ Fixed Remuneration also includes off-site compensation paid.

⁽³⁾ Include gross amounts paid by the Bank for check Up, Life-Disability insurance, medical Plan, Outpatient Care Program and Savings/Pension Plans. Corporate Cars granted as a security measure to a Board Member are not included in his/her remuneration (i.e., executive Members of the Board of Directors).

⁽⁴⁾ General remark:

- The Executive Members of the BoD do not receive any remuneration for their participation in the Board of Directors. They have in place employment contracts with the Bank (the "Employment Contracts"), which are regulated by the provisions on related party transactions, transparency, and accountability under Law 4548/2018 (transposing the respective provisions of the Shareholders Rights Directive II). Although not within the minimum content imposed by statute, the data on any remuneration payable to Executive Board Members under such Employment Contracts has been included in the present report.
- As of 2010, payment of any performance-related reward (bonus) to the Members of the Board of Directors, General Managers and Deputy General Managers is prohibited by the statutory provisions of the HFSF Law (Law 3864/2010). Thus, no performance-related reward (bonus) was paid and/or awarded to the Executive Members in 2020.

⁽⁵⁾ Executive Member of the Board of Directors and General Manager until 1.12.2020. Non-Executive Member of the Board of Directors as of 1.12.2020

⁽⁶⁾ Executive Member of the Board of Directors until 31.1.2020

⁽⁷⁾ Mr. D.P. Mantzounis, a former member of the Board of Directors, received in 2019, following his resignation from the position of Managing Director - CEO on 2.1.2019, an upfront payment of the severance payable in installments. The installment paid in 2020 amounts to 137,683.33.

⁽⁸⁾ Severance payments, either upfront, as in the case of Mr. Theodoridis and Mr. Aronis, or deferred installments, as in the case of Mr. Mantzounis, are subject to and in accordance with the terms and conditions of the Senior Executives Severance Payment Policy, as in force.

4. Additional Information

During the financial year 2020:

- No profit distribution, as provided by article 109 paragraph 2 of Law 4548/2018 to the Bank's Directors and Executives, has taken place;
- Clawback and malus provisions were not applied during the reporting year;
- No indemnifications have been paid to Board Members and Executives due to their involvement in any proceeding (civil, criminal, or administrative) (jointly the "Legal Proceedings") in the context of the services provided by them;
- There were no derogations or deviations from the Company's approved Remuneration Policy regarding its scope of implementation during the financial year 2020.

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

5.1 Comparative table on Members of the Board of Directors' Remuneration¹

Name	Position	Membership	Total Remuneration (amounts in Euro)				
			2016	2017	2018	2019	2020
Vasileios T. Rapanos	Non-Executive Member	as of 29.5.2014	250,000.00	259,000.00	259,000.00	259,000.00	259,000.00
YoY change (%)			0%	3.6%	0%	0%	0%
Vassilios E. Psaltis*	Executive Member	as of 29.11.2018	n/a	n/a	33,297.15 (*)	428,830.10	432,263.53
YoY change (%)			-	-	-	7.32% (**)	0.8%
Spyros N. Filaretos	Executive Member	as of 19.4.2005	368,388.67	368,970.21	392,311.39	408,653.33	410,019.60
YoY change (%)			(0.13)%	0.16%	6.33%	4.17%	0.33%
Artemios Ch. Theodoridis***	Executive Member	as of 19.4.2005	369,763.83	370,064.13	392,901.46	409,296.50	457,775.67
YoY change (%)			0.11%	0.09%	6.18%	4.17%	11.84%
George C. Aronis****	Executive Member	22.3.2011-31.1.2020	380,092.14	380,424.23	404,375.33	417,062.14	421,571.43
YoY change (%)			0.13%	0.09%	6.3%	3.14%	1.09%
Efthimios O. Vidalis	Non-Executive Member	as of 29.5.2014	46,000.00	86,250.00	109,000.00	109,000.00	103,791.67
YoY change (%)			9.53%	87.5%	26.38%	0%	(0.05)%
Dimitris C. Tsitsiragos	Non-Executive Member	2.7.2020 - 31.7.2020					
	Non-Executive Independent Member	as of 31.7.2020					45,125.00
YoY change (%)						-	-
Jean L. Cheval	Non-Executive Independent Member	as of 29.6.2018	n/a	n/a	54,500.00	109,000.00	103,791.67
YoY change (%)			-	-	-	0%(**)	(0.05)%
Carolyn G. Dittmeier	Non-Executive Independent Member	as of 26.1.2017	n/a	82,479.17	134,000.00	134,000.00	128,791.67
YoY change (%)			-	-	50.89%(**)	0%	(0.04)%
Richard R. Gildea	Non-Executive Independent Member	as of 28.7.2016	34,791.65	93,166.67	105,093.78	109,000.00	109,000.00
YoY change (%)			-	11.58% (**)	12.80%	3.72%	0%
Elanor R. Hardwick	Non-Executive Member	2.7.2020 - 31.7.2020					
	Non-Executive Independent Member	as of 31.7.2020					45,125.00
YoY change (%)						-	-
Shahzad A. Shahbaz	Non-Executive Independent Member	as of 29.5.2014	71,275.00	97,020.83	80,875.00	84,000.00	84,000.00
YoY change (%)			48.49%	36.12%	(16.64)%	3.87%	0%
Jan A. Vanhevel	Non-Executive Independent Member	as of 21.4.2016	67,000.00	127,333.33	134,000.00	134,000.00	134,000.00
YoY change (%)			-	51.59% (**)	5.24%	0%	0%
Johannes Herman Frederik G. Umbgrove	Non-Executive Member (pursuant to the provisions of Law 3864/2010)	as of 26.4.2018	n/a	n/a	59,333.36	109,000.00	109,000.00
YoY change (%)			-	-	-	22.47% (**)	0%

* Mr. Vassilios E. Psaltis was appointed as Member of the Bank's Board of Directors as of 29.11.2018; thus, the reported amount corresponds to 1/12 of his remuneration during 2018. As per the above clarification, he did not receive any remuneration for his participation in the Board of Directors. The reported amount is based on his employment contract with the Bank. The Bank, however, for the sake of transparency and clarity has decided to include in the Remuneration Report related data in relation to the Executive Members even though it is not mandatory.

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

*** Executive Member of the Board of Directors and General Manager until 1.12.2020. Non-Executive Member of the Board of Directors as of 1.12.2020

**** Executive Member of the Board of Directors until 31.1.2020

General Remark:

- The Executive Members of the BoD do not receive any remuneration for their participation in the Board of Directors. They have in place employment contracts with the Bank (the "Employment Contracts"), which are regulated by the provisions on related party transactions, transparency and accountability under Law 4548/2018 (transposing the respective provisions of the Shareholders Rights Directive II). Although not within the minimum content imposed by statute, the data on any remuneration payable to Executive Board Members under such Employment Contracts has been included in the present report.
- As of 2010, payment of any performance-related reward (bonus) to the Members of the Board of Directors, General Managers and Deputy General Managers is prohibited by the statutory provisions of the HFSF Law (Law 3864/2010). Thus, no performance-related reward (bonus) was paid and/or awarded to the Executive Members in 2020.

5.2 Bank's Performance

Quantitative Measures

	2016	2017	2018	2019	2020
Number of Full-time Employees ⁽¹⁾	8,580	8,372	7,816	6,993	6,323
Change %	(11.8%)	(2.4%)	(6.6%)	(10.5%)	(9.6%)
Staff Costs / Net Interest Income and Net Fee Income ⁽²⁾	20.7%	19.1%	20.5%	21.8%	21.1%
Change (bps)	(8)	(16)	14	14	(8)
Return on Tangible Equity ⁽³⁾	3.1%	0.5%	0.8%	0.8%	1.8%
Change (bps)	158	(26)	4	(1)	10
Assets (amounts in millions) / Employees	7.04	6.67	7.06	8.29	10.28
Change %	5.4%	(5.2%)	5.8%	17.5%	24%

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

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

³ Return on Tangible Equity (ROTE) is calculated by dividing the company's profit/(loss) for the year by total equity, after excluding intangible assets. The 2019 percentage has been amended due to the restatement of 2019 financial statements, following the retrospectively restatement of the preferred Class C shares held in Visa International from the category of securities valued at fair value through other comprehensive income to the category of securities valued at fair value through profit or loss.

Qualitative Measures

	2016	2017	2018	2019	2020
MSCI ESG Rating (scale CCC-AAA)	B	BB	BBB	A	AA
FTSE4Good Emerging Index	✓	✓	✓	✓	✓
ISS ESG Quality Score (score 1-10, 1 indicates lower risk and better disclosure)			Environment: 2 Social: 2 Governance: 8 June 2018	Environment: 1 Social: 2 Governance: 6 December 2019	Environment: 1 Social: 2 Governance: 4 December 2020
Vigeo Eiris Best Emerging Market Performers				✓	✓
Climate Change CDP		Awareness/C	Management/B-	Awareness/C	Awareness/C
Bloomberg Gender Equality Index			✓ (Index 2019)	✓ (Index 2020)	✓ (Index 2021)

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

	2016	2017	2018	2019	2020
Full-time Employees					
- at 31.12	8,580	8,372	7,816	6,993	6,323
- at 1.1	9,729	8,580	8,372	7,816	6,993
Average number of Full-time Employees *	9,155	8,476	8,094	7,405	6,658
Average Fixed Remuneration **	31,412	32,253	33,047	33,714	34,796
YoY change (%)	5.04%	2.68%	2.47%	2.02%	3.21%

Explanatory notes:

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

** Amounts in Euro. The above number is a quotient, the nominator of which includes salary, off-site compensation, employer's contributions for the Employees' and Managers' saving schemes, medical checkup expenses, cost of leasing for corporate cars, as well as employer's contributions for life, medical and outpatient insurance programs, while the denominator is the above-mentioned average number of full-time Employees. All the amounts of the nominator are included in the categories "Wages and Salaries" and "Other charges" in the Note "Staff costs" of the published Bank's financial statements, while other charges to cover operational needs of the Bank have been excluded.

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

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

We performed our work, as described below in paragraph "Scope of Work", based on our engagement letter dated 4 June 2021 and according to the provisions of paragraph 4 of Article 112 of Law 4548/2018, in order to determine if and to what extent the Remuneration Report (Appendix A) for the year 2020 of ALPHA SERVICES AND HOLDINGS S.A. (the Company) includes the information as provided in Article 112 of Law 4548/2018.

Regulatory Framework

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

Responsibilities of Company's Management

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

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

Auditor's Responsibility

Our responsibility is limited to the issue of this Report and based on the work performed to determine whether and to what extent the Remuneration Report (Appendix A) for the year 2020 of the Company includes the information required by of Article 112 of Law 4548/2018.

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

Scope of work

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

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

Conclusion

Based on the work performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Remuneration Report (Appendix A) for the year 2020 of Alpha Company S.A. does not include the information required by Art 112 of Law 4548/2018.

Restriction of use

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

Athens, 9 June 2021

The Certified Public Accountant

Alexandra V. Kostara

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