ALPHA SERVICES AND HOLDINGS

PROSPECTUS

This prospectus (the "Prospectus") relates to (i) the offering to the public in Greece of newly issued ordinary registered voting shares with a nominal value of € 0.30 per share (the "New Shares") to be issued by Alpha Services and Holdings S.A. ("Alpha Holdings" or the "Issuer"), formerly known as Alpha Bank Société Anonyme, (the "Public Offering") and (ii) the admission to trading of the New Shares on the Main Market of the Regulated Securities Market of the Athens Exchange (the "ATHEX").

The extraordinary general meeting of Alpha Holdings' shareholders held on 15 June 2021 (the "EGM"), approved a share capital increase of up to € 0.8 bn. through payment in cash and the abolition of preemption rights of Alpha Holdings (the "Share Capital Increase"), and, by virtue of the authority given to it by the EGM, the Board of Directors of Alpha Holdings of 24 June 2021, approved the issuance of New Shares at a maximum offer price of €1.2. There is no subscription guarantee for the New Shares and if the Share Capital Increase is not fully subscribed for, the Issuer's share capital will be increased up to the amount actually subscribed and paid for, in accordance with Article 28, paragraph 1 of Law 4548/2018.

The New Shares will also be offered to qualified, institutional and other eligible investors outside of Greece, pursuant to a private placement bookbuilding process, in reliance upon the exemptions from the requirement to publish a prospectus under the Prospectus Regulation (as defined below) and other applicable laws (the "Institutional Placement" and together with the Public Offering, the "Combined Offering"). This Prospectus does not relate to the Institutional Placement.

The Combined Offering will run in parallel from 28 June 2021 to 30 June 2021. The offering price for each New Share, which may not be higher than €1.2 per New Share, is expected to be determined after the close of the book building period for the Institutional Placement on or about 30 June 2021 in agreement between Alpha Holdings and the joint global coordinators of the Institutional Offering (the "Joint Global Coordinators") and will be identical in the Combined Offering. After the completion of the Combined Offering an application will the made to the Athens Exchange (the "ATHEX") for the admission to trading and listing of the New Shares on the Main Market of the ATHEX. It is expected that the New Shares will be delivered through the facilities of the ATHEX to subscribers in the Combined Offering on or around 12 July 2021, but no assurance can be given that such issue and delivery will not be delayed.

This Prospectus has been prepared in accordance with Regulation (EU) 2017/1129, as in force (the "Prospectus Regulation"), the applicable provisions of Law 4706/2020 and the implementing decisions of the Hellenic Capital Market Commission (the "HCMC"), under the simplified disclosure regime for secondary issuances pursuant to Article 14 of the Prospectus Regulation and Annex 3 and Annex 12 of the Delegated Regulation (EU) 2019/980 of 14 March 2019, as in force, as well as the Delegated Regulation (EU) 2019/979 of 14 March 2019, as in force (together the "Delegated Regulations").

The Board of Directors of the HCMC has approved the Prospectus only in connection with the information furnished to investors, as required under the Prospectus Regulation and the Delegated Regulations.

Investing in the New Shares involves risks. Prospective investors should read the entire document and, in particular, the "Risk Factors" beginning on page 34 when considering an investment in Alpha Holdings.

This Prospectus will be valid for a period of twelve (12) months from its approval by the Board of Directors of the HCMC. In the event of any significant new factor, material mistake, or material inaccuracy relating to the information included in this Prospectus which may affect the assessment of the New Shares and which arises or is noted between the time when this Prospectus is approved and the closing of the Public Offering or the delivery of the New Shares, whichever occurs later, a supplement to this Prospectus shall be published in accordance with Article 23 of the Prospectus Regulation, without undue delay, in accordance with at least the same arrangements made for the publication of this Prospectus. If a supplement to this Prospectus is published, investors will have the right to withdraw their subscription for New Shares made prior to the publication of the supplement within the time period set forth in the supplement (which shall not be shorter than three business days after publication of the supplement).

In making an investment decision, prospective investors must rely upon their own examination, analysis of, and enquiry into, the New Shares and the terms of the Public Offering, including the merits and risks involved.

The approval of this Prospectus by the HCMC shall not be considered as an endorsement of Alpha Holdings or of the quality of the New Shares that are the subject of this Prospectus. Prospective investors should make their own assessment as to the suitability of investing in the New Shares.

The Lead Underwriter

ALPHA BANK

The date of this Prospectus is 25 June 2021

ALPHA SERVICES AND HOLDINGS

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In making an investment decision, prospective investors must rely upon their own examination, analysis of, and enquiry into, the New Shares and the terms of the Public Offering, including the merits and risks involved.

The approval of this Prospectus by the HCMC shall not be considered as an endorsement of Alpha Holdings or of the quality of the New Shares that are the subject of this Prospectus. Prospective investors should make their own assessment as to the suitability of investing in the New Shares.

The Lead Underwriter

ALPHA BANK

The date of this Prospectus is 25 June 2021

GLOSSARY

In this Prospectus, references to "Alpha Holdings" or "Alpha Bank S.A." 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 Hive Down, except to the extent otherwise specified or the context otherwise requires, including, among others, in the context of references to the entity acting as a credit institution responsible for the Group's core banking operations (in which case, such references shall be deemed to refer to (i) the former Alpha Bank S.A. (now renamed Alpha Bank S.A.) prior to 16 April 2021, and (ii) the newly-formed banking entity, Alpha Bank S.A., on and after 16 April 2021); references to "we", "us", "our" or to the "Group" should be read and construed to be references to Alpha Services and Holdings S.A. (formerly Alpha Bank S.A.) and its subsidiaries both prior to and after the completion of the Hive Down, except to the extent otherwise specified or the context otherwise requires; references to the "Bank" should be read and construed to be references to the newly-formed Alpha Bank S.A.

ALCO	Assets/Liabilities Management Committee.
APM	Alternative performance measure.
Articles of Association	Depending on the context, the articles of association of Alpha Services and Holdings or the Bank, as amended and currently in force.
Καταστατικό	Ανάλογα με τα συμφραζόμενα, το καταστατικό της Alpha Holdings της Τράπεζας Alpha Bank Ανώνυμη Εταιρεία, όπως έχει τροποποιηθεί και ισχύει.
ATHEX	Athens Exchange.
Χ.Α.	Χρηματιστήριο Αθηνών.
ATHEXCSD	Hellenic Central Securities Depository S.A.
ΕΛ.Κ.Α.Τ.	Η εταιρεία Ελληνικό Κεντρικό Αποθετήριο Τίτλων Α.Ε.
ATHEXCSD Rulebook	The rule book (regulation) of the ATHEXCSD approved pursuant to the decision No. 6/904/26.2.2021 of the HCMC.
Κανονισμός ΕΛ.Κ.Α.Τ.	Ο κανονισμός λειτουργίας της ΕΛ.Κ.Α.Τ., που εγκρίθηκε με την υπ' αριθμ. 6/904/26.2.2021 απόφαση της ΕΚ.
Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020	Annual audited consolidated financial statements for the year that ended on 31 December 2020, audited by Deloitte Certified Public Accountants S.A.(Reg. No. SOEL E120) and approved by the Board of Directors of Alpha Holdings (former Alpha Bank S.A.) on 23 March 2021. Figures for the year that ended on 31 December 2019 are derived from the comparative figures presented in the financial statements for the year that ended 31 December 2020.
ATM	Automated Teller Machine.
Bank of Greece	The central bank of Greece.
Banking Law	Greek law 4261/2014, as amended and currently in force.
Basel III	The final proposals pertaining to the reform of capital and liquidity requirements issued by the Basel Committee on Banking Supervision.
Board of Directors or Board	Depending on the context, the board of directors of the Bank or any other legal person, entity or institution, the management body of which consists of a board of directors.
Condensed Interim Reviewed Consolidated Financial Statements as at and for the three-month period ended 31 March 2021	Condensed Interim consolidated financial statements for the three-month period ended 31 March 2021, reviewed by Deloitte Certified Public Accountants S.A.(Reg. No. SOEL E120) and approved by the Board of Directors of Alpha Holdings (former Alpha Bank S.A.) on 23 May 2021. Figures for the three-month period ended 31 March

	2020 are derived from the comparative figures presented in the condensed interim consolidated financial statements as at and for the three- month period ended 31 March 2021.
Διοικητικό Συμβούλιο ή ΔΣ	Ανάλογα με τα συμφραζόμενα, το διοικητικό συμβούλιο της Alpha Holdings, της Τράπεζας Alpha Bank Ανώνυμη Εταιρεία ή οποιουδήποτε άλλου νομικού προσώπου,οντότητας ή θεσμού, το οποίο διοικείται από διοικητικό συμβούλιο.
BRRD II	Directive (EU) 2019/879 of the European Parliament and of the Council amending Directive 2014/59/EU as regards the lossabsorbing and recapitalisation capacity of credit institutions and investment firms and Directive 98/26/EC.
BRRD or Bank Recovery and "BRRD Law"	Greek law 4335/2015 which transposed BRRD into Greek law, as amended and currently in force.
Resolution Directive	Directive (EU) 2014/59 of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council.
Business Centres	The Group's specialised business centres located across Greece.
Business loans	Business loans refer to corporate loans.
CCR	Counterparty credit risk.
CHF	The lawful currency of the Swiss Confederation.
Combined Offering	The Public Offering and the Institutional Placement.
Συνδυασμένη Προσφορά	Η Δημόσια Προσφορά και η Διεθνής Ιδιωτική Τοποθέτηση.
Common Equity Tier 1 capital	Capital instruments which are perpetual, fully paid-up, issued directly by an institution (*e.g.*, ordinary shares), share premium accounts, disclosed reserves or retained earnings, accumulated other comprehensive income, other reserves, less DTAs (other than DTAs from temporary differences above the 10% and 17.65% thresholds as defined in CRR), less intangibles (including goodwill), less investments in own shares.
Core Tier 1 capital	Tier 1 capital, excluding hybrid instruments.
Core Tier 1 ratio	Core Tier 1 capital divided by risk-weighted assets.
Corporate deposits	Due to corporate customers.
Coverage ratio	ECL allowance for impairment losses on loans and advances to customers at amortised cost over NPEs.
COVID-19	Coronavirus disease 2019.
CRD	CRD IV together with CRD V.
CRD IV	Directive 2013/36/EU of the European Parliament and of the Council on access to the activity of credit institutions and the prudential supervision of credit institutions, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC.

CRD V	Directive 2019/878 amending Directive 2013/36/EU as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures.
CRR	Regulation (EU) 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012.
CRR II	Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 575/2013 as regards the leverage ratio, the net stable funding ratio (the “NSFR”), 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, and Regulation (EU) No 648/2012.
CRR Quick Fix	Regulation (EU) 2020/873 of the European Parliament and of the Council of 24 June 2020 amending Regulations (EU) No 575/2013 and (EU) 2019/876 as regards certain adjustments in response to the COVID-19 pandemic.
Date of the Prospectus	25 June 2021, which is the date on which the Board of Directors of the HCMC approved this Prospectus.
Ημερομηνία του Ενημερωτικού Δελτίου	Η 25η Ιουνίου 2021, δηλαδή η ημερομηνία κατά την οποία το Διοικητικό Συμβούλιο της Επιτροπής Κεφαλαιαγοράς ενέκρινε το παρόν Ενημερωτικό Δελτίο.
Delegated Regulations	Delegated Regulation (EU) 2019/980 of 14 March 2019, as in force, and Delegated Regulation (EU) 2019/979 of 14 March 2019, as in force.
Κατ’ Εξουσιοδότηση Κανονισμοί	Ο Κατ’ Εξουσιοδότηση Κανονισμός (ΕΕ) 2019/980 της 14ης Μαρτίου 2019, όπως τροποποιήθηκε, και ο Κατ’ Εξουσιοδότηση Κανονισμός (ΕΕ) 2019/979 της 14ης Μαρτίου 2019, όπως τροποποιήθηκε.
Hive Down.	The demerger by way of the hive-down of the banking activities of Alpha Services and Holdings (as former Alpha Bank Société Anonyme), into a new licensed credit institution, incorporated under the name “Alpha Bank Société Anonyme”.
Διάσπαση	Η διάσπαση μέσω της απόσχισης των τραπεζικών δραστηριοτήτων της Alpha Holdings (ως πρώην Alpha Bank Ανώνυμη Εταιρεία) και της εισφοράς τους σε νέο αδειοδοτηθέν πιστωτικό ίδρυμα που συστάθηκε με την επωνυμία «Alpha Bank S.A.».
Deposits or customer deposits	Due to customers.
DGS	Deposit guarantee schemes.
DSS	The Greek Dematerialised Securities System.
Σ.Α.Τ.	Το ελληνικό Σύστημα Άυλων Τίτλων.

DSS Participants	Means "Participants" as defined in Section I Part I (92) of the ATHEXCSD Rulebook.
Συμμετέχοντες Σ.Α.Τ.	Νοούνται οι «Συμμετέχοντες», όπως ορίζονται στην Ενότητα I, Μέρος I, σημείο 92 του Κανονισμού ΕΛ.Κ.Α.Τ.
DTA	Deferred tax asset.
DTC	Deferred tax credit.
EBA	European Banking Authority.
EBRD	European Bank for Reconstruction and Development.
ECB	The European Central Bank.
ECL	Expected credit loss.
EEA	European Economic Area.
EFSF	European Financial Stability Facility.
EIB	European Investment Bank.
ELA	Emergency liquidity assistance.
ELSTAT	The Hellenic Statistical Authority.
ESG	Environmental, social and governance.
ESI	Economic sentiment indicator.
ESM	European Stability Mechanism.
ESMA	European Securities and Markets Authority.
EU or European Union	The European economic and political union.
Euro, euro EUR and €	The common legal currency of the member states participating in the third stage of the European Economic and Monetary Union.
Eurogroup	The finance ministers of the member states of the Eurozone.
Eurosystem	The monetary authority of the Eurozone, composed of the ECB and the central banks of the member states that belong to the Eurozone.
Eurozone	The euro area, being the Economic and Monetary Union of the member states of the European Union which have adopted the euro currency as their sole legal tender.
Fitch	Fitch Ratings Ltd.
FTT	Financial transaction tax.
FVTOCI	Financial instruments measured at fair value through other comprehensive income.

HBA	Financial instruments measured at fair value through profit or loss.
FX	Foreign exchange.
GBP	The lawful currency of the United Kingdom of Great Britain and Northern Ireland.
GDP	Gross domestic product.
General Meeting	Depending on the context, the general meeting of the shareholders, whether ordinary or extraordinary, of Alpha Services and Holdings, Alpha Bank Société Anonyme or of any other société anonyme incorporated under Greek law.
Γενική Συνέλευση	Ανάλογα με τα συμφραζόμενα, η τακτική ή έκτακτη γενική συνέλευση των μετόχων της Alpha Holdings ή της Alpha Bank Ανώνυμη Εταιρεία, ή οποιασδήποτε άλλης ανώνυμης εταιρείας που έχει συσταθεί σύμφωνα με το ελληνικό δίκαιο.
Ελληνικός BRRD Νόμος	Ο Νόμος 4335/2015, ο οποίος ενσωμάτωσε τη BRRD, όπως τροποποιήθηκε και ισχύει.
Gross carrying amount	Amortised cost, before adjusting for any loss allowance, grossed up with the PPA adjustment.
Group	Alpha Services and Holdings S.A. and its consolidated subsidiaries.
Όμιλος	Η Alpha Services and Holdings A.E. και οι ενοποιούμενες θυγατρικές της.
Group Risk Management	A function which carries out responsibilities of risk management and credit risk control in accordance with the Bank of Greece Governor's Act 2577/9.3.2006 and Banking Law.
G-SII	Global systemically important institutions within the meaning of Article 4(133) of CRR.
HAPS	The Hellenic Asset Protection Scheme.
HAPS 2	The anticipated HAPS scheme extension.
HBA	The Hellenic Bank Association.
HCC	The Hellenic Competition Commission.
HCMC	The Hellenic Capital Market Commission.
EK	Η Ελληνική Επιτροπή Κεφαλαιαγοράς.
HDIGF	The Hellenic Deposit and Investment Guarantee Fund.
Hellenic Republic	The official name of Greece as a sovereign state
Hellenic Republic Bank Support Plan . . .	The plan introduced by the Hellenic Republic to support the liquidity of the Greek banking sector and economy.
HFSF	Hellenic Financial Stability Fund.

ΤΧΣ	Το Ταμείο Χρηματοπιστωτικής Σταθερότητας.
HFSF Law	Law 3864/2010, as amended and currently in force.
Νόμος ΤΧΣ	Ο Νόμος 3864/2010, όπως τροποποιήθηκε και ισχύει.
IAS	International Accounting Standards.
ICAAP	Internal Capital Adequacy Assessment Process.
IFRS	International Financial Reporting Standards, as modified from time to time.
ILAAP	Internal Liquidity Adequacy Assessment Process.
IMF	The International Monetary Fund.
Institutional Placement	The private placement of New Shares outside of Greece, pursuant to a private placement book building process, which is not a public offer in the meaning of the Prospectus Regulation, (i) to investors in member states of the EEA and the UK who are "professional clients" and other "eligible counterparties", each as defined in Directive 2014/65/EU, as amended, and the applicable regulations of the UK, and (ii) to eligible investors outside the United States in offshore transactions in reliance on Regulation S, and within the United States only to "qualified institutional buyers", as defined in Rule 144A under the U.S. Securities Act of 1933, as amended, in reliance upon an exemption from the registration requirements of such act.
Διεθνής Ιδιωτική τοποθέτηση	Η ιδιωτική τοποθέτηση Νέων Μετοχών εκτός Ελλάδος, μέσω ιδιωτικής τοποθέτησης με τη διαδικασία διεθνούς βιβλίου προσφορών, η οποία δεν συνιστά δημόσια προσφορά υπό την έννοια του Κανονισμού για το Ενημερωτικό Δελτίο, (i) προς επενδυτές σε κράτη μέλη του ΕΟΧ και στο Ηνωμένο Βασίλειο, οι οποίο είναι «επαγγελματίες πελάτες» και λοιποί «επιλέξιμοι αντισυμβαλλόμενοι, κατά την έννοια της Οδηγίας 2014/65/ΕΕ, όπως τροποποιήθηκε, και των εφαρμοζόμενων κανονισμών του Ηνωμένου Βασιλείου, και (ii) προς επιλέξιμους επενδυτές εκτός των Ηνωμένων Πολιτειών σε υπεράκτιες συναλλαγές βάσει του Κανονισμού S, και εντός Ηνωμένων Πολιτειών προς «ειδικούς θεσμικούς αγοραστές», όπως ορίζονται στον Κανόνα 144Α υπό το Νόμο Περί Κινητών Αξιών των Η.Π.Α. του 1933, όπως τροποποιήθηκε, βάσει εξαίρεσης από τις υποχρεώσεις καταχώρησης σύμφωνα με αυτόν το νόμο.
Investor Share	Means the "Share" within the meaning of Section 1 Part 1 (59) of the ATHEXCSD Rulebook, that the investor holds in the DSS.
ISO	International Organisation for Standardisation.
Issuer or Alpha Holdings	Alpha Services and Holdings S.A., formerly known as Alpha Bank S.A., a société anonyme operating as a financial holding company with General Commercial Registry number 223701000 and registered seat at 40, Stadiou Street, Athens, Greece.
Εκδότης ή Alpha Holdings	Η Alpha Services and Holdings S.A., πρώην Alpha Bank Ανώνυμη Εταιρεία, η οποία είναι ανώνυμη εταιρεία που λειτουργεί ως χρηματοδοτική εταιρεία συμμετοχών με αριθμό Γενικού Εμπορικού Μητρώου 159029160000 και έδρα στην Οδό Σταδίου 40, Αθήνα, Ελλάδα.
IT	Information technology.

Joint Global Coordinators	The joint global coordinators of the Institutional Placement.
Γενικοί Συντονιστές	Οι γενικοί συντονιστές της Ιδιωτικής Τοποθέτησης.
JPY	The lawful currency of Japan.
KPI	Key performance indicators.
Lead Underwriter	Alpha Bank S.A. which is providing the investment services of underwriting and/or placing without a firm commitment basis of Annex I Section A (6) and (7) of MiFID II in connection with the Share Capital Increase and the Public Offering.
Κύριος Ανάδοχος	Η Alpha Τράπεζα Ανώνυμη Εταιρεία, η οποία παρέχει τις επενδυτικές υπηρεσίες της αναδοχής ή/και της τοποθέτησης χωρίς δέσμευση ανάληψης βάσει του Παραρτήματος Ι, Ενότητα Α(6) και (7) της MiFID II αναφορικώς με την Αύξηση Μετοχικού Κεφαλαίου και τη Δημόσια Προσφορά.
LTV	Loan-to-value.
Mandatory Burden Sharing Measures . . .	Mandatory burden sharing measures imposed by virtue of a Cabinet Act, pursuant to Article 6a of the HFSF Law, on the holders of instruments of capital and other liabilities of the credit institution receiving such support.
Maximum Price.	The maximum price, € 1.2 per New Share sold in the context of the Combined Offering, as it was determined by the Board of Directors of the Issuer on 24 June 2021
Ανώτατη Τιμή.	Η ανώτατη τιμή, €1,2 ανά Νέα Μετοχή που θα διατεθεί στα πλαίσια της Συνδυασμένης Προσφοράς, όπως ορίστηκε με την από 24.06.2021 απόφαση του Διοικητικού Συμβουλίου της Εταιρείας
MFF	Multiannual Financial Framework.
MiFID II	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as amended and currently in force.
Minimum Dividend	The minimun dividend paid by companies limited by shares (sociétés anonymes) out of their net profits for the year, if any, equal to 35% of their annual net profits on a standalone basis for the year (after the deduction of the statutory reserve and the amounts in respect of the credit items of their statement of profit/(loss) which do not constitute realised gains) pursuant to Articles 160 and 161 of Law 4548/2018.
Ελάχιστο Μέρισμα	Το ελάχιστο μέρισμα πληρωτέο από μετοχικές εταιρείες (ανώνυμες εταιρείες) προερχόμενο από τα καθαρά τους κέρδη για τη χρήση, εφόσον υπάρχουν, ίσο με το 35% των ετήσιων καθαρών κερδών τους για τη χρήση σε ατομική βάση (μετά τη αφαίρεση των υποχρεωτικών αποθεματικών και των πιστωτικών ποσών της κατάστασης αποτελεσμάτων τα οποία δεν αποτελούν πραγματοποιηθέντα κέρδη) σύμφωνα με το άρθρα 160 και 161 του Ν.4548/2018.
Moody's	Moody's Investors Services Limited.
MREL	The framework in which BRRD prescribes minimum requirements for own funds and eligible liabilities in the EU legislation.
New Shares	The new ordinary registered voting shares with a nominal value of €0.30 per share to be issued by Alpha Holdings S.A. pursuant to the Share Capital Increase and offered for subscription in the Combined Offering.
Νέες Μετοχές	Οι νέες κοινές ονομαστικές μετά ψήφου μετοχές, ονομαστικής αξίας €0.30 ανά μετοχή που πρόκειται να εκδοθούν από την Alpha Holdings

	Α.Ε. δυνάμει της Αύξησης Μετοχικού Κεφαλαίου και προσφέρονται στη Συνδυασμένη Προσφορά.
Next Generation EU	A €750 billion EU funded temporary recovery instrument to help repair the immediate economic and social damage brought about by the COVID-19 pandemic.
NSFR	Net stable funding ratio.
OCR	Overall Capital Requirement.
Ordinary Shares	The ordinary registered voting shares issued by Alpha Holdings from time to time, the nominal amount of which is expressed in euro.
Κοινές Μετοχές	Οι εκπεφρασμένες σε ευρώ κοινές ονομαστικές μετά ψήφου μετοχές, που έχει εκδώσει η Alpha Holdings A.E. από καιρού εις καιρόν.
OTC	Over-the-counter.
Participating Member States	The eleven EU member states (including Greece) that requested participation in the implementation of a common FTT.
Alpha Bank or Alpha Bank S.A. or the Bank	The société anonyme authorised to operate as a credit institution with the corporate name “Alpha Bank S.A.”, General Commercial Registry number 159029160000 and registered seat at 40, Stadiou Street, Athens, Greece, created pursuant to the Hive Down.
PPA adjustment	Purchase price allocation adjustment.
PPI	Pre-provision income (equals to Net Operating Results, as included in the annual report)
Priority Allocation	Existing shareholders participating in the Institutional Placement or the Public Offering shall be given a priority allocation, at least, equal with the existing shareholder’s percentage of participation in the share capital of the Alpha Holdings as at 28 June 2021.
Προνομιακή Κατανομή	Οι υφιστάμενοι μέτοχοι οι οποίοι θα συμμετάσχουν στην Ιδιωτική Τοποθέτηση ή στη Δημόσια Προσφορά θα δικαιούνται κατανομής κατά προτεραιότητα, τουλάχιστον ίση με το ποσοστό συμμετοχής των υφιστάμενων μετόχων στο μετοχικό κεφάλαιο της Alpha Holdings την 28 Ιουνίου 2021.
Priority Investors	Retail Investors and Qualified Investors who are registered shareholders of Alpha Holdings in accordance with its shareholders’ register electronically kept through the ATHEXCSD as at 28 June 2021, and subscribe for in the Private Placement or the Public Offering.
Κατά Προτεραιότητα Επενδυτές	Ιδιώτες Επενδυτές και Ειδικοί Επενδυτές, που είναι εγγεγραμμένοι μέτοχοι της Alpha Holdings σύμφωνα με το μετοχολόγιό της που τηρείται ηλεκτρονικά μέσω της ΕΛΚΑΤ κατά την 28 Ιουνίου 2021, και οι οποίοι εγγράφονται στην Ιδιωτική Τοποθέτηση ή στη Δημόσια Προσφορά.

Prospectus	This document prepared for the purpose of the Public Offering and the admission of the New Shares to trading on the Main Market of the Regulated Securities Market of the ATHEX, in accordance with the Prospectus Regulation, the Delegated Regulations, the applicable provisions of Law 4706/2020 and the enabling decisions of the HCMC, which was approved by the Board of Directors of the HCMC on 25 June 2021.
Ενημερωτικό Δελτίο	Το παρόν έγγραφο που καταρτίστηκε προς το σκοπό της Δημόσιας Προσφοράς και της εισαγωγής των Νέων Μετοχών προς διαπραγμάτευση στην Κύρια Αγορά της Ρυθμιζόμενης Αγοράς Αξιογράφων του Χ.Α., σύμφωνα με τον Κανονισμό για το Ενημερωτικό Δελτίο, τους Κατ' Εξουσιοδότηση Κανονισμούς, τις εφαρμοζόμενες διατάξεις του Ν. 4706/2020 και τις εκτελεστικές αποφάσεις της ΕΚ, το οποίο εγκρίθηκε από το Διοικητικό Συμβούλιο της ΕΚ στις 25 Ιουνίου 2021.
Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended and currently in force.
Κανονισμός για το Ενημερωτικό Δελτίο	Ο Κανονισμός (ΕΕ) 2017/1129 του Ευρωπαϊκού Κοινοβουλίου και του Συμβουλίου, της 14ης Ιουνίου 2017, σχετικά με το ενημερωτικό δελτίο που πρέπει να δημοσιεύεται κατά τη δημόσια προσφορά κινητών αξιών ή κατά την εισαγωγή κινητών αξιών προς διαπραγμάτευση σε ρυθμιζόμενη αγορά και την κατάργηση της οδηγίας 2003/71/ΕΚ, όπως τροποποιήθηκε και ισχύει.
PSI	Private sector involvement in reducing the public debt in Greece through exchanging existing Greek government bonds for new Greek government bonds of a lower nominal value.
Public Offering	The offering of the New Shares to the public in Greece pursuant to this Prospectus and in accordance with the Prospectus Regulation, the applicable provisions of Law 4706/2020 and the enabling decisions of the HCMC.
Δημόσια Προσφορά	Η προσφορά των Νέων Μετοχών προς το κοινό στην Ελλάδα, δυνάμει του παρόντος Ενημερωτικού Δελτίου και σύμφωνα με τον Κανονισμό για το Ενημερωτικό Δελτίο, τις εφαρμοζόμενες διατάξεις του Ν. 4706/2020 και τις εκτελεστικές αποφάσεις της ΕΚ.
Qualified Investors	Shall have the meaning ascribed to it in Article 2(e) of the Prospectus Regulation.
Ειδικοί Επενδυτές	Θα έχει την έννοια που αποδίδεται σε αυτόν τον όρο στο Άρθρο 2(ε) του Κανονισμού για το Ενημερωτικό Δελτίο.
Recapitalisation Plan	The plan for the recapitalisation of Greek banks, mandated by the Bank of Greece in September 2012 pursuant to the HFSF Law.
Relationship Framework Agreement	The relationship framework agreement entered into between Alpha Holdings and the HFSF pursuant to article 6 par. 4 of the HFSF Law in November 2015, as transferred to the Alpha Bank in the context of the Hive Down.
Συμφωνία Πλαισίου Συνεργασίας	Η συμφωνία πλαίσιο που καταρτίσθηκε μεταξύ της Alpha Holdings και του Ταμείου Χρηματοπιστωτικής Σταθερότητας τον Νοέμβριο του 2015, σύμφωνα με τις διατάξεις του άρθρου 6 παρ. 4 του ν.3864/2010 όπως ίσχυει.
Retail Investors	Investors who are not Qualified Investors.

Ιδιώτες Επενδυτές	Επενδυτές που δεν είναι Ειδικοί Επενδυτές.
Right to Equity Securities	Securities giving the right to acquire ordinary shares.
Risk-weighted assets	Total assets at period end weighted by risk factors provided by the Bank of Greece, to be used for calculation of capital adequacy level.
SCI Account	The special bank account that Alpha Holdings has opened at Alpha Bank for the purpose of the Share Capital Increase.
Λογαριασμός ΑΜΚ	Ο ειδικός τραπεζικός λογαριασμός που έχει ανοίξει η Alpha Holdings στην Alpha Bank προς το σκοπό της Αύξησης Μετοχικού Κεφαλαίου.
Securities Account	Shall have the meaning ascribed to it in the ATHEXCSD Rulebook.
Λογαριασμός Αξιογράφων	Θα έχει την έννοια που αποδίδεται σε αυτόν τον όρο στον Κανονισμό ΕΛ.ΚΑ.Τ.
Securitisation Law	Law 3156/2003.
Share Capital Increase	The increase of the share capital of Alpha Holdings by €0.8 bn., through payment in cash and the abolition of preemption rights and the issuance of the New Shares, as approved by the extraordinary generally meeting on 15 June 2021.
Αύξηση Μετοχικού Κεφαλαίου	Η αύξηση του μετοχικού κεφαλαίου της Alpha Holdings κατά €0,8 δισ., με την καταβολή μετρητών και κατάργηση του δικαιώματος προτίμησης των υφιστάμενων μετόχων και η έκδοση των Νέων Μετοχών, η οποία εγκρίθηκε από την έκτακτη γενική συνέλευση της 15.06.2021.
SLA	means the Service Level Agreement entered into between the Bank and Cepal Hellas for the purposes of Cepal Hellas managing the non-performing exposures, including the early arrears, of the Bank, entered into on 1 December, 2021 as amended and restated on 18 June, 2021
SMEs	Small and medium-sized enterprises with an annual turnover of €2.5 million to €50 million.
SPV	Special purpose vehicle.
SRB	Single Resolution Board.
SRF	Single Resolution Fund.
SRM	Single Resolution Mechanism.
SRM Regulation	Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010.
SRM Regulation II	Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 806/2014 as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms.
SSM	Single Supervisory Mechanism.
Standard & Poor's; S&P	Standard & Poor's Credit Market Services Europe Limited.
Third Economic Adjustment Programme ..	The third economic reform and financial assistance programme introduced by the IMF, EU and ECB in Greece in 2015.
Tier 1 capital	Ordinary shares, share premium, preference shares, reserves, retained earnings, minority interests, hybrid instruments, less treasury shares, less retained losses, less intangible assets, less goodwill.

Tier 1 ratio	Tier 1 capital divided by total risk-weighted assets.
TLTRO III	Seven quarterly ECB targeted longer-term refinancing operations.
Total capital (Tier 1 and Tier 2) ratio	Total capital adequacy ratio (*i.e*. Tier 1 and Tier 2 capital as defined by the Bank of Greece) divided by risk-weighted assets.
Transferor	A commercial entity as defined in Article 10, paragraph 2 of the Securitisation Law.
U.S. dollars, USD and $	The lawful currency of the United States of America.
UK	The United Kingdom.
Underwriting Agreement	The underwriting agreement in respect of the Public Offering to be entered into on 24 June 2021 between Alpha Holdings and the Lead Underwriter.
Updated Strategic Plan	Means the updated strategic plan of the Bank and the Alpha Holdings, approved by the Board of Directors of Alpha Holdings and announced on 24 May, 2021.
Value-at-Risk or VaR	A model used to estimate the market risk of positions held and the maximum losses expected, based upon a number of assumptions for various changes in market positions.
2019 Strategic Plan	means the Strategic Plan announced by the Bank on 19 November, 2019 for its accelerated balance sheet clean up, support of the economy, restoration of profitability and new corporate governance structure.

PERSONS RESPONSIBLE, THIRD PARTY INFORMATION, EXPERTS' REPORTS AND COMPETENT AUTHORITY APPROVAL

General information

This Prospectus relates to the Public Offering and admission to trading of the New Shares on the Main Market of the Regulated Securities Market of the ATHEX, as approved by the Extraordinary General Meeting of Alpha Holdings' shareholders on 15 June 2021 and the Board of Directors of the Issuer at its meeting of 24 June 2021. The drafting and distribution of this Prospectus have been made in accordance with the provisions of the applicable laws. This Prospectus includes all information required by the Prospectus Regulation, the Delegated Regulations, the applicable provisions of Law 4706/2020 and the enabling relevant decisions of the HCMC, relevant to Alpha Holdings, the Group and the Public Offering.

Prospective investors seeking additional information and clarifications related to this Prospectus may contact Alpha Holdings' offices, during working days and hours, at 40 Stadiou Street, 102 52 Athens, Greece (Mr. D. Vogiatzis, +30 210 343 6721).

Approval by the competent authority

This Prospectus was approved on 25 June 2021 by the Board of Directors of the HCMC (1 Kolokotroni & Stadiou, 105 62 Athens, Greece, telephone number: +30 210 3377100, http://www.hcmc.gr/), as competent authority pursuant to the Prospectus Regulation, as applicable, and Law 4706/2020. The Board of Directors of the HCMC approved this Prospectus only as meeting the standards of completeness, comprehensibility and consistency provided for in the Prospectus Regulation, and this approval shall not be considered as an endorsement of Alpha Holdings or of the quality of the New Shares that are the subject of this Prospectus. In making an investment decision, prospective investors must rely upon their own examination and analysis as to their investment in the New Shares.

This Prospectus was prepared under the simplified disclosure regime for secondary issuances pursuant to Article 14 of the Prospectus Regulation, Annex 3 and Annex 12 of the Delegated Regulation (EU) 2019/980 and the Delegated Regulation (EU) 2019/979.

Persons responsible

The natural person who is responsible for drawing up this Prospectus, on behalf of Alpha Holdings, and is responsible for this Prospectus, as per the above, is Mr. Lazaros Papagaryfallou, Chief Financial Officer and Ms. Marianna Antoniou, Executive General Manager.

The address of the above-listed natural persons is the address of Alpha Holdings: 40 Stadiou Street, 102 52 Athens, Greece.

Alpha Holdings, the members of its Board of Directors and the natural persons who are responsible for drawing up this Prospectus, on its behalf, and Alpha Bank S.A. (40 Stadiou Street, 102 52 Athens, Greece) (the "Lead Underwriter") are responsible for its contents pursuant to Article 60 of Law 4706/2020. The above natural and legal persons declare that they have been informed and agree with the content of this Prospectus and certify that, after they exercised due care for this purpose, the information contained herein, to the best of their knowledge, is true, the Prospectus makes no omission likely to affect its import, and it has been drafted in accordance with the provisions of the Prospectus Regulation, the Delegated Regulations and the applicable provisions of Law 4706/2020. For further details on the composition of the members of our Board of Directors see "*Administrative, management and supervisory bodies and senior management / Management and corporate governance of Alpha Holdings*".

Alpha Holdings and the members of its Board of Directors are responsible for its annual audited consolidated financial statements as at and for the year ended 31 December 2020 and the condensed interim consolidated financial statements for the three-month period ended 31 March 2021, that have been published in Alpha Holdings' website and are incorporated by reference in and form part of this Prospectus.

The Lead Underwriter declares that it meets all the requirements of paragraph 1(c) of Article 60 of Law 4706/2020, namely that it is authorised to provide the investment service of underwriting and/or placing of financial instruments on or without a firm commitment basis in accordance with items 6 and 7, respectively, of Section A of Annex I of Law 4514/2018, as in force.

Third-party information

Information included in this Prospectus deriving from third-party sources is marked with a footnote, which identifies the source of any such information that has been reproduced accurately and, so far as Alpha Holdings is aware and is able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Market data used in this Prospectus have been obtained from our internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications, including, without limitation, reports, and press releases prepared and issued by the International Monetary Fund (the "IMF"), the Hellenic Statistical Authority (the "ELSTAT"), the Bank of Greece, the Hellenic Bank Association (the "HBA"), Eurostat, the European Commission, the Public Debt Management Agency and the ATHEX, as well as the Stability Programme of the Hellenic Republic for the period 2020-2023, and the Monthly Statistical Bulletins of the European Central Bank (the "ECB"). Market research, publicly available information and industry publications generally state that the information they contain has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. Alpha Holdings accepts responsibility for accurately extracting and reproducing the same, but accepts no further or other responsibility in respect of the accuracy or completeness of such information.

Unless explicitly provided otherwise or the context otherwise requires, all statistical data pertaining to our market position that is indicated to be derived from the Bank of Greece are the product of our internal calculations and analysis using data provided by the Bank of Greece.

Distribution of this Prospectus

This Prospectus will be made available to investors, in accordance with Article 21, paragraph 2 of the Prospectus Regulation, in electronic form on the following websites:

- ATHEX: http://www.helex.gr/el/web/guest/company-prospectus
- HCMC: http://www.hcmc.gr/el_GR/web/portal/elib/deltia
- Alpha Services and Holdings: https://www.athexgroup.gr/web/guest/companies-information-memorandum-informative-material
- The Lead Underwriter: https://www.alpha.gr/el/idiotes/ependuseis/xrimatistiriakes-upiresies/enimerotika-deltia

In addition, printed copies of this Prospectus will be made available to investors at no extra cost, if requested, at the premises of Alpha Holdings, 40 Stadiou Street, 102 52, as well as at the branch network of Alpha Bank in Greece.

SUMMARY

Capitalized terms not defined in this Summary shall have the meaning ascribed to them in this Prospectus.

Introduction

This Summary should be read as an introduction to the Prospectus. Any decision to invest in the New Shares should be based on a consideration of the Prospectus as a whole by investors. Investors could lose all or part of the capital invested in New Shares. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled this summary, including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the prospectus, or where it does not provide, when read together with the other parts of the prospectus, key information in order to aid investors when considering whether to invest in the New Shares. The Issuer of the New Shares is Alpha Services and Holdings S.A. (former Alpha Bank S.A.) with a distinctive title “Alpha Services and Holdings”, registered in Greece (General Commercial Registry number 000223701000) with its registered office at 40 Stadiou Street, 102 52 Athens, Greece. Its telephone number is +30 210 326 0000, its website is https://www.alphaholdings.gr and its LEI (Legal Entity Identifier) is 5299009N55YRQC69CN08. Alpha Services and Holdings S.A. is a société anonyme operating under Law 4548/2018. This website address is included in this Prospectus as an inactive textual reference only. The information and other content appearing on such website are not part of this Prospectus.

The shares issued by Alpha Holdings are ordinary registered shares with voting rights, the nominal amount of which is expressed in euro. The Ordinary Shares are dematerialised, listed on the ATHEX and trade in Euro in the Main Market of the Regulated Securities Market of the ATHEX under ISIN (International Security Identification Number), GRS015003007. The New Shares are ordinary registered shares with voting rights, the nominal amount of which is expressed in euro.

The HCMC is the competent authority to approve this Prospectus (1 Kolokotroni & Stadiou, zip code 105 62 Athens, phone number: 210 3377100, http://www.hcmc.gr/). This Prospectus was approved on 25 June 2021.

Key information on the Issuer

Who is the Issuer of the New Shares?

The Issuer of the New Shares is Alpha Services and Holdings S.A., originally incorporated in Greece under the corporate name “TRAPEZA KALAMON S.A.” in 1918 pursuant to the laws of the Hellenic Republic. The ordinary shares of Alpha Holdings (as former Alpha Bank S.A.) have been listed on the ATHEX since 1925. Following the Hive Down on 16 April 2021, the former Alpha Bank S.A. ceased to be a credit institution, retained activities, assets and liabilities not related to core banking activities and changed its corporate name to “Alpha Services and Holdings S.A.”. Alpha Services and Holdings S.A. (i) holds 100% of the share capital of the newly-formed credit institution incorporated under the corporate name “Alpha Bank S.A.”, which substituted the former Alpha Bank S.A. by way of universal succession to all the transferred assets and liabilities related to the core banking operations of the former Alpha Bank S.A., and (ii) is the direct or indirect, ultimate parent holding company for all other companies that, prior to the Hive Down, comprised the “Group”. Alpha Services and Holdings S.A. (former Alpha Bank S.A.) with a distinctive title “Alpha Services and Holdings”, is registered in Greece (General Commercial Registry number 000223701000) and has its registered office at 40 Stadiou Street, 102 52 Athens, Greece. Its LEI (Legal Entity Identifier) is 5299009N55YRQC69CN08.

Further to the Hive Down, Alpha Holdings’ scope of business includes (a) the direct or indirect participation in domestic and/or foreign companies and undertakings, (b) the design, promotion and distribution of insurance products in the name and on behalf of one or more insurance undertakings in the capacity of insurance agent, (c) the provision of supporting accounting and tax services to affiliated companies and third parties as well as the elaboration of studies on strategic and financial management and (d) the issuance of securities for raising regulatory capital. The table below sets out Alpha Holdings’ shareholding structure as of 15 June 2021:

Shareholders	Number of shares	% percentage
HFSF [(1)]	169,174,167	10.9%
Paulson & Co. Inc [(2)]	86,738,025	5.6%
Schroders Plc [(2)]	80,814,063	5.2%
Other Shareholders <5%	1,209,254,842	78.2%
Total	**1,545,981,097**	**100.0%**

[(1)] *Shareholders' register*

[(2)] *Number of shares as communicated to the Issuer by the shareholder*

To the knowledge of Alpha Holdings, apart from the above cases, there is no natural person or legal entity that holds Ordinary Shares, representing 5% or more of the share capital in Alpha Holdings. In relation to the voting rights, the notifications that have been received up to 15 June 2021, pursuant to Regulation (EU) No. 596/2014, Greek law 3556/2007 and the HFSF Law, representing 5% or more of the total voting rights in Alpha Holdings, follow:

(i) Notification of important changes concerning voting rights under L. 3556/2007 [3.12.2015]: “*Alpha Bank A.E. (the "Bank") announces, pursuant to the provisions of L. 3556/2007 and following relevant notification on 2 December 2015, from the Hellenic Financial Stability Fund, that upon completion of Alpha Bank's share capital increase, the latter, as of 2 December 2015, holds 169.175.146 common, registered, voting, dematerialized shares which correspond to 11,01%, from 66,24% previously held, of the total number of voting shares of the Bank. The exercise of voting rights of said shares is subject to the restrictions stipulated on Article 7a of L. 3864/2010.”*

(ii) Notification of important changes concerning voting rights under L. 3864/2010 [7.12.2015]: “*Alpha Bank A.E. (the "Bank") announces, pursuant to the provisions of L. 3864/2010 and following relevant notification from PAULSON & CO. INC. on 7.12.2015, that the latter holds, since 2.12.2015, indirectly, through investment funds under (its) / (Paulson & Co. Inc)*

management, 100.148.001 voting rights corresponding to an equal amount of common, registered, voting, dematerialized shares, namely 7,32% of the voting rights of the Bank, excluding those held by the HFSF."
(iii) Notification of important changes concerning voting rights under L. 3864/2010 [03.06.2021]: "*Alpha Services & Holdings (the "Company") announces, pursuant to the provisions of L. 3864/2010, that Schroders plc., following a relevant notification on 03.06.2021, holds indirectly as of 31.05.2021, voting rights that correspond to an equal amount of common, registered, voting, dematerialised shares as well as other financial instruments that provide the right to acquire shares which incorporate voting of 5.410% of the total voting rights of the Bank, excluding those held by HFSF."*
(iv) Notification of important changes concerning voting rights under L. 3556/2007 [03.06.2021]: *"Alpha Services & Holdings (the "Company") announces, pursuant to the provisions of L.3556/2007 and following relevant notification on 03.06.2021, of Schroders plc., that the latter holds indirectly as of 02.06.2021, voting rights that correspond to an equal amount of common, registered, voting, dematerialised shares, of 5.088% of the total voting rights of the Bank."*
As a result of the HFSF's current shareholding in Alpha Holdings of 10.9% and its veto and consent rights under the HFSF Law and the New RFA, the HFSF may exercise significant influence over certain corporate actions requiring shareholder approval, the functioning and decision making of the Board of Directors, the business, strategy and future prospects.
The composition of our Board of Directors, which was originally elected by our Ordinary General Meeting held on 29 June 2018 and following the Hive Down, was reconstituted into a body pursuant to its resolution of 16 April 2021, and following the resignation of Mr. Theodoridis from the position as Member of the Board of Directors on 17 June, 2021, is as follows:

Name	**Position**
Non-Executive Member:	
Vasileios T. Rapanos	Chair
Executive Members:	
Vassilios E. Psaltis	CEO
Spyros N. Filaretos	General Manager- Growth and Innovation
Non-Executive Members:	
Efthimios O. Vidalis	Member
Non-Executive Independent Members:	
Dimitris C. Tsitsiragos	Member
Jean L. Cheval	Member
Carolyn G. Dittmeier	Member
Richard R. Gildea	Member
Elanor R. Hardwick	Member
Shahzad A. Shahbaz	Member
Jan A. Vanhevel	Member
Non-Executive Member (pursuant to the provisions of the HFSF Law)	
Johannes Herman Frederik G. Umbgrove	Member

The independent non-executive Board members meet the independence requirements from their election date as per the article 4 of L. 3016/2002, as in force. Respectively they will meet the independence criteria as per par. 1 and 2 of article 9 of L. 4706/2020, as in force from 17.07.2021.
Our annual audited consolidated financial statements as at and for the year ended 31 December 2020 were prepared in accordance with the International Financial Reporting Standards as adopted by the EU ("IFRS") and audited by Mrs. Alexandra Kostara (Reg. No. SOEL 19981) of Deloitte Certified Public Accountants S.A. (Reg. No. SOEL E120). Furthermore, our condensed consolidated interim financial statements as at and for the three months ended 31 March 2021 were prepared in accordance with the International Financial Reporting Standards as adopted by the EU ("IFRS") and applicable to Interim Financial Reporting (International Accounting Standard "IAS" 34) and reviewed by Mrs. Alexandra Kostara (Reg. No. SOEL 19981) of Deloitte Certified Public Accountants S.A.(Reg. No. SOEL E120).
What is the key financial information regarding the Issuer?
The annual consolidated financial statements as at and for the year ended 31 December 2020 were published on 23 March 2021 and the condensed consolidated interim financial statements as at and for the three months ended 31 March 2021 were published on 24 May 2021.
The Hive Down is a transaction of entities under common control that involves the set-up of a new company. As such the Hive Down falls outside the scope of IFRS 3 and in the absence of specific provisions in IFRS regarding the accounting treatment of respective transactions, the Bank has adopted an accounting policy according to which, the transfer of assets and liabilities to the new Bank takes place at the book values of these items in the books of the existing Bank as at April 16, 2021. That treatment is supported by the fact the transaction is an intragroup capital reorganization and as such there is no substantial financial change in the Group. The reorganisation had also no impact on the Group's consolidated financial statements.
The tables below set forth the key financial information for the financial years ended 31 December 2019 and 2020 and the three-month interim periods ended 31 March 2020 and 2021, which have been extracted or derived from our annual audited consolidated financial statements as at and for the year ended 31 December 2020 and our condensed consolidated interim financial statements as at and for the three months ended 31 March 2021. The information has been presented in accordance with Annex III of the Delegated Regulation (EU) 2019/979 as deemed most appropriate in relation to the Public Offering:

Consolidated Income Statement Data

	2021	**2020**[(2)]	**2020**	**2019**[(1)]
Net interest income	399.6	381.2	1,541.6	1,547.3
Net fee and commission income	84.3	89.2	335.3	340.1
Net impairment loss on financial assets	(396.2)	(316.5)	(1,319.5)	(990.4)
Net trading income	59.2	80.7	516.8	425.7
Net profit or loss	(282.2)	(12.6)	103.7	105.3

Earnings per share	(0.1827)	(0.0082)	0.0672	0.0682

***Note**: Totals may vary due to rounding of numbers.*

***Source**: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020 and Condensed Interim Reviewed Consolidated Financial Statements as at and for the three-month period ended 31 March 2021*

(1) Certain financial information for the year ended 31 December 2019, which is derived from the comparative columns in the annual audited consolidated financial statements as at and for the year ended 31 December 2020, has been restated in order to be presented on a comparable basis with financial information for the year ended 31 December 2020. See "Restatements of consolidated financial information" and Note 50 to the annual audited consolidated financial statements as at and for the year ended 31 December 2020.

(2) Certain financial information for the three months ended 31 March 2020, which is derived from the comparative columns in our condensed consolidated interim financial statements as at and for the three months ended 31 March 2021, was restated has been restated in order to be presented on a comparable basis with financial information for the three months ended 31 March 2021. See "Restatements of consolidated financial information" and Note 34 to the Interim Consolidated Financial Statements for the three months ended 31 March 2021.

Consolidated Balance Sheet Data	As at 31 March 2021	As at 31 December 2020	As at 31 December 2019
Total assets	71,168.3	70,056.7	63,457.6
Covered Bonds	701.6	710.6	711.6
Senior debt	1.6	1.6	1.4
Subordinated debt	975.5	510.7	0.6
Asset backed securities			375.0
Loans and receivables from customers (net)	39,376.4	39,380.0	39,266.3
Deposits from customers	43,611.7	43,830.9	40,364.3
Total equity	7,944.7	8,289.1	8,431.6
Non performing loans (based on gross carrying amount)/ Loans and receivables)	42.8%	42.5%	44.8%
Common Equity Tier 1 capital (CET1) ratio or other relevant prudential capital adequacy ratio depending on the issuance	16.0%	17.3%	17.9%
Total Capital Ratio	18.3%	18.4%	17.9%
Leverage Ratio calculated under applicable regulatory framework	11.2%	12.5%	13.2%

***Note**: Totals may vary due to rounding of numbers.*

***Source**: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020 and Condensed Interim Reviewed Consolidated Financial Statements as at and for the three-month period ended 31 March 2021*

What are the key risks that are specific to the Issuer?

The key risks specific to the Issuer are the following:

A. Risks relating to our business

1. We may not be able to raise the entire proposed amount of the Share Capital Increase through the Combined Offering and this might have an adverse impact on our planned credit expansion, our business, financial condition and results of operations, and even if the Share Capital Increase is successful and we are able to raise the entire proposed amount, there can be no assurance that our planned credit expansion targets will be achieved in the anticipated timeframe or at all and the expected benefits of this strategy may not materialise, which could have a material adverse effect on our business, financial condition and results of operations.

2. We may not be able to reduce our NPE levels in line with our targets or at all, or defend our interest income in line with our targets, or at all, which may materially impact our financial condition, capital adequacy or results of operations.

3. We may be unable to successfully deliver the non-organic business development and capital-generating measures envisaged in our Updated Strategic Plan, which may adversely affect our business, capital adequacy, financial condition and results of operations.

4. We are exposed to the financial performance and creditworthiness of companies and individuals in Greece.

5. Deteriorating asset valuations resulting from poor market conditions, particularly in relation to developments in the real estate markets, may adversely affect our future earnings, capital adequacy, financial condition and results of operations.

6. We may be unable to implement our cost reduction strategies or transformation plan, and thus fail to reduce our operating expenditures, which may have a material adverse effect on our business, financial position, and results of operations.

B. Risks relating to the macroeconomic and financial developments in the Hellenic Republic

1. Uncertainty resulting from the Hellenic Republic's financial and economic crisis has had and is likely to continue to have a significant adverse impact on the Group's business, financial condition, results of operations and prospects.

2. The COVID-19 pandemic has impacted and is expected to further adversely impact the Group's business, its customers, contractual counterparties and employees.

C. Risks relating to funding

1. The Group has limited sources of liquidity, which are not guaranteed and the cost of which may increase materially.

2. An accelerated outflow of funds from customer deposits could cause an increase in the Bank's costs of funding and have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

D. Risks relating to Regulation

1. The Group is subject to extensive and complex regulation, which is the subject of ongoing change and reform in each jurisdiction in which it operates, imposing a significant compliance burden on the Group and increasing the risk of non-compliance.

E. Risks relating to credit and other financial risks

1. Wholesale borrowing costs and access to liquidity and capital may be negatively affected by any future downgrades of the Hellenic Republic's credit rating.

2. Deteriorating asset valuations resulting from poor market conditions may adversely affect the Group's business, financial condition, results of operations and prospects.

Key information on the securities

What are the main features of the securities?

The New Shares are ordinary registered shares with voting rights, each having a nominal value of €0.30. The Ordinary Shares are dematerialised, listed on the ATHEX and trade in Euro in the Main Market of the Regulated Securities Market of the ATHEX under ISIN (International Security Identification Number), GRS015003007. Each Ordinary Share, including the New Shares, carries all the rights and obligations pursuant to Law 4548/2018 and the Articles of Association of Alpha Holdings, the provisions of which are not stricter than those of Law 4548/2018. Alpha Holdings is a financial holding company and the parent company of Alpha Bank. As a result, the Ordinary Shares may be written-down or cancelled by virtue of a decision of the competent resolution authority pursuant to the Greek BRRD Law, even before Alpha Holdings becomes insolvent or the initiation of any resolution procedure. If such decision is made, the Ordinary Shares will be written-down or cancelled before any other capital instruments of Alpha Holdings. The Ordinary Shares are freely transferable with no restrictions.

Further to generally applicable restrictions on dividends distribution pursuant to Law 4548/2018 and Law 4261/2014 as amended by Law 4701/2020 and Law 4799/2021, in accordance with the HFSF Law and the Relationship Framework Agreement, the HFSF's representative appointed at the Board of Directors of Alpha Holdings and the Bank, can veto any decision of the relevant Board of Directors in connection with, among other matters, the distribution of dividends In addition, because Alpha Holdings (then Alpha Bank S.A.) received recapitalization support from the HFSF under the HFSF Law in 2013, neither Alpha Holdings nor the Bank may distribute more than the Minimum Dividend for so long as the HFSF is a shareholder of Alpha Holdings.

Where will the securities be traded?

Alpha Holdings will apply for the admission of the New Shares to trading on the Main Market of the Regulated Securities Market of the ATHEX.

What are the key risks that are specific to the securities?

The key risks attached to the New Shares are the following:

1. We may not be able to pay dividends to our shareholders.

2. The New Shares may be subject to the general bail-in tool or the non-viability loss absorption power pursuant to the BRRD Law and can be affected by the implementation of the mandatory burden sharing measures pursuant to the HFSF Law for the provision of extraordinary public financial support pursuant to Article 32, paragraph 3(d)(cc) of the BRRD Law, which may result in their write-down or cancellation in full.

Key information on the offer of the securities to the public and admission to trading on a regulated market

Under which conditions and timetable can I invest in this security?

The Extraordinary General Meeting that took place on 15 June 2021, resolved the following:

1. Approved the raising of common share capital (the "*Share Capital Increase*") amounting up to €0.8 billion, through payment in cash, the abolition of preemption rights and the issuance of new common, registered, voting, dematerialized shares, each of nominal value of €0.30 (the "*New Shares*"). The final number of the New Shares will be equal to the quotient of the final amount to be raised through the Share Capital Increase, divided by the offer price of each New Share. No fractions of New Shares shall be issued. Any amount above the nominal value per New Share to be subscribed will be credited to the above par reserve of the Company.
2. The Board of Directors was authorized, pursuant to the provisions of article 25, par. 2 of Law 4548/2018, to determine the offer price of the New Shares (the "*Offer Price*") which cannot be less than the nominal value of €0.30, based on the results of a book building process to be conducted by a syndicate of international investment banks.
3. The subscription period for the Share Capital Increase shall be up to four (4) months commencing as of the resolution of the Board of Directors, which shall determine the Offer Price.
4. That the New Shares be:
    a) offered in Greece, to retail and qualified investors in the context of an offer to the public (the "***Public Offering***") within the meaning of point (d) of article 2 of Regulation (EU) 2017/1129 of the European Parliament on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the "***Prospectus Regulation***"), the applicable provisions of Law 4706/2020 and the implementing decisions of the Board of Directors of the Hellenic Capital Markets Commission ("***HCMC***") and
    b) placed outside of Greece, to qualified, institutional and other eligible investors, in the context of a private placement book building process, in reliance on one or more exemptions from the requirement to publish a prospectus under the Prospectus Regulation and/or other applicable national laws, including in the United States under Rule 144A (the "***Institutional Placement***" and jointly with the Public Offering the "**Combined Offering**").
5. That the Public Offering and the Institutional Placement will run in parallel. The Board of Directors shall be authorized to determine the amount of the Share Capital Increase to be offered through the Public Offering and placed through the Institutional Placement.
6. That existing shareholders participating in the Institutional Placement or the Public Offering shall be given a priority allocation (the "**Priority Allocation**"), which will be determined by the Board of Directors taking into account market conditions, provided the below criteria are complied with:
    a. Existing shareholders participating in the Public Offering will be given a Priority Allocation of the New Shares to be allocated in the Public Offering. The Priority Allocation in the Public Offering will be, at least, equal with the existing shareholder's percentage of participation in the share capital of the Company (based on the ATHEXCSD electronic records), as at a record date to be determined by the Board of Directors, as such percentage of participation will be increased and adjusted to take into account the aggregated amount of the New Shares offered in Share Capital Increase, so that at least the same percentage participation in the share capital is retained post-Share Capital Increase;
    b. Existing shareholders participating in the Public Offering will not be given any allocation in the Institutional Placement and vice versa;

c. The same Priority Allocation will be given over the New Shares, to be placed through the Institutional Placement, to existing shareholders who are qualified and/or institutional and/or other eligible investors (including the HFSF), participating in the Institutional Placement and

d. New Shares not subscribed in the Public Offering or the Institutional Placement, will be allocated at the discretion of the Board of Directors, taking into account the view of the Global Coordinators and Bookrunners in relation to long-term, "buy and hold" investors.

7. The net amount of the Share Capital Increase (i.e. the total amount of the Share Capital Increase less the issuance expenses) will be applied for the purpose of further enhancing the capital adequacy ratios of the Company and its group of companies, in the context of facilitating the execution of its announced growth strategy.

By virtue of the authority given to it pursuant to the resolution of the General Meeting held on 15 June 2021, our Board of Directors approved, among other matters, the following at its session held on 24 June 2021:

1. The Offer Price be determined by the Board of Directors on the basis of the outcome of an international bookbuilding process, to be run by the Joint Global Coordinators and will be the same for the whole of the Combined Offering, subject however to a maximum price of €1.2 (the "Maximum Price"), as such Maximum Price derived from the investor feedback in meetings organized by the Joint Global Coordinators.
2. The record date for the Combined Offering be set at 28 June, 2021 (the "Record Date").
3. The period of the Public Offering be set at three (3) business days, starting on 28 June, 2021 and ending on 30 June, 2021 and shall run in parallel with the Institutional Placement. No subscription interests in the Public Offering will be accepted after 16:00pm Athens time on the last day of the Public Offering.
4. The procedure for subscribing for New Shares in the Public Offering.
5. The rules for allocating New Shares subscribed for by Retail Investors and Qualified Investors.

The Public Offering in Greece is addressed to both Retail Investors and Qualified Investors. The participation in the Public Offering by the same natural or legal person simultaneously under the capacity of both Retail Investor and Qualified Investor, is prohibited, with the exception of subscriptions submitted through DSS Participants for the same omnibus securities' depository accounts in both categories of investors. Investors in the Public Offering shall subscribe for New Shares at the Maximum Price. Each investor including existing shareholders, may subscribe for at least one New Share and for integral multiples thereof, up to the amount of the Share Capital Increase, namely up to €0.8 billion. If an existing shareholder submits a subscription application for New Shares in excess of such shareholder's percentage of participation in the share capital of the Company as at the Record Date (oversubscription), then Priority Allocation will be given to such shareholder up to such shareholder's *pro rata* participation in the share capital and not for the excess. Investors may subscribe for New Shares in the Public Offering from the first until 16:00, Greek time, of the last day of the Public Offering period as follows:

(a) Retail Investors may subscribe for New Shares in the Public Offering from the first until 16:00 Greek time, of the last day of the Public Offering period, by submitting a relevant subscription application during normal business days and hours through the branches of Alpha Bank S.A. as well as through their DSS Participants (investment firms or banks' custody) and either deposit an amount equal to their total subscription to the SCI Account, or, block an amount equal to such subscription at any of their deposits accounts held with Alpha Bank of which they are beneficiaries or co-beneficiaries.

(b) Qualified Investors may subscribe for New Shares in the Public Offering from the first until 16:00 Greek time, of the last day of the Public Offering period by submitting a relevant subscription application exclusively through their DDS Participants (investment firms or banks' custody). During the Public Offering period, Qualified Investors shall be entitled to amend their subscriptions and each subscription shall be deemed to cancel the preceding ones.

The exact number of New Shares that will be allocated to Qualified and Retail investors subscribing in the Public Offering, will be determined at the end of the Public Offering, based on the demand for New Shares expressed in the Public Offering by each such category of investors. The New Shares will be initially allocated between the Public Offering and the Institutional Placement as follows, namely 20% of the New Shares will be allocated to the Public Offering and 80% of the New Shares to the Institutional Placement. New Shares allocated to but not subscribed for in the Public Offering, may be reallocated to investors in the Institutional Placement, if demand for New Shares in the Public Offering is less than the amount of New Shares initially allocated thereto, and vice versa. Same applies for reallocations to preserve the Priority Allocation rule in both the Public Offering and Institutional Placement.

Priority Allocation shall be given based on shareholding structure on the Record Date, to existing shareholders participating either in the Public Offering or the Institutional Placement. If the Public Offering is subscribed for in part, Retail Investors and Qualified Investors will be allocated all (100%) New Shares subscribed for by them.

Any New Shares not subscribed by existing Shareholders pursuant to Priority Allocations will be allocated at the discretion of the Board of Directors after the completion of the Combined Offering, taking into account the view of the Global Coordinators and Bookrunners in relation to pricing levels, demand from long-term "buy and hold" investors and trading activity post the Record Date.

By virtue of HFSF letter dated May 23rd, 2021 addressed to the Issuer, HFSF communicated, its intension to participate in the contemplated Share Capital Increase up to its current shareholding namely 10.94% in line with the HFSF Law. Additionally, Paulson & Co Inc. (on behalf of the investment funds managed by it), declared to the Board of Directors by virtue of a letter to the Issuer, dated 15 June, 2021 its intention to subscribe for its pro rata 5.6% share of the offering, in accordance with the priority allocation mechanism. Set out below is the expected indicative timetable for the Share Capital Increase and the admission of the New Shares to trading on the ATHEX:

Date	Event
25 June 2021	HCMC approval of the Prospectus.
25 June 2021	Publication of the Prospectus on the Issuer's, Lead Underwriter's, HCMC's and ATHEX's website.
25 June 2021	Publication of announcement regarding the availability of the Prospectus in the Daily Statistical Bulletin of the ATHEX and on the Issuer's website.

25 June 2021	Publication of the announcement for the invitation of the investors and the commencement of the Public Offering.
28 June 2021	Commencement of the Public Offering.
30 June 2021	End of the Public Offering.
01 July 2021	Publication of the announcement regarding the final offering price in the Daily Statistical Bulletin of the ATHEX and on the Issuer's website.
6 July 2021	Publication of a detailed announcement concerning the outcome of the Public Offering in the Daily Statistical Bulletin of the ATHEX and on the Issuer's website.
9 July 2021	ATHEX approval regarding the admission of the New Shares to trading.*
9 July 2021	Publication of the announcement stating the trading commencement date of the New Shares in the Daily Statistical Bulletin of the ATHEX and on the Issuer's website.
13 July 2021	Commencement of trading of the New Shares.

** Subject to the competent ATHEX committee meeting on that date.*
Investors should note that the above timetable is indicative and subject to change, in which case Alpha Holdings will duly and timely inform the investors pursuant to a public announcement.

The table below sets out Alpha Holdings' shareholding structure after the Share Capital Increase, taking into account (a) the statement made by the HFSF and Paulson & Co. Inc. and (b) the Maximum Price:

Shareholders	**Number of shares**	**% percentage**
HFSF (1), (3)	242,126,403	10.9%
Paulson & Co. Inc. (2), (3)	124,141,684	5,6%
Schroders Plc (2)	80,814,063	3.7%
Other share capital increase shareholders (4)	556,310,771	25.1%
Pre Share Capital Increase - Other Shareholders < 5%	1,209,254,842	54.7%
Total	**2,212,647,763**	**100.0%**

(1) Shareholders' register
(2) Number of shares as communicated to the Issuer by the shareholder
(3) Assuming participation of 10.9% of the HFSF and 5,6 % of Paulson & Co Inc. in the Combined Offering, i.e. up to their current shareholding.
(4) Refers to investors that will participate in the Combined Offering (including Priority Investors and excl. HFSF and Paulson & Co Incl.

The above scenario is hypothetical and based on assumptions that may not be verified. No costs will be charged to investors subscribing for in the Public Offering by Alpha Holdings.

Why is this Prospectus being produced?

This Prospectus is being produced for (i) the offering of the New Shares to the public in Greece, and (ii) the admission to trading of the New Shares on the Main Market of the Regulated Securities Market of the ATHEX.

Reasons for the Share Capital Increase and use of proceeds

Alpha Holdings plan to raise capital of up to €800 million in order to be in a position to fully reap the benefits it anticipates from the RRF growth potential. Securing at the outset the growth capital we expect to deploy over the next few years, will allow us to reach our profitability targets sooner, provide us with the flexibility needed to commit financing to high value projects as deemed fit, allow us to be selective on the profitability profile of such projects and simultaneously enjoy a position of meeting all of our capital requirements throughout our business plan horizon. Importantly, this will also provide us with significant flexibility to optimize our capital structure and deploy our dividend strategy.

The net proceeds, estimated at €757.5 million., raised by Alpha Holdings from the Share Capital Increase will be made available to the Bank through a share capital increase, which will be fully subscribed by Alpha Holdings, and which will take place within three (3) months from the capital raising. The net amount of the Share Capital Increase (i.e. the total amount of the Share Capital Increase less the issuance expenses) will be applied for the purpose of further enhancing the capital adequacy ratios of the Issuer and its group of companies, in the context of facilitating the execution of its announced growth strategy.

The Public Offering is not subject to an underwriting agreement on a firm commitment basis.

Alpha Bank's Updated Strategic Plan (Project Tomorrow)

In May 2021, we announced our Updated Strategic Plan, Project Tomorrow, which includes a series of strategic initiatives which are intended to drive future performance. Our current strategic priority is to capture the opportunity to participate in the anticipated credit growth for the Greek banking sector, that we expect will be driven by EU's Recovery and Resilience Facility ("RRF") funds and the investments that these funds will mobilize. Capturing a fair market share of that growth will allow Alpha Bank to reach higher profitability levels sooner, while our targeted NPE reduction under our Updated Strategic Plan and our transformation plan will allow achievement of a low level of NPEs, a normalised cost of risk and a lean cost base that we believe will support reaching a 10% RoTBV by 2024. Our Strategic Plan is based on the following key initiatives:

- **The Revenue increase driven by asset growth** initiative is based on the Bank's ambition to support the anticipated recovery of the Greek economy, driven also by the EU RRF, and to capture our full potential of the anticipated credit growth opportunity stemming from this recovery, enhancing both Net Interest Income from performing exposures and Fee and Commission Income for the Bank. Credit growth is to be partially funded by the Share Capital Increase, with the new equity raised supporting at the outset the growth capital we expect to deploy until the end of 2024;
- **The NPE Initiatives** involve Project Galaxy, which was completed on 18 June 2021, and a series of other transactions, including a total gross book value of €8.1 billion of NPEs with an expected regulatory capital impact of approx. 1.9% on our total regulatory capital, part of which NPE transactions refer to NPE securitisations under the HAPS scheme extension (the "HAPS 2"), enabling the Bank to achieve a NPE ratio of c.7% by the end of 2022, while targeting an NPE ratio of 2% by the end of 2024. In addition, the NPE initiatives include our ongoing organic NPE reduction (i.e. cures, debt forgiveness, collateral based recoveries and other closing procedures). After the successful completion of the NPE Initiatives, we expect to be able to achieve significantly reduced cost of risk levels and improved asset quality

levels on par with other European banks, while maintaining a satisfactory capital position above applicable minimum capital requirements;

- **The core operations efficiency enhancements** initiative represents our aim to achieve operational excellence by focusing on our core commercial banking activities, executing on our business and retail banking growth strategy, increasing efficiency and reducing operating costs throughout our organization, targeting a net operating expenses reduction of €50 million until the end of 2024 for the core operations. Further the targeted reduction of NPEs is also expected to allow reduction of the NPE retention associated costs, by € 125 million, until 2024;
- **The asset-light fees and commissions income growth** initiative is primarily based on our strategy to grow our fee income from Wealth Management and Bancassurance products and services. We expect to benefit from an anticipated growth in the affluent segment, supported by macro driven demand for asset management products and services, while for Bancassurance products we expect our new exclusive partnership with Generali to enable growth, in combination with an anticipated increase in demand for relevant products;
- **The growth in international presence initiative,** is aimed at Bank's intention to deploy additional capital in Romania of up to €200 million until the end of 2024, where the banking sector is relatively underpenetrated and has a strong growth outlook (as the country is also a significant EU RRF funds' beneficiary). Our ambition is to further expand our asset base in the country, leveraging all growth options, should these appear with compelling economics.As at 31 March 2021, and on the basis of our total capital adequacy ratio pro forma for Galaxy transaction, the successful completion of the Share Capital Increase through the Combined Offering is expected to enhance our total capital adequacy ratio by c.+2.1%, leading to a total capital adequacy ratio of c. 17.5%, which is expected to allow the re-leveraging of our balance sheet as per our Updated Strategic Plan based on the prospects for the Greek economy and the credit growth in Greece, supported by the upcoming RRF program;

Alpha Holdings, taking into consideration as a criterion any form of compensation previously provided to Alpha Bank S.A. as well as the following criteria based on the ESMA guidelines: whether Alpha Bank S.A. (i) holds equity securities of Alpha Holdings or its subsidiaries; (ii) has a direct or indirect economic interest that depends on the success of the Public Offering; or (iii) has an understanding or arrangement with major shareholders of Alpha Holdings, in conjunction with the fact that Alpha Holdings holds, directly or indirectly, the total number of shares of Alpha Bank S.A. and of its subsidiaries, therefore being the indirect shareholder of all companies of the Group, declares that, there are no interests or conflicting interests of Alpha Bank S.A. that are material to the Public Offering, other than the interest deriving from the relationship parent to subsidiary company which connects it to Alpha Bank S.A., the interest of both that depends on the success of the Share Capital Increase, as discussed in "*Essential Information - Reasons for the Share Capital Increase and use of proceeds*" and as further stated by Alpha Bank S.A. as Lead Underwriter.

The Lead Underwriter, Alpha Bank S.A., taking into consideration as criterion any form of compensation previously received from Alpha Holdings as well as the following criteria based on the ESMA guidelines on disclosure requirements under the Prospectus Regulation (04/03/2021 | ESMA32-382-1138): (i) whether it holds equity securities of Alpha Holdings or its subsidiaries; (ii) whether it has a direct or indirect economic interest that depends on the success of the Public Offering; or (iii) whether has any understanding or arrangement with major shareholders of Alpha Holdings, in conjunction with the fact that Alpha Holdings holds, directly or indirectly the total number of shares of Alpha Bank S.A., declares that it does not have any interests or conflicting interests that are material to the Public Offering, other than the indirect interest deriving from the above-mentioned relationship subsidiary and parent company which connects it to Alpha Holdings and the direct interest that depends on the success of the Share Capital Increase, as discussed in "Reasons for the Share Capital Increase and use of proceeds".

ΠΕΡΙΛΗΠΤΙΚΟ ΣΗΜΕΙΩΜΑ

Όροι που εμφανίζονται με κεφαλαίο το πρώτο τους γράμμα και δεν ορίζονται στο Περιληπτικό Σημείωμα, έχουν την έννοια που τους αποδίδεται στο παρόν Ενημερωτικό Δελτίο.

Εισαγωγή

Το παρόν Περιληπτικό Σημείωμα πρέπει να εκλαμβάνεται ως εισαγωγή του Ενημερωτικού Δελτίου. Οι επενδυτές πρέπει να βασίσουν οποιαδήποτε επενδυτική απόφασή τους για τις Νέες Μετοχές στην εξέταση του Ενημερωτικού Δελτίου συνολικά. Κατά περίπτωση, οι επενδυτές θα μπορούσαν να χάσουν το σύνολο ή μέρος του επενδυμένου κεφαλαίου σε Νέες Μετοχές. Όταν μια αξίωση σχετικά με τις πληροφορίες που περιέχονται στο παρόν Ενημερωτικό Δελτίο υποβάλλεται ενώπιον δικαστηρίου, ο ενάγων επενδυτής ενδέχεται, σύμφωνα με την εθνική νομοθεσία, να καλύψει τα έξοδα μετάφρασης του Ενημερωτικού Δελτίου πριν από την έναρξη της δικαστικής διαδικασίας. Αστική ευθύνη αποδίδεται μόνο στα πρόσωπα εκείνα που υπέβαλαν το περιληπτικό σημείωμα, συμπεριλαμβανομένης οποιασδήποτε μετάφρασής του, αλλά μόνο εάν το περιληπτικό σημείωμα είναι παραπλανητικό, ανακριβές ή ασυνεπές, σε συνδυασμό με τα άλλα μέρη του Ενημερωτικού Δελτίου, ή δεν παρέχει, σε συνδυασμό με τα άλλα μέρη του Ενημερωτικού Δελτίου, βασικές πληροφορίες ως βοήθεια στους επενδυτές που εξετάζουν το ενδεχόμενο να επενδύσουν στις Νέες Μετοχές. Εκδότρια των Νέων Μετοχών είναι η εταιρεία «Alpha Υπηρεσιών και Συμμετοχών Ανώνυμη Εταιρεία» (πρώην «Άλφα Τράπεζα Ανώνυμη Εταιρία») με διακριτικό τίτλο «Alpha Υπηρεσιών και Συμμετοχών», εγγεγραμμένη στην Ελλάδα (αριθμός Γενικού Εμπορικού Μητρώου 000223701000) με έδρα την οδό Σταδίου 40, 102 52 Αθήνα, Ελλάδα. Ο τηλεφωνικός της αριθμός είναι +30 210 3260000, η ιστοσελίδα της είναι https://www.alphaholdings.gr και ο κωδικός LEI (Legal Entity Identifier) είναι 5299009N55YRQC69CN08. Η Alpha Υπηρεσιών και Συμμετοχών Α.Ε. («Alpha Holdings») είναι ανώνυμη εταιρεία, η λειτουργία της οποίας διέπεται από το Ν. 4548/2018. Η διεύθυνση της ιστοσελίδας της περιλαμβάνεται στο παρόν Ενημερωτικό Δελτίο ως ένας ανενεργός σύνδεσμος αναφοράς και μόνον. Οι πληροφορίες καθώς και κάθε άλλο περιεχόμενο εμφανιζόμενο στην ιστοσελίδα αυτή δεν αποτελούν μέρος του παρόντος Ενημερωτικού Δελτίου.

Οι μετοχές εκδόσεως της Alpha Holdings είναι κοινές, ονομαστικές μετά ψήφου, εκπεφρασμένες σε ευρώ (οι «Κοινές Μετοχές»). Οι Κοινές Μετοχές είναι άυλες, διαπραγματεύονται σε ευρώ στην Κύρια Αγορά της Ρυθμιζόμενης Αγοράς Αξιογράφων του Χρηματιστηρίου Αθηνών με κωδικό ISIN (International Security Identification Number/Διεθνής Αριθμός Αναγνώρισης Τίτλων) GRS015003007. Οι Νέες Μετοχές είναι κοινές, ονομαστικές μετοχές μετά ψήφου, η δε ονομαστική τους αξία είναι εκπεφρασμένη σε ευρώ.

Αρμόδια Αρχή για την έγκριση του Ενημερωτικού Δελτίου είναι η Επιτροπή Κεφαλαιαγοράς (Κολοκοτρώνη 1 & Σταδίου, Τ.Κ. 105 62 Αθήνα, τηλεφωνικό κέντρο: 210 3377100, http://www.hcmc.gr/). Η ημερομηνία έγκρισης του Ενημερωτικού Δελτίου είναι η 25η Ιουνίου 2021.

Βασικές πληροφορίες για τον Εκδότη

Ποιος είναι ο Εκδότης των κινητών αξιών;

Εκδότης των Νέων Μετοχών είναι η Alpha Υπηρεσιών και Συμμετοχών Α.Ε., η οποία αρχικά συστάθηκε ως «Τράπεζα Καλαμών Α.Ε.» στην Ελλάδα το 1918 υπό το ελληνικό δίκαιο. Οι κοινές μετοχές της Alpha Holdings (ως πρώην «Άλφα Τράπεζα Α.Ε.») διαπραγματεύονται στο Χρηματιστήριο Αθηνών από το 1925. Κατόπιν της Διάσπασης στις 16 Απριλίου 2021, η πρώην Άλφα Τράπεζα Α.Ε. έπαυσε να λειτουργεί ως πιστωτικό ίδρυμα, διατήρησε τις δραστηριότητες, τα περιουσιακά στοιχεία και τις υποχρεώσεις που δε σχετίζονταν με βασικές τραπεζικές της δραστηριότητες και μετέβαλε την επωνυμία της σε «Alpha Υπηρεσιών και Συμμετοχών Α.Ε.». Η Alpha Υπηρεσιών και Συμμετοχών Α.Ε. (i) κατέχει το 100% του μετοχικού κεφαλαίου του νεοσυσταθέντος πιστωτικού ιδρύματος υπό την επωνυμία «Alpha Τράπεζα Α.Ε.», το οποίο διαδέχθηκε την πρώην Άλφα Τράπεζα Α.Ε. μέσω καθολικής διαδοχής ως προς όλα τα σε αυτό μεταβιβασθέντα περιουσιακά στοιχεία και υποχρεώσεις των βασικών τραπεζικών δραστηριοτήτων της πρώην Άλφα Τράπεζα Α.Ε., και (ii) αποτελεί την άμεση ή έμμεση απώτατη μητρική εταιρεία συμμετοχών για όλες τις άλλες εταιρείες που, πριν από τη Διάσπαση, αποτελούσαν τον «Όμιλο». Η Alpha Υπηρεσιών και Συμμετοχών Α.Ε. (πρώην Άλφα Τράπεζα Α.Ε.) με διακριτικό τίτλο «Alpha Υπηρεσιών και Συμμετοχών», είναι εγγεγραμμένη στην Ελλάδα (αριθμός Γενικού Εμπορικού Μητρώου 000223701000) και έχει την έδρα της στην οδό Σταδίου 40, 102 52 Αθήνα, Ελλάδα. Το LEI (Legal Entity Identifier /Αναγνωριστικό Νομικής Οντότητας) είναι 5299009N55YRQC69CN08.

Μετά τη Διάσπαση, στις δραστηριότητες της Alpha Holdings περιλαμβάνεται (α) η άμεση ή έμμεση συμμετοχή σε εγχώριες ή/και αλλοδαπές επιχειρήσεις και οντότητες, (β) ο σχεδιασμός, η προώθηση και η διανομή ασφαλιστικών προϊόντων στο όνομα και για λογαριασμό μιας ή περισσότερων ασφαλιστικών επιχειρήσεων υπό την ιδιότητα του ασφαλιστικού πράκτορα, (γ) η παροχή υποστηρικτικών λογιστικών και φορολογικών υπηρεσιών σε συνδεδεμένες εταιρείες και τρίτους καθώς και η εκπόνηση μελετών στρατηγικής και οικονομικής διαχείρισης και (δ) η έκδοση τίτλων για άντληση κανονιστικών κεφαλαίων.

Στον πίνακα που ακολουθεί παρουσιάζεται η μετοχική σύνθεση της Alpha Holdings την 15 Ιουνίου 2021:

Μέτοχοι	**Αριθμός μετοχών**	**% ποσοστό**
ΤΧΣ[1]	169,174,167	10.9%
Paulson & Co. Inc [2]	86,738,025	5.6%
Shroders Plc [2]	80,814,063	5.2%
Λοιποί μέτοχοι <5%	1,209,254,842	78.2%
Σύνολο	**1.545.981.097**	**100,0%**

[1] *Μετοχολόγιο*

[2] *Ο αριθμός των μετοχών εμφανίζεται όπως επικοινωνήθηκε στον Εκδότη από τον μέτοχο*

Εξ όσων γνωρίζει η Alpha Holdings, εκτός των ανωτέρω, δεν υπάρχει φυσικό ή νομικό πρόσωπο που κατέχει, άμεσα ή έμμεσα, Κοινές Μετοχές που αντιπροσωπεύουν 5% ή περισσότερο του μετοχικού κεφαλαίου της Alpha Holdings.

Αναφορικά με τα δικαιώματα ψήφου, οι γνωστοποιήσεις που έχουν ληφθεί έως και την 15 Ιουνίου 2021, δυνάμει του Κανονισμού (ΕΕ) 596/2014, του Ν.3556/2007 και του Νόμου ΤΧΣ, και που αντιπροσωπεύουν 5% ή περισσότερο του συνόλου των δικαιωμάτων ψήφου της Alpha Holdings, ακολουθούν:*(i) Γνωστοποίηση σημαντικών αλλαγών στα δικαιώματα ψήφου σύμφωνα με τον Ν. 3556/2007 [3.12.2015] "Η Alpha Bank A.E. (η 'Τράπεζα') ενημερώνει, κατ' εφαρμογή του Ν. 3556/2007, ότι κατόπιν σχετικής γνωστοποιήσεως της 2.12.2015 του Ταμείου Χρηματοπιστωτικής Σταθερότητος, μετά την ολοκλήρωση της διαδικασίας αυξήσεως του μετοχικού κεφαλαίου της Τραπέζης, το τελευταίο κατέχει από 2.12.2015, 169.175.146 κοινές, ονομαστικές, μετά ψήφου, άυλες μετοχές ή ποσοστό 11,01% από 66,24% που κατείχε, επί του συνόλου κοινών μετοχών εκδόσεως της Τραπέζης. Η άσκηση των δικαιωμάτων ψήφου επί των ανωτέρω μετοχών υπόκειται στους διαλαμβανομένους στο άρθρο 7α του ν. 3864/2010 περιορισμούς"*

(ii) Γνωστοποίηση σημαντικών αλλαγών στα δικαιώματα ψήφου σύμφωνα με τον Ν. 3864/2010 [7.12.2015] "Η Alpha Bank A.E. (η 'Τράπεζα') ενημερώνει, κατ' εφαρμογή του Ν. 3864/2010, ότι κατόπιν σχετικής γνωστοποιήσεως της εταιρίας PAULSON & CO. INC. Στις 7.12.2015, η τελευταία κατέχει έμμεσα, από 2.12.2015, μέσω επενδυτικών κεφαλαίων τα οποία διαχειρίζεται, 100.148.001 δικαιώματα ψήφου που αντιστοιχούν σε ισάριθμες κοινές, ονομαστικές, μετά ψήφου, άυλες μετοχές, ποσοστού 7,32% επί των δικαιωμάτων ψήφου της Τραπέζης, αφαιρουμένων αυτών που ανακοίνωσε ότι κατέχει το ΤΧΣ."

(iii) Γνωστοποίηση σημαντικών αλλαγών στα δικαιώματα ψήφου σύμφωνα με τον Ν. 3864/2010 [03.06.2021]: "Η Alpha Υπηρεσιών & Συμμετοχών (η «Εταιρεία») ενημερώνει, κατ' εφαρμογή του Ν. 3864/2010, ότι η Schroders plc., κατόπιν της από 03.06.2021 σχετικής γνωστοποιήσεώς της, κατέχει έμμεσα από την 31.05.2021 δικαιώματα ψήφου τα οποία αντιστοιχούν σε ισάριθμες κοινές, ονομαστικές, μετά ψήφου, άυλες μετοχές, καθώς και άλλα χρηματοπιστωτικά μέσα τα οποία παρέχουν δικαίωμα

αποκτήσεως μετοχών που ενσωματώνουν δικαιώματα ψήφου, σε ποσοστό 5,410% επί του συνόλου των δικαιωμάτων ψήφου της Τραπέζης, αφαιρουμένων αυτών που κατέχει το ΤΧΣ."

(iv) Γνωστοποίηση σημαντικών αλλαγών στα δικαιώματα ψήφου σύμφωνα με τον Ν. 3556/2007 [03.06.2021]: "Η Alpha Υπηρεσιών & Συμμετοχών (η 'Εταιρεία') ενημερώνει, κατ' εφαρμογήν του Ν. 3556/2007, ότι κατόπιν σχετικής γνωστοποιήσεως της Schroders plc. την 03.06.2021, η τελευταία κατέχει έμμεσα από 02.06.2021, δικαιώματα ψήφου τα οποία αντιστοιχούν σε ισάριθμες κοινές, ονομαστικές, μετά ψήφου, άυλες μετοχές σε ποσοστό 5,088%, επί του συνόλου δικαιωμάτων ψήφου της Τραπέζης."

Ως αποτέλεσμα της υφιστάμενης συμμετοχής του ΤΧΣ στο μετοχικό κεφάλαιο της Alpha Holdings ανερχόμενη σε 10,9% καθώς και των δικαιωμάτων αρνησικυρίας (veto) και παροχής συναίνεσης που του παρέχονται από το Νόμο ΤΧΣ και τη Νέα Συμφωνία Πλαισίου Συνεργασίας, το ΤΧΣ δύναται να ασκεί σημαντική επιρροή επί συγκεκριμένων εταιρικών πράξεων που απαιτούν την έγκριση των μετόχων, στη λειτουργία και στη λήψη αποφάσεων από το Διοικητικό Συμβούλιο, στην επιχειρηματική της δραστηριότητα, στη στρατηγική και στις μελλοντικές προοπτικές της.

Κατωτέρω παρατίθεται η σύνθεση του Διοικητικού Συμβουλίου της Alpha Holdings, το οποίο εκλέχθηκε από την Τακτική Γενική Συνέλευση την 29 Ιουνίου 2018 και σε συνέχεια της Διάσπασης συγκροτήθηκε σε σώμα με απόφαση του Διοικητικού Συμβουλίου την 16η Απριλίου 2021, κατόπιν της παραίτησης του κ. Θεοδωρίδη από τη θέση του Μέλους του Διοικητικού Συμβουλίου στις 17 Ιουνίου, 2021:

Ονοματεπώνυμο	**Ιδιότητα**
Μη Εκτελεστικό Μέλος:	
Βασίλειος Θ. Ράπανος	Πρόεδρος
Εκτελεστικά Μέλη:	
Βασίλειος Ε. Ψάλτης	Διευθύνων Σύμβουλος
Σπύρος Ν. Φιλάρετος	Γενικός Διευθυντής- Growth and Innovation
Μη Εκτελεστικά Μέλη:	
Ευθύμιος Ο. Βιδάλης	Μέλος
Ανεξάρτητα Μη Εκτελεστικά Μέλη:	
Δημήτρης Κ. Τσιτσιράγκος	Μέλος
Jean L. Cheval	Μέλος
Carolyn G. Dittmeier	Μέλος
Richard R. Gildea	Μέλος
Elanor R. Hardwick	Μέλος
Shahzad A. Shahbaz	Μέλος
Jan A. Vanhevel	Μέλος
Μη Εκτελεστικό Μέλος – Εκπρόσωπος του ΤΧΣ (δυνάμει του Νόμου ΤΧΣ)	
Johannes Herman Frederik G. Umbgrove	Μέλος

Τα ανεξάρτητα μη εκτελεστικά μέλη του Δ.Σ., από την ημερομηνία εκλογής τους πληρούν τις προϋποθέσεις ανεξαρτησίας του άρθρου 4 του Ν.3016/2002, ως ισχύει. Αντίστοιχα θα πληρούν τα κριτήρια ανεξαρτησίας της παρ. 1 και 2 του άρθρου 9 του Ν.4706/2020, όπως θα τεθεί σε ισχύ την 17.07.2021.

Οι ετήσιες ελεγμένες ενοποιημένες χρηματοοικονομικές καταστάσεις για την χρήση που έληξε στις 31 Δεκεμβρίου 2020 καταρτίστηκαν σύμφωνα με τα Διεθνή Πρότυπα Χρηματοοικονομικής Αναφοράς όπως υιοθετήθηκαν από την ΕΕ («ΔΠΧΑ») και ελέγχθηκαν από την κα. Αλεξάνδρα Κωστάρα (Αρ.Μητρ. ΣΟΕΛ 19981) της Deloitte Ανώνυμης Εταιρείας Ορκωτών Ελεγκτών Λογιστών (Αρ.Μητρ. ΣΟΕΛ Ε120). Επιπρόσθετα, οι ενοποιημένες ενδιάμεσες συνοπτικές οικονομικές καταστάσεις για την τρίμηνη περίοδο που έληξε την 31 Μαρτίου 2021 καταρτίστηκαν σύμφωνα με τα Διεθνή Πρότυπα Χρηματοοικονομικής Αναφοράς όπως υιοθετήθηκαν από την ΕΕ («ΔΠΧΑ») και εφαρμόζοναι για την Ενδιάμεση Χρηματοοικονομική Αναφορά (Διεθνές Λογιστικό Πρότυπο «ΔΛΠ» 34) και επισκοπήθηκαν από την κα. Αλεξάνδρα Κωστάρα (Αρ.Μητρ. ΣΟΕΛ 19981) της Deloitte Ανώνυμης Εταιρείας Ορκωτών Ελεγκτών Λογιστών (Αρ.Μητρ. ΣΟΕΛ Ε120).

Ποιες είναι οι βασικές χρηματοοικονομικές πληροφορίες σχετικά με τον Εκδότη;

Οι ετήσιες ενοποιημένες χρηματοοικονομικές καταστάσεις της για την χρήση που έληξε στις 31 Δεκεμβρίου 2020 δημοσιεύθηκαν την 23 Μαρτίου 2021 και οι συνοπτικές ενοποιημένες ενδιάμεσες χρηματοοικονομικές καταστάσεις της περιόδου που έληξε την 31 Μαρτίου 2021 δημοσιεύθηκαν την 24 Μαΐου 2021.

Η Διάσπαση αποτελεί έναν επιχειρηματικό μετασχηματισμό, στον οποίο συμμετέχουν οντότητες που τελούν υπό κοινό έλεγχο σε μια συναλλαγή που συνίσταται στην ίδρυση μιας νέας εταιρίας. Η Διάσπαση εξαιρείται από το πεδίο εφαρμογής του Δ.Π.Χ.Π. 3, και καθώς τα ΔΛΠ δεν παρέχουν καθοδήγηση σχετικά με την λογιστική μεταχείριση τέτοιων συναλλαγών, η Τράπεζα υιοθέτησε μια λογιστική πολιτική, σύμφωνα με την οποία, η μεταβίβαση των απαιτήσεων και των υποχρεώσεων στη νέα Τράπεζα πραγματοποιείται στις λογιστικές αξίες των εν λόγω στοιχείων στα βιβλία της υφιστάμενης Τράπεζας την 16 Απριλίου 2021. Η αντιμετώπιση αυτή υποστηρίζεται από το γεγονός ότι η συναλλαγή αποτελεί ενδοομιλική κεφαλαιακή αναδιοργάνωση και ως εκ τούτου δεν υφίσταται κάποια ουσιώδης οικονομική μεταβολή στον Όμιλο. Η αναδιοργάνωση δεν είχε επίσης, κανένα αντίκτυπο στις ενοποιημένες χρηματοοικονομικές καταστάσεις του Ομίλου.

Στους παρακάτω πίνακες παρατίθενται οι βασικές χρηματοοικονομικές πληροφορίες, όπως έχουν κατά τη χρήση που έληξε στις 31 Δεκεμβρίου 2019 και 2020 καθώς και των τρίμηνων ενδιάμεσων περιόδων που έληξαν την 31 Μαρτίου 2020 και 2021, οι οποίες έχουν εξαχθεί ή προέρχονται από τις ετήσιες ελεγμένες ενοποιημένες χρηματοοικονομικές καταστάσεις της χρήσεως που έληξε στις 31 Δεκεμβρίου 2020 και τις συνοπτικές ενδιάμεσες ενοποιημένες χρηματοοικονομικές καταστάσεις της τρίμηνης περιόδου που έληξε την 31 Μαρτίου 2021. Οι πληροφορίες έχουν παρουσιαστεί σύμφωνα με το Παράρτημα ΙΙΙ του Κατ' Εξουσιοδότηση Κανονισμού (ΕΕ) 2019/979, όπως αρμόζει σε σχέση με τη Δημόσια Προσφορά:

Στοιχεία Ενοποιημένης Κατάστασης Αποτελεσμάτων	**2021**	**2020[(2)]**	**2020**	**2019[(1)]**
Καθαρό έσοδο από τόκους	399,6	381,2	1.541,6	1.547,3
Καθαρό έσοδο από αμοιβές και προμήθειες	84,3	89,2	335,3	340,1
Ζημιές απομείωσης και προβλέψεις για την κάλυψη του πιστωτικού κινδύνου	(396,2)	(316,5)	(1.319,5)	(990,4)
Αποτελέσματα χρηματοοικονομικών πράξεων	59,2	80,7	516,8	425,7
Καθαρά κέρδη/(ζημιές)	(282,2)	(12,6)	103,7	105,3
Καθαρά κέρδη/(ζημιές) ανά μετοχή	(0,1827)	(0,0082)	0,0672	0,0682

***Σημείωση**: Τυχόν διαφοροποιήσεις επί των συνόλων οφείλονται σε στρογγυλοποιήσεις.*

***Πηγή**: Ετήσιες Ελεγμένες Ενοποιημένες Χρηματοοικονομικές Καταστάσεις της χρήσης που έληξε την 31 Δεκεμβρίου 2020 και Συνοπτικές Ενδιάμεσες Επισκοπημένες Χρηματοοικονομικές Καταστάσεις της τρίμηνης περιόδου που έληξε την 31 Μαρτίου 2021.*

(1) *Συγκεκριμένες χρηματοοικονομικές πληροφορίες για τη χρήση που έληξε την 31 Δεκεμβρίου 2019, οι οποίες προέρχονται από τις συγκριτικές πληροφορίες των ετήσιων ελεγμένων ενοποιημένων χρηματοοικονομικών καταστάσεων της χρήσης που έληξε την 31 Δεκεμβρίου 2020, έχουν αναταξινομηθεί με σκοπό να παρουσιάζονται σε συγκρίσιμη βάση με τις χρηματοοικονομικές πληροφορίες για τη χρήση που έληξε την 31 Δεκεμβρίου 2020. Βλέπε «Restatements» κατωτέρω και Σημείωση 50 των ετήσιων ελεγμένων ενοποιημένων οικονομικών καταστάσεων της χρήσης που έληξε την 31 Δεκεμβρίου 2020.*

(2) *Συγκεκριμένες χρηματοοικονομικές πληροφορίες για την ενδιάμεση περίοδο που έληξε την 31 Μαρτίου 2020, οι οποίες προέρχονται από τις συγκριτικές πληροφορίες των ενδιάμεσων επισκοπημένων χρηματοοικονομικών καταστάσεων της τρίμηνης περιόδου που έληξε την 31 Μαρτίου 2021, έχει αναταξινομηθεί με σκοπό να παρουσιάζονται σε συγκρίσιμη βάση με τις χρηματοοικονομικές πληροφορίες για την ενδιάμεση τρίμηνη περίοδο που έληξε την 31 Μαρτίου 2021.*

Στοιχεία Ενοποιημένης Κατάστασης Χρηματοοικονομικής Θέσης	**31 Μαρτίου 2021**	**31 Δεκεμβρίου 2020**	**31 Δεκεμβρίου 2019**
Σύνολο Ενεργητικού	71.168,3	70.056,7	63.457,6
Καλυμμένες Ομολογίες	701,6	710,6	711,6
Κοινά ομολογιακά δάνεια	1,6	1,6	1,4
Τίτλοι μειωμένης εξασφάλισης	975,5	510,7	0,6
Καλυμμένες ομολογίες			375,0
Δάνεια και απαιτήσεις κατά πελατών	39.376,4	39.380,0	39.266,3
Υποχρεώσεις προς πελάτες	43.611,7	43.830,9	40.364,3
Σύνολο Καθαρής Θέσης	7.944,7	8.289,1	8.431,6
Δείκτης ΜΕΑ	42,8%	42,5%	44,8%
Δείκτης κεφαλαίου κοινών μετοχών της κατηγορίας 1 (CET1)	16,0%	17,3%	17,9%
Συνολικός δείκτης κεφαλαίου	18,3%	18,4%	17,9%
Δείκτης Μόχλευσης υπολογιζόμενος σύμφωνα με το ισχύον κανονιστικό πλαίσιο	11,2%	12,5%	13,2%

Σημείωση: Τυχόν διαφοροποιήσεις επί των συνόλων οφείλονται σε στρογγυλοποιήσεις.
Πηγή: Ετήσιες Ελεγμένες Ενοποιημένες Χρηματοοικονομικές Καταστάσεις της χρήσης που έληξε την 31 Δεκεμβρίου 2020 και Συνοπτικές Ενδιάμεσες Επισκοπημένες Χρηματοοικονομικές Καταστάσεις της τρίμηνης περιόδου που έληξε την 31 Μαρτίου 2021.

Ποιοι είναι οι βασικοί κίνδυνοι που αφορούν ειδικά τον Εκδότη;
Οι βασικοί κίνδυνοι που αφορούν ειδικά τον Εκδότη είναι οι ακόλουθοι:
Α. Κίνδυνοι που σχετίζεται με τη δραστηριότητα μας
1. Ενδέχεται να μην είμαστε σε θέση να συγκεντρώσουμε ολόκληρο το προτεινόμενο ποσό της Αύξησης Μετοχικού Κεφαλαίου μέσω της Συνδυασμένης Προσφοράς και αυτό μπορεί να έχει αρνητικό αντίκτυπο στην προγραμματισμένη πιστωτική μας επέκταση, στην επιχείρησή μας, στην οικονομική μας κατάσταση και στα αποτελέσματα των δραστηριοτήτων μας, και ακόμη και αν η Αύξηση Μετοχικού Κεφαλαίου είναι επιτυχής και είμαστε σε θέση να συγκεντρώσουμε ολόκληρο το προτεινόμενο ποσό , δεν μπορεί να υπάρξει καμία διαβεβαίωση ότι οι προγραμματισμένοι στόχοι πιστωτικής επέκτασης θα επιτευχθούν στο αναμενόμενο χρονικό πλαίσιο ή καθόλου και τα αναμενόμενα οφέλη αυτής της στρατηγικής ενδέχεται να μην επέλθουν, γεγονός το οποίο μπορεί να έχει σημαντικό αρνητικό αντίκτυπο στην επιχείρησή μας, στην οικονομική μας κατάσταση και στα αποτελέσματα των δραστηριοτήτων.
2. Ενδέχεται να μην είμαστε σε θέση να μειώσουμε τα επίπεδα των ΜΕΑ σύμφωνα με τους στόχους μας ή καθόλου, ή να διατηρήσουμε τα έσοδα από τόκους σύμφωνα με τους στόχους μας, ή καθόλου, γεγονός που μπορεί να επηρεάσει σημαντικά την οικονομική κατάσταση, την κεφαλαιακή επάρκεια ή τα αποτελέσματα των δραστηριοτήτων μας.
3. Ενδέχεται να μην είμαστε σε θέση να υλοποιήσουμε με επιτυχία τα μη οργανικά μέτρα επιχειρηματικής ανάπτυξης και δημιουργίας κεφαλαίων που προβλέπονται στο Επικαιροποιημένο Στρατηγικό Σχέδιο μας, τα οποία ενδέχεται να επηρεάσουν αρνητικά την επιχειρηματική μας δραστηριότητα, την κεφαλαιακή επάρκεια, την οικονομική κατάσταση και τα αποτελέσματα των δραστηριοτήτων μας.
4. Είμαστε εκτεθειμένοι στις οικονομικές επιδόσεις και την πιστοληπτική ικανότητα εταιρειών και ιδιωτών στην Ελλάδα.
5. Η επιδείνωση των αποτιμήσεων των περιουσιακών στοιχείων που προκύπτουν από τις κακές συνθήκες της αγοράς, ιδίως σε σχέση με τις εξελίξεις στις αγορές ακινήτων, ενδέχεται να επηρεάσει αρνητικά τα μελλοντικά κέρδη, την κεφαλαιακή επάρκεια, την οικονομική κατάσταση και τα αποτελέσματα των δραστηριοτήτων μας.
6. Ενδέχεται να μην είμαστε σε θέση να εφαρμόσουμε τις στρατηγικές μείωσης του κόστους ή το σχέδιο μετασχηματισμού και, ως εκ τούτου, να μην μειώσουμε τις λειτουργικές μας δαπάνες, οι οποίες ενδέχεται να έχουν σημαντικές αρνητικές επιπτώσεις στην επιχειρηματική, οικονομική θέση και τα αποτελέσματα των δραστηριοτήτων μας.
Β. Κίνδυνοι που σχετίζονται με τις μακροοικονομικές και χρηματοπιστωτικές εξελίξεις στην Ελληνική Δημοκρατία
1. Η αβεβαιότητα που προέκυψε από τη χρηματοπιστωτική και οικονομική κρίση της Ελληνικής Δημοκρατίας είχε και είναι πιθανό να συνεχίσει να έχει σημαντικές αρνητικές επιπτώσεις στις επιχειρηματικές δραστηριότητες, την οικονομική κατάσταση, τα αποτελέσματα των εργασιών και των προοπτικών του Ομίλου.
2. Η πανδημία COVID-19 έχει επηρεάσει και αναμένεται να επηρεάσει περαιτέρω αρνητικά τις επιχειρηματικές δραστηριότητες του Ομίλου, τους πελάτες του, τους συμβατικούς αντισυμβαλλομένους και τους υπαλλήλους του.
Γ. Κίνδυνοι που σχετίζονται με τη χρηματοδότηση
1. Ο Όμιλος διαθέτει περιορισμένες πηγές ρευστότητας, οι οποίες δεν είναι εγγυημένες και το κόστος των οποίων μπορεί να αυξηθεί σημαντικά
2. Η επιτάχυνση της εκροής κεφαλαίων από καταθέσεις πελατών θα μπορούσε να προκαλέσει αύξηση του κόστους χρηματοδότησης της Τράπεζας και να έχει σημαντικές αρνητικές επιπτώσεις στις επιχειρηματικές δραστηριότητες, την οικονομική κατάσταση, τα αποτελέσματα των εργασιών και τις προοπτικές της Τράπεζας.
Δ. Κίνδυνοι που σχετίζονται με τη νομοθεσία
1. Ο Όμιλος υπόκειται σε εκτεταμένη και σύνθετη νομοθεσία, η οποία αποτελεί αντικείμενο συνεχών αλλαγών και μεταρρυθμίσεων σε κάθε δικαιοδοσία στην οποία δραστηριοποιείται, επιφέροντας σημαντικό βάρος συμμόρφωσης στον Όμιλο και αυξάνοντας τον κίνδυνο μη συμμόρφωσης.
Ε. Κίνδυνοι που σχετίζονται με πιστωτικούς και άλλους χρηματοοικονομικούς κινδύνους
1. Το κόστος δανεισμού και η πρόσβαση σε ρευστότητα και κεφάλαια ενδέχεται να επηρεαστούν αρνητικά από τυχόν μελλοντικές υποβαθμίσεις της πιστοληπτικής ικανότητας της Ελληνικής Δημοκρατίας
2. Η επιδείνωση των αποτιμήσεων των περιουσιακών στοιχείων που προκύπτουν από τις δυσμενείς συνθήκες της αγοράς ενδέχεται να επηρεάσει αρνητικά τις επιχειρηματικές δραστηριότητες, την οικονομική κατάσταση, τα αποτελέσματα των εργασιών και τις προοπτικές του Ομίλου

Βασικές πληροφορίες για τις κινητές αξίες

Ποια είναι τα κύρια χαρακτηριστικά των κινητών αξιών;

Οι Νέες Μετοχές είναι κοινές, ονομαστικές μετοχές μετά ψήφου, ονομαστικής αξίας €0,30 η κάθε μία. Οι Κοινές Μετοχές είναι άυλες, εισηγμένες στο Χ.Α., διαπραγματεύονται σε Ευρώ στην Κύρια Αγορά της Ρυθμιζόμενης Αγοράς Αξιογράφων του Χρηματιστηρίου Αθηνών με κωδικό ISIN (International Security Identification Number/Διεθνής Αριθμός Αναγνώρισης Τίτλων) GRS015003007. Κάθε Κοινή Μετοχή, συμπεριλαμβανομένων των Νέων Μετοχών, ενσωματώνει όλα τα δικαιώματα και τις υποχρεώσεις που καθορίζονται από τον Ν.4548/2018 και το Καταστατικό της Alpha Holdings, το οποίο δεν περιέχει αυστηρότερες διατάξεις από αυτές που προβλέπει ο Ν.4548/2018. Η Alpha Holdings είναι χρηματοδοτική εταιρεία συμμετοχών και μητρική εταιρεία της Alpha Τράπεζας. Συνεπώς, οι Κοινές Μετοχές υπόκεινται στην εξουσία απομείωσης ή διαγραφής δυνάμει απόφασης της αρμόδιας αρχής εξυγίανσης σύμφωνα με τον Ελληνικό BRRD Νόμο, ακόμα και πριν την επέλευση αφερεγγυότητας της Alpha Holdings και τη λήψη οποιουδήποτε μέτρου εξυγίανσής της. Σε περίπτωση λήψης τέτοιας απόφασης, οι Κοινές Μετοχές υπόκεινται σε απομείωση ή διαγραφή πριν από οποιαδήποτε άλλη κατηγορία κεφαλαιακών μέσων της Alpha Holdings. Δεν υφίστανται περιορισμοί στην ελεύθερη μεταβίβαση των Κοινών Μετοχών. Πέραν των γενικά εφαρμοστέων περιορισμών στη διανομή μερισμάτων βάσει του Ν.4548/2018 και το Ν.4261/2014 όπως τροποποιήθηκε από το Ν.4701/2020 και το Ν.4799/2021, σύμφωνα με το Νόμο ΤΧΣ και τη Συμφωνία Πλαισίου Συνεργασίας, ο εκπρόσωπος του ΤΧΣ που έχει οριστεί στο Διοικητικό Συμβούλιο τηςAlpha Holdings και της Τράπεζας, έχει δικαίωμα αρνησικυρίας (veto) σε κάθε τέτοια απόφαση του Διοικητικού Συμβουλίου που σχετίζεται, μεταξύ άλλων, με την διανομή μερισμάτων. Επιπρόσθετα, επειδή η Alpha Holdings (τότε Alpha Τράπεζα Α.Ε.) έλαβε υποστήριξη για ανακεφαλαιοποίηση από το ΤΧΣ σύμφωνα με το Νόμο ΤΧΣ το 2013, ούτε η Alpha Holdings ούτε η Τράπεζα μπορούν να διανείμουν μεγαλύτερο από το Ελάχιστο Μέρισμα για όσο διάστημα το ΤΧΣ είναι μέτοχος της Alpha Holdings.

Πού πραγματοποιείται η διαπραγμάτευση των κινητών αξιών;

Η Alpha Holdings θα αιτηθεί την εισαγωγή προς διαπραγμάτευση των Νέων Μετοχών στην Κύρια Αγορά της Ρυθμιζόμενης Αγοράς Αξιογράφων του Χ.Α.

Ποιοι είναι οι βασικοί κίνδυνοι που αφορούν ειδικά τις κινητές αξίες;

Οι βασικοί κίνδυνοι που αφορούν ειδικά τις Νέες Μετοχές είναι οι ακόλουθοι:

1. Ενδέχεται να μην είμαστε σε θέση να πληρώσουμε μερίσματα στους μετόχους μας.

2. Οι Νέες Μετοχές υπόκεινται στο γενικό εργαλείο διάσωσης με ίδια μέσα και στην εξουσία απορρόφηση ζημιών στο σημείο μη βιωσιμότητας σύμφωνα με τον Ελληνικό BRRD Νόμο, καθώς και σε μέτρα επιμερισμού βαρών για την παροχή προληπτικής κεφαλαιακής στήριξης σύμφωνα με τον Νόμο ΤΧΣ για την παροχή έκτακτης δημόσιας χρηματοοικονομικής στήριξης σύμφωνα με το Άρθρο 32, παράγραφος 3 περίπτωση (δ) (γγ) του Ελληνικού BRRD Νόμου, τα οποία ενδέχεται να οδηγήσουν σε πλήρη απομείωση ή ακύρωσή τους.

Βασικές πληροφορίες για τη Δημόσια Προσφορά των κινητών αξιών και την εισαγωγή προς διαπραγμάτευση σε ρυθμιζόμενη αγορά

Υπό ποιες προϋποθέσεις και με ποιο χρονοδιάγραμμα μπορώ να επενδύσω στην εν λόγω κινητή αξία;

Η Έκτακτη Γενική Συνέλευση της 15 Ιουνίου 2021 αποφάσισε, τα ακόλουθα:

1. Ενέκρινε την αύξηση του κοινού μετοχικού κεφαλαίου (η «*Αύξηση Μετοχικού Κεφαλαίου*») ύψους έως €0,8 δισ., μέσω καταβολής σε μετρητά, κατάργησης των δικαιωμάτων προαίρεσης και έκδοσης νέων κοινών, ονομαστικών, με δικαίωμα ψήφου, άυλων μετοχών, ονομαστικής αξίας €0,30 (οι "Νέες Μετοχές"). Ο τελικός αριθμός των Νέων Μετοχών θα ισούται με το ύψος του τελικού ποσού που θα αντληθεί μέσω της Αύξησης Μετοχικού Κεφαλαίου, διαιρούμενο με την τιμή προσφοράς κάθε Νέας Μετοχής. Δεν εκδίδονται κλάσματα Νέων Μετοχών. Οποιοδήποτε ποσό πάνω από την ονομαστική αξία ανά Νέα Μετοχή προς εγγραφή θα πιστωθεί στο αποθεματικό της Εταιρείας για έκδοση μετοχών υπέρ το άρτιο.
2. Το Διοικητικό Συμβούλιο εξουσιοδοτήθηκε, σύμφωνα με τις διατάξεις του άρθρου 25, παρ.2 του Ν. 4548/2018, να καθορίσει την τιμή προσφοράς των Νέων Μετοχών (η «*Τιμή Προσφοράς*») η οποία δεν μπορεί να είναι μικρότερη από την ονομαστική αξία των €0,30, με βάση τα αποτελέσματα της διαδικασίας του βιβλίου προσφορών που θα διεξαχθεί από ομάδα διεθνών επενδυτικών τραπεζών.
3. Η περίοδος εγγραφής για την Αύξηση Μετοχικού Κεφαλαίου θα είναι έως τέσσερις (4) μήνες από την απόφαση του Διοικητικού Συμβουλίου, η οποία θα καθορίζει την Τιμή Προσφοράς.
4. Ότι οι Νέες Μετοχές:
    a) Θα προσφερθούν στην Ελλάδα, σε ιδιώτες και θεσμικούς επενδυτές στο πλαίσιο προσφοράς στο επενδυτικό κοινό (η "Δημόσια Προσφορά") κατά την έννοια του άρθρου 2 στοιχείο δ) του κανονισμού (ΕΕ) 2017/1129 του Ευρωπαϊκού Κοινοβουλίου σχετικά με το ενημερωτικό δελτίο που πρόκειται να δημοσιευθεί όταν οι κινητές αξίες προσφέρονται στο κοινό ή εισάγονται προς διαπραγμάτευση σε ρυθμιζόμενη αγορά (ο "***Κανονισμός Ενημερωτικού Δελτίου***"), τις ισχύουσες διατάξεις του Ν. 4706/2020 και τις εκτελεστικές αποφάσεις του Διοικητικού Συμβουλίου της Επιτροπής Κεφαλαιαγοράς ("ΕΚ") και
    b) Θα προσφερθούν εκτός Ελλάδος, σε ειδικευμένους, θεσμικούς και άλλους επιλέξιμους επενδυτές, στο πλαίσιο διαδικασίας βιβλίου προσφορών για ιδιωτική τοποθέτηση, βάση μίας ή περισσότερων εξαιρέσεων από την υποχρέωση δημοσίευσης ενημερωτικού δελτίου βάσει του κανονισμού για το ενημερωτικό δελτίο ή/και άλλων εφαρμοστέων εθνικών νομοθεσιών, συμπεριλαμβανομένων των Ηνωμένων Πολιτειών σύμφωνα με το άρθρο 144A (η "Ιδιωτική Τοποθέτηση" και συνδυαστικά με τη Δημόσια Προσφορά (η "**Συνδυαστική Προσφορά**").
5. Ότι η Δημόσια Προσφορά και η Ιδιωτική Τοποθέτηση θα διενεργηθούν ταυτόχρονα. Το Διοικητικό Συμβούλιο εξουσιοδοτείται να καθορίσει το ποσό της Αύξησης Μετοχικού Κεφαλαίου που θα προσφερθεί μέσω της Δημόσιας Προσφοράς και μέσω της Θεσμικής Τοποθέτησης.
6. Οι υφιστάμενοι μέτοχοι που θα συμμετάσχουν στην Ιδιωτική Τοποθέτηση ή στη Δημόσια Προσφορά θα λάβουν προνομιακή κατανομή (η "Προνομιακή Κατανομή"), η οποία θα αποφασιστεί από το Διοικητικό Συμβούλιο λαμβανομένων υπόψη των συνθηκών της αγοράς, υπό την προϋπόθεση ότι τηρούνται τα ακόλουθα κριτήρια:
    a. Οι υφιστάμενοι μέτοχοι που συμμετέχουν στη Δημόσια Προσφορά θα λάβουν Προνομιακή Κατανομή των Νέων Μετοχών. Η Προνομιακή Κατανομή στη Δημόσια Προσφορά θα είναι κατ'ελάχιστον ίση με το υφιστάμενο ποσοστό συμμετοχής τους στο μετοχικό κεφάλαιο της Εταιρείας (βάσει του ηλεκτρονικού καταλόγου του ATHEXCSD), με ημερομηνία καταγραφής που θα αποφασιστεί από το Διοικητικό Συμβούλιο, δεδομένου ότι το ποσοστό συμμετοχής θα αυξηθεί και θα προσαρμοστεί ώστε να ληφθεί υπόψη το συνολικό ποσό των Νέων Μετοχών που προσφέρονται στην Αύξηση Μετοχικού Κεφαλαίου, έτσι ώστε τουλάχιστον η ίδια ποσοστιαία συμμετοχή στο μετοχικό κεφάλαιο να διατηρηθεί μετά την Αύξηση Μετοχικού Κεφαλαίου,
    b. Οι υφιστάμενοι μέτοχοι που θα συμμετάσχουν στη Δημόσια Προσφορά δε θα λάβουν Προνομιακή Κατανομή στην Ιδιωτική Τοποθέτηση και αντίστροφα.
    c. Η ίδια Προνομιακή Κατανομή θα δοθεί επί των Νέων Μετοχών, οι οποίες θα τοποθετηθούν μέσω της Ιδιωτικής Τοποθέτησης, σε υφιστάμενους μετόχους που είναι εξειδικευμένοι ή/και θεσμικοί ή/και σε άλλους επιλέξιμους επενδυτές (συμπεριλαμβανομένου του ΤΧΣ), που θα συμμετάσχουν στην Ιδιωτική Τοποθέτηση και
    d. Οι Νέες Μετοχές που δεν έχουν εγγραφεί στη Δημόσια Προσφορά ή στην Ιδιωτική Τοποθέτηση, θα κατανεμηθούν κατά την κρίση του Διοικητικού Συμβουλίου, λαμβάνοντας υπόψη την άποψη των Γενικών Συντονιστών αναφορικά με μακροπρόθεσμους επενδυτές που αγοράζουν μετοχές και τις κρατάνε σε βάθος χρόνου ("buy and hold" investors).
7. Το καθαρό ποσό της Αύξησης Μετοχικού Κεφαλαίου (δηλ. Το συνολικό ποσό της Αύξησης Μετοχικού Κεφαλαίου μειωμένου κατά των δαπανών έκδοσης) θα χρησιμοποιηθεί για την ενίσχυση των κεφαλαιακών δεικτών της Εταιρείας και του ομίλου εταιρειών της, στο πλαίσιο της εκτέλεσης της εξαγγελθείσας στρατηγικής της.

Με την εξουσία που του ανατέθηκε σύμφωνα με το ψήφισμα της Γενικής Συνέλευσης της 15ης Ιουνίου 2021, το Διοικητικό Συμβούλιο ενέκρινε, μεταξύ άλλων, τα ακόλουθα κατά τη συνεδρίασή του που πραγματοποιήθηκε στις 24 Ιουνίου 2021:

1. Η Τιμή Προσφοράς θα καθοριστεί από το Διοικητικό Συμβούλιο με βάση το αποτέλεσμα μιας διεθνούς διαδικασίας βιβλίου προσφορών, την οποία θα διευθύνουν οι Γενικοί Συντονιστές και θα είναι η ίδια για το σύνολο της Συνδυασμένης Προσφοράς, με την επιφύλαξη ωστόσο της μέγιστης τιμής των €1,2 (η "Μέγιστη Τιμή"), όπως αυτή θα προσδιορισθεί από τις συναντήσεις με επενδυτές που θα οργανωθούν από τους Γενικούς Συντονιστές.
2. Η ημερομηνία καταγραφής για τη Συνδυασμένη Προσφορά ορίζεται η 28 Ιουνίου, 2021 (η "Ημερομηνία Καταγραφής").
3. Η περίοδος για τη Δημόσια Προσφορά έχει ορισθεί σε τρεις (3) εργάσιμες ημέρες, με εκκίνηση την 28 Ιουνίου, 2021 και λήξη την 30 Ιουνίου, 2021 και θα διενεργηθεί ταυτόχρονα με την Ιδιωτική Τοποθέτηση. Καμία αίτηση εγγραφής στη Δημόσια Προσφορά δε θα γίνει δεκτή μετά τις 16:00 μ.μ., τοπική ώρα, την τελευταία ημέρα της Δημόσιας Προσφοράς.
4. Τη διαδικασία εγγραφής για τις Νέες Μετοχές στη Δημόσια Προσφορά.
5. Τους όρους της κατανομής των Νέων Μετοχών για τις οποίες εγγράφηκαν Ιδιώτες και Θεσμικοί επενδυτές.

Η Δημόσια Προσφορά στην Ελλάδα απευθύνεται τόσο σε Ιδιώτες Επενδυτές όσο και σε Ειδικούς Επενδυτές. Δεν επιτρέπεται η συμμετοχή στη Δημόσια Προσφορά από το ίδιο φυσικό ή νομικό πρόσωπο ή άλλη οντότητα ταυτόχρονα με την ιδιότητα του Ιδιώτη Επενδυτή και του Ειδικού Επενδυτή, εξαιρουμένων των εγγραφών μέσω Συμμετεχόντων Σ.Α.Τ. που εγγράφονται για τον ίδιο συλλογικό Λογαριασμό Αξιογράφων (omnibus account) και στις δύο κατηγορίες επενδυτών. Οι επενδυτές στην Δημόσια Προσφορά θα εγγράφονται για τις Νέες Μετοχές στην Ανώτατη Τιμή. Κάθε επενδυτής, συμπεριλαμβανομένων των υφιστάμενων μετόχων, μπορεί να εγγράφεται για μία τουλάχιστον Νέα Μετοχή και για ακέραια πολλαπλάσια αυτής, έως του ποσού της Αύξησης Μετοχικού Κεφαλαίου, ήτοι €0,8 δισ. Εάν υφιστάμενος μέτοχος υποβάλει αίτηση εγγραφής για Νέες Μετοχές πέραν του ποσοστού συμμετοχής του εν λόγω μετόχου στο μετοχικό κεφάλαιο της Εταιρείας κατά την Ημερομηνία Καταγραφής (υπερκάλυψη), τότε η Προνομιακή Κατανομή θα δοθεί στον εν λόγω μέτοχο μέχρι την *κατ' αναλογία* συμμετοχή του εν λόγω μετόχου στο μετοχικό κεφάλαιο και όχι για το υπερβάλλον Επενδυτές μπορούν να εγγράφονται για Νέες Μετοχές στη Δημόσια Προσφορά από την πρώτη μέχρι και τις 16:00 ώρα Ελλάδος της τελευταίας ημέρας της περιόδου της Δημόσιας Προσφοράς ως εξής:

(α) Οι Ιδιώτες Επενδυτές μπορούν να εγγράφονται για Νέες Μετοχές στη Δημόσια Προσφορά από την πρώτη μέχρι και τις 16:00 ώρα Ελλάδος της τελευταίας ημέρας της περιόδου της Δημόσιας Προσφοράς, υποβάλλοντας σχετική αίτηση εγγραφής κατά τις εργάσιμες μέρες και ώρες μέσω των καταστημάτων της Alpha Bank A.E. καθώς και μέσω των Συμμετεχόντων Σ.Α.Τ. (επιχειρήσεις επενδύσεων ή θεματοφυλακή τράπεζας) με τους οποίους συνεργάζονται και να καταθέσουν ποσό ίσο με την συνολική εγγραφή τους στο Λογαριασμό ΑΜΚ ή να δεσμεύσουν το ισόποσο της αιτούμενης συμμετοχής τους σε πάσης φύσεως λογαριασμούς καταθέσεων που τηρούνται στην Alpha Τράπεζα, και στους οποίους εμφανίζονται ως δικαιούχοι ή συνδικαιούχοι.

(β) Οι Ειδικοί Επενδυτές μπορούν να εγγράφονται για Νέες Μετοχές στη Δημόσια Προσφορά από την πρώτη μέχρι και τις 16:00 ώρα Ελλάδος της τελευταίας ημέρας της περιόδου της Δημόσιας Προσφοράς, υποβάλλοντας σχετική αίτηση εγγραφής αποκλειστικά μέσω των Συμμετεχόντων Σ.Α.Τ. (επιχειρήσεις επενδύσεων ή θεματοφυλακή τράπεζας) με τους οποίους συνεργάζονται. Κατά την διάρκεια της Δημόσιας Προσφοράς, οι Ειδικοί Επενδυτές θα μπορούν να τροποποιούν τις εγγραφές τους και κάθε νέα εγγραφή θα ακυρώνει τις προηγούμενες.

Ο ακριβής αριθμός των Νέων Μετοχών που θα κατανεμηθεί σε Ιδιώτες Επενδυτές και σε Ειδικούς Επενδυτές θα καθοριστεί στο τέλος της Δημόσιας Προσφοράς, λαμβάνοντας υπόψη τη ζήτηση για Νέες Μετοχές που θα έχουν εκδηλώσει αυτοί οι επενδυτές. Οι Νέες Μετοχές θα διατεθούν αρχικά μεταξύ της Δημόσιας Προσφορά και της Ιδιωτικής Τοποθέτησης ως εξής, 20% των Νέων Μετοχών θα διατεθούν στη Δημόσια Προσφορά και 80% των Νέων Μετοχών θα διατεθούν στην Ιδιωτική Τοποθέτηση. Νέες Μετοχές που κατανέμονται αλλά δεν έχουν εγγραφεί στη Δημόσια Προσφορά, μπορούν να ανακατανέμονται σε επενδυτές στη Ιδιωτική Τοποθέτηση, εάν η ζήτηση για Νέες Μετοχές στη Δημόσια Προσφορά είναι μικρότερη από το ποσό των Νέων Μετοχών που είχαν αρχικά διατεθεί σε αυτές, και αντιστρόφως. Το ίδιο ισχύει και για τις ανακατανομές για τη διατήρηση του κανόνα της Προνομιακής Κατανομής τόσο στη Δημόσια Προσφορά όσο και στην Ιδιωτική Τοποθέτηση. Η Προνομιακή Κατανομή δίνεται με βάση τη μετοχική δομή κατά την Ημερομηνία Καταγραφής, στους υφιστάμενους μετόχους που συμμετέχουν είτε στη Δημόσια Προσφορά είτε στην Ιδιωτική Τοποθέτηση. Σε ενδεχόμενη μερική κάλυψη της Δημόσιας Προσφοράς, θα κατανεμηθεί στους Ιδιώτες Επενδυτές και στους Ειδικούς Επενδυτές το 100% των Νέων Μετοχών για τις οποίες θα έχουν εγγραφεί.

Τυχόν Νέες Μετοχές για τις οποίες δεν υπήρξαν εγγραφές από υφιστάμενους μετόχους σύμφωνα με την Προνομιακή Κατανομή θα κατανεμηθούν κατά τη διακριτική ευχέρεια του Διοικητικού Συμβουλίου, μετά το πέρας της Συνδυαστικής Προσφοράς, λαμβάνοντας υπόψιν την άποψη των Γενικών Συντονιστών σε σχέση με τα επίπεδα τιμών, τη ζήτηση από μακροπρόθεσμους («buy and hold») επενδυτές και τη συναλλακτική δραστηριότητα μετά την Ημερομηνία Καταγραφής.

Σύμφωνα με την από 23 Μαΐου 2021 επιστολή του προς τον Εκδότη, το ΤΧΣ γνωστοποίησε την πρόθεσή του να συμμετάσχει στην Αύξηση Μετοχικού Κεφαλαίου μέχρι του ποσοστού της υφιστάμενης συμμετοχής του, ήτοι 10,9%, σύμφωνα με το Νόμο ΤΧΣ. Επιπρόσθετα, η Paulson & Co Inc. (ενεργούσα για λογαριασμό επενδυτικών κεφαλαίων υπό τη διαχείρισή της) δήλωσε με την από 15 Ιουνίου 2021 επιστολή προς το Διοικητικό Συμβούλιο του Εκδότη την πρόθεσή της να συμμετάσχει στην Αύξηση Μετοχικού Κεφαλαίου κατά το ποσοστό 5.6% της προσφοράς που της αναλογεί (pro rata), σύμφωνα με τον μηχανισμό της κατά προτεραιότητας κατανομής.

Το ενδεικτικό αναμενόμενο χρονοδιάγραμμα για την Αύξηση Μετοχικού Κεφαλαίου και την εισαγωγή των Νέων Μετοχών προς διαπραγμάτευση στο Χ.Α. παρατίθεται ως ακολούθως:

Ημερομηνία	**Γεγονός**
25 Ιουνίου 2021	Έγκριση του Ενημερωτικού Δελτίου από το Δ.Σ. της Επιτροπής Κεφαλαιαγοράς.
25 Ιουνίου 2021	Δημοσίευση του εγκεκριμένου Ενημερωτικού Δελτίου στην ιστοσελίδα της Alpha Holdings, του Κυρίου Αναδόχου, της Επιτροπής Κεφαλαιαγοράς και του Χ.Α.
25 Ιουνίου 2021	Δημοσίευση ανακοίνωσης για τη διάθεση του Ενημερωτικού Δελτίου στο ΗΔΤ και στην ιστοσελίδα του Εκδότη.
25 Ιουνίου 2021	Δημοσίευση της ανακοίνωσης για την πρόσκληση προς το επενδυτικό κοινό και την έναρξη της Δημόσιας Προσφοράς.
28 Ιουνίου 2021	Έναρξη της Δημόσιας Προσφοράς.
30 Ιουνίου 2021	Λήξη της Δημόσιας Προσφοράς.
01 Ιουλίου 2021	Δημοσίευση της ανακοίνωσης σχετικά με την τελική τιμή διάθεσης των Νέων Μετοχών στο ΗΔΤ του Χ.Α. και στην ιστοσελίδα του Εκδότη.
6 Ιουλίου 2021	Δημοσίευση της αναλυτικής ανακοίνωσης σχετικά με την έκβαση της Δημόσιας Προσφοράς στο ΗΔΤ του Χ.Α. και στην ιστοσελίδα του Εκδότη.
9 Ιουλίου 2021	Έγκριση από την αρμόδια επιτροπή του Χ.Α. της εισαγωγής προς διαπραγμάτευση των Νέων Μετοχών.*
9 Ιουλίου 2021	Ανακοίνωση για την ημερομηνία έναρξης διαπραγμάτευσης των Νέων Μετοχών στο Η.Δ.Τ του Χ.Α. και στην ιστοσελίδα του Εκδότη
13 Ιουλίου 2021	Έναρξη διαπραγμάτευσης των Νέων Μετοχών.

Οι επενδυτές πρέπει να λάβουν υπόψη ότι το παραπάνω χρονοδιάγραμμα είναι ενδεικτικό και εξαρτάται από πολλούς αστάθμητους παράγοντες ενώ ενδέχεται να μεταβληθεί, στην οποία περίπτωση η Alpha Holdings θα ενημερώσει δεόντως και εγκαίρως του επενδυτές με δημόσια ανακοίνωση.

** Τελεί υπό την αίρεση της συνεδρίασης της αρμόδιας επιτροπής του Χ.Α. την ανωτέρω ημερομηνία.*

Στον πίνακα που ακολουθεί παρουσιάζεται η μετοχική σύνθεση της Alpha Holdings μετά την Αύξηση Μετοχικού Κεφαλαίου, λαμβάνοντας υπόψη (α) τη δήλωση του ΤΧΣ και της Paulson & Co. Inc. και (β) την Ανώτατη Τιμή:

Μέτοχοι	**Αριθμός μετοχών**	**% ποσοστό**
ΤΧΣ [(1), (3)]	242.126.403	10,9%
Paulson & Co. Inc. [(2), (3)]	124.141.684	5,6%
Schroders Plc [(2)]	80.814.063	3,7%
Λοιποί μέτοχοι μετά την Αύξηση Μετοχικού Κεφαλαίου [(4)]	556.310.771	25,1%
Μέτοχοι πριν την Αύξηση Μετοχικού Κεφαλαίου < 5%	1.209.254.842	54,7%
Σύνολο	**2.212.647.763**	**100,0%**

[(1)] *Αναφέρεται στο μετοχολόγιο*

[(2)] *Αριθμός μετοχών όπως έχει κοινοποιηθεί στον Εκδότη από τον μέτοχο*

[(3)] *Υποθέτοντας συμμετοχή του ΤΧΣ κατά 10,9% και τη συμμετοχή της Paulson & Co. Inc.κατά 5,6% στη Συνδυασμένη Προφορά, δηλ., μέχρι το ύψος της υφιστάμενης συμμετοχής τους*

[(4)] *Αναφέρεται σε επενδυτές που θα συμμετάσχουν στη Συνδυασμένη Προσφορά (συμπεριλαμβανομένων των Κατά Προτεραιότητα Επενδυτών και εξαιρώντας το ΤΧΣ και την Paulson & Co. Inc).*

Σημειώνεται ότι το παραπάνω σενάριο είναι υποθετικό και βασίζεται σε παραδοχές που ενδεχομένως να μην επαληθευτούν. Δεν χρεώνονται έξοδα για τη συμμετοχή των επενδυτών στη Δημόσια Προσφορά από την Alpha Holdings.***Γιατί καταρτίζεται το παρόν Ενημερωτικό Δελτίο;***
Το παρόν Ενημερωτικό Δελτίο καταρτίζεται για (α) τη Δημόσια Προσφορά των Νέων Μετοχών στην Ελλάδα, και (β) τη διαπραγμάτευση των Νέων Μετοχών στην Κύρια Αγορά της Ρυθμιζόμενης Αγοράς Αξιογράφων του Χ.Α.

Λόγοι της Αύξησης Μετοχικού Κεφαλαίου και χρήση των εσόδων

Η Alpha Holdings σχεδιάζει να αντλήσει κεφάλαια έως και €800 εκατομμύρια προκειμένου να είναι σε θέση να αποκομίσει πλήρως τα οφέλη που αναμένει από τη αναπτυξιακή δυναμική του Ταμείου Ανάκαμψης και Ανθεκτικότητας (RRF). Η εξαρχής εξασφάλιση του κεφαλαίου ανάπτυξης που αναμένουμε να αναπτύξουμε τα επόμενα έτη, θα μας επιτρέψει να επιτύχουμε τους στόχους κερδοφορίας μας νωρίτερα, θα μας παρέχει την ευελιξία που απαιτείται για τη δέσμευση χρηματοδότησης έργων υψηλής αξίας, όπως κρίνεται σκόπιμο, θα μας επιτρέψει να είμαστε επιλεκτικοί όσον αφορά το προφίλ κερδοφορίας τέτοιων έργων και ταυτόχρονα να ανταποκρινόμαστε στις κεφαλαιακές μας απαιτήσεις καθ'όλη τη διάρκεια του επιχειρηματικού μας σχεδίου. Είναι σημαντικό ότι αυτό θα μας παράσχει επίσης σημαντική ευελιξία για τη βελτιστοποίηση της κεφαλαιακής μας δομής και την εφαρμογή της μερισματικής μας στρατηγικής.

Τα καθαρά έσοδα, εκτιμώμενα σε €757,5 εκατ. που θα αντληθούν από την Alpha Holdings από την Αύξηση Μετοχικού Κεφαλαίου θα διατεθούν στην Τράπεζα μέσω αύξησης του μετοχικού κεφαλαίου της η οποία θα καλυφθεί πλήρως από την Alpha Holdings και η οποία θα πραγματοποιηθεί εντός τριών (3) μηνών από την άντληση των κεφαλαίων. Το καθαρό ποσό της Αύξησης Μετοχικού Κεφαλαίου (δηλ. το συνολικό ποσό της Αύξησης Μετοχικού Κεφαλαίου μείον τα έξοδα έκδοσης) θα χρησιμοποιηθεί με σκοπό την περαιτέρω ενίσχυση των δεικτών κεφαλαιακής επάρκειας του Εκδότη και του ομίλου εταιρειών της, στο πλαίσιο της εκτέλεσης της εξαγγελθείσας αναπτυξιακής στρατηγικής της.

Η Δημόσια Προσφορά υπόκειται σε συμφωνία αναδοχής χωρίς δέσμευση ανάληψης.

Επικαιροποιημένο Στρατηγικό Σχέδιο της Alpha Τράπεζας (Project Tomorrow)

Τον Μάϊο 2021, ανακοινώσαμε το Επικαιροποιημένο Στρατηγικό Σχέδιό μας, το Project Tomorrow, το οποίο περιλαμβάνει μια σειρά στρατηγικών πρωτοβουλιών που αποσκοπούν στην μελλοντική απόδοση. Η τρέχουσα στρατηγική μας προτεραιότητα είναι να αξιοποιήσουμε την ευκαιρία να συμμετάσχουμε στην αναμενόμενη πιστωτική ανάπτυξη για τον ελληνικό τραπεζικό τομέα, που αναμένουμε ότι θα καθοδηγείται από τον Μηχανισμό Ανάκαμψης και Ανθεκτικότητας της ΕΕ («RRF») και τις επενδύσεις που θα κινητοποιήσουν αυτά τα κεφάλαια. Η επίτευξη ικανού μεριδίου αγοράς αυτής της ανάπτυξης θα επιτρέψει στην Alpha Τράπεζα να επιτύχει υψηλότερα επίπεδα κερδοφορίας νωρίτερα, ενώ η στοχευμένη μείωση των ΜΕΑ στο πλαίσιο του Επικαιροποιημένου Στρατηγικού Σχεδίου μας και του σχεδίου μετασχηματισμού μας θα επιτρέψει την επίτευξη χαμηλού επιπέδου ΜΕΑ, ένα ομαλοποιημένο κόστος κινδύνου και μια λιτή βάση κόστους που πιστεύουμε ότι θα στηρίξει την επίτευξη 10% RoTBV έως το 2024. Το Στρατηγικό Σχέδιο μας βασίζεται στις ακόλουθες βασικές πρωτοβουλίες:

- **Η αύξηση των εσόδων που οδηγείται από την** πρωτοβουλία για την αύξηση των περιουσιακών στοιχείων βασίζεται στη φιλοδοξία της Τράπεζας να στηρίξει την αναμενόμενη ανάκαμψη της ελληνικής οικονομίας, με γνώμονα και το RRF της ΕΕ, και να αξιοποιήσει πλήρως το δυναμικό της αναμενόμενης πιστωτικής ανάπτυξης που απορρέει από την ανάκαμψη αυτή, ενισχύοντας τόσο τα καθαρά έσοδα από τόκους από την εξυπηρέτηση δανείων όσο και τα έσοδα από προμήθειες για την Τράπεζα. Η πιστωτική επέκταση θα χρηματοδοτηθεί εν μέρει από την Αύξηση Μετοχικού Κεφαλαίου, με τα νέα κεφάλαια να στηρίζουν εξαρχής το κεφάλαιο ανάπτυξης που αναμένουμε να αναπτύξουμε μέχρι το τέλος του 2024,
- **Η πρωτοβουλία εκκαθάρισης ΜΕΑ** περιλαμβάνει το Galaxy, το οποίο ολοκληρώθηκε την 18 Ιουνίου 2021 και μια σειρά άλλων συναλλαγών, συμπεριλαμβανομένης μιας συνολικής ακαθάριστης λογιστικής αξίας €8,1 δισεκατομμυρίων ΜΕΑ με αναμενόμενη κεφαλαιακή επίπτωση περίπου 1,9% στο συνολικό ρυθμιστικό μας κεφάλαιο, ενώ μέρος των συναλλαγών ΜΕΑ αναφέρονται σε τιτλοποιήσεις σύμφωνα με το πρόγραμμα επέκτασης HAPS («HAPS 2»), επιτρέποντας στην Τράπεζα να επιτύχει δείκτη ΜΕΑ περίπου 7% έως το τέλος του 2022, ενώ στοχεύει δείκτη ΜΕΑ 2% έως το τέλος του 2024. Επιπρόσθετα, οι πρωτοβουλίες εκκαθάρισης ΜΕΑ περιλαμβάνουν τη συνεχή οργανική μείωση των ΜΕΑ (δηλ. θεραπεύσεις, άφεση χρέους, ανάκτηση μέσω ενεχύρων, και άλλες διαδικασίες κλεισίματος). Μετά την επιτυχή ολοκλήρωση των συναλλαγών με ΜΕΑ, αναμένουμε να είμαστε σε θέση να επιτύχουμε σημαντική μείωση του κόστους των επιπέδων κινδύνου και βελτίωση των επιπέδων ποιότητας των περιουσιακών στοιχείων στο ίδιο επίπεδο με άλλες ευρωπαϊκές τράπεζες, διατηρώντας παράλληλα ικανοποιητική κεφαλαιακή θέση πάνω από τις ισχύουσες ελάχιστες κεφαλαιακές απαιτήσεις,
- **Οι πρωτοβουλίες ενίσχυσης της αποδοτικότητας των βασικών δραστηριοτήτων** αντιπροσωπεύει το στόχο μας να επιτύχουμε λειτουργική αριστεία εστιάζοντας στις βασικές μας εμπορικές τραπεζικές δραστηριότητες, εκτελώντας τη στρατηγική ανάπτυξης των επιχειρήσεων και των λιανικών τραπεζών, αυξάνοντας την αποδοτικότητα και μειώνοντας τα λειτουργικά κόστη σε ολόκληρο τον οργανισμό μας, στοχεύοντας σε μια καθαρή μείωση λειτουργικών δαπανών κατά ποσό € 50 εκατ. έως το τέλος του 2024 για τις βασικές δραστηριότητες. Επιπλέον, η επιδιωκόμενη μείωση των ΜΕΑ αναμένεται επίσης να επιτρέψει τη μείωση του κόστους που σχετίζεται με τη διατήρηση ΜΕΑ, κατά ποσό €125 εκατ., έως το 2024,
- **Η πρωτοβουλία αύξησης του εισοδήματος από προμήθειες** βασίζεται κυρίως στη στρατηγική μας για την αύξηση των εσόδων από τα προϊόντα και τις υπηρεσίες Διαχείρισης Περιουσίας και Ασφάλισης. Αναμένουμε να επωφεληθούμε από την αναμενόμενη αύξηση του εύπορου τμήματος, υποστηριζόμενη από τη μακροοικονομική ζήτηση για προϊόντα και υπηρεσίες διαχείρισης περιουσιακών στοιχείων, ενώ για τα προϊόντα Bancassurance αναμένουμε ότι η νέα αποκλειστική συνεργασία μας με τη Generali θα επιτρέψει την ανάπτυξη, σε συνδυασμό με την αναμενόμενη αύξηση της ζήτησης για σχετικά προϊόντα, και
- **Η πρωτοβουλία ανάπτυξης της διεθνούς παρουσίας**, στοχεύει στην πρόθεση της Τράπεζας να διαθέσει πρόσθετα κεφάλαια στη Ρουμανία έως ποσό €200 εκατ. ευρώ έως το τέλος του 2024, όπου ο τραπεζικός τομέας είναι σχετικά λιγότερο κορεσμένος και έχει

ισχυρές προοπτικές ανάπτυξης (καθώς και η χώρα σημαντικός δικαιούχος των κονδυλίων RRF της ΕΕ). Φιλοδοξία μας είναι να επεκτείνουμε περαιτέρω τη βάση περιουσιακών στοιχείων μας στη χώρα, αξιοποιώντας όλες τις επιλογές ανάπτυξης, εάν αυτές παρουσιάζουν ελκυστικά οικονομικά στοιχεία.

Με στοιχεία της 31 Μαρτίου 2021, και στη βάση του δείκτη total capital adequacy σε pro forma επίπεδο αναφορικά με τη συναλλαγή Galaxy, η επιτυχής ολοκλήρωση της Αύξησης Μετοχικού Κεφαλαίου μέσω της Συνδυασμένης Προσφοράς αναμένεται να ενισχύσει το δείκτη total capital adequacy κατά ποσοστό περίπου +2,1%, οδηγώντας σε δείκτη total capital adequacy ratio περίπου 17,5%, ο οποίος αναμένεται να επιτρέψει την μόχλευση του ισολογισμού μας σύμφωνα με το Επικαιροποιημένο Στρατηγικό μας Σχέδιο βάσει των προοπτικών της Ελληνικής οικονομίας και την πιστωτική επέκταση στην Ελλάδα, υποστηριζόμενη από το επικείμενο πρόγραμμα RRF.

Η Alpha Holdings, λαμβάνοντας υπόψιν ως κριτήριο την παροχή οποιασδήποτε αμοιβής στην Alpha Τράπεζα Α.Ε. καθώς και τα εξής κριτήρια με βάση τις κατευθυντήριες γραμμές της ESMA, ήτοι εάν η Alpha Τράπεζα Α.Ε. (i) κατέχει μετοχικούς τίτλους της Alpha Holdings ή θυγατρικών της, (ii) εάν έχει άμεσο ή έμμεσο οικονομικό συμφέρον το οποίο βασίζεται στην επιτυχία της Δημόσιας Προσφοράς, ή (iii) εάν έχει κάποια συμφωνία με βασικούς μετόχους της Alpha Holdings, σε συνδυασμό με το γεγονός ότι η Alpha Holdings κατέχει, άμεσα ή έμμεσα, το σύνολο των μετοχών της Alpha Τράπεζας Α.Ε. και των θυγατρικών της και ως εκ τούτου είναι έμμεσα μέτοχος όλων των εταιρειών του ομίλου της Alpha Τράπεζας Α.Ε., δηλώνει ότι, η Alpha Τράπεζα Α.Ε. δεν έχει συμφέροντα ή συγκρουόμενα συμφέροντα που να επηρεάζουν σημαντικά τη Δημόσια Προσφορά πλην του συμφέροντος που απορρέει από την προαναφερθείσα σχέση μητρικής προς θυγατρική που τη συνδέει με την Alpha Τράπεζα Α.Ε., του συμφέροντος και των δύο από την επιτυχή ολοκλήρωση της Αύξησης Μετοχικού Κεφαλαίου και των συμφερόντων που δηλώνει η Alpha Τράπεζα Α.Ε. ως Κύριος Ανάδοχος.

Ο Κύριος Ανάδοχος, λαμβάνοντας υπόψιν ως κριτήριο την παροχή οποιασδήποτε αμοιβής που έχει λάβει προηγουμένως από την Alpha Holdings, καθώς και τα εξής κριτήρια με βάση τις κατευθυντήριες γραμμές της ESMA σύμφωνα με τον Κανονισμό (04/03/2021 | ESMA32-382-1138), ήτοι εάν: (i) κατέχει μετοχικούς τίτλους της Alpha Holdings ή θυγατρικών της, (ii) εάν έχει άμεσο ή έμμεσο οικονομικό συμφέρον το οποίο βασίζεται στην επιτυχία της Δημόσιας Προσφοράς, ή (iii) εάν έχει κάποια συμφωνία με βασικούς μετόχους της Alpha Holdings, σε συνδυασμό με το γεγονός ότι Alpha Holdings κατέχει, άμεσα ή έμμεσα, το σύνολο των μετοχών της Alpha Τράπεζα Ανώνυμη Εταιρεία , δηλώνει ότι δεν έχει συμφέροντα ή συγκρουόμενα συμφέροντα που να επηρεάζουν σημαντικά την Έκδοση και τη δημόσια προσφορά, πλην του έμμεσου συμφέροντος που απορρέει από την προαναφερθείσα σχέση θυγατρικής προς μητρική που τη συνδέει με τη Alpha Holdings και του άμεσου συμφέροντος από την επιτυχή ολοκλήρωση της Αύξησης Μετοχικού Κεφαλαίου.

This Prospectus includes forward-looking statements. Such items in this Prospectus include, but are not limited to, statements made under "Risk Factors'; "Operating and Financial Review and Prospects" and "Our Business". Such statements can be generally identified by the use of terms such as "believes", "expects", "may", "will", "should", "would", "could", "plans", "anticipates" and comparable terms and the negatives of such terms. By their nature, forward-looking statements involve risk and uncertainty, and the factors described in the context of such forward-looking statements in this Prospectus could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. We have based these forward-looking statements on our current expectations and projections about future events. These forward-looking statements are subject to risks, uncertainties and assumptions about Alpha Holdings, the Bank or the Group, including, among other things:

- *the possibility that we may not be able to raise the entire proposed amount of the Share Capital Increase through the Offering and this might have an adverse impact on our planned credit expansion, our business, financial condition and results of operations, or even if the Share Capital Increase is successful and we are able to raise the entire proposed amount, we may not be able to achieve our planned credit expansion targets in the anticipated timeframe or at all and the expected benefits of this strategy may not materialise, which could have a material adverse effect on our business, financial condition and results of operations;*
- *the material negative impact of a potential failure to reduce our NPE levels or defend our interest income in line with our targets on our business, financial condition, capital adequacy or results of operation;*
- *the developments in global economic activity and the effects of the COVID-19 pandemic (as described herein) on the Greek economy and on our business, results of operations and financial condition;*
- *the material negative impact of a potential failure to deliver the non-organic business development and capital generating measures envisaged in our 2019 Strategic Plan and Updated Strategic Plan (as defined herein) on our business, financial condition, capital adequacy or results of operation;*
- *the financial performance and creditworthiness of companies and individuals in Greece;*
- *deteriorating asset valuations resulting from poor market conditions;*
- *the material negative impact of a potential inability to implement our cost reduction strategies or transformation plan and failure to reduce our operating expenditures on our business, financial condition, or results of operation;*
- *the risks relating to our core business activities, including credit risk, market risk, operational risk, liquidity risk and litigation risk;*
- *volatility in interest rates may negatively affect the Group's net interest income and have other adverse consequences;*
- *the Hellenic Financial Stability Fund, in its capacity as shareholder of the Bank, has certain rights in relation to our operations and our business decisions;*
- *market fluctuations and volatility that may result in significant losses in the commercial and investment activities of the Group, which could adversely affect our profitability;*
- *ongoing disruptions and volatility in global financial markets;*
- *soundness of other financial institutions;*
- *risks associated with the significant competition we face from Greek and foreign banks;*
- *unfavourable bankruptcy, insolvency, enforcement and other laws and regulations governing creditors' rights;*
- *changes in consumer protection laws;*
- *additional staff costs;*
- *interruptions in, or breaches of security in, our information systems;*
- *potential fraud and illegal activities;*
- *potential changes in our management body by virtue of the BRRD Law (as defined herein);*
- *the Hellenic Republic's financial and economic crisis;*
- *recessionary pressures in Greece;*
- *political, geopolitical and economic developments adversely affecting our operations;*
- *the Group's sources of liquidity;*
- *an outflow of customer deposits;*
- *the adverse effect on the Group's funding costs or reputation stemming from adverse stress testing results;*
- *the impact of the Bank Recovery and Resolution Directive ("**BRRD**") and its minimum requirements for own funds and eligible liabilities framework ("**MREL**") on our business, financial condition and results of operations;*
- *complex regulations, including EU regulations, which may result in uncertainty about the Group's ability to achieve and maintain the required capital levels and liquidity;*
- *the effect of the Hellenic Republic's credit rating on our credit rating reflected on our borrowing costs, liquidity levels and access to the capital and interbank markets;*

- *the Group's operations outside of Greece;*
- *restrictions on our ability to distribute dividends;*
- *volatility of our share price;*
- *reduced liquidity of the ATHEX;*
- *the impact of exchange rate fluctuations on the value of our Ordinary Shares;*
- *the possibility that the Ordinary Shares will be cancelled or fully written-down subject to the general bail-in tool or the non-viability loss absorption power pursuant to BRRD Law and the mandatory burden sharing measures for the provision of extraordinary public financial support pursuant to the HFSF Law;*
- *the potential adverse effect on the value of our Ordinary Shares or the shares of our wholly-owned subsidiary, Alpha Bank S.A., triggered by the uncertainty associated with a possible Greek bail-in action or future legislative or regulatory proposals;*
- *future issuance of new Ordinary Shares diluting shareholders' participation;*
- *the inability to effectively utilise or treat deferred tax assets ("**DTAs**") as regulatory capital;*
- *the adverse impact on the market price of our Ordinary Shares caused by the additional sales of Ordinary Shares; and*
- *other factors described under "Risk Factors".*

In this Prospectus, we present certain forward-looking targets derived from our business plans including forward-looking statements and targets relating to our NPE Initiative, our Transformation Plan, and other initiatives pertaining to our Updated Strategic Plan. These targets represent our strategic objectives and do not constitute financial or operating projections or forecasts. These targets are based on a range of expectations and assumptions, some or all of which may prove to be inaccurate. While we do not undertake to update our targets, we may change our targets from time to time. Actual results may differ materially from our targets. Accordingly, there can be no assurance that we will achieve any of our targets, whether in the short, medium or long term. Our ability to achieve these targets is subject to inherent risks, many of which are beyond our control and some of which could have an immediate impact on our earnings and/or financial position, which could materially affect our ability to realize the targets described below. Furthermore, we operate in a very competitive and rapidly changing environment, which is subject to regulatory, political and other risks. We may face new risks from time to time, and it is not possible for us to predict all such risks which may affect our ability to achieve the targets described herein. Given these risks and uncertainties, we may not achieve our targets at all or within the timeframe described herein.

We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this Prospectus might not occur. Any statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Investors are cautioned not to place undue reliance on such forward-looking statements, which are based on facts known to us only as at the date of this Prospectus. According to our management, we have not made any profit forecasts for the current financial year or for the future. We, however, regularly inform the investment community of its financial performance or any other material event through regular or ad hoc press releases.

1. RISK FACTORS

Investing in our New Shares involves a degree of risk. You should carefully consider the risk factors set out below and all other information contained in this Prospectus, including our financial statements and the related notes, before making an investment decision regarding our New Shares. The risks described below are those significant risk factors, currently known and specific to us or the banking industry, that we believe are relevant to an investment in our New Shares and are presented, by category, based on the probability of their occurrence and the estimated negative impact that their occurrence may cause. If any of these risks materialises, our financial condition or results of operations could suffer, the price of our Ordinary Shares could decline, and you could lose part or all of your investment. Moreover, the risks and uncertainties described below may not be the only ones to which we may be subject. Additional risks, not currently known to us, or that we now deem immaterial, may also harm us and adversely affect your investment in our Ordinary Shares.

The validity of this Prospectus is one (1) year from the date of its approval.

1.1 RISK FACTORS SPECIFIC TO THE ISSUER

1.1.1. Risks relating to our business

1. We may not be able to raise the entire proposed amount of the Share Capital Increase through the Combined Offering and this might have an adverse impact on our planned credit expansion, our business, financial condition and results of operations, and even if the Share Capital Increase is successful and we are able to raise the entire proposed amount, there can be no assurance that our planned credit expansion targets will be achieved in the anticipated timeframe or at all and the expected benefits of this strategy may not materialise, which could have a material adverse effect on our business, financial condition and results of operations.

The Share Capital Increase is intended to further strengthen our capital basis by €750 million (net proceeds) and, if successfully completed, we believe that it will enable us to successfully achieve our planned credit expansion of €8 billion by 2024 in Greece and €10bn by 2024 for the Group, including through the delivery of the full EU Recovery and Resilience Facility ("**RRF**") potential (see also "*Reasons for the Share Capital Increase and use of proceeds*" and "*Strategy*"). However, it is uncertain whether it will be possible to successfully complete the Share Capital Increase, as its execution depends on, among others, market conditions, investor appetite and support of our credit expansion strategy, risks and uncertainties, including market related and commercial risks that are beyond our control. If the Share Capital Increase is not completed or is downsized, our ability to execute our proposed credit expansion could be adversely impacted and our business, financial condition and results of operations could be otherwise negatively affected**.**

Further, even if we were able to successfully complete the Share Capital increase and raise the entire proposed amount of €800 million, there can be no assurance that our planned credit expansion targets will be achieved in the anticipated timeframe or at all (See "*Strategy*" and "*Profit Forecasts*"). Our ability to implement our planned credit expansion and achieve significant new lending volumes depends on a variety of factors, some of which are outside our control, including, among others, delays in the recovery of the Greek economy and in particular loan demand or other adverse global macroeconomic developments, market disruptions and unexpected increases in funding costs. Therefore, there can be no assurance that we will be able to successfully implement our strategy and achieve the goals we have set for credit expansion within the expected timeframe or at all, and the expected benefits of this strategy may not materialise. This, in turn, could have a material adverse effect on our business, financial condition and results of operations.

2. We may not be able to reduce our NPE levels in line with our targets or at all, or defend our interest income in line with our targets, or at all, which may materially impact our financial condition, capital adequacy or results of operations.

Non-performing exposures ("**NPEs**") represent one of the most significant challenges for the Greek banking system. Based on December 2020 data published by the Bank of Greece, NPEs of the Greek banks have decreased by 30.7% compared to 31 December 2019, dropping to 47.4 billion (standalone figure), representing 30.2% of the total exposures. This percentage is still approximately 10 times higher than the European average. Due to the COVID-19 pandemic, in September 2020, Greek banks submitted to the Bank of Greece updated interim NPE plans to reduce their NPEs and have submitted revised NPE plans for the period up to 2023 in March 2021.

The level and amount of NPEs adversely affects our net income through credit risk and impairment expenses, recovery strategy costs, other operating expenses and taxes. We intend to accelerate our efforts to reduce our NPE levels through inorganic NPE disposals, including securitisations, utilisation of the flexibility provided by the Hellenic Asset Protection Scheme, introduced by virtue of Greek Law 4649/2020 (the "**HAPS**"), as well as through additional direct sales of NPEs. We are targeting an NPE ratio in Greece of less than 18% by 31 December 2021 and a non-performing loan ratio in Greece of less than 10% by the same date. We are targeting a single-digit, 7% NPE ratio in Greece by the end of 2022 and less than 3% NPE ratio in Greece in the medium term (*see "Strategy - Decisively Conclude NPE Initiatives actions Reducing NPE Ratio to Average European Levels)*" and "*Profit Forecasts"*).

In order to reduce our cost of risk and to reduce the amount of NPEs on our balance sheet, we announced in November 2019 a three-year strategic plan (the "**2019 Strategic Plan**"). The main priority and objective of the 2019 Strategic Plan has been the improvement of the Group's financial structure through the reduction of its NPEs and cost of risk, which constitute the main factors that have impacted profitability over the past years, while also aiming to optimise the organisational and capital structure of the Group. The 2019 Strategic Plan entailed, among others, a securitisation of an NPE portfolio, known as "Galaxy", up to an amount of €10.8 billion (the "**Galaxy Securitisation**") and the transfer of the Bank's business of servicing of NPEs to Cepal Hellas Financial Services Single Member S.A.–Servicing of Receivables from Loans and Credits ("**Cepal Hellas**"), a wholly-owned, licensed servicing company for loan receivables under Greek law 4354/2015.

On 22 February 2021, we announced that we had reached definitive agreement with funds managed by Davidson Kempner European Partners LLP for the sale and transfer of 80% of the shares in the holding company owning Cepal Hellas ("**Cepal Hellas HoldCo**") along with 51% of the mezzanine and the junior notes issued under the Galaxy Securitization, which was completed on 18 June, 2021, resulting into a recording of a P&L loss of approximately € 2.1 billion (estimated impact based on 31 March, 2021 figures), while the consequent impact on the total capital adequacy ratio was a decrease by 2.8% as of 31 March, 2021 (for more information about the Galaxy Securitisation and the transfer of the Bank's business of servicing of NPEs to Cepal Hellas, see "*Recent Developments – the Galaxy Securitization*", and "*Financial information concerning the issuer's assets and liabilities, financial position and profits, and losses – Additional information on Financial Statements*")

Also, the 2019 Strategic Plan entailed the demerger of the Bank by way of hive-down of its banking activities, which include the assets and liabilities related to the exercise of banking business, with the incorporation of a new wholly owned subsidiary ("**New Alpha Bank**"), pursuant to article 16 of Greek law 2515/1997, par. 3 of article 54, par. 3 of article 57 and articles 59-74 (inclusive) and 140 of Greek law 4601/2019, as in force (the "**Hive Down**"). The Hive Down was completed on 16 April, 2021. For more information with respect to actions taken in execution of the 2019 Strategic Plan, please see "*Recent Developments – the Hive-Down – the Galaxy Securitization*".

As part of our further capital enhancing actions, and on the back of the successful entering into definitive documentation in relation to the Galaxy Securitisation, we intend under our Updated Strategic Plan to further dispose of NPE portfolios with an aggregate gross book value of more than €8.1 billion until the end of 2022. In particular, we intend to launch five (5) NPE transactions with total gross book value of €8.1 billion and with an estimated aggregate impact of 1.9% on our common equity tier 1 (CET1) capital, including (a) an NPE transaction securitisation of gross book value of €3.5 billion, Project Cosmos, for which application will be submitted under the HAPS scheme extension (the "**HAPS 2**"); (b) complete with the rest of the Greek systemic banks a securitisation under Project Solar, for which application will be submitted under the HAPS 2 scheme and in which our participation shall be €0.4 billion; and (c) three NPEs outright sales, two in Greece with gross book value of €1.3 billion, Project Orbit and a selected wholesale and leasing receivables disposal of €0.7 billion, and one in Cyprus with gross book value of €2.2 billion, Project Sky. Assuming the successful completion of the aforementioned NPE transactions, the proforma total capital adequacy ratio is expected to decrease by c.1.0%, as a result of a c.€1.0 billion additional capital impact (in addition to relevant provisions already booked in Q1 2021 and including the effect from 10% DTA threshold) and € 3.8 billion RWA relief (including the effect from 10% DTA threshold). For additional information on each of these transactions, see (*see "Strategy - Decisively Conclude NPE Initiatives Reducing NPE Ratio to Average European Levels*", "*Profit Forecasts" and "10.1 Capital Management*").

Nevertheless, our ability to complete these portfolio securitisation and sales may be negatively impacted by deteriorating market conditions, which could decrease demand for outright NPE portfolio sales or negatively affect the pricing terms in such transactions. Also, notwithstanding the progress achieved towards the reduction of our NPE levels to date, the execution of each of the above mentioned transactions aiming at the NPE reduction will be complex and entails certain operational and execution risks, such as the worsening of market conditions, the deterioration in the financial condition of our borrowers, the satisfaction of applicable conditions for the transfer of the mezzanine notes included in the relevant transaction documents, receipt of necessary approvals from third parties, the most important of which are the approval of significant risk transfer by the Single Supervisory Mechanism ("**SSM**") so that the relevant securitisation transaction is compliant with the applicable regulatory framework and the approval of the granting of the Greek state guarantee under the HAPS 2 scheme, and other constraints stemming from events beyond our control, any of which could cause significant interruptions or delays in the implementation of our plans or require us to complete these transactions on less favourable terms (see "*Regulation and Supervision of the Banks in Greece – Securitizations – The Hellenic Asset Protection Scheme*").

Inability to be assigned the required rating by rating agencies may not allow the inclusion in the HAPS 2 scheme, as currently applicable and on the assumption that HAPS 2 scheme will substantially include the same terms, or lower than anticipated size of senior tranches, may significantly affect the pricing of the relevant transactions. For more details on the legislation governing NPL securitisations under the HAPS scheme, please see "*Regulation and supervision of banks in Greece – Securitizations – the Hellenic Asset Protection Scheme* (HAPS)". If we are not able to benefit from the HAPS 2 scheme, or if we are required to accelerate the reduction of our NPE portfolio to comply with regulatory expectations or recommendations, we may be effectively compelled to increase the number of outright NPE portfolio and individual NPE sales, and this may lead to greater capital losses as a result of the difference between the value at which NPLs are recorded on our balance sheet and the consideration that investors specialised in NPE acquisitions are prepared to offer, or to greater write-down of loans or a requirement to create additional provisions.

Moreover, although we plan to replenish any lost net interest income caused by the de-risking of our balance sheet, as a result of the NPE Initiatives (with a target to defend our net interest income, managing a decrease from €1.5 billion of net interest income in 2020, to €1.3 billion of net interest income in 2022 and €1.4 billion in 2024), through significant loan expansion and increased fixed income holdings as well as further optimisation of our funding sources, including through the delivery of the RRF potential (*see "Strategy - Focusing on Delivery of Our Financial Targets*" and "*Profit Forecasts"*), we may not be able to timely and fully utilise these net interest income drivers due to delays in the recovery of the Greek economy and in particular loan demand or other adverse global macroeconomic developments, market disruptions and unexpected increases in funding costs.

Furthermore, notwithstanding the efforts of the Greek Government and the European Union to address the economic impact of the COVID-19 pandemic, there can be no assurance that the expected improvement in the macroeconomic performance and growth will indeed materialise. Additionally, any potential change in the regulatory framework could result in an increase of future provisions, the need for additional capital, the classification of loans and exposures as "non-performing" and a significant decrease in our revenue, which could materially and adversely affect our financial position, capital adequacy and results of operations.

Our failure to reduce our NPE levels on a timely basis, or in its entirety, or on the terms that we currently expect and on the basis of which we have made our estimates (*see* "*Profit Forecasts"*), could adversely affect our financial condition, capital adequacy and operating results and as a result, we may need to deviate from our initial planning and provisioning strategy as we would still need to comply with our capital adequacy requirements. Further, the declining net interest income that may result from the disposal of NPEs and/or lower than expected recoveries from our NPE portfolio managed by Cepal Hellas could negatively impact our profitability, while also severely restricting our ability to lend and render additional capital enhancing actions necessary. These developments may lead to lower internal capital generation, thus not enabling us to achieve the levels of capital adequacy aspired and could adversely affect our financial condition, capital adequacy and results of operation.

3. We may be unable to successfully deliver the non-organic business development and capital-generating measures envisaged in our Updated Strategic Plan, which may adversely affect our business, capital adequacy, financial condition and results of operations.

We have planned to increase our business and generate additional capital by consummating a variety of transactions, including (i) the sale of our merchant acquiring business, Project Prometheus, (ii) the sale of our subsidiary Alpha Bank Albania, Project Riviera, (iii) the sale of our subsidiary Alpha Bank London, Project Crown and (iv) a joint venture with an international partner in the real estate market, Project Skyline. These transactions, on which we target to reach a binding agreement by the end of 2021 (*see "Profit Forecasts*"), aim to allow us to capitalize on the growth of the Greek payment acceptance sector as well as the real estate market, while enabling us to release regulatory capital, as approx. €1billion relief of risk weighted assets is expected to be achieved through these transactions, which will be reallocated to higher growth markets. The combined effect of these internal capital measures on total capital adequacy ratio as of 31 March 2021 pro forma for the Galaxy transaction and the Share Capital Increase is estimated at approximately +1.2% (*see "10.1 Capital Management*").

The execution of each of these transactions however is subject to conditions and various risks that are beyond our control, including market conditions and positive macroeconomic environment in jurisdictions outside of Greece, and regulatory approvals. In addition, even if those transactions are consummated, there is no assurance that we will be able to successfully realize the expected business development or that the anticipated benefits, including the approx. €1 billion risk weighted assets relief, will materialize therefrom. If we are unable to successfully execute these transactions or if they are delayed, or the anticipated benefits are not realized, this could have a material adverse effect on our business, capital adequacy, financial condition and results of operations.

4. We are exposed to the financial performance and creditworthiness of companies and individuals in Greece.

Alpha Bank S. finance A., our wholly-owned subsidiary, is one of the four systemic Greek banks. Our business, results of operations and financial condition are significantly exposed to the economic and financial performance, creditworthiness, prospects and economic outlook of companies and individuals in Greece or with a significant economic exposure to the Greek economy. In addition, our business activities depend on the level of customer demand for banking, and financial products and services, as well as customers' capacity to service their obligations or maintain or increase their demand for our services. Customer demand and customers' ability to service their liabilities depend considerably on their overall economic confidence, prospects, employment status, the state of the public finances in Greece, investment and procurement by the central government and municipalities and the general availability of liquidity and funding on reasonable terms.

In an environment that is subject to continuing market turbulence, uncertain macroeconomic conditions and elevated levels of unemployment, combined with decreasing private consumption and corporate investment and the deterioration of credit profiles of corporate and retail borrowers further to the COVID-19 pandemic, the value of the assets which collateralise the loans we have extended, including houses and other immovable property, could be significantly reduced. See "*Trend Information — Impact of the COVID-19 pandemic*". Such reduction may lead to the reduction in the value of the loans or an increase in loans in arrears. Due to the adverse effect of the COVID-19 pandemic, financial activity levels were dampened in 2020. The Greek economy may not achieve the sustained and robust growth that is necessary to ease the financial constraints of the country and improve conditions for foreign direct investment and the availability of funding from the capital markets. Notwithstanding the recent completion of the Third Economic Adjustment Programme, the Greek economy will continue to be affected by the creditworthiness of commercial counterparties internationally and the repercussions arising from the global economic downturn resulting from the COVID-19 pandemic. The prospect of a severe economic recession, coupled with prolonged market uncertainty and volatility in asset prices, higher unemployment rates, and declining consumer spending and business investment, could result in substantial impairments in the values of our loan assets, decreased demand for borrowings, increased deposit outflows and a significant increase in the level of NPEs.

For risks related to increase of the level of the NPEs, see risk factor above *"We may not be able to reduce our NPE levels in line with our targets or at all, or defend our interest income in line with our targets, or at all, which may materially impact our financial condition, capital adequacy or results of operations."*.

5. Deteriorating asset valuations resulting from poor market conditions, particularly in relation to developments in the real estate markets, may adversely affect our future earnings, capital adequacy, financial condition and results of operations.

The global economic slowdown has resulted in an increase in NPEs and changes in the fair values of our exposures. A substantial portion of our loans to corporate and individual borrowers is secured by collateral such as real estate, personal guarantees, vessels, term deposits and receivables. In particular, as residential mortgage loans and mortgage-backed loans, are one of our principal assets, we are highly exposed to volatility in the Greek real estate market. Real estate property values depend on various factors including, among others, current rental values and occupancy rates, prospective rental growth, lease length, tenant creditworthiness and solvency, together with the nature, location and physical condition of the property concerned, changes in laws and governmental regulations governing real estate usage, zoning and taxes. In addition, real estate markets are typically cyclical in nature, difficult to predict and are affected by the condition of the economy as a whole. These factors, together with the potential for an extended recession and a slower recovery in the Greek economy tied to the COVID-19 pandemic, could have a negative effect on the property market by reducing the ability of property owners to service their debt or decreasing property prices, which, in turn, could affect deposit rates and lender recoveries.
Decreases in the value of collateral to levels lower than the outstanding principal balance of the corresponding loans, the inability to provide additional collateral, the downturn of the Greek economy as a result of the COVID-19 pandemic or the deterioration of the financial conditions in any of the sectors in which our debtors conduct business may result in further impairment losses and provisions to cover credit risk.

A decline in the value of collateral could also be caused by the deterioration of the financial conditions in Greece or the other markets in which the provided collateral is located. In addition, our failure to recover the expected value of collateral in the case of foreclosure, or our inability to initiate foreclosure proceedings due to applicable legislation or regulation (including protective measures related to the COVID-19 pandemic that may be introduced or reinstated), may expose us to losses, which could have a material adverse effect on our business, results of operations and financial condition. For additional information on measures protecting debtor assets pledged as loan collateral that had been introduced in response to the COVID-19 pandemic and could potentially be reinstated in the future, see "*Regulation and supervision of banks in Greece / Extrajudicial debt settlement mechanism / Further protective measures related to the COVID-19 pandemic*".

In addition, an increase in financial markets volatility or adverse changes in the liquidity of our assets could impair our ability to value certain of our assets and exposures. The value ultimately realised by us will depend on the fair value of assets determined at that time and may be materially different from the current market value. Any decrease in the value of such assets and exposures could require us to recognise additional impairment charges, which could adversely affect our future earnings and our capital adequacy and our a result, our financial condition and results of operations.. See "Risk Management – Credit risk"

6. We may be unable to implement our cost reduction strategies or transformation plan, and thus fail to reduce our operating expenditures, which may have a material adverse effect on our business, financial position, and results of operations.

As part of our cost savings strategy, we expect substantial part of our total cost reduction to come from our enhanced operational efficiency and optimization, which will require a reduction in our non-core operating expenditures and the implementation of our transformation plan, which includes, among others, moving our distribution model to digital channels, digitally transforming the end-to-end lending process in our Retail and Wholesale Banking units, optimising third-party spend and streamlining our cost structure. Although we have developed dedicated teams, including a general management on transformation and a general management on growth and innovation, in order to support the implementation of our transformation plan, such implementation may be delayed or adversely impacted by factors beyond our control, or the positive impact on the transformation plan may be less than anticipated. Inability to implement or timely implement these strategies and achieve our transformation objectives may adversely affect our business, financial position, and results of operations.

7. We are exposed to credit risk, market risk, operational risk, liquidity risk and litigation risk.

As a result of our activities, we are exposed to a variety of risks. Among the most significant of these risks are credit risk, market risk, operational risk, liquidity risk and litigation risk. For more information on these and other risks facing our business, see *"Risk Management".* Our failure to effectively manage any of these risks could have a material adverse effect on our business, financial condition, results of operations and prospects.

Credit risk. Risks arising from changes in credit quality and the recoverability of loans and amounts due from counterparties are inherent in a wide range of our businesses. Our exposure to credit risk mainly arises from corporate and retail credit, various investments, over-the-counter derivative transactions, as well as from transactions' settlement. The amount of risk associated with such credit exposures depends on various factors, including general economic conditions, market developments, the debtor's financial condition, the amount, type or duration of the relevant exposure and the existence of collateral and guarantees, which we may not be able to assess with accuracy at the time of undertaking the relevant activity. Adverse changes in the credit quality of our borrowers and counterparties or a general deterioration in the Greek European and global economic conditions, or arising from systemic risks in the financial systems, could affect the recoverability and value of our assets and require an increase in our impairment losses and provisions to cover credit risk.

Market risk. The most significant market risks that we face are interest rate, foreign exchange and bond and equity price risks. Changes in interest rate levels, yield curves and spreads may affect the interest rate margin realised between our lending and borrowing costs. Changes in currency rates affect the value of our assets and liabilities denominated in foreign currencies and may affect income from foreign exchange dealing. The performance of financial markets may cause changes in the value of our investment and trading portfolios. Moreover, we do not hedge all of our risk exposure in all market environments or against all types of risk. In addition, the manner in which gains and losses resulting from certain hedges are recorded may result in additional volatility in our reported earnings. We do not ordinarily hedge the credit exposure on our Greek government bond portfolio or our Greek government treasury bills, nor do we intend to hedge our credit exposure in relation to any senior notes issued under Project Galaxy that received the unconditional and irrevocable guarantee of the Greek Government, under the Hellenic Asset Protection Scheme. The undiversified 1 day VaR estimate for the Bank trading book as of 31 December 2020 was €6.9 million, consisting of €4.2 million for interest rate risk, €2.7 million for foreign exchange risk, and €0.01 million for price risk, and reduced by €2.2 million compared to €4.7 million, due to the diversification effect in our portfolio. The Group's subsidiaries and branches have limited trading positions, which are immaterial compared to the positions of the Bank. As a result, the market risk effect deriving from these positions on the total income, is immaterial. The VaR measure is an estimate of the potential reduction in the net present value of a portfolio, over a specified period and with a specified confidence level. For a detailed discussion on the various methods of calculating the VaR and its use for the calculation of the market risk see "*Risk Management—Market risk*".

Operational risk. Our businesses are dependent on the ability to process a very large number of transactions efficiently and accurately. Operational risk and losses can result from inadequate or failed internal processes, people and systems or from external events such as fraud or other malicious acts from third parties (robberies or terrorist activities), cyber-attacks, errors by employees, failure to document transactions properly or to obtain proper internal authorisation, failure to comply with regulatory requirements and conduct of business rules, equipment failures, natural disasters or the failure of external systems including those of our suppliers or counterparties. Furthermore, we recognise the risk of legal and regulatory sanctions, financial loss and/or impacts on our reputation, which may result from a breach or non-compliance with the legal and regulatory framework, contractual obligations and codes of conduct related to our activities.

Liquidity risk. Our inability to anticipate and take appropriate measures regarding unforeseen decreases or changes in funding sources could have an adverse effect on our ability to meet its obligations when they fall due.

Litigation risk. In the context of its day-to-day operations we are exposed to litigation risk, among other things, as a result of changing and developing consumer protection legislation and legislation on the provision of banking and investment services. The defense of any claims and any associated settlement costs can be substantial, even with respect to claims that have no merit. In addition, adverse judgments arising from litigation could result in restrictions or limitations on our operations or result in a material adverse impact on our reputation or financial condition. Although we believe that we conduct our operations pursuant to applicable laws and take all necessary measures for adapting our operations to legislative amendments, there can be no assurance that significant litigation will not arise in the future.

In 2015 and 2016, orders for preliminary investigation were made in respect of the credit process for the extension of loans by certain Greek banks to borrowers in certain business sectors, including publishing groups, as well as to certain individuals. These investigation orders concerned, among other things, three Executive Members of the Board of Directors of the Bank (not including the Chief Executive Officer) and one Non-Executive Member of the Board of Directors of the Bank (who was formerly an Executive Member), together with certain other officers of the Bank. Indictments have been issued and orders for main investigations made in respect of each case, whilst one case has reached the level of public hearings. The individuals have been charged with "breach of trust" (pursuant to Article 390 of the Greek Criminal Code). The charges relate to certain loans made by the Bank to certain companies or individuals and concern the making of such loans, on-going maintenance and forbearance in respect of such loans and/or the writing off such loans in settlement for other claims. One of these cases reached the level of public hearing and, in October 2019, resulted in an acquittal for all Members of the Board of Directors and officers of the Bank was ordered by the court in respect of such case. Further, on 13 November 2019, the Hellenic Parliament approved an amendment of the Criminal Code (the "**Amendment of the Criminal Code**"), as a result of which cases of "breach of trust" will be pursued only following complaints by the person having suffered damage from the alleged breach. Any pending proceedings, such as those described above, where no such complaint has been filed, will be continued only if such person specifically requests for the proceedings to continue within a period of four months as of the date of enactment of the Amendment of the Criminal Code. Otherwise they will be dismissed.

The Board of Directors of the Bank has considered, in the context of the Amendment of the Criminal Code, whether any request should be made or not in connection with the above cases. Such consideration was made on the basis of legal opinions sought on all such cases, which concluded that in the view of the experts issuing the relevant opinions, the existing or previous Members of the Board or the Senior Management of the Bank, investigated or charged with the crime of breach of trust in the above cases, should be acquitted. On this basis the Board of Directors has decided not to file any request that the relevant proceedings of the aforesaid cases should continue.

Certain Judicial Councils (convening in Chambers) considering whether cases involving Greek bank officials, including existing or previous Members of the Board or the Senior Management of the Bank, should be dismissed, expressed the view that the Amendment of the Criminal Code is against the Greek Constitution and the matter was referred to the Greek Supreme Court (in Greek *Άρειος Πάγος*), again convening in Chambers. The Greek Supreme Court by virtue of its Decision 158/2021 ruled in favour of the compliance of the Amendment of the Criminal Code with the Greek Constitution, a ruling which has already been followed in one of the cases, involving existing or previous Members of the Board or the Senior Management of the Bank, whilst is now expected to be followed by all Courts and Judicial Councils.

Whilst the Bank is co-operating with the public prosecutor in relation to such charges, neither the Bank itself nor any other member of the Group is the subject of any related proceedings.

Legal and regulatory actions (including those referred to above) are subject to many uncertainties, and their outcomes, including the timing, amount of fines or settlements or the form of any settlements, which may be material and in excess of any related provisions, are often difficult to predict, particularly in the early stages of a case or investigation, and our expectation for resolution may change. In addition, responding to and defending any current or potential proceedings involving the Group or any of its directors and other employees (including those referred to above) may be expensive and may result in diversion of management resources (including the time of the affected persons or other Group employees) even if the actions are ultimately unsuccessful.

Adverse outcomes or resolution of current or future legal or regulatory actions (including those referred to above) may result in additional supervision by the Group's regulators and/or changes in the directors, officers or other employees of the Group and could result in further proceedings or actions being brought against any of the Group's directors, officers or other employees. They may also adversely impact investor confidence and the Group's broader reputation.

In addition, legal and regulatory actions involving the Group (for the avoidance of doubt, not including those referred to above) may also result in fines, administrative sanctions (including restrictions in operations, regulatory licence revocation, etc.), settlements or damages being awarded against the Group, further actions or civil proceedings being brought against us or any of its subsidiaries and potentially have other adverse effects on the business of the Group.

Accordingly, any such legal proceedings and other actions involving us, any member of the Group or any of its directors or other employees may adversely affect the Group's reputation and business.

8. Volatility in interest rates may negatively affect the Group's net interest income and have other adverse consequences.

Interest rates are highly sensitive to many factors beyond our control, including monetary policies and domestic and international economic and political conditions. As such, there can be no assurance that further domestic or international events will not alter the interest rate environment in Greece and the other markets in which the Group operates. Cost of funding is especially at risk for our Group due to increased Eurosystem funding. *See "Risk Management – Interest rate risk of the banking book"*

As with any credit institution, changes in market interest rates may affect the interest rates charged on interest-earning assets differently than the interest rates paid on interest-bearing liabilities. This difference could reduce net interest income. Since the majority of our loan portfolio effectively re-prices within a year, rising interest rates may also result in an increase in its allowance for impairment on loans and advances to customers if customers cannot refinance in a higher interest rate environment. Further, an increase in interest rates may reduce clients' capacity to repay in the current economic circumstances.

9. The Hellenic Financial Stability Fund (the "HFSF"), in its capacity as shareholder of the Bank, has certain rights in relation to our operations and our business decisions.

The first Stabilisation Programme, as established in May 2010, introduced restructuring measures such as the establishment of the HFSF whose only shareholder is the Hellenic Republic and whose role is to maintain the stability of the Greek banking system by providing capital support in the form of ordinary shares or contingent convertible securities or other convertible securities to credit institutions and licensed by the Bank of Greece and operating in Greece. The ESM Programme and the HFSF Law, provides the HFSF, through its representative, with specific shareholders' rights in the credit institutions in which it has committed to participate by means of the share capital increases. The HFSF became our shareholder in 2013, in the context of the recapitalization of Greek credit institutions by the HFSF, whereby it acquired a percentage of 83.70%. We have not received since then any further recapitalization funds from the HFSF, whilst the HFSF's current shareholding percentage amounts to 10.94%. Accordingly, the HFSF is entitled to exercise significant influence over the operations of the Group.

More specifically, the HFSF is entitled to the appointment of a member to our and the Bank's Board of Directors and has the power, according to the HFSF Law, to veto, through such member, decisions relating to dividend distributions, remuneration policies and other specifically enumerated commercial and management decisions. Additionally, the HFSF may appoint at least one member of each of the Audit Committee, the Risk Management Committee, the Remuneration Committee, the Corporate Governance and the Nominations Committee. Moreover, with the assistance of an independent consultant of international reputation and established experience, the HFSF has the power to evaluate our corporate governance arrangements, including the evaluation of all committees of the board of directors as well as any other committee which the HFSF deems necessary. For additional information on the HFSF Law, see "*Regulation and supervision of banks in Greece - Recovery and resolution of credit institutions/The HFSF*".

In addition to the provisions of the HFSF Law, and pursuant to the Relationship Framework Agreement originally entered into on 12 June 2013 and subsequently replaced by the New Relationship Framework Agreement (the "**New RFA**"), entered into on 23 November 2015, the HFSF has a series of information rights with respect to matters pertaining to the Bank and us. Finally, the Bank is obliged to obtain the prior approval of the HFSF on certain material issues, such as the Group's Risk and Capital Strategy, the Group's strategy in terms of NPLs, etc. (for more information please refer to "*Regulation and supervision of banks in Greece - Recovery and resolution of credit institutions/The HFSF*").

Consequently, as a result of the powers that the HFSF has under the HFSF Law and the Relationship Framework Agreement, which will be maintained in respect of its Ordinary Shares (other than the New Shares), the HFSF, following completion of the Share Capital Increase, may exercise significant influence over the functioning and decision making of our Board of Directors and such influence may affect our business and strategy.

10. Existing market fluctuations and volatility may result in significant losses in the commercial and investment activities of the Group, which could adversely affect our profitability.

Positions in the Group's trading and investment portfolio which relate to the debt, currency, equity and other markets could be adversely affected by continuing volatility in financial and other markets, creating a risk of substantial losses. Continuing volatility and further dislocation affecting certain financial markets and asset classes could also further impact the Group's results of operations, financial condition and prospects. In the future, these factors could have an impact on the mark-to-market valuations of assets in the Group's investment securities, trading securities, loans measured at fair value through profit and loss and financial assets and liabilities for which the fair value option has been elected.

Volatility can also lead to losses relating to a broad range of other trading securities and derivatives held, including swaps, futures, options and structured products. Losses in the commercial and investment activities of the Group may adversely affect our ability to lend and our profitability.

11. The Group is vulnerable to the ongoing disruptions and volatility in the global financial markets.

Our results of operations are materially affected by many factors of a global nature, including: political and regulatory risks and the condition of public finances; the availability and cost of capital; the liquidity of global markets; the level and volatility of equity prices, commodity prices and interest rates; currency values; the availability and cost of funding; inflation; the stability and solvency of financial institutions and other companies; investor sentiment and confidence in the financial markets; or a combination of the above factors.

Most of the economies with which Greece has strong export links are currently encountering significant economic headwinds, have been and continue to be adversely affected by the COVID-19 pandemic and continue to face high levels of private or public debt and in certain cases high unemployment rates. Increasing downside risks on the back of a weaker external environment may restrict the European economic recovery, which remains greatly dependent on accommodative monetary policy.

In financial markets, concerns about the vaccination timeline, the longer-term economic impact of the COVID-19 pandemic, geopolitical tensions, tension in U.S. politics and uncertainty on the potential impact from the United Kingdom's withdrawal from the EU are all expected to continue to affect market sentiment and contribute to volatility, with a corresponding negative impact on the Group's financial condition, results of operations and prospects.

12. Soundness of other financial institutions.

The Group routinely transacts with counterparties in the financial services industry, including brokers and dealers, commercial banks, investment banks, mutual and hedge funds, and other institutional clients. Such financial counterparties are subject to many of the pressures faced by the Group as described above. Concerns about, or a default by, one financial institution could lead to significant liquidity problems and losses or defaults by other financial institutions. Many of the routine transactions into which the Group enters expose it to significant credit risk in the event of default by one of its significant counterparties. Such default by a significant financial counterparty, or liquidity problems in the financial services industry in general, could have a material adverse effect on the Group's business, financial condition, results of operations, prospects and capital position.

13. We face significant competition from Greek and foreign banks and may not be able to preserve our customer base, especially if we fail to complete our digital transformation.

The general scarcity of wholesale funding since the onset of the economic crisis has led to a significant increase in competition for retail deposits in Greece and significant consolidation of the Greek banking system. We also face competition from foreign banks. We may not be able to continue to compete successfully with domestic and international banks in the future. These competitive pressures on the Group may have an adverse effect on its business, financial condition, results of operations and prospects.

The Group's success depends on its ability to maintain high levels of loyalty among its customer base and to offer a wide range of competitive and high-quality products and services to its customers. In order to pursue these objectives, the Group has adopted a strategy of segmentation of its customer base, aimed at serving the various needs of each segment in the most suitable manner. Moreover, the Group seeks to maintain long-term financial relations with its customers through the sale of anchor products and services, namely mortgage loans, salary accounts, standing transfers, credit cards, saving products and bank assurance products. Nevertheless, high levels of competition in Greece and in other countries where the Group operates, and an increased emphasis in cost reduction, may result in an inability to maintain high loyalty levels of the Group's customer base, provide competitive products and services, or maintain high customer service standards, each of which may adversely affect the Group's business, financial condition, results of operations and prospects.

Additionally, the banking sector as a whole is undergoing a digital and technological transformation, with new entrants in the banking and payment processing sectors who in the future may challenge the competitive position of traditional credit institutions, including ours. A failure or delay by the Group to achieve its transformation plan with respect to service and operational digitization may impact its ability to compete with new industry entrants.

14. Laws regarding the bankruptcy of individuals and regulations governing creditors' rights in Greece and various South Eastern European countries may limit the Group's ability to receive payments on NPEs, increasing the requirements for provisioning in our financial statements and impacting our results and operations.

Laws regarding the bankruptcy of individuals and other laws and regulations governing creditors' rights generally vary significantly within the countries in which the Group operates. In some countries, including Greece, bankruptcy, insolvency, enforcement and other laws and regulations affecting creditor's rights offer less protection for creditors compared with the bankruptcy regime in the United Kingdom or the United States.

In October 2020 a new bankruptcy code was enacted in Greece by virtue of Greek law 4738/2020 (the "**Insolvency Code**"). The Insolvency Code introduces a major reform of the Greek bankruptcy and insolvency regime, aimed at facilitating and enhancing resolution of insolvency cases and pre-insolvency debt restructuring. Key changes of the Insolvency Code include the introduction of a new out-of-court workout process, based on the development of an electronic platform and an algorithm determining the viability of the debtor's debts post-restructuring, the introduction of a bankruptcy regime for over-indebted individuals who are not entrepreneurs, a new sale-and-lease-back scheme for primary residence protection, and shorter and automatic debt discharge periods. The entry into force of the new out-of-court workout process and the new bankruptcy proceedings set out in the Insolvency Code has been set for 1 June 2021 as it requires the issuance of 53 pieces of secondary legislation as well as the development of an electronic platform and a special algorithm for debt viability analysis purposes. For those whose business activity exceeds €350,000 and whose turnover exceeds €700,000, the pre-bankruptcy rehabilitation proceedings (in Greek «*Εξυγίανση*») and second chance process came into effect from 1 March 2021.

If the adverse effects of the COVID-19 pandemic persist or worsen, or the economic environment otherwise deteriorates, bankruptcies, other insolvency procedures and governmental measures, including payment and enforcement moratoria, could intensify or applicable laws and regulations may be amended to limit the impact of the crisis on corporate and retail debtors. Furthermore, the heavy workload that local courts may face, the cumbersome and time consuming administrative and other processes and requirements to which restructuring, insolvency and enforcement measures may delay final court judgements on insolvency, rehabilitation and enforcement proceedings. Such changes or an unsuccessful operationalisation of the new insolvency framework in Greece may have an adverse effect on the Group's business, financial condition, results of operations and prospects. In addition, any potential further measures (including any measures related to efforts to alleviate the effect of the COVID-19 pandemic that may be introduced or reinstated) that may increase the protection of debtors and/or impede our ability to timely collect overdue debts or enforce securities (which would lead to an increase in the number of NPEs and/or a reduction in the amount of collections on NPEs compared to our plans), resulting in a corresponding increase in provisions, may have an adverse effect on the Group's business, results of operations, capital position and financial condition. For more information on COVID-19 protective measures that may be reinstated, see *"Regulation and supervision of banks in Greece / Extrajudicial debt settlement mechanism / Further protective measures related to the COVID-19 pandemic"*.

15. Changes in consumer protection laws might limit the fees that the Group may charge in certain banking transactions.

Changes in consumer protection laws in Greece and other jurisdictions where the Group has operations could limit the fees that banks may charge for certain products and services such as mortgages, unsecured loans and credit cards. If introduced, such laws could reduce the Group's net income, though the amount of any such reduction cannot be estimated at this time. Such effects could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

16. The planned creation of a deposit guarantee system applicable throughout the European Union may result in additional costs to the Group.

The harmonisation of deposit guarantee systems throughout the European Union will represent significant changes to the mechanisms of the deposit guarantee systems currently in force in individual countries.

Greece has transposed Directive 94/19/EC of the European Parliament and of the Council of 30 May 1994 on deposit-guarantee schemes by virtue of Greek law 3746/2009, which established the Hellenic Deposit and Investment Guarantee Fund (the "**HDIGF**"). Greek law 3746/2009 was abolished by Greek law 4370/2016, which transposed Directive 2014/49/EC into Greek law. Three different schemes are run by the HDIGF, each regulated by a different set of legal provisions: the first is the deposit guarantee scheme (the "**DGS**"), the second is the investment guarantee scheme and the third is the scheme funding resolutions. The DGS is financed both on an ex ante and on an ex post basis. All credit institutions licensed by the Bank of Greece are obliged, by virtue of article 5 of Greek law 4370/2016, to participate in the DGS.

We may be required, pursuant to EU law, to make contributions that are higher than those currently required under applicable national law, which may adversely affect our operating results.

17. The Group could be exposed to future pension and post-employment benefit liabilities.

The personnel of the Group in Greece are insured with funds providing social security (main pension, auxiliary pension, health and welfare). As of 31 March 2021, on a consolidated basis, the Group's employee defined benefit obligations amounted to €94.9 million. These amounts were calculated on the basis of specific economic and demographic assumptions. These include assumptions relating to changes in interest rates, which may not actually occur. Should future events deviate from these assumptions, the Bank's liabilities may significantly increase.

The Bank's liabilities may further increase with respect to employees who have been insured members and were hired prior to 31 December 2004, as, pursuant to the amendments of Greek law 3455/2006 which transposed Directive 2002/87/EC into Greek law, the social contributions that are paid over the service life of said employees for the supplementary pension are larger compared to the respective contributions which are stipulated by law for other salaried employees.

The passing of Greek law 4387/2016, as well as several other pension and social insurance reform laws, including Greek law 4670/2020, introduced radical changes to the structure and mode of operation of the insurance system. These developments, which are targeted at creating a viable and sustainable general pension system and minimising state subsidies through, among other things, the consolidation of pension funds, may alter the liabilities of the banking sector and hence of the Group in respect of contributions to meet actuarial or operational deficits of the pension funds. Moreover, it is impossible to predict potential legal challenges against the consolidations of pension funds, or the outcome of such disputes.

18. If the Group's reputation is damaged, this would affect its image and customer relations, which could adversely affect business, financial condition, results of operation and prospects.

Reputational risk is inherent to the Group's business activity. Negative public opinion towards the Group or the financial services sector as a whole could result from real or perceived practices in the banking sector, such as money laundering, negligence during the provision of financial products or services, or even from the way that the Group conducts, or is perceived to conduct, its business. Although the Group makes all possible efforts to comply with the regulatory instructions, negative publicity and negative public opinion could adversely affect the Group's ability to maintain and attract customers, in particular, institutional and retail depositors, which could adversely affect the Group's business, financial condition and future prospects.

19. The Greek banking sector is subject to strikes, which may adversely affect the Group's operations.

Most of the Bank's employees belong to a union and the Greek banking industry has been subject to strikes over wage and pension issues. Prolonged labour strikes could have a material adverse effect on the Bank's operations in the Hellenic Republic, either directly or indirectly – for example, it could have an impact on the willingness or ability of the Greek government to pass the reforms necessary to successfully implement its post ESM Programme commitments.

20. The value of certain financial instruments recorded at fair value is determined using financial models incorporating assumptions, judgements and estimates that may change over time or may not be accurate.

In establishing the fair value of certain financial instruments, the Group relies on quoted market prices or, where the market for a financial instrument is not sufficiently active, internal valuation models that utilise observable financial market data. In certain circumstances, the data for individual financial instruments or classes of financial instruments utilised by such valuation models may not be available or may become unavailable due to changes in financial market conditions. In such circumstances, the Group's internal valuation models require the Group to make assumptions, judgements and estimates to establish fair value. These internal valuation models are complex, and the assumptions, judgements and estimates the Group is required to make often relate to matters that are inherently uncertain, such as expected cash flows. Such assumptions, judgements and estimates may need to be updated to reflect changing facts, trends and market conditions. The resulting change in the fair values of the financial instruments could have a material adverse effect on the Group's earnings and financial condition. Also, market volatility and illiquidity make it difficult to value certain of the Group's financial instruments. Valuations in future periods, reflecting prevailing market conditions, may result in changes in the fair values of these instruments, which could have a material adverse effect on the Group's results, financial condition and prospects, particularly if any of the various instruments and strategies that are used to economically hedge exposure to market risk is not effective.

21. The Group is exposed to risk of fraud and illegal activities of other forms which, if they are not dealt with successfully or in a timely manner, could have negative effects on its business, financial condition, results of operation and prospects.

The Group is subject to rules and regulations related to money laundering and terrorism financing. Compliance with anti-money laundering and anti-terrorist financing rules entails significant cost and effort. Non-compliance with these rules may have serious consequences, including adverse legal and reputational consequences. Although current anti-money laundering and anti-terrorism financing policies and procedures are adequate to ensure compliance with applicable legislation, it cannot be guaranteed that they will comply at all times with all rules applicable to money laundering and terrorism financing as extended to the whole Group and applied to its workers in all circumstances. A possible violation, or even any suspicion of a violation of these rules, may have serious legal and financial consequences, which could have a material and adverse effect on the Group's business, financial condition, results of operations and prospects.

22. Economic hedging may not prevent losses.

If any of the various instruments and strategies that are used to economically hedge exposure to market risk is not effective, the Group may incur losses. Many of the Group's hedging strategies are based on historical trading patterns and correlations. Unexpected market developments may therefore adversely affect the effectiveness of these hedging strategies.

23. We may have to bear additional costs in regard to staff costs.

Under the measures for the implementation of our strategy, the number of the Group's employees in Greece during 2019 and 2020 remained substantially the same (10,528 employees as of 31 December 2020 and 10,530 employees as of 31 December 2019). In September 2019, we announced a voluntary exit scheme with a total cost of € 46.9 million for the year ended 31 December 2019. While we are fully compliant with the relevant provisions of the applicable legislation, we cannot know whether, nor guarantee that these measures or any other future action relative to the implementation of any potential further reduction in the number of the Group's employees will not result in legal disputes or disturbances to our activity. Such initiatives on a large scale may lead to additional restructuring expenditure in terms of staff costs.

24. The Group's systems and networks have been, and will continue to be, vulnerable to an increasing risk of continually evolving cyber security risks or other technological risks which could result in the disclosure of confidential client or customer information, damage to the Group's reputation, additional costs to the Group, regulatory penalties and financial losses.

A significant portion of the Group's operations rely heavily on the secure processing, storage and transmission of confidential and other information as well as the monitoring of a large number of complex transactions on a constant basis. The Group stores an extensive amount of personal and client-specific information for its retail, corporate and governmental customers and clients and must accurately record and reflect their extensive account transactions. The proper functioning of the Group's payment systems, financial and sanctions controls, risk management, credit analysis and reporting, accounting, customer service and other information technology systems, as well as the communication networks between its branches and main data processing centres, are critical to the Group's operations. These activities have been, and will continue to be, subject to an increasing risk of cyber-attacks, the nature of which is continually evolving. The Group's computer systems, software and networks have been and will continue to be threatened by unauthorised access, loss or destruction of data (including confidential client information), account takeovers, unavailability of service, computer viruses or other malicious code, cyber-attacks and other events. These threats may derive from human error, fraud or malice on the part of employees or third parties, or may result from accidental technological failure. If one or more of these events occurs, it could result in the disclosure of confidential client information, damage to the Group's reputation with its clients and the market, additional costs to the Group (such as repairing systems or adding new personnel or protection technologies), regulatory penalties and financial losses to both the Group and its clients. Such events could also cause interruptions or malfunctions in the operations of the Group (such as the lack of availability of the Group's online banking systems), as well as the operations of its clients, customers or other third parties. Given the volume of transactions at the Group, certain errors or actions may be repeated or compounded before they are discovered and rectified, which would further increase these costs and consequences.

In addition, third parties with which the Group does business may also be sources of cyber security risks or other technological risks. The Group outsources a limited number of supporting functions, such as printing of customer credit card statements and processing of cards, which results in the storage and processing of customer information. Although the Group adopts a range of actions to eliminate the exposure resulting from outsourcing, such as not allowing third-party access to the production systems and operating a highly controlled IT environment with a multi-layered defence-in-depth approach, unauthorised access, loss or destruction of data or other cyber incidents could occur, resulting in similar costs and consequences to the Group as those discussed above. While the Group maintains insurance coverage that may, subject to policy terms and conditions, cover certain aspects of cyber security risks such as fraud and financial crime, such insurance coverage may be insufficient to cover all losses.

25. Enforcement of the EU General Data Protection Regulation may affect our business.

Regulation (EU) No. 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (also known as the EU General Data Protection Regulation or the "**GDPR**") represents a new legal framework for the data protection in the EU. It has applied directly in all EU Member States since 25 May 2018. Although a number of basic principles under previous Greek data privacy legal framework remain the same under the GDPR, the GDPR also introduces new obligations on data controllers and enhanced rights for data subjects.

The GDPR applies to the processing of personal data in the context of the activities of an establishment of a controller or a processor in the EU, regardless of whether the processing takes place in the EU or not, to organisations located within the EU and also extends to the processing of personal data of data subjects who are in the EU by a controller or processor not established in the EU, where the processing activities are related to the offering of goods or services to such data subjects in the EU organisations located outside of the EU if they offer goods and/or services to EU data subjects. Regulators have power to impose administrative fines and penalties for a breach of obligations under the GDPR, including fines for serious breaches of up to 4% of the total worldwide annual turnover of the preceding financial year or €20 million and fines of up to 2% of the total worldwide annual turnover of the preceding financial year or €10 million for other specified infringements. The GDPR identifies a list of points to consider when imposing fines (including the nature, gravity and duration of the infringement).

On 29 August 2019, Greek law 4624/2019, which, *inter alia*, implements the GDPR, was enacted into Greek law. While we have taken all reasonable measures to comply with the GDPR requirements, there is uncertainty as to how the Hellenic Data Protection Authority will enforce the GDPR, which may affect our business and operations.

1.1.2. Risks relating to the macroeconomic and financial developments in the Hellenic Republic

1. Uncertainty resulting from the Hellenic Republic's financial and economic crisis has had and is likely to continue to have a significant adverse impact on the Group's business, financial condition, results of operations and prospects.

The Group's business is heavily dependent on the macroeconomic and political conditions in Greece. As of 31 March 2021, 88% of the Group's total net loans and advances to customers and 88% of net interest income were derived from operations in Greece and, as of 31 March 2021, investment securities and derivative financial assets less derivative financial liabilities to the Greek public sector amounted to €6.3 billion.

Greece experienced an unprecedented financial crisis from 2008 to 2016. During this period, the Hellenic Republic faced significant pressure on its public finances and received financial assistance under consecutive stabilisation programmes sponsored by the International Monetary Fund ("**IMF**"), the European Union ("**EU**"), the European Central Bank ("**ECB**") and the European Stability Mechanism ("**ESM**"). The last financial assistance and stabilisation programme was agreed in August 2015 and was completed in August 2018 (the "**ESM Programme**"). In accordance with these stabilisation programmes, the Hellenic Republic committed to certain substantial structural measures intended to restore competitiveness and promote economic growth in the country.

In August 2018, the Hellenic Republic concluded the ESM Programme with a successful exit and no fourth stabilisation programme was imposed. Nevertheless, as part of the post-stabilisation programme period, the Hellenic Republic has made specific policy commitments to complete key structural reforms initiated under the ESM Programme within agreed deadlines and has made a general commitment to continue to implement all key reforms adopted under the ESM Programme. Progress on the implementation of such reforms, as well as the economic developments and policies in Greece, are monitored under an enhanced surveillance framework in accordance with Regulation (EU) No 472/2013.

According to the Eurostat data, published in March 2021, the Greek economy contracted by 8.2% in 2020, as economic activity was adversely affected by measures designed to contain the spread of the COVID-19 pandemic. The European Commission in its 2021 Spring Forecast estimated that real gross domestic product ("**GDP**") in Greece would grow by 4.1% in 2021. Private consumption is expected to strengthen, and the gradual reopening of the tourism sector is expected to support, net exports, while economic activity in the second half of the year is also expected to increase as a result of the implementation of the projects presented in Greece's RRF. Further, according to the Hellenic Statistical Authority, the primary balance reached -6.7% of GDP in 2020 (EL.STAT., "The Greek Economy" 7 May 2021). Apart from the decline in revenues triggered by the recession, the prolongation of economic measures adopted by the authorities to cushion the economic downturn weighed on the result.

The 2021 Draft Budgetary Plan, voted in Hellenic Parliament in early December 2020, expects the deficit monitored under enhanced surveillance to reach 3.9% of GDP in 2021.

Potential delays in the completion of remaining reforms, the funds inflow from the RRF and the rest of the commitments of the Hellenic Republic *vis-à-vis* the Eurogroup could impact the market assessment of the risks surrounding the creditworthiness of the Hellenic Republic and, therefore, create uncertainty regarding its ability to maintain continuous access to market financing. Such a development could, in turn, have a material adverse impact on the Group's liquidity position, business, results of operations, financial condition or prospects.

Moreover, notwithstanding the successful implementation and completion of the ESM Programme, the Greek economy, as impacted by the COVID-19 pandemic, may not achieve the sustained and robust growth that is necessary to ease the financial constraints of the country and improve conditions for foreign direct investment. Further, the Hellenic Republic remains subject to downside risks in view of the very gradual improvement in household disposable income and the vulnerable financial position of a number of business entities. A continued depression in the Greek economy will have a significant material adverse effect on the Group's business, financial condition, results of operations and prospects.

2. The COVID-19 pandemic has impacted and is expected to further impact the Group's business, its customers, contractual counterparties and employees.

The COVID-19 pandemic is a severe public health emergency for citizens, societies and economies. COVID-19 cases have been detected in all EU member states and most countries globally, imposing a heavy burden on individuals and societies, and putting health care systems under severe strain. In addition to its significant social impacts, the COVID-19 pandemic has led to a major economic shock, causing disruption of global supply chains, volatility in financial markets, falls in consumer demand and negative impact in key sectors like travel and tourism. Sizeable and swift fiscal, monetary, and regulatory responses (such as the €750 billion Next Generation EU recovery instrument ("**NGEU**") (more than half of it grant-based)) and a wide range of temporary lifeline policies were put in place to maintain disposable income for households, protect cash flow for firms, and support credit provision. At the national level, governments have responded with a variety of fiscal counter-measures that include efforts to cushion income losses, incentivise hiring, expand social assistance, guarantee credit, and inject equity into firms.

The global economy is estimated by the IMF in its April 2021 World Economic Outlook Update (the "**April 2021 WEO Update**") –to have contracted by 3.3% in 2020, a slightly lower contraction than forecasted in the January 2021 World Economic Outlook Update. Global growth is projected by the April 2021 WEO Update to be 6.0% in 2021.

The extent of the impact of the COVID-19 pandemic on the Group's business, results of operations, capital, liquidity and prospects will depend on a number of evolving factors, including:

- *The duration, extent and severity of the COVID-19 pandemic, which cannot be predicted with certainty at this time*. This will depend on the availability and uptake of vaccines and improvement of therapies for COVID-19, but also potential mutations of the virus that causes COVID-19, which may affect the efficacy of such vaccines and therapies. Baseline projections in the April 2021 WEO Update assume staggered and uneven distribution of vaccines across regions. Broad vaccine availability in advanced economies and some emerging market economies is expected for the summer of 2021 and in most countries by the second half of 2022. This timetable assumes that effective protection, combined with improved testing and tracing, will reduce local transmissions to low levels everywhere by the end of 2022.
- *The effect on the Group's borrowers, counterparties, employees and third-party service providers. The impact of the COVID-19 pandemic is multi-level and uneven on household and business income*. The economic consequences of the COVID-19 pandemic have become more visible in terms of employment, lower consumption and lower inflation expectations. These factors are expected to adversely impact corporate and personal borrowers' ability to repay their loans, which could have a material adverse effect on the Group's results of operations, financial condition and/or liquidity. At the same time, the economic measures that the Greek government implemented to temporarily relieve borrowers from their financial burdens may affect borrowers' willingness to repay their loans when due, which could affect the Group's results of operations, financial condition, and liquidity.
- *The reaction and measures adopted by governments*. According to the Ninth Enhanced Surveillance Framework Report on Greece by the European Union, in spite of the recent surge in infections, Greece has to date managed to contain the spread of COVID-19 comparably well thanks to a timely response in regions facing an increase in the number of new cases. The Greek authorities are strengthening the preparedness of the health-care system and expanding testing capacity while at the same time expanding and adapting the set of fiscal and liquidity measures aiding persons and businesses affected by the COVID-19 pandemic. In this context, the Hellenic Development Bank has launched two schemes supporting bank credit. The COVID-19 enterprise guarantee scheme and the interest subsidy scheme (TEPIX-II) operated by the Hellenic Development Bank have resulted in €4.6 billion and €2 billion, respectively, of loan disbursements to corporations and small and medium sized enterprises in 2020, contributing with approximately 40% to the

total gross corporate loan flows over the year. However, if the measures adopted by governments in any jurisdiction in which the Group operates (i) are insufficient to prevent economic disruption, (ii) are not, for any reason, implemented or (iii) are implemented but cannot subsequently be honoured by the relevant government, this could have a material adverse effect on the Group's results of operations, financial condition and/or liquidity.

- *The reaction of the EU to the COVID-19 pandemic*. The ECB's Pandemic Emergency Purchase Programme (PEPP) amounts to approximately €1,850 billion, out of which approximately €37.2 billion will be available for the purchase of Greek public and private sector securities. The European Council's financial package includes the future Multiannual Financial Framework ("**MFF**") and a specific recovery effort under NGEU. The NGEU fund amounts to €750 billion, out of which approximately €32 billion will be available for Greece (provisionally comprising €19.3 billion in grants and €12.7 billion in loans, as per the 2021 Draft Budgetary Plan). The amount for the MFF is €1,100 billion, with approximately €40 billion earmarked for Greece. However, any measures by monetary authorities may be insufficient in the future, which could have a material adverse effect on the Group's results of operations, financial condition and/or liquidity.

If the COVID-19 pandemic is prolonged, worsens or there are further waves of outbreaks, or other diseases emerge that give rise to similar effects, this could have a further adverse impact on the global economy and/or financial markets and, in turn, adversely impact the Group's business, financial results and operations.
See also "*Trend Information—Impact of the COVID-19 pandemic*".

3. Recessionary pressures in Greece have had and may continue to have an adverse effect on the Group's business.

The Group's business activities are dependent on demand for its banking, finance and financial products and services offered, as well as on customers' capacity to repay their obligations, which have been adversely affected by the COVID-19 pandemic. The levels of savings and credit demand are heavily dependent on customer confidence, employment trends and the availability and cost of funding.

During the period between 2008 and 2016 the decline in GDP and protracted recession in Greece resulted in significantly reduced disposable income, spending and debt repayment capacity in the Greek private sector. This led to further increases in NPLs, impairment charges on our loans and other financial assets, decreased demand for borrowings in general and increased deposit outflows.

The uncertainty created by the prolonged financial crisis in Greece and doubts as to the ability of the Greek economy to recover resulted in a significant outflow of deposits in the Greek banking sector of approximately €37 billion from 31 December 2014 to 31 December 2015 (Source: *Bank of Greece*).

The Bank's NPL ratio (defined as NPLs divided by gross loans at the end of the relevant reference period) stood at 31% as of 31 March 2021. The decline in loan portfolios, in combination with a high NPL ratio, may result in decreased net interest income, and this could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Bank of Greece also assesses NPEs based on the European Banking Authority ("**EBA**") standards in order to monitor Greek banks' NPEs. The Bank's NPE ratio amounted to 43% as of 31 March 2021.

In response to the COVID-19 pandemic, Greek banks, including the Bank, offered payment moratoria to their borrowers, with a temporary prudential flexibility put in place by regulators. According to the data submitted by the Greek systemic banks as of 31 December 2020, €27.6 billion of loans have been covered by the non-legislative moratoria put in place by servicers and banks for debtors affected by the COVID-19 pandemic. According to the Bank of Greece, the balance of these loans was less than € 4 billion as of 31 December 2020 as most of the moratoria had expired (Source: *Bank of Greece*). The moratoria have so far mitigated the impact of the COVID-19 pandemic on the Greek banks' asset quality, as supervisory guidance allowed public and private moratoria announced and applied before 30 September 2020 not to be automatically classified as forbearance measures. As of 31 September 2020, the Bank had offered moratoria to performing clients amounting to €5.4 billion in Greece. The large share of the performing loan book under moratoria points to a significant risk of future loan reclassifications to non-performing status, leading to increased provisioning needs and deteriorating asset quality ratios when such moratoria expire. The expected NPE inflows from moratoria expirations in 2021 are expected to reach €0.8 billion Please also refer to "*Trend Information - Impact of the COVID-19 pandemic"* and *"Profit Forecasts*".

We have implemented a troubled assets management plan to reduce NPL/NPE volume. Nevertheless, the implementation of such strategy (as described in more detail under "*Group's Business Overview – Other Activities – NPEs Managing Measures & Strategies*") is affected by a number of external and systemic factors and there is no guarantee such a programme will be effective, especially given the risk of future loan reclassifications to non-performing status (leading to increased provisioning needs and deteriorating asset quality ratios).

Volatile macroeconomic conditions, coupled with low consumer spending and business investment, which may be further exacerbated by the COVID-19 pandemic, may adversely affect the value of assets collateralising secured loans, including houses and other real estate. Such a decline could result in impairment of the value of our loan assets or an increase in the level of NPLs and NPEs, either of which may have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

4. Political, geopolitical and economic developments could adversely affect our business and operations.

External factors, including political, geopolitical, and economic developments in the Hellenic Republic and the region may negatively affect our business, operations, and prospects in and outside of Greece. Our financial condition and results of operation may be adversely affected by various events outside of our control, including but not limited to:

- changes in government and economic policies;
- political instability, military conflicts or geopolitical tensions that impact South-Eastern Mediterranean Europe and/or other regions, including tensions between Greece and Turkey;
- changes in the level of interest rates set by the ECD;
- regulations and directives relating to the banking and other sectors; and
- Taxation and other political, geopolitical, economic or social risks affecting our business development.

1.1.3. Risks relating to funding

1. The Group has limited sources of liquidity, which are not guaranteed and the cost of which may increase materially.

The recent economic recession in Greece has adversely affected the Group's credit risk profile, which has from time to time restricted the Group from obtaining funding in the capital markets, and increased the cost of such funding and the need for additional collateral requirements in repurchase contracts and other secured funding arrangements, including those with the Eurosystem. Although access to capital markets has gradually been reinstated over the last few years, concerns relating to the on-going impact of current economic conditions, especially in the post-COVID-19 era, and potential delays in the completion by the Hellenic Republic of key structural reforms (as part of its post-ESM Programme commitments) may restrict the Bank's ability to obtain funding in the capital markets in the medium term.

The Bank's principal sources of liquidity are (i) its deposit base, (ii) Eurosystem funding via the Targeted Longer-term Refinancing Operations ("**TLTROs**") with the ECB and (iii) repurchase securities agreements ("**repos**") with major foreign financial institutions. ECB funding and repos with financial institutions are collateralised by high quality liquid assets, such as European Financial Stability Fund ("**EFSF**") bonds, EU sovereign bonds, Greek government bonds and Treasury Bills ("**T Bills**"), as well as by other assets, such as highly rated corporate loans, covered bonds and asset backed securities issued by the Bank. As of 24 June 2020, the Bank had fully repaid the ECB its TLTRO II participation (€3.1 billion) and participated in the TLTRO III operation (€11.9 billion). As of 31 March 2021, the Bank's total Eurosystem funding was €12.9 billion. Any change in the terms of TLTRO III could affect the Bank's liquidity position and cost. Although the Bank's liquidity position has improved, with no dependence on emergency liquidity assistance ("**ELA**") since February 2019, there can be no assurance that the Bank's funding needs will continue to be met by, or that it will continue to have access to, Eurosystem funding in the future.

In addition, deposit outflows could have a material adverse impact on the Bank's deposit base and on the amount of the Bank's ECB and ELA eligible collateral, which could have a material adverse impact on the Group's liquidity and the Group's access to Eurosystem funding in the future, which may in turn threaten the Bank's ability to continue as a going concern.

Furthermore, the liquidity the Bank is able to access from the ECB or ELA may be adversely affected by changes in ECB and Bank of Greece rules relating to collateral. If the ECB or the Bank of Greece were to revise their respective collateral standards, remove asset classes from being accepted, or increase the rating requirements for collateral securities such that certain instruments were no longer eligible to serve as collateral with the ECB or the Bank of Greece, or the credit rating of the Hellenic Republic is downgraded, the Bank's access to these facilities could be diminished and the cost of obtaining such funds could increase.

2. An accelerated outflow of funds from customer deposits could cause an increase in the Bank's costs of funding and have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

Historically, one of the Bank's principal sources of funds has been customer deposits. If depositors withdraw their funds at a rate faster than the rate at which borrowers repay their loans, or if the Bank is unable to obtain the necessary liquidity by other means, it would be unable to maintain its current levels of funding without incurring significantly higher funding costs, having to liquidate certain assets or increasing its Eurosystem borrowings.

The on-going availability of customer deposits to fund the Bank's loan portfolio is subject to potential changes in certain factors outside the Bank's control, such as depositors' concerns relating to the economy in general, the financial services industry or the Bank specifically, an increasing tax burden thus leading depositors to use their funds (and subsequently decrease their deposits), increased competition by Greek and foreign banks through internet deposit products, perceived risks relating to bail-in measures and the availability and extent of deposit guarantees. Any of these factors separately or in combination could lead to a sustained reduction in the Bank's ability to access customer deposit funding on appropriate terms in the future, which would impact the Bank's ability to fund its operations and meet its minimum liquidity requirements and have an adverse effect on the Bank's business, financial condition, results of operations and prospects.

1.1.4. Risks relating to Regulation

1. The Group is subject to extensive and complex regulation, which is the subject of ongoing change and reform in each jurisdiction in which it operates, imposing a significant compliance burden on the Group and increasing the risk of non-compliance.

The Group is subject to financial services laws, regulations, administrative actions and policies in each jurisdiction in which it operates. All of these regulatory requirements are subject to change, particularly in the current market environment, where there have been unprecedented levels of government intervention and changes to the regulations governing financial institutions. In response to the global financial crisis, national governments as well as supranational groups, such as the EU, have been considering and implementing significant changes to current bank regulatory frameworks, including those pertaining to capital adequacy, liquidity and scope of banks' operations. For example, significant amendments to Regulation (EU) No 575/2013, Directive 2014/59/EU and Regulation (EU) No 806/2014 were published in the Official Journal of the EU in June 2019. The amendments to Regulation (EU) No 575/2013 introduced by virtue of Regulation (EU) 2019/876 will be directly applicable as of 28 June 2021, subject to certain exceptions, with further amendments introduced by Regulation (EU) 2020/873 to mitigate the economic effects of the COVID-19 pandemic. Moreover, Directive (EU) 2019/878, which amends Directive 2013/36/EU, has recently been transposed into Greek law by virtue of Greek law 4799/2021.

Compliance with new requirements may also restrict certain types of transactions, affect the Group's strategy and limit or adversely affect the way in which the Group prices its products, any of which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.
As regulation becomes increasingly complex, the risk of non-compliance with applicable regulation increases. Actual or perceived non-compliance with applicable regulation could result in litigation or regulatory investigation, either of which could result in sanctions, monetary or otherwise. Any such sanctions could have a material adverse effect on the Group's business, financial condition, results of operations and prospects. Moreover, any determination (by a regulator or otherwise) that the Group has not complied with applicable regulation may have an adverse effect on the Group's reputation.

2. The Group and the Bank are required to maintain minimum capital ratios, and changes in regulation may result in uncertainty about their ability to achieve and maintain required capital levels and liquidity.

The Group and the Bank are required by their regulators to maintain minimum capital ratios – see "*Regulation and supervision of banks in Greece– Capital Adequacy Framework*". These required levels may increase in the future, for example pursuant to the supervisory review and evaluation process ("**SREP**") as applied to the Bank. In addition, the manner in which the requirements are applied may adversely affect the Group and/or the Bank's capital ratios.

The Bank, its regulated subsidiaries and its branches are subject to the risk of having insufficient capital resources or a lack of liquidity to meet the minimum regulatory capital and/or liquidity requirements set by their regulators. In addition, those minimum regulatory capital requirements are likely to increase in the future and the methods of calculating capital resources may change, including in ways that result in the Bank or the Group's capital ratios being worse than under the existing methodology for calculating them. The SSM could introduce risk-weighted asset ("**RWA**") floors (as it has done in other jurisdictions), and further harmonisation of booking of RWAs could increase the risk weighting of exposures. In addition, proposals have been discussed that would cap the amount of sovereign bonds banks could hold, or assign risk weights to sovereign bond holdings, which could require banks to raise additional capital.

For example, under HAPS, introduced by virtue of Law 4649/2020, the Greek Government grants its irrevocable and unconditional guarantee in favour of the senior notes issued in the context of securitization structures and submitted in the scope of HAPS. The prudential regulator has communicated that such senior notes with the benefit of the Greek State guarantee will receive a 0% risk weighting. We have retained the whole of the senior notes issued under our Project Galaxy for the securitization of NPE, which has been submitted under the HAPS and received the State irrevocable and unconditional guarantee. Nevertheless, there can be no assurance that such regulatory treatment will be retained in the future or a higher risk weighting, in the light of any adverse microeconomic developments causing underperformance of the securitization structures, will be retained.

Likewise, we are obliged under applicable regulations to retain a certain liquidity coverage ratio – see "*Regulation and supervision of banks in Greece– Capital Adequacy Framework – Liquidity Requirements*". Such liquidity requirements may come under increased scrutiny and may place additional stress on the Group's liquidity demands in the jurisdictions in which it operates. Compliance with new requirements may increase our regulatory capital and liquidity requirements and costs, disclosure requirements, restrict certain types of transactions, affect its strategy and limit or require the modification of rates or fees that are charged on certain loan and other products, any of which could lower the return on the Group's investments, assets and equity. Any of these factors may result in the need for additional capital for the Group. If the Group is not able to meet its capital requirements by raising funds from the capital markets, it may need to seek additional funding by means of state aid and/or the applicable resolution authority, thereby increasing the likelihood that the shareholders will be subject to limitations on their rights and/or incur significant losses in their investments, *inter alia* by operation of the applicable provisions of the BRRD Law and the HFSF Law – see further *"Regulation and supervision of banks in Greece - Recovery and resolution of credit institutions/The HFSF" "*.

3. Negative results in the Group's stress testing may have an adverse effect on the Group's funding cost or the public's confidence in the Group and, consequently, may adversely affect its business, financial condition, results of operations and prospects.

The EBA conducts stress tests in order to evaluate the capital base of EU banks and identify potential capital shortfalls. Stress tests analysing the European banking sector have been, and the Bank anticipates that they will continue to be, published by national and supranational regulatory authorities. For example, on 30 July 2020 the Board of Supervisors of the EBA agreed on the tentative timeline and sample for the 2021 EU-wide stress test. The exercise launched on 29 January 2021 and its results are expected to be published at the end of July 2021.

Asset quality reviews and stress testing exercises in countries where the Group operates may result in additional capital requirements. In addition, a loss of confidence in the banking sector following the announcement of any stress tests that take place from time to time regarding the Group or the Greek banking system as conducted in accordance with the legislative framework in force, or a market perception that any such stress tests are not rigorous enough, could also have a negative effect on the Group's cost of funding and may thus have a material adverse effect on its results of operations and financial condition.

4. The Bank Recovery and Resolution Directive may have a material adverse effect on the Group's and the Bank's business, financial condition, results of operations and prospects.

Directive 2014/59/EU, as amended by Directive (EU) 2019/879 and as may be further amended from time to time (the "**BRRD**"), sets out rules designed to harmonise and improve the tools for dealing with bank crises across the EU to ensure that shareholders, creditors and unsecured depositors mandatorily participate in the recapitalisation and/or the liquidation of troubled banks. The BRRD has been implemented in Greece by virtue of Greek law 4335/2015, as amended and currently in force (the "**BRRD law**") and in the other EU countries in which the Group has banking operations.

Where a financial holding company and/or a credit institution (such as the Bank) is determined to be failing or likely to fail (as contemplated by the BRRD) and there is no reasonable prospect that any alternative solution would prevent such failure, various resolution actions are available to the relevant regulator under the BRRD comprising the asset separation tool, the bridge institution tool, the sale of business tool and the bail-in tool. These resolution actions are described under "*Regulation and supervision of banks in Greece – Recovery and resolution of credit institutions – Resolution tools*".

Should we be determined to be failing or likely to fail (as contemplated by the BRRD), the application of certain of the resolution tools under the BRRD could result in the removal of our or the Bank's Board of Directors and management team, which could adversely affect the Group's business, financial condition, results of operations and prospects. Other resolution tools of the Greek BRRD Law could result in our Ordinary Shares or the shares of Alpha Bank being written down or cancelled by the competent resolution authority. In such case the holders of the Ordinary Shares could incur a partial or total loss of their investment. See also "*Regulation and supervision of banks in Greece —Recovery and resolution of credit institutions*".

The BRRD prescribes minimum requirements for own funds and eligible liabilities in the EU legislation ("**MREL**"). The MREL framework provides that there should be sufficient loss-absorbing and recapitalisation capacity available in resolution of any credit institution to implement an orderly resolution that minimises any impact on financial stability, ensures the continuity of critical functions, and avoids exposing taxpayers (public funds) to loss. The Single Resolution Board ("**SRB**") has been authorised to calculate and determine the level of MREL for each EU systemic credit institution (including the Bank).

On 15 April 2021, Alpha Bank received a communication from the Single Resolution Board (SRB) regarding the binding Minimum Requirement of Own Funds and Eligible Liabilities (MREL). The requirements are based on the Bank Recovery and Resolution Directive ("BRRD2"), which was transposed under Greek law 4799/2021 on 18 May 2021.

The SRB decision is based on a single point of entry resolution strategy.

According to the SRB decision, Alpha Bank needs to meet from 1 January 2026 on a consolidated basis the following MREL requirements, namely 22.76% of Total Risk Exposure Amount (TREA) and 5.91% of Leverage Exposure (LRE). The communication also sets out the interim MREL requirements that must be met from 1 January 2022, namely 14.02% of TREA and 5.91% of LRE.

The MREL ratio expressed as a percentage of RWAs does not include the Combined Buffer Requirement (CBR), currently at 3% and expected to increase to 3.25% on 1 January 2022. With regard to the requirement for a minimum amount of own funds and subordinated eligible liabilities (the "**Subordinated MREL Requirement**"), the SRB has decided that no subordination requirement applies to Alpha Bank.

If the market conditions are limited, these could adversely affect the Bank's ability to comply with the SRB's requirements or could result in the Bank issuing MREL at very high costs, which could adversely affect the Bank's business, financial condition, results of operations and prospects.

If the Group fails to meet its combined buffer requirement (which will also be considered in conjunction with its MREL resources), resolution authorities have the power to prohibit certain distributions under BRRD Law.

The SRB's resolution powers (as the competent resolution authority under the BRRD) may also affect the confidence of the Bank's depositor's base and so may have a significant impact on the Group's results of operations, business, assets, cash flows and financial condition, as well as on the Group's funding activities and the products and services it offers.

1.1.5. Risks relating to credit and other financial risks

1. Wholesale borrowing costs and access to liquidity and capital may be negatively affected by any future downgrades of the Hellenic Republic's credit rating.

The capacity of the Hellenic Republic to maintain its credit ratings is an important element of its economic and financial recovery, and financial conditions in the private sector will, to a significant extent, depend on such credit ratings. However, there is still considerable uncertainty surrounding the prospective pace of improvement in Greece's sovereign rating.

Downgrades of the Hellenic Republic's rating could occur, for example, as a result of the deterioration of the country's public finances due to COVID-19, or in the event of uncertainty regarding the country's commitment or ability to complete all fiscal reforms or meet other related obligations within the expected timeframe. Should any downgrades occur or rating outlooks turn negative, the financing costs of the Hellenic Republic would increase and its access to capital markets could be disrupted, with negative effects on the cost of capital for Greek banks (including the Bank) and the Group's business, financial condition and results of operations. Downgrades of the Hellenic Republic's credit rating could also result in a corresponding downgrade in the Bank's credit rating and, as a result, increase wholesale borrowing costs and the Group's access to liquidity, which could adversely affect the Group's business and results of operations.

2. Deteriorating asset valuations resulting from poor market conditions may adversely affect the Group's business, financial condition, results of operations and prospects.

The ongoing global economic slowdown and economic crisis in Greece since 2008 has resulted in an increase in NPEs and significant changes in the fair values of the Group's financial assets. A substantial portion of the Group's loans to corporate and individual borrowers is secured by collateral such as real estate, securities, vessels, term deposits and receivables. In particular, as mortgage loans are one of the Bank's principal assets, the Group is currently highly exposed to developments and volatility in real estate markets, especially in Greece.

Under the unprecedented conditions created by the COVID-19 pandemic, there have been significant changes in the real estate market, several of which are expected to remain and affect market balances, even in the long run, despite the fact that the impact of the current health crisis has not yet been fully reflected in real estate prices and their trends. In particular, property prices have been adversely affected by, amongst other things, weak credit flows, oversupply in low demand areas and a high unemployment rate (15.8% in December 2020 (EL.STAT., Labour Force Survey, Monthly data, Press Release, December2020)). Fluctuations in the real estate market affects the value of our real estate collateral.

A further decline in the value of collateral may also result from deterioration of financial conditions in Greece or the other markets where collateral is located. In addition, failure to recover the expected value of collateral may expose the Bank to losses. Greek law 4605/2019 offers limited protections to borrowers (individuals) who have pledged their primary residence as collateral. For a detailed description, see *"Regulation and supervision of banks in Greece —Extrajudicial debt settlement mechanism - Settlement of amounts due by over-indebted individuals under Law 3869/2010—protection of main residence of the debtor"*. This may also limit the Bank's ability to recover collateral.

In addition, an increase in financial market volatility or adverse changes in the marketability of our assets could impair its ability to value certain of the Group's assets and exposures. The value ultimately realised in liquidating asset security will depend on its fair value determined at that time, which may be materially different from its current market value. Any decrease in the value of such assets and exposures could require us to recognise additional impairment charges, which could adversely affect our business, financial condition, results of operations and prospects, as well as capital adequacy.

1.1.6. Risks relating to operations outside the Hellenic Republic

1. The Group conducts international activities outside of Greece.

In addition to the operations in the Hellenic Republic, the Group has operations in Albania, Cyprus, Romania, the United Kingdom and Luxembourg. The Group's operations in Cyprus and Romania are the Group's largest/most significant operations outside of the Hellenic Republic, accounting for 6.4% and 5.3%, respectively, of the Group's total gross loans as of 31 March 2021. As of 31 March 2021, loans and advances to customers before allowance for impairment losses relating to the Group's international operations in South Eastern Europe (Albania, Cyprus and Romania) amounted to €6.1 billion and due to customers amounted to €5.1 billion. The Group's South Eastern Europe operations are exposed to the risk of adverse political, geopolitical, governmental or economic developments, as well as to changes in the regulatory and legal framework in the countries in which it operates.

The majority of the Group's South Eastern Europe operations are in economies in which the Group faces particular operational risks and unpredictability including, amongst other things, deficit and inflation increases and unexpected new legislation. Such factors could have a material adverse effect on the Group's business, results of operations and financial condition.

The Group's South Eastern Europe operations also expose the Group to foreign currency risk. A decline in the value of the currencies in which the Group's South Eastern Europe subsidiaries receive their income or value their assets relative to the value of the euro may have an adverse effect on the results of operations and financial condition. In addition, the economic crisis in Greece may materially adversely affect the Group's South Eastern Europe operations and increase depositors' concerns in these countries, which may, in turn, affect their willingness to continue to do business with the Bank's international subsidiaries.

Although we have announced our intention to divest from our operations in the UK, Project Crown, and Albania, Project Riviera, and we target to reach a binding agreement on these transactions by the end of 2021 (*see "Profit Forecasts*") there can be no assurance that transactions will be completed as per our targets or at all. Even if those transactions are consummated, there is no assurance that we will be able to successfully realize the expected business development or that the anticipated benefits (*see* "Capital Management").

1.2 RISKS SPECIFIC TO THE MARKETS AND THE NEW SHARES

1. We may not be able to pay dividends to our shareholders.

If there are no distributable profits or distributable reserves, pursuant to the applicable provisions of law, as in force from time to time, we are not allowed to pay dividends. For more information, on generally applicable restrictions under Greek corporate law and other applicable restrictions to profit distributions, including dividend payments in respect of our Ordinary Shares and payments in respect of capital stock of Greek credit institutions, see "*Dividends and Dividend Policy*".

Moreover, under the Greek law 3864/2010, as amended (the "**HFSF Law**"), neither Alpha Services and Holdings S.A. nor the Bank may distribute more than 35% of their respective net profits, and the HFSF's representative to the Board of Directors of each of Alpha Services and Holdings S.A. and the Bank has a right to veto decisions related to the distribution of dividends.

In addition, further to the recent amendments of Greek law 4261/2014, credit institutions, such as the Bank, are no longer required to distribute a minimum dividend under the Greek law 4548/2018, while any distribution in kind instead of cash, including, as the case may be, a distribution of Additional Tier 1 and Tier 2 capital instruments, will be subject to prior approval by the Bank of Greece. Furthermore, pursuant to the ECB recommendation ECB/2020/62, credit institutions shall exercise extreme prudence when opting for or paying out dividends or performing share buy-backs to remunerate their shareholders. In case that the dividend distribution from the Bank is limited or no dividend distribution takes place as per the above, the decision of Alpha Services and Holdings S.A. to distribute dividends to its shareholders as well as the amount of such dividend, if any, could be substantially affected, as Alpha Services and Holdings S.A. is a financial holding company with limited business activity and its ability to distribute profits will mainly depend on the income received from the Bank. Currently applicable legislation or legislation that may be enacted in the future, as well as existing and future regulatory recommendations and guidelines, may prohibit us or limit our ability to make profit distributions, including the payment of dividends on our Ordinary Shares in subsequent years.

2. The New Shares may be subject to the general bail-in tool or the non-viability loss absorption power pursuant to the BRRD Law and can be affected by the implementation of the mandatory burden sharing measures pursuant to the HFSF Law for the provision of extraordinary public financial support pursuant to Article 32, paragraph 3(d)(cc) of the BRRD Law, which may result in their write-down or cancellation in full.

According to the BRRD Law, our Ordinary Shares, including the New Shares, and the shares of the Bank may be subject to the general bail-in tool, which gives the competent resolution authority the power to write down or cancel certain claims of unsecured creditors, such as shareholders. The bail-in tool may be imposed either as a sole resolution measure or in combination with other resolution tools that may be imposed in case of the resolution of the relevant failing entity and/or if such entity receives state-aid in the form of the Government Financial Support Tool pursuant to Articles 56-58 of the BRRD Law (and, in particular with respect to a credit institution, Article 6b of the HFSF Law). In addition to the above, the BRRD Law also provides for the non-viability loss absorption, power of the competent resolution authority of Articles 59 *et seq.* of the BRRD Law to permanently write down or convert into equity capital instruments issued by the relevant entity, including CET1 instruments (which includes ordinary shares), Additional Tier 1 and Tier 2 capital instruments (each as defined under the Regulation (EU) 575/2013, as amended (the "**CRR**")) at the point of non-viability of the entity concerned and before any other resolution action is taken, with losses taken in accordance with the priority of claims under normal insolvency proceedings. Holders of our Ordinary Shares, including New Shares, may therefore result in losing some or all of their investment, if the value of the Ordinary Shares they hold is written down (up to zero) or cancelled, or if the value of the shares of the Bank held by Alpha Services and Holdings S.A. is written down (up to zero) or cancelled.

In case of the HFSF granting extraordinary public financial support under Article 32, paragraph 3(d)(cc) of the BRRD Law to the Bank, the mandatory burden sharing measures will be imposed by virtue of a Cabinet Act, pursuant to Article 6a of the HFSF Law, on the holders of instruments of capital and other liabilities of the credit institution receiving such support (the "**Mandatory Burden Sharing Measures**") (see also "*Regulation and supervision of banks in Greece —Recovery and resolution of credit institutions*"). The Mandatory Burden Sharing Measures include the absorption of losses by existing subordinated creditors by the writing down of the nominal value of their claims. Absorption of loss by shareholders of the credit institution, so that the equity position of the credit institution becomes zero, is implemented by way of a resolution of the competent corporate body of the credit institution on the decrease of the nominal value of the shares. In such case, Alpha Services and Holdings S.A., may result in losing some or all of its investment in the Bank pursuant to the application of the Mandatory Burden Sharing Measures.

Based on the above, the exercise of any bail-in tool or the non-viability loss absorption power under the BRRD Law or the implementation of the Mandatory Burden Sharing Measures pursuant to the HFSF Law (as the case may be) could result to the loss of part or all of your investment. Furthermore, the mere suggestion of the exercise or implementation of such tools or powers, as the case may be, could also materially adversely affect the price or value of our Ordinary Shares, including the New Shares.

3. The circumstances under which the relevant resolution authority would take any bail-in action pursuant to the BRRD Law or future legislative or regulatory proposals are vague and such uncertainty may adversely affect the value of our Ordinary Shares, including the New Shares.

The conditions for the submission of a credit institution, such as the Bank, or its parent entity, such as Alpha Services and Holdings S.A., to resolution and the activation of the relevant powers of the relevant resolution authority, are set in Articles 32 and 33 of the BRRD and the BRRD Law.

Such conditions include the determination by the relevant resolution authority that (i) the relevant entity is failing or is likely to fail; (ii) no reasonable prospect exists that any of the alternative private sector measures (including the write-down of capital instruments and eligible liabilities) would prevent the failure; and (iii) a resolution action is necessary in the public interest, whilst the resolution objectives would not be met to the same extent by the winding-up of the relevant entity pursuant to normal insolvency proceedings.

Such conditions, however, are not further specified in the applicable law and so their satisfaction is left to the determination and discretion of the relevant resolution authority, although guidelines of the European Banking Authority on the circumstances under which an institution shall be considered as "failing or likely to fail" have been published. Such uncertainty may affect the market perception as to whether a credit institution or its parent company meets or not such conditions and as such it may be subjected to resolution tools. This may have a material adverse impact on the value of our Ordinary Shares, including the New Shares.

In addition, if any bail-in action is taken, interested parties, such as creditors or shareholders, may raise legal challenges. Further, any steps, powers or action under the BRRD Law (whether actually, or purported to be, taken or exercised) which are not consistent with BRRD, even if valid under the BRRD Law or other Greek laws, may also be susceptible to challenge. If any litigation takes place in relation to bail-in actions (whether actually, or purported to be, taken) and such actions are declared void or ineffective and additional actions need to be taken, including reversal of any bail-in action that is challenged, this may negatively affect liquidity and valuation, and increase the price volatility of our securities, including the New Shares.

4. We may in future issue new Ordinary Shares, which may dilute shareholders' participation.

If a further share capital increase is approved abolishing or restricting the pre-emption rights of existing shareholders, or with respect to a share capital increase with pre-emption rights, the existing shareholders choose not to subscribe for new Ordinary Shares or are unable due to other restrictions to subscribe, the issuance of such Ordinary Shares may be dilutive to shareholders and could have an adverse effect on the market price of our Ordinary Shares.

5. Application of the current legal framework on deferred tax credits may lead to a significant reduction and/or elimination of our shareholding in the Bank, and this would have a material adverse effect on the value of our Ordinary Shares, including the New Shares.

Greek law allows for the conversion of certain DTAs into directly enforceable credits against the Greek state. Certain DTAs could be converted into DTCs under Article 27A of Law 4172/2013, as currently in force. See also "*Deferred Tax Assets (DTAs)*" for a description of the relevant Greek law provisions and DTA and DTC treatment by the Group.

From a regulatory capital perspective, DTAs are typically deducted in the calculation of the Common Equity Tier 1 capital as there is no guarantee that they will be realised, such realisation depending on our future profitability. However, DTAs that are converted to DTCs would not rely on the future profitability of the Group and therefore receive different regulatory capital treatment—these are not deducted in the calculation of the Common Equity Tier 1 capital but attract a risk weighting of 100% pursuant to Article 39 of Regulation 2019/876 ("**CRR II**"). In contrast, DTAs that are not converted to DTCs receive limited regulatory capital recognition. In particular, only DTAs that, *inter alia*, arise from temporary differences (*e.g.*, allowance for credit losses) are recognised. These DTAs, together with significant investments in the common shares of unconsolidated financial institutions (*e.g.*, banks, insurance etc.), have a combined 17,65% capped impact on our Common Equity Tier 1 capital. This threshold is calculated prior to the deduction of such DTAs, and significant investments in the form of common shares, but after application of all other regulatory adjustments applied in the calculation of the Common Equity Tier 1 capital. If the regulations governing the use of DTCs as part of the Group's regulatory capital change, this will adversely affect the Group's capital base and consequently its capital ratios.

If the corresponding income tax liability for the year where the loss is recorded is not sufficient to offset the DTCs in full, the remaining non-offsetable DTCs held by the respective bank give rise to a direct refund claim against the Greek state, payable in cash or cash equivalents. In such a case, a special reserve equal to 100% of the above mentioned claim will be created exclusively for a share capital increase and the bank must issue in favour of the Greek state, against no consideration, securities giving the right to acquire ordinary shares (the "**Right to Equity Securities**"). The Right to Equity Securities entitles the Greek state to acquire ordinary shares of the respective bank of a total market value equal to 100% of the non-offsetable DTCs before set-off against income tax. The exercise of the Right to Equity Securities is effected against no consideration and against the capitalisation of the relevant special reserve created by the respective bank. The Right to Equity Securities may entitle the holder thereof to acquire ordinary shares of the bank at par or above par and are freely transferable. Within a reasonable time after the issuance of the Right to Equity Securities the existing shareholders of the bank have a call option to acquire the Right to Equity Securities *pro rata* to their percentage participation in the share capital of the bank at the time that the Right to Equity Securities were issued. The conversion mechanism (DTA to DTC) is also triggered in case of bankruptcy, resolution, liquidation or special liquidation of the bank, as provided for in applicable Greek or EU legislation, as the latter has been transposed into the Greek legislation.

If a Right to Equity Securities is issued, and the Greek state exercises such Right to Equity Securities in respect of the Bank, this may result in a significant reduction and/or elimination of our existing shareholding therein, and this would have a material adverse effect on the value of our Ordinary Shares, including the New Shares.

6. The market price of our Ordinary Shares may be negatively affected by additional sales of Ordinary Shares by current shareholders or shareholders following the Combined Offering.

The market price of our Ordinary Shares may be negatively affected by additional sales of Ordinary Shares following the Combined Offering.

The public trading market price of our Ordinary Shares may decline below the offering price. Should that occur investors will suffer an immediate unrealised loss as a result. We cannot assure investors that, after they subscribe for the New Shares, they shall be entitled to sell them at a price equal to or greater than the offering price. Moreover, until the New Shares are credited with the ATHEXCSD securities accounts designated in the relevant subscription forms upon completion of the Combined Offering, investors will be unable to sell New Shares at all.

The admission to listing and trading of the New Shares on the ATHEX depends on the provision of certain documents by us, including the approval by the Ministry of Development and Investments of an amendment to our Articles of Association reflecting the increase of our share capital, and the review and approval of such documents by the ATHEX. As a result, the admission of the New Shares to listing and trading on the ATHEX may not take place when anticipated.

The sale of a substantial number of our Ordinary Shares in the market before or after the Combined Offering, or the perception that such sales may occur, could negatively affect the market price of our Ordinary Shares.

7. The New Shares may be subject to market price volatility and the market price of the New Shares may decline disproportionately in response to developments that are unrelated to our operating performance.

The offering price is not indicative of the market price of the New Shares following to listing and trading on the ATHEX. The market price of the New Shares may be volatile and subject to wide fluctuations. The market price of the New Shares may fluctuate as a result of a variety of factors, including, but not limited to, those referred to in these Risk Factors, as well as period to period variations in operating results or changes in revenue or profit estimates by the Group, industry participants or financial analysts. The market price could also be adversely affected by developments unrelated to the Group's operating performance, such as the operating and share price performance of, or the potential application of resolution measures to or potential litigation against, other credit institutions or financial holding companies that investors may consider comparable to the Group, speculation about the Group in the press or the investment community, unfavourable press, strategic actions by competitors (including acquisitions and reorganisations), changes in market conditions, regulatory changes and broader market volatility and movements, including in relation to the COVID-19 pandemic. Any or all of these factors could result in material fluctuations in the price of New Shares, which could lead to investors receiving back less than they invested or a total loss of their investment.

2. STATUTORY AUDITORS

Our annual audited consolidated financial statements as at and for the year ended 31 December 2020 were prepared in accordance with the International Financial Reporting Standards as adopted by the EU ("IFRS") and audited by Mrs. Alexandra Kostara (Reg. No. SOEL 19981) of Deloitte Certified Public Accountants S.A.(Reg. No. SOEL E120). Our annual audited consolidated financial statements as at and for the year ended 31 December 2020 were approved by the Board of Directors of Alpha Holdings (former Alpha Bank S.A.) on 23 March 2021. The audit report of Deloitte Certified Public Accountants S.A. on these financial statements which form part thereof, and must be read in conjunction therewith, are available on our website (https://www.alphaholdings.gr/-/media/alphaholdings/files/apotelesmata/20210323-fy-oikonomikes-katastaseis-en.pdf).

Our condensed consolidated interim financial statements as at and for the three months ended 31 March 2021 were prepared in accordance with the International Financial Reporting Standards as adopted by the EU ("IFRS") and applicable to Interim Financial Reporting (International Accounting Standard "IAS" 34) and reviewed by Mrs. Alexandra Kostara (Reg. No. SOEL 19981) of Deloitte Certified Public Accountants S.A.(Reg. No. SOEL E120). Our condensed interim consolidated financial statements as at and for the three-month period ended 31 March 2021 were approved by the Board of Directors of Alpha Holdings (former Alpha Bank S.A.) on 23 May 2021. The review report of Deloitte Certified Public Accountants S.A. on these financial statements which form part thereof, and must be read in conjunction therewith, are available on our website (https://www.alphaholdings.gr/-/media/alphaholdings/files/apotelesmata/q12021/20210524-q1-oikonomikes-katastaseis-en.pdf).

3. INFORMATION ABOUT THE ISSUER

Alpha Holdings was incorporated in Greece in 1879 when Ioannis F. Kostopoulos founded a trading company which also conducted banking and currency trading in Kalamata, Greece. The banking branch of this company was transformed in a *société anonyme* in 1918 under the name "TRAPEZA KALAMON S.A.". In 1924 the company moved its registered seat to Athens and was renamed "TRAPEZA ELLINIKIS EMPORIKIS PISTEOS S.A." In 1947, the company again changed its name to "TRAPEZA EMPORIKIS PISTEOS S.A." In 1972 it was renamed as "TRAPEZA PISTEOS S.A.", and in 1994 it became "ALPHA TRAPEZA PISTEOS". In March 2000, following its merger with Ioniki Bank, the company was renamed "ALPHA BANK". The ordinary shares of the former Alpha Bank S.A. have been listed on the ATHEX since 1925.

Following the Hive Down on 16 April 2021, the former Alpha Bank S.A. ceased to be a credit institution within the meaning of Greek law 4261/2014, as amended and in force (the "**Banking Law**"), retained activities, assets and liabilities not related to core banking activities and changed its corporate name to "Alpha Services and Holdings S.A.". Alpha Services and Holdings S.A. (i) holds 100% of the share capital of the newly-formed credit institution incorporated under the corporate name "Alpha Bank S.A.", which substituted the former Alpha Bank S.A. by way of universal succession to all the transferred assets and liabilities related to the core banking operations of the former Alpha Bank S.A., and (ii) is the direct or indirect, ultimate parent holding company for all other companies that, prior to the Hive Down, comprised the "**Group**" (as described in *"Group's Business Overview"*).

Following the transposition of Directive 2019/878/EU ("**CRD V**") into Greek law and according to the provisions of Article 22A of the Banking Law, introduced by virtue of Greek law 4799/2021, Alpha Holdings, is required to seek approval by ECB and the Bank of Greece in order to act as EU parent financial holding company of the Group. We intend to file an application for the requisite approval in accordance with the process stipulated in the Banking Law , which we expect would be granted subject to the fulfilment of the relevant operational and organisational requirements as outlined under "*Regulation and supervision of banks in Greece —Prudential supervision of financial holding companies*".

Alpha Services and Holdings S.A. (former Alpha Bank S.A.) with a distinctive title "ALPHA SERVICES AND HOLDINGS", is registered in Greece (General Commercial Registry number 000223701000) and has its registered office at 40 Stadiou Street, 102 52 Athens, Greece. The telephone number is +30 210 326 0000. Our website is https://www.alphaholdings.gr. It operates as a société anonyme under Greek Codified Law 4548/2018. The LEI (Legal Entity Identifier) is 5299009N55YRQC69CN08. This website address is included in this Prospectus as an inactive textual reference only. The information and other content appearing on our website are not part of this Prospectus.

This section summarises the material provisions of the Articles of Association, the material rights attached to our Ordinary Shares under Greek corporate law and the Articles of Association. This description is only a summary of provisions and does not describe exhaustively all relevant provisions of Greek corporate or other law and/or of the Articles of Association. In respect of the latter, it is qualified in its entirety by reference to the full text of the Articles of Association, which is available on Alpha Holdings' website (file https://www.alphaholdings.gr/-/media/alphaholdings/files/genikes-syneleysis/2021/20210216-katastatiko-en.pdf).

Scope of business

Pursuant to the Articles of Association, Alpha Holdings' business scope is the following:

(1) (a) the direct and indirect participation in domestic and/or foreign companies and undertakings that already exist or to be established, of any form and object whatsoever,
(b) the design, promotion and distribution of insurance products in the name and on behalf of one or more insurance undertakings in the capacity of insurance agent in accordance with the applicable legislation,
(c) the provision of supporting accounting and tax services to affiliated companies and third parties as well as the elaboration of studies on strategic and financial management and
(d) the issuance of securities for raising regulatory capital.

(2) In order to serve the scope of business described in par. (1) above, Alpha Holdings may in particular:
(a) establish branches in Greece or abroad, subsidiaries or undertakings and form joint ventures in Greece or abroad;

(b) participate in any company or undertaking of any form whatsoever, newly established, operating or not in Greece or abroad;

(c) cooperate in any way and conclude any kind of agreements with any natural or legal person or organization; and

(d) guarantee and issue letters of guarantee in favor of companies in which it participates, and/or provide loans or credit of any form to the companies in which it participates as well as carry out any kind of action, operation or transaction which, directly or indirectly, is pertinent, complementary or auxiliary to serving its scope of business.

4. GROUP'S BUSINESS OVERVIEW

4.1 Overview

The Group is a universal bank, offering a wide range of services including retail banking, corporate banking, asset management and private banking, insurance distribution, investment banking and brokerage, treasury and real estate management. The Group is active in Greece, its principal market, and in markets in South Eastern Europe (Cyprus, Romania and Albania). The Group also maintains a presence in the United Kingdom, through its 100% subsidiary Alpha Bank London Limited, (although its UK branch office was moved to Luxembourg in line with the ECB/SSM Guidelines on UK's withdrawal from the EU), Jersey and Luxembourg. Following the Hive Down, Alpha Holdings is the parent company of the Group and, the Bank is 100% its subsidiary and its principal bank.

The Group's client base comprises retail clients, small and medium-sized enterprises, self-employed professionals, large corporations, high-net worth individuals, private and institutional investors and the Greek government.
The Group, through a national and international branch and ATM network, in combination with advanced online and telephone channels, offers banking and financial services to its individual and corporate customers. These features extend the Group's presence across the domestic Greek market, as well as in the international markets in which it operates.

As at 31 March 2021, we had total assets of €71.2 billion, total due to customers (including debt securities in issue held by customers) of €43.6 billion and total net loans and advances to customers of €39.4 billion. As at 31 March, 2021, we maintained a total capital ratio of 18.3%, a Core Tier I ratio of 16.0%, a Common Equity Tier I ratio of 16.0% (fully-loaded 14.2%), a tangible equity position of €7.4 billion, and total equity of €8.0 billion (see however "*Capital Management*" on the impact on our regulatory capital as of 31.3.2021 from the sale and transfer of the Galaxy junior and mezzanine notes). As at 31 March 2021, we had 10,514 employees, of which 6,319 in Alpha Bank, 7 in Luxembourg, 1,191 in Greek subsidiaries and 2,997 in subsidiaries abroad and 499 branches of which 316 in Alpha Bank, 1 in Luxembourg and 182 in subsidiaries abroad.

4.2 *The banking sector in Greece*

Economic development

Greece experienced a prolonged financial crisis from 2008 to 2016. The gradual recovery of Greek economic activity from 2017 onwards continued until 2019, with real GDP growing by 1.9% on an annual basis, but came to a sudden stop due to the COVID-19 pandemic and the counter-measures taken to limit its spread in 2020. In Greece, many businesses temporarily closed and tourist receipts dropped sharply. The Greek economy, as an economy highly dependent on services with a high share of tourism and retail trade in its GDP, was hit harder than other EU countries by the shocks to external and domestic demand.

The recession in 2020 was 8.2%, significantly less pronounced than initially forecasted by domestic and international institutions, driven mainly by the negative contribution of services exports. The fall in private consumption also contributed negatively, whereas the decrease in imports of goods and services mitigated the recession. However, despite the heavy losses, the Greek economy has shown resilience and ability for operational adjustment to the new situation (*Source: Bank of Greece, Governor's Annual Report 2020, April 2021*).

The timely and effective conduct of a countercyclical fiscal policy by the Greek government with the adoption of measures of significant size and scope (amounting to 11.2% of GDP) aimed to preserve jobs, protect entrepreneurship and boost domestic demand has reduced the adverse effects of the pandemic on the Greek economy (*Source: Bank of Greece, Governor's Annual Report 2020, April 2021*).

Performance of Greek banks

In the first nine months of 2020, the four largest Greek banks posted losses after taxes amounting to €688 million, compared with profits in the corresponding period of 2019 (*Source: Bank of Greece, Financial Stability Review, Executive Summary, January 2021*). In terms of capital adequacy, the CET1 ratio dropped to 14.6% and the Capital Adequacy Ratio on a consolidated basis fell to 16.3%, from 16.2% and 17.3% in December 2019 respectively (*Source: Bank of Greece, Financial Stability Review, Executive Summary, January 2021*). With a fully-loaded impact from International Financial Reporting Standard 9 (IFRS 9), the CET1 and the Capital Adequacy Ratio came to 12.1% and 13.9%, respectively (*Source: Bank of Greece, Financial Stability Review, Executive Summary, January 2021).* However, more than half of banks' capital, amounting to 54.5%, is accounted for by DTCs, which are expected to rise as a percentage of total bank capital under the current NPL reduction strategy. According to Bank of Greece estimates, DTCs are expected to reach 75% of prudential own funds in the coming year, notwithstanding any impact from the pandemic, which negatively affects the quality of banks' prudential own funds. (*Source: Bank of Greece, Financial Stability Review, Executive Summary, January 2021).*

Liquidity conditions have continued to improve in the Greek banking system, as private sector deposits amounted to €164.8 billion in March 2021, increasing by €1.6 billion (cumulative net cash flows) compared to December 2020, of which household deposits were €128.3 billion and business deposits were €36.4 billion (*Source: Bank of Greece, Bank Credit and Deposits: March 2021*). Total customer deposits in the banking system (private sector and general government deposits) amounted to €173.4 billion in March 2021, representing an annual increase of 6.9% (*Source: Bank of Greece, Bank Credit and Deposits: March 2021*). The main driver leading to the increase of deposits in the banking system was higher precautionary savings, a postponement of consumer and other spending, direct state aid credited into corporate accounts in order to support liquidity, and the use of moratoria on loan and tax obligations.

The outstanding amount of credit to the domestic private sector amounted to €140 billion at the end of March 2021, with the annual rate of change[1] increasing by 2.9% (*Source: Bank of Greece, Bank Credit and Customer deposits: March 2021*). More specifically, credit to non-financial corporations showed signs of significant improvement. The annual rate change of credit to non-financial corporations remained in positive territory standing at 8.7% in March 2021 (*Source: Bank of Greece, Bank Credit and Customer deposits: March 2021*). With regard to household credit, the annual rate of change of consumer and mortgage credit remained negative for the period between December 2010 and March 2021. (*Source: Bank of Greece, Bank Credit and Customer deposits: March 2021*).

In 2020, substantial reforms were introduced with the aim of resolving the issue of NPLs, including the securitisation of NPLs through the activation of the "Hercules" scheme by virtue of Greek law 4649/2019 and the enactment of the Insolvency Code, which improves several aspects of insolvency law. Nevertheless, the level of NPLs is expected to remain high taking into consideration also the anticipated new inflow of NPLs as a result of the COVID-19 pandemic. This calls for the implementation of additional measures, complementary to the "Hercules" scheme, as further described in "*Regulation and supervision of banks in Greece - The Hellenic Asset Protection Scheme*." NPLs stock for the domestic banking system in September 2020 stood at €47.4 billion at end-December 2020, which represents a decrease of approximately €21 billion compared to end-December 2019. However, compared with its March 2016 peak, the stock of NPLs has declined by approximately €60 billion, mainly through loan sales and write-offs, and to a small extent through recoveries from active NPL management. *(Source: Bank of Greece, NPLs Time Series, December 2020)*. The NPL ratio declined to 32.8% in December 2020 *(Source: Bank of Greece, Evolution of loans and non-performing loans: December 2020)*. A decline in the NPL ratio (solo basis) was observed across all loan segments in December 2020 (NPL ratio for business loans: 30.9%; NPL ratio for residential loans: 33.9%; NPL ratio for consumer loans: 42.8%) *(Source: Bank of Greece, NPLs Time Series, December 2020)*. The high percentage of performing loans benefiting from moratoria until end-December 2020 contained the inflow of new NPLs. The NPL ratio to total loans remains high, at 30.2%, compared to the EU average of 2.6%. By the time the Hercules plan is completed later in 2021, the NPL ratio will likely have fallen to about 25% and the average capital adequacy ratio to below its current levels, with a simultaneous increase in the share of DTCs. These estimates do not take into account the new NPLs that are expected to be added to the current stock as a result of the pandemic shock (*Source: Bank of Greece, Governor's Annual Report 2020, April 2021*).

Greek banks' reliance on ELA has been eliminated while funding from the Eurosystem increased sharply from €7.6 billion in February 2020 to €45 billion in March 2021 (*Source: Bank of Greece Monthly Balance Sheet: March 2021, Table*).

As at the date of this Prospectus, there are 35 licensed credit institutions in Greece, eight of which are commercial banks, six are cooperative banks and 21 are branches of foreign banks (*Source: Bank of Greece, List of credit institutions operating in Greece, April 2021*), with the four Greek systemic banks accounting for more than 90% of the Greek market as a percentage of combined total assets. As at 31 March 2021, banks represented 8.0% of the total market capitalisation of the ATHEX.

Greek banks have established their international presence, particularly in emerging European countries (Albania, Republic of North Macedonia, Ukraine, Romania and Serbia), in view of the European perspective of most of these countries. As at December 2020, the Greek banks were active in 12 countries, through 13 subsidiaries, of which nine were in EU countries and four were in non-EU countries, and six sub-branches, employing 10,952 people in total (*Source: Hellenic Bank Association, Greek credit institutions' international activity*). The Greek banks have

[1] Calculated by taking into account reclassifications, loan write-offs and transfers as well as exchange rate variations

developed a network of 687 branches of which 69% (474 branches) were in EU countries (Bulgaria, Luxembourg, Malta, Romania and Cyprus) or the UK and 31% (213 branches) in non-EU countries (Republic of North Macedonia, Ukraine, Serbia and Albania) (*Source: Hellenic Bank Association, Greek credit institutions' international activity*).

4.3 The banking sector in Southeast Europe

The majority of the SEE countries recorded a slowdown of their economic activities in 2020 due to the pandemic counter measures, but a strong recovery is expected in 2021.In Romania the real GDP growth contracted by 3.9% in 2020 and is expected to rebound to 6% in 2021, while as per the latest IMF Staff concluding statement. the economic pickup is estimated to be even higher at 7%.The Cypriot real GDP growth rate was negative (-5.1%) in 2020, but it is expected to turn into positive territory (3% in 2021).The real GDP growth rate of Albania was -3.5% in 2020 and is expected to increase to 5% in 2021[2]. As per the latest IMF staff report, the 2021 growth estimate of the Albanian GDP has been revised upwards to 5.3%, on the back of the recovery of pandemic-affected sectors and continued earthquake reconstruction.

In the medium term, economic activity in Romania and Cyprus is expected to continue its upward trend, relying on the investments to be realized through the Recovery and Resilience Fund (RRF). In Cyprus the RRF, as per the Cypriot authorities' estimate, is expected to increase the GDP of Cyprus by about 3% in the short-term and by around 7% in the medium term, compared to the baseline development of the economy. Recovery of tourism is also expected to support economic growth. Romania has requested €14.3 bn in grants and €15 bn in loans under the RRF. As per the IMF, the absorption of the EU funds will be pivotal for Romanian economic performance. The Romanian banking sector exhibits a penetration rate (private sector debt/GDP) of 24.7% vs 85,8% EU average (as of 2019) and is one of the most profitable in Europe (RoAE Avg. 2017-19: 14%).

4.4 Our competitive strengths

We believe we have a number of competitive strengths that position us favourably to benefit from the improving economic conditions in Greece in the coming years, and benefit from the expected acceleration of credit growth in the banking sector supported by the EU funds inflow. These strengths include:

Strong banking franchise, attractively positioned in highly concentrated market

We are the second largest banking group in Greece with a 27.1% (Source: Bank of Greece[3]) market share in gross customer loans as at March 31, 2021 and an extensive and well diversified loan portfolio covering all key areas of the economy, with a particular focus on mortgage lending and large corporate credit. In deposit gathering, as at March 31, 2021, we had a 22.1% (Source: Bank of Greece[4]) market share in total customer deposits.

Following an unprecedented financial crisis that has lasted for over a decade, the Greek banking sector has been consolidated through a series of acquisitions and liquidations of smaller foreign owned and other non-systemic banks. As at March 31, 2021, the remaining four systemic banks accounted for more than 90% of the lending activity in Greece and held almost 95% of the customer deposits based on internal estimates. This consolidation has resulted in increased efficiency with fewer branches and banking staff personnel and a lower cost base for Greek banks. The Bank has been at the forefront of the sector consolidation, having successfully integrated Emporiki Bank and Citibank's Greek retail banking business, while preserving its own corporate culture and values.

Client-centric organisation with strong corporate culture and well-recognised track record

The Bank was established in 1879, and is the oldest privately-owned bank in Greece.

Through its 140-year history, the Bank has built a strong reputation, which together with its brand recognition, allows it to compete effectively for new clients across all its business units and benefit from a high level of recognition among depositors. As at 31 March 2021, the Bank had 316 branches in Greece and served over 4 million customers. The Bank's corporate image, customer base, and broad distribution network have all enabled it to maintain a strong foothold in domestic corporate and retail banking.

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[2] IMF Data

[3] Bank of Greece: https://www.bankofgreece.gr/enimerosi/grafeio-typoy/anazhthsh-enhmerwsewn/enhmerwseis?announcement=56ec2956-1a57-489a-b2a1-987a1d944fee

[4] Bank of Greece: https://www.bankofgreece.gr/enimerosi/grafeio-typoy/anazhthsh-enhmerwsewn/enhmerwseis?announcement=56ec2956-1a57-489a-b2a1-987a1d944fee

We believe that the Bank is perceived as a high-quality credit institution among Greek banks, and therefore would be well positioned to take advantage of strong economic recovery expected in the post COVID-19 pandemic era. The Bank's ongoing transformation efforts initiated in the fourth quarter of 2019 have been progressing successfully despite market volatility during the COVID-19 pandemic. The transformation plan has been aimed at recalibrating the business model towards a more client-centric approach, utilising online and remote channels, simplifying processes and enhancing product ranges, as well as leveraging the Bank's strengths. The Bank's focus on modernising its distribution channels and its leadership position in its payments business has allowed it to dynamically respond to client needs with significantly increased demand for payment cards and online banking during the COVID-19 pandemic.

Strategic partnership with Davidson Kempner with a long-term exclusive servicing agreement

In February 2021, the Bank entered into a definitive agreement with Davidson Kempner LLP in relation to the sale of an 80% stake in the Bank's loan servicing subsidiary Cepal Holdings Single Member S.A. ("Cepal Hellas HoldCo") and the sale of 51% of the mezzanine and junior notes of €10.8 billion NPE portfolio as part of the Galaxy Securitisation (as defined below), which sale and transfer was completed on 18 June, 2021.

As part of the agreement, the Bank also entered into a long-term exclusive servicing agreement ("SLA") with Cepal Hellas HoldCo post the transfer of its control to Davidson Kempner LLP for the management of its existing Retail and wholesale NPEs in Greece of €8.2 billion, the €10.8 billion exposures under the Galaxy Securitisation as well as any future flows of similar assets and early collections. The term of this agreement is 13 years, with a right to extend for up to another five years. Our strategic partnership with Davidson Kempner will be a key element in assisting the Bank with the timely execution of the NPE Initiatives pursuant to our 2019 Strategic Plan, including through the participation of Davidson Kempner as a mezzanine investor in certain NPE securitisations.

Davidson Kempner is a US-based global institutional investment management firm with a track record spanning more than 35 and extensive experience in distressed debt management. Cepal Hellas HoldCo will be the largest debt servicer in Greece with approximately 1,100 FTEs offering services to the Bank and third parties. The Bank will retain a 20% stake in Cepal Hellas HoldCo, which will allow the Bank to partially benefit from the growth and the potential success of the servicer going forward.

Additionally, this strategic partnership will allow the Bank's management to conclude its NPE Initiatives and refocus on growth opportunities pursuant to our Updated Strategic Plan.

Strong corporate banking franchise uniquely positioned to support business clients in RRF funds absorption and investment growth

In corporate banking, the Bank believes its success is the result of its longstanding track record of providing quality services and forging long-term primary lender relationships in this competitive market segment. The Bank is focused on maintaining its position in Greece.

We have a strong positioning in corporate banking with a 25.1% (Source: Bank of Greece[5]) market share in outstanding business credit as at March 2021 based on number of competitive advantages:

1. well-established relationships with major corporations (which make up a large share of our revenue), significant footprint on SMEs and proven reputation of a reliable bank that understands and supports its customers even in the toughest times;
2. proactive advisory, structuring and underwriting capability to identify and deliver innovative funding solutions for customers, as well as full alignment with the needs of all major international and domestic investors;
3. understanding and long-term track record of lending in the sectors of primary focus of the RRF (i.e., infrastructure, energy, structured real estate) and relevant transaction structures (public to private partnerships, concessions, privatisations);
4. solving for the client, mobilising capital across the capital ladder from multiple sources, using balance sheet and extensive syndication and equity capital markets and debt capital markets' placement capacity; and

5 https://www.bankofgreece.gr/enimerosi/grafeio-typoy/anazhthsh-enhmerwsewn/enhmerwseis?announcement=56ec2956-1a57-489a-b2a1-987a1d944fee

5. pairing of the corporate capital needs with market-leading institutional and private/affluent asset management franchises.

We expect the overall business sector credit growth in 2021-2024 to reach €24 billion, largely fuelled by RRF, and we are operationally prepared to take advantage of this lending opportunity. We have a specialised and dedicated RRF Project Management Office Team ("RRF Team") that has been mandated to coordinate the process and with the help of the RRF Team, the Bank has updated its risk appetite framework to align with RRF growth prospects, created dedicated legal and middle-office functions to cater for RRF lending, as well as implemented a structural partnership framework to help source, provide advice and improve capital raising capabilities in priority market segments. We believe we are well positioned to benefit from this lending opportunity by leveraging our competitive advantages described above, and we believe that our ability to take advantage of RRF-led business credit growth will allow us to improve our profitability outlook and growth prospects going forward. Nevertheless, no assurance can be given that we shall be able to take advantage of these opportunities (Risk Factors - Risks Related to our Business "*We may not be able to raise the entire proposed amount of the Share Capital Increase through the Combined Offering and this might have an adverse impact on our planned credit expansion, our business, financial condition and results of operations, and even if the Share Capital Increase is successful and we are able to raise the entire proposed amount, there can be no assurance that our planned credit expansion targets will be achieved in the anticipated timeframe or at all) and the expected benefits of this strategy may not materialise, which could have a material adverse effect on our business, financial condition and results of operations*.".

Long-standing track record in developing strong strategic partnerships

We have historically adopted a business approach to form strategic partnerships with reputable and experienced entities in order to benefit from specific expertise that partners can bring in and benefit from their industry knowledge. These partnerships have allowed us to share specific industry expertise as well as market knowledge with our partners, allowing both partners to support their growth ambitions as well as expand our product offering benefitting existing and attracting new customers.

We have historically been a Bank that many international companies have partnered with when entering Greece for the first time. For example, FirstData first entered Greece by partnering with us in 2004 on its cards processing business.

In 2007, we entered into a long-term exclusive bancassurance agreement with AXA after AXA acquired our insurance subsidiary. This partnership lasted until 2020, when AXA sold its Greek operations to Generali, on the back of which Alpha Holdings (then operating as a licenced credit institution under the name "Alpha Bank S.A.") entered into an exclusive 20-year bancassurance agreement with Generali, which we expect to accelerate our bancassurance fee generation ability. Our partnership with Generali will allow us to offer the complete life and non-life insurance product suite with key products including inpatient programs, partial protection Unit Linked, 360 coverage SB programmes, smart lifestyle products for digital channels and others. Generali's product offering combined with our distribution network is expected to be one of the key growth pillars of the Bank going forward.

Regarding wealth management solutions, in the Greek banking market we pioneered the adoption of a guided open architecture model in funds distribution. We signed our first distribution agreement in 2001 with Morgan Stanley, followed shortly thereafter by BNP Asset Management. Since then, the Bank has expanded its partnerships with strong collaborations with top international asset management firms, and introduced for the first time to the Greek market strategic partners such as Pictet. Today, Alpha Bank holds 17 strategic partnerships with fund providers, offering a full range of core, niche and innovative investment options to our clientele. Moreover, we have expanded the depth and quality of our partnerships with the exchange of know-how and expertise at all levels, reaching up to the organising of customised training programs for our wealth management personnel and relationship managers conducted by third-party experts in niche markets, as well as targeted client events.

In line with our "strategic partnership DNA", we are also currently in discussions with potential partners in relation to our merchant acquiring business, Project Prometheus. We are looking to form a joint venture with a strong partner in order to obtain outside expertise in the lucrative Greek payments market and create a strong partnership to boost cards and payments income going forward. Nevertheless, no assurance can be given that we shall realize the benefits from such partnership (*see* Risk Factors – Risk Related to our Business - *We may be unable to successfully deliver the non-organic business development and capital-generating measures envisaged in our 2019 Strategic Plan, which may adversely affect our business, capital adequacy, financial condition and results of operations.*)

Experienced and entrepreneurial management team and strong corporate governance

We have assembled an experienced management team that is consistently delivering on the key strategic pillars of our 2019 Strategic Plan and has successfully led the Bank also through turbulent times. In November 2019, we announced a new strategy and despite the COVID-19-induced uncertainty, the management team managed to deliver on the key strategic initiatives set out in the 2019 Strategic Plan, such as execution of the Galaxy Securitisation , which was completed on 18 June, 2021, and de-risking of our balance sheet that took place amidst the COVID-19 pandemic, strong loan and deposit growth by reporting €5.6 billion gross loan disbursements in 2020, introduction of the transformation plan that is aimed at profitable growth of operating revenue whilst streamlining operating efficiencies, as well as further improve corporate governance and empower our employees.

Since 2019, we have further reformed our organisational structure with clear areas of responsibility, strengthened our Executive Committee with seven additional internal appointments and three external additions to the committee. We have further strengthened our management team with more than 30 repatriated executives from abroad. This new, experienced and high-energy management team has already led the delivery of key strategic priorities and is committed and well-positioned to lead the Bank also through its next growth phase in the coming years.

We also boast high corporate governance standards. We currently have a well-diversified shareholder base with approximately 74% of the Bank held by institutional investors as at 31 December 2020, and government influence with HFSF holding of less than 11% stake in the Bank. We have a majority independent Supervisory Board with 54% of members classified as independent and our high corporate governance standards are also recognised by ISS Governance Quality Score reaching 3/10 as at March 2021 compared to 9/10 in January 2019, with a score of 1/10 indicating the lowest level of governance risk (suggesting the best governance quality) (*see "Management and Corporate Governance of Alpha Holdings*").

Strong financial performance with best-in-class cost control and strong pre-provision income generation capabilities

We have consistently exhibited solid operational performance, including our strong internal capital generation as well as our execution of our transformation plan.

We have been particularly focused on our cost control in recent years and have reduced our branch footprint in Greece by 31% in 2017-2020. Combined with our improved digital offering and increased mobile and internet banking usage by our customers, this has allowed us to have one of the smallest branch networks in Greece among the systemic banks. Continued management focus on operational efficiency has allowed us to report consecutive decrease in operating expenses year-on-year since 2017 as well.

Our strong focus on cost control, coupled with our solid revenue generation capability, has allowed us to compare favourably to the other Greek systemic banks. In 2017-2020, we reported the highest average core pre-provision income / assets ratio (which is defined as the total of net interest income plus net F&C income divided by assets) among the systemic banks of 1.5% compared to 1.2% on average by other banks. This manifests our strong financial profile and serves as testament to our management's ability to focus on profitable growth and ability to deliver tangible, profitable results.

4.5 Strategy

On 16 April 2021, the core banking operations of the former Alpha Bank S.A. were demerged, by way of hive down, and were contributed into a newly formed credit institution incorporated under the same corporate name, i.e. "Alpha Bank S.A.". Within Q1 2021, Alpha Bank further optimised its capital structure with a successful Euro 500 million Tier 2 bond issuance. Furthermore, in February 2021, the Bank entered into a definitive agreement with Davidson Kempner LLP in relation to the sale of an 80% stake in the Bank's loan servicing subsidiary Cepal Holdings Single Member S.A. ("Cepal Hellas HoldCo") and the sale of 51% of the mezzanine and junior notes of €10.8 billion NPE portfolio as part of the Galaxy Securitisation, which sale and transfer was completed on 18 June, 2021. (see "*Significant change in the Issuer's financial position*" for further information).

Our current strategic priority is to capture the opportunity to participate in the expected growth in the Greek banking sector triggered by the utilisation of EU's Recovery and Resilience Facility ("RRF"). Capturing our fair market share of that growth will allow Alpha Bank to reach higher profitability levels sooner while our NPE Initiatives and transformational plans will help us to become a fully transformed institution with low NPEs, a normalised cost of risk and a lean cost base. We believe that our franchise's strong positioning, our strategic priorities and our operational readiness to capitalise on these opportunities and deliver on the strategic agenda will allow us to reach a 10% RoTBV by 2024. In order to achieve these objectives, Alpha Bank's management will focus its efforts on:

Increase Significantly Our Revenue Base Supported by Active Participation in RRF Deployment in Greece

Alpha Bank intends to take advantage of the expected growth of the Greek economy and lending growth by anticipated new loan production of €8 billion by 2024 in Greece and €10 billion by 2024 for the Group.

Background

Following an unprecedented financial crisis that has lasted for over a decade, and on the back of the fiscal actions implemented to mitigate the impact of the COVID-19 pandemic, Greece has now come at an economic inflection point. It has managed to significantly improve its fiscal imbalances, has regained the trust of capital markets on the back of highly successful issues of short- and long- term government bonds, and has facilitated the clean-up of the Greek banks' non-performing exposures through the Hellenic Asset Protection Scheme framework, known as "Hercules Programme". As a result, and in anticipation of the receipt of the package of EU RRF funds, it is well poised to grow at a rate above the average European rate for the next few years. Greek banks are expected to be both significant supporters of this growth potential.

The RRF is expected to bring about direct and indirect benefits to GDP growth and the economy as a whole. Greece will be by far the largest net beneficiary from the fund. The Bank of Greece estimates a 7% increase in real GDP growth by 2026 and the creation of 180,000 jobs through a 20% growth in private sector investment alongside targeted reforms. The deployment of the RRF is expected to add, on average, at least 1.5 percentage points per annum to the Greek GDP growth trajectory over the following six years (Source: *Governor of the Bank of Greece Report for 2020*). As such, capturing the full potential of this initiative is expected to be the single most important goal for the banking system and for Alpha Bank in particular. At no point in the medium term should banks be constrained to serve their duty of supporting the Greek economy, be that financial, governance or skillset related constraints.

Alpha Bank Strategy and Impact

Having in mind this opportunity, Alpha Bank with its capital base, to be further strengthened by the Share Capital Increase, will be in a position to reap the benefits it anticipates from the RRF growth potential. New money will be deployed over the next few years and is expected allow the Bank to reach profitability targets sooner, provide it with the flexibility needed to commit financing to high value projects, allow the Bank to be selective on the profitability profile of such projects and simultaneously enjoy a position of meeting all capital requirements throughout our business plan horizon. Nevertheless, no assurance can be given that we shall be able to take advantage of these opportunities (Risk Factors - Risks Related to our Business "*We may not be able to raise the entire proposed amount of the Share Capital Increase through the Combined Offering and this might have an adverse impact on our planned credit expansion, our business, financial condition and results of operations, and even if the Share Capital Increase is successful and we are able to raise the entire proposed amount, there can be no assurance that our planned credit expansion targets will be achieved in the anticipated timeframe or at all and the expected benefits of this strategy may not materialise, which could have a material adverse effect on our business, financial condition and results of operations*").

Alpha Bank expects the growth of lending in Greece triggered by the EU Next Generation Funds will offset most of the loss of net interest income resulting from addressing the legacy issue of non-performing exposures. As a result of that, we expect a 3 percentage points positive impact on our return on tangible book value in 2024 driven exclusively by the increased lending growth in Greece (*see* "*Profit Forecasts*"). Nevertheless, no assurance is given that we shall be able to defend our interest income (*see* Risk Factors – Risk Related to our Business "*We may not be able to reduce our NPE levels in line with our targets or at all, or defend our interest income in line with our targets, or at all, which may materially impact our financial condition, capital adequacy or results of operations*").

Decisively Conclude NPE Initiatives Reducing NPE Ratio to Average European Levels

In February 2021, the Bank entered into a definitive agreement with Davidson Kempner LLP in relation to the sale of an 80% stake in the Bank's loan servicing subsidiary Cepal Holdings Single Member S.A. ("Cepal Hellas HoldCo") and the sale of 51% of the mezzanine and junior notes of €10.8 billion NPE portfolio as part of the Galaxy Securitisation (Project Galaxy), which sale and transfer was completed on 18 June, 2021.

Following the delivery of Project Galaxy, the largest NPE securitisation in Greece and second largest in Europe, which was completed on 18 June 2021, we are planning to accelerate our NPE reduction targets by committing to deliver a further clean-up of €8.1 billion of NPE volumes, contained within four distinct projects and smaller initiatives which have already been initiated:

- Project Cosmos (for which application will be submitted under the HAPS scheme extension) - mainly secured portfolio of €3.5 billion GBV majority consisting of mortgage and SBL NPEs. We expect to receive a pre-rating within the summer of 2021, so as to have a finalised transaction by year end.
- Project Solar – an SME portfolio of €0.4bn GBV that has been assigned by all systemic banks for management to DoValue. This is a portfolio which is quite mature in its underwriting and we expect the process to complete in early 2022.
- Project Orbit – sale of a domestic retail unsecured portfolio of €1.3 billion GBV. We expect to launch the transaction in the second half of 2021 with an aim to finalise by year end.
- Project Sky – sale of a mixed portfolio of residential mortgages and corporate/SME exposures in Cyprus, of a total GBV of €2.2 billion. Having created our own Credit Acquisition Company, we have already assigned all NPEs of the Sky perimeter to this entity. Our target is to finalise a deal in the first half of 2022.
- Other transactions - we have a small number of wholesale and leasing exposures of up to €0.7 billion GBV, for which we are working with Cepal to identify the optimal transaction structure for a trade in 2022.

The aforementioned NPE transactions imply additional expected credit losses on loans of approx. €1.0 billion and a 1.0% capital impact, taking also into account €3.8 billion RWA relief (including the effect from 10% DTA threshold) - see also *"Capital management"*.

After the completion of project Galaxy, the Group NPE[6] and NPL ratio[7] stands at 26% and 16%, respectively, and it is expected to be reduced to c.7% and c.5% by the end of 2022, respectively, as a result of above described series of NPE transactions, as well as considering the expected organic evolution of the remaining book. This would entail reduction of total stock of NPEs by approximately 75% until the end of 2022 allowing to reduce NPE stock to c.€2.9bn. We target to reach c.2% NPE and NPL ratios by 2024 after having dealt with most of the legacy NPEs as discussed above (*see* "*Profit Forecasts*"). The NPE stock reduction is expected to drive Cost of Risk down to approximately 80 bps over net loans in 2022, towards full normalization in 2024 to 60 bps. On 18 June, 2021 project Galaxy was completed resulting into a recording of a P&L loss of approximately € 2.1 billion (estimated impact based on 31 March, 2021 figures), while the consequent impact on the total capital adequacy ratio was a decrease by 2.8% as of 31 March, 2021.

Further we intend to retain 5% of the mezzanine and junior securitisation notes to comply with risk retention rules, while we intend to distribute 44% of the remaining notes to shareholders, subject to regulatory and corporate approvals.

As a result of our NPE Initiatives, we expect a 4 percentage points positive impact on our return on tangible book value in 2024 driven exclusively by the decrease in NPE volumes on our balance sheet and the resulting normalisation in provision allowances. Nevertheless, no assurance can be given that these targets will be fully attained or at all (*see* Risk Factors – Risk Related to our Business "*We may not be able to reduce our NPE levels in line with our targets or at all, or defend our interest income in line with our targets, or at all, which may materially impact our financial condition, capital adequacy or results of operations.*"

Continue Progress in Delivery on Ambitious Targets of the Cost Reduction and Transformational Plans

In the next few years, we target a significant cost reduction on the back of eliminating our NPE management costs as well as implementation of our operations transformation plan and target to reach cost / income ratio of 45% by 2024 and reduce our recurring costs basis from over €1 billion in 2020 to almost €865 million in 2024 (*see* "*Profit* Forecasts").

After the already implemented carve out of our NPE management operations to Cepal, the key component of our non-core costs is external servicing fees. The reduction of the NPEs is expected to also drive down the respective costs, targeting an approximately €125 million cost savings from reduction in Non-Performing Assets costs by 2024 (see "*Profit* Forecasts").

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[6] Defined as NPEs divided by Gross Loans

[7] Defined as NPLs divided by Gross Loans

The second pillar of efficiency gains is our transformation effort under our operations transformation plan, which aims at modernizing the Bank, increasing speed and quality of processes through optimization and investments in technology and automation, delivering a better and faster service to our customers. The transformation plan is also focused on optimizing third party spend throughout spend categories, both through internal demand management and through renegotiation of agreements with service providers. We expect to realise approximately €50 million cost savings from our core operations by 2024 (see "*Profit* Forecasts").

In our international perimeter, costs are going to be further reduced through the sale of our operations in Albania, pursuant to Project Riviera, and in the UK, under Project Crown, a reduction however that is going to be counterbalanced by our growth initiatives in Romania.

Furthermore, we intend to participate in a joint venture with an international partner in the real estate market, within the framework of Project Skyline.

As a result of delivering on the cost reduction and transformational plan, we expect a 1 percentage point positive impact on our return on tangible book value in 2024. Nevertheless, there can be no assurance that these benefits will indeed materialized (*See Risk Factors – Risks Related to our Business - We may be unable to successfully deliver the non-organic business development and capital-generating measures envisaged in our Updated Strategic Plan, which may adversely affect our business, capital adequacy, financial condition and results of operations.*")

Leverage Partnerships in Driving the Growth of Fee and Commission Income

We aim to leverage our position among Affluent segment clients and the partnerships we have entered into in order to grow our net fee & commission income by approximately €140 million by 2024 from 2020 levels.

One of the key drivers for higher fee income in the coming years is expected to be the higher business activity and improvement in lending volumes in light of higher RRF-driven lending, which would in turn drive the growth in lending-related fees including letter of credit and loan guarantee fees as well as any ancillary M&A advisory and ECM & DCM business fees by approximately €35 million vs 2020 levels (see "*Profit* Forecasts").

Additionally, we believe there is a scope for us to increase the bancassurance fee income by 2024 on the back of the exclusive partnership agreement that we signed with Generali in December of 2020. This partnership expands our product offering across both the life and non-life segments with particular strategic focus on retail offering and allows to benefit from Generali's expertise combined with our distribution capabilities.

We also expect to see significant growth in Asset Management related fees. With higher economic growth we expect to see growth in AuMs from the current low base. Whilst we do expect to see some pricing pressure especially from digital competitors, we still see a scope for expansion in Asset Management fees by 2024.

Additionally, in relation to cards & payments fees, we will try to capitalise on the expected growth of Greek payment sector and our strategy is focused on attracting a strong partner going forward in order to gain additional technological expertise by selling part of our stake in our merchant acquiring business to a strategic partner in order to form a Joint Venture later in 2021, pursuant to Project Prometheus.

Lastly, we target growth in our international fee income mostly related to fee growth in Romania on the back of accelerated lending growth. We expect to deliver approximately €25 million additional net fee and commission income in Romania compared to 2020 levels.

As a result of leveraging our partnerships and facilitating growth in fee and commission income, we expect a 1 percentage point positive impact on our return on tangible book value in 2024 driven exclusively by increased fee and commission income. Nevertheless, no assurance is given that we shall be able to defend our interest income (*see* Risk Factors – Risk Related to our Business "*We may not be able to reduce our NPE levels in line with our targets or at all, or defend our interest income in line with our targets, or at all, which may materially impact our financial condition, capital adequacy or results of operations*").

Strategic Deployment of Excess Capital in Romania to Accelerate Lending Growth and Increase Profitability in the Large and Attractive Market

We believe Romania is an attractive growth market with considerable scale. Based on IMF data, Romania's GDP reached US$247 billion in 2020 with population of 19 million compared to Greek GDP of US$189 billion and population of 11 million. Additionally, Romanian economy has a strong growth outlook as it is also a significant

Next Generation EU RRF funds' beneficiary with average real GDP growth in 2021-2024 expected to reach 4.6% according to IMF.

The Romanian banking sector is relatively underpenetrated with significant catch-up potential to broader EU levels with private sector debt reaching only 24% in 2020 as % GDP based on World Bank data compared to EU average of 87%. At the same time, it is quite profitable, with the average RoAE ranging from 13-15% based on ECB data, making this one of the most profitable banking sectors in Europe.

Our ambition in Romania is to develop into a true tier 1 franchise. We are currently the only Greek bank with presence in this market and are the 6th largest bank based on gross loans among privately owned banks. Our operations benefit from our management team, our capital position with over €400m equity deployed, a balanced funding position, a specialisation in mortgage and green lending and a platform that has been built for a larger balance sheet size. We have also forged strong partnerships with IFIs and are exploring options to further enhance our scope of cooperation.

As a result of higher loan growth in Romania, we expect a 1 percentage point positive impact on our return on tangible book value in 2024 driven exclusively by our international activities.

Focus on Delivery of Our Financial Targets

We expect our net interest income to reach €1.4 billion by 2024 compared to €1.5 billion in 2020. Part of the income drop is expected to be driven by NPE resolution, however it is expected to be offset by the performing loan growth ambitions in Greece and Romania. Additionally, our focus on fee and commission growth is expected to allow us to reach €0.5 billion net fee income by 2024 vs € 0.3 billion in 2020 (*see* also "*Profit Forecasts*").

We expect our recurring operating expenses to reach approximately €0.86 billion by 2024 down from € 1.04 billion in 2020. Our top line expansion combined with cost reduction is expected to allow us to reach €1.1bn of pre-provision income in 2024. Nevertheless, no assurance is given that we shall be able to defend our interest income (*see* Risk Factors – Risk Related to our Business "*We may not be able to reduce our NPE levels in line with our targets or at all, or defend our interest income in line with our targets, or at all, which may materially impact our financial condition, capital adequacy or results of operations*").

In line with our NPE Initiatives and asset quality resolution, we expect to reach 2% NPE ratio by 2024, which should also support our cost of risk normalisation to 60 basis points by 2024 compared to 200bps in 2020.

As a result of these financial impacts, we expect the profit/(loss) for the year to grow to above €600 million in 2024 which translates into return on tangible book value of 10% on the expected tangible book value of approximately € 6.7 billion by 2024.

We are focused on maintaining prudent regulatory capital position and with improved profitability we also expected to see increase in our capitalisation levels with fully loaded total capital ratio expected to reach approximately 18% by 2024 vs 16% in 2020. Such financial standing will also give us flexibility for potential dividend distribution from 2023.

4.6 History and development of our Group

The following list sets forth the most significant events in our history or the history of the Group:

The Acquisition of Emporiki

On 1 February 2013 Alpha Holdings (then operating as a fully licensed credit institution under the name "Alpha Bank S.A.") completed the acquisition of Emporiki from Crédit Agricole. As at the date of acquisition Emporiki was consolidated in the financial statements of the Group. On 28 June 2013, Emporiki was merged into the former Alpha Bank S.A..

As a result of the acquisition of Emporiki, in 2013 the former Alpha Bank S.A. recognised negative goodwill of €3,283 million resulting from the difference between the fair value of the net assets acquired and the purchase price. The negative goodwill recognised is not subject to income tax. Emporiki offered a large variety of banking products and services to individuals, SMEs and large companies and enjoyed a strong market presence in Greece and Cyprus through an extensive network of branches in both countries. The transaction represented a major step in the restructuring of the Greek banking sector and strengthened the position of the Bank within the market, creating one of the largest financial groups in Greece and adding total assets of €19.1 billion to the Group's balance sheet as at 1 February 2013.

In addition, at the completion of the transaction, Crédit Agricole also subscribed for €150 million convertible bonds issued by the Bank. In February 2017, Crédit Agricole exercised its conversion option under the convertible bonds, which resulted in the allocation of 6,818,181 new ordinary shares in the Bank to Crédit Agricole. The transaction resulted in a net recapitalisation of the combined entity by an aggregate amount of approximately €2.9 billion and contributed towards the Bank's own recapitalisation plan.

2013 Capital Increase

On 16 April 2013, the second iterative meeting of the extraordinary general meeting of Alpha Holdings' shareholders (then operating as a fully licenced credit institution under the name "Alpha Bank S.A.")convened and approved our €4,571 million capital strengthening plan, which was announced on 2 April 2013, and granted the power to the Board of Directors to implement, assessing the financial conditions, the General Meeting's resolutions (the "**Capital Strengthening Plan**"). On 3 June 2013, we announced the successful completion of its €457.1 million rights issue (the "**Rights Issue**"), and the allotment of all of the shares offered in the €92.9 million private placement to institutional and other qualified private investors. As a consequence, former Alpha Bank S.A. was the first among the Greek banks to raise more than 10% of its total recapitalisation amount and thus to meet successfully the required private sector contribution test set by the HFSF Law. The remaining part of the €4,571 million Capital Strengthening Plan was covered by the HFSF through direct subscription to shares. The Rights Issue was fully underwritten by a syndicate of international investment banks.

For each new share subscribed for in the capital increase by private sector investors, the HFSF issued on 10 June 2013 separately traded warrants which allow their holders to purchase shares subscribed by the HFSF at selected intervals over the four and a half years that follow the share capital increase, at the subscription price of €0.44 per share, increased by an annual margin. It is noted that 11 December 2017 was the final date for the exercise of warrants and, in accordance with the provisions of Law 3864/2010 and Cabinet Act 43/2015 (which amended Cabinet Act 38/2012, and Cabinet Act 6/2013), the warrants which were not exercised until that date automatically expired and were cancelled by the HFSF.

2014 Capital Increase

On 28 March 2014, the extraordinary general meeting of the shareholders of Alpha Holdings (then operating as a fully licenced credit institution under the name "Alpha Bank S.A.") approved the raising of capital by the Bank, up to the amount of €1.2 billion through a private placement with qualified investors, with the issuance of 1,846,153,846 new, ordinary, registered shares offered at €0.65 each. The offering, which was fully underwritten by a syndicate of international banks, was priced on 25 March 2014, while the new shares commenced trading on ATHEX on 4 April 2014.

The proceeds from the capital increase were used to strengthen the former Alpha Bank S.A.'s capital base with high-quality common equity capital and allow for the redemption of Greek state preference shares in issuance of €940 million, whereas the remaining amount of the capital raised was directed to cover the €262 million capital needs assessed in the 2014 stress test (as described under "*ECB's Comprehensive Assessment*" below). The Greek state preference shares of €940 million were subsequently redeemed on 17 April 2014.

Acquisition of Citibank's Greek retail operations

On 13 June 2014, Alpha Holdings (then operating as a fully licenced credit institution under the name "Alpha Bank S.A.") announced that it had entered into a definitive agreement with Citibank for the acquisition of Citibank's Greek retail banking business, including Diners Club of Greece. Under the agreement, the acquired operations comprised Citibank's wealth management unit with customers' assets under management of approximately €2.0 billion, out of which customer deposits amounted to approximately €0.9 billion and net loans, mainly credit card balances, amounted to €0.4 billion, as well as a retail branch network of 20 units serving around 480,000 clients. The acquisition was completed on 30 September 2014. As a result of the acquisition, the personnel working in the retail banking network of Citibank joined the Bank.

In June 2015 Diners Club Greece was merged into the former Alpha Bank S.A. by way of absorption and, in September 2015, the migration of Citibank's retail banking operations and Diners Club Greece operations into the former Alpha Bank S.A.'s operating systems was completed.

2015 Capital Increase

By virtue of the resolution of the extraordinary general meeting of the shareholders of Alpha Holdings (then operating as a fully licenced credit institution under the name "Alpha Bank S.A.") that took place on 14 November 2015 the following items (among other things) were resolved: (i) the increase of the nominal value of each share by way of a reverse split from €0.30 to €15.00 along with a decrease of the total number of the existing shares (including the capitalisation of an amount of €42.60 in order to create an integral number of shares) from 12,769,059,858 to 255,381,200 ordinary, dematerialised, registered shares, with voting rights (each an "**Ordinary Share**"), by a ratio of one new share to 50 old shares and the subsequent decrease of the nominal value of each Ordinary Share from €15.00 to €0.30 and credit of the amount arising from the decrease to the special reserve in accordance with Article 4 paragraph 4a of Greek law 2190/1920 (which has been repealed and replaced by Greek law 4548/2018); and (ii) the share capital increase by payment in cash (including the equivalent to cash capitalisation of money claims), along with the abolition of pre-emption rights of the shareholders of the Bank, by the issuance of new Ordinary Shares to be specified by the Board of Directors of the Bank.

The Bank's Board of Directors at its meeting on 19 November 2015 specified the above resolution of the General Meeting regarding the share capital increase by the issuance of 1,281,500,000 new Ordinary Shares of the Bank, of a nominal value of €0.30 per share at a €2.00 price per share (post reverse split) through: (i) payment in cash of an amount of €1,552,169,172.00 via a private placement through a book-building process, which commenced and was completed outside Greece, pursuant to the exception of Article 3 paragraph 2 indent (a), to qualified investors, in accordance with Article 2 paragraph 1 indent (f) of Greek law 3401/2005 and pursuant to Article 3 paragraph 2 indent (c) of Greek law 3401/2005; and (ii) capitalisation of monetary claims of an amount of €1,010,830,828.00, in the context of the voluntary exchange of outstanding securities by their holders that participated in a liability management exercise. The proceeds from the capital increase were intended to strengthen the former Alpha Bank S.A.'s capital adequacy ratios.

Alpha Holdings (then operating as a fully licenced credit institution under the name "Alpha Bank S.A.") was the first systemic bank in the Greek banking system in 2015 to be recapitalised by private funds, with its private placement having been subscribed by 1.72 times with no further HFSF participation, as the latter held approximately 10,9% in the share capital of the former Alpha Bank S.A. with restricted voting rights.

Hive-Down

On 16 April 2021, the demerger of the former Alpha Bank S.A., then authorised 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.", ("**Alpha Holdings**") was approved 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. Moreover, the Bank continues its operation through the existing organisational structure, network of branch offices and premises.

Alpha Holdings, which on 19 April 2021 ceased to operate as a credit institution, maintains the assets and activities not related to the banking business sector, while its shares remain listed on the Main Market of the Athens Exchange (the "**ATHEX**"). Alpha Holdings maintains direct and indirect participation in all companies that are included in its consolidated financial statements, while it retains the insurance intermediary activity and the provision of accounting and tax services to affiliates and third parties. Furthermore, Alpha Holdings may proceed with the issuance of instruments in order to raise regulatory capital.

4.7 Structure and principal activities of the Group

The activities of the Group are divided into six business units, with enhanced management and administrative responsibilities. The management of its overall strategy and the coordination of activities between business units is undertaken by its executive committee. Furthermore, the Group has strengthened the distinction between retail and wholesale banking and extended this organisational principle across the Group to apply to its operations in South Eastern Europe (Cyprus, Romania and Albania). It also maintains a presence in the United Kingdom , through its 100% subsidiary Alpha Bank London Limited, (although its UK branch office was moved to Luxembourg in line with the ECB/SSM Guidelines on UK's withdrawal from the EU), Jersey and Luxembourg. Its presence in Luxembourg is through its branch (Alpha Bank Luxembourg Branch) which operates as a lending office and in Jersey through Alpha Group Jersey Ltd, which is a special purpose and holding entity with activity to provide financing to AB Group by issuing capital instruments guaranteed by the Bank.

At the income-generation level, the Group operates the following business units:

- *Retail Banking*: This unit includes all retail banking customers, professionals, small and very small companies operating in Greece and abroad, excluding countries in South Eastern Europe and including the Group's specialised subsidiary which provides NPE Remedial Management services (Cepal Hellas Financial Services S.M.S.A.). The Group, through its extended branch network, offers all types of deposit products (customer deposits / savings accounts, working capital / current accounts, investment facilities / customer deposits, repos, swaps), loan facilities (mortgages, consumer, corporate loans, letters of guarantee), debit and credit cards of the above customers and banking and insurance products provided through affiliated companies.
- *Corporate Banking:* This unit includes all medium-sized and large companies, corporations with international business activities, corporations managed by the Corporate Banking Division and shipping companies operating in Greece and abroad, except from South Eastern European countries. The Group offers working capital facilities, corporate loans, and letters of guarantee for the above-mentioned corporations. This sector also includes leasing products which are provided by the subsidiary company Alpha Leasing S.A. as well as factoring services which are provided by the subsidiary company ABC Factors Single Member S.A.
- *Asset Management and Insurance:* This unit consists of a wide range of asset management services offered through the Group's private banking units and its subsidiary, Alpha Asset Management M.F.M.C. as well as other services related to the management and trading of other mutual funds. In addition, it includes income in the form of commissions received from the distribution of a wide range of insurance products to both individuals and companies, issued by its strategic insurance partners.
- *Investment Banking and Treasury:* This unit includes stock exchange, advisory and brokerage services related to capital markets, and also investment banking facilities, which are offered either by the Bank or specialised subsidiaries which provide the aforementioned services (Alpha Finance A.E.P.E.Y., Alpha Ventures S.A.). It also includes the activities of the Dealing Room in the interbank market (FX swaps, bonds, futures, IRS, interbank placements – loans, etc.) as well as securitisation activities.
- *South Eastern Europe:* This unit consists of the Group's subsidiaries, which operate in South Eastern Europe.
- *Other:* This segment includes the non-financial activities of the Group, as well as unallocated/one-off income and expenses and intersegment transactions.

Retail Banking

The Bank as at 31 March 2021 had a domestic network of 316 branches, seven private banking (customer service centres) and five commercial centres. The Greek branch network is supported by a nationwide network of 1,292 ATMs. Its retail banking activities and products include customer deposits, investment products, distribution of bancassurance and standard insurance products (most commonly, policies attached to mortgage sales), banking activities on commission (mutual funds, credit cards, capital transfers, brokerage activities and payroll services), loans to individuals (consumer and housing loans) and loans to small-sized firms.

Retail loans

Loans to customers measured at amortised cost (before provision for impairment losses) of retail lending (which includes loans to small businesses) on a consolidated basis amounted to € 27.4 billion as at 31 March 2021, whereas for Greece they stood at €23.8 billion.

Lending to Individuals

Despite the COVID-19 crisis that has inhibited any upward trends in the retail lending market, the Bank has maintained its strong presence in the retail credit market by offering a full range of products designed to cover all personal and housing needs.

The Bank offers housing loans with variable or fixed rates that finance the purchase of a house or land, as well as construction, renovation, extension or repair works. At the same time, the Bank strengthened its product offering by extending promotions regarding its new core housing product "Alpha Residence". Customers buying their first home may enjoy favourable financing as well as benefits for all the members of their family.
The Bank offers a wide variety of consumer finance solutions through a consumer loans product mix that has been designed to respond to the needs of its retail banking customers. The Bank's consumer loans are offered either with

variable or fixed rates and finance either specific needs (purpose loans for car acquisition, educational purposes or home refurbishments) or other personal needs.

Under the current extraordinary socio-economic circumstances, the Bank, aiming to boost consumer confidence and subsequent sales, has chosen to participate in the green loans market by carrying out advertising and promotional campaigns for its green consumer loans. Particular focus has been given to eco-friendly transportation with offers regarding the purchase of an electric or hybrid car.

Additionally, the Bank participates in the "Exoikonomo – Aftonomo" programme, a co-financed programme of the Ministry of Environment and Energy, designed to provide motives to owners of residential properties to improve the energy efficiency of their homes. Disbursements since the start of the programme in 2018 have exceeded €20 million. Since the beginning of 2020 and through the first quarter of 2021, the Bank focused on alleviating the negative effects of the COVID-19 pandemic, by providing relief to affected individuals either via a moratorium scheme or via the state-supported "Gefyra" programme.

At the same time, the Bank continues to support its existing customers by offering comprehensive solutions to allow them to service their loans promptly. The Bank continuously works towards the development and support of programmes that assist customers facing serious financial difficulties.

As at 31 March 2021, the carrying amount (before allowance for impairment losses) of the Group's mortgage loans measured at amortised cost stood at € 16.9 billion.

The Group's carrying amount of consumer loans (before allowance for impairment losses) carried at amortised cost amounted to € 4.1 billion as at 31 March 2021.

Payment cards

The Bank has a strong presence in the Greek market for both card issuance and acquiring. The Bank's debit and credit card portfolio exceeds four million cards. In credit cards, the Bank maintains significant market share in terms of billings and balances. The sales volume of credit and debit cards in 2020 was approximately €8 billion, a 5,6% increase compared to 2019. As at 31 March 2021, outstanding balances amounted to €0.9 billion. With respect to its acquiring business, the Bank is the only acquirer in Greece of all major payment schemes: American Express, Visa, MasterCard and Diners, and operates a network of approximately 150,000 associated merchants, holding a significant position in the Greek acquiring market.

Corporate Banking

The Group's carrying amount of corporate loans (before allowance for impairment losses) carried at amortised cost amounted to € 26.9 billion as at 31 March 2021.

Corporate Banking

The Bank provides a full range of corporate banking services to Greek companies, foreign corporations active in Greece and, to a lesser degree, public sector entities. Corporate clients serviced by the Bank's Corporate Banking division generally have an annual turnover of at least €75 million. The Bank's credit portfolio is mainly composed of companies in the manufacturing, trade, transportation, construction, real estate, energy, fuels and infrastructure sectors.

The Bank offers a number of services to corporate customers, including acceptance of customer deposits, short-medium and long-term lending both in euro and foreign currencies, cashing cheques, foreign exchange transactions, transactions in treasury and money market instruments, letters of guarantee, factoring and leasing. Its services offered also include other cash and risk management services. The Bank also provides certain other banking services to corporate customers, including arrangement and participation in syndicated loans to large-sized companies and participation in bilateral debt restructuring transactions, according to clients' financial needs.

Commercial Banking

The Bank provides services to more than 9,300 medium-sized companies on the Greek mainland and islands, with credit limits over €1 million and/or annual turnover between €2.5 million and €75 million.

The Bank provides its clientele with a centralised customer relationship management system offering a wide spectrum of tailor-made solutions to meet its clients' needs as well as a wide range of other products and financial tools with the support of supranational organisations, the Entrepreneurship Fund and also the Hellenic Development Bank most recently. Despite the impact of the economic crisis during the previous years and the recent economic downturn resulting from the COVID-19 pandemic, the Bank has maintained a high-quality portfolio of medium-size companies that has performed well, mainly by focusing on balancing the collateral provided by each company in parallel with the assessment of the company's credit-worthiness and its financial position.

Shipping Finance

The Bank has been successfully involved in shipping finance since 1997, providing specialised products and services (e.g., funds transfers, branch operations, hedging solutions) to Greek–owned / managed ocean-going and coastal shipping companies.

Despite the fluctuations in the freight markets and world economy, Greek ship owners continue to demonstrate their commitment and strong position in the shipping industry. Bank lending remains the main means of raising funds and the Bank will continue to aim for the best possible response to its customers' needs, being one of the main lenders in Greek shipping.

Alpha Leasing S.A.

Alpha Leasing S.A., established in 1981, is a wholly-owned subsidiary of the Bank, and provides a wide range of financial leasing services and products to its customers. Alpha Leasing S.A. is service-oriented, focusing on the selective implementation of its customers' investment plans (1,990 customers as at 31 March 2021), while securing low risk and acceptable return levels for its portfolio. As at 31 March 2021, total receivables from leasing (after allowance for impairment losses) amounted to €374 million (compared with € 372 million as at 31 March 2020). As at 31 March 2021, Alpha Leasing S.A. had 37 employees.

ABC Factors Single Member S.A.

Through ABC Factors Single Member S.A., the Bank provides a wide range of factoring services (domestic factoring with and without recourse, reverse factoring, invoice discounting, accounts receivables control, management and collection services, import and export factoring and forfaiting). Since its establishment in 1995, ABC Factors Single Member S.A. holds a sustained dominant position in the Greek factoring services market based on the value of the assigned receivables and profit before taxes, according to a comparative analysis of the competition (*Source: Hellenic Factoring Association*). For the period from 1 January to 31 March 2021, the turnover of ABC Factors Single Member S.A. (amount of trade receivables) amounted to €0.95 billion, compared to €1.24 billion for the same period of 2020. As at 31 March 2021, ABC Factors Single Member S.A. had 80 employees.

Asset Management & Insurance

The Asset Management & Insurance segment includes private banking, asset management, and insurance services.

Private Banking Unit

Since 1993, the Bank has been providing a full range of portfolio management services as well as upgraded banking services to high net-worth clients. The services are provided under the trade name "Alpha Private Bank", by a network of six exclusively designated Private Banking Centres, seven service points at selected branches in Greece's largest cities and one Private Banking Centre, accommodating assets in Greece and abroad.

The Private Banking Unit, operating under the supervision of the General Manager-Wholesale Banking and with support from a team of portfolio counsellors and analysts, provides the Bank's upper client segment with optimised portfolio management solutions under the Discretionary, Advisory, Transactional Advisory and Execution Only framework. The sales team consists of approximately 50 specialised and certified private bankers. As of 31 March 2021, the unit's total assets under management stood at €4.76 billion with 6,000 investment portfolios.

In 2020, gross revenue stood at €26.2 million (only from fees and commission, interest income excluded).

In 2018, with the aim to improve its Private Banking "Customer Journey" through the enhancement of investment services, the Private Banking Unit introduced the:

- "InvestoR" Electronic Platform which provides flexibility and automation to the advisory investment process, in full compliance with Directive (EU) No 2014/65 ("**MiFID II**").
- Use of mobile devices (tablets) in the provision of our private banking and investment advice services, facilitating direct and personalised communication between the private banker and the customer.
- Use of the electronic client signature ("e-signature") that, combined with the utilisation of tablets for the completion of the InvestoR session and the remittance of investment orders, enhances transaction efficiency and client experience.
- Consolidation of the Alpha Private Bank Customer Phone Service, which provides swift and secure specialised banking services to Private Banking customers during extended working hours without visiting an Alpha Bank branch.

In recognition of the consistent high quality that defines the Bank's Private Banking services, Alpha Bank was named "Best Private Bank in Greece" for 2018, 2019 and 2020 by the internationally acclaimed publications "Professional Wealth Management (PWM)" and "The Banker" of the Financial Times Group.

Alpha Asset Management M.F.M.C.

Alpha Asset Management M.F.M.C. is an entity licenced and supervised by the HCMC, whose business objective is the development and management of mutual funds, offered to private and institutional clients of the Group. Additionally, it is actively engaged in the portfolio management of institutional investors such as pension/occupational funds, insurance companies and other entities. Furthermore, an Investment Committee has been set up by the company, which is responsible for providing investment guidelines in terms of portfolio structuring for Private Banking clients.

The company offers a product mix of 23 internationally recognised Alpha mutual funds (€1.7 billion as at 31 March 2021) that invest in major markets worldwide, including emerging markets.

Alpha Asset Management M.F.M.C. is the second largest mutual funds management and investment services company in Greece and, as at 31 March 2021, its market share stood at 19.3% (Source: *Hellenic Fund & Asset Management Association*). As at 31 March 2021, total assets under management of the company stood at €2.4 billion, of which €1.7 billion were invested in mutual funds and €723 million in segregated accounts of institutional clients.

In December 2018, Alpha Asset Management M.F.M.C. became a signatory of the United Nations-backed "Principles for Responsible Investments" initiative. The investment process of the funds combines the quantitative and qualitative criteria of the fund selection process with the integration of environment, social and governance (ESG) criteria, aiming at a positive social and environmental impact.

Alphalife Insurance Company S.A.

Alphalife Insurance Company S.A., a wholly owned subsidiary of Alpha Holdings, is a life insurance company (licenced and supervised by the Bank of Greece) and is active exclusively in the bancassurance market of investment and pension life insurance products, distributed exclusively through the network of the Bank.

Despite the fact that the commencement of its business in 2010 coincided with the economic recession in Greece, there has been an increase in premium production, in the portfolio of insurance contracts and in reserves and assets under the management of Alphalife Insurance Company S.A. since 2010 and through March 2021. Key figures for the three months period ended 31 March 2021 were: insurance premiums received of €42 million, assets under management of €668.7 million and profit before income tax of €0.3 million. For the year ending 31 December 2020, insurance premiums received were of €124.5 million, assets under management of €641.2 million and profit before income tax of €11.3 million.

Alpha Insurance Agents S.A.

Alpha Insurance Agents S.A., is a subsidiary of Alpha Holdings that operates as an insurance agent (insurance intermediary), under regulatory supervision by the Bank of Greece.

Key figures for the three months period ended 31 March 2021 were: net fee and commission income of €0.17 million and profit before tax €0.15 million. For the year ending 31 December 2020, commissions revenues roximatelyof €0.70 million and net profit before tax €0.66 million.

Insurance distribution through Alpha Holdings and the Bank.

Alpha Holdings and the Bank are both registered as insurance agents engaged in distributing insurance products to the Bank's customers. The product offering includes a complete palette focusing on Property, Health, Pension/Savings and Small Businesses. Distribution is based on a multi-channel approach, including the branch network of the Bank and alternative channels (myAlpha Web, mobile banking, telemarketing, etc.).

Strategic insurance partnerships include:

- **AXA / Generali:** An exclusive cooperation between Alpha Holdings (then operating as a licenced credit institution under the name "Alpha Bank S.A.") and AXA started in 2007 (General Insurance and Health). As AXA decided to disinvest from the Greek market, Alpha Holdings and the Bank secured an exclusive partnership (bancassurance) with Generali, a leading insurance company both in global and domestic market. This new partnership is expected to dynamically accelerate the achievement of the Group's insurance distribution objectives while Generali's experience in technology and digital channels is compatible with our strategic goals of upgrading its level of customer service and of providing fast and seamless services throughout its network.

- **AlphaLife**: In the field of pension and savings products, we are cooperating successfully with AlphaLife, since 2010.

The key figure for the three months period ended 31 March 2021 was commissions at approximately €5 million. For the year ending 31 December 2020, commissions received stood at approximately €19 million.

Investment Banking and Treasury

Investment Banking

The Investment Banking unit includes the activities of Corporate Finance, Structured Finance and Real Estate Investments, as these are described below.

The Corporate Finance Division is comprised of two units (Capital Markets & Financial Advisory Services and Real Estate Investment Services), whose main activities are outlined below:

Capital Markets and Financial Advisory Services

The Capital Markets and Financial Advisory Services unit offers services relating to mergers and acquisitions, restructurings, privatisation projects, valuations, capital markets transactions in equity and corporate bonds, public tenders and concessions and holds a leading position among the local investment banking units.

On the Capital Markets side, the Corporate Finance Division provided, in 2020, underwriting advisory services to Lamda Development for the listing of corporate bonds on ATHEX as well as advisory services to private companies listed on ATHEX, in connection with rights issuances such as Avax, Premia Properties S.A. (for a share capital increase with cash and a share capital increase with asset contribution). Moreover, the division acted as advisor to the offeror for the tender offer from Sterner Stenhus Greece for the acquisition of shares of Pasal Development S.A. (currently Premia Properties S.A.) Also, the division successfully completed the IPO of Epsilon Net on the Regulated Market of ATHEX. The unit acted as joint coordinator and bookrunner with respect to the public offering and listing on the ATHEX of the corporate bond of OPAP S.A., which was completed in October 2020. As at 31 March 2021, the division has also completed the bond listing of Motor Oil S.A.

With respect to Financial Advisory Services, in 2020 and first quarter of 2021 the Corporate Finance Division provided, among others, a fairness opinion to the Hellenic Telecommunications Organization S.A. for the sale of its 54% stake in Telekom Romania S.A. to Orange Romania and financial advisory services to Unilever S.A. for the sale of its tomato product retail sector (Pummaro line) in Greece.

On the privatization side, we advise the Hellenic Republic Asset Development Fund (HRADF) on the award of a concession to operate, maintain and commercially exploit Egnatia Motorway and we also provide financial advice to Hellenic Petroleum S.A. with respect to the privatisation of DEPA Infrastructure S.A. and DEPA Commercial S.A.

Real Estate Investments Services

Real Estate Investments Services undertakes the management, operation, formulation and execution of related strategic and business plans for real estate assets in Greece and South Eastern Europe acquired as a result of the enforcement of security under loan facility agreements. The aim of the Real Estate Investments Services unit is to safeguard and maximise recovery value of those assets, as well as to secure their efficient and risk-fenced management through the establishment of SPVs. The Real Estate Investments Services unit acts as one of the internal real estate commercialisation channels in close collaboration with Alpha Real Estate Management and Investments SA, Alpha Astika Akinita S.A., the Bank's subsidiaries in South Eastern Europe and other external partners.

In 2020, the Real Estate Investments Services unit concluded sales of real estate assets under management in Greece, Bulgaria and Romania totalling €47 million. These included the sale of:

- AIP GI Single Member S.A., owning a portfolio of luxurious residential properties in Athens, for a total consideration of €24.2 million;
- a complex of residential properties in Athens for a total consideration of €5.2 million;
- a prime commercial real estate asset in Athens for a total consideration of €1.5 million;

an SPV holding a commercial real estate asset in Veiko Tarnovo for a total consideration of €11.3 million;
a land plot of around 16,000 square metres close to Bucharest for a total consideration of €2.2 million;
a land plot of around 63,000 square metres close to Bucharest for a total consideration of €1.25 million; and
properties in four residential projects in Bucharest (almost fully deleveraging the Bank's residential portfolio in Romania) for a total consideration of €1.4 million.

In addition to the above, another €37 million of sales were agreed concluded in the first quarter of 2021 as follows:

- AIP II S.A., a company owning a portfolio of three prime commercial real estate assets in Athens, for a total consideration of €27.5 million; and
- an SPV holding three Hotels in Bucharest for a total consideration of €9.5 million;

Structured Finance

The Bank offers project financing on a non-recourse basis for large projects in infrastructure (motorways, airports, ports, etc.) and energy (renewables, cogeneration and thermal power plants), either on a bilateral or a syndicated basis, in Greece and abroad. The Bank is also active in commercial real estate finance through structured financing of projects in Greece and South Eastern Europe.

In 2020 and the beginning of 2021, the Structured Finance Division was actively involved in arranging new structured financings on a syndicated or bilateral basis in the power sector, with a focus on renewable energy sources and wind farms and in public-private partnerships, thus affirming the Bank's strong market position in these sectors.

In the field of advisory services, the Structured Finance Division acts as adviser to the Hellenic Republic Asset Development Fund (TAIPED) for privatisations.

In the real estate sector, the Structured Finance Division successfully completed a number of selective transactions in Greece and Romania.

The Structure Finance Division's loan book increased by approximately 20%, capitalising on the Bank's expertise and positioning in the sectors of operation.

On the basis of existing mandates regarding the arrangement of financing for various projects, the volume and the performance of the loan portfolio are expected to increase in the following years, with business growth driven primarily by projects in the renewable energy sector, public-private partnerships and the development of income-producing properties.

Alpha Finance Investments Services Single Member S.A.

Established in 1989, Alpha Finance Investment Services Single Member S.A. is one of the oldest members of the Athens Stock Exchange. As an investment services provider regulated by the Hellenic Capital Markets Commission, it offers, *inter alia*, brokerage services in domestic and international equities and derivatives, as well as research. Alpha Finance Investment Services Single Member S.A. is a member of ATHEX, ENEX and the Cyprus Stock Exchange. The firm .follows an open architecture strategy to broaden and diversify the investment options of its clients. It offers a wide range of investment services as well as access to the largest international stock exchanges. Alpha Finance Investment Services Single Member S.A. acts as a market maker in the stock and derivatives markets of ATHEX.

For the three-month period ending on March 31, 2021, Alpha Finance Investment Services Single Member S.A. reported profit after tax of €0.7 million, a figure close to profit after tax reported in the respective 2020 period (€0.7 million). Revenues as at March 31, 2021 decreased (by approximately 7%) compared to the same period in 2020, reaching €2.7 million. Shareholder's equity at the end of first quarter stood at €27.1 million compared to €26.5 million on December 31, 2020.

Treasury

The Bank participates in the interbank spot, money, bond and derivatives markets. Its use of sophisticated systems to measure risk, along with the Bank's conservative trading profile, have contributed to risk limitation, enhancement of flexibility in adapting to changing market conditions, and improved performance. The Treasury Division is particularly active in both the Greek primary and secondary bond markets as well as in the primary and secondary European and international debt capital markets.

South Eastern and rest of Europe

The Group is active in South Eastern Europe and has a presence in Cyprus, Romania and Albania. It has a presence in the United Kingdom, through its 100% subsidiary Alpha Bank London Limited, although its branch in Alpha Bank London Limited ceased its operations. Following relevant ECB/SSM guidelines driven by the United Kingdom's withdrawal from the EU, the Bank established in June 2020 a branch in Luxembourg to which the activities of the Bank's branch in London were transferred, following which the London branch ceased its operations. The Group also has a presence in Jersey. Its presence in Luxembourg is through its branch (Alpha Bank Luxembourg Branch) which operates as a lending office and in Jersey through Alpha Group Jersey Ltd, which is a special purpose and holding entity with activity to provide financing to AB Group by issuing capital instruments guaranteed by the Bank. As at 31 March 2021, the Group had a total of 183 branches and 3001 employees in Romania, Albania, Cyprus , UK & Luxembourg.

As at 31 March 2021, loans and advances to customers (before allowance for impairment losses) reported under the segment of South Eastern Europe amounted to €6.1 billion corresponding to 12.3% of total loans and advances to customers (before allowance for impairment losses) of the Group on a consolidated basis, while due to customers amounted to €5.1 billion corresponding to 11.8% of total due to customers of the Group on a consolidated basis.

Other activities

Alpha Astika Akinita A.E.

Alpha Astika Akinita S.A. was founded in 1942 and since 1999 the company's shares have been listed on ATHEX. The company operates mainly in the Greek real estate market. It also extends its activities to the markets of Romania, Bulgaria and Cyprus through its subsidiaries, Alpha Real Estate Services S.R.L., Alpha Real Estate Bulgaria E.O.O.D., Chardash Trading E.O.O.D. and Alpha Real Estate Services L.L.C.

The main objective of Alpha Astika Akinita S.A. is to manage and value real estate properties as well as the rights relating to real estate owned by the Group. Furthermore, the company provides property management services, brokerage services, appraisals, technical consultations and comprehensive services for enhancing real estate exploitation owned by third parties. Regarding its property management services, brokerage, property valuation, investment appraisals, project management and evaluation of property development projects, Alpha Astika Akinita S.A. has been certified with ISO 9001.

Moreover, the company owns 18.42% of the share capital of Propindex S.A., a company which creates, calculates and produces indicators related to the real estate market.

Custodial services

The Bank has a specialised organisational unit that performs custodial functions servicing local and foreign institutional investors and retail clients. As at 31 March 2021, total assets under the Bank's custody were approximately €5.5 billion as follows:

The value of the institutional clientele's portfolio amounted to approximately €3 billion, while the fee and commission income from 1 January 2021 to 31 March 2021 amounted to approximately €0.8 million. The main categories of institutional clients receiving the custody services are insurance companies, institutions for occupational retirement provision (IORPs), banks and asset management companies.

The value of the retail clientele's portfolio amounted to approximately €2.5 billion while the portfolio maintenance commissions earned between 1 January 2021 and 31 March 2021 amounted to approximately €0.6 million.

NPEs managing measures and strategies

In a challenging economic environment, we set as a paramount objective the effective management of NPEs, as this will lead not only to the improvement of the Bank's financial strength but also to the release of funds towards households and productive business sectors contributing to the development of the Greek economy in general. The Bank no longer operates an NPL management unit as such operations were carved out to the Bank's wholly owned subsidiary, Cepal Hellas, on 1 December 2020. The management and servicing of all NPE and NPL exposures of the Bank was assigned to Cepal Hellas. Furthermore, on 1 December 2020, Alpha Holdings (then operating as a fully licensed credit institution under the name "Alpha Bank S.A.") established a dedicated unit "NPE Strategy Recovery and Monitoring" for the monitoring of the Servicer's performance in relation to the goals set out in the NPE Plan, which is now a unit of the Bank. Furthermore, this unit is responsible to prevent new NPEs' formation. On 22 February 2021, we announced that we had reached definitive agreement with funds managed by Davidson Kempner European Partners LLP for the sale and transfer of 80% of the shares in the Cepal Hellas HoldCo to one of the funds managed by Davidson Kempner European Partners LLP, along with 51% of the mezzanine and the junior notes issued under the Galaxy Securitization, which was completed on 18 June, 2021, resulting into an estimated recording of a Net Loss loss of approximately €2.1 billion in its Profit and Loss Statement (estimated impact based on 31 March, 2021 figures), while the consequent reduction on the total capital adequacy ratio as of 31 March, 2021 is estimated by 2.8% approximately (for more information about the Galaxy Securitisation and the transfer of the Bank's business of servicing of NPEs to Cepal Hellas, see "Recent Developments – the Galaxy Securitization").

The Bank submitted to the SSM on 15 April 2021 the NPE Business Plan, including targets per asset class for the period of the second half of 2021 to 2023. The NPE Business Plan illustrates a mix of organic and inorganic solutions to achieve the plan. The Bank's objective for the management of troubled assets is to reach NPE balances of approximately €2.2 billion by the end of 2023, a reduction of approximately €15.8 billion, or 88%, compared to the ending balance as at 31 December 2020. As at 31 December 2020, the Group's gross balance of NPEs stood at €20.9 billion.

The achievement of objectives is driven by the implementation of initiatives concerning:

- governance, policies and operating model through increased oversight and active involvement of management and the Board of Directors with clear roles and accountabilities through the relevant committees;
- application of private and public moratoria, offering instalment postponement to debtors financially affected by the COVID-19 pandemic, in order to restrain new NPE inflows and protect asset quality;
- continuous monitoring of private and public moratoria in order to secure that there will not be new NPEs formation;
- portfolio segmentation and analysis based on detailed execution roadmaps within a strict and defined segmentation framework under continuous review, update and improvement;
- new Products designed, take into account the characteristics of the portfolio, and the assessed COVID-19 impact on the borrowers' repayment capacity;
- the Bank makes all the appropriate implementations in order to support "Gefyra II Programme" which refers to an 8-month State subsidy of loans granted to micro, small and medium-sized enterprises that have been financially affected by Covid-19 pandemic; and
- effective human resources management focusing on know-how and training, which is further improved through attracting specialised executives.

Under Project Solar, we have signed with doValue Hellas Credit and Loan Servicing Société Anonyme – in cooperation with the other Greek systemic banks – an servicing agreement, on 31 July 2018, as amended and in force, for the management of non-performing SME exposures of approximately €420 million over total SME exposures of the Greek systemic banks of approximately €1.5 billion. The aim of this common initiative of the four Greek systemic banks is to tackle SME NPEs in cases where the banks have common exposure, in coordination and with a uniform credit policy as well as to provide common solutions.

The successful implementation of the Bank's NPE strategy is conditional on a number of external / systemic factors that include, among other things, the following:

- realisation of a continuously improving economic environment in a post COVID-19 era, assuming that no further waves of the pandemic will occur. Measures for individuals and small businesses are in place to reduce the economic impact from the COVID-19 pandemic;
- restart of electronic auctions after their suspension due to COVID-19, to support liquidations and serve as a credible enforcement tool for non-cooperative borrowers; notwithstanding the positive expected impact of the E-Auctions platform, there are certain impediments of a legal nature (e.g. the ability of a borrower's dues deferral petition in accordance with Greek law 3869/2010, as amended and in force (the "**Greek law 3869/2010**")) that are adversely affecting the flow of E-Auctions;
- enhancing the case-processing capacity of courts through new staff appointments and training of judges on financial topics;
- new protection measures (Gefyra programme) for loans for which the primary residence of the borrower has been used as collateral. More specifically, the mortgages and business loans of borrowers, who have been affected by the COVID-19 pandemic, will be subsidised to a very large extent by the Greek state for a period of nine months;
- in October 2020 a new bankruptcy code was enacted in Greece by virtue of Greek law 4738/2020 (the "**Insolvency Code**"), which is expected to be in effect as at 1 June 2021. The Insolvency Code is expected to simplify the bankruptcy process and enhance the collective satisfaction of creditors by ensuring the expedited liquidation of all assets is included in the insolvency estate; and
- the Bank's full commitment towards the active management and reduction of NPEs over the business plan period not only remains intact, but is reinforced through the constant review and calibration of the Bank's strategies, products, and processes to the evolving macroeconomic environment.

In addition to the established initiatives to accelerate the reduction of its distressed portfolio, Alpha Holdings (then operating as a fully licensed credit institution under the name "Alpha Bank S.A.") has announced its 2019 Strategic Plan, with one of the three major transformation pillars introducing a large scale initiative regarding its current NPE landscape, namely Project Galaxy. Project Galaxy consists of an NPE acceleration plan which aims to decisively reduce NPEs through a large scale transaction within a comfortable capital envelope. For more information, please see "*Strategy*".

The main parts of the abovementioned initiative are the following:

- Front-loaded, substantial NPE reduction through a large securitisation of retail and wholesale NPEs, making use of the HAPS, resulting to immediate de-risking of the balance sheet.
- Carve-out of current NPEs and outsourcing of servicing to the wholly-owned entity Cepal Hellas, to serve as the carve-out vehicle, that will be subsequently sold to a third-party investor.

Following the creation of Cepal Hellas HoldCo, investors will acquire a controlling stake and the Bank will enter into long-term SLA with Cepal Hellas HoldCo for the servicing of its core NPEs. Cepal Hellas HoldCo will continue to service existing and newly acquired portfolios for investors.

Distribution network

Branch networks

The Bank's presence in Greece and other countries in which it operates is supported by a network comprising 511 branches as at 31 March 2021, which includes approximately 316 retail branches in Greece, five commercial centres in Greece, seven Private Banking customer service centres in Greece and 183 retail branches outside Greece.

myAlpha

The Bank's pillar "myAlpha" includes all electronic services and electronic products, for individuals and businesses, such as "myAlpha Web", "myAlpha Mobile" and "myAlpha Phone", as well as the digital wallet "myAlpha Wallet".

e-Banking

As at 31 March 2021, active e-Banking customers (web and mobile) for individuals and businesses increased by 22% compared with the equivalent period in 2020, with more than 93.4% of all transactions being digital network transactions.

In the first quarter of 2021, more than 1,050 payment services were offered. At the same time, the efforts to optimise the provision of product information as well as to improve transaction service levels continued, resulting in further improvement of customer experience.

In addition, a series of functional upgrades were carried out to provide customers with uninterrupted quality services and efficient support.

myAlpha Web

Active subscribers to “myAlpha Web for Individuals and Businesses” increased by 21%, while transactions made using the service also increased by 12% by the end of 2020 compared to the three months ended 31 March 2020. Specifically, “myAlpha Web for Individuals” continued its upward trend in 2021, with a 16% increase in active users over the first nine months of 2020. Through “myAlpha Web for Individuals”, users can:

carry out instant or post-dated payments on accounts, cards and loans;
make payments to public sector entities;
make quick transfers to any bank in Greece or abroad;
set up and manage alerts via email or text message;
view their accounts, card details and loan e-statements; and
apply online for products such as debit cards, deposit accounts and term deposits.

As part of the efforts to continuously improve the services provided and adopt new technologies in electronic banking, “myAlpha Web for Businesses” continues to develop new features that ensure greater flexibility and security in customer transactions and continued its upward trend in 2021, expanding its customer base with a 12% increase in active users over the first nine months of 2020.

myAlpha Mobile

“myAlpha Mobile” has evolved dynamically in recent years, attracting increasingly more users. Active users have increased by 38% between 31 March 2020 and 31 March 2021, while there was a 52% increase in users served exclusively through “myAlpha Mobile” on their mobile phones between 31 March 2020 and 31 March 2021. In 2020, two out of three subscribers to the Bank’s digital networks used the mobile app on a monthly basis and almost one out of two e-Banking subscribers used only the mobile service to obtain updates and carry out transactions.

myAlpha Phone

myAlpha phone provides information to customers and helps them carry out transactions via an automated system or with the assistance of a call centre agent. This is particularly useful for customers with reduced mobility or visual impairments.

Electronic payment services

myAlpha wallet

In 2020, myAlpha Wallet was upgraded. The new myAlpha Wallet, available for Android devices, allows contactless payments on all physical POS terminals, with the use of all Alpha Bank cards.

Electronic services for businesses

Alpha e-Commerce

The active subscribers and the transactions in Alpha e-Commerce increased in the first three months of 2021 as compared to the equivalent period in 2020, as follows:

the number of active subscribers grew by 45%; and
the number of transactions grew by 82%

There was also an increase in “IRIS” service transactions as follows:

the number of transactions grew by 34%; and
turnover grew by 36%

Alpha Mass Payments

"Alpha Mass Payments" is dedicated to collecting dues via standing orders and/or alternative networks, as well as carrying out mass payments (e.g., payroll, payment of suppliers). The service's user-friendly interface offers features that allow users to create, send and monitor the progress of mass payment orders (e.g., payroll or payment of suppliers) and effectively serves small and medium-sized enterprises.

Automated banking services

To enhance customer service and increase the efficiency of the Bank's ATM network while rationalising their operating costs, approximately 200 feasibility studies, primarily concerning the configuration of the network of off-site ATMs (withdrawals, relocations, new installations, replacements, adjustment of rentals etc.), were carried out in the first three months of 2021 and cost-benefit reports were compiled on the operation of all off-site ATMs.

The Bank also installed 18 new ATMs (14 off-site and 4 in branches) and withdrew 14 ATMs (4 off-site and 10 due to changes in the branch network). Moreover, as part of the offsite ATM replacement plan launched in 2020, 42% of the off-site network is operating with state-of-the-art machines, 8 of which are offering online cash customer deposits.

Out of a total of 1,292 ATMs, 229 (17.7%) allow use by persons with visual impairments, due to r special settings102 of which are enabled with the option of voice instructions.

To serve customers even better and to reduce the workload of branch tellers involving customer deposits and cash payments, 470 automated cash transaction centres (ACTCs) are operating in 295 branches, covering 93.6% of the branch network.

Alpha e-statements

"Alpha e-Statements" continued its successful course, significantly contributing to the efforts to reduce paper and ink use and save resources, as a considerable number of Bank customers opt for electronic statements instead of paper bank statements.

Donations for social purposes

e-Banking supports donations to more than 100 different social purpose organisations.

Retail onboarding

The Group has a digital presence of over 20 years including, among other things, e-banking platforms for retail and business customers and a country-wide network of ATMs. Moreover, we identified early on the opportunities and challenges posed by the new digital era and consequently invested in a strong digital presence, which was furthered by its digital transformation programme that begun in 2017 and which includes both operational levers and innovation focused initiatives.

Overall, the usage of web and mobile banking has grown, with the latter exhibiting substantial growth in active users in recent years. As at the date of this Prospectus, fewer than one in ten transactions take place through tellers at the branch level (compared to around one in four transactions three years ago), with the vast majority of transactions taking place through digital channels. In 2020, half of new retail users of e-banking were self-subscribed without having visited one of the Bank's branches.

The Bank conducts the onboarding process for both retail and business customers through digital channels. Retail onboarding takes place through the Bank's mobile banking app, where the client can open a new account, get a debit card and subscribe to e-banking in a matter of minutes, whereas business onboarding takes place through the Bank's website.

The Bank was the first Greek bank to offer its Visa and Mastercard clients Garmin and Apple Pay services. In addition, myAlpha Wallet has been upgraded to become easier to use for contactless in-store payments. Currently, wallets account for more than 190,000 active users.

4.8 Investments

Current Investments

In the period after 1 April 2021 and until the date of this Prospectus, we have not undertaken any major investments. In addition, we have not entered into any firm commitments for major investments in the future.

5. TREND INFORMATION

5.1 Impact of the COVID-19 pandemic

In late 2019, a novel strain of coronavirus, COVID-19, was first detected and in March 2020, the World Health Organisation declared COVID-19 a global pandemic. Since the outbreak of the COVID-19 pandemic, governments of many countries, including Greece, have taken preventative measures in an effort to contain its spread. These measures have included mandatory closure of businesses, social distancing requirements and travel restrictions, which have severely diminished the level of economic activity globally and in Greece, contributed to significant volatility in financial markets and triggered a period of global economic slowdown.

The outbreak of the COVID-19 pandemic has had, and continues to have, a material impact on our business and the economic environment in which we operate, despite the ongoing efforts of the vaccination programmes. The COVID-19 outbreak led the Greek government to announce several measures as of mid-March 2020 to alleviate its effects on the Greek economy, and particularly on affected businesses, professionals and employees, some of them in cooperation with EU institutions. The measures, among others, included tax and social insurance cuts or payment postponement for businesses, professionals and employees in sectors that were directly hit by the pandemic, direct compensation payments to affected employees and professionals, as well as various measures for the facilitation of investments, such as loan guarantees and the provision of liquidity to banks in order to facilitate loan granting to businesses.

In March 2020, the Hellenic Bank Association (the "**HBA**") announced its support to businesses and individuals affected by the COVID-19 pandemic considering the European Banking Authority (the "**EBA**") Guidelines on legislative and non-legislative moratoria on loan repayments applied in the light of the COVID-19 crisis (EBA/GL/2020/02). Regarding individuals, the banks offered a suspension of the instalments of their performing loans. Eligible for such suspension were individuals that were also eligible for the €800 COVID-19 state allowance, were employed in affected business sectors, owners of SMEs, or individuals with a family member affected by COVID-19 pandemic. The suspensions were offered until 31 December 2020. For the affected companies, banks offered a suspension of the payment of the capital instalments of performing loans until 31 December 2020.

On 3 December 2020, the HBA announced the decision of its member-banks to extend these measures to further mitigate the adverse effects of the COVID-19, considering the updated EBA Guidelines on legislative and non-legislative moratoria on loan repayments applied in the light of the COVID-19 crisis. More specifically, businesses and individuals who had already been included in moratoria for capital or instalment payments, were able to apply until 31 March 2021 for an extension of their instalment suspension programme, *provided that* their total stay in the programme does not exceed nine months. Furthermore, businesses and individuals with performing loans on 30 September 2020 who had not been included so far in moratoria for capital or instalment payments, were able, if proven to be affected by the crisis resulting from the COVID-19 pandemic, to apply until 31 March 2021 for their inclusion in a relevant programme and for a maximum duration of up to nine months from the date of accession.
In November 2020, new restrictions were introduced to tackle new waves of the pandemic and are currently continuing in 2021, while existing extraordinary measures to support enterprises and workers have been further extended into the end of 2020 and the early months of 2021.

According to the Bank of Greece, the outstanding amount of loans up to 31 December 2020, subject to temporary suspension of principal and/or interest repayments amounted to €18.4 billion received instalment suspensions by the Greek banks.

With respect to our Group, there were no active private moratoria as at 31 December 2020. During the first three months of 2021, our active moratoria amounted to €1.3 billion, an increase attributed to the utilisation of the extension and suspension privileges extended to businesses and individuals, given the reactivation of EBA's guidelines on legislative and non-legislative moratoria until 31 March 2021.

Apart from these support measures, we are also actively participating in Greek government aid schemes that enable the granting of guarantees and interest rate subsidies by the Greek state. In addition, as at 31 March 2021, newly originated loans as part of the Hellenic Development Bank programme called "Guarantee Fund for the COVID-19 Pandemic" in order to facilitate SMEs and corporates with their working capital needs amounted to €1.2 billion. In parallel, we participated in the two-year interest rate subsidy programme sponsored by the Ministry of Development providing new financing to SMEs affected by the COVID-19 pandemic, with a total of €0.4 billion new originations as at 31 March 2021.

In addition to the above, approximately 62,000 accounts have received eligibility with respect to the programme "Gefyra" sponsored by the Greek Ministry of Finance, for the support of mortgage loan borrowers. As at 31 March 2021, the approved requested accounts stood at approximately 35,700. Implementations as at March 2021 amounted to €1.2 billion, of which €0.7 billion also benefited from the EBA-compliant moratoria.

Expected credit losses ("**ECL**") recognised by the Group to account for the impact of COVID-19 amounted to €283 million in 2020, while for the three months ended 31 March 2021 the impact was not significant.

Except for the aforementioned effect on the ECL impairment losses on loans and advances to customers at amortised cost, the COVID-19 pandemic resulted in the recognition of €5.6 million of operating expenses comprising mainly on COVID-19 related communication activity, donations, IT and Cybersecurity costs and health and safety equipment and materials, in our income statement for the year ended 31 December 2020.

The impact of the COVID-19 pandemic and the measures taken on our business going forward will ultimately depend on a number of factors that cannot be accurately predicted at this time, including, but not limited to, the implementation of the vaccination program and other treatments to combat COVID-19 pandemic, the duration and magnitude of its impact on unemployment rates and consumer discretionary spending, the effectiveness of the fiscal and regulatory policies aiming at providing liquidity and support to businesses and households, the length of time it takes for demand and pricing to return to pre-COVID-19 pandemic levels and for normal economic and operating conditions to resume, which are all beyond our knowledge and control. Moreover, there are no comparable recent events that provide us with guidance.

5.2 The Greek economy

The vast majority of our business is in Greece. As a result, macroeconomic developments and political conditions in Greece directly and significantly affect our business, results of operations, the quality of our assets and general financial condition.

Following the conclusion of the last financial assistance and stabilisation programme agreed with the ESM and international institutions in August 2018, Greece's economy retained its growth momentum in 2019, despite domestic challenges and the uncertainty prevailing in the international environment. The country's real GDP grew by 1.9% on a yearly basis, a result attributed to the growth of Greece's exports, investments and final consumption, while improvements in business and consumer confidence steered the revised economic sentiment indicator (the "**ESI**") 105.6 points (annual average), the highest level since 2007.

However, in 2020, the real GDP of Greece decreased by 8.2% compared to 2019, as a result of the impact of COVID-19 and the health and safety measures adopted to contain its spread, and the subsequent decline in exports of services, the decline in tourism and private consumption. At the same time, the ESI decreased sharply, falling to 96.4 points in 2020 (on average). Between January and April 2021, the ESI decreased further to 94.4 points (on average) due to the restrictions associated with the second wave of the COVID-19 pandemic.

In 2020, inflation stood at negative 1.2% on an annual basis reflecting, among others, the impact of insufficient demand and economic stagnation. The seasonally adjusted unemployment rate between January 2020 and December 2020 stood at 16.5% compared to 17.3% in the same period of 2019, even though the labour market has been affected by the implementation of specific operating rules to companies and measures for the protection of public health. In January 2021, the seasonally adjusted unemployment rate was 16.0% from a downwardly revised 15.6% in the previous month, as containment measures introduced to tackle the COVID-19 pandemic affected the normal functioning of the labour market.

The current account deficit deteriorated between January 2020 and December 2020 compared to the same period in 2019, increasing to €11.2 billion from €2.7 billion. The deterioration has been driven by lower tourism revenues and transport receipts as a result of the COVID-19 pandemic. Travel receipts in 2020 decreased to €4.3 billion from €18.2 billion in 2019, or 76.5% on year-on-year basis.

The primary balance according to the European Commission headline balance deficit reached 9.7% of GDP in 2020 from a surplus of 1.1% of GDP in 2019, which can be mainly attributed to the cost of the measures adopted to mitigate the social and economic impact of the crisis and the impact of the COVID-19 pandemic on state revenues. Furthermore, total general government debt increased from 180.5% of GDP in 2019 to 206% of GDP in 2020, whereas it is projected to slightly rise to approximately 209% of GDP in 2021, before declining to approximately 202% in 2022. However, as the emergency fiscal measures taken during the pandemic are expected to be temporary and the economy is projected to start recovering in 2021, the debt-to-GDP ratio is expected to decline in 2021.

Against the backdrop of improved macroeconomic conditions, the Greek real estate market had shown significant recovery signs in the past two years. Commercial property prices—as illustrated by the Bank of Greece's office price index—increased by 4.1% in 2019 and by 2% on an annual basis in the first half of 2020. Residential property prices—the apartment price index of the Bank of Greece—increased by 7.2% in 2019 and by 4.3% in 2020. At the same time, net foreign direct investment in Greece in real estate reached €875 million in 2020, against €1.4 billion in 2019. Unless otherwise indicated, all macroeconomic information mentioned above is according to the Bank of Greece and the ELSTAT.

In 2019, Greece recovered its access to international debt markets with three successful new GGB issuances, while in 2020 five more issuances of such bonds were completed. In 2020, Moody's, S&P and Fitch gradually upgraded the Greek sovereign rating to "Ba3" (stable outlook), "BB-" (stable outlook) and "BB" (stable outlook), respectively. In April 2021, S&P upgraded the Greek sovereign rating to "BB" (positive outlook).

In the framework of the 21 July 2020 European Summit decisions, regarding the funds of the Next Generation EU and the Multiannual Financial Framework (the "**MFF**"), Greece is entitled from the Next Generation EU grants of approximately €19 billion and loans of approximately €13 billion. In addition, Greece is expected to receive around €38 billion from the MFF 2021-2027, through actions of the common agricultural policy and the medium-term development program.

Overall, between 2021 and 2027, European funds of around €70 billion will be utilised in order to address the consequences of the pandemic and promote the development of the Greek economy. The EU funds are expected to support strong economic growth in the coming years. According to European Commission's estimates, the Greek economy will recover with a 4.1% growth of real GDP in 2021. The economic recovery, which is expected to begin gradually from the second quarter of 2021 and accelerate going forward, will be a key driver of our operating performance in 2021 and beyond, through a combination of sustainable credit expansion, attraction of deposits, increased fee and commission generation, and the improvement of customer creditworthiness.

Greece's economic recovery in 2021 is largely dependent on the restoration of tourism activity and the utilisation of the unprecedented funding package from the EU Recovery and Resilience Facility (RRF). According to Ministry of Finance (Restarting of Greek Economy: Targets and Policy Actions), the real GDP is expected to grow by 4.6% on average in the period of 2021-2024. The national recovery plan named Greece 2.0 is expected to provide, also, a unique opportunity for revitalizing the Greek economy and transforming its productive model towards an investment-driven growth, supported also by an increased extroversion of the business sector.

The impact of the pandemic on total investment in 2020 was relatively small, thanks to a timely fiscal expansion and construction activity, which operated with limited restrictions during the lockdown periods. For 2020, the measures aimed to support the Greek economy are estimated to have amounted to €23.9 billion in total. The economic support measures, according to the Budgetary Report, include €11.6 billion fiscal measures, €1.6 billion deferrals and €10.7 billion liquidity enhancement (including the estimated leverage from the banking system). According to the Ministry of Finance, total investment is expected to increase rapidly, with a share of investment to GDP rising from 10.3% in 2019 to 16% in 2024, relying on the available resources of the National Recovery Plan, as well as, the banking sector's efficiency to optimize money allocation through the loans from the RRF.

The financial and macroeconomic environment in Greece has had and is likely to continue to have a significant impact on our business and results of operations. A potentially slow and weak economic recovery could potentially have a negative effect on the quality of the Group's loan portfolio, and subsequently to our business. Geopolitical developments in the wider region are an additional risk factor. We are closely monitoring these developments and continuously evaluate the impact that these might have on our operations and financial performance. For a more detailed discussion on the risks to our business associated with Greece's macroeconomic conditions, see "*Risk Factors— Risks relating to the macroeconomic and financial developments in the Hellenic Republic*".

5.3 Asset quality and NPEs

Our consolidated NPE ratio[8] decreased to 42.5% as at 31 December 2020. Total ECL allowance as at 31 December 2020 amounted to 20% of our total loans and advances to customers and 47.1% of our NPEs. As

[8] Defined as NPEs divided by Gross Loans

at 31 December 2020, we had a total loan book collateral coverage ratio[9] of 64%, total business loan book collateral coverage[10] of 61.5% and an LTV[11] of 83.3% with respect to our mortgage loan portfolio.

Our consolidated NPE ratio stood at 42.8% as at 31 March 2021. Total ECL allowance as at 31 March 2021 amounted to 21.1 % of our total loans and advances to customers and 49.3% of our NPEs. As at 31 March 2021, we had a total loan book collateral coverage ratio of 64.8%, total business loan book collateral coverage of 62.6% and an LTV of 83.3% with respect to our mortgage loan portfolio.

In accordance with our Updated Strategic Plan, we intend to accelerate our efforts to reduce our NPE levels through inorganic NPE disposals, including securitisations, utilisation of the flexibility provided by the HAPS, as well as through additional direct sales of NPEs. We are targeting an NPE ratio in the Bank perimeter in Greece (which includes only the Bank and excludes any other Greek subsidiaries that may have NPEs and non-performing loans (e.g., leasing, factoring, among others)) ("**Solo NPE ratio**") of less than 13%, 8%, 5% and 3% by 31 December 2021, 2022, 2023 and 2024, respectively and an NPL ratio in Bank perimeter in Greece of less than 7%, 6%, 4% and 2% by the same dates. The denominator of the NPL ratios include the senior notes of the HAPS eligible significant risk transfer ("**SRT**") securitisations. The basis for the Solo NPE ratio and the NPL ratio includes the senior notes of the NPE securitisations. Moreover, we are targeting a single-digit, 7% NPE ratio by the end of 2022 and less than 3% NPE ratio in the medium term. To achieve these objectives, we have taken the following actions:

- the execution of the aforementioned Galaxy Securitisation on 30 April 2020, whereby Alpha Holdings (then operating as a fully licenced credit institution under the name "Alpha Bank S.A.") transferred non-performing loan portfolios to three special purpose vehicles (the "**SPVs**") established for that reason, which in turn issued notes in three tranches (senior, mezzanine and junior), all of which were subscribed by us;
- the submission of Galaxy Securitisation to the "Hercules" programme, on which a decision by the Hellenic Ministry of Finance was granted on 16 June, 2021;
- the transfer of our business of servicing of NPEs to Cepal Hellas and the subsequent sale of the shares of Cepal Hellas HoldCo to funds managed by Davidson Kempner European Partners LLP; in particular, the sale and transfer of 80% of the Cepal Hellas HoldCo shares, along with 51% of the mezzanine and the junior notes issued under Galaxy Securitisation. The transfer of 80% of Cepal Hellas HoldCo shares along with 51% of the mezzanine and the junior notes issued under Galaxy Securitisation were completed on 18 June, 2021;
- the entering into a long-term SLA for the management by Cepal Hellas of an existing portfolio of retail and wholesale NPEs and retail early arrears of the Bank and certain entities within the Group, which SLA was amended and restated on 18 June, 2021.

As part of our NPE Initiatives, and on the back of the successful entering into definitive documentation in relation to Galaxy Securitisation, we have engaged in preparations to further dispose of NPE portfolios with an aggregate GBV of approximately €8.1 billion until the end of 2022. In particular, we plan to launch the following NPE transactions with total GBV of approximately €8.1 billion, including (a) Project Cosmos with a GBV of approximately €3.5 billion, through SRT securitization while the Senior note is to be retained by the Bank and guaranteed under the HAPS; (b) Project Orbit with a GBV of approximately €1.3 billion through an outright sale; (c) Project Sky in Cyprus with a GBV of approximately €2.2 billion through an outright sale; (d) Project Solar with a GBV of approximately €0.4 billion, which, subject to ongoing assessment, is intended to be transacted through SRT securitization while the Senior note is to be retained by the Bank and guaranteed under the HAPS; and (e) other wholesale and leasing exposures, with a GBV of approximately €0.7 billion through an (or a series of) outright sale(s). Project Solar includes the common debtors' NPE portfolio of the four Greek systemic banks that is currently managed by doValue Hellas Credit and Loan Servicing Société Anonyme.

For more information, see also "*Risk Factors – Risks relating to our business*".

For more analysis of the effects of the above events on capital ratios, risk-weighted assets, and profit and loss statement, see "*Information on the Capital of the Group – Capital Management – Effective sequence of initiatives and impact*".

[9] Defined as the value of collateral received for total loans (capped at their gross carrying amount) divided by total Gross Loans.

[10] Defined as the value of collateral received for loans to businesses (capped at their gross carrying amount) divided by the Gross Loans to businesses.

[11] The Loan-To-Value ratio of loans reflects the relationship between the loan and the value of the property held as collateral.

5.4 Customer deposit levels and funding costs

We use both customer deposits and wholesale funding sources to finance our assets. As at 31 December 2019 and 2020, our total group deposits amounted to €40.4 billion and €43.8 billion, respectively, representing an increase of 8.6% and 4.2% for each of 2019 and 2020, respectively, compared to the previous year reflecting the recovery of economic activity and the boost of business and consumer confidence, as well as the increase in revenues of the households, a reduced consumption and increase in state support. As at March 2021, Group customer deposits stood at €43.6 billion. Such period on period increases in customer deposits have improved our liquidity, in line with the positive trend in the Greek banking system. As at 31 December 2019 and 2020, our ratio of loans to customer deposits was 97% and 90%, respectively and remained stable at 90% as at 31 March 2021.

Domestic market customer deposits reached €174 billion as at 31 December 2020, from €159 billion as at 31 December 2019, an increase of 9% (source: Bank of Greece). The relevant figure remained almost stable at €173.5 billion as at March 2021 (source: Bank of Greece). The increase in customer deposits in the Greek banking sector has allowed for reduction of the loan-to-deposit ratio of Greek banks, including ours. Affected by the general decreasing trend in Euro rates resulting from ample liquidity in the Euro area, along with the improvement of the credit perception of Greece and Greeks banks, the cost of domestic customer deposits has decreased, offsetting the impact from the deleveraging to the net interest income of Greek banks, including ours.

The cost of customer deposits has fallen significantly in Greece following the pan-European trend. The interest rate on new customer deposits in Greece was 0.2% in March 2021, (stable from December 2020), compared to 0.4% in December 2019 and 0.6% in December 2018 (source: Bank of Greece). Our average cost of term customer deposits decreased by 0.43% in the fourth quarter of 2020 to 0.22%, compared to 0.65% during the respective period of the previous year. The resulting decrease in our deposit costs led to an ensuing reduction of our deposit expenses by €55.74 million or 40% in 2020 compared to 2019, thus supporting our net interest income.

For 2021, the deposit inflows are expected to remain positive, driven by the anticipated economic recovery, the restoration of the tourism activity and the expected inflows from the European Resilience and Recovery Fund. The reducing trend of deposits' costs is expected to continue throughout 2021, driven by further de-escalation of term deposits' rates and further improvement of product mix in favor of sight & savings deposits (which have lower rates compared to term deposits). As a result we expected our total deposit expenses to reduce by € 33 million or -40% in 2021 compared to 2020.

The economic crisis in Greece in the years between 2009 and 2016 had affected adversely our credit risk profile, restricting our access to the international capital markets, increasing the cost of funding and resulting in the need for additional collateral in secured funding transactions, including those with the Eurosystem. However, following an improvement in the general economic conditions in Greece since 2017, we have gradually been able to eliminate our reliance on funding from the emergency liquidity assistance (the "**ELA**") of Bank of Greece in the beginning of 2019. In its March and June 2019 meetings, the ECB announced a series of seven quarterly ECB targeted longer-term refinancing operations (the "**TLTRO III**") auctions from September 2019 to March 2021, each with a maturity of three years and specific terms. On 12 March 2020 and 30 April 2020, as a response to the effects of the COVID-19 pandemic on the European economy, the ECB announced the easing of the conditions regarding longer-term refinancing operations, in order to facilitate such use by credit institutions. Following these developments, funding from the Eurosystem increased during 2020 because of the TLTRO III facility utilisation by the Greek banks, and reached €41.2 billion as at 31 December 2020 (source: Bank of Greece). Following further modifications on TLTRO III terms, announced by ECB at December 2020, Greek banks increased their facility utilisation and reached €44.6 billion as at 31 March 2021 (source: Bank of Greece).

Our ECB funding increased to €11.9 billion as at 31 December 2020, compared to €3.1 billion as at 31 December 2019, consisting of the TLTRO III long-term funding. The relevant figure increased to €12.9 billion as at 31 March 2021. We have not received funding provided by the ELA since February 2019.

Greek banks have regained access, after a long period of absence, to the international unsecured debt capital markets, with the issuance of €400 million and €500 million Tier 2 notes in June 2019 and February 2020, by the National Bank of Greece S.A. and Alpha Holdings (then operating as a fully licenced credit institution under the name "Alpha Bank S.A.") respectively, as well as a senior green bond by the National Bank of Greece in October 2020, which were all well received by international investors, as evidenced by the total amount of orders placed.

In March 2021, Alpha Holdings (then operating as a fully licenced credit institution under the name "Alpha Bank S.A.") issued an additional €500 million Tier 2 bond, with a 10.25-year maturity callable anytime between year 5 and year 5.25 and with a coupon of 5.5%.

5.5 Income

Net interest income decreased by 0.3% to €1,542 million in 2020 from €1,547 million in 2019. The decrease was primarily attributable to lower interest income from the loan portfolios, in particular in NPEs, and from transactions in investment securities. The overall decrease in net interest income was partially offset by lower cost on due to customers in 2020 as a result of significant repricing of deposits as well as on due to banks as a result of the substitution of interbank repos agreements by Eurosystem funding at negative interest rates, utilising the TLTRO III facility, resulting in interest income instead of interest expense.

During the first quarter of 2021, Net interest income increased by €18.4 million, or 4.8% from €381.2 million in the corresponding period in 2020. The increase was primarily attributable to lower cost on due to customers in the three months ended 31 March 2021 as a result of continued repricing of deposits as well as on due to banks as a result of the substitution of interbank repos agreements by Eurosystem funding at negative interest rates, utilising the TLTRO III facility, resulting in interest income instead of interest expense. The overall increase in net interest income in the three months ended 31 March 2021 was partially offset by lower interest income from the loan portfolio and the bond portfolio, mainly due to lower interest rates on the loan portfolio and lower yields of the new investments in the bond portfolio following sales conducted in 2020.

Net fee and commission income decreased by €4.8 million, or 1.4%, to €335.3 million in 2020 from €340.1 million in 2019. This decrease was mainly due to lower fees and commissions from loans as well as the lower volume of transactions, imports-exports and letters of guarantee as a result of the adverse effect of the COVID-19 on customer activity. The overall decrease in net fee and commission income was partially offset by an increase in commission income from mutual funds driven by transaction volumes.

During the first quarter of 2021, Net fee and commission income decreased by €4.9 million, or 5.5%, to €84.3 million in the three months ended 31 March 2021 from €89.2 million in the corresponding period in 2020. The decrease primarily reflected other commission income of €7.7 million received in the first quarter of 2020 relating to amendment made to certain Credit Support Annex ("CSA") agreement. The overall decrease in net fee and commission income in the three months ended 31 March 2021 was partially offset by higher commission income from cards and increased fee generation from mutual funds in the three months ended 31 March 2021 compared to the corresponding period in 2020.

Our total income amounted to €556.1 million for the three months ended 31 March 2021, compared to €564.0 million for the corresponding period in 2020, while amounted to €2,592.4 million for the year ended 31 December 2020, compared to €2,333.9 million for the year ended 31 December 2019.

For the period from 2021 to 2024, we aim to achieve a net credit expansion of c.€8 billion in Greece (of which c.€1 billion is anticipated to be generated in 2021) and c.€10 billion for the Group, and which we expect will enable us to replenish a large portion of the interest income that we expect to lose as a result of the significant NPE disposals contemplated by our NPE Initiatives. In addition, we intend to counterbalance the incremental costs associated with the increased debt issuance activity within the MREL framework and the impact from the capital enhancing actions undertaken in 2021-22 through increased fixed income holdings and further optimisation of deposit pricing, see "*Strategy*".

Our net fee income is expected to satisfactorily increase in 2021, as the economic activity is expected to rebound (also supported by RRF driven lending activity) and propelled by the restoration of tourism. Furthermore, additional growth in fee income is expected through the sustained growth in wealth management AuMs and the development of our bancassurance partnership with Generali.

5.6 Operating costs

General administrative expenses amount to €471.7 million in 2020 (€116.7 million in the first quarter of 2021), comprising, among others, maintenance of Electronic Data Processing (EDP) equipment and EDP expenses, marketing and advertisement expenses, third party fees, Contribution to the Deposit / Investment Coverage Scheme and to the Resolution Scheme, Services from collection agencies, while Staff costs amount to €459.5 million in 2020 (€106.8 million in the first quarter of 2021).

The Group aims to continue progressing in delivery of our cost reduction and transformation plan targets, in accordance with the Updated Strategic Plan.

In the next few years, we target a significant cost reduction on the back of eliminating our NPE management costs, through the (a) already implemented carve-out of our NPE management operations to Cepal Hellas, and (b) reduction of the NPEs which is expected to also drive down the respective costs.

Additionally, the implementation of our operations transformation plan, which aims at modernising the Bank, increasing speed and quality of processes through optimisation and investments in technology and automation and delivering a better and faster service to our customers, is expected to optimize third-party expenses

We expect significant benefits from this effort in outsourcing costs and in property and facility management expenses.

In our international perimeter, costs are going to be further reduced through the sale of our operations in Albania and in the UK, a reduction however that is going to be counterbalanced by our growth initiatives in Romania.

For more information on operating cost initiatives, see "*Strategy*".

5.7 Deferred Tax Assets (DTAs)

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 and 4722/2020 ("**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, thereby improving an institution's capital position. As of 31 December 2020, the Group's DTAs falling within the scope of the DTA Framework amounted to €3,030 million, comprising 57.6 per cent. of its total DTAs and 6.7 per cent. of RWAs and as of 31 March 2021, the Group's DTAs amounted to €3,005 million, comprising 57.0 per cent. of its total DTAs and 6.8 per cent. of RWAs.

The Tax Credit can be offset against income taxes payable. Any excess amount of the Tax Credit that cannot be offset against income taxes payable is immediately recognised as a receivable from the Hellenic Republic. Upon conversion of DTA to deferred tax credits ("**DTCs**"), the credit institution will issue conversion rights on its ordinary shares which will belong to the Hellenic Republic and correspond to common shares of the credit institution of a total market value equal to 100 per cent. of the Tax Credit prior to the set-off, and create a special reserve of an equal amount. The conversion price of the conversion rights will be based on the average trading price per share of the last 30 business days prior to the date that the Tax Credit becomes payable, weighted by trading volume. The exercise of such rights will take place without the payment of consideration. Existing shareholders will have, proportionate to their participation in the share capital of the credit institution, a call option on the conversion rights. Following the end of a reasonable period during which such option was not exercised, the rights are freely transferable.

The conversion mechanism (DTA to DTC) is also triggered in the case of resolution, liquidation or special liquidation of the institution concerned, as provided for in Greek or EU legislation, as the latter has been transposed into Greek legislation. In this case, any amount of DTCs which is not offset with the corresponding annual corporate income tax liability of the institution concerned gives rise to a direct payment claim against the Hellenic Republic. The Extraordinary General Meeting of Shareholders of the Bank held on 7 November 2014 approved the Bank's submission in the scope of the DTA Framework, which is applicable from the tax year 2017 onwards for Tax Credits arising from the tax year 2016.

Further to the above trends and financial information post 31 March 2021, there is no other significant change in our financial performance of the Group since 31 March 2021 to the Date of the Prospectus.

Other than the information disclosed in this section, there are not any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on our prospects for the current financial year.

6. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS, AND LOSSES

6.1 Presentation of financial data

The following discussion should be read in conjunction with the financial statements and the notes thereto incorporated by reference in this Prospectus (see "Documents Available"). Our condensed consolidated interim financial statements as at and for the three months ended 31 March 2021 were prepared in accordance with "IAS 34 – Interim Financial Reporting" *and reviewed by Deloitte*. Our annual audited consolidated financial statements as at and for the year ended 31 December 2020 were prepared in accordance with IFRS and audited by Deloitte. The consolidated financial information (i) as at and for the three months ended 31 March 2020 and (ii) as at and for the year ended 31 December 2019 is derived from the comparative columns of the condensed consolidated interim financial statements as at and for the three months ended 31 March 2021 and the annual audited consolidated financial statements as at and for the year ended 31 December 2020, respectively.

Certain financial information (i) as at and for the three months ended 31 March 2020, which is derived from the comparative columns in our condensed consolidated interim financial statements as at and for the three months ended 31 March 2021, and (ii) as at and for the year ended 31 December 2019, which is derived from the comparative columns in our annual audited consolidated financial statements as at and for the year ended 31 December 2020, has been restated in order to be presented on a comparable basis with financial information as at and for the three months ended 31 March 2021 or as at and for the year ended 31 December 2020, respectively. The difference between the originally reported and restated amounts are not material and, where applicable, we have indicated that such financial information has been aligned with the restated presentation in our condensed consolidated interim financial statements as at and for the three months ended 31 March 2021 or our annual audited consolidated financial statements as at and for the year ended 31 December 2020, as applicable. See "Restatements of consolidated financial information" below.

Our annual audited consolidated financial statements as at and for the year ended 31 December 2020 (approved by the Board of Directors on 23 March 2021), including the auditor's report, have been incorporated to our annual financial report of 2020 and are available at the following link: https://www.alphaholdings.gr/-/media/alphaholdings/files/apotelesmata/20210323-fy-oikonomikes-katastaseis-en.pdf.

Our condensed consolidated interim financial statements as at and for the three- month period ended 31 March 2021 (approved by the Board of Directors on 23 May 2021)including the auditor's review report are available at the following link: https://www.alphaholdings.gr/-/media/alphaholdings/files/apotelesmata/q12021/20210524-q1-oikonomikes-katastaseis-en.pdf .

Certain monetary amounts and other figures included in this Prospectus have been subject to rounding adjustments. Accordingly, any discrepancies in any tables between the totals and the sums of the amounts listed are due to rounding.

6.2 Additional Information on Financial Statements

"Alpha Services and Holdings S.A. announces the completion of the Galaxy Transaction [22.6.2021]

Alpha Services and Holdings S.A. (the "Alpha Bank Group"), the 100% parent company of Alpha Bank S.A., announces the completion of the Galaxy Transaction, in accordance with the definitive agreement entered on 22.2.2021 with certain entities managed and advised by Davidson Kempner Capital Management LP ("**Davidson Kempner**"), in relation to:

(a) the sale to Airmed Finance DAC of 80% of its loan servicing Subsidiary, Cepal Services and Holdings Single Member S.A. ("**New CEPAL**"), and

(b) the sale to Foxford Capital L5 DAC of 51% of the Mezzanine and Junior securitization notes of the Euro 10.8 billion*(1)* Non-Performing Exposures (NPEs) portfolio (the "**Galaxy Securitizations**") (together with the sale of New CEPAL, the "**Transaction**" or "**Project Galaxy**").

- The Enterprise Value for 100% of New CEPAL has been set at Euro 262 million, including a contingent element of Euro 11 million if the Transaction is on a levered basis.

- Alpha Bank S.A., acting as arranger and finance party, and the European Bank for Reconstruction and Development (EBRD) have agreed to extend a Euro 105 million long-term syndicated facility to New CEPAL.
- As a result of the above, the implied equity value of 80% of new CEPAL stands at Euro 120 million approximately, including the contingent element above, and represents the price for the sale of the respective shares. An amount of Euro 48 million will be paid within 18 months.
- The Alpha Bank Group retains further upside through an earn-out of up to Euro 68 million linked to the achievement of certain targets.

(1) The amount of Euro 10.8 billion refers to the Gross Book Value as of the respective cut-off dates of the securitization perimeters.

SLA with New CEPAL

Upon the completion of the Transaction, Alpha Bank S.A. entered into an exclusive long-term servicing agreement (the "**SLA**") with New CEPAL for the management of its existing Retail and Wholesale NPEs in Greece, as well as of any future flows of similar assets and early arrears. The term of the SLA, which includes market standard terms and conditions (including KPIs, indemnities, etc.), is 13 years with an option to extend.

Galaxy Notes

51% of the Mezzanine and Junior securitization notes were sold to an entity managed and advised by Davidson Kempner. As regards the remaining 49%, Alpha Bank S.A. will retain 5% of the Mezzanine and Junior securitization notes, to comply with risk retention rules, while Alpha Services and Holdings S.A. intends to distribute 44% of the remaining Mezzanine and Junior securitization notes to its Shareholders, subject to the pertinent regulatory and corporate approvals.

Transaction Impact

Upon completion of the Galaxy Transaction, the Alpha Bank Group will recognize a Net Loss estimated at Euro 2.1 billion approximately in its Profit and Loss Statement. The Alpha Bank Group's Equity of Euro 8.0 billion as of 31.3.2021 shall be reduced by an equivalent amount and stand at Euro 5.9 billion as of the same date.

The estimated impact is based on 31.3.2021 figures and assumptions for events after the same reference date, including the sale of 51% of the Galaxy Mezzanine and Junior securitization notes through the Transaction, leading to the derecognition of the Galaxy portfolio, the sale of 80% of New CEPAL shares through the Transaction, the valuation of the Senior, Mezzanine, Junior Notes and participating interests to be retained by the Alpha Bank Group and the transaction expenses.

Considering the relief on Risk-Weighted Assets (RWAs) following the completion of the Transaction, the respective reduction in the Alpha Bank Group's Capital Adequacy Ratio as of 31.3.2021 is estimated at 2.8% approximately.

Following a request by the Hellenic Capital Markets Commission, in the context of its regulatory authorities pursuant to the provisions of Law 3556/2007, and for the fullest information of investors, the following announcement is made with regard to Alpha Bank's plan towards a fully normalized asset quality profile.

The completion of the Galaxy Transaction marks a significant milestone in our efforts to de-risk the Alpha Bank Group Balance Sheet and normalize asset quality levels.

Our strong capital buffers enable decisive steps towards asset quality normalization, while our forthcoming capital increase of up to Euro 0.8 billion will support Alpha Bank S.A.'s loan growth, maintaining a Total Capital Adequacy Ratio above our Management's target of 16.5%.

Our updated Business Plan announced on May 24, 2021 targets further NPEs deleveraging with a view to achieve a 7% Group NPEs Ratio in 2022 and 2% by the end of 2024. To enable such NPEs deleveraging, we have already engaged in preparatory actions for transactions with a Gross Book Value of more than Euro 8.0 billion, including securitizations supported by the Hellenic Asset Protection Scheme and outright portfolio sales, in Greece and in Cyprus. Our strong track record in NPEs deleveraging over the last few years underlines the credibility of our strategy to deliver on our targets.

Ahead of the new NPEs transactions, the Alpha Bank Group, in its condensed Financial Statements as of 31.3.3021, has accounted for impairment losses of Euro 0.3 billion, reflecting the probability of implementation of a sale scenario for loan portfolios included in the Business Plan, taking into account facts and circumstances that could possibly prevent the completion of a transaction or affect the process until the completion of a definitive agreement with investors. As the relevant projects mature and certain milestones and conditions precedent are met, the Alpha Bank Group may recognize further losses to fully account for the estimated cost of these transactions in 2021 and 2022.

Based on our current estimates, these initiatives, which have been included in the updated Business Plan of the Alpha Bank Group, imply additional expected credit losses on loans of up to Euro 1.0 billion approximately that will impact the Profit and Loss Statement and the Group's Equity and will result to a 1.0% reduction of the Capital Adequacy Ratio, taking into account the significant RWA relief of Euro 3.8 billion approximately as well as the internal capital generating initiatives described below.

With a view to strengthening the Alpha Bank Group Capital Adequacy Ratios, Alpha Bank S.A. has also initiated a series of capital accretive transactions, including the sale of the Subsidiaries in Albania and the UK, a joint venture in the Merchant Acquiring Business, the sale of real estate owned assets and a synthetic securitization of performing loans. The combined effect of such organic capital generation actions is expected to enhance the Total Capital Adequacy Ratio by 1.2% approximately."

6.3 Restatements *of consolidated financial information*

First quarter 2020 restatement

Certain financial information for the three months ended 31 March 2020, which is derived from the comparative columns in our condensed consolidated interim financial statements as at and for the three months ended 31 March 2021, was restated due to the following changes:

- the presentation of the income statement accounts for operating risk. In particular, these items that were included in "General administrative expenses" category of the income statement, are now presented in "Other expenses" category. This change is intended to provide a more accurate picture of the nature of its results, taking into account that the corresponding provisions for operating risk events are recorded in "Other Expenses"; and

- the presentation of the negative interest by reclassifying negative interest from interest bearing assets from "Interest and similar income" to "Interest expense and related charges" in the income statement. Similarly the presentation of negative interest from interest bearing liabilities was reclassified from "Interest and related expenses" to "Interest and related income" of the income statement.

As a result of the above changes, particular captions of the consolidated statement of comprehensive income were restated, without changing the results of each period.

Furthermore, the Group restated 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". In particular, the classification of these shares was revised as the definition of "equity instrument" under IAS 32 is not met and therefore there is no option to classify them in the portfolio of securities measured at fair value through other comprehensive income. Consequently, these shares were reclassified retrospectively from the date of first application of IFRS 9 to fair value through profit or loss category of the investment portfolio as "Other variable yield securities".

As a result of the above changes, particular figures in income statement and statement of comprehensive income of the three months ended 31 March 2020 were restated.

For more details, please refer to note 34 "Restatement of financial statements" of the Condensed Interim Reviewed Consolidated Financial Statements as at and for the three-month period ended 31 March 2021.

2019 restatement

Certain financial information for the year ended 31 December 2019, which is derived from the comparative columns in our annual audited consolidated financial statements as at and for the year ended 31 December 2020, was restated in order to appropriately present the results of operations due to the following changes:

- the presentation of the loss resulting from sale of fixed assets. In particular, these amounts, that were included in "General administrative expenses" have been reclassified in "Other expenses" category. This change aims to reflect more accurately the nature of its results, taking into account that the sale of fixed assets is an ancillary and not a core activity, while at the same time it is consistent with the presentation of impairment losses of fixed assets, which are also included in “Other expenses”.

- the presentation of the income statement accounts for operating risk. In particular, these items that were included in “General administrative expenses” category of the Income Statement, have been reclassified in “Other expenses” category. This change is intended to provide a more accurate picture of the nature of its results, taking into account that the corresponding provisions for operating risk events are recorded in “Other Expenses” ”; and
- the presentation of the negative interest. In particular, the negative interest from interest bearing assets, was reclassified from “Interest and similar income” to “Interest expense and related charges”. Similarly, the negative interest from interest bearing liabilities was reclassified from “Interest and related expenses” to “Interest and related income”.

As a result of the above changes, particular captions of the consolidated statement of comprehensive income were restated without changing the results of each period.

Furthermore, the Group restated 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. In particular, the classification of these shares was revised as the definition of “equity instrument” under IAS32 is not met and therefore there is no option to classify them in the portfolio of securities measured at fair value through other comprehensive income. Consequently, these shares were reclassified from the date of first application of IFRS 9 to fair value through profit or loss category of the investment portfolio as “Other variable yield securities”.

As a result of the above changes, income statement, statement of comprehensive income and balance sheet of 2019 were restated.

For more details, please refer to note 50 “Restatement of financial statements of the Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020.

6.4 Financial Statements

6.4.1 Financial statements for the three months ended 31 March 2020 and 2021

Consolidated Income Statement

(*€ thousands*)	Three months ended 31 March	
	2021	**2020**
Interest and similar income…………………………………………	529,676	505,256
Interest expense and similar charges………………………………..	(130,041)	(124,075)
Net interest income………………………………………………...	**399,635**	**381,181**
Fee and commission income……………………………………..	95,111	105,224
Commission expense………………………………………………..	(10,847)	(16,035)
Net fee and commission income……………………………………	**84,264**	**89,189**
Dividend income…………………………………………………….	118	146
Gains less losses on derecognition of financial assets measured at amortised cost…………………………………………………….	1,727	2,851
Gains less losses on financial transactions…………………………..	59,219	80,658
Other income………………………………………………………...	11,144	9,940
Total other income………………………………………………	**72,209**	**93,595**
Total income………………………………………………………..	**556,107**	**563,965**
Staff costs…………………………………………………………	(106,839)	(107,117)
Provision for employees separation schemes………………………..	(97,670)	-
General administrative expenses…………………………………….	(116,695)	(111,148)
Depreciation and amortization………………………………………	(43,126)	(37,530)
Other expenses……………………………………………………	(54,099)	(3,176)
Total expenses before impairment losses and provisions to cover credit risk……………………………………………………...	**(418,429)**	**(258,971)**
Impairment losses and provisions to cover credit risk………………	(396,168)	(316,461)
Share of profit/(loss) of associates and joint ventures……………….	(211)	(163)
Profit/(loss) before income tax……………………………………..	**(258,701)**	**(11,630)**
Income tax…………………………………………………………...	(23,411)	(897)
Profit/(loss) for the year……………………………………………	**(282,112)**	**(12,527)**
Profit/(loss) attributable to:		
Equity holders of the Bank…………………………………………..	(282,219)	(12,584)
Non-controlling interests…………………………………………….	107	57
Earnings/(losses) per share		
Basic (€ per share)…………………………………………………...	(0.1827)	(0.0082)
Diluted (€ per share)…………………………………………………	(0.1827)	(0.0082)

Note: *Totals may vary due to rounding of numbers.*

Source: *Condensed Interim Reviewed Consolidated Financial Statements as at and for the three-month period ended 31 March 2021*

Consolidated Statement of Comprehensive Income

(*€ thousands*)	Three months ended 31 March	
	2020	**2021**
Net profit/(loss), after income tax, recognized in the Income Statement…………	**(12.527)**	**(282,112)**
Other comprehensive income…………		
Items that may be reclassified subsequently to the Income Statement…………		
Net change in reserve of investment securities' measured at fair value through other comprehensive income…………	(240,570)	(89,429)
Net change in cash flow hedge reserve…………	5,182	5,125
Foreign currency translation net of investment hedges of foreign operations…………	(5,810)	(2,394)
Income tax…………	60,565	23,340
Items that may be reclassified to the Income Statement…………	**(180,633)**	**(63,358)**
Items that will not be reclassified to the Income Statement…………		
Premeasurement of defined benefit liability/(asset)…………	-	1
Gains/(losses) from investments in equity securities measured at fair value through other comprehensive income…………	(3,548)	3,523
Income tax…………	907	(3,480)
Items that will not be reclassified to the Income Statement…………	**(2,641)**	**44**
Other comprehensive income for the period after income tax…………	(183,274)	(63,314)
Total comprehensive income for the period…………	**(195,801)**	**(345,426)**
Total comprehensive income for the period attributable to:		
Equity holders of the Bank…………	(195,852)	(345,530)
Non controlling interests…………	51	104

Note: *Totals may vary due to rounding of numbers.*

Source: *Condensed Interim Reviewed Consolidated Financial Statements as at and for the three-month period ended 31 March 2021*

Consolidated Balance Sheet

(*€ thousands*)	**As at March 31 2021**	**As at 31 December 2020**
Assets		
Cash and balances with central banks	7,951,827	7,467,316
Due from banks	3,776,190	2,741,547
Trading securities	25,437	30,014
Derivative financial assets	1,096,568	1,267,083
Loans and advances to customers	39,376,359	39,380,002
Investment securities:		
Measured at fair value through other comprehensive income........	6,384,177	6,577,698
Measured at amortised cost........	3,457,504	3,335,733
Measured at fair value through profit or loss	145,161	137,675
Investments in associates and joint ventures	30,522	30,716
Investment property........	554,610	569,876
Property, plant and equipment........	785,475	796,331
Goodwill and other intangible assets........	550,263	601,818
Deferred tax assets	5,306,385	5,292,612
Other assets	1,619,097	1,587,943
	71,059,575	**69,816,364**
Assets classified as held for sale........	108,707	240,343
Total assets........	**71,168,282**	**70,056,707**
Liabilities		
Due to banks........	14,475,110	13,106,681
Derivative financial liabilities	1,480,170	1,768,357
Due to customers........	43,611,673	43,830,940
Debt securities in issue and other borrowed funds	1,678,698	1,222,869
Liabilities for current income tax and other taxes	82,985	70,141
Deferred tax liabilities........	33,675	34,679
Employee defined benefit obligations	94,916	94,386
Other liabilities........	879,816	891,580
Provisions........	842,534	703,630
	63,179,577	**61,723,263**

(*€ thousands*)	**As at March 31 2021**	**As at 31 December 2020**
Liabilities related to non-current assets held for sale	42	251
Total liabilities	**63,179,619**	**61,723,514**
Equity		
Equity attributable to holders of the Bank		
Share capital	463,794	463,110
Share premium	10,802,512	10,801,029
Reserves	427,926	492,791
Retained earnings	(3,749,571)	(3,467,818)
	7,944,661	**8,289,112**
Non-controlling interests	29,455	29,382
Hybrid securities	14,547	14,699
Total equity	**7,988,663**	**8,333,193**
Total liabilities and equity	**71,168,282**	**70,056,707**

Note: *Totals may vary due to rounding of numbers.*

Source: *Condensed Interim Reviewed Consolidated Financial Statements as at and for the three-month period ended 31 March 2021*

Consolidated Statement of Changes in Equity

(€ thousands)	Share Capital	Share Premium	Reserves	Amounts directly recognized in equity and are associated with assets classified as held for sale	Retained Earnings	Total	Non-controlling interests	Hybrid Securities	Total
Balance 1.1.2020	**463,110**	**10,801,029**	**739,676**	**(122)**	**(3,572,126)**	**8,431,[illegible]**	**28,951**	**15,072**	**8,475,590**
Changes for the period 1.1 - 31.3.2020									
Profit/(loss) for the period, after income tax	-	-	-	-	(12,584)	**(12,584)**	57	-	**(12,527)**
Other comprehensive income for the period, after income tax	-	-	(180,627)	-	(2,641)	**(183,268)**	(6)	-	**(183,274)**
Total comprehensive income for the period	-	-	**(180,62**	**-**	**(15,225)**	**(195,852)**	**51**	-	**(195,801)**
(Purchases), (redemption)/sales of hybrid securities, after income tax	-	-	-	-	-	-	-	(188)	**(188)**
Appropriation of reserves	-	-	(70)	-	70	-	-	-	
Other	-	-	-	-	194	**194**	-	-	**194**
Balance 31.3.2020	**463,110**	**10,801,029**	**558**	**(122)**	**(3,587,087)**	**8,235,909**	**29,002**	**14,884**	**8,279,795**
Changes for the period 1.4 - 31.12.2020									
Profit/(loss) for the year, after income tax	-	-	-	-	116,321	**116,321**	151	-	**116,472**
Other comprehensive income for the year, after income tax	-	-	(69,868)	-	4,132	**(65,736)**	(4)	-	**(65,740)**
Transfer of reserves related to the valuation of shares measured at fair value through other comprehensive income	-	-	(122)	122	-	-	-	-	-
Total comprehensive income for the period	-	-	**(69,990)**	**122**	**120,453**	**50,585**	**147**	**-**	**50,732**
Acquisitions/Disposals and changes of ownership interests in subsidiaries	-	-	-	-	-	-	223	-	**223**
Valuation reserve of employee stock option program	-	-	1,667	-	-	**1,667**	-	-	**1,667**
Appropriation of reserves	-	-	2,137	-	**(2,137)**	-	10	-	**10**
(Purchases), (redemption)/sales of hybrid securities, after income tax	-	-	-	**-**	**-**	**-**	**-**	**(185)**	**(185)**
Expenses for share capital increase	-	-	-	-	74	**74**	-	-	**74**
Other	-	-	(2)	-	879	**877**	-	-	**877**
Balance 31.12.2020	**463,110**	**10,801,029**	**492,791**	**-**	**(3,467,818)**	**8,289,112**	**29,382**	**14,699**	**8,333,193**
Balance 1.1.2021									
Changes for the period 1.1 - 31.3.2021									
Profit/(loss) for the period, after income tax	-	-	-	-	(282,219)	**(282,219)**	107	-	**(282,112)**
Other comprehensive income for the period, after income tax	-	-	(63,355)	-	44	**(63,311)**	(3)	-	**(63,314)**
Total comprehensive income for the period	-	-	**(63,355)**	-	**(282,175)**	**(345,530)**	**104**	-	**(345,426)**
Share Capital Increase through the exercise of call option rights	684	1,483	(1,483)	-	-	**684**	-	-	**684**
Valuation reserve of employee stock option program	-	-	(18)	-	183	**165**	-	-	**165**
(Acquisitions)/Disposals/Share capital increase and other changes of ownership interests in subsidiaries	-	-	(9)	-	-	**(9)**	(31)	-	**(40)**

(Purchases), (redemption)/sales of hybrid securities, after income tax	-	-	-	-	-	-	-	(152)	**(152)**
Expenses for share capital increase	-	-	-	-	(29)	**(29)**	-	-	**(29)**
Other	-	-	-	-	268	**268**	-	-	**268**
Balance 31.3.2021	**463,794**	**10,802,512**	**427,926**	-	**(3,749,571)**	**7,944,661**	**29,455**	**14,547**	**7,988,663**

Note: *Totals may vary due to rounding of numbers.*

Source: *Condensed Interim Reviewed Consolidated Financial Statements as at and for the three-month period ended 31 March 2021*

(*€ thousands*)	**Three months ended 31 March**	
	2021	**2020**
Cash flows from operating activities		
Profit/(loss) before income tax…………………………….	(258,701)	(11,630)
Adjustments of profit/(loss) before income tax for:		
Depreciation, impairment, write-offs and net result from disposal of property, plant and equipment…………………	16,818	21,685
Amortization, impairment, write-offs of intangible assets…	67,664	16,679
Impairment losses on financial assets and other provisions..	508,103	326,790
Gains less losses on derecognition of financial assets measured at amortised cost…………………………………	(1,727)	(2,851)
Fair value (gains)/losses on financial assets measured at fair value through profit or loss……………………………...	(99,566)	55,815
(Gains)/losses from investing activities…………………….	14,027	(138,709)
(Gains)/losses from financing activities……………………	8,871	11,735
Share of (profit)/loss of associates and joint ventures……..	211	163
	255,700	**279,677**
Net (increase)/decrease in assets relating to operating activities:		
Due from banks…………………………………………….	280,151	(1,442,668)
Trading securities and derivative financial instruments……	14,000	(13,980)
Loans and advances to customers………………………….	(300,614)	(800,394)
Other assets………………………………………………..	(34,205)	1,431
Net increase/(decrease) in liabilities relating to operating activities:		
Due to banks………………………………………………..	1,368,429	1,194,216
Due to customers…………………………………………...	(219,267)	1,529,449
Other liabilities……………………………………………..	(9,972)	(33,215)
Net cash flows from operating activities before income tax	**1,354,222**	**714,516**
Income tax paid…………………………………………….	(2,179)	(3,438)
Net cash flows from operating activities	**1,352,043**	**711,078**
Cash flows from investing activities		
Investments in associates and joint ventures……………….	-	(100)
Proceeds from disposals of subsidiaries……………………	38,062	4,686
Dividends received…………………………………………	118	146
Acquisitions of investment property, property, plant and equipment and intangible assets……………………………	(27,101)	(56,369)
Disposals of investment property, property, plant and equipment and intangible assets……………………………	16,634	3,219
Interest received from investment securities……………….	106,078	132,025
Purchases of Greek Government Treasury Bills……………	(304,490)	(61,362)
Proceeds from disposal and redemption of Greek Government Treasury Bills……………………………...	274,075	78,806
Purchases of investment securities (excluding Greek Government Treasury Bills)…………………………….	(1,229,605)	(1,884,906)
Disposals/maturities of investment securities (excluding Greek Government Treasury Bills)………………………...	1,125,499	1,276,998
Net cash flows from investing activities	**(730)**	**(506,857)**
Cash flows from financing activities		
Proceeds from issue of debt securities and other borrowed funds…………………………………………………….	496,200	489,794
Interest paid on debt securities in issue and other borrowed funds…………………………………………………….	(15,908)	(67,276)
Repayments of debt securities in issue and other borrowed funds…………………………………………………….	(33,123)	(1,859)
Payment of lease payments………………………………………………….	(3,271)	(6,935)
Net cash flows from financing activities	**443,898**	**413,724**
Effect of foreign exchange changes on cash and cash equivalents……………………………………………………….	4,094	8,976
Net increase/(decrease) in cash flows……………………..............	**1,799,305**	**626,921**
Cash and cash equivalents at the beginning of the year…………	7,990,900	3,402,328
Cash and cash equivalents at the end of the year………………...	**9,790,205**	**4,029,249**

Note*: Totals may vary due to rounding of numbers.*

Source*: Condensed Interim Reviewed Consolidated Financial Statements as at and for the three-month period ended 31 March 2021*

6.4.2 Financial statements for the year ended 31 December 2019 and 2020

Consolidated Income Statement

(*€ thousands*)	Year ended 31 December	
	2019	**2020**
Interest and similar income……………………………………………	2,109,035	2,073,382
Interest expense and similar charges……………………………………	(561,767)	(531,745)
Net interest income……………………………………………..........	**1,547,268**	**1,541,637**
Fee and commission income………………………………………….	432,022	388,688
Commission expense………………………………………………….	(91,893)	(53.361)
Net fee and commission income……………………………………..	**340,129**	**335,327**
Dividend income………………………………………………………	1,072	2,958
Gains less losses on derecognition of financial assets measured at amortised cost…………………………………………………………	(16,054)	173,202
Gains less losses on financial transactions……………………………….	425,652	516,771
Other income……………………………………………………........	35,851	22,496
Total other income…………………………………………………...	**446,521**	**715,427**
Total income………………………………………………………….	**2,333,918**	**2,592,391**
Staff costs……………………………………………………………..	(459,938)	(459.519)
Expenses for separation schemes……………………………………..	(49,615)	(26.214)
General administrative expenses………………………………………	(474,645)	(471,729)
Depreciation and amortization………………………………………..	(144,532)	(161,397)
Other expenses………………………………………………………...	(45,946)	(38,939)
Total expenses before impairment losses and provisions to cover credit risk……………………………………………………….........	**(1,174,675)**	**(1,157,798)**
Impairment losses and provisions to cover credit risk…………………..	(990,415)	(1,319,511)
Share of profit/(loss) of associates and joint ventures…………………..…	(12,603)	(1,014)
Profit/(loss) before income tax…………………………………….…	**156,225**	**114,068**
Income tax………………………………………………………..........	(50,814)	(10,123)
Profit/(loss) for the year………………………………………………...	**105,411**	**103,945**
Profit/(loss) attributable to:		
Equity holders of the Bank……………………………………………….	105,296	103,737
Non-controlling interests………………………………………………...	115	208
Earnings/(losses) per share		
Basic (€ per share)…………………………………………………........	0.0682	0.0672
Diluted (€ per share)……………………………………………………..	0.0682	0.0672

Note: *Totals may vary due to rounding of numbers.*

Source: *Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

Consolidated Statement of Comprehensive Income

(*€ thousands*)	Year ended 31 December	
	2020	**2019**
Profit/(loss) for the year, recognized in the Income Statement……………	**103,945**	**105,411**
Other comprehensive income……………………………………...............		
Items that may be reclassified subsequently to the Income Statement….		
Net change in reserve of investment securities' measured at fair value through other comprehensive income………………………………………………	(363,946)	523,929
Net change in cash flow hedge reserve……………………………………….	20,841	(130,463)
Foreign currency translation net of investment hedges of foreign operations…………………………………………………………………..	(2,951)	(1,486)
Income tax………………………………………………………………….	95,551	(114,779)
Items that may be reclassified to the Income Statement………………….	**(250,505)**	**277,201**
Items that will not be reclassified to the Income Statement………………		
Premeasurement of defined benefit liability/(asset)…………………………..	(2.814)	(11,325)
Gains/(losses) from investments in equity securities measured at fair value through other comprehensive income……………………………………...	3,619	(20,355)
Income tax………………………………………………………...............	686	9,437
Items that will not be reclassified to the Income Statement………………	**1,491**	**(22.243)**
Other comprehensive income, after income tax………………...…………….	(249,014)	254,958
Total comprehensive income for the year………………………………….	**(145,069)**	**360,368**
Total comprehensive income for the year attributable to:		
Equity holders of the Bank……………………………………………………	(145,267)	360,261
Non controlling interests……………………………………………………..	198	108

Note*: Totals may vary due to rounding of numbers.*

Source*: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

Consolidated Balance Sheet

(*€ thousands*)	**As at 31 December 2020**	**As at December 31 2019**
Assets		
Cash and balances with central banks	7,467,316	2,028,335
Due from banks	2,741,547	3,332,690
Trading securities	30,014	18,751
Derivative financial assets	1.267.083	1,009,193
Loans and advances to customers	39,380,002	39,266,269
Investment securities:		
Measured at fair value through other comprehensive income........	6,577,698	7,519,930
Measured at amortised cost..	3,335,733	1,070,730
Measured at fair value through profit or loss	137,675	93,110
Investments in associates and joint ventures	30,716	13,385
Investment property..	569,876	485,836
Property, plant and equipment..	796,331	852,332
Goodwill and other intangible assets	601,818	492,346
Deferred tax assets	5,292,612	5,174,297
Other assets	1,587,943	1,536,898
	69,816,364	**62,894,102**
Assets classified as held for sale...	240,343	563,519
Total assets	**70,056,707**	**63,457,621**
Liabilities		
Due to banks...	13,106,681	10,261,283
Derivative financial liabilities	1,768,357	1,446,915
Due to customers	43,830,940	40,364,284
Debt securities in issue and other borrowed funds	1,222,869	1,088,693
Liabilities for current income tax and other taxes	70,141	39,873
Deferred tax liabilities	34,679	31,865
Employee defined benefit obligations	94,386	90,932
Other liabilities...	891,580	1,057,844
Provisions...	703,630	599,541
	61,723,263	**54,981,230**
Liabilities related to non-current assets held for sale..............................	251	801
Total liabilities	**61,723,514**	**54.982.031**

(*€ thousands*)	**As at 31 December 2020**	**As at December 31 2019**
Equity		
Equity attributable to holders of the Bank..		
Share capital...	463,110	463,110
Share premium	10,801,029	10,801,029
Reserves	492,791	739,676
Amounts directly recognised in equity and associated with assets classified as held for sale..	-	(122)
Retained earnings..	(3,467,818)	(3,572,126)
	8,289,112	**8,431,567**
Non-controlling interests..	29,382	28,951
Hybrid securities	14,699	15,072
Total equity...	**8,333,193**	**8,475,590**
Total liabilities and equity	**70,056,707**	**63,457,621**

Note: *Totals may vary due to rounding of numbers.*

Source: *Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

Consolidated Statement of Changes in Equity

(*€ in thousands*)	Share Capital	Share Premium	Reserves	Amounts directly recognized directly in equity related to assets held for sale	Retained Earnings	Total	Non-controlling interests	Hybrid Securities	Total
Balance 1.1.2019	**463,110**	**10,801,029**	**460,025**	**(122)**	**(3,652,777)**	**8,071,265**	**28,814**	**15,107**	**8,115,186**
Changes for the year 1.1 - 31.12.2019									
Profit/(loss) for the year, after income tax	-	-	-	-	105,296	**105,296**	**115**	-	**105,411**
Other comprehensive income for the year, after income tax	-	-	277,208	-	(22,243)	**254,965**	**(7)**	-	**254,958**
Total comprehensive income for the year	-	-	**277,208**	**-**	83,053	360,261	**108**	-	**360,369**
Acquisitions/Disposals/Share capital increase and other changes of ownership interests in subsidiaries	-	-	-	-	-	-	**29**	-	**29**
Appropriation of reserves	-	-	2.443	-	(2,443)	-	-	-	
)Purchases), (redemption)/sales of hybrid securities, after income tax	-	-	-	-	-	-	-	(35)	**(35)**
Other					41	**41**			**41**
Balance 31.12.2019	**463,110**	**10,801,02**	**739,676**	**(122)**	**(3,572,126)**	**8,431,567**	**28,951**	**15,072**	**8,475,590**
Balance 1.1.2020	**463,110**	**10,801,029**	**739,676**	**(122)**	**(3,572,126)**	**8,431,567**	**28,951**	**15,072**	**8,475,590**
Changes for the year 1.1 - 31.12.2020	-	-							
Profit/(loss) for the year, after income tax	-	-	-	-	103,737	**103,737**	208	-	**103,945**
Other comprehensive income for the year, after income tax	-	-	(250,495)	-	1,49 1	**(249,004)**	(10)	-	**(249,014)**
Transfer of reserves related to the valuation of shares measured at fair value through other comprehensive income	-	-	(122)	122	-	-	-	-	-
Total comprehensive income for the year	-	-	**(250,617)**	122	**105,228**	**(145,267)**	**198**	-	**(145,069)**
Acquisitions/Disposals/Share capital increase and other changes of ownership interests in subsidiaries	-	-	-	-	-	-	223	-	**223**
Valuation reserve of employee stock option program	-	-	1,667	-	-	1,6 67	-	-	**1,667**
Appropriations of reserves	-	-	2,067	-	(2,067)	-	10	-	**10**
(Purchases), (redemption)/sales of hybrid securities, after income tax	-	-	-	-	-	-	-	(373)	**(373)**
Expenses for share capital increase	-	-	-	-	74	**74**	-	-	**74**
Other	-	-	(2)	-	1,07 3	**1,071**	-	-	**1,071**
Balance 31.12.2020	**463,110**	**10,801,029**	**492,791**	-	**(3,467,818)**	**8,289,112**	**29,382**	**14,699**	**8,333,193**

***Note**: Totals may vary due to rounding of numbers.*

***Source**: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

Consolidated Statement of Cash Flows

(*€ thousands*)	**Year ended 31 December**	
	2020	**2019**
Cash flows from operating activities	114,068	156,225
Profit/(loss) before income tax		
Adjustments of profit/(loss) before income tax for:	105,708	98,646
Depreciation, impairment, write-offs and net result from disposal of property, plant and equipment	74,333	63,068
Amortization, impairment, write-offs of intangible assets	1,386,448	1,106,872
Impairment losses on financial assets and other provisions	(173,202)	16,054
Gains less losses on derecognition of financial assets measured at amortised cost	90,590	25,247
Fair value (gains)/losses on financial assets measured at fair value through profit or loss	(722,133)	(563,060)
(Gains)/losses from investing activities	49,415	39,860
(Gains)/losses from financing activities	1,014	12,603
Share of (profit)/loss of associates and joint ventures	**926,241**	**955,515**
Net (increase)/decrease in assets relating to operating activities:	(259,266)	182,394
Due from banks	(957)	(91,485)
Trading securities and derivative financial instruments	(1,532,877)	(459,334)
Loans and advances to customers	310,269	(115,621)
Other assets		
Net increase/(decrease) in liabilities relating to operating activities:	2,845,398	(195,077)
Due to banks	3,466,656	1,627,638
Due to customers	(146,215)	(123,486)
Other liabilities	**5,609,249**	**1,780,544**
Net cash flows from operating activities before income tax	(2.313)	(27,743)
Income tax paid	**5,606,936**	**1,752,801**
Net cash flows from operating activities		
Cash flows from investing activities	(41,967)	-
Investments in associates and joint ventures	(15,978)	(2,794)
Proceeds from disposals of subsidiaries	15,403	118,186
Dividends received	2,958	1,072
Acquisitions of investment property, property, plant and equipment and intangible assets	(159,681)	(244,770)
Disposals of investment property, property, plant and equipment and intangible assets	6,695	54,029
Interest received from investment securities	209,046	169,076
Purchases of Greek Government Treasury Bills	(1,111,102)	(464,596)
Proceeds from disposal and redemption of Greek Government Treasury Bills	615,629	1,061,524
Purchases of investment securities (excluding Greek Government Treasury Bills)	(6,827,505)	(6.436,552)
Disposals/maturities of investment securities (excluding Greek Government Treasury Bills)	6,235,740	5,064,161
Net cash flows from investing activities	**(1,070,762)**	**(680,664)**
Cash flows from financing activities		
Proceeds from issue of debt securities and other borrowed funds	495,363	416,906
Interest paid on debt securities in issue and other borrowed funds	(391,666)	(281,492)
Repayments of debt securities in issue and other borrowed funds	(17,367)	(24,620)
Payment of lease payments	(42,765)	(39,746)
Net cash flows from financing activities	**43,565**	**71,048**
Effect of foreign exchange changes on cash and cash equivalents	8,833	11,999
Net increase/(decrease) in cash flows	**4,588,572**	**1,155,184**
Cash and cash equivalents at the beginning of the year	3,402,328	2,247,144
Cash and cash equivalents at the end of the year	**7,990,900**	**3,402,328**

Note: *Totals may vary due to rounding of numbers.*

Source: *Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

6.5 Recent developments

The Hive Down

On 16 April 2021, the demerger of the former Alpha Bank S.A., then authorised 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.", ("**Alpha Holdings**") was approved 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. Moreover, the Bank continues its operation through the existing organisational structure, network of branch offices and premises.

Alpha Holdings, which on 19 April 2021 ceased to operate as a financial institution, maintains the assets and activities not related to the banking business sector, while its shares remain listed on the Main Market of the Athens Exchange (the "**ATHEX**"). Alpha Holdings maintains direct and indirect participation in all companies that are included in its consolidated financial statements, while it retains the insurance intermediary activity and the provision of accounting and tax services to affiliates and third parties. Furthermore, Alpha Holdings may proceed with the issuance of instruments in order to raise regulatory capital.

The Hive Down is a transaction of entities under common control that involves the set-up of a new company. As such the Hive Down falls outside the scope of IFRS 3 and in the absence of specific provisions in IFRS regarding the accounting treatment of respective transactions, the Bank has adopted an accounting policy according to which, the transfer of assets and liabilities to the new Bank takes place at the book values of these items in the books of the existing Bank as at April 16, 2021. That treatment is supported by the fact the transaction is an intragroup capital reorganization and as such there is no substantial financial change in the Group. The reorganisation had also no impact on the Group's consolidated financial statements.

The Galaxy Securitisation

In November 2019, Alpha Holdings (then operating as a licensed credit institution under the name "Alpha Bank S.A.") announced its 2019 Strategic Plan. The main priority and objective of the 2019 Strategic Plan is the improvement of the Bank's financial structure through the reduction of its NPEs and cost of risk, which constitute the main factors that have impacted profitability over the past years, while also aiming to optimise the organisational and capital structure of the Group.

The 2019 Strategic Plan includes, among other measures, a securitisation of an NPE portfolio, known as "Galaxy", up to an amount of €10.8 billion (the "**Galaxy Securitisation**") and the transfer of the Bank's business of NPE servicing to Cepal Hellas Financial Services Single Member S.A. – Servicing of Receivables from Loans and Credits ("**Cepal Hellas**"), a wholly-owned (since July 2020), licensed servicing company for loan receivables under Greek law 4354/2015.

On 22 February 2021, we announced that we had reached definitive agreement with funds managed by Davidson Kempner European Partners LLP for:

- the sale and transfer of 80% of the shares in Cepal Holdings Single Member S.A. ("**Cepal Hellas HoldCo**"). The Bank will maintain customary governance rights in Cepal Hellas HoldCo in line with its minority shareholding. Additionally, there will be a service level agreement (the "**SLA**") with Cepal Hellas HoldCo for the management of the Bank's existing retail and wholesale NPEs in Greece of €8.9 billion, as well as any future flows of similar assets and early collections. The term of this agreement is 13 years, with a right to extend for up to another five years for the purposes of Cepal Hellas running off any NPE portfolio still under management upon the expiration of the agreement term. Furthermore, Cepal Hellas HoldCo will also manage the €10.8 billion exposures under the Galaxy Securitisations, and €4.62 billion portfolios of third-party investors; and

- the sale of 51% of the mezzanine and junior securitisation notes of the €10.8 billion NPE portfolio (issued under Galaxy Securitisation)The Bank will retain 5% of the mezzanine and junior securitisation notes to comply with risk retention rules, while it intends to distribute 44% of the remaining notes to shareholders, subject to regulatory and corporate approvals.

The above transfer of 80% of the shares in Cepal Hellas HoldCo and the sale of 51% of the mezzanine and junior securitisation notes of the €10.8 billion NPE portfolio (issued under Galaxy Securitisation), were completed on 18 June, 2021.

Our 2019 Strategic Plan also includes the submission of Project Galaxy to the "Hercules" programme, namely the Hellenic Asset Protection Scheme introduced by virtue of Greek law 4649/2019 (the "**HAPS**"), in order to (i) mitigate the impact of Project Galaxy on the Bank's capital adequacy and (ii) achieve supervisory derecognition of NPEs.

In particular, the Galaxy Securitisation consists of three (3) NPE securitisations, codenamed Orion, Galaxy II and Galaxy IV, with a total GBV of €10.8 billion. The Bank has submitted an application for the HAPS regarding the Orion, Galaxy II and Galaxy IV securitisations, which have a GBV of €1.9 billion, €5.7 billion and €3.2 billion respectively. The application concerns the provision of a guarantee by the Greek State for the senior notes of the above securitisations with a total value of up to €3.8 billion. Petition for such submission has been made and a decision by the Hellenic Ministry of Finance was granted on 16 June, 2021. For more information on our Strategy, see "*Strategy*".

Issuance of Tier 2 Notes

On 4 March 2021, Alpha Holdings (then operating as a licensed credit institution under the name "Alpha Bank S.A.") completed the issuance of €500 million Dated Subordinated Fixed Rate Reset Tier 2 Notes due 2031 (the "**Tier 2 Notes**"), which had been authorised by a resolution of the former Alpha Bank S.A.'s Board of Directors on 28 January 2021. The Tier 2 Notes were issued subject to and with the benefit of an agency agreement dated 11 March 2021 made among, *inter alios*, Alpha Holdings (then operating as a licenced credit institution under the name "Alpha Bank S.A.") as issuer, Citibank, N.A., London Branch as agent and as calculation agent. The Notes have a maturity of 10.25 years with a call option exercisable between 5 and 5.25 years, and are traded in the Luxembourg Stock Exchange.

The issuance followed our inaugural CRD/CRR-compliant Tier 2 transaction and our first public unsecured debt transaction since 2014, which was completed on 6 February 2020, with the issuance of a €500 million Tier 2 bond issue with fixed annual interest rate of 4.25%.

6.6 Comparability of results

Changes in accounting policy - IFRS 16

IFRS 16 (*Leases*) was published on 13 January 2016 by the International Accounting Standard Board. It became effective on 1 January 2019 and applies to the first full financial year commencing on or after that date.

IFRS 16 introduces a single lessee accounting model that requires recognition of a right-of-use of asset and a lease liability for all leases with a lease term higher than 12 months, unless the underlying asset is of low value. Lessor accounting remains substantially unchanged compared to IAS 17. Accounting treatment for the lessees requires that, upon a lease commencement the lessee recognises a right-of-use asset and a relevant financial lease liability. The right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs, estimated cost for dismantling or restoring the asset to its initial condition and any payments less incentives before the commencement date. Subsequently, the right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment and adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of lease payments that are not paid at that date, net of cash lease incentives. Lease payments include fixed payments and variable payments that depend on an index (such as an inflation index) or a rate and are discounted using the lessee's incremental borrowing rate. Incremental borrowing rate is determined by using as reference rate the Bank's secured funding rate, adjusted for different currencies and taking into consideration government yield curves, where applicable.

After the commencement date, the Group measures the lease liability by increasing the carrying amount to reflect interest, reducing the carrying amount to reflect lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications.

As at 1 January 2019, we adopted IFRS 16 (*Leases*), on a modified retrospective basis without restating the relevant comparatives as permitted by the transitional provisions of the standard.

6.7 Alternative Performance Measures

The Group presents several non-IFRS financial measures, the alternative performance measure ("APM"), as defined in the guidelines issued by European Securities and Markets Authority ("ESMA") on 5 October 2015.

The APM indicators include or exclude amounts which are not defined under IFRS, and they should not be considered as substituting other metrics that have been calculated in accordance with the provisions of IFRS or other historical financial indicators.

The APM indicators are intended to provide investors and the Group's management with additional information with which to evaluate the Group's financial position and performance and aim at consistency and comparability among financial periods or years and provision of information regarding non-recurring events. These measures are not always comparable with measures used by other companies.

Below we present the tables including APM indicators calculated pursuant to our annual audited consolidated financial statements as at and for the years ended 31 December 2019 and 2020:

(*€ millions*)

Definition		Calculation		31.12.2019	31.12.2020
Loans to deposits ratio [(1)]	The indicator reflects the relationship of loans and advances to customers with amounts due to customers	Numerator (+)	Loans and advances to customers	39,266	39,380
		Denominator (+)	Due to customers	40,364	43,831
		Ratio	=	**97%**	**90%**
Net Operating Results (2)	The balance illustrates the total income plus the share of profit/loss of associates and joint ventures minus the total expenses before impairment losses and provisions to cover credit risk	+	Total income	2,333.9	2,592.4
		+	Share of profit/(loss) of associates and joint ventures	(12.6)	(1.0)
		-	Total expenses before impairment losses and provisions to cover credit risk	1,174.7	1,157.8
		Total	=	**1,146.6**	**1,433.6**
Average total assets	The indicator reflects the calculation of average total assets	Numerator (+)	Opening balance of total Assets of the year	61,007	63,458
		Numerator (+)	Closing balance of total Assets of the year	63,458	70,057
		Denominator		2	2
		Ratio	=	**62,232**	**66,757**
Return on Assets	The indicator reflects the relationship of profit/(losses) after income tax to average total assets	Numerator (+)	Profit/(losses) after income tax	105.4	103.9
		Denominator (+)	Average total assets	62,233	66,757
		Ratio	=	**0.17%**	**0.16%**

***Note**: Totals may vary due to rounding of numbers.*
***Source**: Data based on Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

(1) In the year ended 31 December 2020, the calculation of loans to deposits ratio was modified, both for the current year and for the comparative one. In particular, contrary to the previous practice, the ratio will henceforth be calculated using the balance of loans and advances to customers, instead of balance of loans and advances to customers before allowance for impairment losses, with the aim of making this ratio comparable with the market.
(2) Equals to PPI

Additional Information

For informational purposes, the following table sets forth the definitions of additional measures mentioned elsewhere in this Prospectus:

Core PPI	Net Interest Income plus Net Fee and Commission Income plus Other Income less Recurring Operating Expenses.
Total Operating Expenses	"Total expenses before impairment losses and provisions to cover credit risk" as derived from the consolidated income statement of the reported period taking into account the impact from any potential restatement.
Recurring Operating Expenses	Total operating expenses less management adjustments on operating expenses, in relation to events that do not occur with a certain frequency, and events that are directly affected by current market conditions and/or present significant variation between the reporting periods.
Gross Loans	"Loans and advances to customers", as reported in the consolidated balance sheet of the reported period, gross of the "Accumulated Provisions and FV Adjustments", excluding the accumulated provision for impairment losses on off-balance sheet items, as disclosed in the consolidated financial statements of the reported period. "Accumulated Provisions and FV Adjustments" corresponds to (i) "the total amount of provision for credit risk that the Group has recognised and derive from contracts with customers", as disclosed in the consolidated financial statements of the reported period and (ii) the accumulated Fair Value adjustments for non-performing exposures measured at Fair Value Through P&L (FVTPL).
NPEs	Non-performing exposures are defined according to "EBA ITS on forbearance and Non Performing Exposures" as exposures that satisfy either or both of the following criteria: a) material exposures which are more than 90 days past-due b) The debtor is assessed as unlikely to pay its credit obligations in full without realisation of collateral, regardless of the existence of any past-due amount or of the number of days past due.
NPE Ratio	NPEs divided by Gross Loans
NPL Ratio	NPLs (Gross Loans that are more than 90 days past due) divided by Gross Loans at the end of the reference period.
RoTBV or **Return on average tangible equity**	Profit/(loss) for the period/year (after income tax)" to average tangible equity (i.e. "Total Equity" less "Goodwill and other intangible assets", less "Non-controlling interests" and less "hybrid securities", as defined in the consolidated balance sheet).
Core Deposits	The sum of "Current accounts", "Savings accounts" and "Cheques payable"

6.8 Results of Operations

Total income

Our total income amounted to €2,592.4 million for the year ended 31 December 2020, compared to €2,333.9 million for the year ended 31 December 2019. The increase from 2019 to 2020 was principally the result of an increase of €268.9 million in total other income.

The following table sets out the breakdown of our total income for the years ended 31 December 2020 and 2019.

	Year ended 31 December	
	2020	2019[(1)]
	(€ millions)	
Interest and similar income	2,073	2,109
Interest expense and similar charges	(532)	(562)
Net interest income	1,542	1,547
Fee and commission income	389	432
Fee and commission expense	(53)	(92)
Net fee and commission income	335	340
Dividend income	3	1
Gains less losses on derecognition of financial assets measured at amortised cost	173	(16)
Gains less losses on financial transactions	517	426
Other income	22	36
Total other income	715	447
Total income	**2,592**	**2,334**

Note: *Totals may vary due to rounding of numbers.*

Source: *Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

(1) Certain financial information for the year ended 31 December 2019, which is derived from the comparative columns in the annual audited consolidated financial statements as at and for the year ended 31 December 2020, has been restated in order to be presented on a comparable basis with financial information for the year ended 31 December 2020. See "Restatements of consolidated financial information" above and Note 50 to the annual audited consolidated financial statements as at and for the year ended 31 December 2020.

Our total income amounted to €556.1 million for the three months ended 31 March 2021, compared to €564.0 million for the corresponding period in 2020. The decrease was mainly driven by a decrease of €21.4 million in total other income, partially offset by an increase of €18.4 million in net interest income.

The following table sets out the breakdown of our total income for the three months ended 31 March 2021 and 2020.

	Three months ended 31 March	
	2021	2020[(1)]
	(€ millions)	
Interest and similar income	529.7	505.3
Interest expense and similar charges	(130.0)	(124.1)
Net interest income	**399.6**	**381.2**
Fee and commission income	95.1	105.2
Fee and commission expense	(10.8)	(16.0)
Net fee and commission income	**84.3**	**89.2**
Dividend income	0.1	0.1
Gains less losses on derecognition of financial assets measured at amortised cost	1.7	2.9
Gains less losses on financial transactions	59.2	80.7
Other income	11.1	9.9
Total other income	72.2	93.6
Total income	**556.1**	**564.0**

(1) Certain financial information for the three months ended 31 March 2020, which is derived from the comparative columns in the condensed consolidated interim financial statements as at and for the three months ended 31 March 2021, has been restated in order to be presented on a comparable basis with financial information for the three months ended 31 March 2021. See "Restatements of consolidated financial information" above and Note 34 to the condensed consolidated interim financial statements as at and for the three months ended 31 March 2021.

Note: Totals may vary due to rounding of numbers.
Source: Condensed Interim Reviewed Consolidated Financial Statements as at and for the three-month period ended 31 March 2021

Average assets and liabilities balances and interest rates

The following table sets forth average balances of interest-earning assets and interest-bearing liabilities of the Group for the three months ended 31 March 2021 and 2020, and for years ended 31 December 2020 and 2019, together with the amount of interest earned or paid and the average rate of interest of each category of asset or liability. Average balances presented in these tables have been calculated based on quarterly balances.

	Three months ended 31 March					
	2021			2020		
	Average balance	Interest	Average rate (%)	Average balance	Interest	Average rate (%)
	(€ thousands, except %)					
Interest-earning assets						
Due from banks[(1)]	10,968,439	(7,318)	(0.3)%	6,372,131	517	0.0%

Loans and advances to customers	39,378,181	377,456	3.9%	39,516,844	406,015	4.1%
Securities[(2)]	10,046,700	27,318	1.1%	8,880,440	39,660	1.8%
Total (except derivative financial instruments)	**60,393,320**	**397,456**	**2.7%**	**54,769,415**	**446,192**	**3.3%**
Interest-bearing liabilities:						
Due to banks	(13,790,895)	50,406	(1.5)%	(10,856,436)	(2,911)	0.1%
Due to customers	(43,721,307)	(17,342)	0.2%	(41,128,988)	(36,351)	0.4%
Debt securities in issue and other borrowed funds	(1,450,784)	(10,593)	3.0%	(1,304,309)	(7,226)	2.2%
Total (except derivative financial instruments)	**(58,962,986)**	**22,471**	**(0.2)%**	**(53,289,733)**	**(46,488)**	**0.4%**
Other interest income[(3)]	—	**(20,292)**	—	—	**(18,523)**	—
Net interest income	—	**399,635**	—	—	**381,181**	—

	Year ended 31 December					
	2020			**2019**		
	Average balance	**Interest**	**Average balance**	**Interest**	**Average balance**	**Interest**
	(€ thousands, except %)					
Interest-earning assets						
Due from banks[(1)]	8,535,060	(10,698)	(0.1)%	4,859,084	1,964	0.0%
Loans and advances to customers	39,595,807	1,597,308	4.0%	39,644,472	1,702,834	4.3%
Securities[(2)]	9,879,796	149,533	1.5%	8,264,008	167,203	2.0%
Total (except derivative financial instruments)	**58,010,663**	**1,736,143**	**3.0%**	**52,767,564**	**1,872,001**	**3.5%**
Interest-bearing liabilities:	**58,010,663**	**1,736,143**	**3.0%**	**52,767,564**	**1,872,001**	**3.5%**
Due to banks	(12,978,767)	26,677	(0.2)%	(10,446,156)	(38,334)	0.4%
Due to customers	(42,062,593)	(111,432)	0.3%	(39,544,038)	(172,279)	0.4%
Debt securities in issue and other borrowed funds	(1,418,322)	(37,119)	2.6%	(934,743)	(20,544)	2.2%
Total (except derivative financial instruments)	**(56,459,682)**	**(121,874)**	**0.2%**	**(50,924,937)**	**(231,157)**	**0.5%**
Other interest income[(3)]	—	**(72,632)**	—	—	**(93,576)**	—
Net interest income	—	**1,541,637**	—	—	**1,547,268**	—

(1) Includes (i) cash and balances with Central Banks, (ii) placements with other banks, (iii) guarantees for derivative securities coverage and (iv) loans to credit institutions, less (v) allowance for impairment losses.
(2) Includes trading and investment securities.
(3) Includes net interest income/(expense) from derivative financial instruments and other interest.

***Note**: Totals may vary due to rounding of numbers.*

***Source**: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020 and Condensed Interim Reviewed Consolidated Financial Statements as at and for the three-month period ended 31 March 2021*

Net interest income

In 2020, net interest income decreased by 0.3% to €1,542 million from €1,547 million in 2019. The decrease was primarily attributable to lower interest income from the loan portfolios, in particular in NPEs, and from transactions in investment securities. Our net interest margin in 2020 was 2.3%, compared to 2.5% in 2019. The overall decrease in net interest income was partially offset by lower cost on due to customers in 2020 as a result of significant repricing of customer deposits as well as on due to banks as a result of the substitution of interbank repos agreements by Eurosystem funding at negative interest rates, utilising the TLTRO III facility, resulting in interest income instead of interest expense.

The following table sets out the breakdown of our net interest income for the years ended 31 December 2020 and 2019.

	Year ended 31 December	
	2020	2019[(1)]
	(€ thousands)	
Interest and similar income		
Due from banks	2,009	4,574
Loans and advances to customers measured at amortised cost	1,573,728	1,676,564
Loans and advances to customers measured at fair value through profit or loss	13,020	13,451
Trading securities	177	270
Investment securities measured at fair value through other comprehensive income	108,914	161,994
Investment securities measured at fair value through profit or loss	974	967
Investment securities measured at amortised cost	39,467	3,972
Derivative financial instruments	201,037	183,963
Finance lease receivables	10,819	13,101
Negative interest from interest bearing liabilities[(2)]	121,144	48,880
Other	2,093	1,299
Total interest and similar income	2,073,382	2,109,035
Interest expense and similar charges		
Due to banks	(22,445)	(54,118)
Due to customers	(111,432)	(172,279)
Debt securities in issue and other borrowed funds	(37,119)	(20,544)
Derivative financial instruments	(198,160)	(199,165)
Lease liabilities	(4,567)	(5,573)
Negative interest from interest bearing assets[(2)]	(89,327)	(33,708)
Other	(68,695)	(76,380)
Total interest expense and similar charges	(531,745)	(561,767)
Net interest income	**1,541,637**	**1,547,268**

(1) Certain financial information for the year ended 31 December 2019, which is derived from the comparative columns in the annual audited consolidated financial statements as at and for the year ended 31 December 2020, has been restated in order to be presented on a comparable basis with financial information for the year ended 31 December 2020. See "Restatements of consolidated financial information" above and Note 50 to the annual audited consolidated financial statements as at and for the year ended 31 December 2020.

(2) The presentation of negative interest from interest bearing liabilities and negative interest from interest bearing assets was amended in the annual audited consolidated financial statements as at and for the year ended 31 December 2020, and the comparable financial information was restated for the year ended 31 December 2019.

Note: *Totals may vary due to rounding of numbers.*

Source: *Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

In 2020, total interest and similar income decreased by €35.7 million, or 1.7%, to €2,073.4 million from €2,109.0 million in 2019 primarily as a result of a decrease in interest income from loans and advances to customers of €102.8 million, or 6.1%, mainly resulting from decreased interest rates in 2020, and a decrease of €53.1 million, or 32.8%, in interest income from investment securities measured at fair value through other comprehensive income due to transactions and a decrease in portfolio volumes during the year. The overall decrease was partially offset by an increase of €72.3 million in interest income from negative interest from interest bearing liabilities, which reflected Eurosystem funding obtained at negative interest rates, an increase of €35.5 million in interest income from investment securities measured at amortised cost due to an increase in portfolio volumes increase in 2020 and an increase of €17.1 million, or 9.3%, in interest income on derivative financial instruments.

Total interest expense and similar charges decreased by €30.0 million, or 5.3%, in 2020 to €531.7 million from €561.8 million in 2019 primarily as a result of a decrease of €60.8 million, or 35.3%, in interest expense from due to customers resulting from repricing of customer deposits and a decrease of €31.7 million, or 58.5%, in interest expense from due to banks, both driven by the containment of customer and wholesale funding cost stemming from the time deposits repricing and the substitution of interbank repo agreements with Eurosystem funding. The overall decrease was partially offset by an increase of €55.6 million in interest expense from negative interest from interest bearing assets.

The following table sets out the breakdown of our net interest income by operation sector for the years ended 31 December 2020 and 2019.

	Year ended 31 December	
	2020	2019
Net interest income	(€ thousands)	
Retail Banking	650,365	678,985
Corporate Banking	520,063	519,369
Asset Management/Insurance	14,515	13,754
Investment Banking/Treasury	153,793	122,363
South-Eastern Europe	201,704	210,435
Other/Elimination Center	1,196	2,364
Net interest income	**1,541,637**	**1,547,268**

Note*: Totals may vary due to rounding of numbers.*

Source*: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

Net interest income increased by €18.4 million, or 4.8%, to €399.6 million in the three months ended 31 March 2021 from €381.2 million in the corresponding period in 2020. The increase was primarily attributable to lower cost on due to customers in the three months ended 31 March 2021 as a result of continued repricing of customer deposits as well as on due to banks as a result of the substitution of interbank repos agreements by Eurosystem funding at negative interest rates, utilising the TLTRO III facility, resulting in interest income instead of interest expense. The overall increase in net interest income in the three months ended 31 March 2021 was partially offset by lower interest income from the loan portfolio and the bond portfolio, mainly due to lower interest rates on the loan portfolio and lower yields of the new investments in the bond portfolio following sales conducted in 2020. Our net interest margin was 2.3% both in the three months ended 31 March 2021 and 2020.

The following table sets out the breakdown of our net interest income for the three months ended 31 March 2021 and 2020.

	Three months ended 31 March	
	2021	**2020**[(1)]
	(€thousands)	
Interest and similar income		
Due from banks	433	1,292
Loans and advances to customers measured at amortised cost	371,515	398,599
Loans and advances to customers measured at fair value through profit or loss	2,325	4,853
Trading securities	(22)	83
Investment securities measured at fair value through other comprehensive income	17,534	33,673
Investment securities measured at fair value through profit or loss	67	413
Investment securities measured at amortised cost	9,739	5,491
Derivative financial instruments	45,140	43,854
Finance lease receivables	3,664	2,633
Negative interest from interest bearing liabilities	78,530	14,607
Other	751	(242)
Total interest and similar income	**529,676**	**505,256**
Interest expense and similar charges		
Due to banks	(2,280)	(8,678)
Due to customers	(17,342)	(36,351)
Debt securities in issue and other borrowed funds	(10,593)	(7,226)
Derivative financial instruments	(798)	(1,203)
Lease liabilities	(48,209)	(44,641)
Negative interest from interest bearing assets	(34,076)	(8,837)
Other	(16,743)	(17,139)
Total interest expense and similar charges	(130,041)	(124,075)
Net interest income	**399,635**	**381,181**

(1) Certain financial information for the three months ended 31 March 2020, which is derived from the comparative columns in the condensed consolidated interim financial statements as at and for the three months ended 31 March 2021, has been restated in order to be presented on a comparable basis with financial information for the three months ended 31 March 2021. See "Restatements of consolidated financial information" above and Note 34 to the condensed consolidated interim financial statements as at and for the three months ended 31 March 2021.

Note: *Totals may vary due to rounding of numbers.*
Source*: Condensed Interim Reviewed Consolidated Financial Statements as at and for the three-month period ended 31 March 2021*

In the three months ended 31 March 2021, total interest and similar income increased by €24.4 million, or 4.8%, to €529.7 million from €505.3 million in the corresponding period in 2020 primarily as a result of an increase of €63.9 million in interest income from negative interest from interest bearing liabilities, which mainly reflected Eurosystem funding obtained at negative interest rates. The overall increase in total interest and similar income in the three months ended 31 March 2021 was partially offset by a decrease of €27.1 million, or 6.8%, in interest income from loans and advances to customers measured at amortised cost, mainly due to lower interest rates on the loan portfolio, and a decrease of €16.1 million, or 47.9%, in interest income from investment securities measured at fair value through other comprehensive income reflecting lower yields of new investments in the bond portfolio following sales conducted in 2020, in each compared to the corresponding period in 2020.

The following table sets out the breakdown of our net interest income by business area for the three months ended 31 March 2021 and 2020.

	Three months ended 31 March	
	2021	2020
	(€ millions)	
Net interest income		
Retail Banking	149.5	163.0
Corporate Banking	130.1	127.4
Asset Management/Insurance	2.5	3.2
Investment Banking/Treasury	71.6	35.3
South-Eastern Europe	46.0	52.0
Other/Elimination Center	(0.1)	0.2
Net interest income	**399.6**	**381.2**

Note: *Totals may vary due to rounding of numbers.*
Source: *Condensed Interim Reviewed Consolidated Financial Statements as at and for the three-month period ended 31 March 2021*

Analysis of changes in net interest income and interest expense - volume and interest rate analysis

The following table sets forth the changes in the Group's net interest and similar income and interest expense and similar charges (net interest income) for the three months ended 31 March 2021 and 2020, and the years ended 31 December 2020 and 2019, attributable either to changes in the average volume of interest-earning assets and interest-bearing liabilities, or to changes in their respective interest rates for the periods presented. Changes to net interest income due to changes in volume have been calculated by multiplying the change in volume during the year by the average rate for the year. Changes to net interest income due to changes in rates have been calculated by multiplying the change in the year's average rate by the volume for the preceding year. The changes have been calculated on the basis of the average of the quarterly balances used in the preceding table, unless otherwise stated.

	31 March 2021 vs. 31 March 2020			Year ended 31 December 2020 vs. 2019		
	Total change in interest	Due to change in volume	Due to change in rate	Total change in interest	Due to change in volume	Due to change in rate
			(€ thousands)			
Interest-earning assets						
Due from banks	(7,835)	370	(8,205)	(12,662)	1,486	(14,48)
Loans and advances to customers	(28,559)	(1,413)	(27,146)	(105,526)	(2,090)	(103,436)
Securities	(12,342)	5,165	(17,507)	(17,670)	32,692	(50,362)
Total	**(48,736)**	**4,122**	**(52,858)**	**(135,858)**	**32,088**	**(167,946)**
Interest-bearing liabilities:						
Due to banks	53,317	(780)	54,098	65,011	(9,294)	74,305
Due to customers	19,009	(2,272)	21,281	60,847	(10,972)	71,819
Debt securities in issue and other borrowed funds	(3,367)	(805)	(2,562)	(16,575)	(10,628)	(5,947)
Total	**68,959**	**(3,857)**	**72,817**	**109,283**	**(30,894)**	**140,177**
Other interest income	(1,769)	—	—	20,944	—	—

Note: *Totals may vary due to rounding of numbers.*

Source: *Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020 and Condensed Interim Reviewed Consolidated Financial Statements as at and for the three-month period ended 31 March 2021*

Interest-earning assets—net interest margin on average interest-earning assets

The following table sets forth the levels of average interest-earning assets, interest income from interest-earning assets and net interest income of the Group, as well as the net interest margin on average interest-earning assets for the three months ended 31 March 2021 and 2020, and the years ended 31 December 2020 and 2019:

	Three months ended 31 March		Year ended 31 December	
	2021	2020	2020	2019
	(€ thousands, except %)			
Average interest-earning assets(1)	60,393,320	54,769,415	58,010,663	52,767,564
Interest income from interest-earning assets	397,456	446,192	1,736,143	1,872,001
Net interest income	399,635	381,181	1,541,637	1,547,268
Gross yield(2)	2.7%	3.3%	3.0%	3.5%
Net interest margin(3)	2.7%	2.8%	2.7%	2.9%
Spread(4)	2.8%	2.9%	2.8%	3.1%

Note: *Totals may vary due to rounding of numbers.*

***Source**: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020 and Condensed Interim Reviewed Consolidated Financial Statements as at and for the three-month period ended 31 March 2021*

(1) Calculated as the arithmetic mean of total interest bearing assets at the end of the period and the end of the previous period. "**Interest bearing assets**" are assets that are interest income generating, such as loans and fixed income investment securities.
(2) Gross yield represents interest income from interest-earning assets as a percentage of average interest-earning assets.
(3) Net interest margin equals net interest income for the period divided by the average of total interest bearing assets.
(4) Spread represents the difference between gross yield (interest income as a percentage of average interest-earning assets) less interest expense from interest-bearing liabilities divided by interest-bearing liabilities.

Net fee and commission income

The following table sets out the breakdown of our net fee and commission income for the years ended 31 December 2020 and 2019:

	Year ended 31 December	
	2020	2019[(1)]
	(€ *thousands*)	
Loans	45,751	50,670
Letters of guarantee	43,631	45,417
Imports-exports	6,070	8,757
Credit cards	72,735	71,911
From transactions	41,346	45,632
Mutual funds	41,304	37,932
Advisory fees and securities transaction fees	2,436	2,855
Brokerage services	8,194	6,593
Foreign exchange trades	16,909	18,346
Insurance intermediation	18,453	15,911
Other	38,498	36,105
Net fee and commission income	**335,327**	**340,129**

***Note**: Totals may vary due to rounding of numbers.*
***Source**: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

(1) Certain financial information for the year ended 31 December 2019, which is derived from the comparative columns in the annual audited consolidated financial statements as at and for the year ended 31 December 2020, has been restated in order to be presented on a comparable basis with financial information for the year ended 31 December 2020. See "Restatements of consolidated financial information" above and Note 50 to the annual audited consolidated financial statements as at and for the year ended 31 December 2020. Insurance brokerage commissions have been separately disclosed in the annual audited consolidated financial statements as at and for the year ended 31 December 2020, including the comparative figures for the year ended 31 December 2019.

Net fee and commission income decreased by €4.8 million, or 1.4%, to €335.3 million in 2020 from €340.1 million in 2019. This decrease was mainly due to lower fees and commissions from loans as well as the lower volume of transactions, imports-exports and letters of guarantee as a result of the adverse effect of the COVID-19 on customer activity. The overall decrease in net fee and commission income was partially offset by an increase in commission income from mutual funds driven by transaction volumes.

The following table sets out the breakdown of our net fee and commission income for the three months ended 31 March 2021 and 2020.

	Three months ended 31 March	
	2021	2020
	(€ *thousands*)	
Loans	12,795	11,909
Letters of guarantee	10,847	10,940
Imports-exports	1,454	1,598
Credit cards	17,569	16,134
Transactions	9,983	10,163
Mutual funds	13,397	12,375
Advisory fees and securities transaction fees	409	1,059
Brokerage services	2,207	2,581
Foreign exchange trades	4,100	3,964
Insurance brokerage	4,549	4,098
Other	6,954	14,368
Total	**84,264**	**89,189**

***Note**: Totals may vary due to rounding of numbers.*
***Source**: Condensed Interim Reviewed Consolidated Financial Statements as at and for the three-month period ended 31 March 2021*

Net fee and commission income decreased by €4.9 million, or 5.5%, to €84.3 million in the three months ended 31 March 2021 from €89.2 million in the corresponding period in 2020. The decrease primarily reflected other commission income of €7.7 million received in the first quarter of 2020 relating to amendment made to certain

Credit Support Annex ("**CSA**") agreement. The overall decrease in net fee and commission income in the three months ended 31 March 2021 was partially offset by higher commission income from cards and increased fee generation from mutual funds in the three months ended 31 March 2021 compared to the corresponding period in 2020.

Staff costs

The following table sets out the breakdown of our staff costs for the years ended 31 December 2020 and 2019.

	Year ended 31 December	
	2020	**2019(1)**
	(€ in thousands)	
Wages and salaries	321,530	330,844
Social security contributions	76,539	86,044
Employee defined benefit obligation of the Group	3,023	5,222
Employee indemnity provision due to retirement based on Greek law 2112/1920	4,108	4,621
Compensation due to staff separation	4,731	–
Cost of staff transferred to Cepal subsidiary	18,705	–
Other changes	30,883	33,207
Total	**459,519**	**459,938**

***Note**: Totals may vary due to rounding of numbers.*

***Source**: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

(1) Certain financial information for the year ended 31 December 2019, which is derived from the comparative columns in the annual audited consolidated financial statements as at and for the year ended 31 December 2020, has been restated in order to be presented on a comparable basis with financial information for the year ended 31 December 2020. See "Restatements of consolidated financial information" above and Note 50 to the annual audited consolidated financial statements as at and for the year ended 31 December 2020.

Staff costs were €459.5 million in 2020, largely unchanged compared to €459.9 million in 2019. The total number of employees as at 31 December was 10,528, similarly unchanged from 10,530 employees as at 31 December 2019. Staff costs in 2020 were impacted positively by a reduction in the number of the Group's employees which mainly relates to the participation of employees in 2019 in the Group's voluntary exit program. In 2019, Cepal Hellas was not part of the Group. Therefore, Cepal Hellas's staff costs and the employees (approximately 293 full-time employees ("**FTEs**")) are not included in the 31 December 2019 figures, whereas they are included in staff costs at 31 December 2020.

Wages and salaries in 2020 were €321.5 million compared to €330.8 million in 2019 and social security contributions were €76.5 million compared to €86.0 million in 2019. The staff costs in 2020 included costs of €18.7 million related to 816 employees (of which 504 FTEs transferred from the Bank, 15 FTEs transferred from subsidiaries and 297 FTEs as temporary employed staff) of Cepal Hellas.

Due to the transfer of the Bank's non-performing management activity to Cepal Hellas, an amount equivalent to ten gross monthly salaries, with a minimum limit of €25,000 was granted to the Bank's staff that was transferred to Cepal Hellas.

Staff costs were €106.8 million in the three months ended 31 March 2021, largely unchanged compared to €107.1 million in the corresponding period in 2020. The total number of employees as at 31 March 2021 was 10,514, similarly unchanged from 10,525 employees as of 31 March 2020. Staff costs in the three months ended 31 March 2021 were impacted by the full consolidation of Cepal Hellas from July 2020 onwards, following the increase of Group's ownership interest from 38,6% to 100%, since Cepal Hellas employed staff before the transfer of Staff from the Bank, in the context of the implementation of the transfer agreement of the Non-Performing Loans Unit. This increase was partially offset by Alpha Bank Cyprus Ltd's voluntary exit program in which 188 employees participated and was completed in 2020.

Income tax

The following table sets out the breakdown of our income tax for the years ended 31 December 2020 and 2019.

	Year ended 31 December	
	2020	**2019(1)**
	(€ millions)	
Current tax	32.6	14.6
Tax adjustments in respect of prior years and other provisions on tax	–	–
Deferred tax	(22.5)	36.2

Total	**10.1**	**50.8**

(1) Certain financial information for the year ended 31 December 2019, which is derived from the comparative columns in the annual audited consolidated financial statements as at and for the year ended 31 December 2020, has been restated in order to be presented on a comparable basis with financial information for the year ended 31 December 2020. See "Restatements of consolidated financial information" above and Note 50 to the annual audited consolidated financial statements as at and for the year ended 31 December 2020.

Note: Totals may vary due to rounding of numbers.

Source: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020

According to Article 58 paragraph 1(a) of Greek law 4172/2013, as amended by Article 120 of Greek law 4799/2021, entered into force in May 2021, the income tax rate for Greek legal entities has been 22% for income earned from 2021 onwards (compared to the previously applying tax rate of 24%). Especially for credit institutions that have opted to be included into the special regime enacted by Article 27A of Greek law 4172/2013, the corporate income tax rate remains 29%. The withholding tax rate on dividend income, derived from 1 January 2020 onwards is set to 5%, while any distribution realised in 2019 was subject to a 10% withholding tax rate.

From 1 January 2017 onwards, in case of distribution or capitalisation of current or previous year profits for which no corporate income tax has been paid by legal entities (tax free reserves), the amount distributed or capitalised, is taxed separately (independently) subject to the provisions of Article 47 paragraph 1 of Greek Law 4172/2013 (as amended by Article 99 paragraph 2 of Greek law 4446/2016 and in force) as profit from business activities, regardless of the existence of tax losses.

The income tax expense for 2020 amounted to €10.1 million, of which €22.5 million related to deferred tax income. In 2019, tax expense amounted to €50.8 million, of which €36.2 million related to deferred tax expense.

The following table sets out the breakdown of our income tax for the three months ended 31 March 2021 and 2020.

	Three months ended 31 March	
	2021	**2020(1)**
	(€ in millions)	
Current tax	15.0	66.8
Deferred tax	8.4	(65.9)
Total	**23.4**	**0.9**

(1) Certain financial information for the three months ended 31 March 2020, which is derived from the comparative columns in the condensed consolidated interim financial statements as at and for the three months ended 31 March 2021, has been restated in order to be presented on a comparable basis with financial information for the three months ended 31 March 2021. See "Restatements of consolidated financial information" above and Note 34 to the condensed consolidated interim financial statements as at and for the three months ended 31 March 2021.

Note: *Totals may vary due to rounding of numbers.*

Source: *Condensed Interim Reviewed Consolidated Financial Statements as at and for the three-month period ended 31 March 2021*

According to Greek law 4172/2013, as amended by Article 120 of Greek law 4799/2021, entered into force in May 2021, the income tax rate for Greek legal entities has been 22% for income earned from 2021 onwards (compared to the previously applying tax rate of 24%). Especially for credit institutions that have opted to be included into the special regime enacted by Article 27A of Greek law 4172/2013, the corporate income tax rate remains 29%. The withholding tax rate on dividend income, derived from 1 January 2020 onwards is set to 5%, while any distribution realised in 2019 was subject to a 10% withholding tax rate.

The income tax expense in the three months ended 31 March 2021 amounted to €23.4 million, of which €8.4 million related to deferred tax expense. In the three months ended 31 March 2020, the income tax expense amounted to €0.9 million, of which €65.9 million related to deferred tax income.

Profit/(loss) for the year before tax

In 2020, the profit for the year before tax amounted to €114.1 million compared to €156.2 million in 2019, a decrease of €42.2 million, or 27.0%, from 2019. In the three months ended 31 March 2021, the loss for the year after income tax amounted to €282.1 million compared to €12.5 million in the corresponding period in 2020.

6.9 Balance sheet analysis

Total assets

As at 31 March 2021, the total assets of the Group were €71.2 billion, an increase of €1.1 billion, or 1.6%, compared to total assets of €70.1 billion as at 31 December 2020. The increase in total assets was mainly attributable to the increase of reverse repos agreements by €1.0 billion.

As at 31 December 2020, the total assets of the Group were €70.1 billion, an increase of €6.6 billion, or 10.4%, compared to total assets of €63.4 billion as at 31 December 2019. The increase in total assets was mainly attributable to an increase of €5.4 billion in cash and balances with central banks, reflecting the inflows of customer deposits of the private and corporate sectors and Eurosystem funding, as well as to an increase of €1.3 billion in the investment securities portfolio. The overall increase in total assets was partially offset by a decrease of €0.6 billion in due from banks following the termination of agreements of reverse repo transactions.

Loan portfolio

Loans and advances to customers

The following table sets forth the balances of loans and advances to our customers as of 31 March 2021, and as of 31 December 2019 and 2020:

(€ thousands)	**As of 31 March**	**As of 31 December**	
	2021	**2020**	**2019**
Individuals:			
Mortgage loans			
—Non-securitised	12,647,449	12,738,458	17,319,572
—Securitised	4,174,952	4,154,487	—
Consumer			
—Non-securitised	1,908,776	1,986,207	3,510,938
—Securitised	2,146,689	2,121,090	645,948
Credit cards			
—Non-securitised	419,339	456,239	721,165
—Securitised	700,312	717,543	576,367
Other loans	1,448	1,368	1,341
Total individuals	**21,998,965**	**22,175,392**	**22,775,331**
Corporate:			
Corporate loans			
—Non-securitised	19,925,091	18,966,318	21,164,093
—Securitised	5,609,276	5,695,755	2,416,455
Leasing			
—Non-securitised	357,994	366,137	358,293
—Securitised	243,096	245,000	230,880
Factoring	426,643	423,432	524,962
Total corporate loans	**26,562,100**	**25,696,642**	**24,694,683**
Gross loans to customers(1)	**48,561,065**	**47,872,034**	**47,470,014**
Allowance for expected credit losses(2)	(9,682,566)	(9,079,938)	(8,682,370)
Net loans to customers	**38,878,499**	**38,792,096**	**38,787,644**
Advances to customers measured at amortised cost	192,573	267,024	171,489
Advances to customers measured at fair value through profit or loss	40,000	40,000	—
Loans to customers measured at fair value through profit or loss	265,287	280,882	307,136
Loan and advances to customers	**39,376,359**	**39,380,002**	**39,266,269**

(1) Loans and advances to customers are presented in gross amounts but include the adjustment for the contractual loans which were acquired at fair value during the acquisition of assets or companies.

(2) In addition to allowances for expected credit losses, advances to customers measured at amortised cost include allowance for expected credit losses amounting to € 51,282 thousand (31 March 2021), € 47,227 thousand (31 December 2020), and € 41,011thousand (31 December 2019), and provisions recorded to cover credit risk relating to off-balance sheet items, of €97,033 thousand (31 March 2021), €91,482 thousand (31 December 2020) and €93,440 thousand (31 December 2019). The total provision recorded to cover credit risk amounts to €9,830,881 thousand as of 31 March 2021, €9,218,647 thousand as of 31 December 2020, and €8,816,821 thousand as of 31 December 2019.

Note: Totals may vary due to rounding of numbers.
Source: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020 and Condensed Interim Reviewed Consolidated Financial Statements as at and for the three-month period ended 31 March 2021

As at 31 March 2021, our loans and advances to customers (net of expected credit losses) remained resilient at €39.4 billion compared to €39.4 billion as at 31 December 2020. As at 31 December 2020, our total gross outstanding loans and advances to customers prior to allowance for expected credit losses amounted to €48.5 billion. Loans to individuals prior to expected credit losses amounted to €22.2 billion and corporate loans prior to expected credit losses amounted to €26.3 billion as at 31 December 2020. 81.7% of our loans and advances to customers portfolio was concentrated in Greece as at 31 December 2020.

As at 31 December 2020, loans and advances to customers after allowances for expected credit losses were €39.4 billion compared to €39.3 billion as at 31 December 2019.

The following table sets forth details of loans to customers before allowance for expected credit losses made by the Group, classified by the borrower's principal business sector as at 31 March 2021 and 2020, and the years ended 31 December 2020 and 2019:

	31 March		31 December	
	2021	**2020**	**2020**	**2019**
	(€ thousands)			
Individuals	22,229,107	22,822,103	22,451,459	23,147,341
Agriculture, forestry and fishing	478,074	435,346	487,842	452,541
Manufacturing	5,564,366	5,240,619	5,364,238	5,281,034
Electricity, gas, steam and a/c supply	1,229,044	1,298,864	1,228,131	1,011,068
Construction	2,526,121	2,704,828	2,513,255	2,989,647
Wholesale and retail trade	6,863,324	6,357,732	6,528,900	6,114,639
Transport and storage (incl. shipping)	3,450,127	3,050,236	3,192,116	2,772,986
Accommodation and food service activities	2,744,509	2,409,399	2,667,903	2,317,613
Information and communication	305,983	285,054	282,301	258,187
Financial institutions and services	213,197	246,324	195,417	224,040
Real estate activities	1,751,773	1,872,963	1,793,389	1,769,421
Professional, scientific and technical activities	451,023	339,960	445,438	450,886
Administrative and support service activities	496,128	456,479	489,445	447361
Other sectors	1,286,674	1,376,027	1,317,809	1,296,855
Public Sector	81,368	106,908	81,222	106,651
Gross loans and advances to customers(1)	**49,670,818**	**49,002,841**	**49,038,864**	**48,640,270**

(1) The figures included in this table are contractual amounts used to monitor credit risk in accordance with the Group's risk management framework and differ from loans and advances to customers presented on our balance sheet

***Note**: Totals may vary due to rounding of numbers.*
***Source**: Management Information*

Amounts due from banks and loans and advances to customers by maturity

The following table sets forth our amounts due from banks and loans and advances to customers (net of expected credit losses) as at 31 December 2020 and 2019, broken down by maturity:

	31 December	
	2020	**2019**
	(€ thousands)	
Due from banks		
No later than 1 month	2,257,983	1,624,572
1 to 3 months	8,656	1,085,697
3 to 6 months	230,432	9,599
6 to 12 months	19,398	42,596
Later than 1 year	225,078	570,226
Total due from banks	**2,741,547**	**3,332,690**
Loans and advances to customers		
No later than 1 month	949,067	1,216,537
1 to 3 months	1,073,796	1,646,460
3 to 6 months	1,456,163	1,347,551
6 to 12 months	3,267,236	2,909,020
Later than 1 year	32,633,740	32,146,701
Loans and advances to customers	**39,380,002**	**39,266,269**

***Note**: Totals may vary due to rounding of numbers.*

***Source**: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

The majority of our loans with maturity over one year are mortgages, while corporate lending and small business banking loans represent the major part of our corporate loans.

Allowance for expected credit losses on loans and advances to customers

The following table sets forth the Group's allowance for expected credit losses on loans and advances to customers for the three months ended 31 March 2021 and 2020 and the years ended 31 December 2019 and 2020:

	(€ thousands)
Balance 31 December 2019	8,682,370
Changes for the period January 1 - 31 March 2020	
Impairment losses for the period	314,779
Derecognition due to substantial modifications in loans contractual terms	(2,470)
Change in present value of impairment losses	12,382
Foreign exchange differences	14,766
Loans written-off during the period	(416,857)
Other movements	655
Balance 31 March 2020	**8,605,625**
Changes for the period April 1 - 31 December 2020	
Impairment losses for the period	949,209
Derecognition due to substantial modifications in loans contractual terms	(6,568)
Change in present value of impairment losses	105,113
Foreign exchange differences	(31,207)
Disposals of impaired loans	(77)
Loans written-off during the period	(542,356)
Other movements	199
Balance 31 December 2020	**9,079,938**
Changes for the period January 1 - 31 March 2021	
Impairment losses for the period	392,104
Transfer of allowance for expected credit losses from/to Assets held for sale	325,106
Derecognition due to substantial modifications in loans contractual terms	1,206
Change in present value of the impairment losses	63,149
Foreign exchange differences	(10,602)
Loans written-off during the period	(160,339)
Other movements	(7,996)
Balance 31 March 2021	**9,682,566**

Note: *Totals may vary due to rounding of numbers.*
Source: *Condensed Interim Reviewed Consolidated Financial Statements as at and for the three-month period ended 31 March 2021*

The following table sets forth the Group's allowance for expected credit losses on loans and advances to customers for the years ended 31 December 2019 and 2020:

	(€ thousands)
Balance 1 January 2019	**10,977,339**
Changes for the period 1 January - 31 December 2019	
Impairment losses for the year	901,807
Transfer of allowance for expected credit losses to Assets held for sale	(1,092,194)
Derecognition due to substantial modifications in loans contractual terms	(53,978)
Change in present value of the impairment losses	66,101
Foreign exchange differences	26,517
Disposal of impaired loans	(95,711)
Loans written-off during the year	(2,033,487)
Other movements	(14,024)
Balance 31 December 2019	**8,682,370**
Changes for the period 1 January - 31 December 2020	
Impairment losses for the year	1,263,988
Derecognition due to substantial modifications in loans contractual terms	(9,038)
Change in present value of the impairment losses	117,495
Foreign exchange differences	(16,441)
Disposal of impaired loans	(77)
Loans written-off during the year	(959,213)
Other movements	854
Balance 31 December 2020	**9,079,938**

Note: *Totals may vary due to rounding of numbers.*
Source: *Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

Key ratios on loans

Key ratios related to the activity in the allowance for expected credit losses to which the expected credit losses methodology was applied are as follows for the three months ended 31 March 2020 and 2021 and for the years ended 31 December 2019 and 2020:

	Three months ended 31 March		Year ended 31 December	
	2021	2020	2020	2019
Allowance for expected credit losses as a percentage of NPEs	48.8%	43.7%	46.6%	43.4%
Impairment losses on loans as a percentage of gross loans	3.1%	2.5%	2.7%	2.0%
NPEs as a percentage of gross loans	42.8%	43.5%	42.5%	44.8%

Source: *Management information*

It is noted that in gross loans are included loans measured at FVTPL. The figures included in the ratios above are contractual amounts used to monitor credit risk in accordance with the Group's risk management framework and differ from loans and advances to customers presented on our balance sheet.

Non-Performing Exposures

An exposure is considered as non-performing when at least one of the following criteria apply at the time of the credit risk rating assessment:

- the exposure is more than 90 days past due (NPL): the amount due exceeds €100 for retail exposures or €500 for wholesale exposures and the amount due exceeds 1% of the total on balance sheet exposures. In particular, for overdraft facilities, an exposure is past due after having exceeded its approved limit;
- legal actions have been undertaken by the Bank-Legal (NPL);
- the exposure is classified as Forborne Non-Performing Exposure (FNPL), as defined in the Implementing Regulation (EU) 227/9.1.2015; and
- it is assessed as UTP.

When a wholesale banking borrower has an exposure that is more than 90 days past due and the amount of this exposure exceeds 20% of total exposures of the borrower, then all exposures of the borrower are considered as non-performing.

The Group has decided since 2018 to align the default, NPE and IFRS 9 "Credit Impaired" perimeter. Additionally, the adoption of the new definition of default as at the time of the first implementation at 1 January 2021, did not induce any impact on our financial figures.

It is further noted that in gross loans are included loans measured at FVTPL. The figures included in the ratios below are contractual amounts used to monitor credit risk in accordance with the Group's risk management framework and differ from loans and advances to customers presented on our balance sheet.

The following table sets forth the breakdown of our NPEs by product type for the three months ended 31 March 2020 and 2021, and the years ended 31 December 2019 and 2020:

	Three months ended 31 March		Year ended 31 December	
	2021	2020	2020	2019
	(€ thousands)			
Mortgage loans	8,118,993	8,483,466	8,162,304	8,621,613
Credit cards and consumer loans	3.014.836	3,130,157	3,052,199	3,198,872
Corporate loans	10,188,581	9,745,184	9,695,773	10,006,727
Total NPEs	**21,322,409**	**21,358,807**	**20,910,276**	**21,827,212**

Note: *Totals may vary due to rounding of numbers.*
Source: *Management information*

The following table presents our NPEs as a percentage of gross loans per portfolio, as of the three months ended 31 March 2020 and 2021, and the years ended 31 December 2019 and 2020:

	As of 31 March		As of 31 December	
	2021	2020	2020	2019
Consumer credit	56.9%	56.6%	56.1%	56.4%
Loans to businesses	37.0%	37.1%	36.3%	39.1%
Mortgage loans	48.0%	49.1%	48.0%	49.3%

***Note**: Totals may vary due to rounding of numbers.*
***Source**: Management information*

The following table sets forth a geographical breakdown of our NPEs ratios, defined as the ratio of non-performing loans to total loans and advances to customers before allowance for expected credit losses, by geographic region, as of the three months ended 31 March 2020 and 2021, and the years ended 31 December 2019 and 2020:

	As of 31 March		As of 31 December	
	2021	2020	2020	2019
Greece	43.8%	44.0%	43.4%	45.4%
Cyprus	65.9%	72.3%	66.1%	72.4%
Southeastern Europe (excluding Cyprus)	7.6%	7.6%	7.4%	7.5%
Group	42.8%	43.5%	42.5%	44.8%

***Note**: Totals may vary due to rounding of numbers.*
***Source**: Management information*

Financial assets

The Group has classified financial assets as required by IFRS according to the following categories: (i) financial assets measured at amortised cost, (ii) financial assets measured at fair value through other comprehensive income with gains or losses reclassified in profit or loss on derecognition, (iii) equity instruments measured at fair value through other comprehensive income, with no reclassification in gains or losses to profit or loss on derecognition, and (iv) financial assets at fair value through profit or loss.

Financial assets measured at amortised cost are those assets that satisfy both of the following criteria: (i) are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ("**SPPI**") on the principal amount outstanding. Financial assets measured at fair value through other comprehensive income with gains or losses reclassified in profit or loss on derecognition include financial assets that satisfy both of the following criteria: (i) are held within a business model whose objective is a both to collect contractual cash flows and selling financial assets and (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding. Equity instruments measured at fair value through other comprehensive income, with no reclassification in gains or losses to profit or loss on derecognition include equity instruments that are neither held for trading nor contingent consideration recognised by an acquirer in a business combination and that Group decides, at initial recognition, to measure at fair value through other comprehensive income. This decision is irrevocable. Financial assets at fair value through profit or loss are (i) those acquired principally for the purpose of selling in the near term to obtain short term profit (held for trading), which also includes bonds, treasury bills and a limited number of shares, (ii) those that do not meet the criteria to be classified into one of the above categories, and (iii) those the Group designated, at initial recognition, as at fair value through profit or loss.

Trading securities

The following table sets forth the fair value of each type of the Group's securities held for trading as at 31 March 2021 and 31 December 2020 and 2019:

	31 March	31 December	
	2021	2020	2019
		(€ thousands)	
Bonds			
Greek government	23,168	29,154	17,490
Other issuers	—	—	371
Equity securities			
Listed	2,269	860	890
Total trading securities	**25,437**	**30,014**	**18,751**

***Note**: Totals may vary due to rounding of numbers.*

***Source**: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020 and Condensed Interim Reviewed Consolidated Financial Statements as at and for the three-month period ended 31 March 2021*

Investment portfolio

Investment securities measured at fair value through other comprehensive income

The following table sets forth the fair value of each type of the Group's investment securities measured at fair value through other comprehensive income as at 31 March 2021 and 31 December 2020 and 2019:

	31 March	31 December	
	2021	2020	2019
		(€ thousands)	
Greek government			
Bonds	2,001,880	2,007,494	3,762,374
Treasury bills	768,087	763,520	217,965
Other governments			
Bonds	1,764,160	1,831,950	1,925,647
Treasury bills	38,653	16,257	55,647
Other issuers			
Listed	1,753,393	1,902,890	1,487,635
Non-listed	10,915	8,700	17,896
Shares			
Listed	18,168	18,074	14,699
Non-listed	28,921	28,813	38,067
Total investment securities measured at fair value through other comprehensive income	**6,384,177**	**6,577,698**	**7,519,930**

Note*: Totals may vary due to rounding of numbers.*

Source*: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020 and Condensed Interim Reviewed Consolidated Financial Statements as at and for the three-month period ended 31 March 2021*

At 31 March 2021, the Group recognised impairment losses of €4,015 million for bonds measured at fair value through other comprehensive income. During 2020, the Group recognised impairment losses of €4,481 million, which were positively impacted by the upgrade of Greek government bonds by Moody's to Ba3 from B1 in November 2020. The corresponding amount recognised in 2019 was a partial reversal of the accumulated impairment losses of €11,676 million due to the upgrade of Greek government bonds by Moody's to B1 from B3 in March 2019. During 2018 recognised losses amounted to €7,575 million affected by new investments.

Investment securities measured at fair value through profit or loss

The following table sets forth the carrying amount of each type of the Group's investment securities measured at fair value through profit or loss as at 31 March 2021 and 31 December 2020 and 2019:

	31 March	31 December	
	2021	2020	2019
		(€ thousands)	
Greek government			
Bonds	—	—	9,025
Other issuers			
Listed	10,944	10,870	10,741
Not listed	2,496	2,373	2,815
Equity securities			
Listed	6,451	6,064	2,133
Non-listed	33,133	32,836	493
Other variable yield securities	92,137	85,532	67,903
Total investment securities measured at fair value through profit or loss	**145,161**	**137,675**	**93,110**

Note*: Totals may vary due to rounding of numbers.*

Source*: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020 and Condensed Interim Reviewed Consolidated Financial Statements as at and for the three-month period ended 31 March 2021*

Investment securities measured at amortised cost

The following table sets forth the carrying amount of each type of the Group's investment securities measured at amortised cost as at 31 March 2021 and 31 December 2020 and 2019:

	31 March	31 December	
	2021	**2020**	**2019**
		(€ thousands)	
Greek government			
Bonds	2,891,660	2,779,179	1,070,730
Other governments			
Bonds	494,683	494,828	—
Other issuers			
Listed	71,161	61,726	—
Total investment securities at amortised cost	**3,457,504**	**3,335,733**	**1,070,730**

Note: *Totals may vary due to rounding of numbers.*

Source: *Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020 and Condensed Interim Reviewed Consolidated Financial Statements as at and for the three-month period ended 31 March 2021*

Maturity profile of fixed income securities

The following table sets forth the maturity profile of the Group's fixed income securities portfolio as at 31 December 2020:

	Average carrying value/notional (%)					Notional amounts (% of total)			
	Fair value through other comprehensive income	**Held for trading**	**Fair value through profit or loss**	**Amortised cost**	**Notional amount**	**Fair value through other comprehensive income**	**Held for trading**	**Fair value through profit or loss**	**Amortised Cost**
						(€ millions)			
Greek government bonds									
<2021	100	—	—	—	763	16.7	—	—	—
2021-2025	113.9	111.2	—	109.7	907	15.2	—	—	4.6
2026-2030	119.6	125.4	—	111.7	1,262	13.8	0.3	—	13.6
>2030	138.5	153.7	—	144.1	1,630	7.4	0.2	—	28.2
Total	**114.4**	**134**	—	**131.2**	**4,562**	**53.1**	**0.5**	—	**46.4**
Other fixed income securities									
<2021	101.4	—	107	100.8	1,063	21.4	—	—	4.1
2021-2025	103.5	—	111.2	100.9	1,886	38.9	—	—	6.3
2026-2030	108.2	—		100.9	1,182	25.5	—	—	2.8
>2030	107.4	—	79.1	—	39	0.6	—	0.4	—
Total	**104.4**	—	**80.3**	**100.9**	**4,170**	**86.4**	—	**0.4**	**13.2**

Note: *Totals may vary due to rounding of numbers.*

Source: *Management information*

Total liabilities

As at 31 March 2021, the total liabilities of the Group were €63.2 billion, an increase of €1.5 billion, or 2.4%, compared to total liabilities of €61.7 billion as at 31 December 2020. The increase in total liabilities was mainly attributable to the additional funding of €1.0 billion through the Eurosystem (TLTRO III program) following the ECB's modifications on TLTRO terms announced in December 2020 and to the increase of €0.5 billion in debt following the new issuance of the Euro 500 million Tier 2 bond in March 2021.

As at 31 December 2020, the total liabilities of the Group were €61.7 billion, an increase of €6.7 billion, or 12.3%, compared to total liabilities of €54.9 billion as at 31 December 2019. The increase in total liabilities was mainly attributable to an increase of €3.5 billion in due to customers, as a result of the uncertainty caused by the COVID-19 pandemic crisis and the related measures limiting the economic activity, and an increase of €2.8 billion from

Eurosystem funding. The overall increase in total liabilities was partially offset by a decrease of €0.2 billion in other liabilities.

Customer deposits including bonds issued by the Bank

The following tables sets forth details of the Group's average customer deposits and debt securities in issue, as well as the weighted-average interest rates thereon for the three months ended 31 March 2020 and 2021, and the years ended 31 December 2019 and 2020:

	Three months ended 31 March					
	2021			2020		
	Balance	Average Balance	Weighted Average Interest Rate %	Balance	Average Balance	Weighted Average Interest Rate %
Customer deposits						
Current accounts(1)	17,959,254	17,711,097	0.05%	13,583,846	13,063,633	0.13%
Saving accounts	13,333,349	12,978,564	0.04%	11,208,028	10,982,941	0.05%
Customer deposits (2)	12,232,415	12,935,609	0.44%	17,020,479	16,988,333	0.73%
Debt securities in issue	1,678,698	1,450,784	2.97%	1,519,925	1,304,309	2.23%
Checks payable	86,655	96,036	—	81,339	94,081	—
Total	**45,290,371**	**45,172,090**	**0.25%**	**43,413,617**	**42,433,297**	**0.41%**

(1) Current accounts include the customer deposits on demand.

(2) Customer deposits interest rate calculation incorporates expense from the amortisation of the accumulated balance of related cash flow hedge reserve terminated during 2019.

Note: *Totals may vary due to rounding of numbers.*

Source: *Management information*

	Year ended 31 December					
	2020			2019		
	Balance	Average Balance	Weighted Average Interest Rate %	Balance	Average Balance	Weighted Average Interest Rate %
			(€ thousands, except %)			
Customer deposits::						
Current accounts(1)	17,462,939	15,152,277	0.08%	12,543,421	11,896,677	0.17%
Saving accounts	12,623,780	11,830,349	0.05%	10,757,853	10,301,462	0.06%
Customer deposits(1)	13,638,804	14,984,409	0.62%	16,956,187	17,239,038	0.84%
Debt securities in issue	1,222,869	1,418,322	2.62%	1,088,693	934,743	2.20%
Checks payable	105,417	95,558	—	106,823	106,862	—
Total	**45,053,809**	**43,480,915**	**0.34%**	**41,452,977**	**40,478,781**	**0.48%**

(1) Current accounts include the customer deposits on demand.

(2) Term customer deposits interest rate calculation incorporates expense from the amortisation of the accumulated balance of related cash flow hedge reserve terminated during 2019.

Note: *Totals may vary due to rounding of numbers.*

Source: *Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020, Management information*

We had outstanding customer deposits of €43.6 billion as at 31 March 2021, representing an increase of 4% compared to 31 March 2020 due to customer deposits from individuals and corporates exceeded the reduction of customer deposits of the public sector. We had outstanding customer deposits of €43.8 billion as at 31 December 2020, representing an increase of 8.6% compared to 31 December 2019 due to the increase in private savings, as a result of the uncertainty caused by the COVID-19 pandemic and the reduced amount of consumer spending as consumers due to the measures of limiting the economic activity and on the other hand due to the increase of the saving accounts of corporates, as a result of the restraint of their expenses, due to the uncertainty and extraordinary measures adopted by the Greek government in order to support businesses spending.

The following table sets forth customer deposits by maturity as of 31 December 2019 and 2020. Customer deposits with undefined maturities include customer deposits without contractual maturities, such as demand customer deposits and savings accounts:

	As of 31 December	
Due to customers (including debt securities in issue)	**2020**	**2019**
	(€ thousands)	
No later than 1 month	7,933,662	9,459,515
1 to 3 months	6,353,900	5,109,995
3 to 6 months	4,066,626	4,570,968
6 to 12 months	4,773,813	4,717,188
Later than 1 year	21,925,808	17,595,311
Total due to customers	**45,053,809**	**41,452,977**

Note: *Totals may vary due to rounding of numbers.*
Source: *Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

Total equity

As at 31 March 2021, the total equity of the Group amounted to €7.9 billion, a decrease of €0.4 billion, or 4.1%, compared to total equity of €8.3 billion as at 31 December 2020. The total equity of 31 March 2021 compared to 31 December 2020 has been negatively impacted from quarterly profitability of €0.3 billion and decrease of FVOCI bonds reserve of €0.06 billion.

As at 31 December 2020, total equity of the Group amounted to €8.3 billion, a decrease of €0.1 billion, or 1.7%, compared to total equity of €8.5 billion as at 31 December 2019. The decrease in total equity in 2020 compared to 2019 resulted from profitability of the year of €0.1 billion and the decrease of FVOCI bonds reserves of €0.3 billion.

Return on equity and assets

The following table sets forth certain selected financial information and ratios for the Group, for the three months ended 31 March 2021 and 2020, and the years ended 31 December 2020 and 2019:

	Three months ended 31 March		Year ended 31 December	
	2021	**2020**	**2020**	**2019**
	(€ thousands, except %)			
Net interest income	399,635	381,181	1,541,637	1,547,268
Net profit/(loss) for the year	(282,112)	(12,527)	103,945	105,412
Average total interest-earning assets(1)	60,393,320	54,769,415	58,010,663	52,767,564
Average shareholders' equity attributable to equity owners of the Bank	8,116,887	8,333,738	8,324,085	8,369,930
Net interest income as a percentage of:				
Average total interest-earning assets	2.7%	2.8%	2.7%	2.9%
Average shareholders' equity attributable to equity owners of the Bank(2)	20.0%	18.4%	18.5%	18.5%

(1) Calculated as the average of quarterly assets.
(2) Calculated as the average of the beginning and ending figures for the relevant period.

Note: Totals may vary due to rounding of numbers.
Source: Management information

6.10 Legal and arbitration proceedings

The Bank and the members of the Group are defendants in legal proceedings and claims arising in the ordinary course of business. As at 31 March 2021, the Group provisions for the proceedings and claims amounted to €36 million. Neither the Bank nor any other Group member is involved in any governmental legal or arbitration proceeding during the previous 12 months (including proceedings that are pending or threatened of which the Bank is aware) which may have a significant impact on the financial position and the profitability of the Bank and the Group.

6.11 Significant change in the Issuer's financial position

There has been no significant change in our financial position as from 31 March 2021, until the date of preparation of this Prospectus, except for the following:

Completion of Galaxy Securitization

On 22 February 2021, we announced that we had reached definitive agreement with funds managed by Davidson Kempner European Partners LLP for:

- the sale and transfer of 80% of the shares in Cepal Holdings Single Member S.A. ("**Cepal Hellas HoldCo**"). The Bank will maintain customary governance rights in Cepal Hellas HoldCo in line with its minority shareholding. Additionally, there will be a service level agreement (the "**SLA**") with Cepal Hellas HoldCo for the management of the Bank's existing retail and wholesale NPEs in Greece of €8.9 billion, as well as any future flows of similar assets and early collections. The term of this agreement is 13 years, with a right to extend for up to another five years for the purposes of Cepal Hellas running off any NPE portfolio still under management upon the expiration of the agreement term. Furthermore, Cepal Hellas HoldCo will also manage the €10.8 billion exposures under the Galaxy Securitisations, and €4.62 billion portfolios of third-party investors; and

- the sale of 51% of the mezzanine and junior securitisation notes of the €10.8 billion NPE portfolio (issued under Galaxy Securitisation). The Bank will retain 5% of the mezzanine and junior securitisation notes to comply with risk retention rules, while it intends to distribute 44% of the remaining notes to shareholders, subject to regulatory and corporate approvals.

The above transfer of 80% of the shares in Cepal Hellas HoldCo and the sale of 51% of the mezzanine and junior securitisation notes of the €10.8 billion NPE portfolio (issued under Galaxy Securitisation), were completed on 18 June, 2021.

For more information on the Galaxy Securitization, see "*Recent Developments*". For more information on how the Galaxy Securitization is incorporated into our Strategy, see "*Strategy*". For more information on the effects of the Galaxy Securitization on the capital ratios, risk-weighted assets, and profit and loss statements, see "*Information on the Capital of the Group – Capital management*".

The Hive Down

On 16 April 2021, the demerger of the former Alpha Bank S.A., then authorised 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.", was approved 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. Moreover, the Bank continues its operation through the existing organisational structure, network of branch offices and premises.

It is noted that the Hive Down has not materially affected the Issuer's consolidated financial position. For more information on the Hive Down, see "*Financial information concerning the Issuer's assets and liabilities, financial position and profits, and losses – Recent developments*".

6.12 Dividends and dividend policy

Generally applicable rules on dividends

Subject to applicable legislation and regulation, the New Shares will be entitled to any dividend in respect of the results for the year ended 31 December 2021 onwards.

As a result of our participation in the first Hellenic Republic Bank Support Plan, introduced by virtue of Greek law 3723/2008, and our recapitalisation from the HFSF under the HFSF Law in 2013 but also due to a shortfall in distributable funds, we did not pay dividends nor distribute any share dividend to the holders of our Ordinary Shares from 2009 until 2020.

As Alpha Holdings is a financial holding company with limited business activity, its ability to distribute profits will mainly depend on the income received from the Bank, while there are further restrictions arising either from the law on companies limited by shares (s*ociétés anonymes*) such as Alpha Holdings and the Bank, in general or from specific regulatory and other requirements to which we are subject, as described below.

Under Greek law, we are able to pay dividends out of distributable net profits for the year, comprising profits net of tax, profits carried forward and prior years' tax audit differences, on an unconsolidated basis.

However, under Article 159 of Greek law 4548/2018, no distribution of, among others, dividends may be made to our shareholders if, on the date on which our last financial year ends, our total net assets (shareholders equity) are, or will become after the relevant distribution, lower than the aggregate of the sum of (i) our share capital; (ii) the reserves, the distribution of which is prohibited by Greek law or our Articles of Association; (iii) other credit balances included in net assets that are not permitted to be distributed; and (iv) credit items included in the statement of profit/(loss) which do not constitute realised gains.

In any event, the amount of dividends which may be distributed to our shareholders cannot exceed the sum of (i) our net profits for the last financial year; (ii) undistributed retained earnings; and (iii) reserves, the distribution of which is permitted by law and approved by the General Meeting, after deduction of (i) credit items included in the statement of profit/(loss) which do not constitute realised gains; (ii) losses carried forward from previous financial years; and (iii) the amount of reserves required to be formed by operation of law and our Articles of Association, as the case may be.

Under Article 160 of Greek law 4548/2018, the amount of our distributable net profits will be reduced by the sum of the amounts in respect of (i) the credit items of our statement of profit/(loss) which do not constitute realised gains and (ii) the statutory reserve required to be formed under the law and our Articles of Association, as the case may be; and (iii) the amount required for the payment of the Minimum Dividend (as defined below and to the extent applicable). As per Greek law 4548/2018, to form the statutory reserve, it is required to allocate at least 5% of the annual net profits until this reserve equals to at least one-third of the share capital. Once this requirement is satisfied, the allocation of the net profits to the statutory reserve will not be mandatory. The allocation of net profits to the statutory reserve will again become mandatory if the reserve subsequently falls below one-third of our share capital. The statutory reserve is exclusively used, before any dividend is declared, to balance any potential loss set out in our statement of profit/(loss).

The calculation of all the above amounts will be based on our financial statements prepared in accordance with IFRS.

Under Articles 160 and 161 of Greek law 4548/2018, and subject to the limitations described above, each year companies limited by shares (*sociétés anonymes*), such as Alpha Holdings and the Bank, are in principle required to pay a minimum dividend out of their net profits for the year, if any, equal to 35% of their annual net profits on a standalone basis for the year (after the deduction of the statutory reserve and the amounts in respect of the credit items of their statement of profit/(loss) which do not constitute realised gains) (the "**Minimum Dividend**").

The annual General Meeting may decide to distribute distributable profits in excess of the Minimum Dividend, and such decision is subject to ordinary quorum and majority voting requirements. Under Greek law 4548/2018, the annual General Meeting may, provided the quorum each time required is met, resolve (i) by majority representing at least two thirds of the paid up share capital represented at each relevant session of the General Meeting to either (a) lower the Minimum Dividend to no less than 10% of distributable profits or (b) issue new shares at their nominal value to shareholders *in lieu* of the Minimum Dividend, or (ii) by majority representing 80% of the paid up share capital represented at each relevant session of the General Meeting not to distribute the Minimum Dividend at all. Moreover, the annual General Meeting may also resolve, by majority representing at least two thirds of the paid up share capital represented at each relevant session of the General Meeting, to distribute treasury shares or shares or other securities owned by the company concerned and which have been issued by domestic or international companies *in lieu* of the Minimum Dividend, provided such shares or other securities are listed on a regulated market and have been valued, as required under Articles 17 and 18 of Greek law 4548/2018. Subject to the satisfaction of the above conditions, distribution of other assets instead of cash requires unanimous approval by all shareholders of the company concerned.

Once approved, dividends must be paid to shareholders within two months of the date, on which our annual financial statements are approved by the annual General Meeting. Dividends are declared and paid in the year subsequent to the reporting period. Uncollected dividends are forfeited to the Greek state if they are not claimed by shareholders within five years following 31st of December of the year in which they were declared.

Pursuant to Greek law 4548/2018, a company may also distribute interim dividends at the discretion of its board of directors, provided (i) financial statements are prepared and published at least two months prior to the proposed distribution of interim dividends; (ii) under such financial statements, there are available sufficient distributable funds; and (iii) the amount of the interim dividends proposed to be distributed cannot exceed the amount of net profits that may be distributed, as described in Article 159 of Greek law 4548/2018.

Furthermore, under Law 4548/2018, a company may distribute profits and discretionary reserves at any time within a relevant financial year pursuant to a decision of either the General Meeting or its board of directors, which is subject to registration with the General Commercial Registry.

The above applies *mutatis mutandis* to the Bank, as a company limited by shares. However, under Article 149A of Greek law 4261/2014 introduced by Article 23 of Greek law 4701/2020, credit institutions (such as the Bank) are not subject to the Minimum Dividend distribution requirement, while any distribution in kind instead of cash, including distribution of Additional Tier 1 and Tier 2 capital instruments, will be subject to prior approval by the Bank of Greece. Further restrictions on distributions also apply pursuant to Article 131 of Greek law 4261/2014, as amended by Article 45 of Greek law 4799/2021 (transposing Article 141 of CRD IV, as amended by CRD V) and Article 131b of Greek law 4261/2014, as introduced by Article 46 of Greek law 4799/2021 (transposing Article 141b of CRD as introduced pursuant to CRD V) which shall become in effect as of 1 January 2022. Under these provisions, the Bank may be prohibited from distributions including dividends on the ordinary shares we hold in the Bank, if we do not meet our combined buffer and leverage ratio buffer requirements or, if we do meet such requirement, to the extent that such distribution would decrease our CET 1 capital or Tier 1 capital, to a level where our combined buffer and leverage ratio buffer requirements are no longer met. Furthermore, under Article 58 of Greek law 4799/2021 (transposing Article 1, paragraph 6 of BRRD II), we may be prohibited from certain distributions (including dividends on our Ordinary Shares) in cases where, even though we meet our combined buffer requirements when considered in addition to the requirements of new Article 131a of Greek law 4261/2014 as introduced by Article 46 of Greek law 4799/2021 (transposing Article 141a of CRD as introduced pursuant to CRD V), we nonetheless fail to meet the combined buffer requirement when considered in addition to the MREL requirements, as calculated in accordance with the internal Article 45 of Article 2 of the BRRD Law, as amended by Article 69 of Greek law 4799/2021.

Current restrictions on our dividends

Further to generally applicable restrictions on dividends distribution pursuant to Law 4548/2018 and Law 4261/2014 as amended by Law 4701/2020 and Law 4799/2021, in accordance with the HFSF Law and the Relationship Framework Agreement, the HFSF's representative appointed at the Board of Directors of Alpha Holdings and the Bank, can veto any decision of the relevant Board of Directors in connection with, among other matters, the distribution of dividends. In addition, because Alpha Holdings (then Alpha Bank S.A.) received recapitalization support from the HFSF under the HFSF Law in 2013, neither Alpha Holdings nor the Bank may distribute more than the Minimum Dividend for so long as the HFSF is a shareholder of Alpha Holdings.

On 15 December 2020 the ECB issued its "*Recommendation on dividend distributions during the COVID-19 pandemic and repealing Recommendation ECB/2020/35 (ECB/2020/62)*". Specifically, the ECB recommends that until 30 September 2021 significant credit institutions exercise extreme prudence when deciding on or paying out dividends or performing share buy-backs aimed at remunerating shareholders and that significant credit institutions contact their joint supervisory teams, as part of their supervisory dialogue, to discuss whether the level of intended distribution is prudent. In accordance with this recommendation, the ECB generally considers that it would not be prudent for those credit institutions in those deliberations to consider making a distribution and share buy-backs amounting to more than 15% of the accumulated profit for the financial years 2019 and 2020, or more than 20 basis points in terms of the Common Equity Tier 1 ratio as the fourth quarter of 2020, whichever is lower. This recommendation applies on a consolidated level of a significant supervised group as defined in point 22 of Article 2 of Regulation (EU) No 468/2014, such as, together, Alpha Holdings and the Bank.

7. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND SENIOR MANAGEMENT

7.1. Management and corporate governance of Alpha Holdings

The main administrative, management and supervisory bodies of Alpha Holdings are the Board of Directors and the Committees of the Board of Directors (namely the Audit Committee, the Risk Management Committee, the Remuneration Committee and the Corporate Governance and Nominations Committee) as well as the Executive Committee.

Board of Directors

According to its Articles of Association, Alpha Holdings is managed by a Board of Directors comprising of a minimum of nine and a maximum of fifteen Members (only odd numbers are allowed, while an even number can be accepted temporarily for a justified reason), including Executive and Non-Executive Members. A legal entity may also participate in the Board of Directors as a Member, pursuant to Article 77 par. 4 of Greek law 4548/2018. The Members are elected by the General Meeting of Shareholders for a term of four years and may be re-elected by the Shareholders to serve multiple terms.

Pursuant to Greek law 3016/2002, the Board of Directors consists of Executive and Non-Executive Members. Under currently applicable law, at least one-third of the total number of Members of the Board of Directors should be Non-Executive Members. Not less than two Non-Executive Members must be independent within the meaning of Article 4 of Greek law 3016/2002; pursuant to Greek law 4706/2020, the relevant part (i.e. Articles 1-24) of which will enter into force on 17 July 2021, at least one-third of the total number of Members of the Board of Directors must be Independent Non-Executive Members within the meaning of Article 9 of Greek law 4706/2020 and in any case not less than two Non- Executive Members.

Pursuant to Greek law 3864/2010 on the establishment and operation of the HFSF, as amended and in force, (the "**HFSF Law**"), a Representative of the HFSF participates as a member to the Board of Directors. Such member's responsibilities are determined by the HFSF Law and the Relationship Framework Agreement with the HFSF. For a description of the rights of the Representative of the HFSF, please see "HFSF Influence" below.

Failure on the part of a Member to attend meetings of the Board of Directors, for a total of six months per annum, without providing a valid reason, shall be construed as resignation from his/her position. As per art. 5 par. 3 of the Greek law 4706/2020 in case of unjustified absence of an Independent BoD member in at least two (2) consecutive meetings of the BoD such member is considered as resigned.

The Chair of the Board of Directors (the "**Chair**") is elected from amongst the Non-Executive Members of the Board of Directors. The Board of Directors elects its Chair by absolute majority among the present and the duly represented Members. The Board of Directors may elect one or more Vice Chairs.

The Board of Directors resolves on all matters concerning management and administration of Alpha Holdings except those which, under the Articles of Association or under applicable law, are the sole prerogative of the General Meeting of Shareholders. The Board of Directors is convened by invitation of the Chair or following a request by at least two of its Members. Subject to Article 107 of Greek law 4548/2018, the Members of the Board of Directors have no personal liability vis-à-vis Shareholders or third parties and are liable only towards Alpha Holdings in connection with the administration of its corporate affairs. The resolutions of the Board of Directors are passed by absolute majority of the Members present or duly represented at Board of Directors meetings, except in those cases where it is otherwise required by applicable law.

A Member who is absent from a meeting may be represented by another Member of the Board of Directors whom he/she has appointed by notifying the Board of Directors. A Member may represent only one other Member. To form a quorum, no less than one-half plus one of its Members must be present or duly represented. In any event, the number of Members present in person may not be less than six. By way of exception, when the Board of Directors meets (as a whole or partially) by teleconference, the participating Members need to have the minimum quorum required by the Articles of Association, while the physical presence of the minimum number of Members is not required. The quorum is determined using absolute numbers.

The Board of Directors designates its Executive and Non-Executive Members. Independent Members are appointed, according to Greek law 3016/2002, by the General Meeting of Shareholders. Under Greek law

4706/2020 (Articles 1-24 of which will enter into force on 17 July 2021), Independent Members are elected by the General Meeting of Shareholders or appointed by the Board of Directors until the next General Meeting in the event of death, resignation or loss of the capacity of an Independent Member of the Board of Directors in any other way resulting into the number of the Independent Members being less than the minimum number required by law).

The Board of Directors was elected by the Ordinary General Meeting of Shareholders held on 29 June 2018 and was constituted in body as per the Board resolution of 29 June 2018.

On 29.6.2018, during the Ordinary General Meeting of Shareholders, Mr D.P. Mantzounis, Managing Director - CEO of the Bank, announced his intention to initiate his succession. On 29.11.2018, following a thorough search conducted by a recruitment firm and in accordance with the Policy for the Succession Planning of Senior Executives and Key Function Holders, the Board of Directors unanimously elected Mr V.E. Psaltis as a Member of the Board of Directors and new CEO to assume his duties on 2.1.2019.

At the Ordinary General Meeting of Shareholders held on 28.6.2019, the General Meeting was informed about the election of a new Member of the Board of Directors and in particular that:

- at the meeting of the Board of Directors held on 30.8.2018 Mr. I.S. Dabdoub submitted his resignation from the position of Member of the Board of Directors and of its Committees,
- at the meeting of the Board of Directors held on 29.11.2018 Mr. V.E. Psaltis was elected as Member of the Board of Directors,
- at the meeting of the Board of Directors held on 29.11.2018 Mr. D.P. Mantzounis submitted his resignation from the position of Managing Director - CEO with effective date 2.1.2019; and
- through a unanimous resolution of the Board of Directors, Mr. V.E. Psaltis was appointed new CEO on 2.1.2019.

On 31 July 2020, the Ordinary General Meeting of Shareholders, among other items:

- was informed that the Board of Directors at its meeting held on 25 June 2020 proceeded with the appointment of Mr. Dimitris C. Tsitsiragos and Ms. Elanor R. Hardwick as Members of the Board of Directors, effective as of 2 July 2020, in replacement of Mr. Demetrios P. Mantzounis and Mr. George C. Aronis who resigned on 31 December 2019 and 31 January 2020 respectively.

- approved the appointment of Mr. Dimitris C. Tsitsiragos and of Ms. Elanor R. Hardwick, who fulfil the independence conditions and criteria, according to the applicable legal and regulatory framework, as Independent Non-Executive Members of the Board of Directors. Their tenure shall be equal to the remainder of the tenure of the rest of the Members of the Board of Directors, as this was determined during their election by the resolution of the Ordinary General Meeting of Shareholders dated 29 June 2018.

Additionally, at the Board of Directors meeting held on 26.11.2020, Mr. A.Ch. Theodoridis notified his resignation from the position of General Manager of Non-Performing Loans and Treasury Management with effect as of 1.12.2020, in order to assume, as of the same date, the position of Executive Chair of Cepal Hellas, while the Board of Directors resolved for him to retain his role as Member of the Board of Directors and specifically as a Non-Executive Member. The said resignation took place in the context of the transfer of the Bank's NPEs servicing business to Cepal, which materialised on 1.12.2020. Mr. Theodoridis resigned from the position as Member of the Board of Directors on 17 June, 2021.

Further to the resolution of the Extraordinary General Meeting of Shareholders of Alpha Holdings dated 2 April 2021 and the registration with G.E.MI. dated 16 April 2021 of the resolution of the Ministry of Development and Investments by virtue of which the demerger of the credit institution under the name "Alpha Bank S.A." with G.E.MI. number 223701000 (by way of hive-down of the banking business sector with the incorporation of a new company - credit institution under the name "Alpha Bank S.A." which received G.E.MI number 159029160000) (the "**Hive Down**"), was approved, the Board of Directors was reconstituted into a body on 16 April 2021.

The Board of Directors' tenure ends on 29 June 2022 and may be extended until the termination of the deadline for the convocation of the next Ordinary General Meeting of Shareholders and until the respective resolution has been adopted.

The Board of Directors currently consists of twelve Members.

Under the HFSF Law, the HFSF is entitled to appoint a representative in the Board of Directors of Greek credit institutions, having received recapitalisation funds from the HFSF. In line with this, the Board of Directors of Alpha

Holdings, at its meeting on 26 April 2018 (then operating as a licenced credit institution under the name "Alpha Bank S.A."), elected a Member, in accordance with the HFSF Law, Article 10, paragraph 2, as representative and upon instruction of the HFSF (currently, Mr Johannes Herman Frederik G. Umbgrove – please see section "HFSF Influence" below).

In the event of death, resignation or loss of the capacity of a Member or Members of the Board of Directors in any other way, the Board of Directors may elect replacements for the existing vacancies. The respective election shall be implemented by a resolution of the remaining Members of the Board of Directors, provided that they are at least three (3), and shall be valid for the remainder of the tenure of the replaced Members. The decision for such election must be published according to Article 82 of Greek law 4548/2018 and be announced by the Board of Directors at the next General Meeting. The General Meeting may replace the substitute members with others, even if membership is not on the agenda.

In any case, the remaining Members of the Board of Directors may carry on with the management and representation of the Company, without replacing the missing Members, provided that the number of the remaining Members exceeds half (½) of the Members of the Board of Directors as those were before any of the aforementioned events occurred and is not lower than three (3).

The Board of Directors elects from among its Members, by absolute majority of the present and/or represented Members, the Chair and the Chief Executive Officer. In addition, the Board of Directors may elect a Vice Chair or Vice Chairs, and/or Deputy CEO/s and/or General Managers and/or Executive General Managers and their deputies. Furthermore, the Board of Directors appoints the Executive and the Non-Executive Members, apart from the Independent Non-Executive Members, in accordance with the applicable legislation and assigns competencies which may be modified by a resolution of the same body.

The Board of Directors represents Alpha Holdings and is qualified to resolve on every action concerning its management, the administration of its property and the promotion of its scope of business in general. More particularly, the Board of Directors is qualified to resolve on issues, which, in accordance with the law or the Articles of Association, do not fall within the exclusive competence of the General Meeting.

The Board of Directors may, following a resolution, delegate, in whole or in part, the management and/or the representation of Alpha Holdings to one or more persons, Members of the Board of Directors, Executives or employees of Alpha Holdings or third parties, while defining simultaneously with the above resolution, the extent of the relevant delegation as well as the possibility to further assign the powers granted.

Alpha Holdings (then operating as a licensed credit institution under the name "Alpha Bank S.A.") and the HFSF have entered into a Relationship Framework Agreement (the "**RFA**"), in accordance with the provisions of the Memorandum of Economic and Financial Policies and the provisions of the HFSF Law. The RFA was originally entered into force on 12 June 2013 but was subsequently replaced by a new Relationship Framework Agreement (the "**New RFA**") entered into on 23 November 2015. The New RFA requires the following, among others, with respect to the composition of the Board of Directors: (i) the Chairman of the Board of Directors must be a Non-Executive Member and should not serve as Chairman of either the Board of Directors' Risk Management or the Audit Committees; (ii) the majority of the Board of Directors must be comprised of non-executive members, at least 50% of which (rounded to the nearest integer) and no fewer than three members (excluding the HFSF Representative) should be independent, satisfying the independence criteria of Greek law 3016/2002 and the Recommendation 2005/162/EC; and (iii) the Board of Directors must include at least two executive members. In the context of the hive-down of our banking sector to the (new) Alpha Bank S.A. (the "**Bank**") completed on 16 April 2021, the New RFA was transferred to the Bank as part of such banking sector. We have assumed the obligation to negotiate in good faith with the HFSF any amendments to the New RFA in order to preserve the rights of the HFSF at both the level of Alpha Holdings and the Bank subject to applicable law. Moreover, pursuant to the provisions of the HFSF Law, the HFSF as holder of Ordinary Shares, develops, with the assistance of an independent consultant, criteria for the evaluation of the members of the Board of Directors and its committees, as well as any committees the HFSF deems necessary, taking into account international best practices. The HFSF also develops specific recommendations for changes and improvements in the corporate governance. For more details on the evaluation criteria developed by the HFSF, please see "*Regulation and Supervision of banks In Greece/ The HFSF/Special rights of the HFSF* ".

If a member of the Board of Directors or one of its committees does not meet the criteria set out by the HFSF Law and the HFSF, or if a management body collectively, does not satisfy the structure recommended by the HFSF with respect to the size, allocation of tasks and expertise, and the necessary changes cannot be otherwise achieved, the HFSF would propose to the General Meeting that the relevant members of the Board of Directors or a committee need to be replaced, if our Board of Directors does not take the necessary measures to implement the relevant recommendations. In the event that the General Meeting does not agree to replace such member of management or a committee within three months, the HFSF would publish on its website within four weeks a report that includes the relevant recommendations and the number of the members of the Board of Directors or its committees that do not meet the relevant criteria, specifying the criteria such members of the Board of Directors or its committees do not meet.

The business address of the Board of Directors is 40 Stadiou Street, 102 52 Athens, Greece.

The composition of our Board of Directors is as follows:

Members of the Board of Directors

The following table sets forth the position of each Member and his/her status as an Executive, Non-Executive or Non-Executive Independent Member.

Name	**Position**
Non-Executive Member:	
Vasileios T. Rapanos	Chair
Executive Members:	
Vassilios E. Psaltis	CEO
Spyros N. Filaretos	General Manager- Growth and Innovation
Non-Executive Members:	
Efthimios O. Vidalis	Member
Non-Executive Independent Members:	
Dimitris C. Tsitsiragos	Member
Jean L. Cheval	Member
Carolyn G. Dittmeier	Member
Richard R. Gildea	Member
Elanor R. Hardwick	Member
Shahzad A. Shahbaz	Member
Jan A. Vanhevel	Member
Non-Executive Member (pursuant to the provisions of the HFSF Law)	
Johannes Herman Frederik G. Umbgrove	Member

The independent non-executive Board members meet the independence requirements from their election date as per the article 4 of L. 3016/2002, as in force. Respectively they will meet the independence criteria as per par. 1 and 2 of article 9 of L. 4706/2020, as in force from 17.07.2021.

Board Members' Individual Attendance Rates at meetings

2020 Board Members' Individual Attendance Rates at meetings					
	Board of Directors	**Audit Committee**	**Risk Management Committee**	**Remuneration Committee**	**Corporate Governance and Nominations Committee**
Number of meetings	**21**	**13**	**12**	**12**	**11**
Chair (Non-Executive Member)					
Vasileios T. Rapanos	**100%**	-	-	-	-
Executive Members					
Vassilios E. Psaltis CEO	**100%**	-	-	-	-
Spyros N. Filaretos General Manager - Growth and Innovation	**100%**	-	-	-	-
George C. Aronis[1]	**100%**	-	-	-	-
Non-Executive Members					
Efthimios O. Vidalis[2]	**100%**	**100%**	-	**86%**	**100%**
Artemios Ch. Theodoridis[3]	**95%**	-	-	-	-
Non-Executive Independent Members					
Dimitris C. Tsitsiragos[4]	**100%**	-	**100%**	**100%**	-
Jean L. Cheval[5]	**95%**	**100%**	**100%**	**100%**	**100%**
Carolyn G. Dittmeier[6]	**95%**	**100%** **C**	**86%**	-	**100%**
Richard R. Gildea	**100%**	-	**100%**	**100%** **C**	-
Elanor R. Hardwick[7]	**100%**	**100%**	-	-	**100%**
Shahzad A. Shahbaz	**86%**	-	-	-	**100%** **C**
Jan A. Vanhevel	**100%**	**100%**	**100%** **C**	-	-
Non-Executive Member (pursuant to the provisions of Law 3864/2010)					
Johannes Herman Frederik G. Umbgrove	**95%**	**85%**	**83%**	**92%**	**100%**

C: Chair
–: The Member does not participate in this Committee

[1] Member of the Board of Directors until 31.1.2020
[2] Member of the Remuneration Committee until 31.7.2020
[3] Executive Member until 1.12.2020 and Non-Executive Member as of 1.12.2020
[4] Member of the Risk Management Committee as of 31.7.2020
Member of the Remuneration Committee as of 31.7.2020
[5] Member of the Risk Management Committee as of 31.7.2020
Member of the Audit Committee until 31.7.2020
Member of the Corporate Governance and Nominations Committee until 31.7.2020
[6] Member of the Corporate Governance and Nominations Committee as of 31.7.2020
Member of the Risk Management Committee until 31.7.2020
[7] Member of the Audit Committee as of 31.7.2020
Member of the Corporate Governance and Nominations Committee as of 31.7.2020

2021 Board Members' Individual Attendance Rates at meetings (January-May)					
	Board of Directors	**Audit Committee**	**Risk Management Committee**	**Remuneration Committee**	**Corporate Governance and Nominations Committee**
Number of meetings	**16**	**7**	**9**	**5**	**4**
Chair (Non-Executive Member)					
Vasileios T. Rapanos	**100%**	-	-	-	-
Executive Members					
Vassilios E. Psaltis CEO	**100%**	-	-	-	-
Spyros N. Filaretos General Manager - Growth and Innovation	**100%**	-	-	-	-
Non-Executive Member					
Efthimios O. Vidalis	**94%**	**100%**	-	-	**100%**
Artemios Ch. Theodoridis	**100%**	-	-	-	-
Non-Executive Independent Members					
Dimitris C. Tsitsiragos	**100%**	-	**100%**	**100%**	-
Jean L. Cheval	**100%**	-	**100%**	**100%**	-
Carolyn G. Dittmeier	**100%**	**100%** **C**	-	-	**100%**
Richard R. Gildea	**100%**	-	**100%**	**100%** **C**	-
Elanor R. Hardwick	**100%**	**100%**	-	-	**100%**
Shahzad A. Shahbaz	**81%**	-	-	-	**100%** **C**
Jan A. Vanhevel	**100%**	**100%**	**100%** **C**	-	-
Non-Executive Member (pursuant to the provisions of Law 3864/2010)					
Johannes Herman Frederik G. Umbgrove	**100%**	**100%**	**100%**	**100%**	**100%**
C: Chair **–: The Member does not participate in this Committee**					

Biographical Information

Below are brief biographies of the Members of the Board of Directors.

Chair
Vasileios T. Rapanos (Non-Executive Member)

Vasileios Rapanos has been the Chair of our Board of Directors since May 2014. Previously he was Deputy Governor and Governor of the Mortgage Bank (1995-1998), Chairman of the Board of Directors of the Hellenic Telecommunications Organization (1998-2000), Chairman of the Council of Economic Advisors at the Ministry of Economy and Finance (2000-2004), member of the Board of Directors of the Public Debt Management Agency (PDMA) (2000-2004) as well as Chairman of the Board of Directors of the National Bank of Greece and the Hellenic Bank Association (2009-2012).

Vasileios Rapanos
was born in Kos in 1947. He is Professor Emeritus at the Faculty of Economics of the University of Athens and has been an Ordinary Member of the Academy of Athens since 2016. He studied Business Administration at the Athens School of Economics and Business (1975) and holds a Master's in Economics from Lakehead University, Canada (1977) and a PhD from Queen's University, Canada.
Nationality: Hellenic.

Executive Members

CEO
Vassilios E. Psaltis
Vassilios Psaltis has been a Member of our Board of Directors since 29 November 2018 and Chief Executive Officer since 02 January 2019. He joined Alpha Bank in 2007. In 2010 he was appointed Group Chief Financial Officer (CFO) and in 2012 he was appointed General Manager. Through these posts, he spearheaded capital raisings of several billions from foreign institutional shareholders, diversifying the Bank's shareholder base, as well as significant mergers and acquisitions that contributed to the consolidation of the Greek banking market, reinforcing the position of the Bank. Vassilios Psaltis was voted seventh best CFO among European banks (2014 and 2018) by institutional investors and analysts in the Extel international survey.

Previously he worked as Deputy (acting) Chief Financial Officer at Emporiki Bank and at ABN AMRO Bank's Financial Institutions Group in London. He was born in Athens in 1968 and holds a PhD and an MBA from the University of St. Gallen in Switzerland.
Nationality: Hellenic.

Spyros N. Filaretos
Spyros Filaretos joined the Bank in 1985. He has been a Member of our Board of Directors since 2005. He was appointed Executive General Manager in 1997 and General Manager in 2005. From October 2009 to November 2020, he served as Chief Operating Officer (COO). In December 2020 he was appointed General Manager – Growth and Innovation.

Spyros Filaretos was born in Athens in 1958. He studied Economics at the University of Manchester and at the University of Sussex.
Nationality: Hellenic.

Non-Executive Members

Efthimios O. Vidalis
Efthimios Vidalis has been a Member of our Board of Directors since May 2014. He held several leadership positions for almost 20 years at Owens Corning, where he served as President of the Global Composites and Insulation Business Units. He joined S&B Industrial Minerals S.A. in 1998 as Chief Operating Officer (1998-2001), became the first non-family Chief Executive Officer (2001-2011) and served on the Board of Directors for 15 years. He was a member of the Board of Directors of Future Pipe Industries (Dubai, U.A.E.) from 2008 to 2019, Chairman of the Board of Directors of the Greek Mining Enterprises Association (2005-2009) and member of the Board of Directors of the Hellenic Federation of Enterprises (SEV) from 2006 to 2016, where he served as Vice Chairman (2010-2014) and as Secretary General (2014-2016). He is the founder of the SEV Business Council for Sustainable Development and served as Chairman from 2008 to 2016. He was elected President of the Executive Committee of SEV during the AGM held in June 2020. He is a non-executive member of the Board of Directors of TITAN CEMENT COMPANY S.A. and Fairfield- Maxwell Ltd (U.S.A.) and non-executive independent member of Eurolife FFH Insurance Group Holdings S.A.

Efthimios Vidalis was born in 1954. He holds a BA in Government from Harvard University and an MBA from the Harvard Graduate School of Business Administration.
Nationality: Hellenic.

Non-Executive Independent Members

Dimitris C. Tsitsiragos
Dimitris Tsitsiragos has been a Member of our Board of Directors since July 2020. Dimitris spent 28 years at the International Finance Corporation (IFC) – World Bank Group. He held progressive positions in the Oil, Gas and Mining and in the Central and Eastern Europe Departments, including the positions of Manager, Oil and Gas and Manager, Manufacturing and Services, based in Washington, D.C., USA (1989-2002). Furthermore, he held director positions for South Asia (India), Global Manufacturing and Services (Washington, D.C.) and Middle East, North Africa and Southern Europe (Cairo, Egypt), overseeing IFC's global and regional investment operations (2002-2011). In 2011, he was promoted to Vice President, EMENA region (Istanbul, Turkey) and in 2014 he was appointed Vice President Investments/Operations (Istanbul/Washington). He currently sits on the Board of Directors of Titan Cement International and serves as a Senior Advisor, Emerging Markets at Pacific Investment Management Company (PIMCO) in London, UK. He previously served as a non-executive independent Board

Member at the Infrastructure Development Finance Company (IDFC), India and at the Commercial Bank of Ceylon (CBC), Sri Lanka.

Dimitris Tsitsiragos was born in Athens in 1963. He holds a BA in Economics from Rutgers University and an MBA from the George Washington University. He also completed the World Bank Group Executive Development Program at Harvard Business School.
Nationality: Hellenic.

Jean L. Cheval
Jean Cheval has been a Member of our Board of Directors since June 2018. After starting his career at BIPE (Bureau d'Information et de Prévisions Économiques), he served in the French public sector (1978-1983) and then worked at BANQUE INDOSUEZCRÉDIT AGRICOLE INDOSUEZ (1983-2001), wherein he held various senior management positions including the positions of Chief Economist, Head of Corporate Planning and Head of Asset-based Finance and subsequently he became General Manager. He served as CEO and then as Chairman of the Banque Audi France (2002-2005), as well as Chairman of the Banque Audi Suisse (2002-2004). Furthermore, he serves as Head of France at the Bank of Scotland (2005-2009). As of 2009 he has been working at Natixis in various senior management positions such as Head of the Structured Asset Finance Department and Head of Finance and Risk, second "Dirigeant effectif" of Natixis, alongside the CEO. He is currently a member of the Board of Directors of EFG-Hermes, Egypt, Chairman of the Steering Committee of Natixis Algérie and Chairman of the Natixis Foundation for Research and Innovation.

Jean Cheval was born in Vannes, France in 1949. He studied Engineering at the École Centrale des Arts et Manufactures, while he holds a DES (Diplôme d'Études Spécialisées) in Economics (1974) from the University of Paris I. Additionally he holds a DEA (Diplôme d' Études Approfondies) in Statistics and a DEA in Applied Mathematics from the University of Paris VI.
Nationality: French.

Carolyn G. Dittmeier
Carolyn Dittmeier has been a Member of our Board of Directors since January 2017. She commenced her career in the US at the auditing and consulting firm Peat Marwick & Mitchell (now KPMG) where she reached the position of Audit Manager, and subsequently assumed managerial responsibilities in the Montedison Group as Financial Controller and later as Head of Internal Audit. In 1999, she launched the practice of corporate governance services in KPMG Italy. Subsequently, she took on the role of Chief Internal Audit Executive of the Poste Italiane Group (2002-2014). She has carried out various professional and academic activities focusing on risk and control governance and has written two books. She was Vice Chair (2013-2014) and Director of the Institute of Internal Auditors (2007-2014), Chair of the European Confederation of Institutes of Internal Auditing (2011-2012) and Chair of the Italian Association of Internal Auditors (2004-2010). Furthermore, she served as Independent Director and Chair of the Risk and Control Committee of Autogrill SpA (2012-2017) as well as of Italmobiliare SpA (2014-2017). Since 2014 she has been Chair of the Board of Statutory Auditors of Assicurazioni Generali SpA and a member of the Boards and/or the Audit Committees of some nonfinancial companies (Moncler, Illycaffè).

Carolyn Dittmeier was born in 1956. She holds a BSc in Economics from the Wharton School of the University of Pennsylvania. She is a statutory auditor, a certified public accountant, a certified internal auditor and a certified risk management assurance professional focusing on the audit and risk management sectors. Additionally, she has obtained a Qualification in Internal Audit Leadership (QIAL).
Nationality: Italian and U.S.

Richard R. Gildea
Richard Gildea has been a Member of our Board of Directors since July 2016. He served in JP Morgan Chase, in New York and London, from 1986 to 2015, wherein he held various senior management positions throughout his career. He was Emerging Markets Regional Manager for the Central and Eastern Europe Corporate Finance Group, London (1993-1997) and Head of Europe, Middle East and Africa (EMEA) Restructuring, London (1997-2003). He also served as Senior Credit Officer in EMEA Emerging Markets, London (2003-2007) and Senior Credit Officer for JP Morgan's Investment Bank Corporate Credit in EMEA Developed Markets, London (2007-2015), wherein, among others, he was Senior Risk Representative to senior committees. He is currently a member of the Board of Advisors at the Johns Hopkins University School of Advanced International Studies, Washington D.C., where he chairs the Finance Committee, as well as a member of Chatham House (the Royal Institute of International Affairs), London.

Richard Gildea was born in 1952. He holds a BA in History from the University of Massachusetts (1974) and an MA in International Economics, European Affairs from the Johns Hopkins University School of Advanced International Studies (1984).
Nationality: British.

Elanor R. Hardwick
Elanor Hardwick has been a Member of our Board of Directors since July 2020. Elanor commenced her career in 1995 at the UK Government's Department of Trade and Industry, focusing on the Communications and Information Industries policy, and subsequently held roles as a strategy consultant with Booz Allen Hamilton's Tech, Media and Telco practice and with the Institutional Equity Division of Morgan Stanley. Since 2005, she has held various roles, including Global Head of Professional Publishing and Global Head of Strategy, Investment Advisory at Thomson Reuters (now Refinitiv). Afterwards, she joined the team founding FinTech startup Credit Benchmark, becoming its CEO (2012-2016). She then served as Head of Innovation at Deutsche Bank (2016-2018) and as Chief Digital Officer at UBS (2019-2020). Since 2018 she has served as a non-executive member of the Board of Directors of specialty (re)insurer Axis Capital, while she is also a member of the Risk Committee, the Compensation Committee and the Corporate Governance and Nominating Committee. She is an external member of the Audit Committee of the University of Cambridge as of January 2021 and a member of the Advisory Board of Concirrus as of May 2021.

Elanor Hardwick was born in London in 1973. She holds an MA (Cantab) from the University of Cambridge and an MBA from the Harvard Business School.
Nationality: British.

Shahzad A. Shahbaz
Shahzad Shahbaz has been a Member of our Board of Directors since May 2014. He is currently the Group CIO of Al Mirqab Holding Co. Previously he has worked at various banks and investments firms, since 1981, including the Bank of America (1981-2006), from which he left as Regional Head (Corporate and Investment Banking, Continental Europe, Emerging Europe, Middle East and Africa). He served as Chief Executive Officer (CEO) of NBD Investment Bank/Emirates NBD Investment Bank (2006-2008) and of QInvest (2008-2012). He is also a member of the Board of Directors of El Corte Inglés and of Seafox.

Shahzad Shahbaz was born in 1960. He holds a BA in Economics from Oberlin College, Ohio, U.S.A.
Nationality: British.

Jan A. Vanhevel
Jan Vanhevel has been a Member of our Board of Directors since April 2016. He joined Kredietbank in 1971, which became KBC Bank and Insurance Holding Company in 1998. He acquired a Senior Management position in 1991 and joined the Executive Committee in 1996. In 2003 he was in charge of the non-Central European branches and subsidiaries, while in 2005 he became responsible for the KBC subsidiaries in Central Europe and Russia. In 2009 he was appointed CEO and implemented the Restructuring Plan of the group until 2012, when he retired. From 2008 to 2011 he was President of the Fédération belge du secteur financier (Belgian Financial Sector Federation) and a member of the Verbond van Belgische Ondernemingen (Federation of Enterprises in Belgium), while he has been the Secretary General of the Institut International d'Études Bancaires (International Institute of Banking Studies) since May 2013. He was also a member of the Liikanen Group on reforming the structure of the EU banking sector. Currently, he is a Board member of a private industrial multinational company and of a private equity company.

Jan Vanhevel was born in Vannes, France in 1949. He studied Law at the University of Leuven (1971), Financial Management at Vlekho (Flemish School of Higher Education in Economics), Brussels (1978) and Advanced Management at INSEAD (The Business School for the World), Fontainebleau.
Nationality: Belgian.

Non-Executive Member pursuant to the provisions of the HFSF Law

Johannes Herman Frederik G. Umbgrove
Johannes Umbgrove has been a Member of our Board of Directors, representing the Hellenic Financial Stability Fund, since April 2018. Previously he worked at ABN AMRO Bank N.V. (1986-2008), wherein he held various senior management positions throughout his career. He served as Chief Credit Officer Central and Eastern Europe, Middle East and Africa (CEEMEA) of the Global Markets Division at The Royal Bank of Scotland Group (2008-2010) and as Chief Risk Officer and member of the Management Board at Amsterdam Trade Bank N.V. (2010-2013). From 2011 until 2013 he was Group Risk Officer at Alfa Bank Group Holding and as of 2014 he has been

a Risk Advisor at Sparrenwoude B.V. He has been a member of the Supervisory Board of Demir Halk Bank (Nederland) N.V. since 2016 and in 2018 he became the Chairman of the Supervisory Board thereof. He is currently the Chair of the Supervisory Board, of the Nomination and Remuneration Committee as well as a member of the Risk and Audit Committee and of the Related Party Transactions Committee of Demir Halk Bank N.V. Furthermore, he has been an independent member of the Supervisory Board of Lloyds Bank GmbH since December 2019.

Johannes Umbgrove was born in Vught, the Netherlands in 1961. He holds an LL.M. in Trade Law (1985) from Leiden University and an MBA from INSEAD (The Business School for the World), Fontainebleau (1991). Additionally, he attended the IN-BOARD Non-Executive Directors Program at INSEAD.
Nationality: Dutch.

Executive Committee

In accordance with Greek law 4548/2018 and our Articles of Association, the Board of Directors has established as of 2 December 2019 (at the time "Alpha Bank S.A.") an Executive Committee.

The Executive Committee acts as a collective corporate body of Alpha Holdings. The Executive Committee's powers and authorities are determined by way of a CEO act, delegating powers and authorities to the Committee. The current composition of the Executive Committee was approved by the Board of Directors on its 16 April 2021 meeting and is as follows:

Chair	
V.E. Psaltis	Chief Executive Officer
Members	
S.N. Filaretos	General Manager – Growth and Innovation
S.A. Andronikakis	General Manager – Chief Risk Officer
L.A. Papagaryfallou	General Manager – Chief Financial Officer
S.A. Oprescu	General Manager of International Network
N.V. Salakas	General Manager – Chief Legal and Governance Officer
I.M. Emiris	General Manager of Wholesale Banking
I.S. Passas	General Manager of Retail Banking
A.C. Sakellariou	General Manager – Chief Transformation Officer
S.N. Mytilinaios	General Manager – Chief Operating Officer

The indicative main responsibilities of the Executive Committee include but are not limited to the following:

- it prepares the strategy, business plan and annual budget of Alpha Holdings and the Group for submission to and approval by the Board of Directors as well as the annual and quarterly financial statements;
- it decides on and manages the capital allocation to the business units;
- it prepares the Internal Capital Adequacy Assessment Process ("ICAAP") Report and the Internal Liquidity Adequacy Assessment Process ("ILAAP") Report;
- it monitors the performance of each business unit and subsidiary of Alpha Holdings against the budget and ensures that corrective measures are taken;
- it reviews and approves the policies of Alpha Holdings informing the Board of Directors accordingly;
- it approves and manages any collective programme proposed by the Human Resources Division for the personnel and ensures the adequacy of resolution planning governance, process and systems; and
- it is responsible for the implementation of (i) the overall risk strategy, including the institution's risk appetite and its risk management framework, (ii) an adequate and effective internal governance and internal control framework, (iii) the selection and suitability assessment process for Key Function Holders, (iv) the amounts, types and distribution of both internal capital and regulatory capital and (v) the targets for the liquidity management.

Biographical Information

Below are brief biographies of the General Managers who are members of Alpha Holdings' Executive Committee.

General Managers, members of the Executive Committee

Spyros N. Filaretos – General Manager - Growth and Innovation
He was born in Athens in 1958. He studied Economics at the University of Manchester and at the University of Sussex. He joined the Bank in 1985. He was appointed Executive General Manager in 1997 and General Manager in 2005. In October 2009 he was appointed Chief Operating Officer (COO). He has been a Member of the Board of Directors of the Bank since 2005. As of December 2020, he is General Manager – Growth and Innovation.

Spiros A. Andronikakis – General Manager – Chief Risk Officer
He was born in Athens in 1960. He holds a BA in Economics and Statistics from the Athens University of Economics and Business, and an MBA in Financial Management and Banking from the University of Minnesota, U.S.A. He has worked in the Corporate Banking Units of Greek and multinational banks since 1985. He joined the Bank in 1998. He was Corporate Banking Manager from 2004 to 2007. In 2007 he was appointed Chief Credit Officer and in 2012 General Manager and Chief Risk Officer.

Lazaros A. Papagaryfallou – General Manager – Chief Financial Officer
He was born in Athens in 1971. He studied Business Administration at the Athens University of Economics and Business and holds an MBA in Finance from the University of Wales, Cardiff Business School. He started his career in Citibank and ABN AMRO and he joined the Bank in 1998, having served as Manager of the Corporate Development, International Network and Strategic Planning Divisions. On 1 July 2013 he was appointed Executive General Manager of the Bank and has contributed to the implementation of the Group's Restructuring Plan, the capital strengthening of the Bank, the design and closing of mergers, acquisitions and portfolio transactions. On 2 January 2019 he was appointed as General Manager and CFO for the Group. During his career he served as Chairman and member in the Board of Directors of various group companies, in Greece and abroad, in banking, insurance, financial services, industry and real estate sectors.

Sergiu-Bogdan A. Oprescu – General Manager of International Network
He was born in 1963. He holds a MEng Graduate degree with concentration in Avionics from the Aeronautical Faculty, Politehnica University of Bucharest. He acquired a postgraduate degree in Banking from the University of Colorado and followed multiple executive programme studies at Harvard Business School, Stanford and London Business School. He joined Alpha Bank Romania in 1994 and held several senior positions before he was appointed Executive President in 2007. He served as Chairman of the Bucharest Stock Exchange from 2000 to 2006 and is currently President of the Board of Directors of the Romanian Association of Banks. On 11 February 2019 he was also appointed as General Manager of International Network of the Bank.

Nikolaos V. Salakas – General Manager – Chief Legal and Governance Officer
He was born in 1972. He has studied Law at the National and Kapodistrian University of Athens and holds a postgraduate degree (LL.M. in International Business Law) from University College London. He joined the Bank after having worked for Koutalidis Law Firm, where he was leading the Banking and Finance Department as of 2010. He has more than 20 years of experience in domestic and international banking, financing, restructuring and securities transactions and he is ranked amongst the leading Greek lawyers by the IFLR, Legal 500 and Chambers and Partners. He has supported the Bank in regulatory, M&A, strategic and finance transactions since 1999. On 1 March 2019 he was appointed as General Manager – Chief Legal and Governance Officer of the Bank.

Ioannis M. Emiris – General Manager of Wholesale Banking
He was born in Athens in 1963. He studied Economics and Business Administration at the Athens University of Economics and Business (former Athens School of Economics and Business) and holds an MBA from Columbia Business School, as well as a US Certified Public Accounting degree. He started his career as a certified public accountant in PricewaterhouseCoopers in New York. From 1991 to 2012 he worked for the Alpha Bank Group, initially as an Investment Banker in Alpha Finance and from 2004 as Head of the Investment Banking and Project Finance Division of Alpha Bank. From 2012 to 2014, he was the Chief Executive Officer of the Hellenic Republic Asset Development Fund (HRADF). On 5 November 2014, he was appointed Executive General Manager of the Bank and on 19 November 2019 he was appointed General Manager-Wholesale Banking.

Isidoros S. Passas – General Manager of Retail Banking
He was born in Thessaloniki in 1967. He holds an MSc in Mechanical Engineering from the National Technical University of Athens, an MBA from at the City University Business School and has attended the Advanced Management Program (AMP) at INSEAD.

He started his career in Procter & Gamble and held Director Positions in Marketing and Sales functions of multinational consumer goods companies. In 2000, he started his banking career in Eurobank. He had been Deputy

General Manager of Retail Banking Network for several years. In 2013, he worked as a Senior Advisor to the CEO for retail marketing distribution in Hellenic Petroleum. He joined Alpha Bank in 2014. He held the positions of Manager of Deposit and Investment Products and Greek Branch Network Division. He is Vice President at the Board of Directors of AlphaLife Insurance Company S.A. and holds the position of Counselor at the Board of Directors of Alpha Finance. On 4 January 2016, he was appointed Executive General Manager of the Bank and on 19 November 2019 he was appointed General Manager-Retail Banking.

Anastasia Ch. Sakellariou – General Manager Chief Transformation Officer
She was born in 1973. She holds postgraduate degrees from the University of Reading in International Banking and from the University of Warwick in International Studies. She joined the Bank with 25 years of experience in international banking. She began her career in London in the mid-90s, having worked at bulge bracket investment banking firms. In her latest international role, she was a Managing Director in investment banking at Credit Suisse. In 2009 she repatriated; she held a public sector role as the CEO of the Hellenic Financial Stability Fund at a critical time for the reshaping of the banking landscape. Before joining Alpha, she was the CEO and driving force behind the creation of the first digital banking platform in Greece, Praxiabank. On 1 April 2020 she was appointed General Manager – Chief Transformation Officer.

Stefanos N. Mytilinaios – General Manager – Chief Operating Officer
He was born in Athens in 1973. He holds a First-Class degree in Aerospace Engineering from the University of Bristol, UK, and an MBA with Distinction from INSEAD in Fontainebleau, France. He brings onboard extensive international and Greek experience in technology, operations and business, having assumed managerial positions in Greece and abroad. He has been the Chief Technology Officer at Commercial Bank of Qatar and later on he was appointed General Manager, Digital Business at Piraeus Bank. Previously, he served as the Deputy Group CIO at Eurobank and a business consultant with McKinsey & Company, based in Athens and London. On 1 December 2020 he was appointed General Manager – Chief Operating Officer of the Bank.

Corporate governance

Corporate Governance is a system of principles and practices underlying the organization, operation and administration of an incorporated company, aiming to safeguard and satisfy the lawful interests of all those associated with the company.

Alpha Holdings adopted and implements the principles of corporate governance, seeking to establish transparency in the communication with its shareholders, executives, employees, business partners, contractors and suppliers, and the provision of prompt and continuous information to investors.

In line with its constant effort to consistently respond to the expectations of its Customers and of the State, Alpha Holdings applies the legislative and regulatory framework governing its operation.

The corporate governance system of Alpha Holdings complies with the requirements of Greek law 3016/2002, as it currently applies, and as of 17 July 2021 will comply with the requirements of Greek law 4706/2020 to the extent applicable to financial holding companies, as per article 1 of the law.

The Corporate Governance Code

The Corporate Governance Code is sourced from international and Greek best practice and is compatible with applicable legislation and regulations concerning the Greek public interest entities.

The currently existing Corporate Governance Code was adopted by the Board of Directors in January 2020 and has been posted on Alpha Holdings' website: https://www.alphaholdings.gr/en/corporate-governance/corporate-governance-code.

Alpha Holding shall adopt and adhere to a Corporate Governance Code, which is issued by an established body, the soonest possible.

Committees of the Board of Directors of Alpha Holdings

Committees secure the smooth and efficient operation of the Group, the formulation of a common strategy and policy, as well as the coordination of operations.

Audit Committee

The Audit Committee of the Board of Directors was established by a resolution of the Board of Directors on 23 November 1995. It consists of a Committee Chair, who is an Independent Non-Executive Member, two Independent Non-Executive Members and two Non-Executive Members. The Audit Committee currently constitutes a Committee of the Board of Directors and the Members were appointed by a resolution of the Annual Ordinary General Meeting of Shareholders of 31 July 2020, which is comprised of five (5) of its Members in total and, in particular, of three (3) Independent Non-Executive Members and of two (2) Non-Executive Members, whose tenure ends at the Ordinary General Meeting of the year 2022 .The current Members of our Audit Committee are Carolyn G. Dittmeier (Chair), Efthimios O. Vidalis, Elanor R. Hardwick, Jan A. Vanhevel, and Johannes Herman Frederik G. Umbgrove.

As per the resolution of the Annual Ordinary General Meeting of Shareholders of 31 July 2020 the above persons have a proven knowledge of the banking and financial sector in general and their participation in the Audit Committee shall ensure the proper exercise of the responsibilities of this Committee, stipulated by the law and by the regulatory framework. Out of the above Non-Executive Independent Members of the Board of Directors, at least one possesses adequate auditing and accounting knowledge and experience. Following the conclusion of the Ordinary General Meeting of Shareholders held on July 31, 2020, and in accordance with Article 44 of Greek law 4449/2017, as in force, the Chair of the Audit Committee has been appointed by the Committee Members at the meeting of 31.7.2020. Finally, the majority of the members are Non-Executive Independent Members, as per the provisions of L. 3016/2002 and L. 4706/2020 as in force from 17.07.2021. The specific duties and responsibilities of the Audit Committee are set out in its Charter which has been approved by the Board of Directors on December 2019 and is posted on the Alpha Services and Holdings' website (https://www.alphaholdings.gr/en/corporate-governance/commitees).

The Charter of the Audit Committee is under revision, following the recent Hive Down.

According to the Audit Committee Charter, the Committee:

- monitors and assesses, on an annual basis, the adequacy, effectiveness and efficiency of the internal control system; of Alpha Holdings and the Group;
- monitors the financial reporting process of Alpha Holdings and the Group;
- supervises and assesses the procedures for drawing up the annual and interim financial statements of Alpha Holdings and the Group;
- reviews the quarterly financial statements of Alpha Holdings and the Group, together with the statutory auditors' report and the Board of Directors' annual management report prior to their submission to the Board of Directors;
- assists the Board of Directors in ensuring the independent, objective and effective conduct of internal and external audits of Alpha Holdings and facilitating communication between the auditors and the Board of Directors;
- assists the Board of Directors in overseeing the performance and effectiveness of the Internal Audit and the Compliance Divisions of Alpha Holdings and the Group;
- meets with the statutory certified auditors of Alpha Holdings on a regular basis;
- is responsible for the procedure pertaining to the selection of the statutory certified auditors of Alpha Holdings and the Group and makes recommendations to the Board of Directors on the appointment or dismissal, rotation, tenure and remuneration of the statutory certified auditors, according to the relevant regulatory and legal provisions;
- monitors the independence of the statutory certified auditors in accordance with the applicable laws, which includes reviewing, inter alia, the provision by them of non-audit services to Alpha Holdings and the Group. In relation to this, the Audit Committee examines or approves proposals regarding the provision by the statutory certified auditor of non-audit services to Alpha Holdings and the Group, based on the relevant Alpha Holdings' policy that the Audit Committee oversees and recommends to the Board of Directors for approval.

The Audit Committee convenes at least once every month and may invite any Member of the Management or Executive of Alpha Holdings, as well as external auditors, to attend its meetings. The Heads of the Internal Audit and Compliance Divisions are regular attendees of the Committee meetings.

The Audit Committee keeps minutes of its meetings and regularly informs the Board of Directors of the work of the Audit Committee.

The Chair of the Audit Committee submits to the Board of Directors a formal report on the work of the Audit Committee during the year.

Risk Management Committee

The Risk Management Committee of the Board of Directors was established by a resolution of the Board of Directors on 19 September 2006. It consists of a Committee Chair who is an Independent Non-Executive Member, three Independent Non-Executive Members and one Non-Executive Member. The Members of our current Risk Management Committee were appointed by a resolution of the Annual Ordinary General Meeting of Shareholders of 31 July 2020. The Chair of the Risk Management Committee was appointed by the Board of Directors at the meeting of 31 July 2020, following the recommendation of the Corporate Governance and Nominations Committee.
The specific duties and responsibilities of the Risk Management Committee are set out in its Charter which has been approved by the Board of Directors on December 2019 and is posted on Alpha Holdings' website (https://www.alphaholdings.gr/en/corporate-governance/commitees).

The Charter of the Risk Management Committee is under revision, following the recent Hive Down. The current Members of the Risk Management Committee are Jan A. Vanhevel (Chair), Dimitris C. Tsitsiragos, Jean L. Cheval, Richard R. Gildea and Johannes Herman Frederik G. Umbgrove.
The main responsibilities of the Risk Management Committee include but are not limited to those presented below.

The Risk Management Committee:

- reviews regularly and recommends to the Board of Directors for approval the risk and capital management strategy, ensuring alignment with the business objectives of Alpha Holdings and the Group. In this context, the Risk Management Committee considers the adequacy of the technical (e.g. modelling tools, IT systems, etc.) and human resources available to implement the risk and capital strategy and ensures the communication of key aspects of the risk strategy throughout Alpha Holdings;
- assists the Board of Directors in monitoring the achievement of objectives in risk management, especially in the areas of NPEs and capital ratio;
- reviews and recommends annually to the Board of Directors for approval Alpha Holdings' risk appetite framework and statement, ensuring alignment with Alpha Holdings' strategic objectives and capital allocation. In this context, the Risk Management Committee sets the Alpha Holdings' risk capacity, portfolio limits and tolerance in all key areas of its activity;
- determines the principles which govern risk management across Alpha Holdings and the Group in terms of the identification, measurement, monitoring, control, and mitigation of risks;
- recommends to the Board of Directors for approval Alpha Holdings -wide and Group-wide high-level policies on the management of credit, market, liquidity, operational and other risks;
- evaluates on an annual basis or more frequently, if necessary, the appropriateness of risk identification and measurement systems, methodologies and models, including the capacity of the Alpha Holdings' IT infrastructure to record, report, aggregate and process risk-related information;
- reviews regularly, at least annually, Alpha Holdings' ICAAP and the ILAAP as well as the related target ratios and recommends their approval to the Board of Directors;
- assesses the overall effectiveness of capital planning, allocation processes and systems, and the allocation of capital requirements to risk types; and
- reviews the risk management and the NPE/NPL policy and procedures of Alpha Holdings and the Group.

The Chief Risk Officer reports to the Board of Directors through the Risk Management Committee.

The Risk Management Committee convenes at least once a month and may invite any Member of the management or executive of Alpha Holdings to attend its meetings. The Chief Risk Officer is a regular attendee of the Risk Management Committee meetings.

The Risk Management Committee keeps minutes of its meetings and regularly informs the Board of Directors of the work of the Risk Management Committee.

The Chair of the Risk Management Committee submits to the Board of Directors a formal report on the work of the Risk Management Committee during the year.

Remuneration Committee

The Remuneration Committee of the Board of Directors was established by a resolution of the Board of Directors on 23 November 1995. At the Board of Directors meeting held on 31.5.2012, the Committee's responsibilities were expanded to cover the Group Companies. It consists of a Committee Chair who is an Independent Non-Executive Member, two Independent Non-Executive Members and one Non-Executive Member. The Members of our current Remuneration Committee were appointed by a resolution of the Annual Ordinary General Meeting of Shareholders of 31 July 2020. The Chair of the Remuneration Committee was appointed by the Board of Directors at the meeting of 31 July 2020, following the recommendation of the Corporate Governance and Nominations Committee. The current Members of the Remuneration Committee are Richard R. Gildea (Chair), Dimitris C. Tsitsiragos, Jean L. Cheval and Johannes Herman Frederik G. Umbgrove.
The specific duties and responsibilities of the Remuneration Committee are set out in its Charter which has been approved by the Board of Directors on December 2019 and is posted on the Alpha Holdings' website (https://www.alphaholdings.gr/en/corporate-governance/commitees).

The Charter of the Remuneration Committee is under revision, following the recent Hive Down.

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

The Remuneration Committee:

- ensures that Alpha Holdings has a remuneration philosophy and practice that is market-based, equitable and focused on sound performance evaluation-based criteria;
- formulates the Remuneration Policy for Alpha Holdings and the Group as well as for the Members of the Boards of Directors and makes recommendations to the Board of Directors for approval thereof;
- on an annual basis, reviews and reports findings on remuneration data from Alpha Holdings and the Group to the Board of Directors, with a view to monitoring the consistent application of the Remuneration Policy, assessing alignment with corporate goals and ensuring the alignment of remuneration practices with the risk profile;
- assesses the mechanisms and systems adopted to ensure that the remuneration system properly takes into account all types of risks, liquidity and capital levels and that the overall Remuneration Policy is consistent with and promotes sound and effective risk management and is in line with the business strategy, objectives, corporate culture, values and long-term interest of Alpha Holdings; and
- 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 Alpha Holdings' respective Policy.

The Remuneration Committee convenes at least quarterly per year and may invite any Member of the Management or Executive of Alpha Holdings to attend its meetings.

The Remuneration Committee keeps minutes of its meetings and regularly informs the Board of Directors of the work of the Remuneration Committee.

The Chair of the Remuneration Committee submits to the Board of Directors a formal report on the work of the Remuneration Committee during the year.

In accordance with Article 10 para 3 of the HFSF Law, and for as long as Alpha Holdings is subject to the provisions of the HFSF Law, the annual compensation for each Member of the Board of Directors cannot exceed the total remuneration of the Governor of the Bank of Greece.

The Extraordinary General Meeting of 20.11.2019 approved the Remuneration Policy in accordance with articles 110 and 111 of law 4548/2018.

Corporate Governance and Nominations Committee

The Corporate Governance and Nominations Committee of the Board of Directors was established by a resolution of the Board of Directors on 27 June 2014. It consists of a Committee Chair who is an Independent Non-Executive Member, two Independent Non-Executive Members and two Non-Executive Members. The Members of our current Corporate Governance and Nominations Committee were appointed by a resolution of the Annual Ordinary

General Meeting of Shareholders of 31 July 2020. The Chair of the Corporate Governance and Nominations Committee was appointed by the Board of Directors at the meeting of 31 July 2020, following the recommendation of the Corporate Governance and Nominations Committee. The current Members of the Corporate Governance and Nominations Committee are Shahzad A. Shahbaz (Chair), Efthimios O. Vidalis, Carolyn G. Dittmeier, Elanor R. Hardwick and Johannes Herman Frederik G. Umbgrove.

The specific duties and responsibilities of the Corporate Governance and Nominations Committee are set out in its Charter which has been approved by the Board of Directors on December 2019 and is posted on Alpha Holdings' website (https://www.alphaholdings.gr/en/corporate-governance/commitees).

The Charter of the Corporate Governance and Nominations Committee is under revision, following the recent Hive Down.

The main responsibilities of the Corporate Governance and Nominations Committee include but are not limited to those presented below.

The Corporate Governance and Nominations Committee:

- ensures that the corporate governance principles of Alpha Holdings and the Group, as embedded in the Corporate Governance Code, as well as the implementation of these principles reflect the legislation in force, regulatory expectations and international corporate governance best practices;
- regularly reviews the Corporate Governance Code and makes appropriate recommendations to the Board of Directors on its update;
- facilitates the regular review of the Charters of Board Committees, in consultation with the relevant Committees, by providing input to each Committee in order to ensure that the Charters remain fit-for-purpose and align with the Corporate Governance Code as well as with corporate governance best practices;
- develops and regularly reviews the selection criteria and appointment process for the Members of the Board of Directors;
- identifies and recommends for the approval of the Board of Directors candidates to fill vacancies, evaluates the balance of knowledge, skills, diversity and experience of the Board of Directors and prepares a description of the roles and capabilities for a particular appointment and assesses the time commitment expected;
- assesses, at least annually, the structure, size, and composition of the Board of Directors, after considering relevant findings of the annual evaluation of the Board of Directors, in order to ensure that these are fit-for-purpose;
- initiates and oversees the conduct of the annual evaluation of the Board of Directors in accordance with our policy for the annual evaluation of the Board of Directors and submits the relevant findings and recommendations to the Board of Directors;
- oversees the design and implementation of the induction programme for the new Members of the Board of Directors as well as the ongoing knowledge and skills development for Members that support the effective discharge of their responsibilities;
- recommends to the Board of Directors for approval and regularly reviews the Suitability and Nomination Policy for the Members of the Board of Directors and Key Function Holders, the policy for the succession planning of Senior Executives and Key Function Holders and the policy for the evaluation of Senior Executives and Key Function Holders; and
- establishes the conditions required for effective succession and continuity in the Board of Directors.

The Corporate Governance and Nominations Committee convenes at least quarterly per year and may invite any Member of the Management or Executive of Alpha Holdings to attend its meetings. The Chairman of the Corporate Governance and Nominations Committee receives a quarterly report on Governance matters.

The Corporate Governance and Nominations Committee keeps minutes of its meetings and regularly informs the Board of Directors of the work of the Corporate Governance and Nominations Committee.

The Chair of the Corporate Governance and Nominations Committee submits to the Board of Directors a formal report on the work of the Corporate Governance and Nominations Committee during the year.
The Board of Directors at its meeting of 30.1.2020 approved the Suitability and Nomination Policy for the Members of the Board of Directors and Key Function Holders.

HFSF Influence

The HFSF acquired its participation in the Alpha Holdings by providing recapitalisation funds in the 2013 share capital increase. The HFSF, as at 15.06.2021, holds 10.94% of Alpha Holdings' aggregate common share capital, but is only able to exercise voting rights subject to certain statutory restrictions. The Board of Directors, at its meeting on 26 April 2018, elected, in accordance with the HFSF Law, upon instruction of the HFSF, Mr. Johannes Herman Frederik G. Umbgrove, as non-executive Member of the Board of Directors, in replacement of Mr Spyridon-Stavros A. Mavrogalos-Fotis who resigned. As a representative of the HFSF on the Board of Directors, Mr. Johannes Herman Frederik G. Umbgrove has specific rights provided by the HFSF Law. For more information on the rights of the HFSF's representative provided by the HFSF Law see "*Regulation and supervision of Banks in Greece—The HFSF—Special rights of the HFSF*.

Internal Audit Division

Internal Audit Division of Alpha Holdings has an annual audit plan, which is submitted for approval to the Board of Directors, through the Audit Committee and is administratively independent from other units and abstains from any executive and operational responsibilities.

The planning of audit engagements is the outcome of a risk assessment process. The audit cycle, within which the audit areas are covered depending on the significance of the respective risk, is determined.

The Internal Audit Division assesses, inter alia, whether (i) the risks related to the achievement of the strategic objectives are appropriately identified and managed; (ii) actions comply with the established policies, procedures as well as the applicable laws, regulations and governance standards; (iii) operations are carried out effectively and efficiently; (iv) financial or non-financial information and the means used to identify, measure, analyse, classify, and report are reliable, accurate and complete; and (v) resources and assets are used effectively, efficiently and safely.

Chief Audit Officer

Alpha Holdings appointed Mr. E.G. Lagouvardos as Internal Auditor on 27.05.2021.

The Internal Auditor is appointed by our Board of Directors, following relevant proposal of the Audit Committee, is personally and functionally independent and objective, and has a sound background and adequate professional experience. The Internal Auditor reports functionally to our Board of Directors through the Audit Committee and administratively to the Chief Executive Officer.

Mr. E.G. Lagouvardos is employed by Alpha Holdings and has a sound background and adequate and extensive professional experience in internal audit. He is a Certified Information Systems Auditor (CISA) and holds a bachelor's degree in Electrical Engineering from School of Engineering – University of Patras and D.E.A. from Institute National Polytechnique de Grenoble.

The Internal Audit Division of Alpha Holdings is governed by the Internal Audit Charter, which sets out the principles and the framework governing the internal audit activity in Holdings, and is currently under approval process by the Board of Directors and will be adopted the soonest possible and no later than 17.7.2021.

Our most significant subsidiary, Alpha Bank, is subject to its own corporate governance structure in compliance with the applicable regulatory framework for credit institutions. Such structure is, for information purposes, presented in section "Regulation *and Supervision of Banks in Greece - Recovery and resolution of credit institutions* "

The three-year assessment of the adequacy of the Internal Control System as per the Bank of Greece Governor's Act 2577/9.3.2006 (BGGA 2577) was conducted by PricewaterhouseCoopers (PwC) during Q12020 for the years 2017-2019 and was presented to the Audit Committee in June 2020 in line with submission to the BoG. PWC noted that the audit was performed in accordance with the requirements of the Bank of Greece and international best practices. According to PwC, nothing came to its attention that caused them to believe that there are significant deficiencies in the adequacy of the Bank's ICS according to the requirements of the Bank of Greece Governor's Act 2577/9.3.2006. PWC further points out that the Bank and the Alpha Bank Group in general have improved considerably in all aspects when compared to the past review over the adequacy of the ICS in 2017. Some issues of similar nature may still remain and new ones have been identified but these do not pose immediate concerns over the ICS. Overall, the Management is aware of the issues and is already taking action. In addition, Alpha Bank has set the tone for the entire Group to effectively adhere to the Group's strategy and has established appropriate mechanisms with regard to reporting procedures, the monitoring of major risks and overall supervision.

7.2 Statements of the Members of the Board of Directors, the Board of Directors' Committees and the Group Executive Committee of Alpha Holdings

The members of our Board of Directors, the Board of Directors' Committees and the Group Executive Committee have made the following statements:

- They do not perform any professional activities that are significant to the Issuer other than those which are connected with their position/capacity in the Issuer and those associated with their position as partners/shareholders and/or members in administrative, management and supervisory bodies of the companies and/or legal entities mentioned below, with the exception of Mr. Sergiu A. Oprescu (General Manager of International Network and Member of the Executive Committee) who also acts as Executive President and board member of Alpha Bank Romania SA. and as Chairman of Alpha International Holdings Single Member S.A.
- There are no family relations between the members of the administrative, management and supervisory bodies of Alpha Holdings.
- As at the Date of the Prospectus, they are not members in any administrative, management or supervisory body or partners/shareholders of other companies or legal entities (excluding the subsidiary entities of the Issuer), other than the following:

Full name	Company/Partnership	Position (Member of Administrative, Management or Supervisory Body)	Partner/Shareholder
Vasileios T. Rapanos	Hellenic Bank Association (Non-profit)	Vice-Chairman of the Board of Directors	
	Foundation for Economic and Industrial Research (IOBE) (Non-profit)	Member of the Board of Directors	
	The Citizen's Movement for an open society (Non-profit association)	Member of the Board of Directors	
	IVET, S.A (BMS TECH S.A) Biomedical Sciences and Technologies S.A	Vice Chairman of the Board of Directors	
	EDAPA, S.A, Company for the Management and Development of the Academy' s Property	Vice Chairman of the Board of Directors	
Spyros N. Filaretos	Hellenic Federation of Enterprises	Member of the Board of Directors	
	AXA	Vice-Chairman of the Board of Directors	
	The J. F. Costopoulos Foundation	Member of the Board of Directors	
Efthimios O. Vidalis	Titan Cement Company S.A.	Non-Executive Member of the Board of Directors	
	Fairfield-Maxwell Ltd	Non-Executive Member of the Board of Directors	
	Eurolife FFH Insurance Group Holdings S.A.	Non-Executive Independent Member of the Board of Directors	
	Hellenic Federation of Enterprises (SEV)	President of the Executive Committee	
	ALBA Graduate School of Business Administration in Athens	Member of the BoD	
	Solidarity Now, (NGO)	Vice Chair of the BoD	

Dimitris C. Tsitsiragos	Titan Cement International	Member of the Board of Directors	
Jean L. Cheval	EFG-Hermès, Egypt	Member of the Board of Directors	
	Natixis Algerie	Member of the Board of Directors	
	Natixis Foundation for Research and Innovation.	Chairman	
	Natixis	Senior Advisor	
Carolyn G. Dittmeier	Assicurazioni Generali SpA	Chair of the Board of Statutory Auditors	
	Illycafe SpA	Member of the Board of Directors	
	Moncler SpA	Member of Board of Statutory Auditors	
Richard R. Gildea	The Johns Hopkins University School of Advanced International Studies	Member of the Board of Advisors	
	The Almeida Theatre	Trustee, Treasurer and Chair of the Finance Committee	
Elanor R. Hardwick	Axis Capital Holdings Ltd	Member of the Board of Directors	
	Axis Specialty Europe	Member of the Board of Directors	
	Axis Re Europe	Member of the Board of Directors	
	Axis Managing Agency Ltd	Member of the Board of Directors	
	Langcliffe Merger Connect Ltd.		Shareholder
	Laka Ltd		Shareholder
	ExcelRedstone Services Ltd		Shareholder
	Gutterline Services Ltd		Shareholder
	The Wine Company (UK) Ltd		Shareholder
	Credit Benchmark Ltd		Shareholder
	Elmelunde Landbrug ApS		Shareholder
Shahzad A. Shahbaz	Al Mirqab Holding Co	Group CIO	
	El Corte Ingles S.A.	Member of the Board of Directors	
	Seafox	Member of the Board of Directors	
Jan A. Vanhevel	Soudal NV	Member of the Board of Directors	
	Opdorp Finance BVBA	Member of the Board of Directors	
Johannes Herman Frederik G. Umbgrove	Demir Halk Bank N.V.	Chairman of the Supervisory Board	
	Lloyds Bank GmbH.	Member of the Supervisory Board	
	Sparrenwoude B.V. (Only an administrative vehicle without any full-time employee)		Majority Shareholder
Spyros A. Andronikakis	Hellenic Bank Association	Member of the Executive Committee - since July 2020	
	Hellenic Bank Association	Chairman of the CROs - since September 2020	
Sergiu A. Oprescu	European Mortgage Federation	Member of Executive Committee - Representative of the Romanian Association of Banks	
Nikolaos V. Salakas	Koutalidis Law Firm	Partner	
Ioannis M. Emiris	Hellenic Exchanges – Athens Stock Exchange S.A.	Non-Executive Member of the Board	
	EnEx Clearing House S.A.	Non-Executive Member of the Board	
	Hellenic Energy Exchange S.A.	Non-Executive Member of the Board	

- They were not members of any administrative, management or supervisory body or partners/shareholders in another company or legal entity (excluding the subsidiary entities of the Issuer), at any time during the previous five years, other than the following:

Full name	Company/Partnership	Position (Member of Administrative, Management or Supervisory Body)
Vasileios T. Rapanos	Hellenic Bank Association (Non-profit)	Vice-Chairman of the Board of Directors
	Foundation for Economic and Industrial Research (IOBE) (Non-profit)	Member of the Board of Directors
	The Citizen's Movement for an open society (Non-profit association)	Member of the Board of Directors
	IVET, S.A (BMS TECH S.A) Biomedical Sciences and Technologies S.A	Vice Chairman of the Board of Directors
	EDAPA, S.A, Company for the Management and Development of the Academy' s Property	Vice Chairman of the Board of Directors
Vassilios E. Psaltis	BankMed S.A.L	Non-executive BoD Member (18.9.2017-28.6.2019)
	MedInvestment Bank S.A.L.	Non-executive BoD Member (20.4.2018-28.6.2019)
	Saudi Lebanese Bank S.A.L.	Non-executive BoD Member (31.12.2018-28.6.2019)
Spyros N. Filaretos	Hellenic Federation of Enterprises	Member of the Board of Directors
	AXA	Vice-Chairman of the Board of Directors
	Periplous - Shipping Company	Member of the Board of Directors (until March 2021)
Efthimios O. Vidalis	Titan Cement Company S.A.	Non-Executive Director (September 2018-present) Executive Member of the Board (2011-September 2018)
	Fairfield-Maxwell Ltd	Non-Executive Member of the Board of Directors (2018-present)
	Future Pipe Industries	Member of the Board (2008-June 2019)
	Hellenic Federation of Enterprises (SEV)	Secretary General (Executive Committee Member) (2014-2016) Member of the Board of Directors (2006-2016)
	ALBA Graduate School of Business Administration in Athens	Member of the BoD (2016-present)
	Solidarity Now, (NGO)	Vice Chair of the BoD (2016-present)
	SEV BCSD (SEV BUSINESS COUNCIL FOR SUSTAINABLE DEVELOPMENT)	Chairman & Founder (2008-2016)
	RAYCAP S.A.	Senior Advisor of Executive Management & shareholders (2011-2016)
Dimitris C. Tsitsiragos	Titan Cement International	Member of the Board of Directors (March 2020-present)
Jean L. Cheval	EFG-Hermès, Egypt	Member of the Board of Directors (Since 2016-present)
	Natixis Algerie	Member of the Board of Directors (Since 2019)
	HIME-SAUR	Member of the Board of Directors (2013-2018)
	Natixis	Head of Finance and Risk (September 2012 – October 2017) Senior Advisor (Since October 2017)

Carolyn G. Dittmeier	Assicurazioni Generali SpA	Chair of the Board of Statutory Auditors (2014 - present)
	Moncler SpA	Member of Board of Statutory Auditors (mid 2020 to present)
	Illycafe SpA	Member of the Board of Directors (2019 - present)
	Italmobiliare SpA	Member of the Board (2014 - 2017)
	Autogrill SpA	Member of the Board (2013 - 2017)
Richard R. Gildea	The Johns Hopkins University School of Advanced International Studies	Member of the Board of Advisors (Since 2013-present)
	The Almeida Theatre	Trustee, Treasurer and Chair of the Finance Committee
Elanor R. Hardwick	Axis Capital Holdings Ltd	Member of the Board of Directors (Since 2018-present)
	Axis Specialty Europe	Member of the Board of Directors (Since 2020-present)
	Axis Re Europe	Member of the Board of Directors (Since 2020-present)
	Axis Managing Agency Ltd	Member of the Board of Directors (Since 2020-present)
	Itiviti Group AB	Member of the Board of Directors (July 2020-May 2021)
	Langcliffe Merger Connect Ltd.	Shareholder (Since April 2012-present)
	Laka Ltd	Shareholder (Since January 2018-present)
	ExcelRedstone Services Ltd	Shareholder (Since April 2008-present)
	Gutterline Services Ltd	Shareholder (Since December 2013-present)
	The Wine Company (UK) Ltd	Shareholder (Since November 2016-present)
	Credit Benchmark Ltd	Shareholder (Since May 2012-present)
	Elmelunde Landbrug ApS	Shareholder (Since December 2018-present)
	EJ Black Bus Ltd	Director (July 2011-July 2020)
	DHL (Energy) Services Ltd	Shareholder (August 2015-November 2019)
Shahzad A. Shahbaz	Al Mirqab Holding Co	Group CIO
	El Corte Ingles S.A.	Member of the Board of Directors
	Seafox	Member of the Board of Directors
Jan A. Vanhevel	Soudal NV	Member of the Board of Directors
	Opdorp Finance BVBA	Member of the Board of Directors
	Ravago SA	Member of the Board of Directors (until 2019)
Johannes Herman Frederik G. Umbgrove	Demir Halk Bank N.V.	Member of the Supervisory Board (April 2016 – April 2018) Chairman of the Supervisory Board (April 2018 - present)
	Lloyds Bank GmbH.	Member of the Supervisory Board (2019 - present)
	Sparrenwoude B.V.	Majority Shareholder (Since 2014 - present)
Spyros A. Andronikakis	Teiresias S.A.	Member of the Board - Until July 2020
Sergiu A. Oprescu	Romanian Association of Banks	Chairman of the Board (May 2015 – May 2021)
	European Banking Federation	Member of the Board (May 2015 – May 2021)
Nikolaos V. Salakas	Koutalidis Law Firm	Partner (2001 - present)
Ioannis M. Emiris	Hellenic Exchanges – Athens Stock Exchange S.A.	Non Executive Member of the Board (January 2013 - present)
	EnEx Clearing House S.A.	Non Executive Member of the Board (October 2019 - present)
	Hellenic Energy Exchange S.A.	Non Executive Member of the Board (October 2019 - present)
Anastasia C. Sakellariou	Praxia Bank	Chief Risk Officer (CRO) - February 2017- September 2017
	Praxia Bank	Chief Executive Officer (CEO) - September 2017- March 2020

	Praxia Bank	Member of the Board of Directors - February 2017-March 2020
	Hellenic Bank Association	Member of the Board of Directors - March 2018 – March 2020
Stefanos N. Mytilinaios	Piraeus Bank	General Manager (April 2016-November 2020)
	Piraeus Direct Services	BoD member (2016-November 2020)
	Piraeus Direct Solutions	Chairman (2017-November 2020)

- There has been no convictions in relation to fraudulent offences for at least the previous five years.
- They have not been involved in any procedure related to bankruptcy, receivership, liquidation or compulsory administration, pending or in progress, for at least the previous five years in their capacity as members of any administrative, management or supervisory body of a legal entity involved in any of the aforementioned processes or as senior managers of such legal entities.
- They have not been charged with any official public incrimination and/or sanction by the statutory or regulatory authorities (including any designated professional bodies in which they participate) nor have they been disqualified by a court from acting as a member of an administrative, management or supervisory bodies of an issuer or from participating in the management or being involved in the conduct of the affairs of an issuer for at least the previous five years.
- Their duties carried out on behalf of and arising out of their capacity/position in Alpha Holdings do not create for them any existing or potential conflict with private interests or other duties of theirs.
- Their selection and placement in their capacities/positions are not the result of any arrangement or agreement with the Issuer's major shareholders, customers and suppliers or other persons. except for Mr. Johannes Herman Frederik G. Umbgrove, who serves as representative of the HFSF pursuant to the provisions of Law 3864/2010.
- With the exception to the limitations arising from the legislation in force, there is not any contractual restriction on the disposal within a certain time period, of any shares of the Issuer that they own.
- Upon their own declaration, they do not hold as at 15.06.2021 shares and voting rights in Alpha Holdings, other than the following:

Full name	**Ordinary Shares**
Vassilios E. Psaltis	532
Isidoros S. Passas	300
Ioannis M. Emiris	23,000
Lazaros A. Papagaryfallou	1,144

8. MAJOR SHAREHOLDERS

8.1 Major shareholders

The table below sets out Alpha Holdings' shareholding structure as of 15 June 2021:

Shareholders	Number of shares	% percentage
HFSF [(1)]	169,174,167	10.9%
Paulson & Co. Inc [(2)].	86,738,025	5.6%
Schroders Plc [(2)]	80,814,063	5.2%
Other Shareholders <5%	1,209,254,842	78.2%
Total	**1,545,981,097**	**100.0%**

[(1)] Shareholders' register
[(2)] Number of shares as communicated to the Issuer by the shareholder

To the knowledge of Alpha Holdings, apart from the above cases, there is no natural person or legal entity that holds Ordinary Shares representing 5% or more of the share capital in Alpha Holdings.

In relation to the voting rights, the notifications that have been received up to 15 June 2021, pursuant to Regulation (EU) No. 596/2014, Greek law 3556/2007 and the HFSF Law, representing 5% or more of the total voting rights in Alpha Holdings, follow:

(i) Notification of important changes concerning voting rights under L. 3556/2007 [3.12.2015]: "*Alpha Bank A.E. (the "Bank") announces, pursuant to the provisions of L. 3556/2007 and following relevant notification on 2 December 2015, from the Hellenic Financial Stability Fund, that upon completion of Alpha Bank's share capital increase, the latter, as of 2 December 2015, holds 169.175.146 common, registered, voting, dematerialized shares which correspond to 11,01%, from 66,24% previously held, of the total number of voting shares of the Bank. The exercise of voting rights of said shares is subject to the restrictions stipulated on Article 7a of L. 3864/2010.*"

(ii) Notification of important changes concerning voting rights under L. 3864/2010 [7.12.2015]: "*Alpha Bank A.E. (the "Bank") announces, pursuant to the provisions of L. 3864/2010 and following relevant notification from PAULSON & CO. INC. on 7.12.2015, that the latter holds, since 2.12.2015, indirectly, through investment funds under (its) / (Paulson & Co. Inc) management, 100.148.001 voting rights corresponding to an equal amount of common, registered, voting, dematerialized shares, namely 7,32% of the voting rights of the Bank, excluding those held by the HFSF.*"

(iii) Notification of important changes concerning voting rights under L. 3864/2010 [03.06.2021]: "*Alpha Services & Holdings (the "Company") announces, pursuant to the provisions of L. 3864/2010, that Schroders plc., following a relevant notification on 03.06.2021, holds indirectly as of 31.05.2021, voting rights that correspond to an equal amount of common, registered, voting, dematerialised shares as well as other financial instruments that provide the right to acquire shares which incorporate voting of 5.410% of the total voting rights of the Bank, excluding those held by HFSF.*"

(iv) Notification of important changes concerning voting rights under L. 3556/2007 [03.06.2021]: *"Alpha Services & Holdings (the "Company") announces, pursuant to the provisions of L.3556/2007 and following relevant notification on 03.06.2021, of Schroders plc., that the latter holds indirectly as of 02.06.2021, voting rights that correspond to an equal amount of common, registered, voting, dematerialised shares, of 5.088% of the total voting rights of the Bank."*

As at 15.06.2021, to the knowledge of Alpha Holdings, no member of the Board of Directors or member of the administrative, management and supervisory bodies of Alpha Holdings own more than a *de minimis* percentage of our Ordinary Shares other than Mr. Vassilios E. Psaltis, who holds 532 Ordinary Shares, Mr. Isidoros S. Passas, who holds 300 Ordinary Shares, Mr. Ioannis M. Emiris, who holds 23,000 Ordinary Shares and Mr. Lazaros A. Papagaryfallou who holds 1,144 Ordinary shares.

We are not aware of any arrangement, the operation of which may, at a subsequent date, result in a change in control of Alpha Holdings.

In a letter addressed to the Issuer and dated 23 May 2021, the HFSF expressed full support for the Share Capital Increase and communicated its intension to participate in the contemplated Share Capital Increase up to its current shareholding namely 10.94% in line with the HFSF Law. Additionally, Paulson & Co Inc. (on behalf of the investment funds managed by it), declared to the Board of Directors by virtue of a letter to the Issuer, dated 15 June, 2021 its intention to subscribe for its pro rata 5.6% share of the offering, in accordance with the priority allocation mechanism.

To the extent known to the Issuer, no other major shareholder or member of the Issuer's management, supervisory or administrative bodies or any other person intends to subscribe for more than 5% of the Offer.

New Shares that the HFSF may acquire in the context of the Share Capital Increase will confer to the HFSF full voting and ownership rights in Alpha Holdings, like any other holder of Ordinary Shares. However, under Article 8, paragraph 8(d) of the HFSF Law, such New Shares so acquired by the HFSF will neither (i) confer to the HFSF the special rights set forth in Article 10 of the HFSF Law, such as the right to appoint a representative at the Board of Directors of each of Alpha Holdings or the Bank with the veto rights described in "*Regulation and supervision of Banks in Greece—The HFSF—Special rights of the HFSF*", nor (ii) be taken into account for the purpose of applying paragraph 1 of Article 16C of the HFSF Law prohibiting the acquisition of treasury shares by Alpha Holdings or the Bank and of determining the duration of the New RFA which remains effective for so long as the HFSF holds Ordinary Shares. See "*Regulation and supervision of Banks in Greece —The HFSF-—The Relationship Framework Agreement*". Notwithstanding the foregoing, the HFSF will maintain all such special rights in respect of its remaining Ordinary Shares (other than New Shares) and its consent and other rights under the New RFA, and this will enable the HFSF to continue exercising significant influence over our functioning, business, strategy and prospects.

HFSF Influence

As a result of the HFSF's current shareholding in Alpha Holdings of 10.9% and its veto and consent rights under the HFSF Law and the New RFA, the HFSF may exercise significant influence over certain corporate actions requiring shareholders' approval, the functioning and decision making of the Board of Directors, the business, strategy and future prospects. For more information on certain voting rights of HFSF as a major shareholder, see "Major Shareholders" and "*Regulation and supervision of Banks in Greece —The HFSF—Voting rights of the HFSF*" and "*Regulation and supervision of Banks in Greece—The HFSF—Special rights of the HFSF*" and "*Regulation and supervision of Banks in Greece—The HFSF—The Relationship Framework Agreement*".

Pursuant to Article 10 of the HFSF Law, in exercising his or her rights thereunder, the HFSF's representative at the Board of Directors of both Alpha Holdings and the Bank, should take into account the business autonomy of the entity concerned. For more information on HFSF's representative on the Board of Directors specific rights, see "*Regulation and supervision of Banks in Greece—The HFSF—Special rights of the HFSF*". The general principles and policies, including corporate governance principles, stewardship policy and voting policy that the HFSF applies in connection with the institutions in which it participates are available on its website (https://hfsf.gr/en/our-portfolio/principles-policies).

As per Article 10 of the HFSF Law the HFSF, with the assistance of an internationally renowned specialised independent adviser, is entitled to evaluate the corporate governance framework of the credit institutions, with which it has concluded a relationship framework agreement. For more information see "*Regulation and supervision of Banks in Greece —The HFSF—Special rights of the HFSF*".

Relationship Framework Agreement

Alpha Holdings (then operating as a licensed credit institution under the name "Alpha Bank S.A.") and the HFSF have entered into the RFA, in accordance with the provisions of the Memorandum of Economic and Financial Policies and the provisions of the HFSF Law. The RFA was originally entered into force on 12 June 2013 but was subsequently replaced by the New RFA entered into on 23 November 2015. The New RFA will remain in force so long as the HFSF has any ownership in the Bank. In the context of the hive-down of our banking sector to the (new) Bank completed on 16 April 2021, the New RFA was transferred to the (new) Bank as part of such banking sector. We have assumed the obligation to negotiate in good faith with the HFSF any amendments to the New RFA in order to preserve the rights of the HFSF at both the level of Alpha Holdings and the Bank subject to applicable law.

The New RFA mainly governs: (a) matters of corporate governance; (b) the exercise of the rights of the HFSF's representative on the Board of Directors and HFSF's right to appoint one member to the Board Committees (including in the Audit, Risk Management, Remuneration, Corporate Governance and Nominations Committee, with rights to, among other things, include items in the agenda and convoke meetings); (c) the specific material matters that are subject to HFSF's consent (i.e. the Group's risk and capital strategy document(s), and particularly the risk appetite statements and risk governance and any amendment, extension, revision or deviation thereof; and (d) the monitoring and evaluating of the performance by the HFSF of the Board of Directors and committees.

For more information on the New RFA and on the relevant rights of the HFSF prior and subsequent to the Hive Down, see "*14.7. Recovery and resolution of credit institutions/The HFSF/Voting rights of the HSFS/Special Rights of the HFSF/The Relationship Framework Agreement*".

As at 31 March 2021, our outstanding paid-up share capital currently amounts to €463,794,329.10 and is divided into 1,545,981,097 Ordinary Shares, each having a nominal value of €0.30, which will also be the nominal value of the New Shares.

8.2 Treasury shares

Pursuant to the provisions of Article 16C, paragraph 1 of the HFSF Law, during the participation of the HFSF in the share capital of Alpha Holdings, neither Alpha Holdings nor the Bank is permitted to acquire treasury shares without the prior approval of the HFSF. As at the date of this Prospectus, neither Alpha Holdings nor the Bank hold any treasury shares.

9. RELATED PARTY TRANSACTIONS

9.1 Related party transactions

Other than those disclosed under Note 45 of our Annual Consolidated Financial Statements, as well as those disclosed under Note 31 of our Interim Consolidated Financial Statements, Alpha Holdings has declared that there have been no other transactions with related parties under Articles 99 et seq. of Law 4548/2018, namely with related parties as such term is defined by IAS 24, and with legal entities controlled by them, in accordance with IAS 27 and IFRS 10, apart from the related party transactions from 31 March to 30 April 2021, as set out below, in accordance with Commission Delegated Regulation (EU) 2019/980, as in force, and that all transactions with related parties have been concluded on market terms.

Related parties include (i) members of our Board of Directors and our key management personnel; (ii) close family members of and persons financially dependants (spouses, children, etc.) from members of our Board of Directors and key management personnel; (iii) companies engaging in transactions with Alpha Holdings, if the total cumulative participating interest (of members of the Board of Directors, key management personnel and their dependants or close family) cumulatively exceeds 20%; (iv) Alpha Holdings' associates; (v) Alpha Holdings' joint ventures; and (vi) the HFSF which, in accordance with IAS 24, is a related party of Alpha Holdings as a result of the recapitalisation in the context of the HFSF Law. Related parties do not include companies to which the HFSF may be considered a related party.

The Bank and the other companies of the Group enter into a number of transactions with related parties in the normal course of business. These transactions are performed at arm's length and are approved by the respective bodies.

a. The outstanding balances of the Group's transactions with key management personnel consisting of members of the Bank's Board of Directors and the Executive Committee, their close family the results related to these transactions are as follows: members and the entities controlled by them, as well as,the results related to these transactions are as follows:

	30.4.2021
Assets	
Loans and advances to customers	1.776
Total	**1.776**
Liabilities	
Due to customers	4.298
Employee defined benefit obligations	223
Provisions	650
Total	**5.171**
Letters of guarantee and approved limits	**2.111**

	31.03.2021 - 30.04.2021
Income	
Interest and similar income	5
Fee and commission income	2
Total	**7**
Expenses	
Interest expense and similar charges	0
Remuneration paid to key management and close family members	524
Total	**524**

Note: Totals may vary due to rounding of numbers.
Source: Management information.

The aggregate provisions for post-employment benefits to key management personnel as at 30 April 2021 amounted to €0,2 million.

b. The outstanding balances with the Group's, associates and joint ventures as well as the results related to these transactions are as follows:

	30.4.2021
Assets	
Loans and advances to customers	65.045

Other assets	1.375
Total	**66.420**
Liabilities	
Due to customers	16.768
	16.768

Note: *Totals may vary due to rounding of numbers.*
Source: *Management information.*

Income	**31.03.2021 - 30.04.2021**
Interest and similar income	71
Gains less losses on financial transactions	116
Other income	16
Total	**203**

Note: *Totals may vary due to rounding of numbers.*
Source: *Management information.*

c. The Hellenic Financial Stability Fund (HFSF) exerts significant influence on the Bank. In particular, in the context of Law 3864/2010 and based to Relationship Framework Agreement ("RFA") signed on 23.11.2015, which replaced the previous one signed in 2013, HFSF has participation in the Board of Directors and other significant Committees of the Bank. Therefore, according to IAS 24, HFSF and its related entities are considered related parties for the Bank.

	31.03.2021 - 30.04.2021
Income	
Interest and similar income	
Fee and commission income	**-**
Gains less losses on financial transactions	
Total	**-**
Expenses	
Interest expense and similar charges	
Commission expenses	
Total	**-**

Note: *Totals may vary due to rounding of numbers.*
Source: *Management information.*

To the best of our knowledge, there are no material related party transactions to be reported from 30 April 2021 to the Date of the Prospectus.

10. INFORMATION ON THE CAPITAL OF THE GROUP

The figures presented in the tables in this Prospectus derive from our annual audited consolidated financial statements as at and for the year ended 31 December 2020 and the condensed interim consolidated financial statements as at and for the three-month period ended 31.03.2021 and information provided by Alpha Holdings. In such instances, the relevant source is explicitly stated. Certain financial and other information presented in this Prospectus has been prepared on the basis of our own internal accounts, statistics and estimates, and has not been subject to any review by our statutory auditors. In such instances, the relevant source is explicitly stated.

10.1 Capital management

Overview

The policy of the Group is to maintain a strong capital base in order to ensure the development and the trust of depositors, shareholders, markets and business partners. Share capital increases are conducted following resolutions of the General Meeting of Shareholders or of the Board of Directors, as the case may be, in accordance with Articles of Association and relevant laws. For as long as the HFSF is our shareholder, any purchase of our own shares is subject to the consent of the HFSF.

As at November 2014, the former Alpha Bank S.A., and currently the Bank, as a systemic bank, is directly supervised by the ECB, within the framework of the SSM. The supervision is conducted in accordance with the CRR/CRR II and CRD IV/CRD V, implementing the Basel III framework, all of which have been transposed into Greek law by virtue of Greek law 4261/2014, as amended and in force from time to time (the "**Banking Law**"). The supervisory framework of Basel III consists of three fundamental pillars:

- Pillar I that specifies the calculation of minimum capital requirements. The Bank reports to the SSM through the Bank of Greece its capital requirements on a solo and consolidated basis;
- Pillar II that sets the principles, criteria and processes required for assessing capital adequacy and risk management systems of the credit institutions; and
- Pillar III that aims at increasing transparency and market discipline sets the disclosure requirements of key information regarding the exposure of financial institutions to key risks as well as the processes applied for managing them.

The capital adequacy framework, apart from the above, defines the minimum level of regulatory capital of credit institutions and addresses other regulatory issues such as monitoring and control of large exposures, open foreign exchange position, concentration risk and the liquidity ratios, the internal control system, including risk management system and regulatory reporting and disclosures. The approaches adopted for the calculation of the capital requirements under Pillar I (advanced or standardised methods) 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 as well, such as the degree of readiness of the information and software systems.

Capital buffers

The Bank follows, in accordance with the above regulatory framework, the effective transitional arrangements for the calculation of capital adequacy ratios. In addition:

- in addition to the 8% capital adequacy limit, the Bank is subject to a 4.5% minimum requirement for CET 1ratio and 6% for Tier 1 ratio; and
- the maintenance of capital buffers additional to the CET1 capital are required. In particular, the capital conservation buffer stands is set at 2.5%, the countercyclical capital buffer is equal to 0% for 2021, and the other systemically important institutions (O-SII) buffer is 0.50% (for 2021, to gradually increase to 1.00% from 1 January 2023).

These limits are to be met both on a standalone and on consolidated basis.

For more information on capital buffer requirements, see *"Regulation and supervision of banks in Greece — Capital adequacy framework — Capital buffer requirements"*.

Supervisory Review and Evaluation Process (SREP)

The ECB and the Bank of Greece conduct annually a Supervisory Review and Evaluation Process ("**SREP**") in order to set prudential as well as other qualitative requirements to banking institutions. In the SREP context, the ECB and the Bank of Greece may also require institutions, in accordance with Article 96a of the Banking Law to have additional own funds in excess of those set out in the CRR, under the conditions set out in Article 96a of the Banking law.

On 28 December 2020, the ECB informed Alpha Holdings (then operating as a fully licensed credit institution under the name "Alpha Bank S.A.") that from 31 January 2021 the minimum limit for the Overall Capital Requirement ("**OCR**") remains unchanged from 2020 at 14%. The OCR is composed by the minimum own funds requirements (8%), according to Article 92(1) of the CRR, the additional Pillar II own funds requirements (P2R), according to Article 16(2) (a) of the Regulation 1024/2013/EU which corresponds to 3%, and the combined buffer requirements (CBR), according to Article 128(6) of the Directive 2013/36/EU which correspond to 3%. The above minimum ratio should be maintained on a phase-in basis under applicable transitional rules under the CRR/CRR II and CRD IV/CRD V regime, at all times. Compared to the 2019 limit of 13.75%, the difference of 0.25% was due to the gradual increase of the O-SII buffer.

However, due to the measures taken at EU level in order to mitigate the impact of the COVID-19 pandemic, and to facilitate bank lending to the economy, the ECB announced the relaxation of the capital buffers at least until the end of 2022. For more information on the SREP, see *"Regulation and supervision of banks in Greece - Capital adequacy framework - Supervisory Review and Evaluation Process (SREP)".*

Capital adequacy ratios

The capital adequacy ratio compares the Group's total regulatory capital with the risks assumed by the Group (risk-weighted assets/capital requirements). Regulatory capital includes Common Equity Tier I capital (share capital, reserves), Additional Tier I capital (deeply subordinated debt, subject to writing down and/or to conversion into equity as the case may be) and Tier II capital (subordinated debt). Risk-weighted assets include the credit risk of the investment portfolio, the counterparty credit risk, the market risk of the trading portfolio and the operational risk.

The following table sets forth the Group's capital adequacy ratios as at 31 March 2021 and 2020 and as at 31 December 2019 and 2020.

	Three months ended 31 March		**Year ended 31 December**	
	2021	**2020**	**2020**	**2019**
	(€ millions, unless otherwise indicated)			
Risk-weighted assets for credit risk	39,616.55	42.749,68	40.422,14	42.386,14
Risk-weighted assets for market risk	1.474,04	1.311,08	1.741,69	1.540,05
Risk-weighted assets for operational risk	3.205,43	3.556,67	3.205,43	3.556,67
Total risk-weighted assets (d)	**44,296.02**	**47.617,43**	**45.369,26**	**47.482,87**
Common Equity Tier I capital (e)	7.089,32	7.840,18	7.827,43	8.494,54
Tier I capital (b)	7.090,78	7.843,16	7.830,37	8.499,06
Total Capital (Tier I + Tier II) (c)	**8.103,93**	**8.354,47**	**8.342,26**	**8.509,81**
Common Equity Tier I Ratio (e)/(d)	16.0%	16.5%	17.3%	17.9%
Tier I Ratio (b)/(d)	16.0%	16.5%	17.3%	17.9%
Total capital ratio (Tier I + Tier II) (c)/(d)	**18.3%**	**17.5%**	**18.4%**	**17.9%**

Note: Totals may vary due to rounding of numbers.

Source: Management information.

In 2020, Alpha Holdings (then operating as a fully licenced credit institution under the name "Alpha Bank S.A.") issued a €500 million, Tier 2 bond with 10-year maturity callable after 5 years at a yield of 4.25%. The transaction, upon closing, increased the Bank's the Total Capital Ratio by 104 basis points.

In March 2021, Alpha Holdings (then operating as a fully licenced credit institution under the name "Alpha Bank S.A.") issued a €500 million Tier 2 bond. The subordinated bond has a 10.25-year maturity and is callable anytime between year 5 and year 5.25 with a coupon of 5.5%. The transaction, upon closing, increased the Bank's the Total Capital Ratio by 104 basis points. See also "*Securitisations*" below.

Overview and management targets

As at 31 December 2020, Alpha Bank's total capital adequacy ratio stood at 18.4% and that was further enhanced through the successful issuance of a €500 million Tier 2 bond in March 2021. The Bank's management aspires to maintain a total capital adequacy ratio that is exceeding the minimum regulatory requirements of 14.5% (OCR 2023) by 200 bps or more, targeting a total capital adequacy ratio of above 16.5% throughout the projected period.

Alpha Bank's initial capital buffers, which are expected to be further enhanced by the planned internal capital enhancing measures, are anticipated to fully support the successful delivery of our NPE Initiatives, as per our Updated Strategic Plan. We expect our total capital adequacy ratio as at 31.12.2020, proforma for the Tier 2 issuance in March 2021, the Galaxy transaction, the internal capital enhancing measures and the NPE Initiatives to reach c.16.9%, a level which is consistent with our management targets.

Further to the above, we foresee a significant opportunity to re-leverage our balance sheet and reach our profitability targets sooner (10% RoTBV by 2024), based on the prospects for the Greek economy and the credit growth in Greece, which is expected to be triggered and supported by the upcoming RRF program. In order to support the growth of our balance sheet going forward, we launched a €0.8 billion Share Capital Increase, which will allow us to secure the growth capital we expect to deploy over the next few years. Taking into account all of the above, we expect to be able to successfully re-leverage our balance sheet while maintaining a total capital adequacy position of c.17.0% by the end of 2023.

Effective sequence of initiatives and impact

As at 31 March 2021, our phased-in total capital adequacy ratio stood at 18.3% (vs. 18.4% as at 31 December 2020), as the capital enhancement through the successful issuance of a €500 million Tier 2 bond was more than counterbalanced by the effects of 2021 IFRS9 phasing adjustments and our Q1 2021 results, which included impairment losses of approximately €317 million relating to forthcoming NPE portfolio sales. Specifically, ahead of the new NPE transactions, the Group, in its condensed financial statements as of 31.3.2021, has accounted for impairment losses of €0.3 billion, reflecting the probability of implementation of a sale scenario for loan portfolios included in the business plan, taking into account facts and circumstances that could possibly prevent the completion of the transaction or affect the process till completion of a definitive agreement with investors. As the relevant projects mature and certain milestones and conditions precedent are met, the Group may recognize further losses to fully account for the estimated cost of these transactions in 2021 and 2022.

Pro forma for the Galaxy transaction (completed in June 2021), which had an effect of -2.8% on our total capital adequacy ratio, our total capital adequacy ratio stood at 15.5%. The Updated Strategic Plan includes a series of initiatives which are intended to support the Bank's efforts to absorb the impact of the NPE Initiatives and still remain above minimum regulatory requirements and our management capital buffers, while also securing the growth capital we expect to deploy in the following years.

In addition, the Bank's Updated Strategic Plan includes the following initiatives, which are expected to have an overall positive impact on capital adequacy ratios:

- Immediately as part of the Combined Offering: a EUR €0.8 billion Share Capital Increase through the Combined Offering, which, if successfully completed, is expected to enhance our total capital adequacy ratio as of 31 March 2021 pro forma for the Galaxy transaction by c. +2.1%, leading to a capital adequacy ratio of c. 17.5%, and allow the re-leveraging of our balance sheet as per our Updated Strategic Plan based on the prospects for the Greek economy and the credit growth in Greece, supported by the upcoming RRF program;
- In addition, a series of internal capital measures which are expected to provide additional capital buffers. These measures include project Prometheus (sale of our merchant acquiring business and formation of strategic partnership), project Riviera (sale of Alpha Bank Albania), project Crown (sale of Alpha Bank London), project Skyline (a Joint Venture with an international partner in the real estate market) and a synthetic securitization transaction and are expected to be completed by 2022. The internal capital measures are expected to underpin the Bank's NPE Initiatives. The combined effect of these internal capital measures on total capital adequacy ratio as of 31 March 2021 pro forma for the Galaxy transaction and the Share Capital Increase is estimated at approximately +1.2%

Assuming the successful completion of the above initiatives, the proforma total capital adequacy ratio (as at 31.3.2021 proforma for the Galaxy transaction, the Share Capital Increase and the internal capital measures) is estimated to reach 18.7%. Achieving our proforma targeted capital adequacy ratio will depend on the successful and timely completion of the aforementioned initiatives, as well as other factors, including factors beyond our control, all of which are subject to risks and uncertainties as disclosed elsewhere in this Prospectus. See "*Risk Factors – Risks Related to our Business - We may not be able to raise the entire proposed amount of the Share Capital Increase through the Combined Offering and this might have an adverse impact on our planned credit expansion, our business, financial condition and results of operations, and even if the Share Capital Increase is successful and we are able to raise the entire proposed amount, there can be no assurance that our planned credit expansion targets will be achieved in the anticipated timeframe or at all and the expected benefits of this strategy may not materialise, which could have a material adverse effect on our business, financial condition and results of operations and We may not be able to reduce our NPE levels in line with our targets or at all, or defend our interest income in line with our targets, or at all, which may materially impact our financial condition, capital adequacy or results of operations*".

Furthermore, in order for the Bank to achieve a single-digit NPE ratio within 2022, a series of NPE transactions (i.e. inorganic NPE reduction) should be successfully implemented, namely: a) Project Cosmos, b) Project Solar, c) Project Orbit, d) Project Sky and e) selected wholesale and leasing receivables disposal. Assuming the successful completion of the aforementioned NPE transactions, the proforma total capital adequacy ratio is expected to decrease by c.1.0%, and reach at 17,7%, as a result of a c.€1.0 billion additional capital impact (in addition to relevant provisions already booked in Q1 2021 and including the effect from 10% DTA threshold) and € 3.8 billion RWA relief (including the effect from 10% DTA threshold). There can be no assurance, however, that we shall be able to complete these NPE transactions (*see* "*Risk Factors – Risks Related to our Business We may be unable to successfully deliver the non-organic business development and capital-generating measures envisaged in our Updated Strategic Plan, which may adversely affect our business, capital adequacy, financial condition and results of operations*")

In addition, our ongoing organic NPE reduction (i.e. cures, debt forgiveness, collateral based recoveries and other closing procedures) will further support capital adequacy ratios mainly through relief of RWAs, with an estimated effect on total capital adequacy ratio of approximately +0.9%.

The estimated total capital adequacy ratio impact and its aforementioned components are subject to changes related to the determination and valuation of NPE derecognition perimeters, the timing of transactions' implementation/completion, the applicable regulatory adjustments, potential IFRS adjustments and potential associated costs and fees.

Assuming the successful completion of the above initiatives, the proforma total capital adequacy ratio (as at 31.3.2021 proforma for the Galaxy transaction, the Share Capital Increase, the internal capital measures and our NPE Initiatives) is estimated to reach 18.6%.

Other factors expected to affect our capital adequacy ratio until 2023 are:

- The combined effect of our internal capital generation through our internally generated profitability, which is expected to be further enhanced by the re-leveraging of our balance sheet through credit expansion until 2023, together with an increase of Risk Weighted Assets due to the aforementioned credit expansion. Said increase of Risk Weighted Assets is intended to be supported and counterbalanced respectively by the Share Capital Increase.
- The remaining IFRS9 phasing adjustments of 2022 and 2023.

Our total capital adequacy ratio in 2023, taking into account all aforementioned factors is expected to reach c.17%.

Within 2024, we expect the Bank's internal capital generation, in combination with further credit growth to have an overall positive effect of +1.3% on our total capital adequacy ratio, reaching by the end of 2024 the level of c.18.3%, assuming no distribution of dividend, but retaining the flexibility to proceed to dividend distribution, and further capital structure optimisation, if required conditions are met.

10.2 Funding structure

The Bank's objective is to optimize the structure of its liabilities profile in relation to the type of investors, the geographic distribution, the tenor and the type of bond issued (covered bonds, for liquidity, MREL or capital purposes).

The Bank has been updating its EMTN Programme for the issuance of debt and capital through which part of its funding and capital needs are served. The Bank's presence in these markets started in 1999 following the launch of its first EMTN Program.

The Group's funding structure as at 31 March 2021 and as at 31 December 2019 and 2020 was as follows:

	31 March 2021		**31 December 2020**		**31 December 2019**	
	€ millions	*% of funding*	*€ millions*	*% of funding*	*€ millions*	*% of funding*
Net interbank..................	(2,118)	(3.8%)	(1,503)	(2.7%)	3,864	7.0%
Amounts due to ECB and central banks, net.....	5,226	9.3%	4,791	8.5%	1,475	2.7%
Debt securities in issue and other borrowed funds...............................	1,679	3.0%	1,223	2.2%	1,089	2.0%
Customer deposits..........	12,232	21.7%	13,639	24.0%	16,956	30.7%
Core deposits..................	31,379	55.6%	30,192	53.2%	23,408	42.3%
Total equity....................	7,989	14.2%	8,333	14.7%	8,476	15.3%

Note: *Totals may vary due to rounding of numbers.*
Source: *Management information*

10.3 Liquidity

Regarding the liquidity levels of the Bank, it is noted that there was no adverse change due to COVID-19 in terms of the ability to draw liquidity from the Eurosystem Mechanisms and from interbank counterparties (in secured or unsecured form). In addition, the Bank made use of the TLTRO III program of the ECB and ensured long-term liquidity with negative interest rates (assuming the leverage targets set by the ECB are achieved). In this context, the total financing from the ECB on 31 December 2020 amounts to €11.9 billion (note 27). In addition, it is important to note that the ECB, in its decisions in March, April and December 2020, accepted the securities of the Hellenic Republic as collateral for monetary operations as part of the collateral easing measures announced. The Bank completed within the first quarter of 2020 the issuance of a ten-year Tier 2 bond, callable in 5 years, amounting to €500 million, the interest rate of which was 4.25%, gathering high investor demand. In addition, in 2020 the Bank witnessed an increase in private sector deposits of €4 billion. Within 2021, to the extent permitted by the conditions in capital markets, the Bank plans to issue additional bonds, senior and subordinated.

In this context, in order to strengthen its capital, the Bank issued on 4 March 2021 a new €500 million Tier 2 bond, with a 10.25-year maturity callable anytime between year 5 and year 5.25 and with a coupon of 5.5%.

As a result of the above, the liquidity ratios (liquidity coverage ratio and net stable funding ratio) have been constantly improving while gradually reaching levels exceeding the supervisory thresholds. Finally, taking into account the situation of the Greek economy and the new conditions due to the pandemic of COVID-19, stress test exercises are carried out regularly for liquidity purposes, in order to assess possible outflows (contractual or potential). The result of the exercises shows that the Bank has sufficient liquidity reserves to meet its needs.

10.4 Restrictions on the use of capital

Pursuant to the 2020 SREP Decision, Alpha Bank is required to obtain ECB's approval prior to making any distribution to its shareholders and to holders of capital instruments, other than shares, insofar as these qualify as CET 1 or Additional Tier 1 capital instruments, where non-payment does not constitute an event of default.
See also "Dividends and dividend policy".

10.5 Credit ratings

The tables below set forth the credit ratings of the Bank and Alpha Holdings following the Hive Down by Fitch, Moody's and Standard & Poor's as at the date of this Prospectus:

Bank

Rating agency	**Long-term**	**Short-term**
Fitch	CCC+	C
Moody's	Caa1[(1)]	NP
Standard & Poor's	B+	B

(1) Caa1 rating refers to customer deposits.

Alpha Holdings

Rating agency	**Long-term**	**Short-term**
Fitch	CCC+	C
Moody's	Caa2	-
Standard & Poor's	B-	B

Any future reductions in our long-term credit ratings of the Bank could restrict or delay the Bank's access to the capital and interbank markets for funding, increase our borrowing costs and/ or restrict the potential sources of available funding available to the Bank. It could also, coupled with the deterioration of the market conditions, lead to higher spreads on bonds and have an adverse effect on the Bank's ability to use its collateral to secure funding.

10.6 Securitisations

Own-held Group securitization transactions

The Group, through its SPVs, had the following securitised notes in issue as at 31 March 2021:

Issuer	Description	Type of Collateral	Issue Date	Maturity Date	Nominal amount in € millions	Interest Rate
Katanalotika Plc	Class A	Consumer and Auto Loans	9 December 2008	17 December 2029	€220	EUR3M + 2.6%
Katanalotika Plc	Class Z	Consumer and Auto Loans	9 December 2008	17 December 2029	€360	EUR3M + 1.0%
Epihiro Plc	Class A	Commercial Term and Bond Loans	20 May 2009	20 January 2035	€400	EUR6M + 0.3%
Epihiro Plc	Class B	Commercial Term and Bond Loans	20 May 2009	20 January 2035	€100	EUR6M
Irida Plc......................	Class A	Lease Receivables	11 December 2009	3 January 2039	€261	EUR3M + 0.3%
Irida Plc......................	Class B	Lease Receivables	11 December 2009	3 January 2039	€214	EUR3M
Pisti 2010-1 Plc	Class A	Credit Cards and Open Loans	25 February 2010	24 February 2026	€369	2.5%
Pisti 2010-1 Plc	Class B	Credit Cards and Open Loans	25 February 2010	24 February 2026	€217	EUR1M
Alpha Shipping Finance Ltd	Loan	Shipping Loans	31 October 2014	20 January 2031	€192	USD Libor 3M + 2.25%
Orion X Securitisation Designated Activity Company....................	Class A	Retail Loans	30 April 2020	15 October 2060	€879	0.75%
Orion X Securitisation Designated Activity Company....................	Class B	Retail Loans	30 April 2020	15 October 2060	€104	4%
Orion X Securitisation Designated Activity Company....................	Class C	Retail Loans	30 April 2020	15 October 2060	€941	N/A
Galaxy Ii Funding Designated Activity Company....................	Class A	Retail Loans	30 April 2020	15 October 2060	€2,053	0.75%
Galaxy Ii Funding Designated Activity Company....................	Class B	Retail Loans	30 April 2020	15 October 2060	€364	4%
Galaxy Ii Funding Designated Activity Company....................	Class C	Retail Loans	30 April 2020	15 October 2060	€3,330	N/A
Galaxy Iv Funding Designated Activity Company....................	Class A	Corporate and SME	30 April 2020	15 October 2060	€670	0.75%
Galaxy Iv Funding Designated Activity Company....................	Class B	Corporate and SME	30 April 2020	15 October 2060	€263	4%
Galaxy Iv Funding Designated Activity Company....................	Class C	Corporate and SME	30 April 2020	15 October 2060	€2,039	N/A

On 8 April 2021, the securitisation notes of the Galaxy Securitisation were retranched resulting in the following: (i) Orion X note classes A, B and C were retranched to €888 million, €110 million and €862 million, respectively; (ii) Galaxy II note classes A, B and C were retranched to €2,210 million, €375 milion and €3,135 million, respectively; and (iii) Galaxy IV note classes A, B and C were retranched to €665 milion, €263 million and €2,260 million, respectively. In addition, the maturity dates of the aforementioned notes were further extended to 25 October 2060.

Covered bonds

The Group issues covered bonds through its covered bond program. As at 31 March 2021, the Group had the following covered bond programs/series outstanding:

Issuer	Description	Type of Collateral	Issue Date	Maturity Date	Nominal amount in € millions	Interest Rate
Alpha Bank S.A.	Covered Bond Programme I | Series 7	Mortgages	5 February 2018	5 February 2023	€500	2.5%
Alpha Bank S.A.	Covered Bond Programme II | Series 1	Mortgages	6 December 2017	23 January 2023	€1.000	EUR3M + 0.5%
Alpha Bank S.A.	Covered Bond Programme II | Series 2	Mortgages	18 May 2018	23 January 2023	€1.000	EUR3M + 0.5%
Alpha Bank S.A.	Covered Bond Programme II | Series 3	Mortgages	9 December 2019	23 January 2023	€200	EUR3M +0.35%

Issuer	Description	Type of Collateral	Issue Date	Maturity Date	Nominal amount in € millions	Interest Rate
Alpha Bank Romania S.A.	Covered Bond Programme | Series 1	Mortgages	16 May 2019	16 May 2024	€200	EUR6M +1.5%

The covered bonds under the Covered Bond Programme I are market placed and under Covered Bond Programme II are own-held and pledged to the Eurosystem for funding purposes.

10.7 Contractual obligations

The following table sets forth the contractual obligations of the Group as at December 31, 2020:

	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	More than 1 year	Total
Due to banks	426,235	29,518	371,674	108,959	12,170,295	13,106,681
Derivative financial liabilities	1,768,357	—	—	—	—	1,768,357
Due to customers (including debt securities in issue)	7,933,662	6,353,900	4,066,626	4,773,813	20,702,939	43,830,940
Debt securities in issue held by institutional investors and other borrowed funds	—	—	—	—	1,222,869	1,222,869
Liabilities for current income tax and other taxes	—	9,535	54,706	5,900	—	70,141
Deferred tax liabilities..............................					34,679	34,679
Employee defined benefit obligations	—	—	—	—	94,386	94,386
Other liabilities...	2,798	7,033	9,565	18,658	853,526	891,580
Provisions...					703,630	703,630
Liabilities related to assets classified as held for sale	—	—	—	—	251	251
Total	**10,131,052**	**6,399,986**	**4,502,571**	**4,907,330**	**35,782,575**	**61,723,514**

Note: *Totals may vary due to rounding of numbers.*

Source: *Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

11. RISK MANAGEMENT

11.1 Risk management framework

The Group has established a framework for the management of risks based on best practice and supervisory requirements in accordance with common European legislation and the current system of common banking rules, principles and standards. The Group aims to continuously improve this framework and apply it in a coherent and effective way in the daily conduct of the Group's activities within and across borders, thereby supporting the effectiveness of the corporate governance of the Group.

The Group's focus is to maintain the highest operating standards, ensure compliance with regulatory risk rules and retain confidence in the conduct of its business activities through sound provision of financial services.

Since November 2014, the Group has fallen under the Single Supervisory Mechanism (SSM), which is the system of financial supervision and prudential regulation comprising the European Central Bank (ECB) and the Bank of Greece. In addition, as a significant credit institution, the Group is directly supervised by the ECB. The SSM works in cooperation with the EBA, the European Parliament, the Eurogroup, the European Commission, the competent national resolution authorities, the Single Resolution Mechanism (SRM), and the European Systemic Risk Board (ESRB), within their respective competencies.

The Group defines its risk management strategy through (a) the determination of the extent to which the Group is willing to undertake risks (risk appetite), (b) the assessment of the potential impacts of activities in the development strategies by defining the risk management limits, so that the relevant decisions balance the anticipated profitability with the potential losses and (c) the development of appropriate procedures for the implementation of this strategy through a mechanism which allocates risk management responsibilities and accountability between the Bank's units. The Group's risk strategy and risk management framework are organised according to the three lines of defence, which have a decisive role in its efficient operation. In particular:

- the Business Units of retail, wholesale, wealth banking and NPEs Remedial Management constitute the first line of defence and risk ownership, which identifies and manages the risks that arise when conducting banking business;
- risk management and compliance units, which are independent from each other as well as from the first line of defence. They constitute the second line of defence in order to ensure objectivity in decision-making process, to measure the effectiveness of these decisions in terms of risk conditions and to comply with the existing legislative and institutional framework, by monitoring internal regulations and ethical standards as well as the total view and evaluation of the total exposure of the Bank and the Group to risk, based on established guidelines; and
- internal audit, which constitutes the third line of defence. Internal audit is an independent function, reporting to the audit committee of the Board of Directors (the "**Audit Committee**"). It audits the internal control activities of the Group, including the risk management function.

Risk management governance

The Board of Directors ensures the Group's proper operation and organization. In accordance with the Corporate Governance Code, the Board of Directors is responsible for the approval of the risk strategy and the risk appetite of the Bank and the Group and the regular monitoring of their implementation, with the support of the Risk Management Committee.

Based on the selected risk appetite, the Board of Directors ensures that the levels of risk are well understood and communicated throughout the Group. The Board of Directors determines the risks that the Group may assume, the size of such risks, the limits on the Group's significant business operations and the basic principles for the calculation and measurement of these risks.

The Risk Management Committee convenes at least once a month and recommends to the Board of Directors the approval of the Group's risk profile as well as the strategy on risk undertaking and risk and capital management. In accordance with the institutional framework, the Committee, taking into account the Bank's and the Group's business strategy and the sufficiency of the technical and human resources available, evaluates the adequacy and effectiveness of the risk management policies and procedures of the Bank and the Group, in terms of:

- the undertaking, monitoring and management of risks (market, credit, interest rate, liquidity, operational, concentration and other substantial risks) per category of transactions and customers and per risk level (*i.e.* country, profession, activity);

- the determination of the applicable maximum risk appetite on an aggregate basis for each type of risk and the further allocation of each of these limits per country, sector, currency, business unit, Large Exposures etc;
- effective and timely formulation, proposal for approval to the Board of Directors and execution of the NPLs/NPEs strategy, taking into account their paramount importance as one of the single largest asset sources where a multitude of risk factors is combined; and
- the establishment of stop-loss limits or of other corrective actions.

Furthermore, the Committee reviews and assesses the methodologies and models applied regarding the measurement of risks undertaken and ensures communication among the Internal Auditor, the External Auditors, the Supervisory Authorities, the Audit Committee and the Board of Directors on risk management issues. For a more comprehensive and effective identification and monitoring of all types of risks, various management committees have been established: the Assets-Liabilities Management Committee (ALCO) (as defined below), the Operational Risk and Internal Control Committee, and the Credit Risk Committee.
The General Manager and Group Chief Risk Officer ("**CRO**") supervises the Risk Management Divisions and reports on a regular as well as on an as needed basis to the aforementioned Management Committees, the Risk Management Committee and the Board of Directors. With respect to credit risk, reporting to the aforementioned committees covers the following areas:

- the risk profile of portfolios by rating grade;
- the transition among rating grades (migration matrix);
- the estimation of the relevant risk parameters (e.g., by rating grade, group of clients);
- the trends of basic rating criteria;
- the changes in the rating process, the criteria or in each specific parameter;
- the concentration risk (*e.g.*, by risk type, sector, country, collateral, portfolio, name);
- the evolution of gross loans, loans overdue by 90 days or more and NPEs and monitoring KPIs per segment on a Group basis;
- the cost of risk;
- the IFRS 9 staging transition of exposures per asset class; and
- the maximum risk appetite per country, sector, currency, Business Unit, limit breaches and mitigation plans.

Organisational structure of risk management divisions

Under the supervision of the General Manager and the Group CRO, the following Risk Management Divisions operate within the Group and have been given the responsibility of implementing the risk management framework, according to the directions of the Risk Management Committee:

- Market and Operational Risk Division
- Credit Risk Data and Analysis Division
    - Credit Risk Data Management Division
    - Credit Risk Analysis Division
- Credit Control Division
    - Credit Risk Policy and Control Division
    - Credit Risk Methodologies Division
    - Credit Risk Cost Assessment Division
- Risk Models Validation Division
- Wholesale Credit Division
- Credit Workout Division
- Retail Credit Division

11.2 Committees

Troubled Assets Committee

The Troubled Assets Committee was established in June 2014 and has been operational since January 2015. It has a key governance role in the Bank's overall NPL management framework.

The Committee has two (2) regular Members with voting rights: the General Manager -CFO who is the Chairman of the Committee and the General Manager -CRO.

The following Members with non-voting rights (Non-Regular Members) may be invited to attend the Meetings of the Committee:

- the Executive General Manager-Strategy; and
- the Executive General Manager of NPEs Remedial Management

The key responsibilities of the Troubled Assets Committee are outlined below:

- approval of Non-Performing Loans Policies and Procedures and the operational framework of the Wholesale Banking and Retail Banking Arrears Committees (*e.g.*, limits, composition, frequency of file reviews, officers responsible for proposals, meetings) as well as apprising the Credit Risk Committee;
- assessment and monitoring of the targets set to the Non-Performing Loans Divisions within the context of the Bank's budget by the Board of Directors;
- preliminary approval of operational viability of proposals from the Non-Performing Loans Divisions relating to engaging third parties to consult on or be involved with trouble exposures / debt management, subject to approval from the Expenditure and Investment Committee;
- preliminary approval of operational viability of proposals from the Non-Performing Loans Divisions to assign the management of certain troubled asset portfolios to companies licensed by the Bank of Greece (and monitoring the activities and results of any such assignees);
- preliminary approval of write-offs proposed by the Retail Non-Performing Loans Monitoring Division and the Non-Performing Loans of Wholesale Banking Monitoring Unit in line with the Group's policy on write-offs;
- preliminary approval of proposals to sell portfolios of troubled assets in accordance with the business plan and budget of the Non-Performing Loans Divisions;
- creation of specific forbearance, resolution and closure measures available to customers managed by the Non-Performing Loans Divisions, along with the periodic evaluation and monitoring of their effectiveness;
- setting the criteria on which the long-term viability of the proposed forbearance types and resolution and closure measures is examined;
- review of the internal reports related to the portfolio of the Non-Performing Loans Divisions;
- preparation, evaluation and approval of Wholesale Banking and Retail Banking Arrears Management Strategy which is further forwarded to the Credit Risk Committee for update and to Risk Management Committee for approval;
- the preliminary approval of yearly budget, business plans and targets set to Non-Performing Loan Units (Wholesale and Retail) within the context of the Bank's operational planning, which are further forwarded to the Executive Committee and the Board of Directors to obtain final approval;
- approval of reports regarding NPE management, submitted to the ECB and the HFSF; and
- oversight of the Troubled Assets Committees of Group subsidiaries.

Risk Management Committee

The Board of Directors, at its meeting held on 19 September 2006, resolved on the establishment of a Risk Management Committee. The members of the current Risk Management Committee of the Bank were appointed by a resolution of the annual ordinary General Meeting of shareholders on 31 July 2020. The Risk Management Committee consists of no less than three Members and no more than 40% of the total number of the Members of the Board of Directors of the Bank (rounded to the nearest whole number), excluding the representative of the HFSF. The exact number of the Members of the Risk Management Committee is determined by the Board of Directors. All Risk Management Committee Members are Non-Executive Members of the Board of Directors, the majority of whom are independent (excluding the HFSF representative). The representative of the HFSF is a Member of the Committee. The Risk Management Committee generally includes one Member of the Audit Committee to ensure proper sharing of information in common areas of interest. The Chair of the Committee (the "**RMC Chair**") is a Non-Executive Independent Member of the Board of Directors with significant experience in the banking sector. The RMC Chair cannot simultaneously act as Chair of the Board of Directors or of any other Board Committee. All the Members of the Risk Management Committee should have prior experience in the financial services sector and, individually and collectively, appropriate knowledge, skills and expertise concerning risk management and control practices. At least one Member (the "**NPL Expert**") should have solid risk and capital management experience as well as familiarity with the local and the international regulatory framework. The adequacy of the experience and expertise of the Members of the Risk Management Committee is regularly evaluated by the Corporate Governance and Nominations Committee. The Risk Management Committee convenes at least once a month.

The Risk Management Committee assists the Board of Directors in achieving the following objectives:

- promoting a sound risk culture at all levels throughout the Bank and the Group, fostering risk awareness and encouraging open communication and challenge across the Group; and

- monitoring the achievement of objectives in risk management, especially in the areas of NPEs and capital ratio.

The Risk Management Committee has the following responsibilities:

- reviewing regularly and recommending to the Board of Directors for approval the risk and capital management strategy ensuring alignment with the business objectives of the Bank and the Group. In this context, the Committee considers the adequacy of the technical (*e.g.*, modelling tools, IT systems) and human resources available to implement the risk and capital strategy and ensures the communication of key aspects of the risk strategy throughout the Group;
- reviewing and recommending annually to the Board of Directors for approval the Group's risk appetite framework and statement, ensuring alignment with the Group's strategic objectives and capital allocation. Furthermore, it determines the principles which govern risk management across the Bank and the Group in terms of the identification, measurement, monitoring, control and mitigation of risks. In addition, it evaluates on an annual basis or more frequently, if necessary, the appropriateness of risk identification and measurement systems, methodologies and models, including the capacity of the Bank's IT infrastructure to record, report, aggregate and process risk-related information;
- recommending to the Board of Directors for approval Bank-wide and Group-wide high-level policies on the management of credit, market, liquidity, operational and other risks;
- approving the nature, structure, format and frequency of risk reports to be submitted by the CRO to the Committee, and ensuring regular and high-quality reporting by the CRO to the Board of Directors;
- reviewing regularly, at least annually, the Group's internal capital adequacy assessment process (the "**ICAAP**") / internal liquidity adequacy assessment process (the "**ILAAP**") and related target ratios and recommending their approval to the Board of Directors; and
- reviewing the availability of resources for the conduct of firm-wide stress tests at least annually, approving the Bank's firm-wide stress test scenarios, and considering the results of stress tests.

The Risk Management Committee ensures the adequacy and effectiveness of the risk management policies and procedures of the Bank and the Group, in terms of the:

- undertaking, monitoring, and management of risks (market, credit, interest rate, liquidity, operational, or other material risks) per category of transactions and customers per risk level (*e.g.*, country, profession and activity);
- determination of the applicable maximum risk appetite on an aggregate basis for each type of risk and further allocation of each of these limits per, among others, country, sector, currency and Business Unit;
- effective and timely formulation, proposal for approval to the Board of Directors and execution of the NPLs/NPEs strategy, taking into account their paramount importance as one of the single largest asset sources where a multitude of risk factors is combined; and
- establishment of stop-loss limits or of other corrective actions.

The Risk Management Committee reviews and assesses the methodologies and models applied pertaining to the measurement of undertaken risks and ensures that there is an adequate level of communication on risk management issues among the internal auditor, the external auditors, the supervisory authorities, the Audit Committee and the Board of Directors.

Assets Liabilities Management Committee

The Assets Liabilities Management Committee ("**ALCO**") convenes regularly every fortnight, under the Chairmanship of the General Manager CFO. Voting Members are the CRO and the General Managers of Wholesale & Retail Banking. The General Manager – International Network participates in the Committee with voting right, for issues regarding the Countries where the Group has presence. In these cases, five (5) regular Members with voting rights participate in the Committee.

Other Executive General Managers and Division Managers attend the meetings of the Committee in a non-voting capacity. The Committee examines and decides on issues related to treasury and balance sheet management and monitors the course of the results, the budget, the funding plan, the hedging strategy, the capital adequacy and the overall financial volumes of the Bank and the Group approving the respective actions and policies. In addition, the Committee approves the interest rate policy, the structure of the investment portfolios and the total market, interest rate and liquidity risk limits.

Operational Risk Committee & Internal Control Committee

The Operational Risk & Internal Control Committee convenes regularly every quarter under the chairmanship of the CRO and with the participation of the General Managers: Chief Operational Officer - COO, Chief Financial Officer - CFO, Wholesale Banking, Retail Banking, International Network (in case the agenda contains items related to the International Network) and the Executive General Manager Compliance. Other executives may be invited to attend without voting authority. The CEO may also participate on an as needed basis. The Manager of the Market and Operational Risk Division also participates without voting rights. The Operational Risk Committee ensures that the appropriate organisational structure, processes, methodologies and infrastructure to manage operational risk are in place. In addition, it is regularly updated on the operational risk profile of the Group and the results of the operational risk assessment process; reviews recommendations for minimising operational risk; assesses forecasts regarding third party lawsuits against the Bank; approves the authorisation limits of the Committees responsible for the management of operational risk events of the Bank and the Group companies and reviews the operational risk events whose financial impact exceeds the limits of the other Committees.

Credit Risk Committee

The Credit Risk Committee convenes monthly or on an as needed basis under the chairmanship of the Chief Executive Officer and with the participation of the General Manager - CRO, the General Manager - Chief Financial Officer, the General Manager - Wholesale Banking, the General Manager - Retail Banking and the General Manager - International Network (for issues concerning the countries where the Group operates). The Managers of the Credit Risk Data and Analysis Division, the Credit Control Division, the Capital Management and Banking Supervision Division, the Accounting and Tax Division and the Analysis and Performance Management Division also participate in the Committee, as Members, without voting rights.

The Credit Risk Committee assesses the adequacy and the efficiency of the credit risk management policy and procedures of the Bank and the Group and plans the required corrective actions.

Unlikeliness to Pay Review Committee

The Unlikeliness to Pay ("**UTP**") Review Committee convenes monthly or on an on an as needed basis upon any Member's initiative with the participation of the Executive General Manager of NPEs Remedial Management, the Executive General Manager of Wholesale Banking or the Manager of Private and Investment Banking and the Manager of Credit Control Division. The UTP Review Committee assesses obligors with UTP triggers and decides on their classification to the NPE perimeter upon the recommendation of the Credit Risk Policy and Control Division. In addition, the UTP Review Committee assesses, on top of the relevant NPL Committees, any exit from non-performing status and in particular the "absence of concern" criterion upon the recommendation of the Wholesale Credit Workout Division.

Compliance Division

The Compliance Division is responsible for managing the compliance risk of the Bank and the Group companies respectively. The Compliance Division is classified under the General Manager - Chief Legal and Governance Officer for administrative matters, reports to the Audit Committee of the Board of Directors and is subject to the audits conducted by the Internal Audit Division, as to the adequacy and effectiveness of its procedures, in accordance with the provisions of the Bank and Group companies' Compliance Audit Programme.

The main responsibilities of the Division include:

- managing compliance risk and the implementation of the regulatory framework into the Bank's activities;
- assessing Group compliance level;
- representing the Bank before regulatory and other authorities and communicating with them;
- preventing and combating money laundering and terrorism financing;
- preserving banking secrecy; and
- handling public authorities and third party requests.

The Compliance Division is administratively independent and has unrestricted access to all data and information necessary to fulfil its purpose. The Division develops the Annual Compliance Programme, as well as the Compliance Policies and Procedures Framework of the Bank and the Group companies.

The Division cooperates with the Legal Services Division and the Market and Operational Risk Division, aiming to jointly address matters regarding compliance with the regulatory framework.

Compliance Units have been set up and operate in major Group companies located in Greece and in all Group Banks located abroad, under the supervision of a Compliance Officer competent for the local/sectoral regulatory framework.

Internal Audit Division

The Internal Audit Division is responsible for the internal audit of the Bank and the Group, and reports functionally through the Audit Committee to the Board of Directors and administratively to the Managing Director - CEO.

The Internal Audit Division creates a risk-based internal audit plan, on an annual basis, to determine the priorities of the internal audit activity's assurance engagements. This process takes into account the results of a documented annual risk assessment, regulatory requirements, extraordinary developments in the overall economic environment as well as the input or any requests made by the Board of Directors and the Management.

The annual audit plan is approved by the Audit Committee and may be reviewed and adjusted if there are any unanticipated risks that could affect the organisation. The Audit Committee convenes monthly and is updated every quarter on the implementation of the audit plan, the main conclusions of the audits and the implementation of the audit recommendations.

The Internal Audit Division also:

- creates an internal audit approach on the safe and efficient operation of the Group's information systems;
- assesses the cybersecurity risk and management's response capabilities, with a focus on shortening response time and performs ad hoc audits followed by security breaches that could negatively impact the organisation and customers, both financially and in terms of reputation;
- performs special audits, when there is evidence that the interests of the Group are harmed; and
- assesses the adequacy and effectiveness of the Internal Control System in the Bank and the Group companies and submits an annual report, through the Audit Committee, to the Board of Directors. This report is also communicated to the Bank of Greece, in accordance with Bank of Greece's Governor's Act 2577/9.3.2006.

An assessment of the adequacy of the Internal Control System of the Bank and the Group in accordance with the Bank of Greece Governor Act 2577/2006 is performed every three years by independent external auditors, other than the statutory auditors.

11.3 Credit risk

Credit risk arises from a borrower's or counterparty's potential inability to fulfil their obligations to the Group due to the worsening of their creditworthiness, particularly within a deteriorating credit and macroeconomic environment.
The primary objective of the Group's strategy for the management of credit risk is the continuous, timely and systematic monitoring of the loan portfolio and the maintenance of credit risk exposures within the framework of acceptable overall risk appetite limits. This objective aims to maximise the risk performance while ensuring the conduct of its daily business activities within a clearly defined framework of granting credit, supported by clear and strict credit criteria.
The framework of the Group's credit risk management is developed based on a series of credit policy processes, systems and models for measuring, monitoring and validating credit risk. These models are subject to an ongoing review process in order to ensure compliance with the current institutional and regulatory framework, international best practices and their adaptation to the respective economic conditions and to the nature and extent of the Group's business. Dedicated departments develop credit rating and evaluation models in order to ensure that they are available for day-to-day credit processing at the Business Units. The independent Risk Models Validation Division is responsible for validating the credit risk, market risk, interest rate risk, liquidity and operational risk models and methodologies.

Credit Risk Management Framework

The Group has set a clear credit risk undertaking and management strategy that, in line with its business goals, reflects the risk tolerance and the profitability levels the Group expects to achieve with regard to the risks undertaken.

The credit risk management framework evolves according to the following objectives:

- the independence of the credit risk management operations from the risk undertaking activities and from the Officers in charge;
- the complete and timely support of Business Units during the decision-making process;
- the continuous and regular monitoring of the loan portfolio, in accordance with the Group's policies and procedures that ensure a sound credit approval process;
- the monitoring of the credit risk profile in accordance with the credit risk appetite, which encompasses credit quality (expected loss) and credit risk concentration (limits on single names, industries and geographical regions);
- the conduct of a controls framework that ensures credit risk undertaking is based on sound credit risk management principles and well-defined, rigid credit standards;
- the accurate identification, assessment and measurement of the credit risk undertaken across the Bank and the Group, at both individual credit and lending portfolio levels;

- the approval of every new credit facility and every material change of an existing credit facility (such as its tenor, collateral structure or major covenants) by the appropriate authority level;
- the assignment of the credit approval authority to the Credit Committees in charge, which consist of executives from both the business and credit units, with sufficient knowledge and experience in the application of the Bank's internal policies and procedures; and
- the measurement and assessment of all credit exposures of the Bank and the Group companies to businesses or consolidated business groups as well as to their proprietors, in line with regulatory requirements.

The aforementioned objectives are achieved through a continuously evolving framework of methodologies and systems that measure and monitor credit risk, using a series of credit risk approval, credit risk concentration analysis and review, early warning for excessive risk undertaking and problem debt management processes. This framework is readjusted regularly according to the challenges of the prevailing economic circumstances and the nature and scope of the Group's business activities.

Under this framework and with the primary objective to further strengthen and improve the credit risk management framework the following actions have been implemented:

- update of wholesale and retail banking credit policies manuals in Greece and abroad taking into account the supervisory guidelines for credit risk management issues as well as the Group's business strategy;
- continuous strengthening of the second line of defence control mechanisms in order to ensure compliance with credit risks policies at Bank and Group level;
- ongoing validation of the risk models in order to ensure their accuracy, reliability, stability and predictive power;
- establishment of the concentration risk and credit threshold policy which includes the framework of principles and procedures that the Group follows so as to manage concentration risk, through the monitoring of credit risk limits set for its aggregate credit risk, as well as for portfolios with shared credit risk characteristics, sub-portfolios and individual borrowers / groups of borrowers;
- development of a specific credit policy, which defines the criteria and conditions for the evaluation of new lending to enterprises and self-employed people affected by the COVID-19 pandemic; and
- implementation of new financing initiatives in order to support borrowers with short-term liquidity constraints to mitigate the impact of the COVID-19 pandemic, based on the Bank's participation in broader government schemes.

On the Commercial side (which includes corporates, SMEs and small business portfolios ("**SBP**")), the Bank participates in government support programmes for new lending targeted at corporates, medium and small businesses.
The Bank also participates as intermediary in other national and supranational enterprise development programmes covering working capital and other credit lines (*e.g.*, COSME and InnovFin loan guarantee facilities provided by the European Investment Fund, lending facilities in collaboration with the European Investment Bank and through the Greek NSRF 2014-2020).

These schemes allow the Bank to provide liquidity to performing borrowers at favourable financing terms, while taking on lower risk, thus containing the impact of the COVID-19 pandemic on credit quality deterioration.

On the Retail side (which includes Mortgage, Consumer as well as SBP), both direct and indirect liquidity support measures have been announced by the Greek government. This includes a government support scheme to subsidise the instalments of existing loans collateralised by a primary residence for a nine-month period and which extends across all Retail loans that qualify under the scheme. The scheme applies to borrowers of performing and non-performing status, with the extent of the government support amount increasing based on payment history to incentivise payment performance.

Other steps the Group is taking or has taken in respect of credit risk include:

- adoption of supportive measures for enterprises and individuals affected by the COVID-19 pandemic, concerning mainly changes to the schedule of payments of existing loans;
- amendment of the Group loan impairment policy, in line with the EBA Guidelines "on legislative and non-legislative moratoria on loan repayments applied in the light of the COVID-19 crisis" (EBA/GL/2020/02), to incorporate the forbearance classification, the UTP assessment, the identification of default and the significant increase in credit risk treatment of exposures affected due to the impact of COVID-19;
- systematic estimation and evaluation of credit risk per counterparty;
- designing and implementing initiatives in order to enhance the level of automation, accuracy, comprehensiveness, quality, reconciliation and validation of data, as part of the Bank's strategic objective for a holistic approach for the development of an effective data aggregation and reporting framework, in line with the Basel Committee on Banking Supervision (BCBS 239) requirements;

- enhancement of the mechanism for the submission of analytical credit data, credit risk data, the data of counterparties for legal entities financing, in order to meet the requirements for the monthly submission of analytical credit risk data according to Regulation 2016/867 and the Bank of Greece Governor's Act 2677/19.5.2017 (AnaCredit);
- updating of the EBA classification mechanism according to EBA Guidelines on management of non-performing and forborne exposures and technical standards amending Commission Implementing Regulation (EU) 680/2014;
- periodic stress test exercises as a tool for assessing the impact of various macroeconomic scenarios on business strategy formulation, business decisions and the Group's capital position. Crisis simulation exercises are conducted in accordance with the requirements of the supervisory framework and constitute a key component of the Group's credit risk management strategy; and
- design and implementation of a programme of projects to ensure Bank's compliance with the regulatory requirements deriving from the Guidelines on the application of the definition of default under Article of Regulation (EU) No 575/2013 (EBA GL/2016/07).

Additionally, the following actions are in progress in order to enhance and develop the internal system of credit risk management:

- continuous upgrade of databases for performing statistical tests in the Group's credit risk rating models;
- upgrade and automation of the aforementioned processes in relation to the wholesale and retail banking by using specialised statistical software; and
- reinforcing the completeness and quality control mechanism of crucial fields of wholesale and retail Credit for monitoring, measuring and controlling credit risk.

Maximum exposure to credit risk before collateral held or other credit enhancements

The following table presents our maximum credit risk exposure on 31 December 2020 and 2019, without including collateral held or other credit enhancements. For on-balance sheet items, credit exposures are carrying amounts as reported on the balance sheet.

	As at 31 December	
	2020	**2019**
	(€ thousands)	
Due from banks	7,077,100	1,589,936
Balances with central banks	2,741,547	3,332,690
Derivative financial assets	1,267,083	1,009,193
Financial assets at fair value through profit or loss	334,125	329,717
Trading securities	29,154	17,861
Loans and advances to customers at amortised cost	39,059,120	38,959,133
Investment securities measured at FVTOCI	6,530,811	7,467,164
Investment securities at amortised cost	3,335,733	1,070,730
Loans and advances to customers classified as held for sale	143,318	431,688
Other assets	–	–
Undrawn loan commitments	4,466,770	4,016,260
Letters of guarantee, letters of credit and other guarantees	3,411,850	3,359,475
Total	**68,396,611**	**61,583,847**

Note: Totals may vary due to rounding of numbers.

Source: Management information

The following tables present the gross amounts of our credit exposures for financial instruments at amortised cost or at fair value through other comprehensive income, as well as the off-balance credit exposures on 31 December 2020 and 2019:

	As at 31 December 2020				
	Stage 1	**Stage 2**	**Stage 3**	**POCI**	**Total**
Due from banks	2,741,674	-	69,961	-	2,811,635
Loans and advances to customers at amortised cost	20,495,851	6,220,929	15,564,245	6,122,706	48,403,731
Retail lending					
Mortgages	5,306,290	2,929,597	5,829,402	2,942,506	17,007,795
Consumer, personal and other	702,637	492,730	1,794,310	1,196,868	4,186,545
Credit cards	754,440	154,589	230,124	43,653	1,182,806
Small business	660,549	852,981	2,656,609	882,553	5,052,692
Corporate and public sector lending					
Large corporate	8,026,894	1,231,973	2,261,863	476,082	11,996,812
Smes	4,966,167	558,574	2,790,133	580,985	8,895,859
Public sector	78,874	485	1,804	59	81,222
Investment securities measured at FVTOCI	6,498,035	32,776	-	-	6,530,811
Investment securities at amortised cost	3,344,702	1,363	-	-	3,346,065
Total on balance sheet credit exposures	**33,080,262**	**6,255,068**	**15,634,206**	**6,122,706**	**61,092,242**
Letters of guarantee, letters of credit and other guarantees	2,842,077	324,283	330,845	-	3,497,205
Undrawn loan agreements and credit limits	4,307,546	155,515	5,377	4,459	4,472,897
Total off-balance sheet credit exposures	7,149,624	479,797	336,222	4,459	7,970,102

Note: Totals may vary due to rounding of numbers.

Source: Management information

	As at 31 December 2019				
	Stage 1	**Stage 2**	**Stage 3**	**POCI**	**Total**
Due from banks	3,332,821	–	69,961	–	3,402,782
Loans and advances to customers at amortised cost	20,304,293	5,350,085	16,220,798	6,245,458	48,120,634
Retail lending					
Mortgages	5,410,873	2,877,928	6,167,611	3,017,307	17,473,719
Consumer, personal and other	729,212	441,947	1,860,175	1,226,358	4,257,692
Credit cards	920,956	118,641	237,726	46,607	1,323,930
Small business	470,679	699,947	2,783,878	886,530	4,841,034
Corporate and public sector lending					
Large corporate	8,230,724	861,659	2,520,705	488,105	12,101,193
Smes	4,440,553	349,495	2,648,904	577,463	8,016,415
Public sector	101,296	468	1,799	3,088	106,651
Investment securities measured at FVTOCI	7,465,926	1,238	–	–	7,467,164
Investment securities at amortised cost	1,078,143	–	–	–	1,078,143
Total on balance sheet credit exposures	**32,181,183**	**5,351,323**	**16,290,759**	**6,245,458**	**60,068,723**
Letters of guarantee, letters of credit and other guarantees	3,072,261	34,898	340,061	0	3,447,220
Undrawn loan agreements and credit limits	3,922,763	92,140	5,997	1,055	4,021,955
Total off-balance sheet credit exposures	**6,995,024**	**127,038**	**346,058**	**1,055**	**7,469,175**

Note: Totals may vary due to rounding of numbers.

Source: Management information

It is noted that other receivables form customers amount to €314,251 thousand as at 31 December 2020 and €212,500 thousand as at 31 December 2019 and are not allocated in stages as the Bank follows the simplified approach of IFRS 9.

Loans and advances to customers at amortised cost

For credit risk management purposes, we monitor the FVA adjustment (as defined below) as part of the provisions. These loans are recognised either in the context of acquisition of specific loans or companies (*i.e.*, Emporiki Bank and Citibank's retail operations in Greece), or as a result of significant modification of the terms of the previous loan that led to derecognition. The relevant adjustment is also performed at the carrying amount of loans before allowance for expected credit losses. It is noted that the credit risk tables do not include the outstanding balances and allowance for expected credit losses of loans that have been classified as assets held for sale.

For the purposes of the following disclosure in this Prospectus, gross carrying amount is defined as the amortised cost before adjusting for any loss allowance grossed up with the unamortized Fair Value Adjustment as of the reporting date (the "FVA adjustment"), as presented in the table below:

Group	**31 March 2021**	**31 December 2020**	**31 December 2019**
Mortgages (grossed up with fair value adjustment) ..	16,928,831	17,007,795	17,473,719
Less: fair value adjustment..	(106,430)	(114,850)	(154,147)
Total mortgages..	**16,822,401**	**16,892,945**	**17,319,572**
Consumer (grossed up with fair value adjustment) ...	4,130,508	4,186,545	4,257,692
Less: fair value adjustment..	(73,595)	(77,880)	(99,465)
Total consumer..	**4,056,913**	**4,108,665**	**4,158,227**
Credit cards (grossed up with fair value adjustment)	1,128,268	1,182,806	1,323,930
Less: fair value adjustment..	(8,617)	(9,024)	(26,398)
Total credit cards	**1,119,651**	**1,173,782**	**1,297,532**
Corporate (grossed up with fair value adjustment)....	26,934,069	26,026,585	25,065,294
Less: fair value adjustment..	(371,969)	(329,943)	(370,611)
Total corporate..	**26,562,100**	**25,696,642**	**24,694,683**
Total gross loans at amortised cost (grossed up with fair value adjustment)..	49,121,676	48,403,731	48,120,634
Less: fair value adjustment..	(560,611)	(531,697)	(650,620)
Total gross loans measured at amortised cost.......	**48,561,065**	**47,872,034**	**47,470,014**
Less: allowance for expected credit losses (grossed up with fair value adjustment)..	(10,243,177)	(9,611,635)	(9,332,990)
Less: fair value adjustment..	560,611	531,697	650,620
Less: allowance for impairment losses (B)	**(9,682,566)**	**(9,079,938)**	**(8,682,370)**
Total loans measured at amortised cost (A) + (B)	**38,878,499**	**38,792,096**	**38,787,644**

Note: Totals may vary due to rounding of numbers.
Source: Management information

Loans and advances to customers at amortised cost on 31 December 2020 and 2019 are summarised as follows:

As at 31 December 2020	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Credit impaired Lifetime ECL	POCI Credit impaired Lifetime ECL	Total
Mortgages					
Gross carrying amount	5,306,290	2,929,597	5,829,402	2,942,506	17,007,795
Less: ECL allowance for impairment losses	(4,309)	(116,168)	(1,991,503)	(716,276)	(2,828,256)
Total mortgages	5,301,981	2,813,429	3,837,899	2,226,230	14,179,539
Consumer, personal and other loans					
Gross carrying amount	702,637	492,730	1,794,310	1,196,868	4,186,545
Less: ECL allowance for impairment losses	(6,443)	(82,957)	(1,111,188)	(519,782)	(1,720,370)
Total consumer, personal and other loans	696,194	409,773	683,122	677,086	2,466,175
Credit cards					
Gross carrying amount	754,440	154,589	230,124	43,653	1,182,806
Less: ECL allowance for impairment losses	(11,453)	(32,762)	(142,800)	(31,560)	(218,575)
Total credit cards	742,987	121,827	87,324	12,093	964,231
Small business					
Gross carrying amount	660,549	852,981	2,656,609	882,553	5,052,692
Less: ECL allowance for impairment losses	(3,753)	(58,226)	(1,226,950)	(400,659)	(1,689,588)
Total small business	656,796	794,755	1,429,659	481,894	3,363,104
Retail lending					
Gross carrying amount	7.423.916	4.429.897	10,510,445	5,065,580	27,429,838
Less: ECL allowance for impairment losses	(25,958)	(290,113)	(4,472,441)	(1,668,277)	(6,456,789)
Total retail lending	7,397,958	4,139,784	6,038,004	3,397,303	20,973,049
Loans to large corporate					
Gross carrying amount	8,026,894	1,231,973	2,261,863	476,082	11,996,812
Less: ECL allowance for impairment losses	(48,886)	(38,052)	(1,053,738)	(156,823)	(1,297,499)
Total loans to large corporate	7,978,008	1,193,921	1,208,125	319,259	10,699,313
Loans to SMEs					
Gross carrying amount	4,966,167	558,574	2,790,133	580,985	8,895,859
Less: ECL allowance for impairment losses	(20,252)	(13,584)	(1,443,382)	(378,846)	(1,856,064)
Total loans to SMEs	4,945,915	544,990	1,346,751	202,139	7,039,795
Loans to public sector					
Gross carrying amount	78,874	485	1,804	59	81,222
Less: ECL allowance for impairment losses	(465)	(18)	(746)	(54)	(1,283)
Total Loans to public sector	78,409	467	1,058	5	79,939
Corporate and public sector lending					
Gross carrying amount	13,071,935	1,791,032	5,053,800	1,057,126	20,973,893
Less: ECL allowance for impairment losses	(69,603)	(51,654)	(2,497,866)	(535,723)	(3,154,846)
Total corporate and public sector lending	13,002,332	1,739,378	2,555,934	521,403	17,819,047
Loans and advances to customers at amortised cost					
Gross carrying amount	20.495.851	6.220.929	15,564,245	6,122,706	48,403,731
Less: ECL allowance for impairment losses	(95,561)	(341,767)	(6.970.307)	(2.204.000)	(9,611,635)
Total loans and advances to customers at amortised cost	20,400,290	5.879.162	8,593,938	3,918,706	38,792,096

***Note**: Totals may vary due to rounding of numbers.*

***Source**: Management information*

As at 31 December 2019	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Credit impaired Lifetime ECL	POCI Credit impaired Lifetime ECL	Total
Mortgages					
Gross carrying amount	5,410,873	2,877,928	6,167,611	3,017,307	17,473,719
Less: ECL allowance for impairment losses	(4,837)	(100,889)	(1,919,141)	(701,123)	(2,725,990)
Total mortgages	5,406,036	2,777,039	4,248,470	2,316,184	14,747,729
Consumer, personal and other loans					
Gross carrying amount	729,212	441,947	1,860,175	1,226,358	4,257,692
Less: ECL allowance for impairment losses	(9,608)	(85,983)	(1,015,872)	(498,756)	(1,610,219)
Total consumer, personal and other loans	719,604	355,964	844,303	727,602	2,647,473
Credit cards					
Gross carrying amount	920,956	118,641	237,726	46,607	1,323,930
Less: ECL allowance for impairment losses	(13,015)	(36,617)	(121,252)	(29,554)	(200,438)
Total credit cards	907,941	82,024	116,474	17,053	1,123,492
Small business					
Gross carrying amount	470,679	699,947	2,783,878	886,530	4,841,034
Less: ECL allowance for impairment losses	(2,750)	(72,942)	(1,146,639)	(401,352)	(1,623,683)
Total small business	467,929	627,005	1,637,239	485,178	3,217,351
Retail lending					
Gross carrying amount	7,531,720	4,138,463	11,049,390	5,176,802	27,896,375
Less: ECL allowance for impairment losses	(30,210)	(296,431)	(4,202,904)	(1,630,785)	(6,160,330)
Total retail lending	7,501,510	3,842,032	6,846,486	3,546,017	21,736,045
Loans to large corporate					
Gross carrying amount	8,230,724	861,659	2,520,705	488,105	12,101,193
Less: ECL allowance for impairment losses	(70,466)	(28,230)	(1,186,754)	(148,406)	(1,433,856)
Total loans to large corporate	8,160,258	833,429	1,333,951	339,699	10,667,337
Loans to SMEs					
Gross carrying amount	4,440,553	349,495	2,648,904	577,463	8,016,415
Less: ECL allowance for impairment losses	(17,197)	(12,704)	(1,332,313)	(375,466)	(1,737,680)
Total loans to SMEs	4,423,356	336,791	1,316,591	201,997	6,278,735
Loans to public sector					
Gross carrying amount	101,296	468	1,799	3,088	106,651
Less: ECL allowance for impairment losses	(398)	(24)	(651)	(51)	(1,124)
Total Loans to public sector	100,898	444	1,148	3,037	105,527
Corporate and public sector lending					
Gross carrying amount	12,772,573	1,211,622	5,171,408	1,068,656	20,224,259
Less: ECL allowance for impairment losses	(88,061)	(40,958)	(2,519,718)	(523,923)	(3,172,660)
Total corporate and public sector lending	12,684,512	1,170,664	2,651,690	544,733	17,051,599
Loans and advances to customers at amortised cost					
Gross carrying amount	20,304,293	5,350,085	16,220,798	6,245,458	48,120,634
Less: ECL allowance for impairment losses	(118,271)	(337,389)	(6,722,622)	(2,154,708)	(9,332,990)
Total loans and advances to customers at amortised cost	20,186,022	5,012,696	9,498,176	4,090,750	38,787,644

Note: *Totals may vary due to rounding of numbers.*

Source: *Management information*

Forborne loans

As at 31 December 2020, the net value of our forborne loans measured at amortised cost amounted to 11,578,1 million.

	31 December 2020
	(€ in millions)
Retail lending	9,059,672
Corporate lending	2,517,723
Public sector lending	729
Forborne loans measured at amortised cost by product line (total net amount)	**11,578,124**

Note: *Totals may vary due to rounding of numbers.*

Source: *Management information*

Credit quality per segments, industry and asset classes

The tables below provide credit quality per asset classes, inclusive of the value of collateral for our gross carrying amount of loans and advances to customers at amortised cost on 31 December 2020 and 2019.

As at 31 December 2020	Strong	Satisfactory	Watch list	Default	Value of collateral
Retail lending					
Mortgages	5,076,625	2,251,950	1,516,642	8,162,578	13,928,449
Consumer, personal and other	557,348	368,808	480,494	2,779,895	1,120,501
Credit cards	594,399	197,633	118,619	272,155	14,306
Small Business	501,471	422,528	709,336	3,419,357	2,609,324
Corporate lending					
Large corporate	5,425,886	3,482,487	412,503	2,675,936	7,970,331
SMEs	2,086,006	3,340,586	109,153	3,360,114	5,492,241
Public sector	6,080	73,279	—	1,863	43,902
Total	**14,247,815**	**10,137,271**	**3,346,747**	**20,671,898**	**31,179,054**

Note: *Totals may vary due to rounding of numbers.*

Source: *Management information*

As at 31 December 2019	Strong	Satisfactory	Watch list	Default	Value of collateral
Retail lending					
Mortgages	5,089,787	2,445,290	1,316,848	8,621,794	13,949,755
Consumer, personal and other	537,277	397,304	406,678	2,916,433	1,121,961
Credit cards	692,970	239,325	109,353	282,282	15,006
Small Business	323,137	379,717	563,523	3,574,657	2,495,556
Corporate lending					
Large corporate	4,871,201	3,797,290	465,825	2,966,877	7,878,539
SMEs	1,762,274	2,834,877	204,377	3,214,887	5,076,403
Public sector	2,389	53,281	46,094	4,887	60,808
Total	**13,279,035**	**10,147,084**	**3,112.98**	**21,581,817**	**30,598,028**

Note: *Totals may vary due to rounding of numbers.*

Source: *Management information*

The following tables provide ageing analysis of past due and the classification of exposures into stages based on credit risk (staging) per lending category on 31 December 2020 and 2019.

Gross loans and advances to customers at amortised cost

As at 31 December 2020	Current	1-30 days	31-90 days	91-180 days	181-365 days	365+ days	Total	Stage 1	Stage 2	Stage 3	POCI	Total	Value of collateral
Retail lending	13,651,194	978,875	768,146	161,200	221,203	5,192,431	20,973,049	7,397,958	4,139,784	6,038,004	3,397,303	20,973,049	17,672,579
Mortgages	9,265,838	793,517	658,082	107,760	134,653	3,219,689	14,179,539	5,301,981	2,813,429	3,837,899	2,226,230	14,179,539	13,928,450
Consumer, personal and other	1,536,187	110,290	63,321	33,034	47,475	675,868	2,466,175	696,194	409,773	683,122	677,086	2,466,175	1,120,501
Credit cards	830,223	33,900	16,394	4,372	22,390	56,952	964,231	742,987	121,827	87,324	12,093	964,231	14,305
Small Business	2,018,946	41,168	30,349	16,034	16,685	1,239,922	3,363,104	656,796	794,755	1,429,659	481,894	3,363,104	2,609,323
Corporate lending	15,666,626	628,402	120,784	58,166	127,447	1,137,683	17,739,108	12,923,923	1,738,911	2,554,876	521,398	17,739,108	13,462,572
Large corporate	9,751,090	247,145	49,355	14,461	101,841	535,421	10,699,313	7,978,008	1,193,921	1,208,125	319,259	10,699,313	7,970,331
SMEs	5,915,536	381,257	71,429	43,705	25,606	602,262	7,039,795	4,945,915	544,990	1,346,751	202,139	7,039,795	5,492,241
Public sector	78,709	746	146	—	—	338	79,939	78,409	467	1,058	5	79,939	43,902
Greece	42,770	746	146	—	—	338	44,000	42,791	146	1,058	5	44,000	36,659
Other countries	35,939	—	—	—	—	—	35,939	35,618	321	—	—	35,939	7,243
Total	29,396,529	1,608,023	889,076	219,366	348,650	6,330,452	38,792,096	20,400,290	5,879,162	8,593,938	3,918,706	38,792,096	31,179,053

Note: *Totals may vary due to rounding of numbers.*
Source: *Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

Gross loans and advances to customers at amortised cost

As at 31 December 2019	Current	1-30 days	31-90 days	91-180 days	181-365 days	365+ days	Total	Stage 1	Stage 2	Stage 3	POCI	Total	Value of collateral
Retail lending	11,676,145	2,114,319	1,699,238	431,059	404,734	5,410,550	21,736,045	7,501,510	3,842,032	6,846,486	3,546,017	21,736,045	17,582,278
Mortgages	7,609,723	1,756,034	1,464,194	269,675	292,852	3,355,251	14,747,729	5,406,036	2,777,039	4,248,470	2,316,184	14,747,729	13,949,755
Consumer, personal and other	1,500,450	195,048	134,949	76,672	53,685	686,669	2,647,473	719,604	355,964	844,303	727,602	2,647,473	1,121,961
Credit cards	970,522	50,758	26,049	13,416	13,099	49,648	1,123,492	907,941	82,024	116,474	17,053	1,123,492	15,006
Small Business	1,595,450	112,479	74,046	71,296	45,098	1,318,982	3,217,351	467,929	627,005	1,637,239	485,178	3,217,351	2,495,556
Corporate lending	14,599,394	784,131	246,739	93,973	81,605	1,140,230	16,946,072	12,583,614	1,170,220	2,650,542	541,696	16,946,072	12,954,942
Large corporate	9,467,904	461,734	113,995	60,795	30,885	532,024	10,667,337	8,160,258	833,429	1,333,951	339,699	10,667,337	7,878,539
SMEs	5,131,490	322,397	132,744	33,178	50,720	608,206	6,278,735	4,423,356	336,791	1,316,591	201,997	6,278,735	5,076,403
Public sector	104,741	377	—	2	—	407	105,527	100,898	444	1,148	3,037	105,527	60,808
Greece	57,277	196	—	2	—	407	57,882	53,683	14	1,148	3,037	57,882	47,256
Other countries	47,464	181	—	—	—	—	47,645	47,215	430	—	—	47,645	13,552
Total	26,380,280	2,898,827	1,945,977	525,034	486,339	6,551,187	38,787,644	20,186,022	5,012,696	9,498,176	4,090,750	38,787,644	30,598,028

Note: *Totals may vary due to rounding of numbers.*
Source: *Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

The tables below set out the loans and advances to customers at FVPL and amortised cost (net of ECL allowance) per segment, industry and asset classes on 31 December 2020 and 2019.

	31 December 2020							
	Greece							
	Loans measured at fair value through profit or loss (FVPL)	Loans measured at amortised cost						
	Net amount	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Carrying amount (before provision for impairme nt losses)	Expected credit losses	Net carrying amount
Retail lending	—	**5,704,489**	**3,998,989**	**9,107,678**	**4,805,983**	**23,617,139**	**5,537,504**	**18,079,635**
Mortgage	—	3,831,344	2,574,174	4,637,625	2,736,186	13,779,329	2,068,240	11,711,089
Consumer	—	494,909	428,935	1,628,399	1,152,762	3,705,005	1,592,970	2,112,035
Credit cards	—	731,278	149,663	221,068	43,633	1,145,642	209,827	935,815
Small Business	—	646,958	846,217	2,620,586	873,402	4,987,163	1,666,467	3,320,696
Corporate lending	126,298	**10,020,564**	**1,032,828**	**4,148,690**	**764,436**	**15,966,518**	**2,496,304**	**13,470,214**
Financial institutions	—	77,073	1,826	4,360	4,920	88,179	7,862	80,317
Manufacturing	16,520	3,784,496	250,232	1,178,988	232,450	5,446,166	757,326	4,688,840
Construction and real estate	53,934	1,152,093	202,992	612,179	95,612	2,062,876	362,681	1,700,195
Wholesale and retail trade	4,826	1,997,244	131,854	1,545,271	209,182	3,883,551	924,636	2,958,915
Transportation	—	583,675	68,420	73,000	8,742	733,837	48,343	685,494
Shipping	50,485	54,087	21,789	13,561	24,751	114,188	4,039	110,149
Hotels-Tourism	—	1,422,030	256,049	335,837	35,264	2,049,180	120,155	1,929,025
Services and other sectors	533	949,866	99,666	385,494	153,515	1,588,541	271,262	1,317,279
Public sector	—	**43,044**	**146**	**1,804**	**59**	**45,053**	**1,053**	**44,000**
Total	**126,298**	**15,768,097**	**5,031,963**	**13,258,172**	**5,570,478**	**39,628,710**	**8,034,861**	**31,593,849**

***Note**: Totals may vary due to rounding of numbers.*
***Source**: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

	31 December 2020							
	Other countries							
	Loans measured at fair value through profit or loss (FVPL)	Loans measured at amortised cost						
	Net amount	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Carrying amount (before provision for impairme nt losses)	Expected credit losses	Net carrying amount
Retail lending	—	**1,719,427**	**430,908**	**1,402,767**	**259,597**	**3,812,699**	**919,285**	**2,893,414**
Mortgage	—	1,474,946	355,423	1,191,777	206,320	3,228,466	760,016	2,468,450
Consumer	—	207,728	63,795	165,911	44,106	481,540	127,400	354,140
Credit cards	—	23,162	4,926	9,056	20	37,164	8,748	28,416
Small Business	—	13,591	6,764	36,023	9,151	65,529	23,121	42,408
Corporate lending	**154,584**	**2,972,497**	**757,719**	**903,306**	**292,631**	**4,926,153**	**657,259**	**4,268,894**
Financial institutions	—	70,613	5,657	13,202	2,094	91,566	3,877	87,689
Manufacturing	—	154,392	33,675	30,604	1,656	220,327	17,420	202,907
Construction and real estate	19,111	662,921	362,713	603,359	211,881	1,840,874	430,913	1,409,961
Wholesale and retail trade	—	232,183	54,501	96,157	16,594	399,435	58,623	340,812
Transportation	29,250	138,110	47,089	25,132	149	210,480	21,617	188,863
Shipping	106,223	1,577,979	136,500	68,644	8,594	1,791,717	42,226	1,749,491
Hotels-Tourism	—	26,035	69,923	21,911	28,831	146,700	23,207	123,493
Services and other sectors	—	110,264	47,661	44,297	22,832	225,054	59,376	165,678
Public sector	—	**35,830**	**339**	—	—	**36,169**	**230**	**35,939**
Total	**154,584**	**4,727,754**	**1,188,966**	**2,306,073**	**552,228**	**8,775,021**	**1,576,774**	**7,198,247**

***Note**: Totals may vary due to rounding of numbers.*
***Source**: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

	31 December 2019							
	Greece							
	Loans measured at fair value through profit or loss (FVPL)	Loans measured at amortised cost						
	Net amount	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Carrying amount (before provision for impairment losses)	Expected credit losses	Net carrying amount
Retail lending	**—**	**5,864,421**	**3,737,542**	**9,525,648**	**4,910,637**	**24,038,248**	**5,230,788**	**18,807,460**
Mortgage	—	4,004,188	2,549,525	4,858,806	2,806,693	14,219,212	1,947,547	12,271,665
Consumer	450	510,795	381,229	1,690,310	1,179,630	3,761,964	1,486,883	2,275,081
Credit cards	—	894,235	113,536	229,291	46,585	1,283,647	193,860	1,089,787
Small Business	—	455,203	693,252	2,747,241	877,729	4,773,425	1,602,498	3,170,927
Corporate lending	**122,238**	**9,466,749**	**575,966**	**4,145,249**	**759,704**	**14,947,668**	**2,452,181**	**12,495,487**
Financial institutions	—	78,592	4,089	4,196	4,796	91,673	7,027	84,646
Manufacturing	15,961	3,648,355	83,064	1,206,711	232,790	5,170,920	752,516	4,418,404
Construction and real estate	52,125	1,382,757	186,976	637,896	91,983	2,299,612	400,809	1,898,803
Wholesale and retail trade	5,123	1,769,639	51,060	1,509,281	195,600	3,525,580	885,019	2,640,561
Transportation	—	318,091	5,187	68,792	26,026	418,096	43,072	375,024
Shipping	48,442	31,935	18,520	11,049	25,075	86,579	3,484	83,095
Hotels-Tourism	—	1,265,991	115,903	325,967	30,774	1,738,635	113,303	1,625,332
Services and other sectors	587	971,389	111,167	381,357	152,660	1,616,573	246,951	1,369,622
Public sector	**—**	**53,839**	**14**	**1,799**	**3,088**	**58,740**	**858**	**57,882**
Total	**122,688**	**15,385,009**	**4,313,522**	**13,672,696**	**5,673,429**	**39,044,656**	**7,683,827**	**31,360,829**

Note: *Totals may vary due to rounding of numbers.*

Source: *Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

	31 December 2019							
	Other countries							
	Loans measured at fair value through profit or loss (FVPL)	Loans measured at amortised cost						
	Net amount	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Carrying amount (before provision for impairment losses)	Expected credit losses	Net carrying amount
Retail lending	—	**1,667,299**	**400,921**	**1,523,742**	**266,165**	**3,858,127**	**929,542**	**2,928,585**
Mortgage	—	1,406,685	328,403	1,308,805	210,614	3,254,507	778,443	2,476,064
Consumer	—	218,417	60,718	169,865	46,728	495,728	123,336	372,392
Credit cards	—	26,721	5,105	8,435	22	40,283	6,578	33,705
Small Business	—	15,476	6,695	36,637	8,801	67,609	21,185	46,424
Corporate lending	**184,448**	**3,204,528**	**635,188**	**1,024,360**	**305,864**	**5,169,940**	**719,355**	**4,450,585**
Financial institutions	—	93,511	16,823	6,489	1,341	118,164	5,103	113,061
Manufacturing	8,887	199,011	29,883	38,504	1,680	269,078	25,040	244,038
Construction and real estate	18,859	862,262	240,852	720,650	207,982	2,031,746	472,097	1,559,649
Wholesale and retail trade	—	232,042	51,791	118,449	15,275	417,557	69,374	348,183
Transportation	31,872	147,750	89,781	8,407	161	246,099	6,481	239,618
Shipping	124,830	1,492,343	138,543	29,955	9,046	1,669,887	33,936	1,635,951
Hotels-Tourism	—	60,484	22,355	34,996	40,338	158,173	26,091	132,082
Services and other sectors	—	117,125	45,160	66,910	30,041	259,236	81,233	178,003
Public sector	—	**47,457**	**454**	—	—	**47,911**	**266**	**47,645**
Total	**184,448**	**4,919,284**	**1,036,563**	**2,548,102**	**572,029**	**9,075,978**	**1,649,163**	**7,426,815**

Note: Totals may vary due to rounding of numbers.

Source: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020

Investment securities at amortised cost and investment securities measured at FVTOCI

The following tables present an analysis of investment securities measured at FVTOCI rating before ECL, based on S&P's rating scale and staging on 31 December 2020 and 2019:

	External rating grade of investment securities measured at FVTOCI				
	Stage 1	**Stage 2**	**Stage 3**	**POCI**	**Total**
As at 31 December 2020					
AAA to A-..	1,285,763	—	—	—	1,285,763
BBB+ to BBB-..	1,741,263	—	—	—	1,741,263
BBB- to BBB+..	—	—	—	—	—
BB- to BB+...	—	—	—	—	—
Lower than BBB	3,333,644	2,104	—	—	3,335,748
Unrated...	152,408	31,540	—	—	183,948
Total	6,513,078	33,644	—	—	6,546,722

Note: Totals may vary due to rounding of numbers.
Source: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020

	External rating grade of investment securities measured at FVTOCI				
	Stage 1	**Stage 2**	**Stage 3**	**POCI**	**Total**
As at 31 December 2019					
AAA to A-..	862,919	—	—	—	862,919
BBB+ to BBB-..	1,991,455	—	—	—	1,991,455
BBB- to BBB+..	—	—	—	—	—
BB- to BB+...	—	—	—	—	—
Lower than BBB	4,477,414	—	—	—	4,477,414
Unrated...	159,912	1,302	—	—	161,214
Total	7,491,700	1,302	–	–	7,493,002

Note: Totals may vary due to rounding of numbers.
Source: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020

Concentration of risks of financial assets with credit risk exposure

Industry sectors

The following table breaks down our main credit exposures at their carrying amounts, as categorised by industrial sector (based on the industry of the applicable counterparties) as at 31 December 2020 and 2019.

	31 December 2020										
	Financial Institutions and other financial services	Manufacturing	Construction and real estate	Wholesale and retail trade	Public sector/ Government securities/ Derivatives	Transportation	Shipping	Hotels-Tourism	Services and other sectors	Retail lending	Total
Credit risk of exposures relating to balance sheet items:											
Balances with Central Banks	7,077,100	—	—	—	—	—	—	—	—	—	7,077,100
Due from banks	2,811,635	—	—	—	—	—	—	—	—	—	2,811,635
Loans and advances to customers	179,745	5,683,013	3,976,795	4,287,812	81,222	973,567	2,062,613	2,195,880	2,094,066	27,504,151	49,038,864
Derivative financial assets	225,770	29,302	86,839	2,125	860,878	58,028	1,771	1,558	812	—	1,267,083
Trading securities	—	—	—	—	29,154	—	—	—	—	—	29,154
Securities measured at fair value through other comprehensive income	1,270,479	331,985	23,069	89,407	4,626,389	—	—	—	205,395	—	6,546,724
Securities measured at amortised cost	19,505	23,215	—	—	3,283,284	—	—	—	20,061	—	3,346,065
Securities measured at fair value through profit or loss	12,545	—	—	698	—	—	—	—	—	—	13,243
Assets held for sale – Loans Portfolio	142	211,783	58,190	267,840	—	16,310	3,510	9,702	25,438	9,550	602,465
Total amount of balance sheet items exposed to credit risk (a)	**11,596,921**	**6,279,298**	**4,144,893**	**4,647,882**	**8,880,927**	**1,047,905**	**2,067,894**	**2,207,140**	**2,345,772**	**27,513,701**	**70,732,333**
Other balance sheet items not exposed to credit risk	9,881,100	2,695	5,932	3	—	—	—	11,000	18,714	—	9,919,444
Total assets	**21,478,021**	**6,281,993**	**4,150,825**	**4,647,885**	**8,880,927**	**1,047,905**	**2,067,894**	**2,218,140**	**2,364,486**	**27,513,701**	**80,651,777**
Credit risk of exposures relating to off-balance sheet items:											
Letters of guarantee, letters of credit and other guarantees	612,957	572,577	1,040,434	580,641	191,972	65,432	11,272	63,436	283,109	75,375	3,497,205
Undrawn loan commitments	12,979	1,023,930	239,641	947,258	2,117	57,313	4,958	91,508	200,772	1,892,421	4,472,897
Total amount of off-balance sheet items exposed to credit risk (b)	**625,936**	**1,596,508**	**1,280,076**	**1,527,898**	**194,089**	**122,745**	**16,230**	**154,944**	**483,880**	**1,967,796**	**7,970,102**
Total credit risk exposures (a+b)	**12.222.857**	**7.875.806**	**5.424.969**	**6.175.780**	**9.075.016**	**1.170.650**	**2.084.124**	**2.362.084**	**2.829.652**	**29.481.497**	**78.702.435**

Note*: Totals may vary due to rounding of numbers.*

Source*: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

	31 December 2019										
	Financial Institutions and other financial services	**Manufacturing**	**Construction and Real estate**	**Wholesale and retail trade**	**Public sector/ Government securities/ Derivatives**	**Transportation**	**Shipping**	**Hotels-Tourism**	**Services and other sectors**	**Retail lending**	**Total**
Credit risk of exposures relating to balance sheet items:											
Balances with Central Banks	1,589,936	—	—	—	—	—	—	—	—	—	1,589,936
Due from banks	3,402,782	—	—	—	—	—	—	—	—	—	3,402,782
Loans and advances to customers	209,837	5,464,848	4,454,371	3,948,260	106,651	696,066	1,929,906	1,896,807	1,945,144	27,988,380	48,640,270
Derivative financial assets	179,325	11,679	154,026	496	658,048	676	944	1,622	2,371	6	1,009,193
Trading securities	371	—	—	—	17,490	—	—	—	—	—	17,861
Securities measured at fair value through other comprehensive income	1,047,284	234,480	11,972	83,468	5,983,809	—	—	—	131,989	—	7,493,002
Securities measured at amortised cost	—	—	—	—	1,078,143	—	—	—	—	—	1,078,143
Securities measured at fair value through profit or loss	12,530	—	—	1,026	9,025	—	—	—	—	—	22,581
Assets held for sale – Loans Portfolio	1,814	438,581	258,493	—	692,943	18,296	3,394	80,563	186,447	64,380	1,744,911
Total amount of balance sheet items exposed to credit risk (a)	**6,443,879**	**6,149,588**	**4,878,862**	**4,033,250**	**8,546,109**	**715,038**	**1,934,244**	**1,978,992**	**2,265,951**	**28,052,766**	**64,998,679**
Other balance sheet items not exposed to credit risk	548,717	1,528	142,978	3	—	—	—	2,200	8,933,444	—	9,628,870
Total assets	**6,992,596**	**6,151,116**	**5,021,840**	**4,033,253**	**8,546,109**	**715,038**	**1,934,244**	**1,981,192**	**11,199,395**	**28,052,766**	**74,627,549**
Credit risk of exposures relating to off-balance sheet items:											
Letters of guarantee, letters of credit and other guarantees	544,415	543,094	1,067,415	564,276	193,193	88,619	7,184	62,871	309,277	66,876	3,447,220
Undrawn loan commitments	24,245	711,582	260,012	790,593	2,642	35,897	5,813	84,588	283,256	1,823,327	4,021,955
Total amount of off-balance sheet items exposed to credit risk (b)	**568,660**	**1,254,676**	**1,327,427**	**1,354,869**	**195,835**	**124,516**	**12,997**	**147,459**	**592,533**	**1,890,203**	**7,469,175**
Total credit risk exposures (a+b)	**7,012,539**	**7,404,264**	**6,206,289**	**5,388,119**	**8,546,109**	**839,554**	**1,947,241**	**2,126,451**	**2,858,484**	**28,052,766**	**72,467,854**

Note: *Totals may vary due to rounding of numbers.*

Source: *Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

11.4 Market risk

Market risk is the risk of losses arising from unfavourable changes in the value or volatility of interest rates, foreign exchange rates, stock exchange indices, equities and commodities. Losses may occur either from the trading portfolio or from the management of assets and liabilities.
The market risk in the Bank's trading portfolio is measured by Value at Risk ("**VaR**"). The method applied for calculating VaR is historical simulation with full revaluation using the 99th percentile and one tailed confidence interval. The historical observation period is one year at minimum. Risk factor returns are calculated according to the absolute or relative approach. A holding period of one and ten days is applied for regulatory purposes. Additional holding periods may be applied for internal purposes, according to the time required for the liquidation of the portfolio. For the calculation of VaR for one day of the Bank's transaction portfolio, a two-year volatility period and a 99% trust period is used.

The following table sets forth details of two years historical data of day VaR analysis for the Bank:

	One-day VaR, 99% confidence interval (two years of historical data)					
	2020					**2019**
	Foreign currency risk	**Interest rate risk**	**Price risk**	**Covariance**	**Total**	**Total**
As at 31 December	2,669,548	4,212,418	13,943	(2,243,487)	**4,652,422**	**3,133,774**
Average daily value (annual)..........	2,334,525	4,294,868	21,693	(1,987,989)	**4,663,097**	**2,415,128**
Maximum daily value (annual).......	2,782,449	4,985,643	-	(2,130,660)	**5,637,432**	**3,226,695**
Minimum daily value (annual)	1,786,471	3,317,572	38,585	(2,011,525)	**3,131,103**	**1,727,585**

In line with regulatory requirements, back-testing is performed on a daily basis for the Bank's prudential trading book through the use of hypothetical and actual outcomes by monitoring the number of times that the trading outcomes exceed the corresponding risk measure. According to best practices, the model is validated by an independent unit at the Bank on an annual basis.

The VaR methodology is complemented with scenario analysis and stress testing, in order to estimate the potential size of losses that could arise from the trading portfolio for hypothetical as well as historical extreme movements of market parameters.

Within the scope of market risk control, exposure limits, maximum loss (stop loss) and value at risk limited have been set across trading positions.

In particular, limits have been set for the following risks:

- foreign currency risk regarding spot and forward positions and foreign exchange options;
- interest rate risk regarding positions on bonds and interest rate swaps, interest futures and interest options;
- price risk regarding positions in equities, index futures and options, commodity futures and swaps; and
- credit risk regarding interbank transactions and bonds.

Positions held in these products are monitored on a daily basis and are examined for the corresponding limit percentage cover and for any limit excess.

11.5 Foreign exchange risk

The Group's financial position and cash flows are exposed to fluctuations in the prevailing foreign currency exchange rates. The general management sets limits on the total foreign exchange position as well as on the exposure by currency.
The management of the foreign currency position of the Bank and the Group is centralised.

The policy of the Group is for the positions to be closed immediately using spot transactions or currency derivatives. In case that positions are still open, they are monitored daily by the relevant department and they are subject to limits.

Our exposure to foreign currency exchange rate risk on December 31 2019, and 2020 is summarised in the tables below. The total position arises from the net balance sheet position and derivatives forward position as set forth below:

	31 December 2020								
	USD	GBP	CHF	JPY	RON	RSD	Other F/C	Euro	Total
Assets									
Cash and balances with Central Banks	9,890	7,309	1,140	44	151,171	—	17,131	7,280,631	7,467,316
Due from banks	281,548	67,315	11,835	4,327	113,623	112	24,675	2,238,112	2,741,547
Securities held for trading								30,014	30,014
Derivative financial assets								1,267,083	1,267,083
Loans and advances to customers	2,028,344	484,610	964,809	14,049	1,226,384	—	84,529	34,577,277	39,380,002
Investment securities									
-Measured at amortised cost	—	—	—	—	—	—	—	3,335,733	3,335,733
-Measured at fair value through other comprehensive income	77,540	16,719	—	—	178,483	—	95,850	6,209,106	6,577,698
-Measured at fair value through profit or loss	32,581	—	—	—	—	—	—	105,094	137,675
Investments in associates	—	—	—	—	—	—	—	30,716	30,716
Investment property	—	—	—	—	111,389	—	24,152	434,335	569,876
Property, plant and equipment	—	6,388	—	—	77,505	—	22,133	690,305	796,331
Goodwill and other intangible assets	—	—	—	—	6,759	—	730	594,329	601,818
Deferred tax assets	—	—	—	—	663	—	312	5,291,637	5,292,612
Other assets	1,758	1,343	—	17	21,566	—	22,636	1,540,623	1,587,943
Assets held for sale	—	—	—	—	1,538	—	—	238,805	240,343
Total assets	**2,431,662**	**583,684**	**977,784**	**18,437**	**1,889,081**	**112**	**292,148**	**63,863,800**	**70,056,707**
Liabilities									
Due to banks and customers	2,273,359	268,616	415,760	3,828	1,152,667	21	407,521	52,415,849	56,937,621
Derivative financial liabilities	—	—	—	—	—	—	—	1,768,357	1,768,357
Debt securities in issue and other borrowed funds	—	—	—	—	66,390	—	—	1,156,479	1,222,869
Liabilities for current income tax and other taxes	—	—	—	—	7	—	—	70,134	70,141
Deferred tax liabilities	—	66	—	—	9,493	—	1,389	23,731	34,679
Employee defined benefit obligations	—	—	—	—	—	—	—	94,386	94,386
Other liabilities and Liabilities related to assets classified as held for sale	7,813	11,665	374	579	76,399	—	16,591	778,410	891,831
Provisions	1,607	25	4	—	5,961	—	2,380	693,653	703,630
Total liabilities	**2,282,779**	**280,372**	**416,138**	**4,407**	**1,310,917**	**21**	**427,881**	**57,000,999**	**61,723,514**
Net balance sheet position	148,883	303,312	561,646	14,030	578,164	91	(135,733)	6,862,801	8,333,193
Derivatives forward foreign exchange position	(106,505)	(279,501)	(256,319)	(13,969)	(474,966)	—	182,475	933,636	(15,149)
Total foreign exchange position	**42,377**	**23,811**	**305,327**	**61**	**103,198**	**91**	**46,742**	**7,796,437**	**8,318,044**

Note: *Totals may vary due to rounding of numbers.*

Source: *Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

	31 December 2019								
	USD	GBP	CHF	JPY	RON	RSD	Other F/C	Euro	Total
Assets									
Cash and balances with Central Banks	8,491	12,393	1,191	125	166,412	—	19,106	1,820,617	2,028,335
Due from banks	277,527	42,474	60,925	11,081	45,090	117	28,050	2,867,426	3,332,690
Securities held for trading	370	—	—	—	—	—	—	18,381	18,751
Derivative financial assets	—	—	—	—	—	—	—	1,009,193	1,009,193
Loans and advances to customers	2,056,425	485,036	728,738	11,278	1,128,578	—	75,388	34,780,826	39,266,269
Investment securities									
-Measured at amortised cost	—	—	—	—	—	—	—	1,070,730	1,070,730
-Measured at fair value through other comprehensive income	93,913	17,698	—	—	191,686	—	89,926	7,126,707	7.519.930
-Measured at fair value through profit or loss	38,627	—	—	—	—	—	—	54,483	93,110
Investments in associates	—	—	—	—	—	—	—	13,385	13,385
Investment property	—	—	—	—	45,253	—	26,147	414,436	485,836
Property, plant and equipment	—	7,753	—	—	53,044	—	34,292	757,243	852,332
Goodwill and other intangible assets	—	17	—	—	4,731	—	592	487,006	492,346
Deferred tax assets	—	—	—	—	256	—	235	5,173,806	5,174,297
Other assets	761	1,188	39,277	1,575	25,716	—	22,077	1,446,304	1,536,898
Assets held for sale	—	—	—	—	1,565	—	—	561,954	563,519
Total assets	**2,476,114**	**566,559**	**830,131**	**24,059**	**1,662,331**	**117**	**295,813**	**57,602,497**	**63,457,621**
Liabilities									
Due to banks and customers	2,337,518	262,843	80,247	1,821	1,102,460	—	388,975	46,451,703	50,625,567
Derivative financial liabilities	—	—	—	—	—	—	—	1,446,915	1,446,915
Debt securities in issue and other borrowed funds	156,084	—	—	—	30,091	—	—	902,518	1,088,693
Liabilities for current income tax and other taxes	—	499	—	—	6,936	—	1,396	31,042	39,873
Deferred tax liabilities	—	95	—	—	3,074	—	1,424	27,272	31,865
Employee defined benefit obligations	—	—	—	—	—	—	—	90,932	90,932
Other liabilities and Liabilities related to assets classified as held for sale	13,404	7,655	39,864	2,255	8,537	—	25,791	961,139	1,058,645
Provisions	1,098	11	3	—	4,971	—	3,105	590,353	599,541
Total liabilities	**2,508,104**	**271,103**	**120,114**	**4,076**	**1,156,069**	**—**	**420,691**	**50,501,874**	**54,982,031**
Net balance sheet position	(31,990)	295,456	710,017	19,983	506,262	117	(124,878)	7,100,623	8,475,590
Derivatives forward foreign exchange position	48,124	(294,475)	(507,852)	(19,876)	(490,025)	—	179,190	1,076,558	(8,356)
Total foreign exchange position	**16,134**	**981**	**202,165**	**107**	**16,237**	**117**	**54,312**	**8,177,181**	**8,467,234**

***Note**: Totals may vary due to rounding of numbers.*
***Source**: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

11.6 Interest rate risk of the banking book

In the context of analysis of the banking portfolio, interest rate gap analysis is performed. The main measure of interest rate risk is the interest risk gap for each currency, which represents the re-pricing schedule showing assets, liabilities and off-balance sheet exposures by time band according to their maturity (for fixed rate instruments), or next re-price date (for adjustable/ floating rate instruments). Interest rate gap incorporates assumptions about the interest rate runoff for products without predefined maturities (*e.g.*, sight deposits, savings, working capital and credit cards) or other balance sheet items which exhibit strong behavioural characteristics. Statistical modelling is a widely accepted methodology used in determining a runoff profile for items of this type and is required when the future behaviour of an item cannot be directly predicted by reference to its contractual characteristics.

The earning at risk (EaR) is calculated by using constant balance sheet while economic value is calculated by considering each account until maturity. Furthermore and in the context of IFRS 9 requirements, the economic value for (i) loans which failed Solely Payments Principal & Interest ("**SPPI**") and (ii) Purchased or Originated Credit Impaired ("**POCI**") loans are calculated.

In addition, interest rate sensitivity analysis of the Bank/Group balance sheet through interest rate risk stress shocks are taking place on a monthly basis examining the impact of the unexpected economic losses caused by the change on interest rates.

According to BIS standards concerning interest rate limits on the banking book, the Bank implements limits on a consolidated basis in terms of both economic value and earnings. Economic value measures compute the change to the net present value of the Bank's assets, liabilities and off-balance sheet items as a result of specific interest rate shock scenarios, while earning-based measures focus on changes to future profitability within a time horizon of one year. Economic value measures therefore reflect changes in value over the remaining life of assets, liabilities and off-balance sheet items, while earnings-based measures cover only the short to medium term.

The following tables set forth the Group's interest rate gap analysis as of 31 December 2020 and 2019 respectively:

	31 December 2020							
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	More than 5 years	Non-interest bearing	Total
				(€ thousands)				
Assets								
Cash and balances with Central Banks	7,185,547	—	—	—	—	—	281,769	7,467,316
Due from banks	2,312,230	2,272	220,787	107	282	205,869	—	2,741,547
Securities held for trading	—	—	—	—	2,044	27,970	—	30,014
Derivative financial assets	1,267,083	—	—	—	—	—	—	1,267,083
Loans and advances to customers	13,890,463	7,935,173	3,007,158	1,400,584	8,797,863	4,348,761	—	39,380,002
Investment securities								
– Measured at amortised cost	—	—	99,791	73,108	497,148	2,665,686	—	3,335,733
– Measured at fair value through other comprehensive income	180,562	623,106	782,325	407,998	2,452,720	2,130,987	—	6,577,698
– Measured at fair value through profit or loss	—	121,198	—	—	—	16,477	—	137,675
Investments in associates and joint ventures	—	—	—	—	—	—	30,716	30,716
Investment property	—	—	—	—	—	—	569,876	569,876
Property, plant and equipment	—	—	—	—	—	—	796,331	796,331
Goodwill and other intangible assets	—	—	—	—	—	—	601,818	601,818
Deferred tax assets	—	—	—	—	—	—	5,292,612	5,292,612
Other assets	—	—	—	—	—	—	1,587,943	1,587,943
Assets held for sale	—	—	—	—	—	—	240,343	240,343
Total assets	**24,835,885**	**8,681,749**	**4,110,061**	**1,881,797**	**11,750,057**	**9,395,750**	**9,401,408**	**70,056,707**
Liabilities								
Due to banks	622,068	354,647	376,913	107,645	11,645,408	—	—	13,106,681
Derivatives financial liabilities	1,768,357					—	—	1,768,357
Due to customers	10,442,027	6,251,906	3,877,172	4,403,220	12,432,274	6,424,341	—	43,830,940
Debt securities in issue and other borrowed funds	651	—	1,552	—	1,220,666	—	—	1,222,869
Liabilities for current income tax and other taxes	—	—	—	—	—	—	70,141	70,141
Deferred tax liabilities	—	—	—	—	—	—	34,679	34,679
Employee defined benefit obligations	—	—	—	—	—	—	94,386	94,386
Other liabilities	—	—	—	—	—	—	891,580	891,580
Provisions	—	—	—	—	—	—	703,630	703,630
Liabilities related to assets classified as held for sale	—	—	—	—	—	—	251	251
Total liabilities	**12,833,103**	**6,606,553**	**4,255,637**	**4,510,865**	**25,298,348**	**6,424,341**	**1,794,667**	**61,723,514**
Equity								
Share capital	—	—	—	—	—	—	463,110	463,110
Share premium	—	—	—	—	—	—	10,801,029	10,801,029
Reserves	—	—	—	—	—	—	492,791	492,791
Retained earnings	—	—	—	—	—	—	(3,467,818)	(3,467,818)
Non-Controlling interests	—	—	—	—	—	—	29,382	29,382
Hybrid securities	—	—	—	—	—	—	14,699	14,699
Total equity	—	—	—	—	—	—	**8,333,193**	**8,333,193**
Total liabilities and equity	**12,833,103**	**6,606,553**	**4,255,637**	**4,510,865**	**25,298,348**	**6,424,341**	**10,127,860**	**70,056,707**
Open exposure(1)	**12,002,782**	**2,075,196**	**(145,576)**	**(2,629,068)**	**(13,548,291**	**2,971,409**	**(726,452)**	—
Cumulative exposure(2)	**12,002,782**	**14,077,978**	**13,932,402**	**11,303,334**	**(2,244,957)**	**726,452**	—	—

(1) Total gap is the difference between assets and liabilities for the specific period.

(2) Cumulative gap is the addition of the total gap figures for each individual time period set forth in the columns above. Negative (positive) cumulative gap means that over the relevant period, liabilities (assets) were more sensitive to interest rate changes than assets (liabilities).

Note*: Totals may vary due to rounding of numbers.*

Source*: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

	31 December 2019							
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	More than 5 years	Non-interest bearing	Total
				(€ thousands)				
Assets								
Cash and balances with Central Banks	1,674,997	—	—	—	—	—	353,338	2,028,33
Due from banks	1,808,429	1,213,430	39,139	46,446	25,908	199,338	—	3,332,69
Securities held for trading	—	—	389	—	7,371	10,991	—	18,75
Derivative financial assets	1,009,193	—	—	—	—	—	—	1,009,19
Loans and advances to customers	14,337,017	7,294,016	2,619,941	1,541,585	8,910,122	4,563,588	—	39,266,26
Investment securities								
– Measured at amortised cost	—	—	—	—	88,104	982,626	—	1,070,73
– Measured at fair value through other comprehensive income	115,726	248,455	317,555	406,050	3,568,845	2,863,299	—	7,519,93
– Measured at fair value through profit or loss	—	2,009	22,751	1,793	819	65,738	—	93,11
Investments in associates and joint ventures	—	—	—	—	—	—	13,385	13,38
Investment property	—	—	—	—	—	—	485,836	485,83
Property, plant and equipment	—	—	—	—	—	—	852,332	852,33
Goodwill and other intangible assets	—	—	—	—	—	—	492,346	492,34
Deferred tax assets	—	—	—	—	—	—	5,174,297	5,174,29
Other assets	—	—	—	—	—	—	1,536,898	1,536,89
Assets held for sale	—	409,118	—	22,570	—	—	131,831	563,51
Total assets	18,945,362	9,167,028	2,999,77	2,018,444	12,601,169	8,685,580	9,040,263	63,457,62
Liabilities								
Due to banks	4,486,698	781,303	986,662	2,450,100	1,556,520	—	—	10,261,28
Derivatives financial liabilities	1,446,915	—	—	—	—	—	—	1,446,91
Due to customers	11,260,544	4,591,242	4,349,47	4,358,994	10,358,662	5,445,370	—	40,364,28
Debt securities in issue and other borrowed funds	154,304	738,781	195,608	—	—	—	—	1,088,69
Liabilities for current income tax and other taxes	—	—	—	—	—	—	39,873	39,87
Deferred tax liabilities	—	—	—	—	—	—	31,865	31,86
Employee defined benefit obligations	—	—	—	—	—	—	90,932	90,93
Other liabilities	—	—	—	—	—	—	1,057,844	1,057,84
Provisions	—	—	—	—	—	—	599,541	599,54
Liabilities related to assets classified as held for sale	—	—	—	—	—	—	801	801
Total liabilities	17,348,461	6,111,326	5,531,74	6,809,094	11,915,182	5,445,370	1,820,856	54,982,03
Equity								
Share capital	—	—	—	—	—	—	463,110	463,11
Share premium	—	—	—	—	—	—	10,801,029	10,801,02
Reserves	—	—	—	—	—	—	739,676	739,67
Amounts recognised directly in Equity related to assets held for sale	—	—	—	—	—	—	(122)	(122)
Retained earnings	—	—	—	—	—	—	(3,572,126)	(3,572,126
Non-Controlling interests	—	—	—	—	—	—	28,951	28,95
Hybrid securities	—	—	—	—	—	—	15,072	15,07
Total Equity	—	—	—	—	—	—	8,475,590	8,475,59
Total liabilities and equity	17,348,461	6,111,326	5,531,74	6,809,094	11,915,182	5,445,370	10,296,446	63,457,62
Open exposure(1)	1,596,901	3,055,702	(2,531,967	(4,790,650)	685,987	3,240,210	(1,256,183)	—
Cumulative exposure(2)	1,596,901	4,652,603	2,120,63	(2,670,014)	(1,984,027)	1,256,183	—	—

(1) Total gap is the difference between assets and liabilities for the specific period.

(2) Cumulative gap is the addition of the total gap figures for each individual time period set forth in the columns above. Negative (positive) cumulative gap means that over the relevant period, liabilities (assets) were more sensitive to interest rate changes than assets (liabilities).

***Note**: Totals may vary due to rounding of numbers.*

***Source**: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

11.7 Liquidity risk

Liquidity risk is defined as the risk to earnings 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 recognise or address changes in market conditions that affect its 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. A substantial portion of the Group's assets has historically been funded by customer deposits and bonds issued by the Group. Additionally, in order to extend the period and diversify the types of lending, the Bank is additionally financed by issuing securities to the international capital markets and borrowing from the system of central banks. Total funding can be divided into: (i) customer deposits; and (ii) wholesale funding.

Customer deposits

Customer deposits on demand for cash flow needs

Savings accounts and sight accounts, which may be withdrawn on demand, are intended to meet short-term needs of customers . The Group seeks to maintain a broad number of accounts and type of depositors with the aim of limiting significant unexpected fluctuations and supporting a more stable deposit base.

Customer customer deposits and bonds for investment purposes

The customer customer deposits and bonds for investment purposes issued by Group companies usually consist of customer deposits for a certain period , whereas bonds issued by the Group companies are available through outright sale. Customers have the ability of early withdrawal of customer deposits or early liquidation of bonds. For this purpose, the Bank aims to ensure there are adequate liquidity buffers, which are calculated based on stress testing exercises, to fully cover liquidity needs as they fall due.

Wholesale funding

Medium-term borrowing from international capital markets

The Bank engages with investors to obtain medium-term financing through the sale of securities issued. For this purpose, the Bank updates financing programs designed to appeal to the international investor community. However, the Bank acknowledges that the demand of these bonds may not be enough to fully meet its needs in specific time intervals as a result of factors which concern the credit assessment in the domestic and international economic environment.

Funding by central banks

An alternative way of Bank financing is the liquidity drawn from the monetary operations of Central Banks and especially from ECB. This financing requires ECB eligible collateral in the form of loans or securities according to the terms and conditions and list of eligible assets determined by the ECB.

The Bank can use available, eligible assets in order to increase liquidity from the Eurosystem to cover any liquidity needs. The Bank ensures the adequacy of collateral required in order to serve the financing from the above financial instruments, while recognizing both the type and the amount of financing that is under the discretion of the Eurosystem.

Liquidity monitoring

Liquidity monitoring is conducted through the use of a range of liquidity metrics for the measurement and analysis of liquidity risk. These metrics show the Group's day-to-day liquidity positions and structural liquidity mismatches, as well as its resilience under stressed conditions. In respect of the metrics for monitoring medium-long term liquidity risk exposure, the Bank performs liquidity gap analysis for the Bank, the subsidiaries abroad and for the Group on a monthly basis. Cash flows from all assets and liabilities are classified into time buckets, according to their contractual terms. Exceptions to the above rule are loans (i.e., overdraft accounts working capital) and customer deposits (i.e., savings and current accounts) that do not have contractual maturity and are allocated according to their transactional behaviour (convention). Additionally, unencumbered securities are distributed according to their contractual maturity, taking into account relevant factors (haircuts).

The following table sets forth the Group's liquidity gap analysis as at 31 December 2020 and 2019:

	31 December 2020					
	Less than 1 month	**1 to 3 months**	**3 to 6 months**	**6 to 12 months**	**More than 1 year**	**Total**
Assets						
Cash and balances with Central Banks	7,467,316	—	—	—	—	7,467,316
Due from banks	2,257,983	8,656	230,432	19,398	225,078	2,741,547
Securities held for trading	30,014	—	—	—	—	30,014
Derivative financial assets	1,267,083	—	—	—	—	1,267,083
Loans and advances to customers	949,067	1,073,796	1,456,163	3,267,236	32,633,740	39,380,002
Investment securities						
— Measured at amortised cost	—	—	99,791	73,108	3,162,834	3,335,733
— Measured at fair value through other comprehensive income	6,577,698	—	—	—	—	6,577,698
— Measured at fair value through profit or loss	137,675	—	—	—	—	137,675
Investments in associates and joint ventures	—	—	—	—	30,716	30,716
Investment property	—	—	—	—	569,876	569,876
Property, plant and equipment	—	—	—	—	796,331	796,331
Goodwill and other intangible assets	—	—	—	—	601,818	601,818
Deferred tax assets	—	468,044	—	3,334,872	1,489,696	5,292,612
Other assets					1,587,943	1,587,943
Assets held for sale	—	26,076	161,601	51,222	1,444	240,343
Total assets	**18,686,836**	**1,576,572**	**1,947,987**	**6,745,836**	**41,099,476**	**70,056,707**
Liabilities						
Due to banks	426,235	29,518	371,674	108,959	12,170,295	13,106,681
Derivative financial liabilities	1,768,357	—	—	—	—	1,768,357
Due to customers (including debt securities in issue)	7,933,662	6,353,900	4,066,626	4,773,813	20,702,939	43,830,940
Debt securities in issue held by institutional investors and other borrowed funds	—	—	—	—	1,222,869	1,222,869
Liabilities for current income tax and other taxes	—	9,535	54,706	5,900	—	70,141
Deferred tax liabilities	—	—	—	—	34,679	34,679
Employee defined benefit obligations	—	—	—	—	94,386	94,386
Other liabilities	2,798	7,033	9,565	18,658	853,526	891,580
Provisions	—	—	—	—	703,630	703,630
Liabilities related to assets held for sale	—	—	—	—	251	251
Total liabilities	**10,131,052**	**6,399,986**	**4,502,571**	**4,907,330**	**35,782,575**	**61,723,514**
Equity						
Share capital	—	—	—	—	463,110	463,110
Share premium	—	—	—	—	10,801,029	10,801,029
Reserves	—	—	—	—	492,791	492,791
Retained earnings	—	—	—	—	(3,467,818)	(3,467,818)
Non-controlling interests	—	—	—	—	29,382	29,382
Hybrid securities	—	—	—	—	14,699	14,699
Total equity	—	—	—	—	**8,333,193**	**8,333,193**
Total liabilities and equity	**10,131,052**	**6,399,986**	**4,502,571**	**4,907,330**	**44,115,768**	**70,056,707**
Open liquidity gap	**8,555,784**	**(4,823,414)**	**(2,554,584)**	**1,838,506**	**(3,016,292)**	—
Cumulative liquidity gap	**8,555,784**	**3,732,370**	**1,177,786**	**3,016,292**	—	—

Note: *Totals may vary due to rounding of numbers.*

Source: *Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

	As of 31 December 2019					
	Less than 1 month	**1 to 3 months**	**3 to 6 months**	**6 to 12 months**	**More than 1 year**	**Total**
Assets						
Cash and balances with Central Banks	2,028,335	—	—	—	—	2,028,335
Due from banks	1,624,572	1,085,697	9,599	42,596	570,226	3,332,690
Securities held for trading	18,751	—	—	—	—	18,751
Derivative financial assets	1,009,193	—	—	—	—	1,009,193
Loans and advances to customers	1,216,537	1,646,460	1,347,551	2,909,020	32,146,701	39,266,269
Investment securities						
— Measured at amortised cost	—	—	—	—	1,070,730	1,070,730
— Measured at fair value through other comprehensive income	7,519,930	—	—	—	—	7,519,930
— Measured at fair value through profit or loss	93,110	—	—	—	—	93,110
Investments in associates and joint ventures	—	—	—	—	13,385	13,385
Investment property	—	—	—	—	485,836	485,836
Property, plant and equipment	—	—	—	—	852,332	852,332
Goodwill and other intangible assets	—	—	—	—	492,346	492,346
Deferred tax assets	—	434,267	—	1,716,882	3,023,148	5,174,297
Other assets					1,536,898	1,536,898
Assets held for sale	4,642	483,266	27,157	46,454	2,000	563,519
Total assets	**13,515,070**	**3,649,690**	**1,384,307**	**4,714,952**	**40,193,602**	**63,457,621**
Liabilities						
Due to banks	4,284,187	489,188	968,980	2,463,711	2,055,217	10,261,283
Derivative financial liabilities	1,446,915	—	—	—	—	1,446,915
Due to customers (including debt securities in issue)	9,459,515	4,892,955	4,570,968	4,717,188	16,723,658	40,364,284
Debt securities in issue held by institutional investors and other borrowed funds	—	217,040	—	—	871,653	1,088,693
Liabilities for current income tax and other taxes	—	18,573	14,800	6,500	—	39,873
Deferred tax liabilities	—	—	—	31,865	—	31,865
Employee defined benefit obligations	—	—	—	—	90,932	90,932
Other liabilities	3,185	5,977	9,460	10,983	1,028,239	1,057,844
Provisions					599,541	599,541
Liabilities related to assets held for sale	—	—	—	—	801	801
Total liabilities	**15,193,802**	**5,623,733**	**5,564,208**	**7,230,247**	**21,370,041**	**54,982,031**
Equity						
Share capital	—	—	—	—	463,110	463,110
Share premium	—	—	—	—	10,801,029	10,801,029
Reserves	—	—	—	—	739,554	739,554
Retained earnings	—	—	—	—	(3,572,126)	(3,572,126)
Non-controlling interests	—	—	—	—	28,951	28,951
Hybrid securities	—	—	—	—	15,072	15,072
Total equity	—	—	—	—	8,475,590	8,475,590
Total liabilities and equity	**15,193,802**	**5,623,733**	**5,564,208**	**7,230,247**	**29,845,631**	**63,457,621**
Open liquidity gap	**(1,678,732)**	**(1,974,043)**	**(4,179,901)**	**(2,515,295)**	**10,347,971**	—
Cumulative liquidity gap	**(1,678,732)**	**(3,652,775)**	**(7,832,676)**	**(10,347,971)**	—	—

***Note**: Totals may vary due to rounding of numbers.*

***Source**: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

11.8 Operational risk

Operational risk is the risk of loss arising from inadequate or ineffective internal procedures, systems and people or from external events, including legal risk.

The Operational Risk Committee and Internal Control Committee is responsible for the approval of the Group policy on operational risk management and has an oversight role in its implementation. The operational risk management policy is applicable to all units of the Group in Greece and abroad.

Consistent activities for assessment, monitoring and management of operational risk have been introduced in all Bank units. Based on the results of risk assessment, action plans are scheduled in order to mitigate critical operational risks. The Group has purchased several insurance policies such as Bankers Blanket Bond, Directors and Officers Liability, Cyber Crime bond and various property-related insurance policies in order to further minimise the Group's exposure to operational risks. In addition, the Group actively monitors its operational risk profile through dedicated units and appropriate governance structures. As regards the calculation of the regulatory capital requirements for operational risk, the Group applies the standardised approach specified in Basel III, EU law, and the relevant regulations and decisions of the Bank of Greece.

11.9 Counterparty risk

Counterparty risk for the Group stems from its over-the-counter ("**OTC**") transactions, money market placements and customer repurchase contracts/reverse customer repurchase agreements and arises from an obligor's failure to meet its contractual obligations before the final settlement of the transaction's cash flows. A loss would occur if the transaction or the portfolio of transactions with the counterparty has a positive value at the time of default.
The Group seeks to reduce counterparty risk by standardising relationships with counterparties through ISDA and GMRA contracts, which encompass all necessary netting and margining clauses. Additionally, for almost all active counterparties that are financial institutions, CSAs have been put into effect, so that net current exposures are managed through margin accounts on a daily basis, through the exchange of cash or debt securities collateral.

The Group avoids taking positions on derivative contracts where the values of the underlying assets are highly correlated with the credit quality of the counterparty.

The estimation of counterparty exposure depends on the type of the financial product. Risk weights are defined for every applicable category of counterparty risk regarding each product across operations such that the weighted nominal amount corresponds to the actual counterparty exposure in terms of loan equivalent risk (i.e., the amount at risk if the counterparty does not uphold their contractual obligations).

For the efficient management of counterparty risk, the Bank has established a framework of counterparty limits. Counterparty limits are submitted for approval by the competent Credit Committee. The credit evaluation takes into consideration all the available credit ratings provided by external rating agencies and/or the internal Group evaluation of the counterparty's credit rating if no external data are available, and their effective dates and the existence or risk mitigating measures (for example ISDA, CSA).

Counterparty limits apply to all financial instruments in which the Bank's Treasury department is active in the interbank market. The limits framework is revised according to the business needs of the Bank and the prevailing conditions in international and domestic financial markets. A similar limit structure for the management of counterparty risk is enforced across all of the Group's subsidiaries.

11.10 Contractual obligations

The following table sets forth the contractual obligations of the Group as at December 31, 2020:

	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	More than 1 year	Total
Due to banks.................	426,235	29,518	371,674	108,959	12,170,295	13,106,681
Derivative financial liabilities.......................	1,768,357					1,768,357
Due to customers (including debt securities in issue)........	7,933,662	6,353,900	4,066,626	4,773,813	20,702,939	43,830,940
Debt securities in issue held by institutional investors and other borrowed funds					1,222,869	1,222,869
Liabilities for current income tax and other taxes		9,535	54,706	5,900		70,141
Deferred tax liabilities ..					34,679	34,679
Employee defined benefit obligations					94,386	94,386
Other liabilities.............	2,798	7,033	9,565	18,658	853,526	891,580
Provisions.....................					703,630	703,630
Liabilities related to assets held for sale..					251	251
Total.............................	10,131,052	6,399,986	4,502,571	4,907,330	35,782,575	61,723,514

Note*: Totals may vary due to rounding of numbers.*

Source*: Annual Audited Consolidated Financial Statements as at and for the year ended 31 December 2020*

11.11 Environmental, Social and Governance ("ESG") Risks

The Bank acknowledging the potential implications of climate change in economic activity, which in turn affects the financial system, performed from October 2020 to January 2021 a self-assessment of its practices for the management of climate, environmental, social and governance risks considering the supervisory expectations for the management of these risks. The respective self-assessment was submitted to ECB in February 2021. Based on the gaps identified, the Bank has developed a comprehensive action plan, submitted to ECB in May 2021.

The Bank currently is in the process to incorporate climate-related and environmental risks as drivers of existing risk categories (credit risk, market risk, operational risk, reputational risk) in the wider risk management framework. It is also noted that certain aspects have already been incorporated in the Credit Policy, while also a key risk indicator has been established with respect to restriction of financing towards sectors that are considered not beneficial for the environment and society. It is expected that the Bank will develop suitable risk management approaches and methodologies for the ESG risks and that will enhance the Risk Appetite Framework in terms of both quantitative risk measures and qualitative statements.

11.12 Insurance risk

The insurance policies issued by the Group carry a degree of risk. The risk under any insurance policy is the possibility of the insured event resulting in a claim. By the very nature of an insurance policy, risk is based on fortuity and is therefore unpredictable.

The principal risk that the Group may face under its insurance policies is that the actual claims and benefit payments or the timing thereof differ from expectations. This could occur because the frequency or severity of claims is greater than estimated.

The above risk exposure is mitigated by diversification across a large portfolio of insurance policies. The variability of risks is also improved by the careful selection and implementation of the Group's underwriting policy, reinsurance strategy and internal guidelines, within an overall risk management framework. Pricing is based on assumptions and statistics and the Group's empirical data, taking into consideration current trends and market conditions.

Reinsurance arrangements include proportional, optional facultative, excess of loss, catastrophe coverage and reinsurance risk.

12. REGULATORY DISCLOSURES

Below is a summary of the information disclosed by Alpha Services and Holdings (previously referred as Alpha Bank) under Regulation (EU) No 596/2014 over the last 12 months which is relevant as at the Date of the Prospectus, presented in a limited number of categories depending on their subject:

- **Disclosures related to the shareholding structure of the Issuer**

31.12.2020 (Stock options plan) - Following the resolution of the Annual General Meeting of its Shareholders dated 31.07.2020, Alpha Bank announced that the Board of Directors, at its meeting dated 30.12.2020, (a) approved the stock options plan regulation and (b) awarded stock options rights under the performance incentive program for the financial years 2018 and 2019 to identified material risk takers of the bank and its affiliated companies.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphaholdings/files/etairikes-anakoinwseis/20201231-etairiki-anakoinwsi-en.pdf)

11.02.2021 (Stock options plan) - Pursuant to article 1 par. 5 (h) of Regulation (EU) 2017/1129 with respect to the admission to trading of shares of Alpha Bank in implementation of the stock options plan, Alpha Bank informed the investors regarding the approved stock options plan.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphaholdings/files/etairikes-anakoinwseis/20210211_etairiki_anakoinosieng.pdf)

18.02.2021 (Stock options plan) **-** Alpha Bank announced that the 2,281,716 new, common, nominal, dematerialized shares of the Bank, which derived from the share capital increase by the amount of €684,514.80, due to the exercise of the stock options rights by eighty six (86) material risk takers of the Bank and its Affiliated Companies, would commence trading in the Athens Exchange on Monday - 22.02.2021, at an exercise price of €0.30 per share, pursuant to the resolution of the Ordinary General Meeting of Shareholders dated 31.07.2020 and to the relevant resolutions of the Board of Directors of the Bank dated 30.12.2020 and 09.02.2021.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphaholdings/files/etairikes-anakoinwseis/20210218_etairiki_anakoinosi_en.pdf)

22.02.2021 (Stock options plan) - Alpha Bank announced in accordance with par 5, article 9, of L.3556/2007, as in force, that, pursuant to the implementation of the Bank's five-year stock options plan and following the share capital increase due to the first exercise period of the granted options, the Bank's share capital amounts to €463,794,329.10 divided into 1,545,981,097 common, registered shares with voting rights at a nominal value of €0.30 each. Finally, it is noted that the HFSF holds 169,174,167 shares of the abovementioned outstanding number of shares.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphaholdings/files/etairikes-anakoinwseis/20210223_etairiki_anakoinosi_en.pdf)

03.06.2021 - Alpha Holdings announced, pursuant to the provisions of L.3556/2007 and following relevant notification on 03.06.2021, of Schroders plc., that the latter holds indirectly as of 02.06.2021, voting rights that correspond to an equal amount of common, registered, voting, dematerialised shares, of 5.088% of the total voting rights of the Bank.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphaholdings/files/etairikes-anakoinwseis/20210603b_etairiki_anakoinosi_en.pdf)

03.06.2021 - Alpha Holdings announced, pursuant to the to the provisions of L. 3864/2010, that Schroders plc., following a relevant notification on 03.06.2021, holds indirectly as of 31.05.2021, voting rights that correspond to an equal amount of common, registered, voting, dematerialised shares as well as other financial instruments that provide the right to acquire shares which incorporate voting of 5.410% of the total voting rights of the Bank, excluding those held by HFSF.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphaholdings/files/etairikes-anakoinwseis/20210603_etairiki_anakoinosi_en.pdf)

- **Disclosures related to transactions of persons discharging managerial responsibilities in the Issuer, as well as persons closely associated with them, obliged under article 19 of the Regulation (EU) No 596/2014**

Name	Position	Date	Transaction	Volume	Value (€)
Emiris Ioannis	General Manager	02.06.2021	Purchase	23,000	25,028.25
Marianna Antoniou	Accounting Division Manager	29.01.2021	Purchase	62,849	18,746.7
Dimitrios Kostopoulos	Manager	27.01.2021	Purchase	45,446	13,633.80

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphaholdings/files/enimerosi-ependuton/gnostopoiiseis-sunalagon/gnostopoiiseis_en.pdf?la=en&hash=21E73CDC7D6B9C3551443D33912B89BD573F5E52 *)*

- **Hive-Down**

15.09.2020 - Alpha Bank announced that its Board of Directors approved the draft demerger deed by way of hive-down with the incorporation of a new company, pursuant to article 16 of law 2515/1997, par. 3 of article 54, par. 3 of article 57 and articles 59-74 (inclusive) and 140 of law 4601/2019, as in force. Pursuant to the Hive Down, the banking business sector of Alpha Bank will be transferred to the new company, which would be licensed as a credit institution and would be an 100% subsidiary of the Alpha Bank.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphagr/files/group/corporate-announcements/2020/20200915_etairiki_anakoinosi_en.pdf)

02.10.2020 - Alpha Bank announced the completion of publication formalities of the draft demerger deed by way of hive-down with the incorporation of a new company.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphagr/files/group/corporate-announcements/2020/20201002_etairiki_anakoinosi_en.pdf)

22.10.2020 – Alpha Bank announced that the documentation pertaining to the Hive Down (including inter alia the draft demerger deed, the transformation balance sheet, the report of the Board of Directors which explains and justifies the draft demerger deed) would be available to the Shareholders on its website as well as at its registered seat.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphaholdings/files/etairikes-anakoinwseis/20201022etairiki-anakoinwsi-en.pdf)

16.03.2021 - Alpha Bank announced that the information memorandum in accordance with the provisions of paragraph 4.1.3.12 of the Rulebook of the Athens Exchange as well as the relevant provisions of resolution 25/17.7.2008 of the Board of Directors of the Athens Exchange, on the Hive-Down has been posted on the websites of the Bank and Athens Exchange.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphaholdings/files/grafeio-tupou/20210316_etairiki_anakoinosi_en.pdf)

02.04.2021 – The EGM held on 02.04.2021 approved (a) of the Hive-Down and the draft demerger deed dated 15.09.2020, including the transformation balance sheet dated 30.06.2020, (b) the articles of incorporation of the beneficiary new entity, including the appointment of the first Board of Directors, the first Audit Committee and the regular Statutory Certified Auditor of the new entity, as well as (c) the amendment of the articles of incorporation of the demerged entity with the corporate name "Alpha Bank Societe Anonyme", as a result of the demerger by way of hive-down of the banking business sector. Additionally, the relevant authorizations were granted.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphaholdings/files/grafeio-tupou/20210402-etairiki-anakoinosi-en.pdf)

16.04.2021 - Alpha Bank announced that, following the resolutions of the EGM held on 02.04.2021, the Hive-Down was approved on 16.04.2021 by virtue of the decision of the Ministry of Development and Investments No 45089/16.04.2021, which has been registered on the same day in the GEMI with registration number 2528649.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphagr/files/group/corporate-announcements/2021/20210416-etairiki-anakoinosi-en.pdf)

19.04.2021 – Alpha Bank announced the change of the corporate name and the trade name of the demerged entity "Alpha Bank S.A." to "Alpha Services and Holdings S.A." and "Alpha Services and Holdings" respectively.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphaholdings/files/etairikes-anakoinwseis/20210419_etairiki_anakoinosi_en.pdf)

- **Business developments concerning the Issuer and the Issuer's group**

❖ **Project Galaxy - Cepal**

30.06.2020 – Alpha Bank announced that the Bank is proceeding with the acquisition of full ownership of Cepal, with a view to facilitate the successful integration of the transferred business with Cepal's existing activities. Additionally, Alpha Bank announced that Mr. Theodore Athanassopoulos, at that time Alpha Bank's Executive General Manager in charge of Wholesale NPEs, becomes Cepal's new CEO.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphagr/files/group/press-releases/2020/20200630_deltio_typou_en.pdf)

23.07.2020 - Alpha Bank announced that it acquired the full control of Cepal.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphagr/files/group/corporate-announcements/2020/20200723_etairiki_anakoinosi_en.pdf)

06.08.2020 - Alpha Bank announced the application to Hercules Asset Protection Scheme for the "Orion" and "Galaxy II" securitizations with gross book value of €1.9 billion and €5.7 billion, respectively. The application relates to the provision of a guarantee by the Greek State on the senior notes of an amount up to €3.04 billion, while the application for "Galaxy IV" would follow soon thereafter.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphagr/files/group/corporate-announcements/2020/20200806_etairiki_anakoinosieng.pdf)

28.09.2020 - Alpha Bank announced the launch of the process for the transfer of its NPE management operations (carve-out) to Cepal.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphagr/files/group/corporate-announcements/2020/20200928_etairiki_anakoinosi_en.pdf)

22.10.2020 – Alpha Bank announced the application to Hercules Asset Protection Scheme for the "Galaxy IV" securitization with a gross book value of €3.2 billion. The application relates to the provision of a guarantee by the Greek State on the senior notes of an amount up to €0.65 billion.

(For the detailed announcement please refer to:https://www.alphaholdings.gr/-/media/alphaholdings/files/etairikes-anakoinwseis/20201022-etairiki-anakoinwsi-el.pdf)

02.11.2020 - Alpha Bank announced that, in the context of the bidding process for its NPL securitization transaction "Galaxy", it has received 2 (two) binding offers from international investors.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphaholdings/files/etairikes-anakoinwseis/20201102-etairiki-anakoinwsi-en.pdf)

23.11.2020 - Alpha Bank announced that the Board of Directors, at its meeting of 20.11.2020, assessed the binding offers, submitted in the context of the bidding process for the Project Galaxy, and declared "Davidson Kempner European Partners LLP" as preferred bidder.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphaholdings/files/etairikes-anakoinwseis/20201123etairiki-anakoinwsi-en.pdf)

01.12.2020 - Alpha Bank announced the completion of the carve out process of the Bank's NPE management activity to Cepal, its 100% subsidiary company providing management services for loan and credit receivables.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphaholdings/files/etairikes-anakoinwseis/20201201-etairiki-anakoinwsi-en.pdf)

22.02.2021 - Alpha Bank announced that it has entered into a definitive agreement with certain entities managed and advised by "Davidson Kempner Capital Management LP" in relation to the Project Galaxy.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphagr/files/group/press-releases/2021/20210222_deltio_typou_en.pdf)

22.06.2021 - Alpha Holdings announced the completion of the Galaxy Transaction.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphaholdings/files/etairikes-anakoinwseis/20210622etairiki-anakoinosi-en.pdf)

❖ **Other announcements relating to business activities**

01.07.2020 - Alpha Bank announced that it has entered into a binding agreement with "Poseidon Financial Investor DAC", an entity financed by funds managed by affiliates of "Fortress Investment Group LLC", for the disposal of a pool of non-performing loans to Greek SMEs mainly secured by real estate assets (the "Neptune Portfolio"), of a total on-balance sheet gross book value of €1.1 billion, with reference date 30.6.2019.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphagr/files/group/corporate-announcements/2020/20200701_etairiki_anakoinosi_en.pdf)

17.07.2020 – Alpha Bank announced the completion of the disposal of "Neptune Portfolio".

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphagr/files/group/corporate-announcements/2020/20200717_etairiki_anakoinosi_en.pdf)

30.07.2020 - Alpha Bank announced that it will lower its deposit interest rates in "Alpha Payroll", "Alpha 1|2|3 Youth Line" and "Alpha Payroll Savings" accounts by 0.05%, on a weighted average basis, with the new lower deposit rate being effective on September 30, 2020.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphagr/files/group/press-releases/2020/20200730b_deltio_typou_en.pdf)

31.12.2020 - Alpha Bank has agreed to enter into a new exclusive distribution agreement with Assicurazioni Generali ("Generali") for the sale of non-life and health insurance products through its distribution channels, with an initial term of twenty years.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphaholdings/files/grafeio-tupou/20201231_deltio_typou_en.pdf)

04.03.2021 - Alpha Bank announced the successful placement of a €500 million, Tier 2 bond with a diverse range of institutional investors.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphaholdings/files/grafeio-tupou/20210304b_deltio_typou_en.pdf)

24.05.2021 – Alpha Bank announced that the BoD of Alpha Services and Holdings has called an EGM on June 15th, 2021 to consider a share offering to raise approx. €0.8 billion in cash with the cancellation of pre-emption rights, while the BoD will seek authorization at the EGM to determine the timing and finalize the terms of the transaction, including the offering price through a book building process. It is mentioned that the proceeds from the capital increase are expected to allow Alpha Bank to capitalise on the significant growth opportunity in the Greek banking sector and to support the core pillars of its transformation plan. The transaction is envisaged to be executed via a non-pre-emptive share placement to international institutional investors and a public offering in Greece. Subject to applicable Law, existing shareholders that subscribe in the share offering will receive priority allocations. The HFSF has declared its intention to participate in the contemplated share offering up to its current shareholding of 10.94%. Additionally

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphaholdings/files/group/auksisi-metoxikou-kefalaiou-2021/20210524_deltio_typoueng.pdf)

15.06.2021 – The Extraordinary General Meeting of the Shareholders of Alpha Services and Holdings approved Share Capital Increase amounting up to €0.8 billion.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphaholdings/files/grafeio-tupou/20210615_deltio_typou_en.pdf and https://www.alphaholdings.gr/-/media/alphaholdings/files/genikes-syneleysis/ektakti-geniki-suneleusi-15062021/apofaseis-20210615-en.pdf)

22.06.2021 – Alpha Holdings announced the proposed record date and priority allocation mechanism in relation to the share offering of approx. €0.8 billion.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphaholdings/files/grafeio-tupou/20210622_deltio_typou_en.pdf)

24.06.2021 - Alpha Holdings announced the Maximum Price per Share and Record Date for the Priority Allocation Mechanism in relation to the Share Offering of approx. EUR 0.8 billion.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphaholdings/files/enimerosi-ependuton/amk_2021/20210624_amk_announcement_eng.pdf)

- **Disclosures related to corporate governance of the Issuer**

25.06.2020 - The Board of Directors of Alpha Bank, at its meeting held on 25.06.2020, elected as Members of the Board of Directors of the Bank Mr. Dimitris C. Tsitsiragos, in replacement of Mr. Demetrios P. Mantzounis, Non-Executive Member, who resigned on 31.12.2019 and Ms. Elanor R. Hardwick, in replacement of Mr. George C. Aronis, Executive Member, who resigned on 31.1.2020.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphagr/files/group/corporate-announcements/2020/20200625_etairiki_anakoinosi_en.pdf)

31.07.2020 – The Ordinary General Meeting held on 31.07.2020 approved inter alia the establishment of a stock options plan for members of the Management and of the personnel of the Bank and its affiliated companies, in the form of stock options rights by issuing new shares, in accordance with article 113 of law 4548/2018 and granting of authorization to the Board of Directors to settle procedural issues and details.

(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphagr/files/group/genikes-syneleysis/2020/taktiki-geniki-sineleusi-31072020/apofaseis_20200731eng.pdf)

31.07.2020 – Constitution of the Board of Directors on 31.7.2020 (For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphagr/files/group/corporate-announcements/2020/20200731_etairiki_anakoinosieng.pdf)

27.11.2020 – Alpha Bank announced the new appointments to Alpha Bank's Executive Committee *(*For the detailed announcement please refer to: *https://www.alphaholdings.gr/-/media/alphaholdings/files/grafeio-tupou/20201127_deltio_typou_en.pdf)*

22.06.2021 - Alpha Holdings announced that, on 17.6.2021, Mr. A.Ch. Theodoridis notified the Board via a letter of his resignation from the Board of Directors with immediate effect. *(For the detailed announcement please refer to: https://www.alphaholdings.gr/-/media/alphaholdings/files/etairikes-anakoinwseis/20210622-etairiki-anakoinosi-en.pdf)*

13. MATERIAL CONTRACTS

Neither Alpha Holdings, nor the Bank or any other members of the Group are parties to any material contracts outside of their ordinary course of business for the two years immediately preceding the Date of the Prospectus, or to any contract (not being a contract entered into in the ordinary course of business), which contains any provision under which any member of the Group has any obligation or entitlement which is material to the Group with the exception of the following:

(a) The Relationship Framework Agreement, the main provisions of which are summarised in section 14.7 (*Recovery and Resolution of credit institutions*) "*The HFSF—The Relationship Framework Agreement*".
(b) The SLA between Cepal Hellas and Bank.

In February 2021, the Bank entered into a definitive agreement with Davidson Kempner LLP in relation to the sale of an 80% stake in the Bank's loan servicing subsidiary Cepal Holdings Single Member S.A. ("Cepal Hellas HoldCo"), which holds 100% of the share capital of Cepal Hellas, and the sale of 51% of the mezzanine and junior notes of €10.8 billion NPE portfolio as part of the Galaxy Securitisation, to entities managed and advised by Davidson Kempner LLP. On 18 June 2021 the Bank completed the sale and transfer to Airmed Finance DAC of 80% of Cepal Hellas HoldCo, and the sale and transfer to Foxford Capital L5 DAC of 51% of the mezzanine and junior notes of €10.8 billion NPE portfolio as part of the Galaxy Securitisation.

Thus, Cepal Hellas HoldCo became an entity controlled by Davidson Kempner LLP.

As part of the said agreement with Davidson Kempner LLP, on 30 November 2020, the Bank entered into a service level agreement with Cepal Hellas. Under the SLA, Cepal Hellas undertakes to manage an existing portfolio of approx. €13 billion of retail and wholesale NPEs and retail early arrears of the Bank and certain entities within the Group (the "Reference Portfolio"). The term of the SLA is thirteen years subject to extension for completion of any run-off portfolio upon the expiration of the initial 13-year period.

As a consideration for the management of the Reference Portfolio, Cepal Hellas receives a management fee calculated as a specific percentage over the average of the gross book value of the assets under management and an event fee, which is dependent on the cash recoveries and the respective recovery solution or strategy implemented (e.g. restructuring, foreclosure etc). The performance of Cepal Hellas under the SLA is subject to specific key performance indicators (the "KPI"), which are reviewed on a quarterly basis and adjusted, if necessary, on an annual basis. Breach of any agreed KPI targets generally results in financial penalties, payable by Cepal Hellas to the Bank, while in the event of a material and persisting underperformance that is not remedied, the Bank has the right to remove assets from the Reference Portfolio at no extra cost. In general, removal by the Bank of any assets from the Reference Portfolio is subject to the payment of a fee by the Bank, with the exception of limited circumstances in which the Bank has the right to remove such assets free of any fees payment.

Moreover, the agreement contains customary representations and warranties, indemnities and special termination rights. If Cepal Hellas terminates the agreement with cause, it is entitled subject to certain conditions to receive an early termination fee.

14. REGULATION AND SUPERVISION OF BANKS IN GREECE

All references herein to Bank are to Alpha Bank S.A.

14.1 Introduction

The Group is subject to various financial services laws, regulations, administrative actions and policies in each jurisdiction where its members operate. In addition, through the trading of the Ordinary Shares on the ATHEX, Alpha Holdings is also subject to applicable capital markets laws in Greece.

The Bank of Greece is the central bank in Greece and an integral part of the Eurosystem and, together with the other national central banks of the Euro area and the ECB, participates in the formulation of the single monetary policy for the Euro area. The ECB is the central bank of the 19 European Union countries which have adopted the euro and its main task is to maintain price and financial stability in the euro area and so preserve the purchasing power of the single currency. Among other tasks, the ECB, through the SSM, also has direct supervisory competence in respect of credit institutions, financial holding companies, mixed financial holding companies established in the euro area and participating non-euro area Member States, and branches in the euro area and participating non-euro area Member States of credit institutions established in non-participating member states that are significant. Significant institutions include, among others, any credit institution or financial holding company if at least one of the following criteria are met (Article 6(4) Regulation (EU) No 1024/2013): (i) the total value of the assets exceeds EUR 30 billion; or (ii) the ratio of the total assets over the GDP of the participating Member State of establishment exceeds 20%, unless the total value of its assets is below EUR 5 billion; or (iii) it has requested or received direct public financial assistance from the EFSF or the ESM; or (iv) it is one of the three most significant institutions in its home country; or (v) it is of significant relevance with regard to the domestic economy and the ECB, upon notification by its national competent authority and following a comprehensive assessment, including a balance-sheet assessment, takes a decision confirming such significance. The national competent authorities (the "NCAs") are responsible for directly supervising the entities that are less significant, without prejudice to the ECB's power to decide in specific cases to directly supervise such entities where this is necessary for the consistent application of supervisory standards. If a significant institution fails to meet the criteria for three (3) consecutive years, it can be reclassified as less significant. Direct supervisory responsibility for it then returns to the relevant NCA. If a less significant institution meets any of the criteria for the first time, it is reclassified as significant. The NCA then hands over responsibility for direct supervision to the ECB.

In relation to Alpha Holdings and the Bank (as defined below), pursuant to its decision dated April 1, 2021, the ECB has decided that:

(a) Alpha Holdings and the Bank are a significant supervised group within the meaning of point (22) of Article 2 of Regulation (EU) No 468/2014 of the ECB;
(b) Alpha Holdings is classified as a significant supervised entity within the meaning of Article 6(4) of Regulation (EU) No 1024/2013; and
(c) Alpha Holdings is considered to be the entity at the highest level of prudential consolidation within that supervised group.

The ECB is exclusively responsible for the prudential supervision of significant supervised groups, such as Alpha Holdings and the Bank, which includes the power to:

- authorise and withdraw authorisations;
- for credit institution that wish to establish a branch or provide cross-border services in a country outside the Eurozone, carry out the tasks which the competent authority of the home member state shall have under the relevant EU law;
- assess the acquisition and disposal of qualifying holdings;
- ensure compliance with all prudential requirements and set, where necessary, higher prudential requirements, for example for macro-prudential reasons to protect financial stability under the conditions provided by EU law;
- ensure compliance with the applicable internal governance requirements, including the fit and proper assessment for the persons responsible for the management of credit institutions, risk management processes, internal control mechanisms, remuneration policies and practices and effective internal capital adequacy assessment processes;
- carry out supervisory reviews, including where appropriate in coordination with the EBA, stress tests and, on the basis of that supervisory review, impose specific additional own funds requirements, specific publication

requirements, specific liquidity requirements and other measures, where specifically made available to competent authorities by relevant EU law; and

- impose a wide range of supervisory measures, depending on the bank's risk profile assessment;
- approve acquisitions by significant institutions of holdings in a non-credit institution or a credit institution outside the EU;
- approve mergers / de-mergers involving significant institutions;
- approve asset transfers/divestments involving significant institutions;
- approve / object to the appointment of external auditors (to the extent such powers are linked to ensuring compliance with prudential requirements);
- impose pecuniary sanctions; and
- approve strategic decisions.

As regards the monitoring of credit institutions, the NCAs will continue to be responsible for supervisory matters not conferred on the ECB, such as (i) macroprudential supervisory tasks; (ii) the "supervision" of external auditors; (iii) the imposition or enforcement of conditions attached by regulation to banking activities such as product rules; (iv) the imposition of penalties to absorb the economic advantage gained from the breach of prudential requirements (which primarily serve competition law purposes); (v) consumer protection; (vi) money laundering, (vii) provision of payment services, and (viii) authorization and supervision of branches of third country credit institutions.

14.2 Prudential supervision of financial holding companies

Approval of financial holding companies

In accordance with Article 22A of the Banking Law, parent financial holding companies, such as Alpha Holdings, should seek approval by their consolidating supervisor and, where different, the competent authority in the Member State where they are established. Therefore, Alpha Holdings will file an application for the requisite approval in accordance with the process stipulated in the Banking Law , which is expected to be granted subject to the fulfilment of the relevant operational and organisational requirements :

- the internal arrangements and distribution of tasks within the group are adequate for the purpose of complying with the requirements that are imposed by the Banking Law (as amended to transpose CRD V) and the CRR on a consolidated basis and, in particular, are effective to: (i) coordinate all the subsidiaries of the financial holding company including, where necessary, through an adequate distribution of tasks among subsidiary institutions; (ii) prevent or manage intra-group conflicts; and (iii) enforce the group-wide policies set by the parent financial holding company throughout the group;
- the structural organisation of the group of which the financial holding company is part does not obstruct or otherwise prevent the effective supervision of the subsidiary institutions as concerns the individual, consolidated and, where appropriate, sub-consolidated obligations to which they are subject. The assessment of that criterion shall take into account, in particular: (i) the position of the financial holding company in a multi-layered group; (ii) the shareholding structure; and (iii) the role of the financial holding company within the group;
- the criteria set out in Article 14 and the requirements laid down in Article 114 of the Banking Law are complied with.

The approval process may take up to six months from receipt of the relevant application.

Where the ECB and the Bank of Greece have established that the conditions set out above are not met or have ceased to be met, Alpha Holdings shall be subject to appropriate supervisory measures to ensure or restore, as the case may be, continuity and integrity of consolidated supervision and ensuring compliance with the requirements laid down in the Banking Law and in the CRR on a consolidated basis. In accordance with Article 22(9) of the Banking Law, these supervisory measures may include:

- suspending the exercise of voting rights attached to the shares of the subsidiary institutions held by the Alpha Holdings;
- issuing injunctions or penalties against Alpha Holdings or the members of the management body and managers;
- giving instructions or directions to Alpha Holdings to transfer to its shareholders the participations in its subsidiary institutions;
- designating on a temporary basis another financial holding company, mixed financial holding company or institution within the group as responsible for ensuring compliance with the requirements laid down in the Banking Law and in CRR on a consolidated basis;

- restricting or prohibiting distributions or interest payments to shareholders;
- requiring Alpha Holdings to divest from or reduce holdings in institutions or other financial sector entities;
- requiring Alpha Holdings to submit a plan on return, without delay, to compliance.

14.3 The regulatory framework—prudential supervision of credit institutions

Credit institutions operating in Greece are required, among other things, to:

- calculate, observe and report liquidity and capital adequacy ratios prescribed by the applicable provisions of the Banking Law, the CRR and the relevant Bank of Greece Governor's Acts, to the extent that such acts are not contrary to the provisions of the CRR and the Banking Law;
- maintain efficient internal audit, compliance and risk management systems and procedures, in accordance with the Bank of Greece Governor's Act No. 2577/2006, as amended and supplemented by subsequent decisions of the Governor of the Bank of Greece, the Bank of Greece Executive Committee and the Banking and Credit Committee of the Bank of Greece;
- apply specific internal governance and organization requirements, both before entering into an outsourcing arrangement and during the term of the arrangement, maintain a register of information on all outsourcing agreements and make available to the Bank of Greece, upon request, this register, as well as any other information necessary for the exercise of effective supervision in accordance with Decision 178/5/2.10.2020 of the Executive Committee of the Bank of Greece adopting the EBA Guidelines on outsourcing arrangements (EBA/GL/2019/02);
- submit to the Bank of Greece periodic reports and statements required under Bank of Greece Governor's Act No. 2651/2012, as amended and in force;
- disclose data regarding the bank's financial position and its risk management policy;
- provide the Bank of Greece and, where relevant, the ECB with such further information as they may require;
- in connection with certain operations or activities, notify or request the prior approval of the ECB acting in co-operation with the Bank of Greece or the Bank of Greece, as the case may be, in each case in accordance with the applicable laws of Greece and the relevant acts, decisions and circulars of the Bank of Greece (each as in force from time to time); and
- permit the Bank of Greece and, where relevant, the ECB to conduct audits and inspect books and records of the bank, in accordance with the Banking Law and certain Bank of Greece Governor's Acts.

If a credit institution breaches any law or regulation falling within the scope of the supervisory power attributed to the ECB or, as the case may be, the Bank of Greece, the ECB or the Bank of Greece, respectively, is empowered, among others, to:

- require the credit institution to strengthen their arrangements, processes and strategies;
- impose sanctions and/or administrative penalties in accordance with (i) Article 55A of the Articles of Association of the Bank of Greece, as ratified by Laws 2832/2000 and 4099/2012, and amended by Act of the Governor of the Bank of Greece No. 2602/2008 (Bank of Greece); and (ii) the provisions of the Banking Law (Bank of Greece); or (iii) Article 18 of the SSM Regulation and Articles 120 et seq of the SSM Framework Regulation (ECB);
- require the credit institution to take appropriate measures (which may include prohibitions or restrictions on dividends, requiring a share capital increase or requiring prior approval for future transactions) to remedy the breach;
- impose fines, in accordance with (i) Article 55A of the Articles of Association of the Bank of Greece and (ii) the provisions of the Banking Law;
- appoint a commissioner; and
- where the breach cannot be remedied, revoke the licence of the credit institution and place it in a state of special liquidation.

Credit institutions established in Greece are subject to a range of reporting requirements, including the submission of reports relating to:

- capital structure, qualifying holdings, persons who have a special affiliation with the institution and loans or other types of credit exposures that have been provided to these persons by the institution;
- own funds and capital adequacy ratios;
- capital requirements for all kinds of risks;
- large exposures and concentration risk;

- liquidity coverage ratio
- net stable funds ratio
- additional liquidity monitoring metrics;
- liquidity risk;
- leverage ratio;
- interbank market details;
- financial statements and other financial information;
- covered bonds;
- securitisation exposures;
- funding plans;
- supervisory benchmarking exercises;
- issues of non-performing exposures;
- complaints' handling;
- internal control systems;
- prevention and suppression of money laundering and terrorist financing; and
- IT systems.

With respect to the above, we submit regulatory reports both at an individual and Group level to the Bank of Greece and/or the ECB on a daily, monthly, quarterly, semi-annual or annual basis, as applicable.

Transposition of Directive 2001/24/EC on the Reorganisation and Winding Up of Credit Institutions

Greece has faithfully transposed Directive 2001/24/EC by virtue of Greek law 3458/2006 on the winding-up and reorganisation of credit institutions. Greek law 3458/2006, as amended and in force, is in line with the provisions of Directive 2001/24/EC and introduces a series of conflicts of laws rules on the laws applicable to the winding-up and reorganisation of a credit institution, including among others:

Law Governing the Reorganisation Measures

Article 4 sets the rule by providing that any reorganisation process shall be applied in accordance with the laws, regulations and procedures applicable in the Home State of the credit institution, subjected to such process. The process would be carried out in accordance with the provisions of the Banking Law.

Law Governing the Winding-Up Process

Article 11 introduces a conflict of laws rule on the winding up process for credit institutions, pursuant to which any credit institution shall be wound up in accordance with the laws, regulations and procedures applicable in Greece insofar as Greek law 3458/2006 does not provide otherwise.

14.4 Capital adequacy framework

In December 2010, the Basel Committee on Banking Supervision issued two prudential regulation framework documents which contained the Basel III capital and liquidity reform package. The Basel III framework has been implemented in the EU through the CRD IV / CRD V and the CRR, which have been transposed into Greek law where applicable. In June 2020, the EU Council approved Regulation (EU) 2020/873 ("**CRR Quick Fix**") amending CRR and Regulation 2019/876 to mitigate the economic effects of the COVID-19 pandemic.

Full implementation of the Basel III framework began on 1 January 2014, with particular elements being phased in over the period to 2019, although some minor transitional provisions provide for phase-in until 2024.

The major points of the capital adequacy framework include:

Quality and quantity of capital

The definition of regulatory capital and its components has been revised at each level. A minimum CET1 capital ratio of 4.5%, a minimum Tier 1 capital ratio of 6% and a minimum total capital ratio of 8% have been imposed, and there is a requirement for Additional Tier 1 capital instruments to have a mechanism that requires them to be written down or converted on the occurrence of a trigger event.

Capital adequacy is monitored on the basis of the consolidated situation of Alpha Holdings and is submitted quarterly to the ECB.

The main objectives of the Group related to its capital adequacy management are the following:

- Comply with the capital requirements regulation according to the supervisory framework.
- Preserve the Group's ability to continue unhindered its operations.
- Retain a sound and stable capital base supportive of the Bank's management business plans.
- Maintain and enhance existing infrastructures, policies, procedures and methodologies for the adequate coverage of supervisory needs, in Greece and abroad.
- The Group applies the following methodologies for the calculation of Pillar I capital requirements:
- the standardised approach for calculating credit risk;
- the mark-to-market method for calculating counterparty credit risk;
- the standardised approach for calculating market risk;
- the standardised approach for calculating credit valuation adjustment risk; and
- the standardised approach for calculating operational risk.

Capital buffer requirements

In addition to the minimum capital ratios described above, banks are required under Article 121 *et seq.* of the Banking Law to comply with the combined buffer requirement consisting of the following additional capital buffers:

- a capital conservation buffer of 2.5% of risk-weighted assets;
- a systemic risk buffer ranging between 1% and 5% of risk-weighted assets designed to prevent and mitigate long-term non-cyclical systemic or macro-prudential risks not covered by the CRR. This buffer has not been applied in Greece to date;
- a firm-specific countercyclical buffer ranging between 0% and 2.5% of risk-weighted assets depending on macroeconomic factors. In line with previous years, this buffer has been specified at 0% for Greek credit institutions for the second quarter of 2021 pursuant to the Decision 186/18.03.2021 of the Executive Committee of the Bank of Greece. The countercyclical buffer should be built up when aggregate growth in credit and other asset classes with a significant impact on the risk profile of such credit institutions are judged to be associated with a build-up of system-wide risk, and drawn down during stressed periods;
- an O-SII buffer which, for the Bank, ranges between 1% and 3% of risk-weighted assets. According to the EBA's methodology, all Greek O-SIIs are classified in bucket 4, which corresponds to a level of 1% for the O-SII buffer (the O-SII buffer was set at 0% throughout 2016, 2017 and 2018). The buffer is being phased in to reach 1% over five years from 2019 to 2023. The O-SII buffer was set at 0.25% throughout 2019 and at 0.50% throughout 2020 and 2021 (Executive Committee Act No. 174/26.6.2020 of the Bank of Greece); and
- a global systemically important institutions (the "**G-SII**") buffer ranging between 1% and 5% of risk-weighted assets designed to prevent and mitigate long-term non-cyclical systemic or macro-prudential risks not covered by the CRR. As none of the Greek banks has been classified as G-SII, consequently the G-SII buffer has not been applied in Greece to date.

Depletion of these buffers will trigger limitations on dividends, distributions on capital instruments and variable compensation. The said buffers are designed to absorb losses in stress periods.

Supervisory Review and Evaluation Process (SREP)

The ECB and the Bank of Greece conduct annually a Supervisory Review and Evaluation Process (SREP) in order to set prudential as along as other qualitative requirements to banking institutions (Article 89 et seq. of the Banking Law and Article 3 SSM Framework Regulation). This process evaluates the:

- sustainability and viability of business model;
- adequacy of governance and risk management;
- assessment of risk to capital; and
- assessment of risks to liquidity and funding

In the SREP context, the ECB and the Bank of Greece may also require institutions, in accordance with Article 96a of the Banking Law to have additional own funds in excess of the requirements set out in CRR, under the conditions set out in Article 96a of the Banking law.

On 8 February 2019, the ECB informed the Bank that, according to the SREP, from 1 March 2019 the Bank should maintain an OCR of 13.75%. The OCR includes the Pillar 2 requirement (P2R) of 3.0%. The OCR includes, in addition to the total SREP capital requirements ("**TSCR**"), the combined buffer requirements set out in Article 121(6) of the Banking Law. The TSCR is composed of the minimum total own funds requirement (8% of RWA) and the additional Pillar 2 requirement in accordance with Article 16(2)(a) of SSM Regulation. The Bank's prescribed minimum OCR was set at 14% for 2020 and 2021. Compared to the 2019 limit of 13.75%, the difference of 0.25% was due to the gradual increase of the O-SII buffer.

However, due to the measures taken at EU level in order to mitigate the impact of the COVID-19 pandemic, and to facilitate bank lending to the economy, the ECB announced the relaxation of the capital buffers at least up to the end of 2022.

Article 473a of the CRR allows banks to mitigate the impact of the introduction of IFRS 9 on regulatory capital and leverage ratios during a 5-year transitional period. According to Article 473a of the CRR banks may 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 recognised at 31 December 2018 in accordance with IAS 39. The weighting factors were set per year at 0.95 in 2018, 0.85 in 2019, 0.70 in 2020, 0.5 in 2021 and 0.25 in 2022. Under CRR Quick Fix transitional arrangements are extended only for the dynamic component to address the potential increase in ECL provisions following the COVID-19 pandemic. The reference date for any increase in provisions that would be subject to the extended transitional arrangements was moved from 1 January 2018 to 1 January 2020. Amended Article 473(6a) of the CRR extends the transition for the dynamic component, allowing institutions to fully add-back to their CET1 capital any increase in new provisions recognised in 2020 and 2021 for their financial assets that are not credit-impaired. The amount that could be added back from 2022 to 2024 would decrease in a linear manner.

The Bank has decided to avail itself of Article 473a and applies the transitional provisions in calculating capital adequacy on both a standalone and consolidated basis.

As at 31 March 2021, the Group's:

- CET1 ratio was 15.9% (14.1% on a fully-loaded basis, including IFRS 9 impact);
- Tier 1 capital ratio was 15.9% (14.1% on a fully-loaded basis, including IFRS 9 impact); and
- Total capital adequacy ratio was 18.2% (16.4% on a fully-loaded basis, including IFRS 9 impact).

The above-mentioned ratios include FY 2020 profits. Below are the Group's capital ratios without the profits for that period:

- CET1 ratio at 15.7%;
- Tier 1 capital ratio at 15.7%; and
- Total capital adequacy ratio at 18.0%

As at 31 December 2020, the Group's:

- CET1 ratio was 17.3% (14.8% on a fully-loaded basis, including IFRS 9 impact);
- Tier 1 capital ratio was 17.3% (14.8% on a fully-loaded basis, including IFRS 9 impact); and
- Total capital adequacy ratio was 18.4% (16.0% on a fully-loaded basis, including IFRS 9 impact).

The above-mentioned ratios include FY 2020 profits. Below are the capital ratios without the profits for that period:

- CET1 ratio at 17.1%;
- Tier 1 capital ratio at 17.1%; and
- Total capital adequacy ratio at 18.2%

Deductions from CET1

The definition of items that should be deducted from regulatory capital has been revised. In addition, most of the items that were required to be deducted from regulatory capital are now deducted in whole from the CET1 component.

Central counterparties

To address the systemic risk arising from the interconnectedness of credit institutions and other financial institutions through the derivatives markets, a 2% risk-weight factor was introduced to certain trade exposures to qualifying central counterparties. The capitalisation of credit institution exposures to central counterparties is based in part on the compliance of the central counterparty with the International Organisation of Securities Commissions' standards (since non-compliant central counterparties are treated as bilateral exposures and do not receive the preferential capital treatment referred to above).

Counterparty credit risk

The counterparty credit risk management standards have been raised in a number of areas, including for the treatment of so-called wrong-way risk, that is, cases where the exposure increases when the credit quality of the counterparty deteriorates. For example, the CRR introduced a capital charge for potential mark-to-market losses associated with deterioration in the creditworthiness of a counterparty and the calculation of expected positive exposure by taking into account stressed parameters.

Liquidity requirements

A liquidity coverage ratio, which is an amount of unencumbered, high-quality liquid assets that must be held by a bank to offset estimated net cash outflows over a 30-day stress scenario has been introduced. The ratio requirement is 100% In addition, a Net Stable Funding Ratio ("**NSFR**"), which is the amount of longer-term, stable funding that must be held by a bank over a one-year timeframe based on liquidity risk factors assigned to assets and off-balance sheet liquidity exposures has been introduced (see the "*Recent Developments – NSFR*" *below)*. Although the EU adopted this requirement with the approval of Regulation (EU) 2019/876 in June 2019, it will become applicable in the second quarter of 2021. See further "*Recent developments—NSFR*" below.

In order to foster consistency and efficiency of supervisory practices across the EU, the EBA is continuing to develop the EBA Single Rulebook, a supervisory handbook applicable to EU member states. However, the EBA Single Rulebook has not yet been finalised.

Recent developments

In April 2019, the European Parliament endorsed a package of measures that impact both capital requirements and resolution powers. The revised rules on capital, liquidity and resolution were published in the Official Journal on 7 June 2019 and will become applicable in the second quarter of 2021, with few exceptions. The package introduced a number of measures, including:

- a leverage ratio requirement for all institutions as well as a leverage ratio buffer for all global systemically important institutions;
- a new market risk framework for reporting purposes;
- revised rules on capital requirements for counterparty credit risk and for exposures to central counterparties;
- a revised Pillar 2 framework;
- an updated macro-prudential toolkit;
- targeted amendments to the credit risk framework to facilitate the disposal of NPEs;
- enhanced prudential rules in relation to anti-money laundering;
- a new total loss absorbing capacity (TLAC) requirement for global systemically important institutions (not applicable to the Bank, as it is not a G-SII);
- enhanced MREL subordination rules for G-SIIs and other large banks referred to as top-tier banks; and
- a new moratorium power for the resolution authority.

Leverage ratio

The financial crisis highlighted that institutions were taking on greater exposures (for example, loans, derivatives and guarantees) but raising only relatively limited amounts of additional capital. The new package introduces a binding leverage ratio requirement (that is, a capital requirement independent from the riskiness of the exposures, as a backstop to risk-weighted capital requirements) for all institutions subject to the CRR. The leverage ratio requirement complements the existing framework to calculate the leverage ratio, to report it to supervisors and, since January 2015, to disclose it publicly. The leverage ratio requirement is set at 3% of Tier 1 capital and institutions must meet it in addition to/in parallel with their risk-based capital requirements (Article 92(1)(d) CRR). Unlike Basel III, CRR allows initial margin to reduce the exposure measure when applying the leverage ratio to derivatives. An additional leverage buffer applies to G-SIIs (Article 92(1a) CRR) but the Bank is not a G-SII.

As per the first submission to the regulator, as at 31 March 2021, the Group's leverage ratio was 11.2%.

NSFR

Consistent with the Basel Committee on Banking Supervision ("**BCBS**") stable funding standard, Article 8(1)(b) CRR adopted the NSFR requirement as the ratio an institution's amount of available stable funding to its amount of required stable funding over a one-year horizon. The amount of available stable funding should be calculated by multiplying the institution's liabilities and own funds by appropriate factors that reflect their degree of reliability over the one-year horizon of the NSFR. Unlike Basel III, CRR does not provide for the additional requirement to hold between 5% and 20% of stable funding against gross derivative liabilities, which is very widely seen as a rough measure to capture additional funding risks related to the potential increase of derivative liabilities over a one-year horizon and is under review at BCBS level.

Market Risk

Following the BCBS' fundamental review of the trading book ("**FRTB**"), CRR has amended the framework for the calculation of the market risk, by introducing clearer and more easily enforceable rules on the regulatory boundary between the trading book and banking book to prevent regulatory arbitrage and improving risk sensitivity through modified internal models and requirements proportionate to reflect more accurately the actual risks to which banks are exposed.

Large Exposures

CRR tightens the definition of capital used to calculate the large exposure limit by requiring large exposures to be calculated only against Tier 1 capital (excluding Tier 2 capital) and imposes the use of a standardised approach for measuring counterparty credit risk. In the case of exposure of a G-SII to another G-SII, a more stringent limit of 15% of Tier 1 capital applies, but the Bank is not a G-SII. Moreover, regulatory reporting is extended all exposures that would have been a large exposure without considering the effect of credit risk mitigation or exemption clauses.

Interest Rate Risk

Article 76 of the Banking Law (as amended by Greek Law 4799/2021 transposing CRD V in Greece) specifies further the methods (standardised approach or simplified standardised approach) for the identification, assessment, management and mitigation of the interest rate risk from non-trading book activities. EBA is expected to develop Regulatory Technical Standards and revised Guidelines on interest rate risk from non-trading book activities.

MREL subordination rules

In order to ensure effective and credible application of the bail-in resolution tool to impose losses on banks' creditors in the case of a banking crisis, banks are subject to an MREL, with the relevant instruments earmarked for bail-in in a crisis. The EU resolution framework requires banks to comply with the MREL at all times by holding easily "bail-inable" instruments, so as to ensure that losses are absorbed and banks are recapitalised once they get into a financial difficulty and are subsequently placed into resolution.

The package tightens the rules on the subordination of MREL instruments. Beyond, the existing G-SII category, a new category of large banks, called "top-tier banks" with a balance sheet size greater than €100 billion, has been established in relation to which more prudent subordination requirements are formulated. National resolution authorities may also select banks which are neither G-SIIs nor top tier banks and subject them to the top-tier bank treatment. An MREL minimum pillar 1 subordination policy for each of these two categories of bank has been agreed. For other banks, the subordination requirement remains a bank-specific assessment based on the principle of "no creditor worse off".

On 20 May 2020, the SRB issued a new MREL policy, which it will apply under the Banking Reform Package, indicating that its MREL decisions implementing the new framework will be taken based on such policy in the 2020 resolution planning cycle and that those decisions will be communicated to banks in early 2021 setting out binding MREL targets, including those for subordination: the fully calibrated MREL target to be met by 1 January 2024. However, in light of the COVID-19 pandemic, the SRB noted that it will take a forward-looking approach for banks that may face difficulties meeting those targets, before new decisions take effect and that in the 2020 resolution planning cycle, MREL targets will be set according to a transition period, that is setting the final target for compliance by 2024 on the basis of recent MREL data and reflecting changing capital requirements. The Bank has been granted a time extension to meet the respective final target until 1 January 2026. For the Bank, the fully calibrated MREL target to be met by 1 January 2026 is 22,76%. The MREL ratio, expressed as a percentage of RWAs, does not include the Combined Buffer Requirement (CBR), currently at 3% and expected to increase to 3.25% on 1 January 2022.

Moratorium power for resolution authorities

In order to avoid excessive outflows of liquidity in a bank resolution, the package introduced a moratorium power, which should be triggered after a bank is declared "failing or likely to fail" but before that bank has entered into resolution ("pre-resolution moratorium"). The power to impose such pre-resolution moratorium also includes covered deposits and can be imposed for a maximum duration of two days, in line with International Swaps and Derivatives Association agreements. In the same vein, the existing in-resolution moratorium powers of the resolution authority under the BRRD Law have been extended to include covered deposits (Article 33a of the BRRD Law).

Resolution entities have to satisfy MREL requirements vis-à-vis external creditors at the consolidated level of the resolution group, through own funds and eligible liabilities issued by the resolution entity and bought by external third parties (external MREL). Greek law 4799/2021 has introduced internal Article 45f in Article 2 of the BRRD Law, ensuring that subsidiaries of a resolution entity that are not themselves resolution entities ("non-resolution entities") are subject to an internal MREL requirement, determined at individual level or sub-consolidated level, where applicable. Non-resolution entities are required to issue eligible instruments, which will be acquired by resolution entities within the group. Such instruments are subject to write-down and conversion into equity, so that if a relevant entity within the group reaches the point of non-viability, losses will be transmitted up through the group to, and absorbed by, the resolution entity. A resolution authority may, under certain conditions, grant an internal MREL waiver.

14.5 COVID-19 pandemic related measures

In reaction to the COVID-19 pandemic, among others:

On 12 March 2020, the ECB announced measures expected to provide capital relief to banks in support of the economy. These measures include the permission to (i) temporarily operate below the level of capital required by the Capital Conservation Buffer and the Countercyclical Buffer (in addition, on 28 July 2020, the ECB announced through a press release that financial institutions are allowed to operate below the aforementioned thresholds at least up to the end of 2022) (ii) partially use capital instruments that do not qualify as CET1 capital, for example Additional Tier 1 or Tier 2 instruments, to meet their P2R, bringing forward a measure that was initially scheduled to come into effect in January 2021, as part of the latest revision of CRD/CRR. Following this announcement, the P2R may comprise 75% Tier 1 capital instruments (56.25% CET1 capital and 18.75% Additional Tier 1 capital) and 25% Tier 2 capital instruments (iii) bring forward the change that was expected from the adoption of Directive (EU) 2019/878 regarding the composition of the P2R buffer, allowing the P2R to be covered by Additional Tier 1 capital and Tier 2 capital and not only by CET 1.

On 20 March 2020, the ECB announced that it has introduced supervisory flexibility regarding the treatment of NPEs, in particular to allow banks to fully benefit from guarantees and moratoriums put in place by public authorities to tackle the current distress. In such connection, ECB indicated that it will exercise flexibility regarding the classification of debtors as "unlikely to pay" when banks call on public guarantees granted in the context of coronavirus, as well as certain flexibilities regarding loans under COVID-19 related public moratoria. In addition, loans which become non-performing and are under public guarantees will benefit from preferential prudential treatment in terms of supervisory expectations about loss provisioning, while supervisors will deploy full flexibility when discussing with banks the implementation of NPE reduction strategies, taking into account the extraordinary nature of current market conditions; and

CRR Quick Fix was enacted in June 2020 amending CRR and CRR II to encourage banks to continue lending to businesses and households during the crisis caused by the COVID-19 pandemic and to absorb the economic shock of the pandemic. Among other things, this regulation:

(i) extends the transitional arrangements for mitigating the impact of the International Financial Reporting Standard (IFRS) 9 provisions on regulatory capital;
(ii) applies a preferential treatment for publicly guaranteed loans under the prudential backstop for NPEs available under the CRR;
(iii) delays until 1 January 2023 the application of the leverage ratio buffer for G-SIIs;
(iv) reflects more favourable prudential treatment of SME and infrastructure exposures as well as loans to pensioners and employees (with a permanent contract) backed by the borrower's pension or salary;

(v) recalibrates the mechanism for offsetting the impact of excluding certain exposures from the calculation of the leverage ratio; and
(vi) brings forward the dates of application of certain reforms introduced by the CRR II.

In 22 December 2020, EU Regulation 2176/2020 of the Council of 12 November 2020, amending EU Regulation 241/2014 concerning the deduction of software assets from CET1 capital, was published in the Official Journal of the European Union.

In 26 June 2020, the Bank of Greece under an Executive Committee Act determined the capital buffer of systemically important institutions (O-SII) at 0.50%, maintaining stable for 2021 and extending consequently the existing phasing-in period. The third and the fourth phases have been delayed by 12 months each and will apply starting from 1 January 2022 and 1 January 2023 respectively. This decision is in the context of the response to Covid19 pandemic in order to mitigate the subsequent financial impact.

On 16 September 2020, ECB took the decision to allow banks to exclude, temporarily, certain exposures to central banks from the total leverage exposure measure in view of the COVID-19 pandemic. This exclusion—until 27 June 2021—would support credit institutions in continuing to fulfil their role in funding the real economy.

14.6 Equity participations of individuals or legal entities in Greek credit institutions

Any individual or legal entity, separately or jointly, intending to acquire, directly or indirectly, a significant holding (*i.e.* a percentage that is equal or exceeds (in case of an initial acquisition) 10% or increase a holding and reaches or exceeds the thresholds of 20%, 1/3, 50% of the voting rights or equity participation in a Greek credit institution, or so that the credit institution would become its subsidiary, or acquire control of a Greek credit institution within the meaning of Article 3(1)(34) of the Banking Law, through written or other arrangements or concerted action, must notify in writing in advance the ECB through the Bank of Greece of such intention, pursuant to Article 23 of the Banking Law, Articles 4 and 9 of the SRM Regulation (as defined herein) and Decision 142/11.6.2018 of the Executive Committee of the Bank of Greece, as amended and in force. The proposed acquirer and any Members of the Board of Directors who will direct the business of the credit institution as a result of the proposed acquisition will go through an assessment review process (commonly known as "fit and proper"), pursuant to which the supervisory authority would confirm the fulfilment of the relevant suitability criteria. An envisaged acquisition of a percentage between 5% and 10% entails the obligation to inform the competent authority on the contemplated acquisition so that such authority confirms whether the above would entail the exercise of significant influence, in which case fulfilment of the relevant assessment criteria is also reviewed.

The Bank of Greece, in cooperation with the ECB, assesses the acquiror for the approval of the contemplated acquisition.

The notification obligations also exist where an individual or legal entity decides to cease to hold, directly or indirectly, an equity participation in a Greek bank or to reduce its participation below legally defined thresholds.

14.7 Recovery and resolution of credit institutions

On 15 May 2014, the European Parliament and the Council of the EU adopted Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms (commonly referred to as the BRRD) which was transposed in Greece pursuant to the BRRD Law. For credit institutions established in the Eurozone, such as the Bank, which are supervised within the framework of the SSM, Regulation (EU) No 806/2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (the "**SRM Regulation**") provides for a coherent application of the resolution rules across the Eurozone under responsibility of the SRB, which is an EU agency, with effect since 1 January 2016 (this framework is referred to as the "**Single Resolution Mechanism**", the "**SRM**").

Within the SRM, the SRB is responsible for adopting resolution decisions in close cooperation with the ECB, the European Commission, the Council of the EU and national resolution authorities in the event that a significant credit institution and/or its parent financial holding company directly supervised by the ECB, such as the Bank and Alpha Holdings, respectively, is failing or likely to fail and certain other conditions are met. The national resolution authorities in the EU member states concerned would implement such resolution decision adopted by the SRB in accordance with the powers conferred on them under the national laws transposing the BRRD. The national resolution authority competent for Greece is the Bank of Greece.

The BRRD was amended by Directive (EU) 2019/879 (BRRD, as amended, "**BRRD II**"). In addition, the SRM Regulation was amended by Regulation (EU) No 2019/877 (the SRM Regulation, as amended, the "**SRM Regulation II**").

In Greece, BRRD II was transposed by Greek law 4799/2021 (GG A 78/18.5.2021) amending, *inter alia*, the BRRD Law, while the SRM Regulation II came into force on 28 December 2020.

Single Resolution Mechanism

If the Bank and/or Alpha Holdings infringes or is likely in the near future to infringe capital or liquidity requirements, the ECB has the power to impose early intervention measures. These measures include the power to require changes to the legal or operational structure of the entity concerned, or its business strategy, and the power to require the managing board to convene a general meeting of shareholders of the entity concerned at which the ECB may set the agenda and require certain decisions to be considered for adoption by such general meeting.

The SRB is responsible for preparing resolution plans for, and directly resolving, all banks and groups directly supervised by the ECB and other cross-border groups. In most cases, the ECB would notify the SRB, the European Commission and the relevant national resolution authorities that a bank and/or its parent company is failing. The SRB would then assess whether there is a systemic threat and any private sector solution that would prevent the failure within a reasonable timeframe.

In certain circumstances, including if a bank and/or its parent company reaches a point of non-viability or where certain forms of extraordinary public financial support are required, the SRB in close co-operation with the relevant national resolution authority may take pre-resolution measures, including the write-down and cancellation of shares and the conversion of capital instruments and eligible liabilities into shares. If a bank and/ or its parent company meets the conditions for resolution, the SRB may apply the relevant resolution tools and exercise the relevant resolution powers in line with the resolution plan prepared by the SRB. See "*Recovery and resolution powers*" below. This process is known as "**Public Interest Assessment**" which is one of the key policies underpinning the work of the SRB. It examines whether the resolution of a particular bank which is failing or likely to fail, would be necessary for and proportionate to achieving one or more of the following resolution objectives: ensuring the continuity of critical functions, maintaining financial stability, protecting covered depositors and safeguarding public funds by minimizing reliance on extraordinary public financial support as well as protecting client funds and client assets. If the adoption of a resolution scheme is not deemed necessary, national winding up procedures would apply.

The European Commission is responsible for assessing the discretionary aspects of the SRB's decision and endorsing or objecting to the resolution scheme. The European Commission's decision is subject to approval or objection by the European Council only when the amount of resources drawn from the Single Resolution Fund (the "**SRF**") is modified or if there is no public interest in resolving the entity concerned. If the European Council or the European Commission objects to the resolution scheme, the SRB must amend it. The resolution scheme, once approved, is implemented by the national resolution authorities. If resolution entails state aid, the European Commission must approve the aid before the SRB can adopt the resolution scheme.

The SRB also determines the MREL targets that must be complied with at all times; see "*Resolution tools" below*.

All the banks in the participating member states contribute to the SRF. The SRF was established for the purpose of ensuring the efficient application of the resolution tools and exercise of the resolution powers by the resolution authorities. The SRF consists of contributions from credit institutions and certain investment firms in the participating member states of the SRM. The SRF has a target funding level of €55 billion or at least 1% of the amount of covered deposits of all credit institutions within the Banking Union (expected to be reached by 31 December 2023) and, as of 10 July 2020, the current total amount in the SRF was €42 billion. The SRF is owned and administered by the SRB.

Recovery and resolution powers

The resolution powers are divided into three categories:

- *Preparation and prevention*: Banks and/or their parent companies are required to prepare recovery plans while the relevant resolution authority (in the case of Alpha Holdings and the Bank, the SRB in consultation with Bank of Greece and the ECB) prepares a resolution plan for each entity concerned at a stand-alone or consolidated level, as applicable, identifying, inter alia, the resolution entities and resolution groups within the group. The resolution authorities have supervisory powers to address or remove impediments to resolvability. Financial groups may also enter into intra-group support agreements to limit the development of a crisis;

- *Early intervention*: The competent authority (which, in the case of Alpha Holdings and the Bank and for this purpose is the ECB) may arrest a deteriorating situation of the entity concerned, including breach of the minimum requirement for own funds and eligible liabilities referred to in Article 45e or Article 45f of the BRRD Law, at an early stage so as to avoid insolvency. Its powers in this respect include requiring the entity concerned to implement its recovery plan, replacing existing management, drawing up a plan for the restructuring of debt with its creditors, changing its business strategy and changing its legal or operational structures. If these tools are insufficient, new senior management or a new management body may be appointed subject to the approval of the resolution authority which is also entitled to appoint one or more temporary administrators; and
- *Resolution*: This involves reorganising or winding down the entity or entities concerned in an orderly fashion outside special liquidation proceedings while preserving its or their critical functions and limiting to the maximum extent possible taxpayer losses.

Conditions for resolution

The conditions that have to be met before the resolution authority takes a resolution action are:

(a) the competent authority, after consulting with the resolution authority, determines that the entity concerned is failing or likely to fail. An entity will be deemed to be failing or likely to fail in one or more of the following circumstances:
    (i) it infringes or is likely to infringe the requirements for continuing authorisation in a way that would justify the withdrawal of its authorisation, for example by incurring losses that will deplete all or a significant amount of its own funds;
    (ii) its assets are, or there is objective evidence that its assets will in the near future be, less than its liabilities;
    (iii) it is, or there is objective evidence that it will in the near future be, unable to pay its debts or other liabilities as they fall due; or
    (iv) extraordinary public financial support is required, unless the support takes one of the forms specified in the BRRD;
(b) having regard to timing and other relevant circumstances, there is no reasonable prospect that any alternative private sector action, including measures by an institutional protection scheme, or supervisory action, such as early intervention measures or the write down or conversion of relevant capital instruments and eligible liabilities, would prevent the failure of the entity concerned within a reasonable timeframe; and
(c) a resolution action is in the public interest, that is, it is necessary for the achievement of, and is proportionate to, one or more of the resolution objectives set out in the BRRD Law and the winding up of the entity concerned under normal special liquidation proceedings would not meet those resolution objectives to the same extent.

Resolution tools

When the trigger conditions for resolution are satisfied, the relevant resolution authority may apply any or all of the following tools:

(a) the ***sale of business tool***, which enables the resolution authority to transfer ownership of, or all or any assets, rights or liabilities of, the entity concerned to a purchaser (that is not a bridge institution) on commercial terms without requiring the consent of the shareholders or, save as required by the BRRD Law, complying with the procedural requirements that would otherwise apply;
(b) the ***bridge institution tool***, which enables the resolution authority to transfer ownership of, or all or any assets, rights or liabilities of, the entity concerned to a publicly controlled entity known as a bridge institution without requiring the consent of the shareholders. The operations of the bridge institution are temporary, the aim being to sell the business to the private sector when market conditions are appropriate;
(c) the ***asset separation tool***, which enables the resolution authority to transfer some or all of the assets, rights and liabilities of the entity concerned, without obtaining the consent of shareholders, to an asset management vehicle to allow them to be managed and worked out over time. This tool may only be used when: (i) the market situation for the assets concerned is such that their liquidation under normal special liquidation proceedings could have an adverse effect on one or more financial markets; or (ii) the transfer is necessary to ensure the proper functioning of the entity concerned under resolution or the bridge institution; or (iii) the transfer is necessary to maximise liquidation proceeds. This tool may be used only in conjunction with other tools to prevent an undue competitive advantage for the failing entity; and

(d) the ***bail-in tool***, which gives the resolution authority the power to write down eligible liabilities of the entity concerned and/or to convert such claims to equity. The resolution authority may use this tool only (i) to recapitalise the entity concerned to the extent sufficient to restore its ability to comply with the conditions for its authorisation, to continue to carry out the activities for which it is authorised and to restore it to financial soundness and long-term viability or (ii) to convert to equity or reduce the principal amount of obligations or debt instruments that are transferred to a bridge institution (with a view to providing capital to the bridge institution) or that are transferred under the sale of business tool or the asset separation tool.

When using the bail-in tool, the relevant resolution authority must write down or convert obligations of an entity under resolution in the following order:

(a) CET1;
(b) Additional Tier 1 instruments;
(c) Tier 2 instruments;
(d) other subordinated debt, in accordance with the ranking of claims in special liquidation proceedings; and
(e) other eligible liabilities, in accordance with the ranking of claims in special liquidation proceedings.

A number of liabilities are excluded from the bail-in tool, including covered deposits and secured liabilities (including covered bonds). For the purposes of the bail-in tool, the designated resolution entities are required to maintain at all times a sufficient aggregate amount of own funds and eligible liabilities at a stand-alone and/or consolidated level, the aim of which is to ensure that they have sufficient loss-absorbing capacity.

Article 55 of the BRRD Law requires the contractual recognition of the effects of the bail-in tool in agreements or instruments creating liabilities governed by the laws of third countries in order to facilitate the process of bailing in those liabilities in the event of resolution and reinforce the awareness of creditors under contractual arrangements that are not governed by the law of a Member State of possible resolution action with regard to institutions or entities that are governed by Union law. An exemption from the contractual recognition requirement applies where it would be legally or otherwise impracticable to include a contractual recognition of bail-in clause in a contract but requires banks to notify the competent resolution authority of such impracticability. EBA has developed draft regulatory technical standards (RTS) on the conditions where it would be impracticable to include a contractual recognition of bail-in clause (EBA/RTS/2020/13).
The ranking of liabilities in the case of special liquidation proceedings against a credit institution is provided for by Article 145A of the Banking Law, as follows:

(a) claims deriving from the provision of employment services and legal fees to the extent that the claims arose during the two years prior to the declaration of bankruptcy as well as employees' and in-house lawyers' claims deriving from the termination of their employment/mandate, irrespective of irrespective of the point at which such claims arose, claims of the Greek state for value added tax and other taxes aggregated with any surcharges and interest accrued, and claims of social security organisations;
(b) Greek state claims arising in the case of a recapitalisation by the Greek state of institutions pursuant to the BRRD's extraordinary capital support provisions;
(c) claims deriving from guaranteed deposits or claims of the Hellenic Deposit and Investment Guarantee Fund (the "**HDIGF**") in respect of depositors' rights and obligations which have been compensated by the HDIGF, and for the amount of such compensation;
(d) any type of Greek state claim aggregated with any surcharges and interest charged on these claims;
(e) the following claims on a *pro rata* basis:
    (i) claims of the SRF, to the extent it has provided financing to the institution; and
    (ii) claims in respect of eligible deposits to the extent that they exceed the coverage threshold for deposits of natural persons and micro, small and medium-sized enterprises;
(f) claims deriving from investment services covered by the HDIGF or claims of the HDIGF in respect of the rights and obligations of investors which have been compensated by the HDIGF, and for the amount of such compensation;
(g) claims deriving from eligible deposits to the extent that they exceed the coverage limit and do not fall under (e) above;
(h) claims deriving from deposits exempted from compensation, excluding claims deriving from transactions of investors for which a final court decision has been issued for a penal violation of anti-money laundering rules; and
(i) subject to (j) and (k) below, claims that do not fall within the above listed points, and do not rank last as per the relevant agreement governing them, including but not limited to, liabilities under loan agreements and other credit agreements, agreements for the supply of goods or for the provision of services or derivatives, debt instruments issued by the credit institution, credit institution's guarantees in relation to debt instruments issued by its subsidiaries, as defined in Article 32(2) of Greek law 4308/2014 (irrespective of whether such

subsidiaries have their seat in Greece or abroad) as well as claims of such subsidiaries deriving from a loan or deposit agreement with the credit institution, through which the proceeds of debt instruments issued by such subsidiaries are lent to or deposited with the credit institution. In case of such deposit by a subsidiary, the preceding subparagraph applies to the funds that do not fall under paragraph (c) above.

(j) claims deriving from debt instruments issued by the credit institution, if the following conditions are met: (i) the original contractual maturity of the debt instruments is at least one year; (ii) the debt instruments contain no embedded derivatives and are not derivatives themselves on the mere ground that they bear a floating interest rate based on a widely used reference rate or are denominated in a foreign currency, if the capital, repayment and interest are denominated in the same currency and (iii) the relevant contractual documentation and, where applicable, the prospectus related to the issuance explicitly refer to this lower ranking. The same ranking applies to claims deriving from the credit institution's guarantee in relation to debt instruments issued by its subsidiaries which meet the requirements under (i) to (iii) above (irrespective of whether such subsidiaries have their seat in Greece or abroad) as well as claims of such subsidiaries deriving from a loan or deposit agreement with the credit institution, through which the proceeds of the subsidiaries' issue are lent or deposited to the credit institution. In case of such deposit by a subsidiary, the preceding subparagraph applies to the funds that do not fall under paragraph (c) above.

(k) claims deriving from subordinated debt instruments or Tier 2 instruments or hybrid instruments or AT1 instruments or preference shares or capital instruments qualifying as Common Equity Tier 1 instruments issued by the credit institution, with due regard being given to the differentiated treatment among the various categories of claims that fall under this paragraph. The same ranking applies to claims deriving from the credit institution's guarantee in relation to debt instruments issued by subsidiaries of the credit institution which meet the requirements under paragraph (k) (irrespective of whether such subsidiaries have their seat in Greece or abroad) as well as claims of such subsidiaries deriving from a loan or deposit agreement with the credit institution, through which the proceeds of the subsidiaries' issue of such debt instruments or hybrid instruments or other instruments listed in paragraph (k) are lent or deposited to the credit institution. In case of such deposit by a subsidiary, the preceding subparagraph applies to the funds that do not fall under paragraph (c) above.

The claims listed under (i) and (ii) of paragraph (e) rank pari passu.

Subject to the above, the provisions of Articles 975 to 978 of the Greek Code of Civil Procedure apply mutatis mutandis.

An additional tool, *i.e.* a moratorium tool, has recently been endorsed by the European Parliament. See "*Capital adequacy framework—Recent developments—Moratorium power for resolution authorities*".

Extraordinary public financial support

In an exceptional systemic crisis, extraordinary public financial support may be provided through the public financial stabilisation tools listed below as a last resort and only after having assessed and utilised, to the maximum extent, the other resolution tools, in order to avoid, through direct intervention, the winding-up of the relevant bank or other entity concerned and to enable the resolution purposes to be accomplished. The use of extraordinary public financial support requires a decision of the Minister of Finance following a recommendation from the Systemic Stability Board (Greek Ministry of Finance) and consultation with the relevant resolution authorities.

The public financial stabilisation tools are:

(a) public capital support provided by the Ministry of Finance or, in respect of credit institutions, by the HFSF following a decision by the Minister of Finance; and
(b) temporary public ownership of the entity concerned by the Greek state or a company which is wholly owned and controlled by the Greek state.

All of the following conditions must be met for the public financial stabilisation tools to be implemented:

(a) the entity concerned meets the conditions for resolution;
(b) the shareholders, owners of other instruments of ownership, holders of relevant capital instruments and the holders of eligible liabilities have contributed, through conversion, write down or by any other means, to the absorption of losses and the recapitalisation by an amount equal to at least 8% of the total liabilities, including own funds, of the entity concerned, calculated at the time of the resolution action; and
(c) prior and final approval by the European Commission regarding the EU state aid framework for the use of the chosen tool has been granted.

In addition to the above, for the provision of public financial support, one of the following conditions must also be met:

(a) the application of the resolution tools would not be sufficient to avoid a significant adverse effect on financial stability;
(b) the application of the resolution tools would not be sufficient to protect the public interest, where extraordinary liquidity assistance from the central bank has previously been given to the entity concerned; and/or
(c) in respect of the temporary public ownership tool, the application of the resolution tools would not be sufficient to protect the public interest, where capital support through the public capital support tool has previously been given to the entity concerned.

By way of exception, extraordinary public financial support may be granted to the entity concerned in the form of an injection of own funds or the purchase of capital instruments without the implementation of resolution measures, if all of the following conditions, to the extent relevant, are satisfied:

(a) in order to remedy a serious disturbance in the economy of an EU member state and preserve financial stability;
(b) in relation to a solvent entity in order to address a capital shortfall identified in a stress test, assets quality review or equivalent exercise;
(c) at prices and on terms that do not confer an advantage upon the entity concerned;
(d) on a precautionary and temporary basis;
(e) subject to final approval of the European Commission;
(f) not to be used to offset losses that the entity concerned has incurred or is likely to incur in the near future;
(g) the entity concerned has not infringed, and there is no objective evidence that it will in the near future infringe, its authorisation requirements in a way that would justify the withdrawal of its authorisation;
(h) the assets of the entity concerned are not, and there is no objective evidence that its assets will in the near future be, less than its liabilities;
(i) the entity concerned is not, and there is no objective evidence that it will be, unable to pay its debts or other liabilities when they fall due; and
(j) the circumstances for the exercise of the write-down or conversion powers in respect of Additional Tier 1 and Tier 2 capital instruments of the entity concerned do not apply.

Resolution authority's powers

The resolution authority has a broad range of powers when applying resolution measures and tools. When applying the resolution tools and exercising its resolution powers, the resolution authority must have regard to the following objectives:

(a) ensuring the continuity of critical functions;
(b) avoiding significant adverse effects on financial stability, including by preventing contagion, and maintaining market discipline;
(c) protecting public funds by minimising reliance on extraordinary public financial support;
(d) avoiding unnecessary deterioration of value and seeking to minimise the cost of resolution;
(e) protecting depositors and investors covered by deposit guarantee schemes and investor compensation schemes, respectively; and
(f) protecting client funds and client assets,
(g) as well as the following principles:
(h) the shareholders of the entity concerned under resolution bear losses first;
(i) the creditors of the entity concerned under resolution bear losses after the shareholders in accordance with the order of priority of their claims under normal special liquidation proceedings;
(j) senior management or the management body of the entity concerned under resolution is replaced unless it is deemed that retaining management is necessary for resolution purposes;
(k) senior management or the management body of the entity concerned under resolution shall provide all necessary assistance for the achievement of the resolution objectives;
(l) natural and legal persons remain liable, under applicable law, for the failure of the entity concerned;
(m) except where specifically provided in the BRRD Law, creditors of the same class are treated in an equitable manner;
(n) no creditor incurs greater losses than would be incurred if the entity concerned would have been wound up under normal special liquidation proceedings;
(o) covered deposits are fully protected, subject to the moratorium powers mentioned above; and
(p) resolution action is taken in accordance with the applicable safeguards provided in the Greek BRRD Law.

Article 33a of the Greek BRRD Law provides for the power of the competent resolution authority (which, in the case of Alpha Holdings and the Bank is the SRB and the Bank of Greece), in consultation with the ECB, to suspend payment or delivery of certain obligations, including covered deposits, for a maximum duration of two days if an entity is declared "failing or likely to fail" but before entry into resolution, and subject to certain conditions. In the context of this provision, the resolution authority is also empowered to potentially restrict secured creditors from enforcing security interests and suspend termination rights for the same duration. During the resolution proceedings, Article 69 of the Greek BRRD Law empowers the competent resolution authority to suspend payment or delivery of certain obligations, including covered deposits, for a maximum duration of two days. Such resolution stay powers must be contractually recognized in case of financial contracts governed by third-country law (Article 71A of the Greek BRRD Law).

Moreover, the competent resolution authority has the power to impose a MREL-specific prohibition of distributing more than the Maximum Distributable Amount ("M-MDA"), where we have insufficient resources to meet our combined buffer requirement, in addition to its MREL requirements, through: (a) distribution in connection with Common Equity Tier 1 capital; (b) payment of variable remuneration or discretionary pension benefits, or variable remuneration if the obligation to pay was created at a time when the entity failed to meet the combined buffer requirement; or (c) coupon payments to holders of AT1 instruments (Article 24a of the Greek BRRD Law).

The HFSF

The HFSF was established in 2010 pursuant to HFSF Law as a private law entity, having as a purpose the contribution to the maintenance of the stability of the Greek banking system for the sake of public interest. The HFSF is regulated by and acts in line with the HFSF Law as amended and currently in force and the relevant commitments under the memorandum of understanding of 15 March 2012, a draft of which was ratified by Greek law 4046/2012, as amended from time to time and the memorandum of understanding of 19 August 2015, a draft of which was ratified by Greek law 4336/2015, as amended from time to time. The HFSF shall comply with, and is authorised to take any actions to comply with and to give full effect to its obligations under, or arising out of or in connection with the Master Financial Facility Agreement of 15 March 2012, a draft of which was ratified by Greek law 4060/2012, as in force, and under the Financial Assistance Facility Agreement of 19 August 2015, a draft of which was ratified by Greek law 4336/2015, as in force, respectively. The HFSF operates on the basis of a comprehensive strategy with regards to the financial sector and the management of NPEs, which constitutes the subject matter of an agreement between the Ministry of Finance, the Bank of Greece and the HFSF, as amended from time to time. The duration of the HFSF shall be until 31 December 2022, which may be extended pursuant to a decision of the Minister of Finance, if deemed necessary for the fulfilment of its scope.

In pursuing its objective, the HFSF shall: (i) provide capital support to credit institutions, pursuant to the HFSF Law, as amended and in force, and in adherence to the EU state aid rules; (ii) monitor and assess how credit institutions to which the HFSF provides capital support comply with their restructuring plans, whilst ensuring that such credit institutions operate on an autonomous market basis and in such a manner that ensures in a transparent way private investor participation in their capital; (iii) exercise its shareholding rights deriving from its participation in the credit institutions, as defined in the HFSF Law and the relationship framework agreements entered into with such credit institutions, in compliance with the rules of prudent management of the assets of the HFSF and in compliance with the EU state aid and competition rules; (iv) dispose in whole or partially financial instruments issued by the credit institutions in which it participates; (v) provide loans to the HDIGF for resolution purposes; (vi) facilitate the management of non-performing loans of the credit institutions; (vii) enter into a relationship framework agreement or amend the existing relationship framework agreement with all credit institutions that are or have been beneficiaries of financial assistance by the EFSF and the ESM, in order to ensure the implementation of its objectives and rights, including its special rights under Article 10 of HFSF Law, as long as the HFSF holds shares or other capital instruments in such financial institutions deriving from capital support in accordance with Articles 6, 6a, 6b and 7 of the HFSF Law or monitors the restructuring plan of such credit institutions; (viii) exercise its shareholding rights deriving from the transfer to it of the common shares or cooperative shares in credit institutions, according to the last subparagraph of paragraph 6 of Article 27a of Greek law 4172/2013, as these rights are defined in the HFSF Law and in the relationship framework agreements of the previous subparagraph (vii), in compliance with the rules of prudent management of the assets of the HFSF and in line with the EU state aid rules; (ix) exercise the voting rights deriving from the participation of governmental entities in the share capital of credit institutions, which is assigned to it either by virtue of legislative or regulatory provisions, or by virtue of decisions of the competent each time administrative bodies of the said entities, according to the HFSF Law and special agreements entered into with the above entities for this purpose; (x) exercise its rights deriving from the HFSF Law in an absorbing or demerged entity which emerged pursuant to a corporate transformation of Greek law 4601/2019 of a credit institution to which the HFSF has provided capital support in which entity it participates as a result of such corporate transformation; and (xi) exercise the special rights of Article 10 of the HFSF Law and those stemming from the relationship framework agreement in the beneficiary credit institution which emerged further to the transfer of the banking sector, via partial demerger or spin off, in the context of a corporate transformation pursuant to Greek law 4601/2019 of the credit institution that has received capital support from the HFSF.

The HFSF's participation in the former Alpha Bank S.A. following the 2013 Share Capital Increase was 83.70%. In April 2014 the former Alpha Bank S.A. undertook a second offer of shares amounting to €1.75 billion, which was fully covered by institutional investors, via a private placement. This resulted in a decrease in the HFSF's participation to 69.9%. Following the 2015 Share Capital Increase, the HFSF's stake in the former Alpha Bank S.A. was further decreased to 11.01% while, following the exercise of warrants on 12 December 2017, and the share capital increase through exercise of stock option rights on 11 February 2021, the HFSF currently holds 10.9% in Alpha Holdings

Administrative structure of the HFSF

The HFSF Law, as in force following consecutive amendments, contains detailed provisions regarding the modus operandi, administrative structure and competences of the HFSF. The HFSF has two administrative bodies with decision-making functions, namely (i) the General Council, which consists of seven (7) non-executive members: five (5) members (including the Chairman of the General Council), having international experience in banking issues, one (1) member being representative of the Ministry of Finance and one (1) member appointed by the Bank of Greece.and (ii) the Executive Board, which consists of three (3) members: two (2) members, including the HFSF's Chief Executive Officer, having international experience in banking or issues regarding the recovery of credit institutions and one (1) member nominated by the Bank of Greece. One of its members is nominated by the Bank of Greece. One executive member of the Executive Board is assigned the task to enhance the role of the HFSF in facilitating the resolution of the NPEs of the credit institutions in which the HFSF has participation.

The members of the General Council and the Executive Committee are selected by a Selection Committee, established by a decision of the Greek Minister of Finance according to Article 4A of HFSF Law, as in force, following a public invitation for expression of interest and are appointed by a decision of the Greek Minister of Finance for a three-year period, with the possibility for renewal, but in any case not exceeding the HFSF's duration. The Selection Committee consists of six (6) independent renowned experts of integrity, from which three (3), including the Chairman, are appointed by the European Commission, the European Central Bank and the ESM respectively, two (2) by the Greek Minister of Finance and one (1) by the Bank of Greece. The above five institutions have an observer in the Selection Committee, the term of which is set at two (2) years with a possibility of renewal. Representatives of the European Commission as well as of the ECB and the ESM may also participate in the Executive Committee as observers. The Euro Working Group's prior consent is required for the appointment of the members of the General Council and the Executive Committee, as well as the renewal of their term of office and remuneration, excluding the appointment of the Ministry of Finance representative in the General Council and the member appointed by the Bank of Greece. The members of both the aforementioned bodies must be persons of impeccable reputation, not engaged in activities set out in Article 4(6) of HFSF Law, as in force, and not engaged in activities incompatible with their participation in the said bodies, set out in Article 4(7) of HFSF Law, while their appointment may be terminated prior to its expiry by a decision of the Minister of Finance if (a) they are rendered non-eligible due to the occurrence of events provided in Article 4(6) and (7) of HFSF Law, as in force, or (b) following a reasoned decision of the Selection Committee for the reasons and by the process described in Article 4A of HFSF Law, as in force.

The General Council convenes at least ten (10) times per year and the Executive Committee at least once a week. In the meetings of the General Council and the Executive Committee, one (1) representative of the European Commission, one (1) of the ESM and one (1) of the ECB or their substitutes can also participate as observers without voting rights. A quorum is established in the General Council when at least five (5) members are present and in the Executive Committee when at least two (2) members are present. Each member of the General Council is entitled to one (1) vote. In case of a tied vote, the vote of the chairman is decisive. The General Council decides by majority of the present members, unless otherwise provided for by HFSF Law, as in force. Accordingly, each member of the Executive Committee is entitled to one (1) vote and, unless otherwise provided for by HFSF Law, as in force, the Executive Committee decides by a majority of two (2) of the present members.

The members of the General Council and the Executive Committee, except for the representative of the Ministry of Finance, operate independently in the exercise of their powers and do not seek or receive mandates from the Greek government or any other governmental entity or financial institution supervised by the Bank of Greece and they are not subject to any influence whatsoever. The General Council provides information, at least twice a year and in any other case deemed necessary, to the Minister of Finance, the Greek Parliament, the European Commission, the ESM and the ECB regarding the progress of its mission. The General Council informs, via prospectuses issued every two months, the Minister of Finance who may request to be further informed by the

Chairman or the Managing Director. The HFSF publishes an annual report on its operational strategy and a semi-annual report of progress on the above strategy. Persons having any of the following positions during the last three years may not be appointed as members of the Selection Panel: members of the Greek Parliament or Government, officers, employees or counsels of any Greek Ministry or of other governmental authority or of the Bank of Greece, executive members, officers, employees or counsels of any credit institution operating in Greece or of the European Commission or of the ECB or of the ESM or holders of shares of a credit institution operating in Greece with a total value exceeding €100,000 or persons having a financial interest, directly or indirectly linked to a credit institution operating in Greece, with a total value exceeding €100,000.

The meetings of the Executive Committee and of the General Council are confidential. The General Council may decide to publish its decision in relation to any item of the agenda.

Capital support by the HFSF

Activation of Capital Support

With regards to the supply of capital support, a credit institution experiencing a capital shortfall, as such shortfall has been determined by the competent authority, which is defined in paragraph 1(5) of Article 2 of the BRRD Law, may submit a request for capital support to the HFSF, up to the amount of the determined capital shortfall, accompanied by a letter of the competent authority determining (i) the capital shortfall; (ii) the date by which the credit institution needs to meet the said shortfall; and (iii) the capital raising plan submitted to the competent authority.

For credit institutions with an existing restructuring plan approved by the European Commission at the time of such request, said request shall be accompanied by a draft amended restructuring plan. In respect of credit institutions without an existing restructuring plan approved by the European Commission at the time of submission of such request, the request is accompanied by a draft restructuring plan. The draft restructuring plan (for credit institutions without an existing approved restructuring plan), or the draft amended restructuring plan, shall describe by what means the credit institution shall return to sufficient profitability in the next three (3) to five (5) years, under prudent assumptions. The HFSF shall monitor and evaluate the proper implementation of the restructuring plan and any amended restructuring plan, as the case may be. The HFSF may request amendments and addenda to the above-mentioned restructuring plan.

Any restructuring plan approved by the HFSF shall comply with EU rules on state aid and shall be approved by a decision of the European Commission. Additionally, it shall ensure the credit institution's restoration of adequate profitability, the burden-sharing to its shareholders and limit any distortion of competition. The HFSF monitors and evaluates the implementation of such approved restructuring plans.

For the pursuit of its goals and the exercise of its rights the HFSF determines the outline of a framework agreement or an amended framework agreement with all credit institutions which receive or have received financial support by the EFSF or the ESM. The credit institutions enter into the aforementioned framework agreement. The credit institutions provide the HFSF with all the information reasonably requested by the EFSF or the ESM so that the HFSF may relay it to the EFSF or the ESM, unless the HFSF informs the credit institutions that they must send the requested information directly to the EFSF or the ESM.

The HFSF may grant a credit institution a letter of commitment that it will participate in the recapitalisation of such credit institution, subject to and in accordance with the procedure laid down in the HFSF Law (Articles 6a and 7), as in force, and up to the amount of capital shortfall identified by the competent authority *provided that* the credit institution falls within the exception of Article 32, paragraph 3, item d(cc) of the BRRD Law, as in force (in other words, the credit institution is not deemed by the SSM to be failing or likely to fail and such capital support will constitute precautionary recapitalisation, i.e. the support being provided is required in order to remedy a serious disturbance in the national economy and preserve financial stability). The HFSF grants said letter without the procedure stipulated under Article 6a regarding the compulsory application of the burden sharing process. The above-mentioned commitment does not apply if for any reason the licence of the credit institution is revoked, or any of the resolution measures provided for in the BRRD Law is undertaken.

Conditions for the Provision of Capital Support for the purpose of Precautionary Recapitalisation

If the voluntary measures that are provided in the restructuring plan or the amended restructuring plan cannot cover the total capital shortfall of the credit institution, as such has been determined by the competent authority, and in order to avoid a serious disturbance in the economy with negative consequences affecting citizens and in order for the state aid to be as minimal as possible, the mandatory application of the following measures may be decided by virtue of a Cabinet Act, following a proposal by the Bank of Greece, for the purpose of allocating the remainder of the capital shortfall to the holders of capital instruments and other liabilities, as deemed necessary.

The relevant measures include:

(a) the absorption of any losses by the shareholders so that the credit institution's net asset value is zero, where necessary by the reduction of the nominal value of the shares, following a decision by the competent body of the credit institution;
(b) The reduction of the nominal value of preference shares and other CET1 instruments, and following this, if necessary, of the nominal value of Additional Tier 1 instruments and following this, if necessary, of the nominal value of Tier 2 instruments and other subordinated liabilities and, following this, if necessary, of the nominal value of unsecured senior liabilities non preferred by mandatory provisions of law in order to restore the credit institution's net asset value to zero; or
(c) where the credit institution's net asset value exceeds zero, the conversion of other CET1 instruments and following this, if necessary, of Additional Tier 1 instruments and following this, if necessary, of Tier 2 instruments and following this, if necessary, other subordinated liabilities and following this, if necessary, unsecured senior liabilities non preferred by mandatory provisions of law, into common shares in order to restore the necessary capital adequacy ratio, as required by the competent authority.

The allocation is completed by the publication of the relevant Cabinet Act at the Government Gazette. Without prejudice to the above, the allocation is made according to the following sequence, which applies according to the CRR and Article 145A(1) of Banking Law, as in force:

(a) common shares and other Tier 1 instruments that fall under Article 26 of CRR
(b) if necessary, other Tier 1 instruments that fall under Article 31 of CRR;
(c) if necessary, Additional Tier 1 instruments;
(d) if necessary, Tier 2 instruments;
(e) if necessary, all other subordinated liabilities; and
(f) if necessary, unsecured senior liabilities non-preferred by mandatory provisions of law.

In case of conversion of the preference shares issued according to Article 1 of Greek law 3723/2008, as amended and in force, into common shares, the latter have full voting rights. The ownership of such common shares passes to the HFSF as of their conversion without the need for any formalities.

Any liabilities undertaken by the credit institution through guarantees granted in relation to the issue of capital instruments or liabilities of third legal entities included in its consolidated financial statements, as well as any claims against the credit institution from loan agreements between the credit institution and the above legal entities may also be subjected to the above measures.

The above Cabinet Act, following a proposal by the Bank of Greece, determines the instruments or liabilities subject to the above measures, by class, type, percentage and amount of participation, on the basis, if necessary, of a valuation by an independent valuator appointed by the Bank of Greece. The above instruments or liabilities are converted mandatorily to capital instruments in the context of a share capital increase decided by the credit institution according to Article 7 of HFSF Law.

Exceptionally and provided there is a prior positive decision of the European Commission according to Articles 107 to 109 of the Treaty on the Functioning of the European Union, the above measures may not be used either in their entirety or in relation to specific instruments, if the Ministerial Cabinet decides, following a proposal of the Bank of Greece that:

(a) such measures may jeopardise financial stability; or
(b) the application of such measures may have disproportionate results, as in the case of capital support to be provided by the HFSF is small in comparison with the credit institution's risk weighted assets or when a significant part of the capital shortfall has been covered by private sector measures.

The final appraisal of the above exceptions belongs to the European Commission, which will decide on a case-by-case basis. On the basis of the above reasons under (a) and (b), deviations may apply to the above sequence of liabilities and the principle of equal treatment.

The above measures are deemed, for the purposes of the recapitalisation, as reorganisation measures as per the definition of Article 3 of Greek law 3458/2006, as amended and in force.

The application of the measures, voluntary or mandatory, may not in any case (a) constitute grounds for the activation of contractual clauses which apply in cases of winding-up or insolvency or the occurrence of any other event, which may be considered or treated as a credit event or may lead to the breach of contractual obligations by the credit institution, and (b) be considered as non-fulfilment or breach of contractual obligations of the credit institution that gives the counterparty a right of early termination or cancellation of the agreement for a material reason. The above applies also in the case of insolvency or an event of default *vis-à-vis* third parties by a group member when this is due to the application of the measures on its claims against another member of the same group.

Contractual clauses contrary to the above have no legal effect.

The holders of capital instruments or other claims, including unsecured senior liabilities non preferred by mandatory provisions of law of the credit institution that is subject to the above recapitalisation measures must not, following application of such measures, be in a worse financial position compared to the one they would be in if the credit institution had been wound up under normal insolvency proceedings (no creditor worse off principle). If the above principle is breached, the above holders of capital instruments and other claims, including unsecured common liabilities non-preferred by mandatory provisions of law have a right to compensation by the Hellenic Republic, provided they prove that their loss, directly due to the application of the mandatory measures, is greater than the loss they would have incurred if the credit institution were placed under special liquidation. In any case, the compensation may not exceed the difference between the value of their claims following the application of the relevant measures and the value of their claims in case of special liquidation, as such value is estimated by an independent entity appointed by the Bank of Greece in order to determine whether shareholders and holders of subordinated claims would be in a better financial position if the credit institution were placed under special liquidation immediately before the application of the relevant decision.

The Cabinet Act which decides the application of the above mandatory measures is published in the Government Gazette and a summary thereof is published in the Official Journal of the European Union in Greek, in two daily newspapers published nationwide in the members states where the credit institution has established a branch or where it directly provides banking and other mutually accepted financial services, in the official language of such state.

The summary will include the following:

(a) The reason and legal basis for the issuance of the Cabinet Act;
(b) The legal remedies available against the Cabinet Act and the deadlines for their exercise; and
(c) The competent courts before which the above legal remedies against the Cabinet Act may be exercised.

Article 6a(11) provides that the necessary details for the application of Article 6a of HFSF Law, as in force, regarding the application of the above mandatory measures, including the process for the appointment of the independent valuators, the content of the independent valuations and the proposal of the Bank of Greece, the valuation methods of the claims or the capital instruments being converted, the substitution option of the Bank of the instruments, the completion of the conversion as well as the details for any compensation of the instrument holders, are regulated by a Cabinet Act.

Implementation of public financial stability measures

Following the decision of the Minister of Finance, pursuant to Article 56, paragraph 4 and Article 2 of the BRRD Law, on the implementation of the measure of public capital support, the HFSF shall be designated as the vehicle for applying Article 57 of the BRRD Law. In this case the HFSF participates in the recapitalisation of the credit institution and receives in return the instruments set forth in Article 57, paragraph 1 of the BRRD Law. The HFSF participates in the capital increase and receives in return capital instruments after the application of any measures adopted in accordance with Article 2 of the BRRD Law.

Type of capital support

The HFSF provides capital support for the sole purpose of covering the capital shortfall of the credit institution, as determined by the competent authority and up to the amount remaining uncovered, as long as such support is preceded by the application of the measures of the restructuring plan (referred to in Article 6 of the HFSF Law, as in force), any participation of private sector investors, the European Commission's approval of the restructuring plan and either:

(a) any mandatory burden sharing measures (of Article 6a of the HFSF Law as in force), where the European Commission confirms as part of the approval of the restructuring plan that the credit institution falls within the exception of item d(cc) of Article 32 (3) of the Greek BRRD Law (the credit institution is not failing nor likely to fail and the capital support is provided in the context of precautionary recapitalisation); or

(b) where the credit institution has been placed under resolution, and measures have been taken pursuant to the BRRD Law.

The relationship framework agreement has to be duly signed before any capital support is provided. Capital support shall be provided through the participation of the HFSF in the share capital increase of the credit institution through the issuance of ordinary shares with voting rights or the issuance of contingent convertible bonds or other convertible instruments which shall be subscribed by the HFSF. The breakdown of the above participation of the HFSF between ordinary shares and contingent convertible bonds or other convertible instruments is defined by Cabinet Act No. 36, dated 2 November 2015 as follows:

(a) to common shares up to the amount necessary to cover losses already incurred or likely to be incurred shortly in the future; and
(b) for the remaining amount that would correspond to a precautionary recapitalisation, by 25% to common shares and by 75% to contingent convertible bonds.

Contingent convertible bonds

General terms

The contingent convertible bonds issued in accordance with Article 7 of HFSF Law, as in force, are governed by Greek law and may be issued in dematerialised form and be included, following an application of the HFSF, in the electronic files of non-listed securities maintained by ATHEX.

The contingent convertible bonds are issued following a decision by the General Meeting of Shareholders before or after the completion of a share capital increase according to Article 7 of HFSF Law, as in force. The bonds are transferred only with the consent of the credit institution, not to be unreasonably withheld and the consent of the supervisory authorities, according to Article 7(5)(c) of HFSF Law, as in force.

The bonds have a nominal value of €100,000 each, are issued at par and are of indefinite duration without a fixed repayment date. They are direct, unsecured and subordinated investments in the credit institution and rank at all times *pari passu* with themselves. The bonds' terms do not expressly contain events of default and as a consequence all bondholders will be able to enforce the terms of the bonds only during the liquidation procedure.

In case a credit institution is placed under special liquidation they rank:

(a) after all other claims (including those of subordinated creditors), including (indicatively) claims against the credit institution from liabilities recognised as Additional Tier 1 or Tier 2 Capital, but with the exception of Same Ranking Liabilities (the "**Higher Ranking Liabilities**"); and
(b) *pari passu* with the credit institution's common shares and any other claim, which is agreed to rank *pari passu* with the bonds ("**Same Ranking Liabilities**").

During the special liquidation of the credit institution, the bondholders, prior to any conversion date, have a right over any remaining assets of the credit institution (available for distribution after repayment in full of all Higher Ranking Liabilities) for the nominal amount of their bonds plus any accrued and unpaid interest.

Subject to any mandatory provisions of law, the bondholders do not have any set-off right, security or guarantee that may upgrade the ranking of their claim during special liquidation.

Conversion

If, at any time, the credit institution's CET1 capital ratio, calculated on a consolidated or individual basis, is below 7%. ("**Activation Event**"), the credit institution must:

(c) convert the bonds by issuing to each bondholder Conversion Shares (as defined below), the number of which is determined by dividing 116% of the outstanding bonds' nominal value by the conversion price and further dividing by the percentage by which the bondholder participates in the total amount of the bond loan;
(d) procure the publication of a conversion notification towards the bondholders, informing them, among other things, of the relevant conversion date, which may not be later than one month (or earlier if required by the supervising authorities), after which date the bonds will be converted; and
(e) inform immediately the ECB, acting in the context of the SSM, of the occurrence of an Activation Event.

The above Act defines as Conversion Shares the common shares of the credit institution issued upon conversion of the bonds by dividing 116% of the specific nominal value by the price per common share of the credit institution, as set at the share capital increase taking place in accordance with Article 7 of HFSF Law, as in force.

Following their conversion as per the above, the bonds will be cancelled and may not be reissued nor may their nominal value be restored for any reason. The terms and conditions of the bonds provide for readjustments to the conversion price on standard terms in case of specific corporate actions.

The bonds are converted automatically to common shares of the credit institution if for any reason the credit institution does not pay, in full or in part, the interest due on two, not necessarily consecutive, interest payment dates.

Interest

The bonds have an interest rate equal to (a) an annual rate of 8% (the "**Initial Interest Rate**") from the issue date and up to the seventh anniversary of the issue date and (b) following this, if not repaid, the current Adjusted Interest Rate. The "**Adjusted Interest Rate**" is defined as the sum of: (a) the 7-year mid-swap rate for the relevant interest period plus (b) a margin equal to the difference between the Initial Interest Rate and the 7-year mid-swap rate applicable on the issue date.

Payment of interest (in full or in part) is exclusively at the discretion of the board of directors of the credit institution, but if paid, it is payable in cash. If the credit institution elects not to pay interest, such interest is cancelled and does not accumulate. The credit institution may not pay dividends on its common shares if it has decided not to pay interest on the preceding interest payment date.

The credit institution's board of directors may, in its absolute discretion, pay interest in the form of common shares of the credit institution. The number of common shares issued according to this option must be equal to the amount of interest divided by the price of common shares on the interest payment date (for as long as the common shares are listed in an organised market), otherwise to the value of CET1 capital corresponding to one common share as deriving from the financial statements of the credit institution most recently published prior to the payment date or the nominal value of the common share, whichever is higher. If so decided by the board of directors of the credit institution, the share capital increase takes place automatically and without any other procedural requirements or corporate decisions (including the shareholders' consent) and the corresponding common shares are issued automatically. Any interest payment is subject to the restrictions of the maximum distributable amount according to Article 131 of Banking Law.

The credit institution may, in its absolute discretion, elect to repay all or some of the bonds at any time, at their nominal value, plus any accrued and unpaid interest (excluding any cancelled interest), provided that it has received the consent required at the time according to the Banking Law and that other claims, the repayment or repurchase of which must precede, as may be determined by the Banking Law, have been repaid. Repayment by choice of the credit institution must be in cash.

Bondholders may not request the repayment of their bonds but only their conversion into common shares on the seventh anniversary.

If, due to a legislative change, either (a) the bonds cease to be included in the credit institution's CET1 capital or (b) a tax burden arises for the credit institution in relation to the bonds, as provided for in the above Act, the credit institution may substitute all the bonds or amend their terms, without the consent or approval of the bondholders, so that they may continue to be recognised in the credit institution's regulatory capital on terms that are not materially less beneficial to the bondholders.

Ordinary share capital increases

In relation to share capital increases made in the ordinary course by either (i) credit institutions that have previously received capital support by the HFSF pursuant to the HFSF Law; or (ii) the parent company of such a credit institution that has ensued following a corporate restructuring of such credit institution, the HFSF is entitled to:

(a) exercise, in part or in whole, its preemptive rights on a *pro rata* basis;
(b) subscribe, up to its existing participation, in the offering of shares or other ownership instruments (as those are defined in Article 2, paragraph 2 (107) of the BRRD Law), issuable pursuant to share capital increases (including share capital increases with a restriction or abolition of preemptive rights);

(c) in the case of its participation in a credit institution which has been subject to corporate transformation or group restructuring, participate up to its existing participation in the issuance of new shares or other ownership instruments issued by the parent company of the credit institution or of the credit institution which continues the banking activities of the group as appropriate, or;
(d) participate in one or more allocations of unsubscribed shares or other ownership instruments issued pursuant to share capital increases or issuances of other ownership instruments, if applicable.

The participation of the HFSF in the above-mentioned share capital increases, which may be carried out by credit institutions or in case of corporate transformation or group restructuring by the holding entities and/or the credit institutions which shall carry on the banking operations of the group, within the framework of Greek law 4548/2018, is permitted under the condition that these share capital increases: (i) do not constitute capital support within the meaning of Articles 6, 6a, 6b and 7 of the HFSF Law; and (ii) are alongside private participation of real economic significance and such private investors participate under the same terms and conditions and, therefore, with the same level of risk and rewards ("*pari passu*" transaction).

In any case, pursuant to a decision of its General Council, the HFSF is entitled to veto share capital increase made with no pre-emption or with restricted pre-emption rights of the shareholders of the entity concerned. If such veto is exercised and the entity concerned subsequently approves a share capital increase with pre-emption rights, the HFSF has no obligation to participate in such capital increase. In addition, (i) any such participation by the HFSF would be made pursuant to a decision of its General Council on the basis of a favourable report by two independent financial advisors, confirming that the proposed participation in the issue of new shares or other titles of ownership contributes to maintaining, protecting or improving the value of the Fund's existing shareholding in the capital of the issuer or the prospects for disinvestment from it, taking into account market conditions and the prospects of the business plan of that credit institution at the time of the credit institution's decision to increase its share capital or issue other securities of ownership; (ii) the subscription and payment for shares or other ownership instruments by the HFSF would be made at a price not higher than that payable by and on terms not less favourable than those offered to the other shareholders of the issuer concerned, without prejudice to the existing rights of the HFSF deriving from its relationship framework agreements; (iii) the HFSF would fund its subscription and payment for the new shares or other ownership instruments by exclusively using its own funds held by the HFSF or from reinvestment resulting from a previous asset disposal of the HFSF; and (iv) the new shares or other ownership instruments the HFSF acquires confer to the HFSF full shareholder or ownership rights, including voting rights, but not the special rights described in Article 10 of the HFSF Law and discussed below under "*Special rights of the HFSF*".

Any partial disposal of shares or other ownership instruments acquired by the HFSF in accordance with the above will be made on the basis of the principle "last in, first out", to ensure that the special rights of the HFSF set out in Article 10 of the HFSF Law will be preserved for so long as it holds a participation in the entity concerned. In the event of resolution of the credit institution, the HFSF claims with respect to shares or other ownership instruments are not ranked preferentially to claims of other shareholders.

Disposal of Shares and Bonds

The manner and process for the disposal of all or part of the shares of a credit institution held by the HFSF within 5 years from the entry into force of Greek law 4340/2015 are determined by a decision of the HFSF. The disposal may take place in one transaction or in instalments, in HFSF's discretion, provided that the disposal takes place within the above time limit and in compliance with state aid rules. Within the above deadline the shares may not be disposed of to an undertaking that belongs directly or indirectly to the state according to the legislation in force. The five-year deadline has been extended until 1.11.2022, following the HFSF's proposal, by decision No 121/2020 of the Ministry of Finance (GG B 4739/26.10.2020).

In order to take the above decision, the General Council of the HFSF receives a report from an internationally renowned independent financial advisor with experience in such matters. The report is accompanied by a detailed timetable for the disposal of shares and justifies sufficiently the conditions and manner of disposal as well as the necessary actions for the completion of the disposal and compliance with the timetable.

The disposal takes place in a manner that is consistent with the purposes of the HFSF. Without prejudice to the relevant provisions of Regulation (EU) 2017/1129 and Greek law 4706/2020, the disposal may take place by a public offer or an offer to one or more specific investors: (i) through an open contest or interest solicitation from selected investors; (ii) through exchange trade orders; (iii) by public offer of shares for cash or in exchange of other securities; and (iv) by book building.

The HFSF may reduce its participation in credit institutions through a share capital increase of the credit institutions by waiving or disposing its pre-emption rights.

The HFSF law provides specific provisions for the disposal price and the reduction of the HFSF's participation in favour of a specific investor or investor group, which apply also in case of ordinary share capital increase of the credit institution under Greek law 4548/2018. The disposal price of the shares by the Fund and the minimum share cover price for private investors shall be determined by the General Council, on the basis of two valuation reports carried out by two independent financial advisors with experience in relevant matters and in particular in the valuation of credit institutions and in accordance with the aforementioned report. The disposal price or the acquisition price may be lower than the most recent acquisition price of the shares by the Fund or the current stock market price, provided that they are consistent with the purpose of the Fund and the aforementioned report. In the case of sale of blocks of shares by the Fund, the Minister of Finance shall receive the relevant reports and valuations and has the right of veto if the proposed disposal price is outside the range of these valuations. In the event the shares of the credit institution are acquired by a specific investor or investor group or the HFSF's participation is reduced by a share capital increase in favour of a specific investor or investor group, the HFSF may:

(a) Invite the interested investors to submit offers, setting, at the relevant invitation, the procedure, deadlines, offer content and other terms for their submission, among which also the provision by investors, at any stage of the procedure deemed necessary, of a proof of funds and letters of guarantee;
(b) Conclude a shareholders' agreement, if it deems necessary, which will govern the relationship between the HFSF and the specific investor or investor group as well as amend the framework agreement with the relevant credit institution. In that context it may be provided that the investors and/or the HFSF must maintain their holding for a specific time period;
(c) Provide a first offer and first refusal right to investors fulfilling certain criteria (such as those provided in point (d) of Article 8(5) of HFSF Law); and
(d) The investor or group of investors is selected by following assessment criteria such as the experience of the investor with respect to the main activity of the enterprise and to the restructuring of credit institutions, its credibility, its ability to complete the transaction and the price to be offered. The assessment criteria applicable to each process shall be notified to the interested investors prior to the submission of their binding offer.

The methodology for the disposal of shares by a public offer for the exchange of warrants issued according to Cabinet Act 38/2012 and the adjustment of their terms and conditions in the case of a share capital increase with a reverse split on terms determined by the credit institution, as well as a share capital increase without abolition of the pre-emption rights of existing shareholders, are determined by a Cabinet Act. In case of a share capital increase without abolition of the pre-emption rights of existing shareholders the adjustment may affect only the exercise price of the options embodied in the warrants. The adjustment may be up to the amount corresponding to the income of the HFSF from the sale of the pre-emption rights and takes place following the sale.

Cabinet Act No. 44/5.12.2015

Cabinet Act No. 44/5.12.2015, issued under Article 6a(11) of HFSF Law, as amended by virtue of both Greek laws 4340/2015 and 4346/2015, replaced Cabinet Act No. 11/11.4.2014.

Cabinet Act No. 44/5.12.2015 determines the procedure for the appointment by the Bank of Greece of a valuator for the valuation of the assets and the liabilities of the credit institution in case of and prior to the implementation of the burden sharing measures of Article 6a of HFSF Law, as well as the content and purpose of such valuation.

The aforementioned act further specifies the details for the implementation of the mandatory measures of Article 6a of HFSF Law, as in force, and the details for the determination of any compensation claimed by the holders of the capital instruments and liabilities subject to the mandatory burden sharing measures of Article 6a of HFSF Law, as in force.

Voting rights of the HFSF

The HFSF shall fully exercise the voting rights attached to the shares it subscribed for undertaken under its capital support, following the amendment of the HFSF Law by Greek law 4340/2015, as in force. The HFSF will continue to exercise the voting rights with the limitations set out below in the following cases:

(a) for the shares taken by the HFSF during its first participation in the recapitalisation of credit institutions in 2013, when certain limitations applied with regards to the HFSF's voting rights due to the private sector participation in the said increase being at least 10% of the amount of the share capital. Since the involvement of the private sector fell short of 10% the HFSF could exercise without any limitation its voting rights with regards to its participation in the relevant systemic bank; and

(b) for the shares acquired during the period when the HFSF contributed in the recapitalisation of credit institutions under conditional voting rights, but said restrictions did not apply, however, due to the failure to reach the required percentage of private sector involvement. These restrictions on the HFSF's voting rights apply, *provided that* private participation in the first share capital increase, following the effective date of Greek law 4254/2014, as in force, which amended the HFSF Law, as in force, was at least equal to 50%.

For the shares mentioned under (a) and (b) above, the HFSF may vote in the general meeting of shareholders of the credit institution concerned only for decisions amending the articles of association, including capital increases or capital decreases or the provision of the relevant authorisation to the board of directors, merger, division, conversion, revival, extension of term or dissolution of the credit institution, asset transfer, including the sale of subsidiaries, or for any other subject matter that requires an increased majority, as provided for by Greek law 4548/2018, as in force. For the purposes of calculating both the quorum and the majority at such general meeting, these shares are not taken into account when deciding on matters other than the above issues.

Even in cases where the above-mentioned restrictions are in force the HFSF will fully exercise the voting rights attached to those shares under points (a) and (b), without the above-mentioned restrictions, as long as it is established by a decision of the General Council of the HFSF that the credit institution concerned has failed to fulfil material obligations provided for in the restructuring plan or which promote its implementation or described in the New RFA, as amended and in force.

Any disposal of shares by the HFSF to private sector investors that takes place, either pursuant to sale of the HFSF's participation or following the exercise of warrants issued by the HFSF, shall be deemed to result in a reduction in the participation of the HFSF with regards first to the shares upon which the HFSF exercises limited voting rights.

Special rights of the HFSF

The HFSF is represented by one member in the credit institution's Board of Directors. The HFSF's representative in the Board of Directors shall have the following rights, which shall be exercised taking into account the business autonomy of the credit institution by express provision of Article 10 of the HFSF Law:

(a) request the convocation of the general meeting of shareholders;
(b) veto any decision of the credit institution's Board of Directors:
    (i) regarding the distribution of dividends and the benefits and bonus (remuneration) policy concerning the Chairman, the Chief Executive Officer and the other members of the Board of Directors, as well as any person who exercises general manager's powers and their deputies;
    (ii) where the decision in question could seriously compromise the interests of depositors, or impair the credit institution's liquidity or solvency or its overall sound and smooth operation (*e.g.*, business strategy and asset/liability management); and
    (iii) related to corporate actions of Article 7A, paragraph 3 of the HFSF Law, which might materially affect the HFSF's participation in the share capital of the credit institution.
(c) request an adjournment of any meeting of the credit institution's Board of Directors for three business days, until instructions are given by the HFSF's Executive Board. Such right may be exercised by the end of the meeting of the credit institution's Board of Directors;
(d) request the convocation of the Board of Directors of the credit institution;
(e) approve the appointment of the Chief Financial Officer; and
(f) have free access to all books and records of the credit institution through executives and consultants of its choice.

As per Article 10 of the HFSF Law the HFSF, with the assistance of an independent consultant of international reputation and established experience and expertise, shall evaluate the corporate governance framework of credit institutions with which the HFSF has signed relationship framework agreements and especially the boards, the board committees as well as other committees of these credit institutions which the HFSF deems necessary to evaluate for the fulfilment of its objectives. The evaluation will extend also to the individual members of the boards and the committees concerned. The HFSF shall evaluate the boards and the committees described above in particular with regards to their size, organisation structure, allocation of tasks and responsibilities assigned to their members, in view of the business needs of the banks and of needs related to the structure of the boards and committees concerned.

The HFSF with the assistance of an independent consultant will develop criteria for the evaluation of the above elements and the members of the boards and committees of these credit institutions according to best international practices and develop specific recommendations for changes and improvements in the corporate governance of each credit institution in addition to certain minimum criteria set by the HFSF Law, as in force. The members of the boards and committees shall cooperate with the HFSF and its consultants in conducting the review and providing necessary information for the purposes of the review.

Further to the criteria developed by the HFSF (assisted by the independent consultant), the evaluation includes certain minimum criteria, for each member of the board and the committees as set out below:

(a) at least ten years of experience in senior management positions in the banking, auditing, risk management or management of risk assets sectors, from which, especially for non-executive members, three years as a member of the board of a credit institution or of a company active in the financial sector or in an international financial institution;
(b) the individual is not, and has not been entrusted in the last four years prior to its appointment, with prominent public functions, such as Heads of State or of Government, senior politicians, senior government, judicial or military officials, senior executives of state owned corporations, or important political party officials; and
(c) each individual must declare all financial connections with the bank before being appointed and the competent authority must confirm that the individual is fit and proper for the relevant position. Additional criteria defining specific skills needed for specific tasks within the board will be determined by the HFSF in cooperation with the independent consultant under the corporate governance review. The criteria will be updated at least once every two years and more often if there is material change in the financial position of the bank. The size and the collective knowledge of the boards and the committees shall reflect the business model and the financial status of the credit institution. Further, the evaluation of the members of the boards and the committees shall secure their proper size and composition. The evaluation of the structure and composition of the boards and committees shall have the following minimum criteria:
    (i) the Board of Directors of the credit institution concerned includes as non-executive members at least three independent international experts with adequate knowledge and long-term experience of at least 15 years in relevant financial institutions, of which at least three years as members of an international banking group with no activity in the Greek market. These members must not have any affiliation over the previous ten years with Greek financial institutions;
    (ii) the aforementioned independent non-executive members chair all board committees; and
    (iii) at least one board member shall have relevant expertise and international experience of at least five years in risk management and/or the management of NPEs. This individual focuses on and has as sole power the management of NPEs and chairs any special board committee of the credit institution dealing with NPEs.

In the case that a review or evaluation determines that the subject of the review does not meet the relevant criteria, the HFSF will inform the board and, if the board does not take action to implement the recommendations, it will call a general meeting of shareholders to inform them and recommend the necessary changes. The HFSF will send the findings of the review to the competent authorities. In the case of a board or committee member that does not meet the relevant criteria, or of a board which collectively does not satisfy the recommended structure with respect to the size, allocation of tasks and expertise within the board and the necessary changes cannot be achieved otherwise, these recommendations shall include that certain board or committee members need to be replaced. In the event that the general meeting of shareholders does not agree to replace board members who fail to meet these criteria within three months, the HFSF shall publish a report on its website within four weeks naming the bank, the recommendations and the number of board members that do not meet the relevant criteria and specify the criteria that the board and its individual members do not meet. Nothing in the above changes the obligation of shareholders to ensure that the board and board committees are staffed by members with an appropriate level of experience and competence and acting in the best interests of the bank and all stakeholders.

The HFSF exercises the rights conferred upon it under the HFSF Law in an absorbing or demerged entity (such as Alpha Holdings) which emerged pursuant to a corporate transformation of Greek law 4601/2019 of a credit institution to which the HFSF has provided capital support to which it participates as a result of the corporate transformation. The HFSF also retains all its special rights described above stemming from Article 10 of the HFSF Law also over the beneficiary credit institutions which emerge due to the corporate transformation (taking place according to Greek law 4601/2019) of any credit institution which received capital support according to the provisions of the HFSF Law.

Relationship Framework Agreement

For the realisation of the objectives and the exercise of the rights of the HFSF, the HFSF determines the relationship framework agreement or the amended relationship framework agreement, as the case may be, with all credit institutions that are or have been beneficiaries of financial assistance provided by the EFSF and the ESM.

Moreover, the HFSF exercises the special rights stemming from relevant relationship framework agreements concluded under Article 6, paragraph 4 of the HFSF Law in the beneficiary credit institution that emerged through the transfer of the banking sector, via partial demerger or spin-off, in the context of a corporate transformation governed by Greek law 4601/2019 of the credit institution that has received capital support from the HFSF. The credit institutions that are parties to such relationship framework agreement provide to the HFSF all information that the EFSF or the ESM might reasonably ask for, with a view to the HFSF transmitting such information to the EFSF or the ESM, except if the HFSF informs the credit institutions that they are under the obligation to transmit said information directly to the EFSF or the ESM.

Alpha Holdings (then operating as a licensed credit institution under the name "Alpha Bank S.A.") and the HFSF have entered into a Relationship Framework Agreement (the "**RFA**"), in accordance with the provisions of the Memorandum of Economic and Financial Policies and the provisions of the HFSF Law. The RFA was originally entered into force on 12 June 2013 but was subsequently replaced by a new Relationship Framework Agreement (the "**New RFA**") entered into on 23 November 2015. In the context of the hive-down of our banking sector to the (new) Alpha Bank S.A. (the "**Bank**") completed on 16 April 2021, the New RFA was transferred to the Bank as part of such banking sector. We have assumed the obligation to negotiate in good faith with the HFSF any amendments to the New RFA in order to preserve the rights of the HFSF at both the level of Alpha Holdings and the Bank subject to applicable law.

The New RFA mainly governs: (a) matters of corporate governance; (b) the exercise of the rights of the HFSF's representative on the Board of Directors and HFSF's right to appoint one member to the Board Committees of the Bank (including in the Audit, Risk Management, Remuneration, Corporate Governance and Nominations Committee, with rights to, among other things, include items in the agenda and convoke meetings); (c) the specific material matters that are subject to HFSF's consent (i.e., (i) the Group's risk and capital strategy document(s), and particularly the risk appetite statements and risk governance and any amendment, extension, revision or deviation thereof; and (ii) the Bank's strategy, policy and governance regarding the management of its arrears and NPLs and any amendment, extension, revision or deviation thereof); (d) the monitoring by the HFSF of the implementation of the Bank's restructuring plan; (e) the monitoring by the HFSF of the implementation of the Bank's NPL management framework and of the Bank's performance on NPL resolution; and (f) the monitoring and evaluating of the performance by the HFSF of the Bank's Board of Directors and committees.

In particular, by virtue of the New RFA and for the period which the HFSF holds shares of Alpha Holdings, the HFSF's appointed representative in the Board of Directors of the Bank has the power, among other things, to include items in the agenda of the General Meeting of their ordinary shareholders, of their Board of Directors and of their committees in which the representative participates. The same rights are given in relation to both Alpha Holdings and the Bank under the HFSF Law. In addition, in accordance with the New RFA, the HFSF's Representative is appointed as a member of each of the Board Committees (including in the Audit, Risk Management, Remuneration, Corporate Governance and Nominations Committee). Such HFSF's Representative has the right to include items in the agenda of the meetings of the committee in which he participates and to request the convocation of such committee within seven (7) days of his written request to the chairman of the relevant committee. The HFSF has also appointed an observer who will participate in all Committees of Alpha Holdings and the Bank (but will have no voting rights), as well as in the Board of Directors of Alpha Holdings and the Bank.

As of 31 December 2018, the Bank had successfully concluded its Restructuring Plan, the respective restructuring period has ended and accordingly the mandate of the Monitoring Trustee is also concluded.

Under the New RFA, the Bank's decision-making bodies will continue to determine independently their day-to-day business, commercial strategy and policy. The New RFA remains in force for as long as the HFSF holds shares in Alpha Holdings, irrespective of the percentage of its holding. The New RFA may be amended pursuant to the HFSF Law, as in force.

Apart from its representative as per above and the rights of the HFSF as a shareholder, the HFSF does not currently have other powers or control over the appointment of any other Member of the Board of Directors.

If it is ascertained by a decision of the General Council of the HFSF that material obligations of the credit institution, which are provided for in the restructuring plan or which promote its implementation, or which are prescribed in the New RFA, are violated, the HFSF is entitled to exercise its full voting rights in accordance with Article 7(a) of the HFSF Law.

In the event that a credit institution that has received capital support in accordance with the HFSF Law undergoes a corporate transformation in the form of a hive down pursuant to Greek law 4601/2019, the HFSF retains all of the rights provided under the HFSF Law, as in force after their latest amendment by virtue of the provisions of

Greek law 4701/2020, at the level of the demerged entity and that of the new bank. Further to the completion of Alpha Bank's hive down on 16 April 2021, the HFSF retains all of its above-mentioned rights at the level of both Alpha Holdings and the Bank.

The HFSF may grant a "resolution loan" (as defined in the Financial Facility Agreement of 19 August 2015) to the HDIGF for the purposes of funding bank resolution costs, subject to the provisions of the above-mentioned Financial Facility Agreement and in compliance with EU rules on state aid. For the repayment of such loan the credit institutions participating in the HDIGF are liable as guarantors at the ratio of their contribution either in the resolution scheme or in the deposit guarantee scheme, as the case may be. The amount, the time and the manner of drawdown on such loan, as well as any other necessary matter in connection therewith, are determined on an *ad hoc* basis by a decision of the Minister of Finance, following a request by the HDIGF and the opinion of the Bank of Greece.

14.8 Extrajudicial debt settlement mechanisms

Extrajudicial debt settlement mechanism for businesses under Greek law 4469/2017 (applications submitted until 30 April 2020)

Greek law 4469/2017 provided for an extrajudicial procedure for settling debts towards any creditor, which derived from the debtor's business activity or other cause, *provided that* the settlement of those debts is considered vital by the participants in order to secure the debtor's business viability. Applications under the framework of Greek law 4469/2017 could be submitted electronically to the Special Private Debt Management Secretariat (**EGDICH**) by 30 April 2020 on the dedicated electronic platform in EGDICH's website.

The approval of the debt restructuring proposal required the debtor's consent and the formation of a majority of 3/5 of participating creditors, which includes 2/5 of participating creditors with special privilege.

The extrajudicial procedure is concluded by the execution of a debt restructuring agreement between the debtor and consenting creditors, otherwise the procedure is deemed unsuccessful. Certain specific types of claims and creditors whose claims do not exceed certain thresholds are excluded from the scope of this extrajudicial procedure and are not bound by the debt restructuring agreement. The debtor or a participating creditor may submit an application for ratification of the debt restructuring agreement to the Multi-Member Court of First Instance of the debtor's registered seat. The ratification decision is binding upon the debtor and all creditors, regardless of their participation in the negotiations of or their consent as to the debt restructuring agreement.

In case the debtor fails to pay any amount due to any of the creditors in accordance with the terms of the debt restructuring agreement for more than 90 days, the creditor has the right to request cancellation of the agreement towards all parties, by submitting a petition to the court which ratified the debt restructuring agreement, or, in case the debt restructuring agreement has not been ratified by a court, to the Multi-Member Court of First Instance of the debtor's registered seat.

It is noted that, when a debtor, who is deemed to be in a state of present or imminent inability to fulfil its financial obligations, has debts towards several credit or financial institutions or credit servicing firms under Greek law 4354/2015, which have acquired or manage overdue receivables of that same debtor; such entities may cooperate to submit a common proposal to this debtor, in order to reach a sustainable solution. By means of joint ministerial decision no.130060/29.11.2017, as applicable, a simplified procedure was introduced for businesses eligible to apply for an extrajudicial debt settlement mechanism under Greek law 4469/2017, with total debt up to €300,000.

In case of a business debt settlement process pursuant to Greek law 4469/2017, any individual and collective enforcement measures against the debtor, pending or not, for the satisfaction of claims, the settlement of which is pursued through the extrajudicial debt settlement, are automatically suspended for a 90-day period, starting from the date on which the invitation for participation in the procedure is sent by the coordinator to the creditors. The above suspension includes any request for preventive measures and the registration of a prenotation of mortgage, unless the taking of preventive measures aims at the prevention of the depreciation of the debtor's business due to the disposal of its assets. In case of non-completion of the extrajudicial procedure within the 90-day suspension period, due to extensions granted to creditors for the taking of actions, the suspension of enforcement and preventive measures is extended until the completion of the extrajudicial procedure, and only with respect to those creditors. If an extension is requested after the 90 days have lapsed, the suspension applies to the creditor requesting the extension and for as long as that extension is in force. The above suspension ceases automatically in case: (i) the procedure is terminated without success due to lack of quorum or for any reason whatsoever, or (ii) a decision is taken by the majority of the participating creditors to that effect.

The out-of-court debt settlement process pursuant to the Insolvency Code (entry into force from 1 June 2021)

The new out-of-court debt settlement process pursuant to the Insolvency Code, which came into effect on 1 June 2021, replaces the procedure of the Insolvency Code. Within the context of the out-of-court debt settlement process provided for by the Insolvency Code, individuals or legal entities, eligible to be declared bankrupt, may apply online to the Special Secretariat for Private Debt Management of Ministry of Finance through an electronic platform for the settlement of their debt towards: (a) financial institutions, including servicers, (b) the Greek state, and (c) social security institutions, subject to certain exemptions (*e.g.*, a debtor may not file an application for the opening of an out-of-court debt settlement process in case 90% of its total debts is to a single financial institution). It is noted that investment service providers, undertakings for collective investment in transferable securities, alternative investment funds and their managers, credit, financial and (re-) insurance institutions constitute entities falling outside the scope of the Insolvency Code, and thus, may not apply as debtors for the opening of the out-of-court debt settlement process.

Creditors that are financial institutions may accept the invitation for debt settlement, and submit a settlement proposal to the debtor. Subsequently, a restructuring agreement is executed provided the debtor and the majority (60%) (in terms of the value of the relevant claims) of the participating creditors who are financial institutions and participating secured creditors representing at least 40% of the total secured claims of the financial institutions, consent. The results of such settlement apply to all financial institutions. If the proposal provides for debt settlement against the Greek state and social security institutions, such creditors are deemed to have automatically consented, subject to certain requirements being fulfilled.

The process may also be initiated by the creditor(s), at their own discretion, upon service of an invitation to the debtor to apply for the opening of such procedure within 45 days as of such invitation. The lapse of this period without the filing of a relevant application by the debtor terminates the process.

All actions under the Banks' Code of Conduct, *i.e.* Act no. 195/2016 of the Governor of the Bank of Greece, issued under Article 1 of Greek law 4224/2013, are automatically suspended as of the filing of the out-of-court debt settlement application and so long as such process is not terminated. As of the conclusion of a restructuring agreement all enforcement actions and measures, pending or not, are also automatically suspended, with the exemption of the auctions scheduled to take place within three (3) months as of the application submission date by the debtor and of any relevant preparatory procedural action of the auction by a secured creditorincluding foreclosure. Should a restructuring agreement not be signed by the debtor and the participating creditors within two months of the application submission date, the process is terminated without success. The restructuring agreement can be terminated by any creditor whose claims are covered by the restructuring if the debtor is in default on the payment of an aggregate amount equal to either three payment instalments or 3% of the total amount due under the restructuring agreement. Termination of the restructuring agreement results in the reinstatement of the debtor's liabilities vis-à-vis the terminating creditor that become due and payable to the pre-settlement debt amount less any amount already paid under the settlement. Such termination does not affect the legal position of the debtor vis-à-vis other creditors covered by the restructuring.

It is noted that the performance of debts secured with a mortgage on the main residence of the debtor may be partially subsidised by the Greek state, subject to certain conditions. The subsidy is provided for five years, commencing on the application submission date. The subsidy requirements include, *inter alia*, a *de minimis* provision regarding the amounts owed to financing institutions, the Greek state and social security institutions (set at €20,000), as well as a cap to the amounts owed to each creditor (set at a €135,000 for individuals and a maximum of €215,000 per household). Finally, under Article 30 of the Insolvency Code financial institutions have the option of cooperating as to their common debtors by establishing common policies regarding, indicatively, the conditions of processing and approval of applications, a procedure of automated processing, the establishing of notification mechanisms for clients susceptible to financial hardship.

Early warning mechanism and debtors' service centres (entry into force from 1 June 2021)

Greek law 4738/2020 introduces an early warning electronic mechanism for natural and legal persons, aiming to detect circumstances which could lead to their insolvency and creation of non-sustainable debts. The early warning mechanism, which is supervised by the Special Secretariat for Private Debt Management of Ministry of Finance, provides for the classification of debtor applicants into three risk levels (low, medium and high). Following the classification process, any natural person with no income from business or freelance activity classified as of medium or high risk, may contact the competent Borrowers' Service Centres or the Borrowers' Support Service Offices so that they receive free, specialised advice relating to the status of their debts and the possible settlement options under the Insolvency Code. The same applies for debtors with income from freelance activity and debtors with income from business activity, natural or legal persons, which can seek free, specialised advice by the respective Professional Chambers or Associations or Institutional Social Partners.

Settlement of business debts under Greek law 4307/2014 and the Insolvency Code.

Greek law 4307/2014 provided for urgent interim measures for the relief of private debt, especially the settlement of debt of viable small businesses and professionals towards financing institutions (namely credit institutions, leasing and factoring companies, supervised by the Bank of Greece), the Greek state and social security institutions, as well as for emergency procedures for the rehabilitation («*εξυγίανση*» in Greek) or liquidation of operating over-indebted but viable businesses, provided certain pre-conditions were met. In particular, this law introduced provisions on: a) incentives to small businesses and professionals, as well as to financing institutions for the settlement/write-off of private debt; b) debt relief and settlement of small businesses and professionals to the Greek state and social security institutions; c) an extraordinary debt settlement process as to corporate debts (binding on all creditors); d) an extraordinary special administration process; and e) the establishment of a committee to monitor and coordinate the implementation of the measures adopted with a view to their rapid and effective implementation.

Natural or legal persons with bankruptcy capacity and their centre of main interests in Greece, including small businesses and professionals, could file an application for the opening of an extraordinary debt settlement process. In particular, such debtors, could file a petition to the competent court (the Single-member Court of First Instance of the debtor's centre of operations) for the settlement of their debts, provided that their creditors consent and the petition is filed along with a restructuring agreement co-signed by such creditors. The law provides that the consenting creditors should represent at least 50.1% of the total claims, including at least 50.1% of secured creditors with *in rem* security rights or special privilege or with any other form of security right resulting from a security agreement over assets on 30.06.2014 (*i.e.* pledge, assignment of claim, pledge under the provisions of Greek law 2844/2000, or prenotation of mortgage), including at least two financing institutions, if the debtor has been financed by more than one financing institution, and such creditors should represent (at least) 20% of such debtors' total liabilities, in accordance with the Greek General Accounting Plan (presidential decree no. 1123/1980) or in accordance with International Accounting Standards.

If ratified by the court, the restructuring agreement was binding on all creditors, and a 12-month suspension of collective enforcement measures, including the debtor's declaration of bankruptcy, was imposed by law, starting from the publication of the said decision. If provided for in the restructuring agreement, any (individual or collective) actions could be suspended for a maximum duration of three months, starting from publication of the court's ratification decision. The deadline for filing such applications lapsed on 31 March 2016.

Additionally, Greek law 4307/2014 provided for an extraordinary special administration process, with regard to natural persons or legal entities with bankruptcy capacity, that have their centre of main interests in Greece are, among other conditions, unable to repay their due debts in a general and permanent manner. This process intended to facilitate the sale of the debtor's business as a going concern, or the sale of individual business sectors and of individual assets, which do not constitute business sectors.

However, as of 1 March 2021 Articles 68 to 77 of Greek law 4307/2014 on special administration proceedings have been repealed by the Insolvency Code. As of that date, new applications for the opening of special administration proceedings may no longer be submitted under Greek law 4307/2014, which will, however, continue to apply to proceedings pending before the entry into effect of the Insolvency Code, unless otherwise expressly provided by the Insolvency Code. By virtue of a decision of the special administration creditors' meeting, which is to be convened by an invitation of the special administrator, the special administration proceedings may be exceptionally subjected to the Insolvency Code. In such event, the provisions of the equivalent procedural stage of the Insolvency Code will govern such proceedings by way of analogy and the special administrator will exercise the duties and responsibilities that are entrusted to the bankruptcy trustee as per the Insolvency Code.

Similarly to special administration proceedings provided for in Greek law 4307/2014, the Insolvency Code provides for the power of the bankruptcy trustee to conduct a public tender for the sale of the business as a whole or the sale of separate operation unit(s) of the business. The liquidation process is followed pursuant to a relevant decision of the bankruptcy court. The main differences between the special administration proceedings under Greek law 4307/2014 and the new process provided for by the Insolvency Code, are the following:

- a notary public is hired to conduct the auction;
- the auction is carried-out electronically, namely through the e-auction platform; and

- following the auction, the creditors' meeting approves or opposes to the transaction, in which case the creditors' meeting may provide its approval subject to specific conditions (*e.g.*, an increase of the proposed sale price).

In case of liquidation of separate assets, although the procedural aspects are the same as those of Greek Code of Civil Procedure, it is noted that there is no legal remedy that can be used to challenge the initial offering price set by independent evaluators.

Settlement of amounts due by over-indebted individuals under Greek law 3869/2010—protection of main residence of the debtor

On 3 August 2010, Greek law 3869/2010 came into effect with respect to the settlement of amounts due by over-indebted individuals. The law allowed the settlement of debts of individuals evidencing permanent and general inability (without intention) to repay their due debts, by submitting an application for a three-year settlement of their debts and writing off the remainder of their debts, in accordance with the terms of the settlement agreed. All individuals, both consumers and professionals, were subject to the provisions of Greek law 3869/2010, as amended and in force, with the exception of individuals who could be declared bankrupt under the Bankruptcy Code.

This regulatory regime, as amended, allowed for the settlement of all amounts due to credit institutions (consumer, mortgage and commercial loans either promptly serviced or overdue), as well as those due to third parties with the exception of debts ascertained, during the year before the submission of the application, from intentional torts, administrative fines, monetary sanctions as well as obligations for spousal or child support. Following the amendment of the law by Greek law 4336/2015, the scope of its provisions was widened to include ascertained debt towards the Greek state, tax authorities, municipalities and prefectures and social security funds, *provided that* such institutions are not the only creditors of the applicant and that the relevant debt was being subjected to restructuring along with its debt towards private creditors. Greek law 3869/2010 was further amended, among others, by Greek law 4346/2015, which introduced provisions on the partial funding by the Hellenic Republic of the amount of monthly payments set by court decision.

On 29 March 2019, the Greek Parliament replaced the regime of Greek law 3869/2010 for the protection of primary residence by adopting Greek law 4605/2019. The new provisions, which entered into force on 30 April 2019, introduced, *inter alia*, important amendments to the eligibility criteria for admission of debtors to the protective framework. Pursuant to the amended legal framework, eligible over-indebted debtors could apply online through a digital platform until 31 July 2020 for the settlement of their debts by arranging a partial repayment of their due debts in accordance with Greek law 4605/2019.

Pursuant to Article 68 of Greek law 4605/2019, debts eligible for settlement were restricted to those owed to credit institutions and, in the case of a house loan, to the Hellenic Consignment Deposit and Loans Fund and credit companies, for which a mortgage or a pre-notation of mortgage has been registered in favour of the aforementioned entities over the debtor's main residence and *provided that* such debts were in arrears for at least 90 days as at 31 December 2018. Ownership of the main residence did not have to be exclusive and complete in order to be protected. However, debts of natural persons cannot be settled if they are guaranteed by the Greek state. Within the framework mentioned above, the debtor should pay in equal monthly instalments and within 25 years an amount of 120% of the commercial value of its main residence, as determined on 31 December of the year prior to the submission of the application, plus interest calculated as 3-month EURIBOR+2%. The Greek state may also contribute to the payment of these monthly instalments under certain conditions.

It is also explicitly provided in the amended legal framework that (i) only a single application per debtor may be filed for the settlement of amounts owed; (ii) from the notification of the application to the creditor(s) until the lapse of the deadline provided by law for the debtor to request the judicial settlement, in case a consensus arrangement is not reached, auction proceedings against the debtor's main residence are suspended; (iii) a settlement proposal accepted by both the creditor and the debtor constitutes an enforceable title by virtue of which enforcement proceedings may be either initiated in relation to the remaining debtor's assets (except for their main residence) or initiated also for their main residence in case the debtor fails to meet the payment settlement conditions (*i.e.* if the debtor owes in total more than three monthly instalments); and (iv) transfer of claims of credit institutions, the assignment of their claims to credit servicing firms of Greek law 4354/2015, their securitisation in accordance with the provisions of Greek law 3156/2003, or the replacement of the guarantor or co-debtor of such claims, do not prevent the settlement of amounts owed by the over-indebted individuals.

In case a consensus arrangement is not reached between the parties (*i.e.* the credit institution or the Hellenic Consignment Deposit and Loans Fund and the debtor), the debtor may request the protection of its main residence by the competent court, on the terms mentioned herein above. If the borrower successfully completes the settlement plan and fully complies with it, then the remaining portion of the loan exceeding 120% of the value of the applicant's main residence plus interest calculated as three-month EURIBOR + 2% will be written off. In addition, any mortgage or mortgage pre-notation that has been registered over the main residence securing a claim under the settlement plan, is lifted. However, if the debtor fails to meet the payment settlement conditions (*i.e.* if the debtor owes in total more than three monthly instalments), enforcement proceedings may be initiated against the debtor even on their main residence.

As of 1 June 2021, pursuant to the Insolvency Code, new applications may no longer be submitted under Greek law 3869/2010, which will, however, continue to apply to proceedings pending before 1 June 2021.

Settlement of Amounts Due by Indebted Individuals under the Insolvency Code (entry into force from 1 March or 1 June 2021, depending on the applicable provision).

Greek law 4738/2020 consolidated the provisions of several statutes dealing with excessive indebtedness and debt settlement (such as Laws 3588/2007, 3869/2010, 4307/2014, 4469/2017 and 4605/2019) into one comprehensive legal framework of expanded scope, with all existing tools for debt settlement consolidated, regardless of their subject (such as indebted households, protection of main residence and extrajudicial settlement mechanisms). As at 1 March 2021, the provisions of the until then applicable Bankruptcy Code contained in Greek law 3588/2007 were repealed and the legal framework governing bankruptcy is now governed by the relevant provisions of the Insolvency Code.

Greek law 4738/2020 establishes a special regime for protecting main residences of eligible individuals considered to be vulnerable distressed debtors, which provides for a sale and lease-back scheme for main residences and the establishment of a new organisation to implement the relevant process. The definition of vulnerable debtors is aligned with the criteria set out in Article 3 of Greek law 4472/2017, as applicable (*i.e.* the eligibility criteria for the provision of housing benefits, including, *inter alia*, an individual yearly income cap set at €9,600). The objective of the new framework is the liquidation of a debtor's main residence for the purposes of debt settlement, without the vulnerable debtor having to relocate or definitively lose ownership of their asset. This is effected by the establishment of a sale and lease-back private entity, contracting with the Greek state pursuant to a call for tenders of the latter.

According to this scheme, in the event that a vulnerable debtor is declared insolvent or that enforcement proceedings regarding their main residence are initiated, they may submit a request under the new regime, which then acquires ownership right over the debtor's immovable property at market value price as determined by a certified valuator. In return, the new organisation leases the same property to the debtor for 12 years for a set amount of monthly rent (to be determined primarily based on the applicable housing loans' average interest rate). However, the price may be adjusted, if, in the context of an auction, the first offering price is significantly higher (15% or more) than the valuation price, in which case the purchase price is the lower of the first offering price and the price provided by a second certified evaluator appointed by the creditor seeking enforcement. Should no third-party, holder of right in rem, pose any objections to the transfer, the sale and lease-back entity purchases the residence free of any encumbrance or claim. The debtor maintains its status as beneficiary of the aforementioned housing benefits of Greek law 4472/2017, which are now credited to the sale and lease-back entity as a partial payment of the relevant lease instalment. The lease is terminated in the event that the debtor has defaulted on 3 instalments and remains in default for at least 1 month after relevant notice is served. The termination of the lease leads to the abolishment of the debtor's buy-back rights. It is further noted that any rights of the debtor deriving from the lease are non-transferable, save for instances of universal succession.

The debtor may be entitled to re-purchase the property at a price objectively determined under the provisions of the said Law upon fulfilment of its rental payment obligations. After full repayment at the end of the 12-year period or prior to that, the debtor (or its successors) is entitled to exercise a buy-back right. The buy-back price is defined pursuant to a Decision of the Minister of Finance, in accordance with Article 225 of the Insolvency Code, yet to be issued.

Further protective measures related to the COVID-19 pandemic

Greek law 4790/2021 entered into force on 31 March 2021 and provides for urgent measures in response to the COVID-19 pandemic, including with respect to (i) the suspension of enforcement proceedings (and relevant deadlines); and (ii) the protection of the main residence of individuals who were financially affected by the consequences of the COVID-19 pandemic.

With respect to the suspension of enforcement proceedings it is noted that:

(a) the time period spanning from 7 November 2020 until 6 April 2021, *i.e.* the date on which the temporary cessation of operations of courts in Greece was lifted, will not be counted against any legal deadline for undertaking procedural and extrajudicial actions (this is not the case for proceedings under Greek law 4307/2014). No statutory litigation interest ("*τόκοι επιδικίας*» in Greek) will be payable for this period;
(b) all auctions of a borrower's non-perishable movable property, immovable property, ships and aircrafts, in the context of liquidation proceedings, scheduled between the reopening of courts in Greece and 13 May 2021 are cancelled; and
(c) all auctions scheduled between 07 November 2020 and 13 May 2021 that were cancelled in accordance with item (b) above, may be rescheduled by the creditor for a new auction date set after 6 July 2021, *provided that* the deadline for filing legal remedies against the proceedings by a third party had not expired by 7 November 2020.

With respect to the protection of the main residence of individuals who were financially affected by the consequences of the pandemic, it is noted that:

(a) Individuals who qualify (in accordance with criteria set by Greek law 4790/2021 and after being verified by EGDICH) as financially affected by the consequences of the Covid-19 pandemic may not be the subject of any seizure, auction of and enforcement proceedings against their main residence that would result in them having to vacate said property**.** This protection is granted until 31 May 2021; and
(b) The above does not preclude the adjudication of claims, the issuance of a payment order, the service of an enforcement order, or interim measures proceedings, relating to the main residence.

14.9 Securitisations—the Hellenic Asset Protection Scheme (HAPS)

Securitisations

Greek law 3156/2003 (the "**Securitisation Law**") sets out a framework for the assignment and securitisation of receivables in connection with either existing or future claims, originated by a commercial entity with registered seat in Greece or, resident abroad and having an establishment in Greece (a "**Transferor**") and resulting from the Transferor's business activity. Article 10 of the Securitisation Law allows a Transferor to sell its receivables to a special purpose vehicle (an "**SPV**"), which must also be the issuer of notes to be issued in connection with the securitisation of such receivables. In particular, it provides that:

(a) the assignment of the receivables is to be governed by the assignment provisions of the Greek Civil Code, which provides that ancillary rights relating to the receivables including mortgages, guarantees, pledges and other security interests will be transferred by the Transferor to the SPV along with the transfer of the receivables;
(b) the transfer of the receivables pursuant to the Securitisation Law does not change the nature of the receivables, and all privileges which attach to the receivables for the benefit of the Transferor are also transferred to the SPV;
(c) a summary of the receivables sale agreement must be registered with the competent Registry of Transcription, in accordance with the procedure set out under Article 3 of Greek law 2844/2000 of the Hellenic Republic, following which registration (i) the validity of the sale of the receivables and of any ancillary rights relating to the receivables is not affected by any insolvency proceedings concerning the Transferor or the SPV; (ii) the underlying obligors of the receivables will be deemed to have received notice that there has been a sale of the receivables; and (iii) the legal pledge by operation of law over the securitised receivables and the separate account is established, as analysed under items (f) and (g) below;
(d) the collection and servicing of the securitised receivables must be carried out by:
    (i) a credit institution or financial institution licensed to provide services in accordance with its scope of business in the European Economic Area; or
    (ii) the Transferor; or
    (iii) a third party that had guaranteed or serviced the receivables prior to the time of transfer to the SPV;
    (each of the entities under items (i) to (iii), referred to as the "**Servicer**").

(e) if the SPV does not have a registered seat in Greece, and the securitised receivables are claims against consumers, payable in Greece, the Servicer of the securitised receivables must have an establishment in Greece;
(f) any collection by the Servicer, in respect of the receivables, is made on behalf of the noteholders and the respective amounts are deposited in a collections account in the name of the Issuer (separate from both the Transferor's and the Servicer's bankruptcy estate) held by it (if a credit institution) or with a credit institution operating in the EEA; and such collections account, any monies standing to its credit, and any security interest on behalf of the noteholders, may not be subjected to attachment, set-off or any other encumbrance sought to be imposed by any creditor of the Transferor, the Servicer, or by the account bank's creditors.
(g) following the transfer of the receivables and the registration of the receivables sale agreement with the Registry, in accordance Article 3 of Greek law 2844/2000 and the Securitisation Law, no security interest or encumbrance can be created over the receivables other than the one which is created pursuant to the Securitisation Law, in favour of the noteholders and the other creditors of the SPV, constituting a pledge by operation of law. Additionally, a pledge by operation of law is created on the collections account for the benefit of the noteholders and all other creditors of the SPV.
(h) the claims of the holders of the notes issued in connection with the securitisation of the receivables and also of the other creditors of the SPV from the enforcement of the pledge operating by law will rank ahead of the claims of any statutory preferential creditors.

The Hellenic Asset Protection Scheme

Greek law 4649/2019 provides the terms and conditions under which the Greek state guarantee may be provided in the context of non-performing loans securitisation by credit institutions under the asset protection scheme. This law provides for the conditions under which the securitisation must be implemented in order to qualify for the provision of the State guarantee, in line with initial decision no. 10.10.2019 C (2019)7309 of the European Commission and decision 9.4.2021 C(2021)2545 of the European Commission regarding the prolongation of the Hellenic Asset Protection Scheme. Such conditions include, *inter alia*, that the notes to be issued in the context of the securitisation must include at least senior and junior notes and the price paid to the Greek banks for the sale and transfer of non-performing loans cannot exceed their aggregate net book value. The Greek state irrevocable and unconditional guarantee will be provided to the senior noteholders for the full repayment of principal and interest thereunder throughout the term of the notes. The initial aggregate commitment of the Greek state under the HAPS law amounted up to €12 billion. The aggregate commitment under the notified prolongation of the HAPS entered into force by virtue of Ministerial Decision 45191/13.4.2021 amounts to an additional €12 billion. Following the prolongation of the HAPS, applications for the provision of the Greek state guarantee may be filed exclusively within 18 months as of 9 April 2021, *i.e.* by 9 October 2022 or such other date as may be designated by a decision of the Minister of Finance on the basis of a decision of the European Commission.

The Greek state guarantee is granted by a decision of the Minister of Finance and becomes effective upon (i) transfer through sale to private investors, for positive value, of at least 50% plus one of the issued junior notes, (ii) transfer through sale to private investors, for a positive price, of such number of the issued junior notes and of mezzanine notes (if issued) that allows the accounting derecognition of the securitised receivables in the financial statements of the transferor and its group; (iii) the senior tranche of the notes being rated at no less than BB- by an External Credit Assessment Institution (as defined in point (98) of Article 4(1) of the Capital Requirements Regulation); and (iv) assignment of the servicing of the securitised non-performing loans portfolio to an independent servicer (not controlled by the transferor of the receivables). If the State guarantee has not become effective within 12 months as of the publication of the respective Ministerial Decision granting the guarantee, then such decision ceases automatically to be in force and the amount of the guarantee is released. New applications for the same securitisation may not be submitted before the lapse of 6 months. Certain ministerial decisions have been issued to set out the details for the implementation of the aforementioned law.

14.10 Management and corporate governance of Alpha Bank S.A.

The main administrative, management and supervisory bodies of the Bank are the Board of Directors and the Committees of the Board of Directors (namely the Audit Committee, the Risk Management Committee, the Remuneration Committee and the Corporate Governance and Nominations Committee) as well as the Executive Committee and other Management Committees mentioned below.

According to its Articles of Association, the Bank is managed by a Board of Directors. Pursuant to the Bank of Greece Governor's Act 2577/2006, the Bank's Board of Directors consists of Executive and Non-Executive Members, comprising of a minimum of nine and a maximum of fifteen Members (only odd numbers of Members are allowed, while an even number can be accepted temporarily for a justified reason). A legal entity may also participate in the Board of Directors as a Member, pursuant to Article 77 par. 4 of Greek law 4548/2018. The Members are elected by the General Meeting of Shareholders of the Bank for a term of four years and may be re-elected by the Shareholders of the Bank to serve multiple terms.

Under currently applicable law, at least one-third of the total number of Members of the Board of Directors must be Non-Executive Members. Not less than two Non-Executive Members must be independent within the meaning of Article 4 of Greek law 3016/2002; pursuant to Greek law 4706/2020, the relevant part (i.e. Articles 1-24) of which will enter into force on 17 July 2021, at least one-third of the total number of Members of the Board of Directors must be Independent Non-Executive Members within the meaning of Article 9 of Greek law 4706/2020. Pursuant to the HFSF Law, a Representative of the HFSF participates as a member to the Board of Directors. Such member's responsibilities are determined by the HFSF Law and the New RFA.

Failure on the part of a Member to attend meetings of the Board of Directors, for a total of six months per annum, without providing a valid reason, shall be construed as resignation from his/her position.

The Chair of the Board of Directors (the "**Chair**") is elected from amongst the Non-Executive Members of the Board of Directors. The Board of Directors elects its Chair by absolute majority among the present and the duly represented Members. The Board of Directors may elect one or more Vice Chairs.

The Board of Directors resolves all matters concerning management and administration of the Bank except those which, under the Articles of Association or under applicable law, are the sole prerogative of the General Meeting of Shareholders. The Board of Directors is convened by invitation of the Chair or following a request by at least of its two Members. Subject to Article 107 of Greek law 4548/2018, the Members of the Board of Directors have no personal liability vis-à-vis Shareholders or third parties and are only liable towards the Bank in connection with the administration of corporate affairs. The resolutions of the Board of Directors are passed by absolute majority of the Members present or duly represented at Board of Directors meetings, except in those cases where it is otherwise required by applicable law.

A Member who is absent from a meeting may be represented by another Member of the Board of Directors whom he/she has appointed by notifying the Board of Directors. A Member may represent only one other Member. To form a quorum, no less than one-half plus one of its Members must be present or duly represented. In any event, the number of Members present in person may not be less than six. By exception, when the Board of Directors meets (in whole or partially) by teleconference, the participating Members should have the minimum quorum required by the Articles of Association, while the physical presence of the minimum number of Members is not required. The quorum is determined using absolute numbers.

The Board of Directors designates its Executive and Non-Executive Members. Independent Members are appointed, according to Greek law 3016/2002, by the General Meeting of Shareholders. Under Greek law 4706/2020 (Articles 1-24 of which will enter into force on 17 July 2021), Independent Members are elected by the General Meeting of Shareholders or appointed by the Board of Directors until the next General Meeting in the event of death, resignation or loss of the capacity of an Independent Member of the Board of Directors in any other way resulting into the number of the Independent Members being less than the minimum number required by law). Further to the resolution of the Extraordinary General Meeting of Shareholders of Alpha Holdings (then operating as a licensed credit institution under the name "Alpha Bank S.A.") dated 2 April 2021 and the registration with G.E.MI. dated 16 April 2021 of the resolution of the Ministry of Development and Investments by virtue of which the Hive Down was approved, the Bank was established on 16 April 2021 and the members of its first Board of Directors are determined by virtue of its Articles of Association.

The Board of Directors' tenure is annual and is extended until the Ordinary General Meeting of Shareholders which will take place after the end of its tenure.

The Board of Directors currently consists of twelve Members.

Under the HFSF Law the HFSF is entitled to appoint a representative at the Board of Directors of Greek credit institutions, having received recapitalisation funds from the HFSF. In line with this, the first Board of Directors of the Bank, as determined by virtue of its Articles of Association, includes a Member, in accordance with the HFSF Law, Article 10, paragraph 2, as representative (currently, Mr Johannes Herman Frederik G. Umbgrove – please see section "HFSF Influence" below).

In the event of death, resignation or loss of the capacity of a Member or Members of the Board of Directors in any other way, the Board of Directors may elect replacements for the existing vacancies. The respective election shall be implemented by a resolution of the remaining Members of the Board of Directors, provided that they are at least three (3), and shall be valid for the remainder of the tenure of the replaced Members. The decision for such election must be published according to Article 82 of Greek law 4548/2018 and be announced by the Board of Directors at the next General Meeting. The General Meeting may replace the substitute members with others, even if membership is not on the agenda.

In any case, the remaining Members of the Board of Directors may carry on with the management and representation of the Company, without replacing the missing Members, provided that the number of the remaining Members exceeds half (½) of the Members of the Board of Directors as those were before any of the aforementioned events occurred and is not lower than three (3).

The Board of Directors elects from among its Members, by absolute majority of the present and/or represented Members, the Chair and the Chief Executive Officer. In addition, the Board of Directors may elect a Vice Chair or Vice Chairs, and/or Deputy CEO/s and/or General Managers and/or Executive General Managers and their deputies.

The Board of Directors represents the Bank and is qualified to resolve on every action concerning the Bank's management, the administration of its property and the promotion of its scope of business in general, with the exception of those which fall within the exclusive competence of the General Meeting, in accordance with applicable law and the Bank's Articles of Association.

The Board of Directors may, following a resolution, delegate, in whole or in part, the management and/or the representation of the Bank to one or more persons, Members of the Board of Directors, Executives or employees of the Bank or third parties, while defining simultaneously with the above resolution, the extent of the relevant delegation as well as the possibility to further assign the powers granted.

Alpha Holdings (then operating as a licensed credit institution under the name "Alpha Bank S.A.") and the HFSF have entered into the RFA, in accordance with the provisions of the Memorandum of Economic and Financial Policies and the provisions of the HFSF Law. The RFA was originally entered into force on 12 June 2013 but was subsequently replaced by the New RFA entered into on 23 November 2015. The New RFA requires the following, among others, with respect to the composition of the Board of Directors: (i) the Chairman of the Board of Directors must be a Non-Executive Member and should not serve as Chairman of either the Board of Directors' Risk Management or the Audit Committees; (ii) the majority of the Board of Directors must be comprised of non-executive members, at least 50% of which (rounded to the nearest integer) and no fewer than three members (excluding the HFSF Representative) should be independent, satisfying the independence criteria of Greek law 3016/2002 and the Recommendation 2005/162/EC; and (iii) the Board of Directors must include at least two executive members.

Moreover, pursuant to the provisions of the HFSF Law, the HFSF as holder of Ordinary Shares, develops, with the assistance of an independent consultant, criteria for the evaluation of the members of the Board of Directors and its committees, as well as any committees the HFSF deems necessary, taking into account international best practices. The HFSF also develops specific recommendations for changes and improvements in the corporate governance.

If a member of the Board of Directors or one of its committees does not meet the criteria set out by the HFSF Law and the HFSF, or if a management body collectively, does not satisfy the structure recommended by the HFSF with respect to the size, allocation of tasks and expertise, and the necessary changes cannot be otherwise achieved, the HFSF would propose to the General Meeting that the relevant members of the Board of Directors or a committee need to be replaced, if our Board of Directors does not take the necessary measures to implement the relevant recommendations. In the event that the General Meeting does not agree to replace such members of management or a committee within three months, the HFSF would publish on its website within four weeks a report that includes the relevant recommendations and the number of the members of the Board of Directors or its committees that do not meet the relevant criteria, specifying the criteria such members of the Board of Directors or its committees do not meet.

The substantive decisions in terms of the Group are adopted at the Bank level. Only decisions necessary under statute (such as the approval of the Financial Statements, dividend distribution, etc.) or in connection with specific corporate actions (such as a share capital increase or decrease, etc.) are adopted at the level of the Alpha Holdings Board of Directors.

The business address of the Board of Directors is 40 Stadiou Street, 102 52 Athens, Greece.

The composition of our Board of Directors is as follows:

Members of the Board of Directors

The following table sets forth the position of each Member and his/her status as an Executive, Non-Executive or Non-Executive Independent Member.

Name	**Position**
Non-Executive Member:	
Vasileios T. Rapanos	Chair
Executive Members:	
Vassilios E. Psaltis	CEO
Spyros N. Filaretos	General Manager- Growth and Innovation
Non-Executive Members:	
Efthimios O. Vidalis	Member
Non-Executive Independent Members:	
Dimitris C. Tsitsiragos	Member
Jean L. Cheval	Member
Carolyn G. Dittmeier	Member
Richard R. Gildea	Member
Elanor R. Hardwick	Member
Shahzad A. Shahbaz	Member
Jan A. Vanhevel	Member
Non-Executive Member (pursuant to the provisions of Law 3864/2010)	
Johannes Herman Frederik G. Umbgrove	Member

Biographical Information

Biographical information for each of the members of the Board of Directors of the Bank is set out under *"Administrative, Management and Supervisory Bodies and Senior Management - Management and corporate governance of Alpha Holdings—Members of the Board of Directors"*.

Executive Committee

In accordance with Greek law 4548/2018 and the Bank's Articles of Association, the Board of Directors has established as of 16 April 2021 an Executive Committee.

The Executive Committee acts as a collective corporate body of the Bank. The Executive Committee's powers and authorities are determined by way of a CEO act, delegating powers and authorities to the Committee.

The composition of the Executive Committee of the Bank is as follows:

Chair	
V.E. Psaltis	Chief Executive Officer
Members	
S.N. Filaretos	General Manager – Growth and Innovation
S.A. Andronikakis	General Manager – Chief Risk Officer
L.A. Papagaryfallou	General Manager – Chief Financial Officer
S.A. Oprescu	General Manager of International Network
N.V. Salakas	General Manager – Chief Legal and Governance Officer
I.M. Emiris	General Manager of Wholesale Banking
I.S. Passas	General Manager of Retail Banking
A.C. Sakellariou	General Manager – Chief Transformation Officer
S.N. Mytilinaios	General Manager – Chief Operating Officer

The indicative main responsibilities of the Committee include but are not limited to the following:

- it prepares the strategy, business plan and annual budget of the Bank and the Group for submission to and approval by the Board of Directors as well as the annual and quarterly financial statements;
- it decides on and manages the capital allocation to the business units;
- it prepares the ICAAP Report and the ILAAP Report;
- it monitors the performance of each business unit and subsidiary of the Bank against the budget and ensures that corrective measures are taken;
- it reviews and approves the policies of the Bank informing the Board of Directors accordingly;
- it approves and manages any collective programme proposed by the Human Resources Division for the personnel and ensures the adequacy of resolution planning governance, process and systems; and
- is responsible for the implementation of (i) the overall risk strategy, including the institution's risk appetite and its risk management framework, (ii) an adequate and effective internal governance and internal control framework, (iii) the selection and suitability assessment process for Key Function Holders, (iv) the amounts, types and distribution of both internal capital and regulatory capital and (v) the targets for the liquidity management of the Bank.

Biographical Information

Biographical information for each of the General Managers, members of the Bank's Executive Committee, is set out under *"Administrative, Management and Supervisory Bodies and Senior Management - Management and corporate governance of Alpha Holdings—Executive Committee".*

Corporate governance

The Bank's Corporate Governance Code

The Corporate Governance Code is sourced from international and Greek best practice and is compatible with applicable legislation and regulations concerning the Greek public interest entities. Furthermore, the Code takes into account and is compatible with the specific European regulatory framework on corporate governance applicable to significant banks supervised directly by the European Central Bank as well as with the specific requirements imposed by the HFSF.

In line with its constant effort to consistently respond to the expectations of its Customers and of the State, the Bank applies the law and the regulatory framework governing the financial sector, as well as the specific provisions on combating corruption.

The Bank, in keeping abreast of the international developments in corporate governance issues, continuously updates its corporate governance framework and consistently applies the principles and rules dictated by the Corporate Governance Code, focusing on the long-term protection of the interests of its depositors and customers, shareholders and investors, employees and other stakeholders.

In this context, the Bank has adopted the following principles and practices:

- The separation of the Chairman's duties from those of the Managing Director and the implementation of a comprehensive system of internal audit for the Group, in accordance with international standards and the regulatory framework in force.
- The implementation of a Code of Ethics for the performance of duties, promoting in order to promote the standards required by modern corporate governance and to enhance the efficiency of Internal Audit rules.
- The establishment of a communication channel, available since January 2013, through which Employees can anonymously report potential policy violations or seek related advice (whistleblowing).

The currently existing Corporate Governance Code was adopted by the Bank's Board of Directors in January 2020 and has been posted on the Bank's website: https://www.alpha.gr/en/group/corporate-governance.

Committees of the Board of Directors of the Bank

Committees secure the smooth and efficient operation of the Bank, the formulation of a common strategy and policy, as well as the coordination of operations.

Audit Committee

The Audit Committee of the Bank currently constitutes a Committee of the Board of Directors and its Members were appointed through the Bank's Articles of Association that were included in the notarial deed for the Hive Down. It consists of a Committee Chair, who is an Independent Non-Executive Member, two Independent Non-Executive Members and two Non-Executive Members. The composition of the current Audit Committee of the Bank is identical to the one appointed by virtue of the resolution of the Annual Ordinary General Meeting of Shareholders of Alpha Holdings (then operating as a licensed credit institution under the name "Alpha Bank S.A.") dated 31 July 2020. The current Members of the Audit Committee are Carolyn G. Dittmeier (Chair), Efthimios O. Vidalis, Elanor R. Hardwick, Jan A. Vanhevel, and Johannes Herman Frederik G. Umbgrove.

The Audit Committee:

- monitors and assesses, on an annual basis, the adequacy, effectiveness and efficiency of the internal control system of the Bank and the Group;
- monitors the financial reporting process of the Bank and the Group;
- supervises and assesses the procedures for drawing up the annual and interim financial statements of the Bank and of the Group;
- reviews the quarterly financial statements of the Bank and of the Group, together with the statutory auditors' report and the Board of Directors' annual management report prior to their submission to the Board of Directors;
- assists the Board of Directors in ensuring the independent, objective and effective conduct of internal and external audits of the Bank and facilitating communication between the auditors and the Board of Directors;
- assists the Board of Directors in overseeing the performance and effectiveness of the Internal Audit and the Compliance Divisions of the Bank and the Group;
- meets with the statutory certified auditors of the Bank on a regular basis;
- is responsible for the procedure pertaining to the selection of the statutory certified auditors of the Bank and the Group and makes recommendations to the Board of Directors on the appointment or dismissal, rotation, tenure and remuneration of the statutory certified auditors, according to the relevant regulatory and legal provisions; and
- monitors the independence of the statutory certified auditors in accordance with the applicable laws, which includes reviewing, inter alia, the provision by them of non-audit services to the Bank and the Group. In relation to this, the Audit Committee examines or approves proposals regarding the provision by the statutory certified auditor of non-audit services to the Bank and the Group, based on the relevant Bank's policy that the Audit Committee oversees and recommends to the Board of Directors for approval.

The Audit Committee convenes at least once every month and may invite any Member of the Management or Executive of the Bank, as well as external auditors, to attend its meetings. The Heads of the Internal Audit and Compliance Divisions are regular attendees of the Audit Committee meetings.
The Audit Committee keeps minutes of its meetings and regularly informs the Board of Directors of the work of the Audit Committee.

The Chair of the Audit Committee submits to the Board of Directors a formal report on the work of the Audit Committee during the year.

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

Risk Management Committee

The Risk Management Committee of the Board of Directors was established by virtue of a resolution of the Board of Directors on 16 April 2021. It consists of a Committee Chair who is an Independent Non-Executive Member, three Independent Non-Executive Members and one Non-Executive Member. The composition of the current Risk Management Committee of the Bank is identical to the one appointed by virtue of the resolution of the Annual Ordinary General Meeting of Shareholders of Alpha Holdings (then operating as a licensed credit institution under the name "Alpha Bank S.A.") dated 31 July 2020. The current Members of the Risk Management Committee are Jan A. Vanhevel (Chair), Dimitris C. Tsitsiragos, Jean L. Cheval, Richard R. Gildea and Johannes Herman Frederik G. Umbgrove.

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

The Risk Management Committee:

- reviews regularly and recommends to the Board of Directors for approval the risk and capital management strategy, ensuring alignment with the business objectives of the Bank and the Group. In this context, the Risk Management Committee considers the adequacy of the technical (e.g. modelling tools, IT systems, etc.) and human resources available to implement the risk and capital strategy and ensures the communication of key aspects of the risk strategy throughout the Bank;
- assists the Board of Directors in monitoring the achievement of objectives in risk management, especially in the areas of NPEs and capital ratio;
- reviews and recommends annually to the Board of Directors for approval the Bank's risk appetite framework and statement, ensuring alignment with the Banks's strategic objectives and capital allocation. In this context, the Risk Management Committee sets the Bank's risk capacity, portfolio limits and tolerance in all key areas of the Bank's activity;
- determines the principles which govern risk management across the Bank and the Group in terms of the identification, measurement, monitoring, control, and mitigation of risks;
- recommends to the Board of Directors for approval Bank-wide and Group-wide high-level policies on the management of credit, market, liquidity, operational and other risks;
- evaluates on an annual basis or more frequently, if necessary, the appropriateness of risk identification and measurement systems, methodologies and models, including the capacity of the Bank's IT infrastructure to record, report, aggregate and process risk-related information;
- reviews regularly, at least annually, the Group's ICAAP and the ILAAP as well as the related target ratios and recommends their approval to the Board of Directors;
- assesses the overall effectiveness of capital planning, allocation processes and systems, and the allocation of capital requirements to risk types; and
- reviews the risk management and the NPE/NPL policy and procedures of the Bank and the Group.

The Chief Risk Officer reports to the Board of Directors of the Bank through the Risk Management Committee.

The Risk Management Committee convenes at least once a month and may invite any Member of the Management or Executive of the Bank to attend its meetings. The Chief Risk Officer is a regular attendee of the Risk Management Committee meetings.

The Risk Management Committee keeps minutes of its meetings and regularly informs the Board of Directors of the work of the Risk Management Committee.

The Chair of the Risk Management Committee submits to the Board of Directors a formal report on the work of the Risk Management Committee during the year.

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

Remuneration Committee

The Remuneration Committee of the Board of Directors was established by virtue of a resolution of the Board of Directors on 16 April 2021. At the Board of Directors meeting held on 31.5.2012, the Remuneration Committee's responsibilities were expanded to cover the Group Companies. It consists of a Committee Chair who is an Independent Non-Executive Member, two Independent Non-Executive Members and one Non-Executive Member. The composition of the current Remuneration Committee of the Bank is identical to the one appointed by virtue of the resolution of the Annual Ordinary General Meeting of Shareholders of Alpha Holdings (then operating as a licensed credit institution under the name "Alpha Bank S.A.") dated 31 July 2020. The current Members of the Remuneration Committee are Richard R. Gildea (Chair), Dimitris C. Tsitsiragos, Jean L. Cheval and Johannes Herman Frederik G. Umbgrove.

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

The Remuneration Committee:

- ensures that the Bank has a remuneration philosophy and practice that is market-based, equitable and focused on sound performance evaluation-based criteria;
- formulates the Remuneration Policy for the Bank and the Group as well as for the Members of the Board of Directors and makes recommendations to the Board of Directors of the Bank for approval thereof;
- on an annual basis, reviews and reports findings on remuneration data from the Bank and the Group to the Board of Directors, with a view to monitoring the consistent application of the Remuneration Policy, assessing alignment with corporate goals and ensuring the alignment of remuneration practices with the risk profile;
- assesses the mechanisms and systems adopted to ensure that the remuneration system properly takes into account all types of risks, liquidity and capital levels and that the overall Remuneration Policy is consistent with and promotes sound and effective risk management and is in line with the business strategy, objectives, corporate culture, values and long-term interest of the Bank; and
- 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 Remuneration Committee convenes at least quarterly per year and may invite any Member of the management or executive of the Bank to attend its meetings.

The Remuneration Committee keeps minutes of its meetings and regularly informs the Board of Directors of the work of the Remuneration Committee.

The Chair of the Remuneration Committee submits to the Board of Directors a formal report on the work of the Remuneration Committee during the year.

In accordance with Article 10 para 3 of the HFSF Law, and for as long as the Bank is subject to the provisions of the HFSF Law, the annual compensation for each Member of the Board of Directors cannot exceed the total remuneration of the Governor of the Bank of Greece.

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/commitees).

Corporate Governance and Nominations Committee

The Corporate Governance and Nominations Committee of the Board of Directors was established by virtue of a resolution of the Board of Directors on 16 April 2021. It consists of a Committee Chair who is an Independent Non-Executive Member, two Independent Non-Executive Members and two Non-Executive Members. The composition of the current Corporate Governance and Nominations Committee of the Bank is identical to the one appointed by virtue of a resolution of the Annual Ordinary General Meeting of Shareholders of Alpha Holdings (then operating as a licensed credit institution under the name "Alpha Bank S.A.") dated 31 July 2020. The current Members of the Corporate Governance and Nominations Committee are Shahzad A. Shahbaz (Chair), Efthimios O. Vidalis, Carolyn G. Dittmeier, Elanor R. Hardwick and Johannes Herman Frederik G. Umbgrove.

The main responsibilities of the Corporate Governance and Nominations Committee include but are not limited to those presented below.

The Corporate Governance and Nominations Committee:

- ensures that the corporate governance principles of the Bank and the Group, as embedded in the Corporate Governance Code of the Bank, as well as the implementation of these principles reflect the legislation in force, regulatory expectations and international corporate governance best practices;
- regularly reviews the Corporate Governance Code of the Bank and makes appropriate recommendations to the Board of Directors on its update;
- facilitates the regular review of the Charters of Board Committees, in consultation with the relevant Committees, by providing input to each Committee in order to ensure that the Charters remain fit-for-purpose and align with the Bank's Corporate Governance Code as well as with corporate governance best practices;
- develops and regularly reviews the selection criteria and appointment process for the Members of the Board of Directors;
- identifies and recommends for the approval of the Board of Directors candidates to fill vacancies, evaluates the balance of knowledge, skills, diversity and experience of the Board of Directors and prepares a description of the roles and capabilities for a particular appointment and assesses the time commitment expected;
- assesses, at least annually, the structure, size, and composition of the Board of Directors, after considering relevant findings of the annual evaluation of the Board of Directors, in order to ensure that these are fit-for-purpose;
- initiates and oversees the conduct of the annual evaluation of the Board of Directors in accordance with the policy for the annual evaluation of the Bank Board of Directors and submits the relevant findings and recommendations to the Board of Directors;
- oversees the design and implementation of the induction program for the new Members of the Board of Directors as well as the ongoing knowledge and skills development for Members that support the effective discharge of their responsibilities;
- recommends to the Board of Directors for approval and regularly reviews the Suitability and Nomination Policy for the Members of the Board of Directors and Key Function Holders, the policy for the succession planning of senior executives and Key Function Holders and the policy for the evaluation of senior executives and Key Function Holders; and
- establishes the conditions required for effective succession and continuity in the Board of Directors.

The Corporate Governance and Nominations Committee convenes at least quarterly per year and may invite any Member of the management or executive of the Bank to attend its meetings. The Chairman of the Corporate Governance and Nominations Committee receives a quarterly report on Governance matters.

The Corporate Governance and Nominations Committee keeps minutes of its meetings and regularly informs the Board of Directors of the work of the Corporate Governance and Nominations Committee.

The Chair of the Corporate Governance and Nominations Committee submits to the Board of Directors a formal report on the work of the Corporate Governance and Nominations Committee during the year.

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

General Manager-level Management Committees

Assets-Liabilities Management Committee (ALCo)

- Decides on matters regarding the management of asset-liability and cash management issues i.e. liquidity, hedging strategy, capital structure, proposals for new products/services or modification of existing products/services, products pricing, portfolios etc.
- Assesses financial risks and decides on the risk hedging strategy and actions.

Troubled Assets Committee

Formulates, evaluates and approves the Wholesale and Retail Banking NPE management strategy.

Credit Committee I

Decides, within its delegation limits on the following:

- credit requests to companies or groups of connected companies, under the supervision of the General Manager of Wholesale Banking;
- risk issues of credit institutions, central governments, transnational organizations and mediators under the responsibility of the divisions supervised by the Executive General Manager of Treasury Management;
- retail Banking credit requests for new credits and periodic reviews of credit limits;
- credit requests of Individuals for personal/consumer and housing loans, for which an application is submitted through the Private Banking Division;
- credit requests of Companies or groups of connected companies, with performing exposures under the management of the Private Banking Division; and
- lending to companies or groups of connected companies of the International Network with Performing Exposures.

Operational Risk and Internal Control Committee

Takes cognizance of and decides upon issues related to Operational Risk and Internal Control framework.

Credit Risk Committee

Assesses the adequacy and efficiency of the credit risk management policy and procedures of the Bank and the Group and plans the required corrective actions.

REO Committee I

Determines and monitors the strategy of acquisition, management, development and sale of Real Estate which is either under the Bank's or the Group's ownership, or is examined to be acquired by the Bank or the Group.

Cost Control Committee

Approves the cost control policies;

- validates the proposed CAPEX/OPEX budget prior to its submission to Executive Committee for approval and the formulation proposal for projects portfolios;
- examines and approves expense requests/projects' costs within the Committees' limits;
- reviews the cost evolution versus budget as well as mitigation actions in case of overrun;
- evaluates proposals on cost containment initiatives;
- assesses options to promote the Bank's cost-efficient operation; and
- validates cost allocation rules among the Bank's business units.

Arrears Committee I

- Decides on Customers' requests under the management of the Arrears Units in Greece and in the countries where the Group operates, regarding the following portfolios:
- Wholesale Banking – Greece
- Retail Banking – Greece and
- Wholesale Banking – International Network

Relationships and Other Activities

There are no potential conflicts of interest between the duties of the persons listed above pertaining to the Bank and their private interests.

HFSF Influence

As a result of meeting the required 10% private sector contribution test in the 2013 share capital increase, the HFSF's voting rights are restricted. For more information on the restricted voting rights of the HFSF, see "*Regulation and supervision of Banks in Greece —The HFSF—Voting rights of the HFSF*".

For the rights that Mr. Johannes Herman Frederik G. Umbgrove has as a representative of the HFSF on the Board of Directors, see "*Regulation and supervision of Banks in Greece —The HFSF—Special rights of the HFSF*".

As per Article 10 of the HFSF Law the HFSF, with the assistance of an internationally renowned specialised independent adviser, is entitled to evaluate the corporate governance framework of the credit institutions, with which it has concluded a relationship framework agreement (including the Bank). For more information see "*Regulation and supervision of Banks in Greece —The HFSF—Special rights of the HFSF*". The last corporate governance review of the Bank by the HFSF was performed by Fidelio Partners that was appointed by the HFSF to conduct a Corporate Governance Review – Board Evalution in December 2020. Findings and recommendations were presented at the Board of Directors' meeting of 31 March 2021.

Relationship Framework Agreement

Alpha Holdings (then operating as a licensed credit institution under the name "Alpha Bank S.A.") and the HFSF have entered into the RFA, in accordance with the provisions of the Memorandum of Economic and Financial Policies and the provisions of the HFSF Law. The RFA was originally entered into force on 12 June 2013 but was subsequently replaced by the New RFA entered into on 23 November 2015. The New RFA will remain in force so long as the HFSF has any ownership in the Bank. In the context of the hive-down of our banking sector to the (new) Bank completed on 16 April 2021, the New RFA was transferred to the (new) Bank as part of such banking sector. We have assumed the obligation to negotiate in good faith with the HFSF any amendments to the New RFA in order to preserve the rights of the HFSF at both the level of Alpha Holdings and the Bank subject to applicable law.

For more information on the New RFA and on the relevant rights of the HFSF prior and subsequent to the Hive Down, see "*Regulation and supervision of Banks in Greece —The HFSF—The Relationship Framework Agreement*".

Internal Audit Division

The Internal Audit Division is responsible for the internal audit of the Bank and the Group companies. The Head of Internal Audit, while administratively reporting to the Chief Executive Officer, shall report functionally to the Board of Directors through the Audit Committee. The Division performs audits regarding the adequacy and the effectiveness of the Internal Control System of the Bank and the Group companies, in accordance with the stipulations of the regulatory framework and investigates thoroughly cases on which there is evidence that the interests of the Group are harmed. It monitors the implementation and the effectiveness of the corrective actions recorded in the reports of all sorts of audits (by internal auditors, external auditors, Regulatory Authorities, Tax Authorities etc.). It also supervises, coordinates and supports the work of the Internal Audit Units of the Group in Greece and abroad.

Head of Group Internal Audit

On 1 May 2020 Maria Rontogianni was appointed as Head of Group Internal Audit.

The Head of Group Internal Audit is appointed by the Board of Directors, following relevant proposal of the Audit Committee, is employed on a full-time and exclusive basis, is personally and functionally independent and objective, and has a sound background and adequate professional experience. The Head of Group Internal Audit reports functionally to our Board of Directors through the Audit Committee and administratively to the Chief Executive Officer.

Maria Rontogianni has a sound background and adequate and extensive professional experience in internal audit and advisory risk services. She studied Public Accounting and Marketing at Fordham University, New York. She has a 25-year experience in the broader scope of internal audit and joined the Bank after being Senior Vice President, Group Audit and Risk Management at Deutsche Telekom. From 2009 and until her move to Bonn, she was Group Chief Internal Auditor at the Hellenic Telecommunications Organization (OTE). She was also Director of Internal Audit at Wind Telecommunications and Lamda Development, while earlier in her career she worked for a number of years at Arthur Andersen in Athens as well as at JP Morgan and the National Futures Association in New York.

14.11 Compensation and benefits

The following table presents the total compensation and benefits provided to the members of the Board of Directors of Alpha Holdings (then operating as a licensed credit institution under the name "Alpha Bank S.A.") in 2020:

Position (at the Board of Directors)[(1)]	Name	Total compensation and benefits (Amounts in Euro) Gross
Non-Executive Member:		
Chair	Vasileios T. Rapanos	259,000.00
Executive Members:		
CEO	Vassilios E. Psaltis	432,263.53
General Manager	Spyros N. Filaretos	410,019.60
Non-Executive Members:		
Member	Efthimios O. Vidalis	103,791.67
Non-Executive Independent Members:		
Member	Dimitris C. Tsitsiragos [(2)]	45,125.00
Member	Jean L. Cheval	103,791.67
Member	Carolyn G. Dittmeier	128,791.67
Member	Richard R. Gildea	109,000.00
Member	Elanor R. Hardwick [(3)]	45,125.00
Member	Shahzad A. Shahbaz	84,000.00
Member	Jan A. Vanhevel	134,000.00
Non-Executive Member (pursuant to the provisions of Law 3864/2010):		
Member	Johannes Herman Frederik G. Umbgrove	109,000.00

(1) Reflects current participation in the Board of Directors and the Committees of the Board of Directors.
(2) Member of the Board of Directors as of 2.7.2020.
(3) Member of the Board of Directors as of 2.7.2020.

It is noted that information provided above will be included in the Remuneration Report for the year 2020, in accordance with article 112 of law 4548/2018, that will be submitted for deliberation and advisory vote to the Ordinary Shareholder Meeting for the year 2021.The total sum which we provided for pensions, remuneration and/or similar benefits for the current members of the Board of Directors for 2020 was €1,963,908.14.

In regard to the Non- Executive Members of the Board of Directors, no contractual terms apply for the provision of benefits upon termination of their relationship with the Group, apart from the aforementioned remuneration.

The above members of the Board of Directors did not receive any remuneration for their participation on the Boards of Directors of subsidiaries and/or other remuneration from the Group.

The compensation presented in the above table includes checkup, savings/pension plans, medical care, life insurance as well as offsite compensation in case of business traveling.

Pursuant to the HFSF Law, each of Alpha Holdings and the Bank is required to limit maximum executive pay to their respective Chairman, the Managing Director, Board of Directors' Members, as well as general managers and their deputies, to the remuneration of the Governor of the Bank of Greece.

The Executive Members of the Board of Directors of Alpha Holdings and of the Bank do not receive any remuneration for their participation in the Board of Directors. The Executive Members of the Board of Directors of the Bank have in place employment contracts with the Bank, which are regulated by the provisions on related party transactions, transparency and accountability under Greek law 4548/2018 (transposing the respective provisions of the Shareholders Rights Directive II).

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. Thus, the members of the Board of Directors of Alpha Holdings and the Bank and its other subsidiaries are not provided with any additional compensation (bonus) apart from the aforementioned one. The Bank may offer, at its discretion, to Executives a severance payment, as per the 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 contract.

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 claw back 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.

At the General Meeting held on 31 July 2020, the shareholders of Alpha Holdings (then operating as a licensed credit institution under the name "Alpha Bank S.A.") approved the salaries, benefits and compensation of the members of the Board of Directors for 2019 and pre-approved the payment of compensation to the members of the Board of Directors for the year 2020.

No member of the Board of Directors or member of the administrative, management and supervisory bodies of Alpha Holdings own more than a *de minimis* percentage of our Ordinary Shares other than Mr. Vassilios E. Psaltis who holds 532 Ordinary Shares,and Mr. Isidoros S. Passas, who holds 300 Ordinary Shares.

The General Meeting of Shareholders of Alpha Holdings (then operating as a licensed credit institution under the name "Alpha Bank S.A."), held on 31 July 2020, approved in accordance with Article 113 of Greek law 4548/2018, as in force, the establishment of a stock option plan (the "**Plan**") in the form of stock option rights, providing for the option right (the "**Option Right**") to receive newly issued common registered voting dematerialised shares (the "**New Shares**") for management and employees of Alpha Holdings (former Alpha Bank S.A.) and its affiliated companies identified as Material Risk Takers. The Plan was approved for the five-year period of 2020 until 2024. The maximum number of Option Rights that can be awarded under the Plan was set at 23,155,490 rights, each of which corresponds to one new share, i.e. in case all option rights are granted and exercised, up to 23,155,490 newly issued common registered shares of Alpha Holdings (former Alpha Bank S.A.) in total will be allocated, a number corresponding to 1.5% of the Alpha Holdings' (then operating as a licensed credit institution under the name "Alpha Bank S.A.") paid-in share capital as of 31 July 2020. The offer price for each New Share is equal to the nominal value of the share, i.e. €0.30. Also, the Board of Directors was authorized to determine the Beneficiaries, the terms of options' awarding as well as the rest of the terms and conditions of the Plan. In this context, the Board of Directors at its meeting of 30 December 2020 approved the regulation of the Plan and the grant of 4,217,039 Option Rights under the Performance Incentive Program (PIP) for the financial years 2018 and 2019 to identified Material Risk Takers of Alpha Holdings (then operating as a licensed credit institution under the name "Alpha Bank S.A.") and its affiliated companies, which are exercisable until 2024. In the context of the above, 2,281,716 Option Rights were exercised corresponding to an equal number of New Shares with a nominal value of €0.30 for each share issued by virtue of Board of Directors resolution dated 9 February 2021.

15 DOCUMENTS AVAILABLE

15.1 Documents made available to investors

For the whole duration that this Prospectus remains valid, *i.e.* for a period of 12 months after its approval, the following documents, which can be inspected, will be made available to the investors on our website: https://www.alphaholdings.gr/en/investor-relations/share-information/capital-increase in the same section as the Prospectus.

- our Articles of Association;
- an excerpt from the minutes of our Extraordinary General Meeting held on 15 June 2021, which, among others, approved the share capital increase and authorized the Board of Directors to determine the price and specify the terms of the share capital increase and offering; and
- an excerpt from the minutes of meeting of our Board of Directors held on 24 June 2021, which specified the terms of the share capital increase and offering.

Other information included on our website does not form part of this Prospectus.

15.2 Documents incorporated by reference

- The annual report for the year ended 31 December 2020 including the annual audited consolidated financial statements as at and for the year ended 31 December 2020, the notes thereto and the auditor's report: https://www.alphaholdings.gr/-/media/alphaholdings/files/apotelesmata/20210323-fy-oikonomikes-katastaseis-en.pdf

- The condensed interim consolidated financial statements for the three months ended 31 March 2021, including the condensed interim consolidated financial statements as at and for the three months ended 31 March 2021, the notes thereto and the auditor's report: https://www.alphaholdings.gr/-/media/alphaholdings/files/apotelesmata/q12021/20210524-q1-oikonomikes-katastaseis-en.pdf

Other information included on our website does not form part of this Prospectus.

16 ESSENTIAL INFORMATION

16.1 Interest of natural and legal persons involved in the Public Offering

Alpha Holdings, taking into consideration as a criterion any form of compensation previously provided to Alpha Bank S.A. as well as the following criteria based on the ESMA guidelines: whether Alpha Bank S.A. (i) holds equity securities of Alpha Holdings or its subsidiaries; (ii) has a direct or indirect economic interest that depends on the success of the Public Offering; or (iii) has an understanding or arrangement with major shareholders of Alpha Holdings, in conjunction with the fact that Alpha Holdings holds, directly or indirectly, the total number of shares of Alpha Bank S.A. and of its subsidiaries, therefore being the indirect shareholder of all companies of the Group, declares that, there are no interests or conflicting interests of Alpha Bank S.A. that are material to the Public Offering, other than the interest deriving from the relationship parent to subsidiary company which connects it to Alpha Bank S.A., the interest of both that depends on the success of the Share Capital Increase, as discussed in "*Essential Information - Reasons for the Share Capital Increase and use of proceeds*" and as further stated by Alpha Bank S.A. as Lead Underwriter.

The Lead Underwriter, Alpha Bank S.A., taking into consideration as criterion any form of compensation previously received from Alpha Holdings as well as the following criteria based on the ESMA guidelines on disclosure requirements under the Prospectus Regulation (04/03/2021 | ESMA32-382-1138): (i) whether it holds equity securities of Alpha Holdings or its subsidiaries; (ii) whether it has a direct or indirect economic interest that depends on the success of the Public Offering; or (iii) whether has any understanding or arrangement with major shareholders of Alpha Holdings, in conjunction with the fact that Alpha Holdings holds, directly or indirectly the total number of shares of Alpha Bank S.A., declares that it does not have any interests or conflicting interests that are material to the Public Offering, other than the indirect interest deriving from the above-mentioned relationship subsidiary and parent company which connects it to Alpha Holdings and the direct interest that depends on the success of the Share Capital Increase, as discussed in "*Reasons for the Share Capital Increase and use of proceeds*".

In addition, in the context of the execution of investment banking, banking and brokerage services, it states that:

(a) It will receive fees related to the Public Offering (see "*Expense of the Issue/Offer*");

(b) Alpha Bank S.A., and its subsidiaries (within the meaning of Article 32 of Law 4308/2014, as in force) have provided and/or may in the future provide investment banking, banking and other investment or ancillary services in the ordinary course of their business either to Alpha Holdings or to its related companies for which they receive and/or may in the future receive fees and/or commissions;
Pursuant to Article 2, paragraph (2)(k) of Law 3864/2010, as in force, Alpha Holdings' major shareholder, *i.e.* the HFSF, also exercises in Alpha Bank S.A. rights arising from the Relationship Framework Agreement. There is no other agreement with Alpha Holdings' major shareholders, other than contracts, for the provision of banking operations, as well as investment or ancillary services performed in the normal course of their business, which all are unrelated contracts and transactions to the Public Offering; and

(c) Alpha Bank S.A., with reference date the 18 June 2021, does not hold shares in Alpha Holdings. Due to the parent-subsidiary relationship between Alpha Holdings and Alpha Bank S.A., Alpha Holdings indirectly holds the shares of Alpha Bank S.A.' s subsidiaries (within the meaning of Article 32 of Law 4308/2014, as applicable). Finally, with reference date the 18 June 2021, Alpha Finance S.A., a company related to Alpha Bank S.A. (within the meaning of Article 32 of Law 4308/2014, as in force) is a market maker for derivatives of Alpha Holdings and does not hold, in such capacity, any derivatives of Alpha Holdings and, for hedging purposes, holds 246.800 shares of Alpha Holdings. It also acts as a market maker for shares of Alpha Holdings and in such capacity does not hold any shares of Alpha Holdings.

16.2 Reasons for the Share Capital Increase and use of proceeds

Following an unprecedented financial crisis that has lasted for over a decade, and on the back of the fiscal actions implemented to mitigate the impact of the COVID-19 pandemic, Greece has now come at an economic inflection point. It has managed to significantly improve its sovereign risk profile, has already regained the trust of capital markets on the back of highly successful issues of short- and long- term government bonds, and has facilitated the cleanup of the Greek banks' non-performing exposures through the Hellenic Asset Protection Scheme framework, known as "Hercules Programme". As a result, and in anticipation of the receipt of an unprecedented package of

EU Next Generation funds (the "**RRF**"), it is well poised to grow at a rate above the average European rate for the next few years.

Banks are expected to be both significant supporters of this growth potential and beneficiaries of the normalization of the economic outlook. In fact, the Greek banking system has made great strides in cleaning up its legacy issues and is now looking ahead towards a period of strong growth and return of investment appetite towards the Greek economy.

The RRF is expected to bring about direct and indirect benefits to GDP growth and the economy as a whole. Greece will be by far the largest net beneficiary from the fund. The Bank of Greece estimates a 7% increase in real GDP growth by 2026 and the creation of 180,000 jobs through a 20% growth in private sector investment alongside targeted reforms. The deployment of the RRF is expected to add, on average, at least 1.2-2.0 percentage points per annum to the Greek GDP growth trajectory over the following six years. As such, capturing the full potential of this initiative is expected to be the single most important goal for the banking system and for Alpha Bank in particular. At no point in the medium term should banks be constrained to serve their duty of supporting the Greek economy, be that financial, governance or skillset related constraints (see *"Strategy"*).

In the light of the above, the Alpha Holdings plan to raise capital of up to €800 million in order to be in a position to fully reap the benefits it anticipates from the RRF growth potential. Securing at the outset the growth capital we expect to deploy over the next few years, will allow us to reach our profitability targets sooner, provide us with the flexibility needed to commit financing to high value projects as deemed fit, allow us to be selective on the profitability profile of such projects and simultaneously enjoy a position of meeting all of our capital requirements throughout our business plan horizon. Importantly, this will also provide us with significant flexibility to optimize our capital structure and deploy our dividend strategy.

The net proceeds, estimated at €757.5 million., raised by Alpha Holdings from the Share Capital Increase will be made available to the Bank through a share capital increase, which will be fully subscribed by Alpha Holdings, and which will take place within three (3) months from the capital raising. The net amount of the Share Capital Increase (i.e. the total amount of the Share Capital Increase less the issuance expenses) will be applied for the purpose of further enhancing the capital adequacy ratios of the Issuer and its group of companies, in the context of facilitating the execution of its announced growth strategy.

As at 31 March 2021, and on the basis of our total capital adequacy ratio pro forma for Galaxy transaction, the successful completion of the Share Capital Increase through the Combined Offering is expected to enhance our total capital adequacy ratio by c.+2.1%, leading to a total capital adequacy ratio of c. 17.5%, which is expected to allow the re-leveraging of our balance sheet as per our Updated Strategic Plan based on the prospects for the Greek economy and the credit growth in Greece, supported by the upcoming RRF program; The Combined Offering is not subject to an underwriting agreement on a firm commitment basis. Provided that the Combined Offering is successful and that all the New Shares are subscribed for and issued, the expected amount of gross proceeds of the Combined Offering will be €800 million. Expenses directly related to the Combined Offering are estimated to be approximately €42.5 million, therefore, the net proceeds are expected to be approximately €757.5 million on the basis of the same assumptions.

However, our targeted expansion plan except from the successfully and timely completion of the Combined Offering, depends on a variety of factors, some of which are outside our control. *See "Risk Factors – Risks Relating to Our Business - We may not be able to raise the entire proposed amount of the Share Capital Increase through the Combined Offering and this might have an adverse impact on our planned credit expansion, our business and results of operations, and even if the Share Capital Increase is successful and we are able to raise the entire proposed amount, there can be no assurance that our planned credit expansion targets will be achieved in the anticipated timeframe or at all and the expected benefits of this strategy may not materialise, which could have a material adverse effect on our business, financial condition and results of operations."*

The Share Capital Increase and the Combined Offering, are more particularly described in "Terms and Conditions of the Share Capital Increase and Public Offering" of this Prospectus.

Our management undertakes to inform the ATHEX as well as the HCMC, pursuant to articles 4.1.2 and 4.1.3.9 of ATHEX Regulation and the decision 25/06.12.2017 of the Board of Directors of ATHEX and the decision 8/754/14.4.2016 of the Board of Directors of HCMC, as in force, about the use of proceeds from the Share Capital Increase. The investors are kept informed about the above use of proceeds through the ATHEX website, Alpha Holdings' website and the Daily Bulletin of the ATHEX, as well as, where necessary, by the means provided for in Law 3556/2007, as in force. After the end of the Public Offer and before the commencement of trading of the Shares, according to Regulation and the decision 25/17.07.2008 of ATHEX, Alpha Holdings undertakes to inform the investment public, the HCMC and the ATHEX of the final formation of the use of funds, based on the realized proceeds of the Public Offering. In addition, Alpha Holdings undertakes that for any modifications to the use of the funds raised, as well as for any additional relevant information, it will comply with the provisions of article 9 of Law 3016/2002 and article 22 of Law 4706/2020, as in force and will inform the investment public, the shareholders, the HCMC and the Board of Directors of ATHEX, in accordance with the provisions of the capital markets legislation. The information of the investment public on the use of proceeds is carried out through the ATHEX website, Alpha Holdings' website and the Daily Bulletin of the ATHEX.

In addition, our management undertakes to make public any inside information related to the use of proceeds in accordance with Regulation (EU) 596/2014, the provisions of Law 4443/2016, as in force, and any other applicable laws and regulations.

16.3 Working capital statement

Our management declares that we have sufficient working capital for our current activities for the next 12 months.

16.4 Capitalisation and indebtedness

The following table sets forth (i) our consolidated indebtedness as at 31 March 2021 and (ii) our consolidated capitalisation as at 31 March 2021 and after giving effect to the successful and full completion of the Combined Offering.

	As at 31 March 2021	
	Actual[(3)]	**Adjusted for the Offering (Maximum price)**
	(€ millions)	
CAPITALISATION		
Total Current Debt[(1)]	**1,078.08**	**1,078.08**
Guaranteed	45.99	45.99
Secured	955.78	955.78
Unguaranteed/unsecured	35.23	35.23
Lease liability	41.08	41.08
Total Non-Current Debt[(2)]	**15,116.86**	**15,116.86**
Guaranteed	506.75	506.75
Secured	13,516.05	13,516.05
Unguaranteed/unsecured	972.81	972.81
Lease liability	121.25	121.25
Shareholder Equity	**7,988.67**	**8,746.17**
Share capital	463.79	663.79
Share premium	10,802.51	11,402.51
Reserves	427.93	427.93
Retained earnings	(3,467.46)	(3.509.96) [(3)]
Loss for the period	(282.11)	(282.11)
Non-controlling interest	29.46	29.46
Hybrid securities	14.55	14.55
Total	**24,183.61**	**24,941.11**

Source: Data based on Condensed Interim Reviewed Consolidated Financial Statements as at and for the three-month period ended 31 March 2021

(1) *Includes current lease liabilities amounting to €41.08 million and does not include amounts due to customers. The amount of €955.78 million in total current debt is secured.*

(2) *Includes non-current lease liabilities amounting to €121.25 million and does not include amounts due to customers. The amount of €13,516.05 million in total non-current debt is secured.*

(3) *Includes estimated expenses for the share capital increase (based on the Maximum Price) of €42.5 million (see Expense of the Issue/Offer) as per accounted treatment*

(€ in millions)	As at 31 March 2021 Actual
INDEBTEDNESS	
Current Financial Assets	
Cash (A)	7,692.12
Cash equivalents (B)	2,098.09
Other current financial assets (C)[(1)]	11,271.56
Liquidity (D)=(A)+(B)+(C)	**21,061.77**
Lease liabilities (E1)	41.08
Current financial debt (including due to banks and debt instruments) (E2)	984.13
Current portion of non-current financial debt (E3)	52.86
Total Current Debt (E)=(E1) + (E2) + (E3)	**1,078.70**
Net Current Financial Indebtedness (F)=(E)-(D)	**(19,983.70)**
Non-Current financial debt (excluding current portion and debt instruments)(G1)	**13,323.79**
Lease liabilities (G2)	121.25
Debt instruments (G3)	1,671.82
Total Non-Current Debt (G)=(G1)+(G2)+(G3)	**15,116.86**
Total Financial Indebtedness (H)=(F)+(G)	**(4,866.84)**

Source: Data based on Condensed Interim Reviewed Consolidated Financial Statements as at and for the three-month period ended 31 March 2021

[(1)]Other current financial assets include financial assets at FVTPL (excluding derivatives held for hedging purposes), financial assets at FVTOCI and other marketable debt securities classified as financial assets at amortized cost.

Our total capital amounted to €24,183 million and our total financial indebtedness to €(4,866) million.

The management declares that there are no significant changes to the capital structure and net financial debt apart from (a) the approval of the Share Capital Increase pursuant to the extraordinary general meeting held on 15 June 2021 and the resolution of the Board of Directors made on 24 June 2021, by virtue of the authority given to it by the EGM, and (b) the completion of the Galaxy transaction. In particular, following the completion of Galaxy transaction the captions “Retained earnings” and “Loss for the period” of the above table named “Capitalisation” is estimated that will be adjusted from loss € 3,746.57 million and € 282.11 million to loss € 5,846.57 million and € 2,382.11 million respectively, increased by the estimated loss of € 2.1 billion. In addition, although the Group will hold the 100% senior notes and the 49% of mezzanine and junior notes issued under the Galaxy securitization with an estimated fair value of € 3,873.39, which consist a potential source of liquidity, these notes are relatively new instrument and as such are not considered as adjusting items for the caption “Other current financial assets” of the above table named “Indebtedness”.

17 INFORMATION CONCERNING THE SECURITIES TO BE OFFERED/ADMITTED TO TRADING

17.1 Share capital

The shares issued by Alpha Holdings are ordinary registered shares with voting rights, the nominal amount of which is expressed in euro (the "**Ordinary Shares**"). The Ordinary Shares are dematerialised, listed on the Athens Exchange ("**ATHEX**") and trade in Euro in the Main Market of the Regulated Securities Market of the ATHEX under ISIN (International Security Identification Number) GRS015003007. Trading unit is one (1) share. The New Shares are to be issued pursuant to the resolution of our Extraordinary General Meeting held on 15 June 2021 on the approval for the Share Capital Increase, and a relevant authorisation granted to our Board of Directors by the Extraordinary General Meeting to determine the offer price.

As at 31 March 2021, the share capital of Alpha Holdings (former Alpha Bank S.A.) amounted to €463,794,329.10 million divided into 1,545,981,097 shares, of which:

- 1,376,806,930 are common, nominal, dematerialised shares with voting rights, of a nominal value of €0.30 each, which are listed for trading on ATHEX; and

- 169,174,167 are common, nominal, voting, dematerialised shares in accordance with the restrictions foreseen in the provision of Article 7a of Greek law 3864/2010, owned by the HFSF – of a nominal value of €0.30 each. These shares, which are listed for trading on ATHEX, have rights attached to them in accordance with the HFSF Law and are subject to the restrictions under the HFSF Law.

As at 31 March 2021, the Alpha Holding's equity was held by approximately 115,000 shareholders. On the same date, the shareholder base comprised the HFSF, representing approximately 11%, and private shareholders representing approximately 89% of the common shareholder base. The private shareholders comprised:

- institutional shareholders representing approximately 73% of the shareholder base (of which approximately 64% were foreign institutional investors and 9% were Greek institutional investors); and

- individuals representing approximately 16% of the shareholder base.

The General Meeting of Shareholders of Alpha Holdings (former Alpha Bank S.A.), held on 31 July 2020, approved in accordance with Article 113 of Greek law 4548/2018, as in force, the establishment of a stock option plan (the "**Plan**") in the form of stock option rights, providing for the option right (the "**Option Right**") to receive newly issued common registered voting dematerialised shares (the "**New Shares**") for management and employees of Alpha Holdings and its affiliated companies. The Plan was approved for the five-year period of 2020 until 2024. The maximum number of Option Rights that can be awarded under the Plan was set at 23,155,490 rights, each of which corresponds to one new share, i.e. in case all option rights are granted and exercised, up to 23,155,490 newly issued common registered shares of Alpha Holdings in total will be allocated, a number corresponding to 1.5% of Alpha Holdings' paid-in share capital as of 31 July 2020. The offer price for each New Share is equal to the nominal value of the share, i.e. €0.30. In this context, Alpha Holdings' Board of Directors at its meeting of 30 December 2020 approved the regulation of the Plan and the grant of 4,217,039 Option Rights under the Plan for the years 2018 and 2019, which are exercisable until 2024. In the context of the above, 2,281,716 Option Rights were exercised corresponding to an equal number of New Shares with a nominal value of €0.30 for each share issued by virtue of Board of Directors resolution dated 9 February 2021.

No mandatory or voluntary tender offer has been submitted for the acquisition of our Ordinary Shares, and hence the provisions of Greek law 3461/2006, as amended and in force, relating to the squeeze-out and sell-out of the minority shareholders of Alpha Holdings do not apply at the time of this Prospectus. Alpha Holdings and the Bank are significant supervised entities within the meaning of Article 6, paragraph 4 of Regulation (EU) No 1024/2013, and a change of control over Alpha Holdings and/or over the Bank, is subject to prior approval by the European Central Bank ("ECB") through the Single Supervisory Mechanism ("SSM") in cooperation with the Bank of Greece. For a description of the applicable regulatory framework, see "*Regulatory Considerations*".

The Ordinary Shares that the HFSF holds are not subject to tender offers but will be taken into account for calculating the thresholds of Article 7, paragraph 1 of Greek law 3461/2006.

Alpha Holdings has not entered into any market-making contracts in respect of the Ordinary Shares.

17.2 Transfer of shares

The Ordinary Shares are freely transferable and no restrictions are imposed by the Articles of Association in respect of transfers of the Ordinary Shares. Transfers of ownership of Ordinary Shares are carried out either through the ATHEX trading system or OTC through the DSS operated by the ATHEXCSD, as prescribed by Greek law (Article 13 of Greek law 4569/2018 and Article 41, paragraph 3 of Greek law 4548/2018) and in accordance with the terms and procedures of the Rulebook of the Hellenic Central Securities Depository ("**ATHEXCSD Rulebook**"). All transfers are finally registered with the DSS on completion of the applicable clearing and settlement process.

17.3 Issue of shares and pre-emptive rights

The share capital may be increased pursuant to a decision of the General Meeting by increased quorum and majority.

New shares issuable pursuant to a share capital increase, other than a share capital increase effected through contributions in kind, as well as in the context of the issuance of bonds convertible into shares, shall be offered on a preemptive basis to the existing shareholders at the relevant record date *pro rata* to their shareholding participation in the existing share capital, unless the preemptive rights of the shareholders have been limited or repealed by a decision of the General Meeting taken by increased quorum and majority and pursuant to the other related provisions of Greek corporate law. If and to the extent the existing shareholders do not exercise their preemptive rights within the period prescribed by the competent body of Alpha Holdings (which shall be at least 14 days), the Board of Directors can freely dispose of the unsubscribed shares.

In addition, the Board of Directors may decide to increase the share capital provided it has received within the last five years a special authorisation by the General Meeting in accordance with Greek corporate law. Again, the existing shareholders will have preemptive rights in respect of such share capital increase, unless such preemptive rights have been limited or repealed in the manner described above.

Such share capital increases constitute an amendment to the Articles of Association and are reflected therein by the Board of Directors following of each share capital increase.

Furthermore, according to the Articles of Association, where Alpha Holdings has already issued shares of more than one category and the voting rights or the profit distribution or the distribution of the product of liquidation are different for each category, it is possible to increase the share capital through shares of only one of these categories with the approval of the other categories whose rights are affected. In this case, the shareholders of the other categories shall be granted preemptive rights only following non-exercise of the said rights by the shareholders of the same category as the new shares.

Alpha Holdings may also issue preference shares with or without voting rights. The privilege granted may be to the partial or complete drawing, before the Ordinary Share, of the distributed dividend, in accordance with the resolution of the competent body on the issuance of preference shares and to the preferential return of the capital paid by the holders of preference shares from the product of capital decrease or of liquidation of corporate property, including their participation to the possible amounts above par, which have possibly been paid. Granting of other asset privileges, including the drawing of certain interest or participation by priority in the profits from a specific corporate activity, is not excluded.

The preference shares may also be issued as convertible to common ones or as preference shares of another category. The conversion shall be either mandatory, in accordance with the provisions of the Articles of Association, or implemented through the exercise of a relevant right of the shareholder provided for in the Articles of Association or in the resolution pertaining to the issuance of the shares. The terms and deadlines of the conversion are determined in the Articles of Association. The right to conversion is exercised by the preference shareholder individually after a statement to Alpha Holdings and the conversion is effective upon receipt of such statement, unless otherwise provided for by the Articles of Association.

Alpha Holding's share capital may be increased through the issuance of redeemable shares. These shares may also be issued as preference shares with or without voting rights, according to the applicable legislation. Redemption is effected by a declaration of Alpha Holding, in accordance with the resolution of the competent body on the said capital increase and is valid only upon payment of the redemption amount.

Furthermore, Alpha Holdings may acquire its own equity shares either directly or through a third person acting in its name and/or on its account, in accordance with the applicable legislation.

17.4 Rights of shareholders

The ATHEXCSD issues certificates to shareholders evidencing their capacity as shareholders and providing information on the share identification data, the number of Ordinary Shares owned, the reason for the certificate's issue as well as any possible encumbrances over Ordinary Shares. These certificates are issued by the ATHEXCSD following a shareholder's request addressed to the ATHEXCSD, either directly or through participants or registered intermediaries or other intermediaries, within the meaning of Regulation (EU) No 2014/909 ("CSDR"), Greek law 4569/2018 and the Rulebook of ATHEXCSD.

The person whose name appears in the ATHEXCSD's records will be considered to be the holder of the relevant Ordinary Shares and will benefit from the rights below.

Greek law 4569/2018 introduced the structure of omnibus securities accounts at the register of ATHEXCSD, *i.e.* accounts held by intermediaries for the benefit of end-investors (referred to as "**clients securities accounts**"). In case of shares held in clients securities accounts, the capacity of the shareholder vis-a-vis the company is evidenced through the registration of the shareholder in the books of the intermediary holding the clients securities account. Following the licensing of the ATHEXCSD under CSDR by virtue of the HCMC's Decision No. 6/904/26.02.2021 and the entry into force of the ATHEXCSD Rulebook, on 12 April 2021, clients securities accounts have become fully operational in Greece.

Furthermore, in accordance with Article 29 of Greek law 4706/2020, intermediaries are required to facilitate the exercise of the rights by the shareholder, including the right to participate and vote in general meetings, by comprising at least one of the following: (i) making the necessary arrangements for the shareholder or their proxy to be able to exercise themselves the rights; (ii) exercising the rights deriving from the shares upon the explicit authorisation and instruction of the shareholder and for the shareholder's benefit. In addition, when votes are cast electronically an electronic confirmation of receipt of the votes is sent to the person that casts the vote immediately following the general meeting. In any case, the shareholder or their proxy can obtain, upon request and within a three month deadline commencing from the date when the general meeting was held, confirmation that his votes have been validly recorded and counted by the company, unless that information is already available to the shareholder or their proxy. Where such confirmation is received by an intermediary it should be transmitted without delay to the shareholder or a third party nominated by the shareholder. Where there is more than one intermediary in the chain of intermediaries the confirmation shall be transmitted between intermediaries without delay, unless the confirmation can be directly transmitted to the shareholder or their proxy.

General rights

Each Ordinary Share incorporates rights in proportion to the percentage of the share capital which it represents. The shareholder's liability is limited to the nominal value of the Ordinary Shares it holds. Where Ordinary Shares are jointly owned, the rights of the joint owners are exercised only by their common representative. The joint owners may be held liable jointly and severally for the fulfilment of the obligations arising from the jointly owned Ordinary Shares.

Without prejudice to the special rights of the HFSF in respect of its Ordinary Shares it holds (see "*Special rights*"), each Ordinary Share incorporates all rights and obligations provided for by Greek law 4548/2018 and the Articles of Associations and in particular:

- the right to participate and vote in the General Meetings;
- the right to receive dividend from Alpha Services and Holdings' S.A. profits. For a detailed description of the relevant regulatory framework, Alpha Services and Holdings' S.A. and the Bank's dividend policy and any restrictions thereto, please see "*Dividends and Dividend Policy*". If declared, the right to receive dividend is time-barred upon the lapse of a five-year period from the end of the year during which distribution of such dividend was approved by the General Meeting;
- the right to receive out of the liquidation proceeds or capital returns the amount corresponding to the Ordinary Shares owned;
- preemptive rights in every increase of the share capital (other than through contributions in kind) and every issuance of convertible bonds, as long as the General Meeting, or the Board of Directors, as applicable, has not limited or repealed such rights;

- the right to receive copies of the financial statements and the reports of the auditors and the Board of Directors ten days before the annual General Meeting; and
- for the rights of minority shareholders, see "*Rights of minority shareholders*" below.

Special rights

For a detailed description of the special rights of the HFSF as shareholder under the HFSF Law and the Relationship Framework Agreement, please see "*Regulation and supervision of banks in Greece—Recovery and resolution of credit institutions - The HFSF—Special rights of the HFSF*" *and* "*Regulation and supervision of banks in Greece—Recovery and resolution of credit institutions - —The HFSF—The Relationship Framework Agreement*".

Rights of minority shareholders

Greek law 4548/2018 provides that upon request by shareholders representing 5% of the paid-up share capital and subject to any requirements set out therein:

- the Board of Directors shall convene an extraordinary general meeting within 45 days of service of the request;
- the Board of Directors shall include additional items to the agenda of the General Meeting already convened;
- draft resolutions proposed by such shareholders in relation to any General Meeting agenda items shall be made available to the other shareholders;
- the chairman of the General Meeting is obliged to allow one postponement of the adoption of resolutions by the General Meeting provided an adjourned meeting is convened within 20 days to reconsider the resolutions;
- the resolution of any matter included on the agenda for the General Meeting must be adopted by a roll call;
- the Board of Directors shall disclose to the annual General Meeting any amounts distributed or any other benefits granted to the directors and senior management during the course of the last two years and any agreements concluded between us and such persons;
- a competent court shall review the operations of Alpha Holdings if it is considered that actions taken by the Board of Directors violated applicable law, the Articles of Association or resolutions of the General Meeting; and
- the Board of Directors shall resolve on bringing an action against any of its members whose acts or omissions damaged Alpha Holdings.

In addition, shareholders representing 5% of the issued share capital may request the annulment of a General Meeting's decision on the grounds that the resolution was made without the required information having been made available to the shareholders, despite a relevant request.

The annulment of a General Meeting's decision may also be requested by shareholders representing 2% of the paid-up share capital, whether such shareholder(s) did not attend a General Meeting or attended and objected to the decision-making, which (decision) was taken: (i) in violation of the law or the Articles of Association; (ii) by a General Meeting not properly convened or constituted; or (iii) by abuse of the rights of the majority shareholders.

Shareholders representing 10% of the paid-up share capital may: (i) request that the Board of Directors provides them with information on the conduct of the business and the financial condition of Alpha Holdings at the General Meeting; and (ii) object to a decision of the Board of Directors, whereby Alpha Holdings is to waive or settle its claims against the directors.

Shareholders representing 20% of the paid-up share capital have the right to request a competent court to review Alpha Holdings' operations, when it is believed that it is not properly managed.

Shareholders representing 33.33% of the paid-up share capital may ask from the competent court the dissolution of Alpha Holdings provided a significant reason exists therefor which renders its continuation impossible in an obvious and permanent way.

Any shareholder may request the Board of Directors to provide to the General Meeting certain information concerning the affairs of Alpha Holdings, to the extent they are useful for the evaluation of the items on the agenda.

The Board of Directors may refuse to provide information requested by a shareholder on reasonable grounds, which must be recorded in the minutes in accordance with the law.

Rights on liquidation

Subject to the provisions of the BRRD and BRRD Law in connection with the resolution of financial holding companies, such as Alpha Holdings, in accordance with Greek law 4548/2018, Alpha Holdings may be dissolved in the following cases: (i) expiration of its statutory duration as provided by its Articles of Association; (ii) a relevant decision of the General Meeting taken by an increased quorum and majority; (iii) upon declaration of Alpha Holdings into bankruptcy; (iv) upon rejection of a bankruptcy application due to insufficiency of Alpha Holdings' assets for such procedure; or (v) a decision of the competent court following a request by any person having legal interest or by Alpha Holdings' shareholders in accordance with, and subject to, the relevant provisions of Greek law 4548/2018. A liquidation procedure will follow dissolution of Alpha Holdings.

During liquidation, the General Meeting is entitled to all rights under the Articles of Association and the applicable Greek legislation and has the authority to designate one or more liquidators who have all the rights ordinarily held by the board of directors. The board of directors will cease to exist upon the appointment of the liquidators.

Upon the passing of the resolution on liquidation, the liquidator(s) should draw up an inventory of all assets, complete all pending transactions, collect all receivables, discharge all debts and liquidate all assets to the extent necessary to discharge the company's liabilities. Following the discharge of all liabilities, the liquidator(s) should distribute any remaining assets to the company's shareholders *pro rata* to their shareholding therein.

17.5 General meetings

Pursuant to the Articles of Association and Greek law 4548/2018, the General Meeting, the supreme corporate body of a Greek *société anonyme*, is entitled to decide on any and all of its affairs. Its resolutions are binding on the Board of Directors as well as on all ordinary shareholders, including those absent from the relevant session of the General Meeting and those dissenting. Shareholders are entitled to attend the General Meeting, and vote on resolutions, either in person or through a proxy. The appointment or revocation of proxies and the relevant notification to Alpha Holdings may take place electronically through email as per the relevant General Meeting invitation.

Any natural or legal person that is indicated as a shareholder at the beginning of the fifth day before the date of the relevant General Meeting (record date) either by the ATHEXCSD (when providing registry services to the company concerned in accordance with the relevant provisions of the ATHEXCSD Rulebook) or the relevant DSS participant or registered intermediary is entitled to attend and vote at the General Meeting.

Greek law requires the board of directors to ensure that a detailed invitation to each General Meeting and all related documents and information—including, among other things, draft proposed resolutions or the board of directors' comments on each agenda item and the total number of Shares and voting rights that exist at the date of the invitation—are available to shareholders at least 20 days in advance. The invitation must include, among other things, information regarding the time and place (unless the General Meeting convenes in full with the participation of the shareholders remotely by electronic means) of the General Meeting, the agenda, instructions on how to participate and exercise voting rights, in person or by proxy, including the proxy voting procedures, the rights of minority shareholders and Alpha Holdings' website address, where information about the General Meeting required by Greek law is available.

The General Meeting is the only body competent to decide on, among other matters, (i) the extension of Alpha Holdings' duration, merger (subject to certain exemptions), conversion, revival, demerger or dissolution; (ii) amendments to our Articles of Association (subject to certain exceptions provided for in the law); (iii) increases or reductions of our share capital (except for increases authorised by the Board of Directors according to Law 4548/2018 and increases imposed by other special laws) or the issuance of bonds that are contingent on our profits or convertible bonds (unless the General Meeting has authorised the Board of Directors to approve the issuance of any such bonds); (iv) election of the members of the Board of Directors (except for replacement by the Board of Directors of any members thereof who have resigned, deceased or otherwise ceased to be directors) and statutory auditors; (v) the distribution of annual profits; (vi) the approval of the annual financial statements; (vii) any remunerations and advances thereof to board members, as well as the remuneration policy and relevant report with respect to board members and senior management; (viii) the approval of Alpha Holdings' management and release of statutory auditors from liability upon approval of the financial statements; and (ix) the appointment of liquidators.

A simple quorum for the General Meeting is met whenever shareholders holding at least 20% of our paid-up share capital are present or represented at the General Meeting. Generally, any action taken by the General Meeting requires a simple majority of the votes cast.

However, certain extraordinary resolutions by the General Meeting require an increased quorum of 50% and majority of two-thirds of the paid-up share capital to be present either in person or by proxy. Such quorum falls to 20% for the repeat session of the General Meeting with the required majority remaining at two-thirds. These extraordinary resolutions include, among other things, (i) increases or reductions of our share capital, subject to certain exemptions; (ii) a change in Alpha Holdings' jurisdiction of incorporation; (iii) a merger, demerger, conversion, extension of duration, or dissolution; and (iv) changes to Alpha Holdings' corporate object.

The holders of Ordinary Shares are entitled to receive from Alpha Holdings the annual financial statements and the relevant reports of the Board of Directors and the statutory auditors ten days before the annual General Meeting. In any case Alpha Holdings, from the date of the publication of the invitation of the General Meeting until the date of the General Meeting's session, must post on its website, among other things, all the documents that need to be submitted to the General Meeting.

17.6 Certain Greek taxation considerations

Certain Greek Taxation Considerations

*The following summary describes certain of the Greek tax consequences of the purchase, ownership and disposal of shares. It is not a complete description of all the possible tax consequences of such purchase, ownership or disposal and does not touch upon procedural requirements such as those relating to the issuance of a tax registration number or the filing of a tax return or the documentation which may be required in order to obtain a tax exemption or reduction. This summary is based on the laws in force and as applied in practice on the date of this Prospectus and is subject to changes to those laws and practices subsequent to the date of this Prospectus, whether or not such changes or amendments have retroactive effect. The legal and administrative framework of Greek fiscal policy is continuously shifting and the application by the tax administration of recent amendments affecting some of the matters discussed below has not yet been tested. With respect to income taxation, in particular, since the reform of the Greek Income Tax Code (by virtue of Law 4172/2013, effective as of January 1, 2014, as amended from time to time, the "**Income Tax Code**", or "**ITC**") limited precedent or authority exists and there are still certain matters dealt with herein that remain subject to interpretations. The ITC is regularly under review and various of its provisions may be amended in the near future. Potential investors should consult their own advisors as to the tax consequences of the acquisition, ownership and disposal of shares in light of their particular circumstances, including the effect of any other national laws. Individuals (natural persons) are assumed not to be acting in a business-professional capacity.*

Taxation of Dividends

Dividends distributed, whether in cash or in the form of shares, are subject to withholding tax at a rate of 5% (article 64(1) ITC). This 5% withholding tax operates as follows:

- Tax treatment of a shareholder who is an individual (natural person)
    - Income thus received by the shareholder who is an individual is not subject to further personal income tax in Greece, irrespective her/his tax residence (article 36 ITC).
- Tax treatment of a shareholder that is a legal person or legal entity
    - If the shareholder is a Greek or EU legal person, which meets the requirements of the EU Parent Subsidiary Directive ("PSD"), that is, such shareholder: (i) holds at least 10% of the Issuer's capital or voting rights for at least 2 consecutive years, (ii) has one of the legal forms listed in the Annex of the PSD, (iii) is tax resident of an EU member state and not a tax resident of a non-EU country in accordance with the relevant double taxation treaty ("DTT"), and (iv) is subject to a tax mentioned in the Annex of the PSD at its state of residence without the possibility of election or exemption, then such shareholder (referred to as an "EU PSD associate legal person") can be exempt from the 5% withholding tax, on condition that it files with the Bank the documentation for the exemption. Moreover, in the event that the shareholder is a Greek legal person, such shareholder can be treated as an EU PSD associate legal person, if it has any of the legal forms mentioned in Guidelines POL. 1039/2015 (article 48 and article 63 ITC).
    - If the shareholder is a legal person or a legal entity resident, for tax purposes, in a foreign (non-Greek) country which does not maintain a permanent establishment in Greece to which the shares are attributable, other than an EU PSD associate legal person, the 5% withholding tax exhausts the Greek income tax liability of such shareholder in respect of the dividend (article 64(3) ITC).

- If the shareholder is a legal person or a legal entity resident for tax purposes in Greece, other than an EU PSD associate legal person, or a permanent establishment in Greece to which the shares are attributable of a foreign (non-Greek) entity, the 5% withholding tax does not exhaust the Greek income tax liability of such shareholder and the dividend is subject to tax at the standard rate, while the shareholder may benefit from a tax credit (article 64(4) and article 68(3) ITC).

- Double Tax Treaty (DTT)

    - If the shareholder is an individual or a legal person or legal entity resident, for tax purposes, in a foreign (non-Greek) country with a DTT with Greece, other than an EU PSD associate legal person, effective withholding may be limited to the rate specified in the relevant DTT, on condition that such shareholder does not have a permanent establishment in Greece to which the shares are attributable and files with the custodian the appropriate application and standard form tax residence certificate.

    - The United States' DTT with Greece provides no exemption from or reduction of Greek tax with respect to dividends.

- Collective investment undertakings

    - Undertakings for Collective Investment in Transferable Securities ("UCITS") established in Greece or in another EU or EEA member state are exempt from the 5% withholding tax (article 46(c) ITC).

    - An exemption from the 5% withholding tax applies also in respect of the Greek investment entities having the legal form of an AEEX (Portfolio Investment Company - article 46(c) ITC).

Taxation of Capital Gains from the Sale of Shares

Gains arising from a sale of listed shares, such as the New Shares, are, in principle, subject to income tax in Greece which is borne by the seller, subject to certain exceptions. Generally, the taxable capital gain equals the positive difference between the consideration received from the disposal of the shares, such as the New Shares, and the acquisition price of same shares. For purposes of calculating the taxable gains, any expenses directly linked to the acquisition or sale of the shares are added to the acquisition price and, respectively, deducted from the sale price. More specifically:

- Tax treatment of a seller that is a legal person or a legal entity

    - A seller being a legal person or a legal entity which neither resides, for tax purposes, in Greece nor maintains a permanent establishment in Greece to which the shares are attributable is exempt from Greek tax on the gains arising from a sale of listed shares, such as the New Shares, on the basis of the Greek domestic tax law provisions, as no income is deemed to have been generated in Greece. Separately and additionally, an exemption from the Greek tax may be also sought on the basis of a DTT between Greece and the state of tax residence of such a seller, on condition that said seller files with the custodian the appropriate standard form tax residence certificate. Because Greek tax law treats gains arising from the sale of listed shares as business income, the United States' DTT with Greece provides for an exemption from Greek income tax in this context if the selling entity does not maintain a permanent establishment in Greece.

    - For a seller that is a legal person or a legal entity residing, for tax purposes, in Greece or maintains a permanent establishment in Greece to which the shares are attributable, the gain arising from the sale of listed shares is considered as ordinary business income and is taxed via the annual corporate income tax return at the rate of 22% as per Law 4799/2021 recently voted by the House of Parliament and in force. Credit institutions which have been submitted in the scope of the DTA Framework (for more information, see "*Deferred Tax Assets (DTAs)*") are taxed at 29%. In any event, if the final annual tax result is a loss, such a loss is carried forward for five (5) years according to the general provisions.

    - If the seller is a legal person residing, for tax purposes in Greece, such seller can be exempt from the Greek corporate income tax on the gains arising from a sale of shares, such as the New Shares, if such seller holds at least 10% of the issuer's capital or voting rights for at least 2 consecutive years (article 48A ITC). For such a seller, the exemption from the Greek corporate income tax is final.

- Tax treatment of a seller who is an individual (natural person)
    - An individual is subject to Greek income tax on the gains from a sale of listed shares, such as the New Shares, only if the individual participates in the share capital of the Issuer with a percentage of at least 0.5%. The remainder of this section assumes that the individual so participates. Accordingly:
    - An individual who is a tax resident of Greece will be subject to Greek income tax on the gain at a flat rate of 15%. For the calculation of the gain, the critical date is the date of the settlement of the transactions. This 15% tax exhausts the Greek income tax liability of such a seller in respect of said revenue. In case the sale transaction generates a loss, the loss may be carried forward for five (5) years and may be set off against gains realised in the context of similar transactions only, that is, indicatively, gains from a sale of listed shares etc. (article 42 ITC).
    - A seller who is an individual being a resident, for tax purposes, in a foreign country having a DTT with Greece is exempt from Greek income tax on the gains realised from the sale of listed shares, on condition that such individual files with the custodian the appropriate tax residence certificate.
    - A seller who is an individual being a resident, for tax purposes, in a foreign country which does not have a DTT with Greece, will be subject to Greek income tax in the same manner as a Greek tax resident individual; accordingly, such a seller will have to file a Greek annual return. According to the Greek Ministry of Finance, if said seller resides in a "non-cooperative" jurisdiction or state (i.e. a non-EU member state which: (i) has not concluded a treaty for administrative assistance in tax matters with Greece or has not signed the OECD Convention on mutual administrative assistance in tax matters, (ii) has not committed to the automatic exchange of financial information starting from 2018 at the latest, (iii) has been assessed, in respect of its status, by the OECD and has not been classified as "largely compliant"), the tax which is chargeable on the gain is payable before the transfer of the shares via the filing of a special tax return; the procedure and the details for such filing have not been determined yet.

Transaction Tax

In addition to capital gains tax, where applicable, the sale price from the sale of listed shares is taxed at a rate of 0.2%. The tax is imposed both to on-market and OTC sales of such shares. The tax is borne by the seller, whether a Greek tax resident or not. ATHEXCSD charges the 0.2%, daily upon settlement, on the investment firms and credit institutions which act as custodians settling share sale transactions on behalf of the sellers (Guidelines POL. 1056/2011 and article 9(2) law 2579/1998 as in force).

Moreover, pursuant to the ATHEXCSD regulations, each of the transferor and the transferee is charged with transaction costs : (i) at 0.08% for over the counter transactions due to sale, donation/parental benefit, benefit in kind to executives/shareholders and tender offer, ; (ii) at 0.0325% (minimum EUR 20) for any transactions via market participants, in connection with the settlement of a transfer of shares listed on the ATHEX, as well as with a freely negotiable commission to the brokers.

According to Law 4799/2021 recently voted by the House of Parliament and in force, the procedure for the collection of the 0.2% transaction tax changes so as to also refer to omnibus accounts. Furthermore, it is provided that, if the shares are held via an omnibus account and settled outside the central securities depository, in the event that the 0.2% transaction tax is not paid or is not timely paid, then such 0.2% and the respective interest and fines can be assessed to the participant or/and to any other intermediary or registered intermediary who may be involved in the relevant share sale transactions.

Transaction Tax on the Lending of Shares

The 0.2% transaction tax is also imposed on OTC lending of shares listed on the ATHEX, such as the New Shares. Such 0.2% is calculated on the value of the shares which are lent and is borne by the lender, whether a Greek tax resident or not (article 4(4) Law 4038/2012).

Stamp Duty

The issuance and transfer of shares, the payment of dividends therefrom as well as the shares lending transactions are exempt from stamp duty in Greece.

Inheritance / Succession and Donation Taxes

The acquisition of listed shares on the ATHEX due to donation or inheritance is subject to tax at a progressive rate which is dependent (a) on the degree of relationship between donor-donee or deceased-heir, (b) the value of the gift or estate and (c) the value of previous gifts from the donor or deceased (article 29 of Greek Law 2961/2001). The value of the gift or estate is calculated on the day preceding the date of donation or death (article 12 of Greek Law 2961/2001). Such tax is also levied on persons who are not Greek tax residents, subject to any exemption under the provisions of a limited number of tax treaties for the avoidance of double inheritance taxation and under the condition of reciprocity.

Solidarity Levy

The overall net income of an individual (natural person) which is reported in an annual personal Greek income tax return and exceeds EUR 12,000 is subject to an annual levy called a solidarity levy (*εισφορά αλληλεγγύης*). The rate of the solidarity levy rises progressively from 2.2% to 10% and is calculated with reference to both taxable and tax exempt income (article 43A ITC). According to Guidelines of the Independent Authority for Public Revenue E.2009/2019 and Decision no. 2465/2018 of the Council of State, the solidarity levy is not imposed on income generated in Greece and acquired by a non-Greek tax resident when Greece is not entitled to impose tax to this type of income on the basis of a DTT. Accordingly, a non-Greek tax resident may be exempt from, or be entitled to a credit for, the solidary levy pursuant to the provisions of an applicable DTT. Greek Law 4799/2021 published in the Official Gazette no. A78/18-05-2021, provides for an exemption from the solidarity levy in respect of individual holders of the New Shares for year 2021.

18 TERMS AND CONDITIONS OF THE SHARE CAPITAL INCREASE AND PUBLIC OFFERING

18.1 Share Capital Increase and the Public Offering

Resolutions of the General Meeting held on 15 June, 2021

The Extraordinary General Meeting of our shareholders (the "*EGM*") that took place on 15 June, 2021, resolved the following:

1. Approved the raising of common share capital (the "*Share Capital Increase*") amounting up to €0.8 billion, through payment in cash, the abolition of preemption rights and the issuance of new common, registered, voting, dematerialized shares, each of nominal value of €0.30 (the "*New Shares*"). The final number of the New Shares will be equal to the quotient of the final amount to be raised through the Share Capital Increase, divided by the offer price of each New Share. No fractions of New Shares shall be issued. Any amount above the nominal value per New Share to be subscribed will be credited to the above par reserve of the Company.
2. The Board of Directors was authorized, pursuant to the provisions of article 25, par. 2 of Law 4548/2018, to determine the offer price of the New Shares (the "*Offer Price*") which cannot be less than the nominal value of €0.30, based on the results of a book building process to be conducted by a syndicate of international investment banks.
3. The subscription period for the Share Capital Increase shall be up to four (4) months commencing as of the resolution of the Board of Directors, which shall determine the Offer Price.
4. That the New Shares be:
   a) offered in Greece, to retail and qualified investors in the context of an offer to the public (the "***Public Offering***") within the meaning of point (d) of article 2 of Regulation (EU) 2017/1129 of the European Parliament on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the "***Prospectus Regulation***"), the applicable provisions of Law 4706/2020 and the implementing decisions of the Board of Directors of the Hellenic Capital Markets Commission ("***HCMC***") and

   b) placed outside of Greece, to qualified, institutional and other eligible investors, in the context of a private placement book building process, in reliance on one or more exemptions from the requirement to publish a prospectus under the Prospectus Regulation and/or other applicable national laws, including in the United States under Rule 144A (the "***Institutional Placement***" and jointly with the Public Offering the "**Combined Offering**").

5. That the Public Offering and the Institutional Placement will run in parallel. The Board of Directors shall be authorized to determine the amount of the Share Capital Increase to be offered through the Public Offering and placed through the Institutional Placement.
6. That existing shareholders participating in the Institutional Placement or the Public Offering shall be given a priority allocation (the "**Priority Allocation**"), which will be determined by the Board of Directors taking into account market conditions, provided the below criteria are complied with:
   a. Existing shareholders participating in the Public Offering will be given a Priority Allocation of the New Shares to be allocated in the Public Offering. The Priority Allocation in the Public Offering will be, at least, equal with the existing shareholder's percentage of participation in the share capital of the Company (based on the ATHEXCSD electronic records), as at a record date to be determined by the Board of Directors, as such percentage of participation will be increased and adjusted to take into account the aggregated amount of the New Shares offered in Share Capital Increase, so that at least the same percentage participation in the share capital is retained post-Share Capital Increase;

   b. Existing shareholders participating in the Public Offering will not be given any allocation in the Institutional Placement and vice versa;

   c. The same Priority Allocation will be given over the New Shares, to be placed through the Institutional Placement, to existing shareholders who are qualified and/or institutional and/or other eligible investors (including the HFSF), participating in the Institutional Placement and

   d. New Shares not subscribed in the Public Offering or the Institutional Placement, will be allocated at the discretion of the Board of Directors, taking into account the view of the Global Coordinators and Bookrunners in relation to long-term, "buy and hold" investors.

7. The net amount of the Share Capital Increase (i.e. the total amount of the Share Capital Increase less the issuance expenses) will be applied for the purpose of further enhancing the capital adequacy ratios of the Company and its group of companies, in the context of facilitating the execution of its announced growth strategy.
8. Application for the admission to trading of the New Shares on the Main Market of the ATHEX shall be submitted after the completion of the Combined Offering and payment of the subscription funds of the Share Capital Increase. The New Shares shall be entitled to receive dividend for the financial year of 2021 and onwards, subject to all applicable laws.
9. Amendment of article 5 of our Articles of Incorporation as a result of the Share Capital Increase
10. In case the Share Capital Increase is partially subscribed for, the share capital will be increased, pursuant to article 28 of Law 4548/2018, up to the amount actually subscribed for, and
11. The Board of Directors was authorized to complete the missing details in the articles of the Articles of Association under amendment pursuant to the results of the Share Capital Increase, determine any other matter of the Share Capital Increase and the Combined Offering of the New Shares within the context of the present EGM resolution and proceed with any necessary action, deed or juridical act for the purposes of implementing the Share Capital Increase.

Resolutions of the Board of Directors held on 24 June 2021

By virtue of the authority given to it pursuant to the resolution of the General Meeting held on 15 June 2021, our Board of Directors approved, among other matters, the following at its session held on 24 June 2021:

1. The Offer Price be determined by the Board of Directors on the basis of the outcome of an international bookbuilding process, to be run by the Joint Global Coordinators and will be the same for the whole of the Combined Offering, subject however to a maximum price of €1.2 (the "Maximum Price"), as such Maximum Price derived from the investor feedback in meetings organized by the Joint Global Coordinators.
2. The record date for the Combined Offering be set at 28 June, 2021 (the "Record Date").
3. The period of the Public Offering be set at three (3) business days, starting on 28 June, 2021 and ending on 30 June, 2021 and shall run in parallel with the Institutional Placement. No subscription interests in the Public Offering will be accepted after 16:00pm Athens time on the last day of the Public Offering.
4. The procedure for subscribing for New Shares in the Public Offering, as further described below under "Procedure for the Public Offering of the New Shares".
5. The rules for allocating New Shares subscribed for by Retail Investors and Qualified Investors, as further described below under "Allocation".

General information on the Share Capital Increase

By virtue of HFSF letter dated 23 May, 2021 addressed to the Bank, HFSF communicated, its intension to participate in the contemplated Share Capital Increase up to its current shareholding namely 10.94% in line with the HFSF Law.

Additionally, Paulson & Co Inc. (on behalf of the investment funds managed by it), declared to the Board of Directors by virtue of a letter, dated 15 June, 2021 its intention to subscribe for its 5.6% pro rata share of the offering, in accordance with the priority allocation mechanism.

The New Shares shall be entitled to receive dividend for the financial year of 2021 and onwards, subject to all applicable laws (please see "Financial Information Concerning the Issuer's Assets and Liabilities, Financial Position and Profits, and Losses—Dividends and dividend policy").

Alpha Holdings declares that it has complied with all legal procedures regulating the convening and conduct of the extraordinary general meeting of 15 June 2021, which, inter alia, approved the Share Capital Increase and undertakes to comply with the legal procedures applicable to its Share Capital Increase, and that for any additional relevant information Alpha Holdings will inform the investors, the HCMC and the ATHEX.

According to the decision No. 26/17.07.2008 of the Board of Directors of the ATHEX, as in force, the price of the existing Ordinary Shares will not be adjusted as a result of the Share Capital Increase with the abolition of the pre-emption rights of its existing shareholders.

General Information on the Share Capital Increase	
Number of existing shares	1,545,981,097

Nominal value per Ordinary Share	€0.30
Maximum Price	€1.2
Issue of New Shares with abolition of the preemption rights of the existing shareholders	At least 666,666,666
Total number of Ordinary Shares after the Share Capital Increase	2,212,647,763
Proceeds raised through the Share Capital Increase	Up to €800,000,000

18.2 Procedure for the Combined Offering of the New Shares

The Public Offering in Greece is addressed to both Retail Investors and Qualified Investors.

The participation in the Public Offering by the same natural or legal person simultaneously under the capacity of both Retail Investor and Qualified Investor, is prohibited. If an investor subscribes in the Public Offering both as a Qualified Investor and a Retail Investor, such investor shall be treated as a Retail Investor, with the exception of subscriptions submitted through DSS Participants for the same omnibus securities' depository accounts in both categories of investors.

Investors' attention is drawn to the subscription application for New Shares, which must include the number of the Investor Share, the Securities Account and the code number of the DSS Participant, and if any of these numbers is erroneous, the investor shall be excluded from the allocation of New Shares.

Investors in the Public Offering shall subscribe for New Shares at the Maximum Price.

The value of the investors' participation in the Public Offering will be equal to the product of the number of the subscribed New Shares multiplied by the Maximum Price.

Each investor, including existing shareholders, subscribing in the Public Offering shall subscribe for at least one New Share and for integral multiples thereof, up to the amount of the Share Capital Increase, namely up to Euro 0.8 billion. If an existing shareholder submits a subscription application for New Shares in excess of such shareholder's percentage of participation in the share capital of the Company as at the Record Date (oversubscription), then Priority Allocation (as presented below) will be given to such shareholder up to such shareholder's *pro rata* participation in the share capital and not for the excess.

Upon completion of the Public Offering, all subscriptions for New Shares as in force at that moment shall be considered final.

If, following the end of the Public Offering, more than one subscriptions made by or on behalf of the same natural or legal person are detected based on the DSS data or Alpha Bank detects multiple subscriptions, all such subscriptions shall be consolidated and treated as a single subscription.

Investors subscribing for New Shares shall bear no costs and taxes for the registration of the New Shares allocated to them with their Investor Share and Securities Account.

The Public Offering and the subscription of the interested investors shall last three business days.

Investors shall be informed of the commencement and expiry date of the Public Offering, as well as of any other details about the aforementioned procedure through the publication of the respective announcement-invitation addressed to investors, in accordance with the Prospectus Regulation and Delegated Regulation (EU) 979/2019.

It is noted that, following the certification by the Board of Directors of Alpha Holdings that the funds in respect of the Share Capital Increase have been paid in full and registration thereof with the General Commercial Registry, the revocation of the Share Capital Increase shall be no longer possible for any reason.

The New Shares will be delivered to the investors entitled thereto in dematerialised form by registration thereof with their Investor Share and Securities Account held in the DSS which will have been provided by such investors.

General remarks on the offering of the New Shares through the Public Offering

Retail Investors may subscribe for New Shares in the Public Offering from the first until 16:00 Greek time, of the last day of the Public Offering period, by submitting a relevant subscription application during normal business days and hours through the branches of Alpha Bank S.A., as well as through their DSS Participants (investment firms or banks' custody).

Retail Investors who subscribe for New Shares through Alpha Bank's branches will be required to present their identification card or passport, their tax registration number and a print-out of their DSS data setting out their Investor Share and Securities Account. If Retail Investors do not already hold a deposits account with Alpha Bank, they will also be required to furnish a copy of their most recent tax clearing statement (in Greek "εκκαθαριστικό").

The subscription applications of the interested Retail Investors shall be acceptable, provided that an amount equal to their total subscription has been deposited to the Share Capital Increase Account, or, an amount equal to such subscription has been blocked at any of their deposits accounts held with Alpha Bank Bank of which they are beneficiaries or co-beneficiaries.

The subscription applications of the Retail Investors shall be acceptable only if the interested investors are the beneficiaries or co-beneficiaries of the accounts from which they subscribe.

According to the HCMC's Circular No. 32/28.06.2007, every Retail Investor who is a natural person may subscribe to the Public Offering may subscribe in the Public Offering either through their individual investor share in the DSS or through one or more joint investor shares in the DSS (the "***JIS***"), in which they are co-beneficiaries of such JIS, or through omnibus accounts of their DSS Participant (credit institution or investment firm). All subscriptions shall be reviewed so that each investor who is beneficiary of an individual DSS account and co-beneficiary of another JIS, or of an omnibus account, receives New Shares in only one of such accounts (individual, JIS or omnibus). In the event that any investor subscribes for New Shares either through an individual account, omnibus account and a JIS or through more than one JIS, as co-beneficiary, the total amount of all these subscriptions shall be treated as one and a single subscription by the same investor.

Following completion of the Combined Offering, including the determination of the final number of New Shares and the allocation per investor, any funds deposited or blocked as above and not applied for the subscription of New Shares, shall be returned, interest free, to the investor or unblocked, as the case may be.

Procedure for the offering of the New Shares through the Public Offering to Qualified Investors

Qualified Investors may subscribe for New Shares in the Public Offering from the first until 16:00 Greek time, of the last day of the Public Offering period by submitting a relevant subscription application exclusively through their DDS Participants (investment firms or banks' custody).

The subscription applications of the interested Qualified Investors shall be acceptable provided that an amount equal to their requested participation has been deposited to the SCI Account.

During the Public Offering period, Qualified Investors shall be entitled to amend their subscriptions and each subscription shall be deemed to cancel the preceding ones.

On the last day of the Public Offering period, all subscription in force at that time shall be considered final.

Following completion of the Combined Offering, including the determination of the final number of New Shares and the allocation per investor, any funds deposited as above and not applied for the subscription of New Shares, shall be returned, interest free, to the investor.

18.3 Allocation

General Information – Priority Allocation

1. Existing Shareholders participating in the Public Offering or the Institutional Placement and requesting for Priority Allocation for their shareholding participation in the Company as at the Record Date should :
   a. Appear with the relevant shareholding participation, in the ATHEXCSD electronic records as shareholders of the Company as of the Record Date (i.e. trades should have settled at that point in time); and/or
   b. In case they hold shares in the Company through intermediary/ies (in the sense of article 26 par. (b) of Law 4706/2020 (transposing into Greek law article 1 element 2 of Directive 2017/828)) deliver certificate(s)

issued by such intermediary/ies, evidencing the exact number of shares, held in the Company through such intermediary/ies, as of the Record Date,

In any case, produce evidence as needed to the Board of Directors' satisfaction in order to receive Priority Allocation.

2. Any Priority Allocation will only be applicable for those orders that have been placed at, or above, the Offer Price.
3. Priority Allocation shall be given based on shareholding structure on the Record Date, to existing shareholders participating either in the Public Offering or the Institutional Placement. The Company shall closely monitor its shareholding structure between the Record Date and the completion of the Combined Offering, in order to preserve Priority Allocation for Existing Shareholders in line with their participation until the Combined Offering completion.
4. The New Shares will be initially allocated between the Public Offering and the Institutional Placement as follows, namely 20% of the New Shares will be allocated to the Public Offering and 80% of the New Shares to the Institutional Placement. New Shares allocated to but not subscribed for in the Public Offering, may be reallocated to investors in the Institutional Placement, if demand for New Shares in the Public Offering is less than the amount of New Shares initially allocated thereto, and vice versa. Same applies for reallocations to preserve the Priority Allocation rule in both the Public Offering and Institutional Placement.
5. The Board of Directors reserves the discretion to reject subscription applications and change the above allocation based on the results of the Combined Offering and the number of New Shares subscribed in each part of the Combined Offering, subject always to the Priority Allocation for existing shareholders described above.
6. If an existing shareholder submits a subscription application for New Shares in excess of such shareholder's percentage of participation in the share capital of the Company as at the Record Date (oversubscription), then Priority Allocation will be given to such shareholder up to such shareholder's pro rata participation in the share capital, as described above, and not for the excess
7. The exact number of New Shares that will be allocated to Qualified and retail investors subscribing in the Public Offering, will be determined at the end of the Public Offering, based on the demand for New Shares expressed in the Public Offering by each such category of investors.
8. Any New Shares not subscribed by existing Shareholders pursuant to Priority Allocations will be allocated at the discretion of the Board of Directors after the completion of the Combined Offering, taking into account the view of the Global Coordinators and Bookrunners in relation to pricing levels, demand from long-term, "buy and hold" investors and trading activity post the Record Date.
9. If the Public Offering is subscribed for in part, Retail Investors and Qualified Investors will be allocated all (100%) New Shares subscribed for by them.
10. Allocation of New Shares in the Public Offering will not be dependent upon the manner or the financials intermediary subscription applications have been submitted.
11. Delivery of New Shares will be completed through the final registration thereof with the Investor Share and Securities Account of the Retail Investors and Qualified Investors entitled thereto. Such registration will be made following completion of the relevant processes and the exact date thereof will be publicly announced by Alpha Holdings through the ATHEX at least one business day prior to the commencement of trading of the New Shares on the ATHEX.

18.4 Withdrawal right

If a supplement to this Prospectus is published in accordance with Article 23 of the Prospectus Regulation, investors who subscribed for New Shares will have the right to withdraw their subscription made prior to the publication of the supplement within the time period set forth in the supplement (which shall not be shorter than three business days after the publication of the supplement).

18.5 Underwriting

Alpha Bank S.A. (40 Stadiou Street, 102 52 Athens, Greece) acts as Lead Underwriter in connection with the Public Offering. However, the Lead Underwriter assumes no liability if the Public Offering is aborted or the New Shares are not so admitted to trading, in each case whether due to a cause attributable to Alpha Holdings or otherwise.

Alpha Holdings will pay a fee to the Lead Underwriter in consideration for the Underwriter services amounting to approximately €1 million.

All costs and expenses for the provision of the Lead Underwriter's services are included in the overall costs and expenses relevant to the Share Capital Increase and will be paid out of the net proceeds of the Combined Offering.

The Lead Underwriter has undertaken to distribute and place the New Shares in the Public Offering without a firm commitment. All matters relevant to the underwriting services and process are set forth in an underwriting agreement to be entered into on or about 24 June 2021 between Alpha Holdings and the Lead Underwriter (the "Underwriting Agreement").

If not all of the New Shares allocated in the Public Offering are subscribed for by investors, the Lead Underwriter is not required to subscribe and pay for any unsubscribed New Shares, as the Lead Underwriter has undertaken only to distribute and place New Shares to investors in Greece.

The Lead Underwriter will not perform transactions to stabilise the market price of the New Shares following the commencement of trading thereof on the ATHEX.

Information on the Underwriting Agreement

Under the Underwriting Agreement, the Lead Underwriter has also undertaken to ensure the due and timely payment of the offering price for the New Shares allocated to investors in the Public Offering. The Lead Underwriter is fully and solely responsible to secure that investors subscribing for New Shares in the Public Offering through either the Lead Underwriter or other financial intermediaries, have actually paid the funds in connection with their subscriptions.

The Lead Underwriter is entitled to terminate the Underwriting Agreement upon the occurrence of certain events, including, indicatively, the following and in accordance with the specific terms of such agreement:

(a) If the Issuer becomes bankrupt or other otherwise insolvent, or if resolution, insolvency, rehabilitation or other similar proceedings have commenced against the Issuer.

(b) If there occur economic or other events in Greece or internationally adversely affecting the Issuer and/or the success of the Public Offering, such as, without limitation, adverse financial, political or other developments in Greece or internationally or the international capital markets, or changes or prospective changes to the Greek or international political or financial conditions, strikes or disruption of banking activities, or adverse changes affecting the Issuer and its financial condition in particular, or other events which, in the reasonable opinion of the Lead Underwriter, may have a material adverse effect on the success of the Public Offering and/or the trading of the New Shares on the ATHEX upon commencement thereof.

(c) If certain force majeure events occur, as those are defined in the Underwriting Agreement, consisting of events which could not be predicted and fall outside the control of the Lead Underwriter, including natural disasters, calamities, acts of terrorism, an outbreak or escalation of hostilities, pandemic or a state of emergency in Greece or internationally. If any of these force majeure events occurs, the rights and obligations of the parties under the Underwriting Agreement will be deemed suspended for as long as any such event persists. If a force majeure event occurs prior to or after the commencement of the Public Offering, the Lead Underwriter may terminate the Underwriting Agreement without prior notice and with no liability.

(d) If the Issuer breaches any of its obligations, undertakings or statements under the Underwriting Agreement, or if any of its statements included in this Prospectus proves to be false, inaccurate or misleading.

(e) If the admission of the New Shares to trading on the ATHEX is not approved or the Public Offering is aborted for any reason whatsoever.

19 ADMISSION TO TRADING AND DEALING ARRANGEMENTS

The existing Ordinary Shares are traded, and application shall be made for the New Shares to be admitted to trading, on the Main Market of the Regulated Securities Markets of the ATHEX under the symbol "ALPHA".

The date for the commencement of trading of the New Shares will be determined by Alpha Holdings and publicly announced at its website and the website of the ATHEX. Dealings on the New Shares will be made electronically through the trading system of the ATHEX and over-the-counter, if so permitted by the applicable provisions of the law and the rules of the ATHEX.

Registration of the New Shares in book-entry form with the DSS and the keeping of the electronic record for all Ordinary Shares, including the New Shares, is made by the ATHXCSD, as administrator of the DSS, in accordance with the DSS Regulation and the enabling decisions of the DSS, as in force from time to time. Clearing of market transactions in Ordinary Shares, including the New Shares, will be made by the ATHEXClear in accordance with the regulation on clearing of transferable securities in book-entry form.

Set out below is the expected indicative timetable for the Public Offering and the admission of the New Shares to trading on the ATHEX:

Date	**Event**
15 June 2021	Extraordinary General Meeting resolution to approve the Share Capital Increase and authorize the BoD to determine the price and the terms of the Share Capital Increase.
24 June 2021	Approval of the Maximum Price and the terms of the Share Capital Increase by the Issuer's Board of Directors—Announcement of the Maximum Price.
25 June 2021	HCMC approval of the Prospectus.
25 June 2021	Publication of the Prospectus on the Issuer's, Lead Underwriter's, HCMC's and ATHEX's website.
25 June 2021	Publication of announcement regarding the availability of the Prospectus in the Daily Statistical Bulletin of the ATHEX and on the Issuer's website.
25 June 2021	Publication of the announcement for the invitation of the investors and the commencement of the Public Offering.
28 June 2021	Commencement of the Public Offering.
30 June 2021	End of the Public Offering.
01 July 2021	Publication of the announcement regarding the final offering price in the Daily Statistical Bulletin of the ATHEX and on the Issuer's website.
6 July 2021	Publication of a detailed announcement concerning the outcome of the Public Offering in the Daily Statistical Bulletin of the ATHEX and on the Issuer's website.
9 July 2021	ATHEX approval regarding the admission of the New Shares to trading.*
9 July 2021	Publication of the announcement stating the trading commencement date of the New Shares in the Daily Statistical Bulletin of the ATHEX and on the Issuer's website.
13 July 2021	Commencement of trading of the New Shares.

** Subject to the competent ATHEX committee meeting on that date.*

Investors should note that the above timetable is indicative and subject to change, in which case Alpha Holdings will duly and timely inform the investors pursuant to a public announcement.

The admission of the New Shares to trading is subject to ATHEX approval which is given following the submission of the required supporting documentation and inspection thereof by the ATHEX.

20 EXPENSE OF THE ISSUE/OFFER

The total net proceeds and the total expense of the Share Capital Increase through the Combined Offering are estimated as follows:

Description of Estimated Total Net Proceeds and Total Expenses(1)	Amount in € millions
Legal fees	4.0
Fees of the statutory auditors	0.5
Financial advisers' fees	33.0
Lead Underwriter's fees	1.0
ATHEX and ATHEXCSD rights	0.6
HCMC's fees	0.2
HCC's fees	0.2
Capital raise tax	2.0
Other expenses	1.0
Total Expenses	**42.5**
Gross Proceeds	**800**
Net Proceeds	**757.5**

(1) Amounts have been calculated at the Maximum Price.

No costs will be charged to investors by Alpha Holdings.

The amounts presented in the table above constitute estimates.

21 DILUTION

The table below sets out Alpha Holdings' shareholding structure before the Share Capital Increase:

Shareholders	Number of shares	% percentage
HFSF (1)	169,174,167	10.9%
Paulson & Co. Inc. (2)	86,738,025	5.6%
Schroders Plc (2)	80,814,063	5.2%
Other Shareholders <5%	1,209,254,842	78.2%
Total	**1,545,981,097**	**100.0%**

(1) Shareholders' register
(2) Number of shares as communicated to the Issuer by the shareholder

The table below sets out Alpha Holdings' shareholding structure after the Share Capital Increase, taking into account (a) the statement made by the HFSF and Paulson & Co. Inc. (see *"Major Shareholders"*) and (b) the Maximum Price:

Shareholders	Number of shares	% percentage
HFSF (1), (3)	242,126,403	10.9%
Paulson & Co. Inc. (2), (3)	124,141,684	5.6%
Schroders Plc (2)	80,814,063	3.7%
Other share capital increase shareholders (4)	556,310,771	25.1%
Pre-Share Capital Increase - Other Shareholders < 5%	1,209,254,842	54.7%
Total	**2,212,647,763**	**100.0%**

(1) Shareholders' register
(2) Number of shares as communicated to the Issuer by the shareholder
(3) Assuming participation of 10.9% of the HFSF and 5,6 % of Paulson & Co Inc. in the Combined Offering, i.e. up to their current shareholding.
(4) Refers to investors that will participate in the Combined Offering (including Priority Investors and excl. HFSF and Paulson & Co Incl.)

Net asset value per share

As at 31 March 2021 and at 31 December 2020, the net asset value per share amounted to €5.17 and €5.39 respectively. After the Share Capital Increase, the net asset value per share will stand at €3.95 (assuming that the final offering price for the New Shares will be the Maximum Price. Net asset value per share is calculated as the Group's total equity attributable to equity holders as at 31 March 2021 (excluding the total expense of the Share Capital Increase) divided by the total number of shares.

22 PROFIT FORECASTS

This Prospectus includes certain information relating to our targets for financial performance for the period up to 2024, assuming the successful and timely execution of our Updated Strategic Plan. These targets are deemed to be profit forecasts for purposes of the Prospectus Regulation. These forecasts represent our targets for short and medium-term financial performance. The execution of our Updated Strategic Plan, and the achievement of the targets represented by these profit forecasts, are subject to significant risks and uncertainties (See "*Risk Factors— Risks relating to our business—* "*We may not be able to reduce our NPE levels in line with our targets or at all, or grow our interest and fee income in line with our targets, or at all, which may materially impact our financial condition, capital adequacy or results of operations.*" and "*We may be unable to successfully deliver the non-organic business development and capital-generating measures envisaged in our Updated Strategic Plan, which may adversely affect our business, capital adequacy, financial condition and results of operations.*", and *Risk Factors - Risks relating to the macroeconomic and financial developments in the Hellenic Republic* - "*Uncertainty resulting from the Hellenic Republic's financial and economic crisis has had and is likely to continue to have a significant adverse impact on the Group's business, financial condition, results of operations and prospects.*" And "*The COVID-19 pandemic has impacted and is expected to further adversely impact the Group's business, its customers, contractual counterparties and employees.*").

This section includes certain targets for financial performance for the period up to 2024 concerning the Alpha Holdings' plans, objectives, goals, strategies, future operations and performance and the assumptions underlying these targets. Such targets are expressed in numbers or percentages, setting by approximation the relevant financial performance target. Alpha Holdings has based these targets on the current view of its management with respect to future events and financial performance. Although the Alpha Holdings believes that the expectations, estimates and projections reflected in its targets are reasonable as of the date of this Prospectus, if one or more of the risks or uncertainties materialises, including those identified above in the Risk Factors Section or which the Issuer has otherwise identified in this Prospectus, or if any of the Issuer's underlying assumptions proves to be incomplete or inaccurate, the Issuer's actual results of operation may vary from those expected, estimated or targeted.

22.1 Management targets

We have established management targets for our financial performance for the period up to 2024, all of which assume the successful and timely development of our Updated Strategic Plan. In particular, we target to achieve approximately a 7% return on average tangible equity in 2022 (excluding NPE transaction and operating expenses related one-offs) and approximately a 10% return on average tangible equity in 2024, as well as to significantly de-risk our balance sheet, leading to an NPE ratio[12] of 7% and 2% by end-2022 and end-2024 respectively.

Based on the assumptions set forth below, we target to achieve core PPI (excluding trading income and operating expenses related one-offs) of €0.8 billion in 2022 and €1.1 billion in 2024, representing a €0.2 billion or 24% increase compared to the level of core PPI in 2020 (excluding trading income and operating expenses related one-offs), as well as net income of €0.3 billion in 2022 and €0.6 billion in 2024, compared to a net loss of €0.1 billion in 2020 (excluding one-offs of Covid related provisions, trading gains and OpEx related one-offs).

Further by executing our cost reduction initiatives, we aim to reduce recurring operating expenses by €175 million by 2024, increase our focus on revenue generating activities, and enhance productivity by growing volumes and core revenues per full-time equivalent employee. Upon the successful completion of these initiatives, our net interest income and our net fee and commission income are expected to reach €1.4 billion and €0.5 billion respectively in 2024.

In the preparation of these financial targets, reflecting our Updated Strategic Plan, as approved by our Board of Directors on 23 May 2021, we have carefully considered factors that we deem relevant, including, without limitation, the following:

(i) ***Our past results***: we have reviewed detailed analyses of our current and historical financial performance and operating results, with due consideration given to our historical operating experience and anticipated changes in our operations in light of pending strategic initiatives and an evolving market. We have prepared our financial targets for the period up to 2024, using our 2020 financial results as a starting point, and then adjusting based upon our estimates and assumptions, including those set forth below.
(ii) ***Market analysis and our market share and market position in Greece***: our financial targets are based upon our analysis of, and certain assumptions relating to, developments in the Greek economy, key market segments

[12] Defined as NPEs divided by Gross Loans

that we service and the banking industry generally, including anticipated economic growth, the impact of the EU Recovery and Resilience Facility programme, trends relating to residential and commercial property prices, a continued low interest rate environment, anticipated net expansions of credit in the business and retail segments and anticipated NPE developments. We believe these developments and considerations are particularly relevant to our business given our market share and market position in Greece, and the relevance to these developments to our results.

(iii) ***Our strategic evolution***: in May 2021, we introduced our Updated Strategic Plan, which includes a series of strategic initiatives which are intended to drive future performance. As further described below, these strategic initiatives are anticipated to affect our financial results going forward, and, accordingly, we factored in the anticipated impact of these initiatives in preparing our financial targets.

(a) Our targeted NPE Initiatives involves

i **a series of NPE transactions**, with total gross book value of €8.1 billion, namely (a) an NPE transaction securitisation of gross book value of €3.5 billion, Project Cosmos, for which application will be submitted under the HAPS scheme extension (the "**HAPS 2**"); (b) complete a transaction under Project Solar, an SME portfolio of all four Greek systemic banks, in which our participation shall be €0.4 billion; and (c) three NPEs outright sales, two in Greece with gross book value of €1.3 billion, Project Orbit and a selected wholesale and leasing receivables disposal of €0.7 billion, and one in Cyprus with gross book value of €2.2 billion, Project Sky. The NPE transactions are designed to reduce our NPE exposure by €19.8 billion by 2024 (versus end-2020 level, including impact of Galaxy) and enable the Bank to achieve a single-digit NPE ratio in the first half of 2022, while targeting an NPE ratio of 2% by end 2024.

ii **a series of internal capital measures** supporting our NPE Initiatives by providing additional capital buffers. These measures include project Prometheus (sale of our merchant acquiring business and formation of strategic partnership), project Riviera (sale of Alpha Bank Albania), project Crown (sale of Alpha Bank London), project Skyline (a Joint Venture with an international partner in the real estate market) and a synthetic securitization transaction and are expected to be completed by 2022. Upon the successful completion of the above NPE transactions, we expect to have significantly decreased our exposure to NPEs, while maintaining a satisfactory capital position above applicable capital requirements.

Nevertheless, the achievement of the NPE transactions are subject to significant risks and uncertainties (*see Risk Factors—Risks relating to our business— "We may not be able to reduce our NPE levels in line with our targets or at all, or grow our fee and commission income in line with our targets, or at all, which may materially impact our financial condition, capital adequacy or results of operations.*");

(b) The core operations efficiency enhancements initiative represents our long-term strategy to achieve operational excellence by focusing on our core commercial banking activities, executing on our business and retail banking growth strategy, increasing efficiency and reducing operating costs throughout our organisation, improving and expanding our digital platform and implementing comprehensive sustainable banking and ESG policies. The achievement of these enhancements however is subject to significant uncertainties (*See* "*Risk Factors — Risks relating to our business — We may be unable to successfully deliver the non-organic business development and capital-generating measures envisaged in our Updated Strategic Plan, which may adversely affect our business, capital adequacy, financial condition and results of operations.*");

(c) Our Updated Strategic Plan includes initiatives for growth in asset-light fees and commissions income, primarily based on our Wealth Management and Bancassurance products and services. We expect to benefit from an anticipated growth in the affluent segment supported by macro driven wealth creation, which will drive demand for asset management products, while for Bancassurance products we expect our new exclusive partnership with Generali to enable growth in combination with increase in demand for such products. However no assurance can be given that these initiatives will indeed generate the targeted growth (see "*Risk Factors – Risk relating to our business - We may not be able to reduce our NPE levels in line with our targets or at all, or grow our interest and fee income in line with our targets, or at all, which may materially impact our financial condition, capital adequacy or results of operations.*");

(d) The Updated Strategic Plan includes a Share Capital Increase through the Combined Offering, which is intended to support at the outset the growth capital we expect to deploy over the next few years allowing us to reach our profitability targets. The primary objective of the capital enhancing actions is for the Bank to be well-positioned to support the anticipated recovery of the Greek economy, driven also by the EU Recovery and Resilience Facility programme, and to capture our full potential of the anticipated credit growth opportunity stemming from this recovery, enhancing both Net Interest Income and Fee and Commission Income for the Bank. Nevertheless, we may not be able to complete the whole of the Share Capital Increase successfully or at all (See "*Risk Factors – Risks relating to our business - We may not be able to raise the entire proposed amount of the Share Capital Increase through the Combined Offering* *and this might have an adverse impact on our planned credit expansion, our business, financial condition and results of operations, and even if the Share Capital Increase is successful and we are able to raise the entire proposed amount, there can be no assurance that our planned credit expansion targets will be achieved in the anticipated timeframe or at all and the expected benefits of this strategy may not materialise, which could have a material adverse effect on our business, financial condition and results of operations.*"); and

(e) The Updated Strategic Plan includes initiatives for growth in our international presence, namely in Romania, where the banking sector is relatively underpenetrated presenting good profitability prospects. We intend to further expand our asset base in the country, leveraging all growth options, should these appear with compelling economics.

(iv) ***Anticipated changes in our financial position***: our financial targets factor in contemplated material changes in our financial position as we aim to transform our business into a clean, de-risked bank. This includes an anticipated drastic reduction of our NPE exposure by €19.8 billion until 2024 (versus end-2020 level), as presented above, as well as a materially strengthened capital position and improved capital adequacy ratios following the successful completion of a series of concerted and comprehensive capital enhancing actions in 2021, including the Share Capital Increase through the Combined Offering, discussed above.

(v) ***Legal and regulatory developments***: we are subject to extensive regulation under applicable financial services legislation and regulation, and our financial performance targets have factored in key changes to the legal and regulatory environment in which we operate. These include contemplated governmental responses to the COVID-19 pandemic, as well as ongoing regulatory developments, in particular as relates to NPEs and capital adequacy requirements, which are key considerations underlying our strategic initiatives (see *Risk Factors – Risks relating to Regulation - The Group is subject to extensive and complex regulation, which is the subject of ongoing change and reform in each jurisdiction in which it operates, imposing a significant compliance burden on the Group and increasing the risk of non-compliance*" and *Risk Factors - Risks relating to the macroeconomic and financial developments in the Hellenic Republic -* "*The COVID-19 pandemic has impacted and is expected to further adversely impact the Group's business, its customers, contractual counterparties and employees.*"). We have also factored into our financial analysis anticipated benefits to be derived from the HAPS scheme and its anticipated extension, both of which are intended to support the reduction of non-performing loans held by Greek banks (see "*Risk Factors – Risk relating to our business - We may not be able to reduce our NPE levels in line with our targets or at all, or grow our interest and fee income in line with our targets, or at all, which may materially impact our financial condition, capital adequacy or results of operations.*").

In order to assist investors to evaluate and compare our forecasted financial targets to our historical financial results, we have set forth below a side-by-side comparison of our historical results for the year ended 31 December 2020 to our 2021 - 2024 financial targets. The forecasted financial targets set forth below have been compiled and prepared on a basis that is both comparable with our historical financial information and consistent with our accounting policies.

The information relating to these targets has not been audited or reviewed by our statutory auditors.

	Historical Financial Information	*Selected Forecasted Financial Targets[1] on a recurring basis (excluding one offs)*			
	2020 Actual	**2021**	**2022**	**2023**	**2024**
Net Interest Income	€ 1.5 billion	€ 1.4 billion	€ 1.3 billion	€ 1.3 billion	€ 1.4 billion
Net Fee and Commission Income	€ 0.3 billion	€ 0.4 billion	€ 0.4 billion	€ 0.4 billion	€ 0.5 billion
Recurring OpEx[6]	€ (1.04) billion	€ (1.03) billion	€ (0.94) billion	€ (0.87) billion	€ (0.86) billion
Core PPI[2]	€ 0.9 billion	€ 0.8 billion	€ 0.8 billion	€ 0.9 billion	€ 1.1 billion
Normalized Profit/(loss) for the year (post tax)[3]	€ (0.10) billion	€ 0.32 billion	€ 0.37 billion	€ 0.52 billion	€ 0.61 billion
		Selected Forecasted Financial Targets[1] including estimated NPE Transactions P&L impact			
Impairment losses for Galaxy transaction		€ (2.1) billion	-	-	-
Impairment losses for other NPE transactions[4]		€ (1.2) billion	€ (0.1) billion	-	-
Profit/(loss) for the year (post tax)[5]	**€ 0.10 billion**	**€ (2.94) billion**	**€ 0.30 billion**	**€ 0.52 billion**	**€ 0.61 billion**

1 Amounts represent management targets for the periods presented assuming, among other factors, the successful and timely development of our Updated Strategic Plan, including the successful and timely conclusion of the planned NPE transactions, while any deviation from the planned actions may result in deviation from the Forecasted Financial Targets (see "*Risk Factors – Risk relating to our business) – the actual financial results may also be affected by extraordinary events and their respective impact, which by nature cannot be forecasted, therefore could create negative or positive deviations from our Forecasted Financial Targets*

2 Net Interest Income + Net Fee and Commission Income + Other Income – Recurring OpEx

3 Normalized Profit/(loss) for the year (or normalized net income) (i) excluding one-offs of Covid related provisions, trading gains related one-offs and OpEx related one-offs in 2020 Actuals and (ii), excluding NPE transaction and OpEx related one-offs in 2021 and 2022 Estimates; Normalized Profit/(loss) for the year also includes cost of risk (i.e. loan impairment changes and impairment charges on other assets) for the recurring business operations of the Bank.

4 Other NPE transactions refer to transactions of €8.1 billion of NPEs in total announced as part of the Updated Strategic Plan approved on 23.5.2021

5 Profit/(loss) for the year also includes cost of risk (i.e. loan impairment changes and impairment charges on other assets) for the recurring business operations of the Bank.

6 Recurring Operating expenses are defined as the total operating expenses less management adjustments on operating expenses, in relation to events that do not occur with a certain frequency, and events that are directly affected by current market conditions and/or present significant variation between the reporting periods.

The main drivers of our future profitability are expected to be increased performing loan interest income, strengthened net fee and commission income, operating cost reductions and the cost of risk normalisation in the aftermath of the significant de-risking of our balance planned for the near term. Specifically, our ability to achieve our targets for improved profitability are based on the following components of our updated Strategic Plan:

- we target to defend our net interest income, managing a decrease from €1.5 billion of net interest income in 2020, to €1.3 billion of net interest income in 2022 and €1.4 billion in 2024; we have established these targets based on the loan growth assumptions set forth in the "*—Assumptions*", by considering loss of interest income from NPEs in line with our balance sheet de-risking, the expected evolution of our securities portfolio and anticipated increase in the benefit to be received from TLTRO utilisation;
- we also target to grow net fee and commission income from €0.3 billion in 2020 to €0.4 billion in 2022 and €0.5 billion in 2024; this target is partially due to the recognition that Greek banks, including Alpha Bank, have historically lagged European peers in the generation of fee income as percentage of total assets; we have assumed an 17 basis point increase of net fee and commission income over average assets at 0.67% in 2024, as we intend to enhance our fee income pool not only in traditionally loan–linked categories, but also in other sources of fees (including fee income from bancassurance, recognising that Greece has been historically under-insured; similarly asset management fees in Greece are comparatively low, given low historical demand for savings to be allocated toward investment products);
- we aim to decrease recurring operating expenses (i.e. excluding extraordinary expenses) by €175 million by 2024, from €1.04 billion in 2020 (excluding €0.12 billion of one-off costs), to €0.86 billion in 2024; these savings will mainly be driven by reduction in NPE management costs, in line with the resolution of our NPE portfolio, coupled with various other optimisation initiatives, key outsourcing contract renegotiation and digitalisation across our business platform, aiming at modernizing the Bank increasing speed and quality of processes through investments in technology and automation; and
- we expect to reduce impairment costs to align with current European benchmarks; supported by the key macroeconomic assumptions described herein, we expect cost of risk (*i.e.* loan impairment changes, and including impairment charges on other assets) de-escalation to be driven by our €19.8 billion balance sheet de-risking, with cost of risk (*i.e.* loan impairment changes, including impairment charges on other assets) expected to decrease from €1.3 billion in 2020, to €0.3 billion in both 2022 and 2024.

These forecasts are based on a range of expectations and assumptions regarding, among other things, our present and future business strategies, cost efficiencies, and the market environment in which we operate, some or all of which may prove to be inaccurate.

Assumptions

The financial forecasts set forth above reflect management targets set forth in our Updated Strategic Plan. These targets for financial performance assume the successful and timely execution of our updated Strategic Plan and are otherwise based on a range of expectations and assumptions, some or all of which may prove to be inaccurate. Accordingly, there can be no assurance that we will achieve any of our targets, whether in the short, medium or long term. Our ability to achieve these targets is subject to inherent risks, many of which are beyond our control and some of which could have an immediate impact on our earnings and/or financial position, which could materially affect our ability to realize the targets described below.

The key assumptions underlying our financial forecasts include, but are not limited to, the following:

- GDP growth for the Greek economy will range between low and mid-single-digit rate per annum;
- the EU Recovery and Resilience Facility programme, which is expected to allocate approximately €30.9 billion in grants and loans to Greece, will provide sufficient stimulus to assist the Greek economy growth at a rate above historical averages in the short to medium term, and that we will adopt strategies to leverage this programme for the benefit of our business, customers and shareholders;
- prices of residential and commercial properties will continue growing at a mid to high single-digit rate per annum;
- interest rates will remain negative for a prolonged period;
- our performing loan book will grow by €2.4 billion per annum on average during the next four years (noting that we have achieved net credit expansion of €1.6 billion in Greece under challenging circumstances during 2020 and that the Greek economy has been deleveraging for more than a decade, while the retail segment has been contracting on a net basis; we believe that, as the Greek economy recovers, demand will accelerate in the business and retail segments); and
- NPE inflows from moratoria expirations will be €0.8 billion (representing a 15% default rate) for 2021; we expect NPE net inflows to be €0.6 billion in 2021, however from 2022 onwards we expect to return to trends seen in previous years of net NPE outflows.

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