



ANNUAL REPORT

For 2021 (In accordance with Law 3556/2007)



Athens, 31 March 2022

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Statement by the Members of Board of Directors

(in accordance with article 4 paragraph 2 of Law 3556/2007)

To the best of our knowledge, the annual financial statements that have been prepared in accordance with the applicable accounting standards, give a true view of the assets, liabilities, equity and financial performance of Alpha Bank A.E. and of the group of companies included in the consolidated financial statements taken as a whole, as provided in article 4 paragraphs 3 and 4 of Law 3556/2007, and the Board of Directors' Annual Management Report presents fairly the evolution, performance and financial position of Bank, and group of companies included in the consolidated financial statements taken as a whole, including the analysis of the main risks and uncertainties that they face.

Athens, 31 March 2022

THE CHAIRMAN
OF THE BOARD OF DIRECTORS

THE CHIEF
EXECUTIVE OFFICER

EXECUTIVE MEMBER
OF THE BOARD OF DIRECTORS

VASILEIOS T. RAPANOS
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BOARD OF DIRECTORS' ANNUAL MANAGEMENT REPORT AS AT 31.12.2021

INTRODUCTION NOTE

Under the context of the demerger performed on 16 April 2021, Alpha Bank S.A. was renamed to "Alpha Services and Holdings S.A." ("Alpha Holdings") and has transferred its banking sector ("hive down") to a newly established credit institution under the corporate name "Alpha Bank S.A." (the "Bank"). Alpha Holdings is the parent company of the Bank. More information is presented in the section ("The Hive Down").

GREEK ECONOMY

The swift and strong recovery of economic activity in the 2021, recouped a significant part of the losses registered in 2020, as GDP at constant prices increased by 8.3% on an annual basis, compared to a decrease of 9% in 2020.

The European Commission (European Economic Forecast, Winter 2022) expects a further increase of 4.9% in 2022 and 3.5% in 2023. Furthermore, according to the latest projections by the Bank of Greece (Interim Monetary Policy Report, December 2021), the GDP growth rate is estimated to reach 5% in 2022 and 3.9% in 2023.

The steep rebound of GDP in 2021 can be attributed, *firstly*, to the strong increase of private consumption, driven by the sharp increase in savings accumulated during the pandemic and the significant gains in employment *secondly*, to the rise in investment, especially in machinery and technological equipment and, *thirdly*, to the higher-than-expected performance of exports of services, due to the remarkable recovery of tourism in the summer of 2021. The rebound of economic activity in Greece in 2021 was in line with the evolution of the Economic Sentiment Indicator (ESI), which is a leading indicator of economic activity and stood at 110 points in December 2021, compared to 91.5 points in the same month of 2020.

Fiscal support remained in place in 2021, as the government adopted additional fiscal measures of EUR 17 billion, whereas the 2022 State Budget incorporates fiscal interventions, to address the pandemic impact of EUR 3.3 billion.

The Greek Government securities were eligible for purchase under the European Central Bank's (ECB) Pandemic Emergency Purchase Program (PEPP), which contributed to the formation of favorable borrowing conditions. The decision of the ECB (December 2021) to continue buying Greek Government Bonds (GGBs), after the end of the PEPP in March 2022, is expected to sustain favorable lending conditions for the Greek State, as well as for the private sector.

In 2021, Greece has successfully tapped the international debt capital markets in January, March, May, June and September, through a 10-year, a 30-year and 5-year bond issuances, as well as, through the reopening of all the above, raising in total Euro 14 billion.

In April 2021, Standard & Poor's upgraded Greece's sovereign credit rating by one notch from BB- to BB while maintaining a positive outlook. In parallel, the Athens Stock Exchange (ASE) General Index recorded an increase in 2021, by 10.4%.

According to the 2022 State Budget, Greece's primary deficit (following the enhanced surveillance definition) reached 7.9% of GDP in 2020 and is estimated to drop to 7.3% of GDP in 2021 and 1.2% of GDP in 2022. Furthermore, the General Government Debt rose to 206.3% in 2020, before re-entering a downward trend, reaching 197.1% of GDP (estimation) in 2021 and 189.6% in 2022, as a result, mainly, of the economic rebound.

Residential property prices growth recouped their strong dynamics in 2021. According to the latest available provisional data by the Bank of Greece, nominal house prices accelerated following a steeper uphill trajectory in Q3 2021, rising by 7.9% y-o-y from 6.2% y-o-y in the previous quarter and 4.3% in Q1 2021.

Inflation, as measured with the Harmonized Index of Consumer Prices (HICP), followed an upward trend in the second half of 2021, mainly due to the rising energy prices globally, the supply chain disruptions and the shortages in raw materials. In December 2021, HICP increased by 4.4% y-o-y, compared to -2.2%, respectively, in the same month of 2020, whereas the

average index rose by 0,6% in 2021, compared to the previous year. In 2022, HICP is forecast to rise by 3.1% according to the European Commission (European Economic Forecast, Winter 2022) and by 3% according to the European Central Bank (Euro system staff macroeconomic projections for the euro area countries, December 2021).

The seasonally adjusted unemployment rate in December 2021 was equal to 12.8% compared to 15.5% in December 2020.

According to the Interim Monetary Policy Report (December 2021) of the Bank of Greece, the Greek banks, in the first nine months of 2021, recorded losses, mainly due to the provisions related to the non-performing loans (NPL) transactions. The Capital Adequacy ratio for the Greek banks, on a consolidated basis, stood at 15.1% in September 2021, whereas the corresponding Common Equity Tier 1 (CET1) ratio reached 12.6%.

The private sector's deposits amounted to Euro 180 billion in December 2021, of which Euro 135.1 billion were household deposits and Euro 44.8 billion deposits of corporates. Net inflow of deposits by the private sector rose by Euro 16.2 billion in 2021, due to the increase of "forced" savings (due to lockdown measures in force in the first few months of 2021), as well as the increase of "precautionary" savings (due to high uncertainty for the future). In addition, the measures adopted by the Greek government to support the economy, as well as the rise in employment in the second half of 2021, contributed to the rise of the deposit base.

The outstanding amount of total credit granted to the private sector amounted to Euro 109.6 billion at the end of December 2021, while the annual rate of change stood at 1.3%. More specifically, the annual rate of credit to non-financial corporations stood at 3.8% in December 2021.

According to the latest data by the Bank of Greece, NPLs at the end of September 2021 amounted to Euro 20.9 billion, reduced by 26.3 billion compared to December 2020, primarily due to the loans' sales, under the state guarantee scheme regarding the securitization of the NPLs of the credit institutions ("Hercules" program). In terms of key quality indicators of NPLs, the total NPL ratio remained high (15%) at the end of September 2021. The respective ratio for mortgages (11.8%)

performed better compared to business (15.2%) and consumer loans portfolios (24.8%).

THE PROSPECTS OF THE GREEK ECONOMY IN 2022

The deteriorating epidemiological situation in the last few months of 2021, the emergence of new mutations, the emerging inflationary pressures and the geopolitical risks, are the main sources of uncertainty in the short term, which may slow down the recovery of the Greek economy.

The causes of inflationary pressures in 2021 were primarily the rising energy prices, the supply chains disruptions, which led to shortages of raw materials and increased production costs, as well as the increased demand, which was largely supported by the fiscal measures in effect, to address the negative effects of the pandemic. It should also be noted that the support measures - part of which was phased out in 2021 - are associated with additional medium-term fiscal risks (e.g., potential loan defaults for which the state has provided guarantees).

The geopolitical risks and in particular the conflict between Russia and Ukraine in early 2022, are further pushing energy prices upwards, due to the fact that Russia is currently the main supplier of natural gas to the European Union.

The Greek economy might be impacted by the geopolitical developments through two additional channels: the tourism sector (directly, as regards tourist arrivals from Russia and Ukraine and indirectly, through the expected reduction in the purchasing power of consumers in the origin countries, as a consequence of the increasing energy prices) and a possible disruption of the financial markets.

The accumulation of savings in the last two years, however, combined with the tax cuts and the fiscal interventions in effect from 2022, are estimated to partially offset the negative impact of inflation on the disposable income and therefore on consumption.

In particular, in 2022, a favorable environment is being created for a change in the composition of economic growth, which is expected to be driven mainly by the rise in investment. The increase of investment in the short-term, will be determined by the evolution of the country's sovereign credit rating towards the so-called

“investment grade”, the disbursement of funds in the context of the Recovery and Resilience Facility (RRF), the centerpiece of the recovery plan of the European Union (Next Generation EU), with the aim to deal with the negative impact of the pandemic as well as the implementation of structural reforms that will establish a business-friendly environment.

The National Recovery and Resilience Plan (NRRP) refers to the utilization of the RRF funds and incorporates investments and reforms aiming at the green and digital transition of the Greek economy, the strengthening of the infrastructure, as well as its exporting orientation. According to the NRRP, the RRF funds are expected to mobilize new investments of around EUR 57.5 billion in 2021-2026, covering to a large extent the investment gap that was created in Greece in the previous decade. Furthermore, the Greek government has already planned a structural reform agenda, which, combined with an improved debt risk profile, is expected to attract Foreign Direct Investment (FDI).

Risks however, may also arise from delays in the absorption of the RRF funds, which would deteriorate business sentiment.

INTERNATIONAL ECONOMY

In 2021, the international economy recovered strongly, despite the significant challenges it faced, such as coronavirus variants, inflationary pressures, the energy crisis and supply chain disruptions. However, based on the available economic data, the economic recovery is not expected to be equal among countries, as it is linked to the progress of vaccination programs and to the expansionary policies implemented in the fiscal and monetary field, in each country. Some countries recovered faster compared to others. The explanation for the different rate of economic growth is largely attributed to the accessibility of vaccines of each country. Advanced economies outperformed emerging and low-income economies, as vaccination programs have covered a large proportion of the population, allowing for a faster recovery from pandemic losses, in terms of gross domestic product (GDP).

Global GDP shrank by 3.1% in 2020, while according to the International Monetary Fund (World Economic Outlook Update, January 2022) it is expected to increase by 5.9% in 2021 and by 4.4% in 2022, supported by additional fiscal support in some

economies, the strengthening of vaccination programs and the continued adjustment of economic activity.

The volume of the international trade decreased in 2020 by 8.2%, while in 2021 is estimated to increase by 9.3%. According to the International Monetary Fund (World Economic Outlook Update, January 2022), the volume of the international trade of goods and services is expected to increase by 6% in 2022.

In 2022, the international economy is expected to return to a new normal, as the pandemic either accelerated major changes that were expected to take place at a later stage, or triggered risks and highlighted significant opportunities.

The main uncertainties for 2022 are related to both the future pandemic path and inflationary pressures, especially in energy prices.

The Omicron variant, first identified in November 2021, confirms that the Covid-19 pandemic remains among the threats to global economic growth. Some countries have been forced to reintroduce restrictive measures to mitigate the spread of the new variant. Despite the growing adjustment of economies to restrictive measures, this development is expected to slow down, to some extent, the economic activity, especially in countries vulnerable to disruptions in international demand.

Global inflation rose, in 2021, mainly in advanced economies and especially in the US. The sharp rise in inflation was caused by the imbalance between demand and supply, causing excess demand. The gradual normalization of economic activity, in 2021, led to a rapid increase in demand for goods and services, resulting in a rise in the general level of prices (Demand-pull inflation). In addition, this increase is largely attributed to rising energy costs, as the inability of supply to meet the growing demand for oil and natural gas -which is considered as an intermediate fuel in the transition to renewable energy sources- has led to a large increase in their prices, burdening businesses and households. Furthermore, the global supply chain disruptions have resulted in shortages of intermediate goods, while rising commodity and raw material prices have led to rising production costs, part of which has been passed on to final product prices (cost-push inflation).

Globally, addressing inflationary pressures is crucial, as rising prices for basic goods and especially energy decrease disposable income and, consequently, consumption. The central banks seek to choose the appropriate monetary policy, in order to reconcile the support of the economic recovery and a high inflation, so that it does not exceed its target. The Bank of England was the first major central bank to raise interest rates, in December 2021, while other major central banks, such as the US Federal Reserve, are expected to raise interest rates in 2022. A change in monetary policy in advanced economies due to faster growth rate and growing inflationary pressures could lead to negative changes in the financing conditions of emerging economies, causing capital outflows.

Additional uncertainties that could affect the international economy are:

First, the French presidential election. The election result, combined with the new governing coalition in Germany, will shape the trends within the European Union on a number of important issues, including the need for a reform of the EU fiscal rules, as their current form is obsolete, given the new fiscal situation, especially due to the pandemic.

Second, the possible slowdown in China's economy. The liquidity crisis of the property developer Evergrande Group has plunged into a crisis the Chinese real estate sector. In addition, electricity shortages, in the autumn of 2021, slowed down industrial production, undermining the growth prospects of the world's second largest economy.

Third, the economic implications of the full-scale invasion and sanctions against Russia are basically related with a longer period of inflation in Eurozone fueled by gas, oil and food prices over the medium term, as well as increased uncertainty from the disruption in financial markets. Additionally, a weaker increase in private consumption is expected, because of the large impact of high energy prices on households' real incomes and industries supply lines. At the same time, geopolitical tensions are observed in various areas worldwide, the escalation of which could have adverse economic impact, due to strong economic interactions. The US-China geopolitical competition in various fields (trade, technological) may

lead to an increase in protectionist policies (e.g., tariff increases), adversely affecting free trade and economic activity worldwide. Relations between the two countries could deteriorate sharply, if tensions between China and Taiwan escalate.

Fourth, the evolution and intensity of the energy crisis in 2022 may slow down or accelerate the "green" transition, i.e. the shift of production towards renewable energy sources. In 2022, the urgent need to take action on the effects of climate change will once again be in the spotlight. Extreme weather events (drought, fires) occur more often due to global warming, with high economic and social costs. It is therefore an urgent need to accelerate the adoption of more environmental policies, despite the high transition costs.

EURO AREA

The occurrence of the third wave of the pandemic caused the contraction of GDP in Euro area

in the first quarter of 2021 by 1.1% on an annual basis according to Eurostat. However, GDP increased by 14.4%, 3.9% and 4.6% in the second, third and fourth quarter of 2021 respectively, as the effectiveness of the restrictive measures and the progress of the vaccination programs, has led the European Union Member States to reopen their economies, mainly for the benefit of service companies. An important development is the recovery of consumption, which is also fueled by the accumulated deposits, during the pandemic.

GDP in Euro area increased by 5.2% in 2021, while the European Commission (Winter 2022 Economic Forecast) forecasts growth of 4% in 2022, with private consumption being the driving force, while investment and exports are projected to record stronger momentum. The disbursement of the funds, under the "Next Generation EU (NGEU)" program, is crucial for the economic growth, as it is expected to mobilize additional investment. It is reminded that the European Commission adopted, in July 2020, the "Next Generation EU" program, i.e. of a Development Fund (or Recovery Fund), amounting to Euro 750 billion, with the aim of recovering and strengthening the resilience of the European economy after the pandemic crisis, through a combination of grants and

loans to the Member States of the European Union. A significant part of the resources will be directed to actions focused on the green and digital transitions.

The unemployment rate in the Eurozone stood at 7.2% in November 2021, the lowest level recorded since the outbreak of the pandemic crisis. The unemployment rate stood at 7.7% on average, in the period January-November 2021, while it is projected to decrease to 7.3% in 2022 (European Central Bank, December 2021).

The European Central Bank (ECB), at its December 2021 meeting, decided to slow, in the first quarter of 2022, the asset-buying program, in the context of the Pandemic Emergency Purchase Program (PEPP), with the aim of ending the program at the end of March 2022. The amounts from the repayment of securities acquired under this program will be reinvested, at least, up to the end of 2024. At the same time, net purchases under the asset purchase program (APP) will expand by Euro 40 billion per month, in the second quarter of 2022, Euro 30 billion per month, in the third quarter and Euro 20 billion per month, from the fourth quarter of 2022. The key interest rate remained unchanged at 0%, in 2021, while according to the ECB's president, it is not expected to increase in 2022, as in such a case, the economic growth might be undermined. In addition, the escalation of inflationary pressures, according to the ECB, is temporary. Inflation, as measured by the harmonized index of consumer prices, increased from 0.3% in 2020, to 2.6% in 2021, with 39% attributed to rising energy prices. According to the ECB, inflation is expected to rise to 3.2% in 2022, exceeding the 2% target for most of the year, but following a downward trend. According to the new ECB's single monetary policy strategy, price stability is better maintained, with a medium-term inflation target of 2%. This target is symmetric, meaning negative and positive deviations of inflation from the target are equally undesirable.

COUNTRIES WHERE THE GROUP OPERATES

Cyprus

Economic activity in Cyprus, according to the available data from the Statistical Authority (CYSTAT), increased by 5.6% (annual change, seasonally adjusted figures) in the third quarter of 2021, against an increase of 13.4%

in the second quarter and a decrease of 2.1% in the first quarter of 2021.

The European Commission (Autumn 2021 Economic Forecast) estimates GDP growth rate to stand at 5.4% in 2021 and by 4.2% in 2022. The recovery is expected to be mainly based on domestic demand and the increased tourist arrivals. It is noted, however, that tourism will gradually recover, returning to pre-pandemic level by the end of 2023. Investment is expected, in 2022, to exceed the 2019-level, boosted by funds from the Recovery and Resilience Plan (RRP).

Annual harmonized inflation, according to the CYSTAT, increased from -1.1% in 2020, to 2.3% in 2021, mainly due to the rise in energy prices, non-energy industrial goods and services prices. According to the European Commission (Autumn 2021 Economic Forecast), it is forecast to increase to 1.7% in 2022.

Although public debt increased significantly from 91.1% of GDP in 2019, to 115.3% in 2020, due to fiscal measures to support the economy, it is expected to fall to 104.1% in 2021 and further to 97.6% in 2022 (European Commission, Autumn 2021 Economic Forecast).

The current account deficit, according to the Central Bank of Cyprus, decreased to EUR 144.7 million in the third quarter of 2021, from EUR 616.9 million in the corresponding period of the previous year, due to the significant increase in the services surplus, while the trade deficit marginally declined.

According to the European Commission (Autumn 2021 Economic Forecast), the current account deficit is expected to decline from 10.1% of GDP in 2020, to 9.1% in 2021 and 7.3% in 2022.

Romania

GDP, according to available data from the Statistical Authority (INSSE), increased by 8.2%, on an annual basis, in the third quarter of 2021 (seasonally adjusted figures), compared with a larger increase of 13.8% in the second quarter and a decrease of 0.4% in the first quarter of 2021.

According to the European Commission (Autumn 2021 Economic Forecast), GDP is expected to increase by 7% in 2021, exceeding pre-pandemic level and recording

one of the strongest GDP growth rates among EU member states. Private consumption, construction activity and investment are expected to perform strongly, while net exports are forecast to have a negative contribution to GDP, despite the expected increase in exports. Regarding 2022, the European Commission estimates GDP growth rate to increase by 5.1%. Private consumption is forecast to increase further, driven by the expected increase in employment and wage growth, while the implementation of the Recovery and Resilience Plan (RRP) is expected to support investment activity.

Annual harmonized inflation, according to INSSE, increased to 4.1% in 2021 from 2.3% in 2020, while the European Commission (Autumn 2021 Economic Forecast) predicts that harmonized inflation will rise to 4% in 2022.

According to the European Commission (Autumn 2021 Economic Forecast), the government debt-to-GDP ratio is estimated to increase from 47.4% in 2020, to 49.3% in 2021 and to rise further to 51.8% in 2022, due to high primary budget deficits.

Additionally, the current account deficit increased by 57%, on an annual basis, to EUR 15.3 billion, in the period January-November 2021, according to the Central Bank of Romania (BNR). Significant deterioration of Euro 3.9 billion and Euro 800 million, was recorded in the balances of goods and primary incomes, while the surpluses of the balances of secondary incomes and services decreased. The European Commission (Autumn 2021 Economic Forecast) estimates that the current account deficit will rise from 5.5% of GDP in 2020, to 6.5% in 2021 and decline to 6.3% in 2022.

Albania

According to the available data of the Statistical Authority (INSTAT), GDP increased by 7%, on an annual basis, in the third quarter of 2021 (non-seasonally adjusted data). Overall, for 2021, the European Commission (Autumn 2021 Economic Forecast) estimates GDP to rise by 6.9%, mainly due to increased investment, private consumption and tourist arrivals from neighboring countries.

The European Commission (Autumn 2021 Economic Forecast) estimates annual inflation to rise from 1.6% in 2020 to 2.2% in 2021 and 2.8% in 2022.

With regard to public debt ratio, the European Commission (Autumn 2021 Economic Forecast) predicts that it will increase from 75.7% of GDP in 2020 to 77.6% in 2021 and decline to 74.9% in 2022.

The current account deficit is also projected to decrease from 8.7% of GDP in 2020 to 7.7% in 2021 and 7.3% in 2022 (European Commission, Autumn 2021 Economic Forecast).

United Kingdom

GDP increased by 6.8%, on an annual basis, in the third quarter of 2021, compared with a larger increase of 24.2% in the second quarter and a decrease of 5.1% in the first quarter of 2021. Private and public consumption as well as investment contributed positively to the change in GDP in the third quarter, while net exports contributed negatively. The International Monetary Fund (World Economic Outlook Update, January 2022) predicts GDP to increase by 7.2% in 2021 and 4.7% in 2022. It is noted that, in 2020, the UK economy has received one of the strongest blows among the world's major economies, as GDP shrank by 9.4%.

In December 2021, the Bank of England raised its base rate by 15 basis points to 0.25%. The decision was catalytically affected by the sharp rise in inflation. Inflation in the United Kingdom rose to 5.4% on an annual basis, in December 2021, while the Bank of England estimates that it will remain at these levels, during the winter months, to peak around 6%, in April 2022. Inflation is expected to decline in the second half of 2022.

The Hive Down

On 12.3.2021, the Alpha Services and Holdings S.A.(former Alpha Bank S.A.) Board of Directors decided the convening of the Extraordinary General Meeting of the Shareholders on 2.4.2021, with agenda items, among others, the approval of the demerger of the Société anonyme under the corporate name "Alpha Bank S.A." by way of hive-down of its banking business sector with the incorporation of a new entity and of

the Draft Demerger Deed dated 15.9.2020, including the transformation Balance Sheet of 30.6.2020 of the hived-down banking Business sector, as well as the approval of the Articles of Incorporation of the beneficiary new entity.

Following the resolutions of the Extraordinary General Meeting of the Shareholders held on 2.4.2021, along with the receipt of the required regulatory approvals, on 16 April 2021, the demerger of the former Alpha Bank S.A., then authorized to operate as a credit institution (under G.E.MI. number 223701000 and Tax Identification Number 094014249), which has been already renamed to "Alpha Services and Holdings S.A.", ("Alpha Holdings") was announced pursuant to the Decision of the Ministry of Development and Investments under protocol no 45089/16.4.2021 by way of hive-down of the banking business sector with the incorporation of a new company, which was licensed to operate as a credit institution under the name "Alpha Bank S.A." (under G.E.MI. number 159029160000 and Tax Identification Number 996807331) (the "Bank"), in accordance to the provisions of Article 16 of Greek law 2515/1997, as well as Articles 54 paragraph 3, 57 paragraph 3, 59-74 and 140 paragraph 3 of Greek law 4601/2019 and Article 145 of Greek law 4261/2014, as in force (the "Hive Down"). As a consequence of the Hive Down, the Bank substituted Alpha Holdings by operation of Greek law, as universal successor, in all of its assets and liabilities, rights and obligations and in general its legal relationships within the banking business sector. Moreover, the Bank continues its operation through the existing organizational 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 that the transaction is an intragroup capital reorganization and as such there is no substantial financial change in the Group of Alpha Services and Holdings.

THE SHARE AND SHAREHOLDER STRUCTURE

Share Capital

The Extraordinary General Meeting of July 23, 2021, of Alpha Bank S.A. decided, among other, the increase of the share capital of the Bank of the amount of Euro one billion (Euro 1,000,000,000) with cash payment and the issuance of 1,000,000,000 new common, registered, voting shares with a nominal value of Euro 0.10 each and offer price Euro 1.00 each. The above share capital increase was completed on 28.7.2021 and the share capital of the Bank has been increased by Euro 100.000 thousand, while the difference between the offer price and the nominal value of the total amount of Euro 900,000 thousand has increased the Share Premium account.

Additionally, the Extraordinary General Meeting of October 25, 2021, has decided, among other the distribution in kind by the Bank of 95% of mezzanine and junior bonds issued through securitization of loans and credits of book value before impairments of Euro 3.4 billion to the special purpose company under the name Cosmos Securitization Designated Activity Company. The distribution in kind has been performed by decrease of the Bank's share capital by the amount of € 10,825 thousand and the cancelation of 108,252,500 common, registered, voting shares with a nominal value of Euro 0.10 per share that were held by the shareholder Alpha Services and Holdings S.A. The decrease has been completed on 10.12.2021. Relevant reference is performed in the section "Significant corporate events of year 2021"

Finally, the Extraordinary General Meeting of December 23, 2021 has decided to increase the Bank's share capital by the amount of Euro 160,000 thousand paid in cash and the issuance of 160,000,000 common,

registered, voting shares with a nominal value of Euro 0,10 each and offering price of Euro 1.00 per share. The above share capital increase has been completed as at 29.12.2021 and the share capital has been increased by € 16,000 thousand while the difference between the offer price and the nominal value of the total amount of Euro 144,000 thousand has increased the Share Premium account.

The Bank's share capital as at 31.12.2021 is up to Euro 5,188,999 thousand divided into 51,889,992,461 common with voting rights shares of nominal value per share of 0.10.

On 25 February 2022, Alpha Services and Holdings S.A. transferred to ALPHALIFE LIFE INSURANCE SOCIETE ANONYME ten (10) common registered shares with voting rights, with a nominal value of ten cents of Euro 0.10 for a total amount of €12.5 Euro held in the bank's share capital and representing approximately 0.00000002% of the Bank's share capital.

Significant corporate events of year 2021

On 22.6.2021, the Alpha Services and Holdings S.A. announced 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"). The transaction includes: a. the sale of 80% of the Bank's loan servicing Subsidiary, Cepal Services and Holdings Single Member S.A. ("New Cepal"), and b. the sale of 51% of the Mezzanine and Junior securitization notes of Non-Performing Exposures (NPEs) portfolio (the "Galaxy Securitizations") (together with the sale of Cepal, the "Transaction"). 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 NPE flows. The term of the SLA, (including Key Performance Indicators – KPIs, indemnities, etc.), is 13 years with an option to extend

On 30.7.2021, in the context of its updated strategic plan, Project Tomorrow, as part of its business development initiatives through joint ventures with international partners, the Bank announced the

initiation of a process for the selection of a strategic partner to pursue a joint venture., in the Greek Real estate Market ("Project Skyline"), which is expected to be completed in the second half of 2022 and the transaction to be carried out by the end of the same year. Within the framework of Project Skyline, as announced on 15.03.2022 the subsidiary "Alpha Astika Akinita S.A." is expected to be transformed into a company for the sole purpose of providing services and for this purpose to acquire the corresponding service activity from the Group's subsidiary company, "Alpha Real Estate Management and Investments S.A.". Accordingly, it is expected that "Alpha Astika Akinita S.A." will transfer all its properties to a Group company, which will be the entity of the Consortium that will be formed..According to the available data, it isn't possible to estimate the impact on the Group's sizes.

On 3.8.2021 Alpha Services and Holdings S.A., the parent company of Alpha Bank S.A. ("Bank") and Nexi S.p.A ("Nexi") announced that they have signed Memorandum of Understanding, ("MoU") for the establishment of a strategic partnership in respect of:

- the carve-out of the merchant acquiring Business by Alpha Bank by way of a spin-off to a newly-incorporated entity (the "NewCo"); in which Nexi will hold a 51% stake.
- the execution of a long-term marketing and distribution agreement by the parties, providing the NewCo with access to Alpha Bank's network, in order to distribute payment acceptance products and services to corporate Customers of Alpha Bank in Greece.

As part of the transaction, Alpha Bank will proceed with the carve-out of the merchant acquiring business by way of spin-off to NewCo, whereas all the required actions in order for the new company to receive the payment institute license will take place. Consequently, Nexi will acquire the 51% of the share capital of NewCo. It is noted that on 15.11.2021 the 100% subsidiary company of Alpha Bank S.A. with company name Alpha Payment Services S.M.S.A. was established.

On 11.11.2021, the signing of a definitive agreement was announced between the Bank and Nexi to establish a strategic partnership in respect of Alpha Bank's merchant acquiring business in Greece, which

among others include: i) The spin-off of Alpha Bank's merchant acquiring business sector into a new entity which was established on 15.11.2021 under the name Alpha Payment Services SMSA ("NewCo"), ii) the sale of a 51% of NewCo to Nexi contingent on the fulfilment of certain conditions precedent, and iii) entering into a long-term distribution agreement, providing the NewCo with access to Alpha Bank's Network in order to distribute payment acceptance products and services to business customers of Alpha Bank in Greece. On 24.11.2021 Alpha Bank and NewCo initiated the process for the spin-off of the merchant acquiring business sector of the Bank for its contribution to NewCo and on 29.11.2021 both companies approved the relevant Draft Demerger Agreement, which was executed on the same date and published pursuant to the law.

On 18.10.2021 in the context of its updated Strategic Plan, Alpha Services and Holdings S.A., entered into a binding agreement with certain entities managed and advised by Davidson Kempner Capital Management LP, in relation to the sale and transfer of 51% of the Junior and Mezzanine securitization of a Euro 3.4 billion Gross Book Value portfolio of primarily Non-Performing Exposures (NPEs) (the "Cosmos Transaction"). The Group will retain 100% of the Senior Notes, using the benefit from the provisions of the "Hercules" program, and 45% of the Mezzanine and Junior notes. On 10.12.2021, the transaction "Cosmos" was completed which included for the Bank the distribution, through a share capital reduction in kind, by Alpha Bank of 95% of Junior and Mezzanine securitization to the parent company Alpha Services and Participations Group S.A. in accordance with the decision of the Extraordinary General Meeting of Alpha Bank S.A. dated 25.10.2021.

On 6.12.2021 Alpha International Holdings Single Member S.A. ('AIH'), a fully owned subsidiary of the Group, entered into a binding agreement with OTP Bank Plc in relation to the acquisition of Alpha Bank Albania SHA by the latter.

On 28.12.2021 Alpha Bank S.A. entered into a binding agreement with Hoist Finance AB (publ) in relation to the disposal of a Portfolio of Retail Unsecured Non-

Performing Loans of total gross book value amounting to Euro 1,2 bn as at 31.12.2021 (Project Orbit).

POST BALANCE SHEET EVENTS

On 14.2.2022 Alpha Services and Holdings S.A. announced that Alpha Services and Holdings S.A. (together with its subsidiaries the "Group") has reached an agreement with an affiliate of Cerberus Capital Management, L.P. ("Cerberus") for the sale of a portfolio of Cypriot non-performing loans and real estate properties with a total gross book value as at 31.12.2021 of c. Euro 2.4 billion. The Portfolio will be sold by the 100% subsidiary of the Bank, Alpha International Holdings S.M.S.A. Project Sky forms part of Alpha Bank Group's strategy for the reduction of its stock of non-performing loans and is the culmination of a series of similar successful transactions completed by the Group over the previous years.). Completion of the transaction is expected to take place in Q3 2022, subject to the receipt of customary regulatory approvals.

Russia's invasion in Ukraine on 24 February 2022 has created uncertainties in the markets and in the evolution of macroeconomic conditions, while in addition the subsequent sanctions imposed by United States, the European Union, the United Kingdom and others affected the transactions with the parties involved in the sanctions. Looking at the Group's data both in terms of direct exposure to Russia/Ukraine as well as of funds transfers from/to Ukraine & Russia, the numbers are relatively immaterial. It is noted that the Group has direct exposure to Russia and Ukraine from loans to customers of circa Euro 43 million. Nevertheless, the Group is monitoring the unfolding crisis and assesses the impact on its business, financial position and profitability.

NUMBER OF BRANCHES

On 31.12.2021 the Group was operating with 450 branches, out of which 299 were established in Greece and 151 were established abroad. Additionally, Alpha Bank Albania which has been classified as discontinued operation, operates 34 branches as at 31.12.2021.

ANALYSIS OF GROUP FINANCIAL INFORMATION¹

The Alpha Bank Group was established on April 16, 2021 following the Hive Down of Alpha Bank S.A., with the spin-off of its banking activity and the establishment of a new company - credit institution under the name "Alpha Bank Société Anonyme".

As of 31.12.2021, the Group's Total Assets amounted to Euro 72.5 billion from Euro 68.2 billion as at 16.04.2021 presenting an increase of Euro 4.3 billion or by 6%.

Due to customers amounted to Euro 47.0 billion, increased by Euro 1.9 billion or 4% compared to 16.04.2021, driving the loans and advances to customers-to-deposit ratio at 78%.

The balance of issued bonds and other loan liabilities, amounted to Euro 2.6 billion on 31.12.2021 million, compared to Euro 703 million as at 16.4.2021, increased by Euro 1.9 billion or by 270% due to the following transactions:

Subordinated Notes (Lower Tier II, Upper Tier III)

- On 19.04.2021 the Bank issued a subordinated note with a nominal value of Euro 500 million maturing on 13.02.2031.
- Furthermore, on 19.04.2021 the Bank issued a subordinated title with a nominal value of Euro 500 million, maturing on 11.06.2031.

Both issuances were covered by Alpha Services and Holdings S.A.

Common Bond Loans

- Under the Euro Medium Term Note Program amounting to Euro 15 billion, the Bank issued on 23.09.2021 a high repayment priority bond with a nominal value of Euro 500 million with maturity of 6.5 years
- On 14.12.2021, the Bank proceeded with the framework of the above Program to a new issue of high repayment priority bond with a nominal value of Euro 400 million expiring on 14.02.2024

The above two issuances aim to fulfil the Bank's objectives for the Minimum Requirement for Own Funds and Eligible Liabilities as defined by the Single Resolution Council.

The balance of the Cash and balances with Central Banks on 31.12.2021 amounted to Euro 11.8 billion,

increased by Euro 3.8 billion, while the balance of receivables from Credit Institutions amounted to Euro 3.0 billion, reduced by Euro 1.1 billion compared to 16.04.2021. In total, liquid assets amounted to Euro 14.8 billion, increased by Euro 2.7 billion. or 23% compared to 16.04.2021, as a result of obtaining additional financing through the increase of liabilities to customers, the issuance of bonds and the increase of share capital by the parent company.

The book value of the balance of loans and advances to customers amounted to Euro 36.9 billion and remained at the same levels compared to 16.04.2021.

Following the completion of the Cosmos transaction on 10.12.2021 which relates to the distribution in kind to the parent of 95% of the Mezzanine and Junior notes, the respective securitized portfolio of loans with a book value of Euro 2.0 billion was derecognized and was recognized in Loans and advances to customers the 100% of the high repayment bonds and 5% of the low repayment bonds with a total book value of Euro 1.7 billion. Other reductions of book value of Euro 2.8 billion mainly concern repayments and derecognitions due to significant modifications, as also provisions for credit risk of Euro 0.5 billion and other derecognitions of Euro 1 billion. Additionally, during the 2021, the Group's new loans amounted to Euro 4.5 billion. Also in 2021, the Group started the process of selling a portfolio of unsecured retail loans (Project "Orbit"), with a book value on 31.12.2021, of Euro 34.9 million. and of a Cypriot portfolio of non-performing loans, with collateral and related properties (Project "Sky"), with a total book value of Euro 555.5 million. Thus, on 31.12.2021 the Group transferred to the category "Assets Held for Sale" the above portfolios "Sky" and "Orbit" with a book value of Euro 0.6 billion. Finally, on 31.12.2021 the Group decided to sell its operations in Albania and as a result, the loan portfolio of the subsidiary in Albania with a book value of Euro 0.3 billion was classified as "Assets Held for sale".

The Group's Total Equity amounted to Euro 5.9 billion on 31.12.2021 increased by Euro 0.8 billion compared to 16.04.2021, mainly due to an increase in share capital of Euro 1.2 billion, losses of the year amounting to Euro 94.4, negative change of reserves of Euro 61

¹ According to European Securities and Markets Authority guidelines (ESMA), the definitions and precise calculations of the ratios are presented in the Appendix of the Annual Financial Report.

million as also decrease of Euro 265 million due to the distribution in kind, through a reduction of share capital, by Alpha Bank of 95% of mezzanine and junior bonds issued through securitization of loans and credits to the special purpose company under the name Cosmos Securitization Designated Activity Company which resulted in the derecognition of securitized loans from the Bank's balance sheet.

Following the Hive-Down, Capital Adequacy Ratios are calculated on an individual basis for the Bank but not on a consolidated basis for the Alpha Bank Group and are submitted on a quarterly basis to the European Central Bank (ECB) as required by regulation (EU) 575/2013. On 31.12.2021 the Bank's CET1 index amounts to 13.4%. On April 15, 2021, Alpha Bank SA received a communication from the European Resolution Authority (Single Resolution Board) regarding the decision on the Minimum Requirement for Own Funds and Eligible Liabilities (MREL). The requirements are based on the Recovery and Resolution Directive (BRRD2), which was incorporated into the Greek Law by law 4799/2021 on 18.05.2021. At the same time, with the same decision, the Resolution Authority defined the single point of entry (SPE) resolution strategy. According to the decision, from January 1, 2026 Alpha Bank must meet, at the level of Alpha Bank Group, minimum MREL requirements of 22.76% of risk-weighted assets and 5.91% of index leverage. On 31.12.2021 the MREL index of the Alpha Bank SA Group amounted to 17.41%. Alpha Bank's long-term financing plan envisages further strengthening of the MREL, in order for these requirements to be met when they enter into force.

Regarding the results of the period, the Group's Net loss for the period after income tax amounted to Euro 94.4 million. The total income of the Group amounted to Euro 1.3 billion and includes Euro 0.9 billion net interest income, Euro 0.3 billion net income from fees and commissions as well as results of financial operations and derecognition of financial assets measured at amortized cost which amounted to profits of Euro 128.2 million and Euro 11.5 million respectively and mainly reflect profits from sales of bonds issued by the Greek State amounted to Euro 55.1 million, profits of Euro 111.3 from the sale of 80% of Cepal Holdings

SA and losses from the valuation of loans measured at fair value through profit and loss of Euro 39.6 million.

The total expenses amounted to Euro 0.8 billion and includes remuneration and personnel expenses of Euro 0.3 billion, general administrative expenses of Euro 0.4 billion, depreciation of Euro 0.1 billion and impairment losses of own, investment on intangible and fixed assets amounting to € 72.6 million, mainly relating to real estate that are included in the «Sky» transaction.

Based on the above, the Group's operations, before income tax and before impairment losses and provisions to cover credit risk, amounted to profits of Euro 0.4 billion.

Impairment losses and provisions to cover credit risk were as at 31.12.2021 of the amount of Euro 0.5 billion and included an amount of Euro 221 million relating to the effect of the Cosmos transaction and the integration of sales scenarios in the assessment of the expected credit risk losses for the transactions of sale of loan portfolios, included in the Business Plan for the management of NPE exposures (NPE Business Plan). The transactions include the loan portfolio of the transactions «Sky» and «Orbit», as well as the non-performing loan portfolio of Alpha Leasing S.A. (Leasing portfolio) and the non-performing business loan portfolio (Project Solar).

The Group's income tax amounted to a debit amount of Euro 60.4 million mainly due to the recognition directly in Equity of the benefit in the current income tax of Euro 69.7 million from the contribution in kind to the parent company of the 95% of the Mezzanine and Junior bonds relating to the Cosmos transaction. o.

As a consequence of the above, the results of the Group after income tax amounted to loss of Euro 64.8 million on 31.12.2021. In addition, following the decision of the Group to sell its operations in Albania, losses of Euro 29.6 million are presented in the losses from discontinued operations. Total losses after incometax amounted to Euro 94.4 million.

CHANGE IN BUSINESS MODEL OF BOND PORTFOLIO

In December 2021, following:

The significant change in the capital base of the Bank as a result of the actions taken to reduce NPEs,

The supervisory expectations, as expressed in the Supervisory Evaluation (SREP) from 2019 onwards

relating to the use of the business models and their impact on regulatory capital and the Capital Adequacy Ratio of the Bank.

The introduction of the binding target for the Minimum Required Eligible Liabilities (MREL) from 01.01.2022 with which the Bank will need to comply and in relation to Capital the requirement of the Bank to comply with the minimum supervisory limits of Pillar II Guidance (P2G) on a continuous base from 01.01.2023

The Executive Committee of the Bank decided to minimise the usage of the Fair Value Through Other Comprehensive Income (FVTOCI) towards the utmost operational needs of the Bank's Capital Markets, and the long term bonds to be held to collect interest income, which is also aligned with the Strategic Plan of the Bank and to reclassify bonds of € 4.16 billion in the hold to collect business model to be held to collect contractual cash flows.

The above decision was assessed that meets the criteria for a change in the business model in accordance with the provisions of IFRS 9 and therefore from 1.1.2022 the relevant investment portfolio is reclassified to the portfolio of investment securities measured at amortized cost. The securities will be reclassified at their fair value on 1.1.2022 which will be adjusted with the cumulative losses of € 6.98 million that have been recognized in equity, and as a result the value of the bonds will be as if they had always been measured at amortised cost. Their original interest rate and expected credit losses that have already been recognized are not affected.

RISK MANAGEMENT

The Group has established a framework of thorough management of risks, based on best practice and supervisory requirements. This framework, based on the common European legislation and the current system of common banking rules, principles and standards, is improving continuously over time in order to be applied in a coherent and effective way in the daily conduct of the Group's activities within and across borders, and making the corporate governance of the Group effective.

Since November 2014, the Group falls within the Single Supervisory Mechanism (SSM) - the financial supervision system which involves the European

Central Bank and the Bank of Greece - and as a major banking institution is directly supervised by the European Central Bank. The Single Supervisory Mechanism is working with the European Banking Authority (EBA), the European Parliament, the Eurogroup, the European Commission and the European Systemic Risk Board (ESRB) within their respective competences.

Moreover, since January 1st, 2014, the EU Directive 2013/36/EU of the European Parliament and of the Council dated June 26, 2013 along with the EU Regulation 575/2013/EU dated June 26, 2013 ("CRD IV"), are effective. The Directive and the Regulation gradually introduce the new capital adequacy framework (Basel III) of credit institutions, as amended with the Directive 2019/878 and the Regulation 2019/876.

In addition, according to its press release of 27.10.2021, the European Commission has adopted a review of the Capital Requirements Regulation and the Capital Requirements Directive. The proposed package finalizes the implementation of the Basel III agreement in the EU. This agreement was reached by the EU and its G20 partners in the Basel Committee on Banking Supervision and marks the final step in the reform of the banking rules, aiming to ensure that EU banks become more resilient to potential future economic shocks, while contributing to Europe's recovery from the COVID-19 pandemic and the transition to climate neutrality.

In this regulatory and supervisory risk management framework, the Group continuously strengthens its internal governance and its risk management strategy, in order to achieve full compliance within the increased regulatory requirements and the extensive guidelines. The initiatives are related to the governance of data risks, the collection of such data and their integration in the required reports of the management and supervisory authorities.

The Group's approach constitutes a solid foundation for the continuous redefinition of 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 potential impacts of activities in the development strategy by defining the risk management limits, so that the relevant decisions to combine 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 Group units.

More specifically, the Group, taking into account the nature, the scale and the complexity of its activities and risk profile, has developed a risk management strategy based on the following three lines of defense, which are the key factors for its efficient operation:

- Business Units of retail, wholesale, wealth banking and NPEs Remedial Management, constitute the first line of defense and risk 'ownership' which identifies and manages the risks that arise when conducting banking business.
- Risk management, monitoring and control and regulatory compliance Units, which are independent from each other as well as from the first line of defense. They constitute the second line of defense and their function is complementary in conducting banking business of the first line of defense in order to ensure the 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 the 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.
- Internal Audit, constitutes the third line of defense. Internal Audit is an independent function, reporting to the Audit Committee of the Board of Directors, and audits the internal control activities of the Bank and the Group, including the Risk Management function.

CREDIT RISK

Credit risk arises from the potential weakness of debtors' or counterparties to meet all or part of their payment obligations to the Group.

The primary objective of the Group's strategy for credit risk management, in order to achieve the maximization of the adjusted to risk performance is the continuous, timely and systematic monitoring of the loan portfolio and the maintenance of credit risks within the framework of acceptable overall risk limits. At the same time, the conduct of daily business within a

clearly defined framework of granting credit is ensured.

The framework of the Group's credit risk management is developed based on a series of credit policy procedures, systems and models for measuring, monitoring and validating credit risk. These models are subject to an ongoing review process on order to ensure full compliance with the current institutional and regulatory framework and their adaptation to the respective economic conditions and to the nature and extent of the Group's business.

Under this perspective and with main objective to further strengthen and improve the credit risk management framework during 2021, the following actions have been implemented:

- Update of Credit Policy Manuals for Wholesale Banking and Retail Banking in Greece and abroad, taking into account the supervisory guidelines for credit risk management issues and the Group's business strategy.
- Continuous strengthening of the second line of defense control mechanisms in order to ensure compliance with Credit Risks Policies at Bank and Group level, focusing on the management of the Bank and the Group's Customers who have been affected by the crisis due to Covid-19.
- Ongoing validation of the risk models in order to ensure their accuracy, reliability, stability and predictive capacity.
- Update of the Concentration Risk and Credit Threshold Policy which includes the principles and procedures that the Bank follows so as to manage the concentration risk, at Sector and Borrower/ Group of Borrowers level in the context of the Bank's participation in the Hellenic Recovery and Resilience Facility (RRF).
- Support for borrowers with short-term liquidity constraints due to the pandemic Covid-19, based on the Bank's participation in broader government schemes during 2021.

These schemes allow the Group to provide liquidity to performing borrowers at favorable financing terms, while taking on materially lower risk, thus containing the impact of the crisis on credit quality deterioration.

- Amendment of the Group Loan Impairment Policy, regarding, the identification of Default and the

Significant Increase in Credit Risk identification criteria of exposures under payment moratoria due to COVID-19 pandemic, since the respective EBA Guidelines "on legislative and non-legislative moratoria on loan repayments applied in the light of the Covid-19 crisis" (EBA/GL/2020/02) are not applicable from 1.4.2021 onwards.

- Amendment of the Group Default Classification Policy, regarding the Forbearance Classification, the Unlikelihood-to-pay (UTP) assessment and the identification of Default of exposures under payment moratoria due to COVID-19 pandemic, since the respective EBA Guidelines "on legislative and non-legislative moratoria on loan repayments applied in the light of the Covid-19 crisis" (EBA/GL/2020/02) are not applicable from 1.4.2021 onwards.
- Completion of the Project for compliance with the EBA Guidelines on loan origination and monitoring (EBA/GL/2020/06). The guidelines are applicable from 30 June 2021 and apply to institutions' internal governance arrangement and procedures in relation to credit-granting processes, and throughout the life cycle of credit facilities. Furthermore, these guidelines apply to the risk management practices, policies, processes and procedures for loan origination and monitoring of performing exposures, and their integration into the risk management frameworks.
- Integration of the digitalization of retail credit decisioning project, through all retail banking product distribution channels for Consumer Loans and Credit Cards portfolios.
- Implementation of the digitalization of retail credit decisioning project, for Housing and Small Business Loans portfolios.
- Update of the Wholesale Banking and Retail Banking Arrears and Forbearance Policies in the context of the implementation of Law 4738/2020 for the settlement of debts and the provision of a second chance to Physical Persons and Legal Entities facing problems of over-indebtedness
- 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.

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 process in relation to the Wholesale and Retail banking by using specialized statistical software.
- Reinforcing the completeness and quality control mechanism of crucial fields of Wholesale and Retail Credit for monitoring, measuring and controlling of the credit risk.
- A project for the transition from the existing Rating Systems to the new, single and efficient Group Credit Rating Platform, of Moody's company.

CLIMATE-RELATED, ENVIRONMENTAL - SOCIAL AND GOVERNANCE (ESG) RISKS

The Group acknowledging the potential implications of climate change in economic activity, which in turn affects the financial system, has developed a comprehensive action plan, submitted to ECB in May 2021, presenting how the climate risk assessment will be incorporated in its operations and in the risk management process. In that direction and in alignment with the ECB expectations and in the context of the Action Plan submitted to the ECB in May 2021, the Group has incorporated in its Risk Appetite Framework, the following qualitative statements on climate risks in the context of Credit Risk:

- The Group is committed to integrate climate risks into its overall risk management framework. In this context, the Bank regularly monitors its exposure concentration in climate-sensitive sectors and areas of its loan portfolio.
- The Group aims to enhance its due diligence process with respect to the assessment of its clients' ESG/climate risk profile, through the collection of relevant information. In this setting, the Bank will take initiatives to encourage its clients to clearly define and communicate their client related commitments and to develop and execute effective strategies to mitigate climate risks.

- The Group aims to finance its counterparties' green / sustainable transition both in the short-term and in the long-term.
- The Group, to the extent possible, will start collecting EPC rating certificates from its clients, in order to monitor the energy performance class of its real estate secured exposures.
- The Group already applies an exclusion list in line with the Environmental and Social Exclusion List developed by the European Bank for Reconstruction and Development (EBRD), for the avoidance of financing, directly or indirectly, specific activities considered as harmful to the environment and society, i.e. thermal coal mining or coal-fired electricity generation capacity; Upstream oil exploration; Upstream oil development projects, except in rare and exceptional circumstances where the proceeds of the project exclusively target the reduction of GHG emissions or flaring from existing producing fields.

Regarding the impact of climate risk on the calculation of Expected Credit Risk Loss, detailed information on the location of collateral as well as information on energy performance certificates is being collected. The information will be incorporated into the respective data systems and methodological approaches will be developed in order to adapt the models for calculating expected credit risk loss. More specifically, the following are in progress:

- Perform enhancements or additions to the current set of models used for risk parameter estimation and prediction, in order to integrate ESG risks.
- Identify ESG-related data needs leveraging on the data that will be collected for the borrower's assessment and supplementing with additional information where needed.
- Examine alternative methodological approaches for the quantification and integration of ESG risks in the credit risk parameters.
- Enhance the Credit Risk Model Validation framework so as to review and validate whether environmental risks are captured in the risk parameters, or whether sectoral / geographical segmentations have been addressed during the model development phase.

Additionally, the Bank established an ESG governance structure, to provide proactive management of all ESG topics, ensure internal alignment and enable effective dispersal of expertise into the bank's units. In this

respect the Corporate Governance and Nominations Committee, was renamed as "Corporate Governance, Sustainability and Nominations Committee" and assigned the central role in ESG oversight, while at executive level, a "Group Sustainability Committee" was established, with responsibility for steering and management of all ESG and sustainability issues. The Committee's main tasks are the following:

- Steers the Bank's strategy and direction on sustainability and ESG related topics, including environmental and social matters
- Agrees and proposes for approval by the BoD the bank's ESG policy and its targets including Financial and Non-Financial KPIs.
- Monitors the Group's sustainability performance against policy targets and benchmarks
- Provides guidance on sustainability and ESG related topics.
- Defines criteria for sustainable credit approval, debt issuances and investments, which will be incorporated in the relevant policies
- Monitors alignment with ESG requirements, including regulatory expectations

Implementation of the plan began in June 2021 and will continue throughout 2022-2023.

MANAGEMENT OF NON-PERFORMING EXPOSURES (NPEs)

The Group has set as paramount objective the effective management of NPEs, as this will lead not only to the improvement of the Group's financial strength but also to the restoration of liquidity in the real economy, households and productive business sectors, contributing to the development of the Greek economy in general.

In this context, the Group further accelerated the NPE reduction effort in 2021 even compared with the revised NPE Business Plan (submitted on April 2021).

Total NPE securitizations and transactions within 2021 amounted to Euro 16.3bn and this was the result of a dedicated effort towards achieving more than the initial NPE reduction target.

Moreover, the dedicated efforts on the organic NPE management resulted in a contained net NPE formation of Euro 0.1bn. And this was the outcome of

the following combined actions and initiatives within 2021:

- Operationalization of the SLA with Cepal (i.e., set of Committees and regular convention of these, agreement on the operating model, KPIs monitoring).
- Continuous monitoring of Moratoria in order to secure that any new NPEs will be contained.
- Encourage borrowers through focused campaigns to participate in subsidy programs (i.e. GEFYRA I & GEFYRA II).
- Coordinated actions with Ministry of Finance and Hellenic Bank's Association for new restructuring options available to borrowers following the completion of GEFYRA I & GEFYRA II subsidy periods.
- Effective human resources management focusing on know-how and training, which is further improved through attracting specialized executives.

The further successful implementation of the Group's NPE Strategy within 2022 is also affected by a number of external/systemic factors that include, among others, the following:

- Improvement of the economic environment at post Covid-19 era.
- Acceleration of Household Insolvency Law (L. 3869/2010) court hearings, through the e-platform that have been created for this purpose.

The Group's full commitment towards the active management and reduction of NPEs over the Business Plan period is reinforced through the constant review and calibration of the Group's strategies, products, and processes to the evolving macroeconomic environment.

MANAGEMENT OF NON-PERFORMING ASSETS (NPAs)

In addition to the efficient and effective management of its NPEs, during the latest years the Bank has captured within its strategic priorities the successful management of NPAs as well. In this context the Bank during 2021 continued its strategy adopted historically as follows:

Ongoing implementation of a uniform management strategy for repossessed real estate properties through the roll out of AREMI, with the aim to:

- Monitor the repossession procedure (asset on-boarding) and its assignment to the Group's subsidiary Alpha Astika Akinita A.E. or to other appropriate asset management agencies.

- Monitor the asset management operations through the Group's special purpose vehicles (SPVs).
- Supervise and coordinate asset management and development.
- Supervise and coordinate asset commercialization.
- Monitor the appropriate KPIs for the asset management agencies (internal units and external collaborators).

With regards to the asset commercialization it should be noted that AREMI has launched its own website which promotes both REOs and Bank's (as a lender) auctioned properties.

Further to the above, the Group has launched within 2021 the Project Skyline which entails the set-up of a Joint Venture with an international partner in the real estate market. This is expected to lead to the creation of a unique large-scale real estate investment platform in Greece.

RISKS ARISING FROM INVASION IN UKRAINE

In the context of the Russia and Ukraine conflict impact, markets, excluding Russian assets, have so far reacted in an orderly manner. "Safe-haven" assets are performing well, while commodities and Russian equities, bonds and currency continue to be severely impacted. On the back of the recent developments, outflows from investment funds have been reported. Overall, market participants are trying to assess the negative implications of the war, sanctions, trade disruptions and the mitigating actions. It is worth highlighting however, that capital markets both in terms of pricing and liquidity are currently quite challenging. Hence, the Group's timetable and funding mix may change to accommodate for these new developments.

Prolonged uncertainty will affect consumer's confidence. Higher commodity prices on the back of the war and trade disruptions will be headwinds to growth dynamics for Eurozone and Greece. ECB's chief Economist has already been commenting a downward revision to the region's 2022 growth by 0.4%. On the other hand, it is reasonable to expect that the fiscal and monetary policy will be tweaked accordingly to mitigate those risks. European officials have been discussing to extend fiscal easing measures due to the pandemic and ECB, in front of this new threat, may delay the expected gradual monetary tightening.

Banks from France, Italy and Austria are expected to have the greater share of direct exposure to Russia but

in an interconnected financial world the impact can spread out to other financial geographies and/or industries. Undoubtedly for Greece, the impact from higher commodities prices, especially energy, will affect the consumer's disposable income and the businesses' balance sheets. For tourism in particular, a potential loss from Russian flow is anticipated to be manageable. The bigger threat for tourism would be an overall uncertain macro environment. The new order in geopolitics and a subsequent negative economic backdrop may change structurally the global consumer behavior in the near to medium term. Bookings from rest of Europe and the US will be the determining factor for the upcoming summer season.

The Group's direct exposure to Russia/Ukraine as well as of funds transfers from/to Ukraine and Russia, are relatively immaterial. It is noted that the Group has direct exposure to Russia and Ukraine from loans to customers of circa Euro 43 million.

The Group closely monitors the ripple effects of the conflict and the subsequent sanctions to assess the medium-term implications for the country, the clients and financial system. At household level, the available income is expected to be affected by the inflationary pressures due to the overall increase of energy prices that will consequently lead in an increase of production costs of consumer goods.

Regarding Group's preparedness and ability to the application of sanctions, the terms of the restrictive measures vary in their classification based on the type of transactions, range, currency, country, banks, customers, and the organization that imposes them. The competent Divisions of the Group ensure that operational procedures have been adapted within a short timeframe, in order for the Group to fully comply with the relevant obligations and directives. Moreover, after examining Bank's suppliers list and active contracts as they exist in its repository, there is no supplier side dependency with any firm from the countries directly involved in the conflict.

Regarding possible Cyber risk incidents, the Bank has intensified its monitoring and alert analysis both internally and through services including receipt, analysis and response to cybersecurity incidents with increased sensitivity for elements related to the invasion in Ukraine. The Bank is in regular communication with the National authorities as well as its commercial Threat Intelligence services and memberships (FS-ISAC and Forum of Incident Response and Security Teams). Relevant information is shared with the Group companies as well as the other Greek

Banks for mutual update and coordinated activity if required.

As the Russia/Ukraine conflict is still evolving, any assessment of its impact is premature, however, the Group has an established and robust UTP process to assess the viability of borrowers and their long-term ability to pay. The UTP process takes place during the periodic review of existing limits, upon request of a new loan exposure, upon ad-hoc requests, upon notification of the Credit Committee for Wholesale Banking, or upon the examination of a modification request and the respective implementation status for Retail Banking. The UTP process in conjunction with the Early Warning System Mechanism that is in place, ensure the Group's early identification of events, at borrower (corporate and individuals) and portfolio level, as well as the relevant actions that must be taken in order to manage the borrowers concerned.

In the following paragraphs specific information are presented per region.

Romania

Alpha Bank Romania has a very limited exposure towards the respective region. From a transactional perspective Alpha Bank Romania has no correspondent bank relationship with entities in Russia or Ukraine. The payment flows (incoming and outgoing) are not material, representing 0.37% of the total number of payments and 0.96% of the total payment volumes. The overall deposit amounts to Euro 1.83 million representing roughly 0.10% of the bank's deposit base. From a credit exposure perspective, the overall amount is around Euro 13.14m representing roughly 0.48% of the bank's loan portfolio.

Cyprus

Cyprus economy will be affected at a moderate to a marginally significant degree, since:

- financial (majority of local Banks) and corporate industry maintain strong ties with Russia related customers, whereas
- there is also a significant reliance to Russian and Ukrainian markets in connection to the recovery of the tourism industry in 2022.

The level of the impact from the Russia and Ukraine conflict depends on the level of escalation and duration of the conflict as well as from the degree of international reaction to resolve it.

Alpha Bank Cyprus exposure to Russian and Ukrainian Borrowers is not considered material (Euro 6.7 million Project Sky).

Alpha Bank Cyprus does not have any third-party services located in Russia/Ukraine or with Russia/Ukraine ownership

London

Alpha Bank London does not conduct business in the respective region. Therefore, the Russia/Ukraine conflict has no direct impact.

Albania

Alpha Bank Albania has a very limited exposure towards the respective region and also has been classified as "Held for sale". Thus, the Russia and Ukraine conflict has no direct impact.

LIQUIDITY RISK

Liquidity Risk comprises both funding liquidity risk and asset liquidity risk, although these two dimensions of liquidity risk are closely related. Funding Liquidity risk refers to the inability of a financial institution to raise the cash necessary to roll over its debt, fulfill the cash, margin, or collateral requirements of counterparties; or to meet capital withdrawals. Asset – market liquidity risk, results from the Group's failure to recognize or address changes in market conditions that affect the ability to liquidate assets quickly and with minimal loss in value.

During 2021, customer deposits increased by Euro 3.6 billion. This is an 8.29 % increase compared to 31.12.2020. Direct Greek Government deposits, which are monitored separately, decreased by Euro 0.4 billion in 2021, thus amounted to zero 31.12.2021.

During 2021, the subsidiaries continued to enjoy increased liquidity. Their buffer, comprising of Cash and Reserves to Central Bank, government securities both acceptable and non-acceptable as collateral by the Central Bank, senior securities issued by financial institutions, subordinated securities both non-acceptable as collateral by the Central Bank, etc., on 31.12.2021 stood at the level Euro 1.28 billion for Cyprus and Euro 0.55 billion for Romania.

The decision of the European Central Bank (on 7.4.2020 and on 22.4.2020) to accept Greek sovereign debt instruments as collateral in Euro system credit operations even though they do not meet minimum

ECB rating requirements was sustained through 2021. With this decision, the European Central Bank recognizes the recent progress achieved by the Hellenic Republic and helps common confrontation among states in the Eurozone.

Already from 24.6.2020, the Bank participated in the TLTRO III program which provides long-term financing with a conventional negative interest rate -0.5%. It is noted that the financing rate of this program can be set at -1% for the period from June 2020 to June 2022, provided that specific goals have achieved, regarding the amount of the Bank's loans granted for individual periods. In particular:

- If the amount of loans granted under the program, for the period March 2020 - March 2021, remains at the levels of March 2020, the interest rate will be -1% for the period June 2020 - June 2021 and -0.5% for the remaining duration of the financing.
- In addition, if the loans granted for the period October 2020 - December 2021 remain at the levels of October 2020, the borrowing rate can be set at -1% for the period June 2021 - June 2022.

Moreover, following the announcement of 10.12.2020, three additional dates for participation in this program were added (June, September and December 2021) and the borrowing allowance under TLTRO III was increased from 50% to 55% of eligible loans.

In this context, the Bank's financing from the Euro system, which stood at Euro 13.0 billion on 31.12.2021, increased compared to 31.12.2020 by 1.1 billion. Since specific goals, regarding the amount of the Bank's loans granted for individual periods, Euro 2 billion of the programme have been renewed in December 2021, giving the bank the benefit of receiving the increased negative rate of -1%.

This increased access to ECB funding, led to a decrease of the more expensive interbank repurchase agreements (repos) by Euro 0.32 billion. Through the financing of this program, the Bank managed to extend the duration of long-term financing, as well as to improve the pricing conditions in relation to the repurchase agreements.

In order to ensure that the Banks are prepared to confront the crisis of the pandemic of Covid-19, Single Supervisory Mechanism requested an exceptional liquidity monitoring exercise conducted on a monthly basis. From this exercise, SSM has not up to this point identified any specific issues.

In the context of the Internal liquidity Adequacy Assessment Process, the Bank reviewed the policies and procedures of the liquidity stress test scenarios.

The interbank financing (short, medium to long-term) and the Early Warning Indicators of the Bank, and of Group's subsidiaries are monitored on a daily basis, and analysis is performed in order to capture daily variations.

Taking into consideration the instability of the Greek economy and the new conditions due to the Covid-19 pandemic, liquidity stress tests are conducted on a regular basis in order to assess potential outflows (contractual or contingent). The purpose of this process is to determine whether the existing liquidity buffer is adequate in order to cover Bank needs. These exercises are carried out in accordance with the approved Liquidity Buffer and Liquidity Stress Scenario Group policies Alpha Bank successfully overcomes the liquidity short term stress scenarios (idiosyncratic, systemic and combined), retaining a high liquidity buffer.

During 2021, the Contingency Funding Plan was updated to incorporate an increased liquidity buffer. The Contingency Funding Plan is complementary to the Recovery Plan. Its purpose is to facilitate increased awareness in the beginning of a possible liquidity crisis in order to perform remedial actions, in a timely manner, to mitigate a reduction in liquidity buffer.

INTEREST RATE RISK IN THE BANKING BOOK

Interest Rate Risk in the Banking Book (IRRBB) is the risk that examines how a change in base interest rates (i.e., Euro swap curve) will affect Net Interest Income of the Group and the Fair Value of Assets and Liabilities (Economic Value of Equity).

The change in net interest income and the change in economic value of equity, which results from a change in base interest rates, are calculated for internal and prudential stress scenarios on a regular basis. The relevant IRRBB stress results are presented to Asset Liability Management Committee, and Board Risk Management Committee.

During 2021, interest rate risk of the banking book decreased significantly due to the non-performing loan portfolio decrease that carried fixed interest rates. Specifically, a significant decrease of NPE was realized through Galaxy & Cosmos securitization and Orbit &

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

The system used for IRRBB analysis is Sendero Data Management and Risk Manager system. The Bank finalized the upgrading of Sendero to a newer version which is on production from January 2021.

Furthermore, the automated process of inclusion foreign Subsidiaries in the Sendero system has been finalized.

The upgraded version resulted to better support for regulatory reports & KRIs, Dynamic Gap, DV01 by time bucket and Fair Value Gap. Moreover, it enhanced the Earning at Risk calculation.

IBOR reform

The London Interbank Offered Rate (LIBOR), one of the main and most important interest rate benchmarks used in global financial markets ceased to exist or lost its representativeness since January 1st, 2022. Specific GBP and JPY settings, following guidance from the UK Financial Conduct Authority, continued to be published under a changed methodology known as "synthetic" for a short period of time to facilitate with the transition. Furthermore, the continuation of some USD LIBOR settings through June 30th, 2023, is intended only to support the maturity of legacy products.

Despite its importance, LIBOR's shortcomings have led regulators to opt for a transition away from LIBOR to alternative reference rates known as Risk-Free-Rates (RFRs). National Working Groups developed new rates, based on recommendations of the Financial Stability Board, an international body monitoring the global financial system. Financial Institutions across the globe switched smoothly to RFRs. The changes affected LIBOR and EONIA (Euro Overnight Index Average) while EURIBOR (Euro Interbank Offered Rate) was fundamentally reformed and compliant with Regulation (EU) 2016/1011 ("Benchmark Regulation") which has established a common framework to ensure the accuracy and integrity of the indices used as benchmarks in financial instruments.

In October 2021 the European Commission has adopted the option provided in paragraph 8 of article 23b of the Benchmark Regulation on the designation of

a replacement for a benchmark that will cease to be provided and issued the Implementing Regulation (EU) 2021/1847 on the designation of replacement rates for certain settings of CHF LIBOR and the fixed spread adjustments that should be added to them, accordingly. In addition, European Commission adopting the same option of the Benchmark Regulation as described above, issued the Implementing Regulation (EU) 2021/1848 on the designation of replacement for the benchmark EONIA.

The Group took all the necessary steps and complied with the above Regulations. A detailed action plan has been formulated and the internal Working Group, representing several workstreams, identified dependencies to LIBORs and implemented the necessary amendments. A Steering Committee was also closely monitored the Bank's transition to the new RFRs on a bi-weekly basis, informing the Assets and Liabilities Management Committee for the progress and challenges the Group faced during the transition.

The Group informed well in advance its clientele on the LIBOR transition by uploading on its web site all the relevant information. Furthermore, dedicated correspondence was sent to clients with direct exposure to LIBOR reform.

MARKET, FOREIGN CURRENCY AND COUNTERPARTY RISK

The Group has developed a strong control environment, applying policies and procedures in accordance with the regulatory framework and international best practices, in order to meet business needs involving market and counterparty risk while limiting adverse impact on results and equity. The framework of methodologies and systems for the effective management of those risks is evolving on a continuous basis in accordance with the changing circumstances in the markets and in order to meet customer requirements.

Market risk is the risk of losses arising from unfavorable changes in the price or volatility of products with underlying interest rates, foreign exchange rates, stock exchange indices, equity prices and commodities. The valuation of bonds and derivative positions are monitored on an ongoing basis.

Stress tests are conducted on a regular basis using extreme scenarios in order to assess the impact for each scenario on profit and loss and capital adequacy, in the markets where the Group operates.

A detailed structure for trading limits, investment limits and counterparty limits has been adopted and implemented. This structure involves regularly monitoring trigger events that could signal increased volatility in certain markets. This increased volatility means that a limit decrease is applied in these markets. The limits above are monitored on an ongoing basis and any limit breaches identified are reported officially.

For the mitigation of interest rate and foreign currency risk of the banking portfolio, hedging strategies are applied using derivatives and hedge effectiveness is tested on a regular basis.

During 2021, the Contingency Funding Plan was updated to incorporate an increased liquidity buffer. The Contingency Funding Plan is complementary to the Recovery Plan. Its purpose is to facilitate increased awareness in the beginning of a possible liquidity crisis in order to perform remedial actions, in a timely manner, to mitigate a reduction in liquidity buffer.

As of 01/07/2021 the risk engine KVAR was replaced by MX3, for the calculation of capital requirements for general market risk under the Internal Model Approach (IMA) and for market risk management purposes. During the third quarter 2021 the project for the calculation of market risk capital requirements according to the Standardized Approach in scope of the FRTB framework (FRTB-SA) concluded and report production started with reference date September 30, 2021, according to regulatory requirements.

OPERATIONAL RISK

Operational Risk is defined as the risk of financial or qualitative negative effects resulting from inadequate or failed internal processes, IT systems, people (intentionally or unintentionally) and external events. Operational Risk includes legal risk.

In the context of its capital calculation process for Operational Risk, the Group implements the

Standardized Approach and meets all the qualitative criteria required by this Approach.

During year 2021, the Group implemented its Information and Communication Technology (ICT) Risk Management Framework responding to the increased regulatory focus on this Operational Risk category.

Furthermore, the Group continued with the implementation of the new operational risk (GRC) system which is expected to be completed within the first quarter of 2022.

The development of Key Risk Indicators (KRIs) as a control monitoring mechanism has been continued at the Group level. Concurrently, the operational risk events management processes have been further strengthened.

In line with the Group's established Operational Risk framework, the Risk and Control Self-Assessment (RCSA) procedure was implemented across the Group, according to the year 2021 annual plan. The RCSA procedure aims to identify and assess risks that may affect the operations and processes of the Banks' Units/Group Companies, recognize potential control gaps, as well as design and implement action plans for their remediation.

The evolution of Operational Risk Events, the RCSA results, and all other Operational Risk related issues are closely monitored by the Group's responsible Operational Risk and Internal Control Committees, which are empowered to monitor and review the Group's Operational Risk exposures and ensure that appropriate measures for their mitigation are adopted.

CAPITAL ADEQUACY

The Group's Capital Strategy commits to maintain strong capital adequacy both from economic and regulatory perspective. It aims at monitoring and adjusting capital levels, taking into consideration capital markets' demand and supply, in an effort to achieve the optimal balance between the economic and regulatory considerations.

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

The objectives of the Group's capital management policy are to ensure that the Group has sufficient capital to cover the risks of its business, to support its strategy and to comply with regulatory capital requirements, at all times.

Following the Hive-Down the Capital Adequacy Ratios are calculated and reported to the Single Supervisory Mechanism on a quarterly basis according to the Capital Requirements Regulation (CRR 575/20123), at solo level for the Bank and at consolidated level for Alpha Services and Holdings S.A.

1. Measures for Covid-19.

As the economic effects of the coronavirus (COVID-19) started becoming apparent, the ECB, the European Banking Authority (EBA) and the European Commission (EC), announced a number of measures to ensure that the banks they supervise will continue to fulfil their role in funding the real economy.

Specifically, starting from March 2020, the ECB and the EBA announced the following relaxation measures for the minimum capital requirements for Banks in the Eurozone:

- Banks are temporarily allowed to operate below the level of capital defined by the Capital Conservation Buffer and the Countercyclical Buffer. In addition, on 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.
- Furthermore, the change expected in January 2021 under CRD V regarding the composition of the Pillar 2 requirement (P2R) buffer was brought forward allowing the (P2R) to be covered by Additional Tier 1 (AT1) capital by 18.75% and Tier 2 (T2) capital by 25% and not only by CET 1.
- In parallel ECB issued a recommendation to banks to limit the payment of dividends and share buy-backs. According to a press release issued by the ECB on 23 July 2021 this recommendation remains applicable until 30 September 2021. In addition, on 23 July 2021, the ECB announced that it expects that banks will adopt a prudent and forward-looking approach when deciding on remuneration policies.

The European Commission decided to revise the existing regulatory framework by bringing forward

regulations that would normally come with the CRR2/CRDV framework as well as provide a greater flexibility to the phase-in of the impact of the IFRS 9 on capital. The revised framework was published in the Official Journal of the European Union as at June 22, 2020.

On 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 22 December 2020, the Commission Delegated Regulation (EU) 2020/2176 of the Council of 12 November 2020, amending Delegated Regulation (EU) 241/2014 concerning the deduction of software assets from CET1 items, was published in the Official Journal of the European Union.

2. IFRS 9 Capital Impact

Regarding the International Financial Reporting Standard 9 (IFRS 9), the Bank makes use of Article 473a of the Regulation No 2395/2017 of the European Parliament and of the Council amended by EU Regulation 873/2020, and applies the transitional provisions for the calculation of Capital Adequacy on both a standalone and consolidated basis. The Bank is adequately capitalized to meet the needs arising from the application of the Standard, which will be fully implemented in 2023. The impact to the CET 1 ratio from the full implementation is estimated at approximately 2,34% and the respective CET1 ratio would stand at 11,4% as of 31.12.2021.

3. Capital Ratios

At 31.12.2021, the Bank's Common Equity Tier I capital (CET I) stood at Euro 4.4 billion, and the RWAs amounted to Euro 32.3 billion, resulting in a CET1 ratio of 13.8%.

As part of the strategic capital management during 2021, the Bank. has successfully completed:

- On 19.4.2021 the issuance of a Euro 500 million Tier 2 bond maturing on 13.2.2031, callable on 13.2.2027 with a coupon of 4,45%, and the issuance of a Euro 500 million Tier 2 bond maturing on 11.6.2031 callable on 11.6.2026 with a coupon of 5.70%. Both the two issuances have been purchased by Alpha Services and Holdings S.A.
- On 28 July 2021 the share capital increase of € 1 billion in cash.
- On 17 December 2021 the conclusion of the Synthetic Securitization of a Euro 1.9 billion performing SME/Corporate portfolio (Project Aurora), with Christofferson, Robb & Company (CRC) as lead investor, AnaCap Financial Partners (AnaCap) and the European Bank for Reconstruction and Development (EBRD).
- On 29 December 2021 the share capital increase of € 160 million in cash.

4. Deferred Tax Assets (DTAs)

Deferred Tax Assets (DTAs) at 31.12.2021 stood at Euro 5.4 billion. According to article 5 of Law 4303/17.10.2014 as amended by article 4 of Law 4340/1.11.2015 «Recapitalization of financial institutions and other provisions of the Ministry of Finance» deferred tax assets that have been recognized and are due to the debit difference arising from the PSI and the accumulated provisions and other general losses due to credit risk, which were accounted until 30.6.2015, are converted into final and settled claims against the Greek State. The above mentioned are set into force in case the accounting result for the period after taxes is a loss, according to the audited and approved by the Ordinary Shareholders' General Meeting financial statements.

In accordance with article 39 of CRR 575/2013 of the European Parliament and its Council, on precautionary requirements supervision for credit institutions and investment companies and the amendment of CRR 648/2012, a risk weight of 100% will be applied to the above-mentioned deferred tax assets that may be converted into tax credit, instead of being deducted from regulatory capital.

On 31.12.2021, the amount of deferred tax assets which is eligible to the scope of the aforementioned Law for the Bank and is included in Common Equity Tier I amounts to Euro 2.9 billion and constitutes 65.0% of the Common Equity Tier I and 8.9% of the respective weighted assets.

Any change in the above framework that will result in the non-recognition of deferred tax assets as a tax credit will have an adverse effect on the Bank's capital adequacy.

5. Capital Requirements under Pillar I

The approaches adopted for the calculation of the capital requirements under Pillar I are determined by the policy of the Bank in conjunction with factors such as the nature and type of risks the Group undertakes, the level and complexity of the business and other factors such as the degree of readiness of the information and software systems.

Capital Requirements for Credit Risk are calculated using the Standardized Approach (STA). The advanced method is used for the valuation of financial collaterals. For the Operational Risk capital requirements, the Group follows the Standardized Approach (STA). For the Market Risk the Bank uses a Value at Risk (VaR) model developed at a bank level for the significant exposures and approved by the Bank of Greece.

REGULATORY LIQUIDITY RATIOS

The Bank's balance sheet deleveraging, coupled with the customer deposits restoration trend, the restored market access and the issuances of € 1.4 billion, improved the funding mix and increased its high-quality liquid assets (HQLA) buffer. As of 31 December 2021, the Bank's Liquidity Coverage Ratio (LCR) stood at 168 % and the Net Stable Funding Ratio (NSFR) stood at 109% exceeding the minimum required threshold of 100% for both ratios.

MREL

The MREL (Minimum Requirement for Own Funds and Eligible Liabilities) constitutes a buffer that the Bank has to maintain, on a consolidated basis, in order to absorb losses in the event of resolution. The required minimum levels of MREL are determined by the Single Resolution Board (SRB) on an annual basis.

As per the latest official SRB decision, from 01 January 2022, Alpha Bank S.A. (resolution entity) shall comply, on a consolidated basis, with an intermediate MREL target equal to 14.02% of Total Risk Exposure Amount (TREA) and 5.91% of Leverage Exposure (LRE).

From 01 January 2026, the consolidated MREL will be set equal to 22.76% of TREA and 5.91% of LRE.

With the aim of compliance with the above requirements, Alpha Bank S.A., carried out the following issuances in 2021, listed on the Luxembourg Stock Exchange–EuroMTF Market:

- On 23.9.2021 a Euro 500 million senior preferred notes, in the context of the Euro Medium Term Note Program of Euro 15 billion. The Senior Preferred Bond has a 6.5-year maturity and is callable in year 5.5 with a fixed annual coupon of 2.5%.
- On 14.12.2021 a Euro 400 million Senior Preferred bond issuance. The Senior Preferred bond has a long 2-year maturity (February 2024) and is callable the first year (February 2023), with a coupon of 3%.

CORPORATE RESPONSIBILITY

The Group's organization and operation are governed by principles such as integrity and honesty, impartiality and independence, confidentiality and discretion, as provided for in the Bank's Code of Ethics and in the principles of Corporate Governance. Particular significance is attached to the identification, measurement and management of the undertaken risk, to the compliance with the applicable legal and regulatory framework, to transparency and to the provision of full, accurate and truthful information to the Bank's Stakeholders.

The Bank acts responsibly to actively contribute to the protection of the environment and to the conservation of natural resources and is committed to addressing the direct and indirect impacts of its activities on the environment. Additionally, through its participation in the UN Environment Programme Finance Initiative (UNEP FI), undertaken by financial organizations around the world to promote sustainable development, it incorporates the relevant environmental principles in its financial activities.

In 2019, the Bank signed the six Principles for Responsible Banking, which were developed as an international initiative of the United Nations – Environment Programme Finance Initiative (UNEP FI) and has been committed to align its operation with the six Principles. To this end, the Bank has set targets and seeks to increase its positive effect on society and the

environment, utilizing new business opportunities and generating value for all stakeholders.

The Bank follows specific policies for Human Resources with respect to the diversity of its Employees and the right to union membership and collective bargaining, while opposing any form of child labor, forced or compulsory labor. The Bank respects and defends the diversity of its Employees as it promotes a culture that fosters diversity and inclusion for its workforce and implements appropriate metrics to monitor diversity at all levels. All regular Bank Employees are covered by the Sector Collective Bargaining Agreements and the National General Collective Agreement at Bank level and about 87% are members of trade unions. Ensures excellent working conditions and development opportunities as well as the health and safety of Employees in the workplace. Provides fair remuneration, based on contracts that are in line with the respective national labor market, ensuring compliance with the relevant national regulations on legal minimum wages, working hours, annual leaves and ensures the continuous training and education of its Employees. During 2021, a revamped HR intranet webpage was launched contributing to an enhanced employee experience. Additionally, the direct communication point with employees, via the #stayconnected platform, that was already in place since 2020, was further developed. The platform offered coaching, parental advising and well-being sessions during the year with a significant participation rate in most initiatives. Moreover, there was a focus on creating Communities of Change within there was a focus on:

- Establishing a prosperous teamworking spirit among the members of the Communities
- Sharing knowledge, best practices and experiences from experts
- Advancing collaboration in order to achieve the Bank's targets

In addition, the Bank applies the principles of Corporate Responsibility in the whole range of its activities and seeks the compliance of its Suppliers and Partners with the values and business principles that govern its operation.

The Group's activities are directly linked to society and citizens. It therefore seeks to contribute to the support of society and citizens through the implementation of

major Programs designed to support society, education, culture and healthcare.

DIGITAL TRANSFORMATION AND INNOVATION ACTIVITIES

The Group identified early on, the opportunities and challenges posed by the new digital era and consequently, began elaborating on its digital transformation since 2017. The program includes both operational levers and innovation-focused initiatives, whose implementation continued steadily in 2021. Alpha Bank's digital transformation has focused on enhancing customer experience, through strengthening the capabilities of the Bank's digital channels, deployment of innovative digital infrastructure technologies as well as redesigning the key customer journeys. The current health pandemic has significantly accelerated the adoption of digital services by the customers, as evidenced by the 93% of customer transactions being conducted through digital channels (as opposed to the branches) in 2021.

In 2021, the Bank continued to improve the digital channels capabilities (web and mobile banking), supporting the daily transactional needs of the customers while offering ease of use as well as speed and security of service. The registration of new users in e-Banking recorded an increase of 31%, exceeding 400,000 new subscribers in 2021, with 1 out of 3 completing their registration exclusively remotely via my Alpha Mobile app. The number and value of transactions via the Bank's digital channels recorded an increase of 19% and 20% respectively, compared to 2020.

Since May 2021, all customers used the new and redesigned my Alpha Web for Individuals (the older optional version was cancelled out), which encompasses new functionalities and administration capabilities, such as, subscriber KYC (Know Your Customer) information update through the new "gov.gr" service without requiring any branch visit, immediate activation of inactive customer accounts, constant online loan instalment payments as well as a dark mode version for even greater usability and convenience. Another addition has been the ability to issue a prepaid Bleep Smile Visa card which offers unlimited recharges for the Bank's customers.

Similarly, Web banking for businesses was strengthened with new capabilities such as, the increase in number of credited accounts in multiple transfers, multiple payments to organizations, activation of immediate transfers with Euro 50 thousand limit, with multiple other improvement under way in order to enhance my Alpha web for businesses and support Greek companies during this challenging period.

In 2021, for the first time, the number of transacting customers through the Bank's mobile channel overtaking the ones via the web channel, marking a year where digital banking became more mobile-driven than ever before.

A number of 7 out of 10 bank digital channel subscribers used my Alpha Mobile app consistently on a monthly basis, while the number and value of transactions through the mobile app recorded an increase of 53% and 57% respectively. Aiming at enhancing the mobile customer experience, new features were incorporated in the Bank's mobile app such as, detailed views on all card products, issuing of new debit cards online, addition of customer credit and debit cards to the bank's digital wallets.

Moreover, there has been impressive acceptance recorded among youth between 18-25 years old who chose Alpha Bank for issuing their government-sponsored Freedom Pass card, in the context of being rewarded for their covid-19 vaccination, with total cards issued exceeding the number of 200,000.

The trend for online sales was further enhanced e.g. debit card issuance through e-Banking for individuals recording +130% increase, reaching 40% of total issues, with mobile contributing 1 in 4 cards issued.

In terms of customer journeys, the Bank's mobile onboarding service for individuals was launched in December 2020, offering prospect customers the ability to open an account, get a debit card as well as web banking credentials via their mobile phone in approximately 15mins, without the need for any branch visit. Throughout 2021, this service successfully delivered approximately 35% of the total new relationships/accounts opened in the bank.

Similarly, the Bank's innovative digital onboarding service for businesses, was launched in February 2021, offering prospect customers the ability to open a business sight account and subscribe to web banking

through an exclusively online environment, without requiring the company representative to visit a branch. Throughout 2021, approximately 1 out of 3 companies who started their cooperation with Alpha Bank chose the digital onboarding channel.

In view of further strengthening the digital product sales for Alpha Bank, by December 2021, the majority of design and implementation work for myAlpha QuickLoan was completed, i.e. the first fully digital consumer loan offering of the bank via mobile, without documents with digital signature and immediate loan disbursement to the customer account. The full launch is planned for 2022 and will cover both a mobile and web offering.

Alpha Bank, following the success of its fully redesigned digital wallet "myAlpha Wallet" for android users, offered to its customers all the available digital wallets (Apple Pay, Google Pay and Garmin). Alpha Bank's customers were able to add their Visa and Mastercard cards to the digital wallet of their choice and carry out their payments contactless in an easier, faster, and more secure manner. The acceptance was significant, with the number of new transactions that were carried out via the Bank's digital wallets exceeding the number of 13,500,000.

In December 2021, the Bank's mobile banking applications received a number of distinctions at the Mobile Excellence Awards 2022, in the following categories:

- Gold Award for the myAlpha Mobile app and the opening of the first Alpha Bank account, in the category "Integration of Mobile in a Multi-Channel & Omni-Channel Strategy"
- Gold Award for the myAlpha Mobile app and the opening of the first account at Alpha Bank, in the "Mobile Digital Transactions" category.
- Gold Award for the bizpay app, in the category "New Business Services through Mobile".
- Bronze Award for the myAlpha Wallet app, in the "UI / UX" category

We also continued the program of replacing off-Site ATMs with high-tech machines with the ability to deposit a bundle of banknotes, which resulted in an increase of 27% of the number of deposit transactions and 24% of their value compared to 2020. At the same time, the functionality of voice-guided transactions for

people with limited vision was extended to 145 ATMs of the network, first in the market in terms of ATM coverage, giving customers the opportunity to carry out cash withdrawals and balance inquiries, by simply connecting their headphones to the corresponding ATM jack.

Regarding the network of Automated Cash Transaction Centres (ACTCs), 94.5% of the branches had at least one ACTC in 2021, through which numerous deposit and payment transactions are carried out both in cash and by charging an Alpha Bank card. In November 2021, the functionality of payments to assigned loans (from sold/assigned loan portfolios) was implemented facilitating the migration of similar transactions from the branch tellers.

Alpha Bank also recorded significant growth in e-commerce services in 2021, i.e. increase of 28% in new ecommerce business customers, increase of 37% in number of ecommerce transactions and increase of 41% in value EUR year-on-year.

In 2021, the Bank also launched the capability to issue Approved Electronic Signatures for its customers and staff in accordance with European Regulation 910/2014 (eIDAS) thereby enabling the remote signing of documents by the customers and setting the foundation for a new era of end-to-end remote service experiences.

Alpha Bank actively continued to pursue the development of an open innovation ecosystem. Its third digital innovation competition (i³), open exclusively to Bank staff, launched in April 2021, aiming at soliciting innovative employee ideas to improve customer or employee experience through digital technology. I3 2021 welcomed 125 entries from colleagues across the bank nation-wide, 10 teams were formulated which were coached by 21 bank mentors, and resulted in 3 winning ideas for further detailing.

Finally, the 3rd, international digital innovation competition, FinQuest by Alpha Bank started in Dec 2021. The competition is looking for innovative B2B and B2C solutions, that (a) use open data in order to improve the experience of the Bank's customers or to serve the Bank's partners, (b) leverage data analytics to offer ESG profiling of medium or large companies. Finquest has already received more than 60 entries from 17 different countries, who will be assessed, accelerated and coached during 2022 under the mentorship of external

experts, Alpha Bank executives and associates. This process aspires to identify and create some of the future innovation partners for Alpha Bank to assist in transforming the value propositions and deliver value to the Bank's customers.

OPERATIONAL PLANNING AGAINST PANDEMIC (COVID-19)

The Group monitors, from the beginning of the pandemic crisis until today, the Government's announcements regarding the restrictive measures and adjusts the way of working accordingly with consistency and responsibility to the Employees and their Families. The physical presence of the Personnel in the workplaces is fully harmonized with the instructions of the competent authorities in a way that ensures on the one hand the proper operation of the Group and on the other hand the reduction of the risk of spreading the virus.

In addition, given the high rates of working remotely, training in new applications and collaboration tools is constantly expanding. At the same time, the content of the Intranet is enriched and actions are developed that aim to make the work from home easier, and to support the Employees in general with advice on various issues such as health, fitness, personal development and culture. Furthermore, we have developed a special section about coronavirus related news and information.

STRATEGIC PRIORITIES UNTIL THE END OF 2024

In May 2021, the Group announced its updated Strategic Plan, Project Tomorrow, which includes a series of strategic initiatives which are intended to drive future performance. The strategic priority (as presented in Project Tomorrow) is to capture the opportunity to participate in the anticipated credit growth for the Greek banking sector, that is expected to 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 the Group to reach higher profitability levels sooner, while the targeted NPE reduction under the Updated Strategic Plan and the transformation plan will allow achievement of a low level of NPEs, a normalized cost of risk and a lean cost base that will

support reaching a 10% RoTBV by 2024. Group's 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. The asset growth will be financed partially by the share capital increase that will be a determinant factor in the growth that is anticipated till 2024;
- The NPE Initiatives, aside from Project Galaxy (completed in June 2021), Project Cosmos (completed in December 2021), and Project SKY (binding agreement signed in February 2022) include a series of other NPE transactions, enabling the Group to achieve a NPE ratio of c.7% during 2022, while targeting an NPE ratio of 2% by the end of 2024. In addition, the NPE initiatives include Group's ongoing organic NPE reduction (i.e. cures, debt forgiveness, collateral based recoveries and other closing procedures). After the successful completion of the NPE Initiatives, the Group will 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 requirement;
- The core operations efficiency enhancements initiative represents the Group's aim to achieve operational excellence by focusing on core commercial banking activities, executing on business and retail banking growth strategy, increasing efficiency and reducing operating costs throughout the Group, targeting a net operating expenses reduction of c. Euro 50 million until the end of 2024 for the core operations. The further targeted reduction of NPEs is also expected to allow reduction of the NPE management associated costs, by more than Euro 100 million, until 2024;
- The fees and commissions income growth initiative is primarily based on the Group's strategy to grow the fee income from Wealth Management and Bancassurance products and services. The Group expects 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 it is expected that the new exclusive partnership with Generali will enable growth, in combination with an anticipated increase in demand for relevant products.

- The growth in international presence in Romania 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.

Significant milestones have already been achieved, paving the way for solid performance in the years ahead:

- The capital increase that was successfully concluded in July 2021, of total amount of Euro 1,160 million,
- Significant progress has been achieved in the operation of the RRF and following the Greek RRF our final participation in the program has been performed.
- Decisive NPE reduction of c. Euro 16 billion in 2021 achieving a percentage of 75% of the goals set for Alpha Services and Holdings Group (decrease by Euro 5.4 billion was achieved for Alpha Bank Group)
- The apparent recovery of commercial activity and the growth of the Asset Management sector, allowed the group to record a steadily recurring annual increase of 20% in commission revenues, achieving in full the revenue target set by for 2021, namely € 0.4 billion.
- Continuation of the Transformation program of the Bank's operating model, with the aim of enhancing the efficiency and performance of the organization,

The main objectives for 2022, that will allow to remain aligned with the priorities set through the updated Strategic Plan (Project Tomorrow) for the period up to 2024, are to:

- support business growth in Greece with net new loan originations of more than Euro 2.0 billion,
- direct excess liquidity towards AuMs and new loans,
- achieve double digit growth in net commission income mainly driven by loan growth (also

supported by the RRF), higher AuMs and commercial activity pickup,

- continue with the NPE reduction program executing the remaining inorganic transactions of more than Euro 1.0 billion and organic deleveraging through targeted management actions and
- conclude the remaining planned capital transactions.

The inflationary pressures (in conjunction with the increase in energy costs) that persisted at the end of 2021, have been amplified by the invasion of Russia in Ukraine, thus creating uncertainty in relation to the economic activity of both the domestic and global economy. For this reason the Group assesses on a continuous basis its policy mix to ensure the achievement of the profitability and return on equity targets set by 2024.

TRANSFORMATION PROGRAM

Alpha Bank's Transformation program supports the delivery of the Bank's strategic plan across three pillars: customer-centric growth, organizational effectiveness, and operational efficiency. Following the completion of the bottom-up planning and design phase in May 2021, the plan is now in the implementation phase. The bottom-up phase produced detailed implementation plans for more than 100 initiatives across 20 workstreams, each of which has a direct sponsorship of one or more General Managers. The plan was delivered with the involvement of more than 150 colleagues over a period of more than 9 months. A detailed IT delivery plan with more than 70 projects until 2023, underpinning the respective initiatives, has been defined.

The program has already started delivering financial (cost savings and revenue growth enablement) and non-financial impact (e.g., capabilities, platforms, change management) and remains on track to achieve its ambitious goals in 2024. In Retail Banking, the Bank has shifted towards a segment-based organization, with adjustments in the servicing model to enable better focus on priority segments. Administrative and back-office activities from Branches have been centralized and automated to free up frontline capacity

to be redeployed in sales activities. In Wholesale Banking, a new central team has been established to monitor client profitability and proactively manage each account and the overall portfolio. Moreover, a significant proportion of branch transactions from business customers were migrated to digital channels. In Growth & Innovation, customer experience improvements (CX) for the first (pilot) journey were completed. The Bank has launched the digital consumer loan and has started to

actively grow its sales through digital channels. In Operations, the first wave of third party spend savings was completed. Furthermore, efficiency projects (e.g., automations and operating model changes) started delivering impact. In organizational effectiveness, the Bank's performance and talent management framework was strengthened and the new Employee Value Proposition was defined.

Over the past 6 months, the Transformation has already built significant momentum and delivered significant step changes to the Bank's operating model and capabilities. 2022 will be a pivotal year as a significant number of projects and initiatives will be delivered, enabling a step change for the Bank's capabilities and competitive positioning.

DISCLOSURES OF LAW 4374/2016

According to article 6 of Law 4374/1.4.2016

"Transparency among credit institutions, media companies and subsidized persons" it was introduced to all credit institutions established in Greece the obligation to publish annually and on consolidated basis the below:

- All payments made within the year directly or indirectly to media company and its related parties, according to IAS 24, or communication and advertising company.
- All payments made within the year due to donation, subsidy, grant or other grants to individuals and legal entities.

The information required is presented below, in Euro

PAYMENTS TO MEDIA COMPANIES (Article 6 Par.1 of L.4374/2016)	
NAME*	Amounts in € before taxes
1984 PRODUCTIONS AE	4,795.02
1984 ΑΝΕΞΑΡΤΗΤΗ ΔΗΜΟΣΙΟΓΡΑΦΙΑ Α.Μ.Κ.Ε.	9,125.00
24 MEDIA ΨΗΦΙΑΚΩΝ ΕΦΑΡΜΟΓΩΝ ΑΕ	57,805.00
ADWEB LTD ΕΤΑΙΡΕΙΑ ΠΕΡΙΟΡΙΣΜΕΝΗΣ ΕΥΘΥΝΗΣ	10,895.00
AIRLINK-ΕΛΛ/ΚΕΣ ΕΠΙΧ/ΣΕΙΣ ΕΚΔ.& ΟΠΤΙΚ/ΚΩΝ ΜΕΣΩΝ ΑΕ	6,647.94
ALPHA EDITIONS ΑΕ	4,640.00
ALPHA ΔΟΥΡΥΦΟΡΙΚΗ ΤΗΛΕΟΡΑΣΗ Α.Ε	274,900.41
ALPHA ΡΑΔΙΟΦΩΝΙΚΗ Α.Ε.	19,117.98
AMOS INTERNATIONAL Ι.Κ.Ε	1,650.00
ART SAVY MON. Ι.Κ.Ε.	7,550.00
ASM PUBLICATIONS PC	6,000.00
BANKINGNEWS ΑΕ	65,000.00
² BETTERMEDIA ΙΚΕ	4,500.00
BRAINBUZZ MEDIA CONSULTING ΙΚΕ	2,500.00
BRAINFOOD ΕΚΔΟΤΙΚΗ ΕΠΕ	1,800.00
CLOCKWORK ORANGE MINDTRAP LIMITED	10,800.00
CPAN CONNECT - ED PUPLIC AFFAIRS NETWORK LTD BANKWARSGR	10,800.00
CR MEDITERRANEAN ENTERPRISES (MON. ΙΚΕ)	3,000.00
D.G. NEWSAGENCY Α.Ε.	21,675.00
DDB ΑΕ	7,997.04
DIMERA ΕΚΔΟΤΙΚΗ ΑΝΩΝΥΜΗ ΕΤΑΙΡΙΑ	1,605.50
DPG DIGITAL MEDIA Α.Ε.	48,085.00
ELCPRODUCTIONS ΑΣΤΙΚΗ ΜΗ ΚΕΡΔΟΣΚΟΠΙΚΗ ΕΤΑΙΡΕΙΑ	450.00
ENIGMA Μ.Γ. ΜΟΝΟΠΡΟΣΩΠΗ Ι.Κ.Ε.	3,081.00
ETHOS MEDIA ΑΕ	5,700.00
EUROMEDIA ACTION ΑΕ	6,000.00
EXIT BEE GREECE ΥΠΟΚΑΤΑΣΤΗΜΑ ΑΛΛΟΔΑΠΗΣ	11,520.00
FAROSNET Α.Ε	19,660.00
FAST RIVER ΔΗΜ.ΚΕΙΜΕΝΟ CONCEPT ΙΚΔ.ΕΠΕ	4,500.00
FINANCIAL MARKETS VOICE ΑΕ ΕΦΗΜΕΡ FM VOICE	5,000.00
FORWARD MEDIA ΙΚΕ	15,532.98
FREED ΑΕ	17,666.00
FRONTSTAGE ΨΥΧΑΓΩΓΙΚΗ ΑΕ	28,194.67
GATEWORK Α.Ε.	875.00
GLOBVY Α.Ε.	14,600.00
GLOMAN ΑΕ	7,525.00
GM COMMUNICATION ΙΚΕ	17,688.00
GRAMMABOOKS Ι.Κ.Ε.	5,000.00
GREEN BOX ΕΚΔΟΤΙΚΗ ΑΕ	7,300.00
HARRIS ΕΠΙΚΟΙΝΩΝΙΑ ³ ΜΟΝΟΠΡΟΣΩΠΗ ΕΠΕ	1,200.00
HELLAS JOURNAL INC	8,800.00
HTTPOOL Greece/ LinkedIn	103,689.71
ICAP ΑΕ	12,270.00
ICAP GROUP Α.Ε	3,200.00
INFINITAS Ι.Κ.Ε.	720.00
INFONEWS Ι.Κ.Ε.	14,500.00
INSIDER PUBLICATIONS ΕΚΔΟΣΕΙΣ ΜΟΝ/ΠΗ ΕΠΕ	14,807.00

* Names have not been translated into English

PAYMENTS TO MEDIA COMPANIES (Article 6 Par.1 of L.4374/2016)	
NAME*	Amounts in € before taxes
INTERNATIONAL RADIO NETWORKS AE DEE JAY	18,658.30
J.O INFOCENT ΕΠΙΚΟΙΝΩΝΙΕΣ ΜΟΝ.ΕΠΕ	5,402.00
K.E.D. HEALTH O.E.	18,250.00
KEYWE I.K.E.	6,500.00
KISS AE ΜΕΣΑ ΜΑΖΙΚΗΣ ΕΝΗΜΕΡΩΣΗΣ	8,812.07
KONTRA IKE	3,000.00
KONTRA MEDIA ΜΕΣΑ ΜΑΖΙΚΗΣ ΕΝΗΜΕΡΩΣΗΣ Α.Ε.	16,879.40
KOOLWORKS M. A.E.	4,017.00
KYRTSOS GROUP E.E. ⁴	5,000.00
LIQUID PUBLISHING A.E.	47,357.50
LOCAL NEWS ΔΗΜΗΤΡΙΟΣ Κ. ΤΟΛΗΣ ΜΟΝΟΠΡΟΣΩΠΗ ΙΚΕ	145.14
LOVE RADIO BROADCASTING AE	1,620.00
M.V. PRESS ΜΟΝΟΠΡΟΣΩΠΗ ΙΚΕ ΕΚΔΟΣΕΙΣ	5,399.13
MARATHON PRESS IKE	1,600.00
MASTER MINDS PRIVATE COMPANY	1,000.00
MEDIA2DAY ΕΚΔΟΤΙΚΗ ΑΝΩΝΥΜΗ ΕΤΑΙΡΕΙΑ	134,519.55
MINDSUPPORT IKE	5,126.99
MINDTHEGAP MEDIA COMMUNICATIONS ΜΟΝ. Ι.Κ.Ε.	8,493.00
MONITOR GROUP Μ. ΕΠΕ Α.ΠΑΠΑΣΤΑΘΟΠΟΥΛΟΣ Μ.ΕΠΕ	800.00
MONOCLE MEDIA LAB ΜΟΝΟΝΕWS MIKE	87,715.00
MOTORMEDIA AND ΣΙΑ ΕΕ	1,520.00
NAG MEDIA A.E.	7,000.00
NEW MC AND ΣΙΑ Ε.Ε.	1,540.00
NEW MEDIA NETWORK SYNOPSIS S.A.	97,746.00
NEWPOST PRIVATE COMPANY	23,065.00
NEWSFRONT ΝΑΥΤΙΛΙΑΚΕΣ ΕΚΔΟΣΕΙΣ ΙΚΕ	740.00
NEWSIT ΕΠΕ	71,613.00
NEWSROOM I.K.E.	2,385.00
NK MEDIA GROUP Ε.Π.Ε.	18,000.00
NOVA BROADCASTING AE	72,552.50
OLIVE MEDIA AE	1,525.00
ONE BRAND STUDIO IKE	6,525.00
ONE DIGITAL SERVICES A.E.	19,000.00
PARALOT MEDIA & MARKETING LIMITED	3,000.00
PERFECT MEDIA ADVERTISING MIKE	70,305.52
PHAISTOS NETWORKS AE	12,664.90
POLITICAL PUBLISHING I.K.E.	2,000.00
POWERGAME MEDIA IKE	7,500.00
PREMIUM A.E.	29,873.00
PRIME APPLICATIONS A.E.	54,810.00
PROJECT AGORA LTD	16,070.00
PROPERTY MARKETING SERVICES ΔΙΑΦΗΜΙΣΤΙΚΗ ΙΚΕ	5,000.00
R MEDIA ΕΚΔΟΤΙΚΗ ΕΤΕΡΟΠΡΥΘΜΗ ΕΤΑΙΡΙΑ	3,000.00
RADIO PLAN ΒΕΕ ΙΔΙΩΤΙΚΗ ΚΕΦΑΛΑΙΟΥΧΙΚΗ ΕΤΑΙΡΕΙΑ	2,510.22
REAL MEDIA ΜΕΣΑ ΜΑΖΙΚΗΣ ΕΝΗΜΕΡΩΣΗΣ Α.Ε. ⁵	103,613.20
REPORT PRIVATE COMPANY	800.00
S. & A. NEMO ONLINE ΕΠΕ	1,350.00
SABD ΕΚΔΟΤΙΚΗ Α.Ε.	83,471.50
SAMOS BUSINESS DEVELOPMENT IKE	7,750.00

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PAYMENTS TO MEDIA COMPANIES (Article 6 Par.1 of L.4374/2016)	
NAME*	Amounts in € before taxes
SFERA RADIO ΑΝΩΝΥΜΟΣ ΡΑΔ/ΚΗ ΕΤΑΙΡΙΑ	7,136.40
SOL DE GRECIA MONIKE	2,500.00
SOLAR ΡΑΔΙΟΤ/ΚΕΣ & ΨΥΧΑΓΩΓΙΚΕΣ ΥΠΗΡ.Α.Ε	20,859.00
SPORT TV ΡΑΔΙΟΤΗΛΕΟΠΤΙΚΗ ΠΡΟΒΟΛΗ ΑΕ	60,794.45
SPORTNEWS ΥΠΗΡΕΣΙΕΣ ΔΙΑΔΙΚΤΙΟΥ Α.Ε	11,250.00
TELIA COMMUNICATIONS ΑΕ	6,510.00
THE TOC DIGITAL MEDIA ΥΠΗΡΕΣΙΕΣ ΕΝΗΜΕΡ.Α.Ε	23,697.00
THE WALT DISNEY COMPANY GREECE ΜΕΠΕ	4,506.88
THINK DIGITAL INTERNET AND ΔΙΑΦΗΜΙΣΗ ΜΟΝ/ΠΗ ΑΕ	3,000.00
TLIFE ΕΦΑΡΜΟΓΕΣ ΔΙΑΔΙΚΤΥΟΥ ΕΕ	9,850.00
TOMORROW NEWS Ι.Κ.Ε.	3,535.00
U MEDIA ΕΞΕΙΔΙΚΕΥΜΕΝΕΣ ΔΙΑΦ. ΥΠΗΡΕΣΙΕΣ Ι.Κ.Ε.	74,484.00
USAY Σ.ΠΑΥΛΟΠΟΥΛΟΣ ΜΟΝ.ΕΠΕ	4,470.00
VICE GREECE ΜΟΝ/ΠΗ ΑΕ	800.00
VITO PR & EVENTS ΥΠΟΚΑΤΑΣΤΗΜΑ ΑΛΛΟΔΑΠΗΣ	2,467.00
W.S.F. WALL STREET FINANCE Ι.Κ.Ε.	8,800.00
WORLD TWENTY FOUR SEVEN Ε.Ε.	2,500.00
ΑΒΡ ΕΚΔΟΤΙΚΗ ΙΔΙΩΤΙΚΗ ΚΕΦΑΛΑΙΟΥΧΙΚΗ ΕΤΑΙΡΕΙΑ	9,146.00
ΑΘΑΝΑΣΙΑΔΗΣ Π. & ΣΙΑ ΑΕ	31,000.00
ΑΘΑΝΑΣΙΟΥ ΔΑΜΙΑΝΟΣ ΕΦΗΜΕΡΙΔΑ Η ΔΗΜΟΚΡΑΤΙΚΗ ΤΗΣ ΡΟΔΟΥ	1,825.00
ΑΘΕΝΣ ΒΟΙΣ ΑΝΩΝΥΜΗ ΕΚΔΟΤΙΚΗ ΕΤΑΙΡΕΙΑ	56,650.00
ΑΛΗΘΙΝΟ ΡΑΔΙΟΦΩΝΟ ΑΕ REAL FM	57,623.62
ΑΛΤΕΡ ΕΓΚΟ ΕΠΙΧ.ΜΕΣΩΝ ΜΑΖΙΚΗΣ ΕΝΗΜΕΡΩΣΗΣ ΑΕ	771,274.81
ΑΝΑΣΤΑΣΙΟΣ ΚΑΡΑΜΗΤΣΟΣ & ΣΥΝΕΡΓΑΤΕΣ ΕΕ OLIVE MAGAZINE GR	9,720.00
ΑΝΕΞΑΡΤΗΤΑ ΜΕΣΑ ΜΑΖΙΚΗΣ ΕΝΗΜΕΡΩΣΗΣ Α.Ε	43,392.60
ANTENNA TV ΑΕ	376,595.90
ΑΠΕ-ΜΠΕ ΑΕ	19,000.00
ΑΠΟΣΤΟΛΟΣ ΚΑΡΑΜΠΕΡΟΠΟΥΛΟΣ ΜΟΝΟΠΡΟΣΩΠΗ ΕΠΕ	475.81
ΑΡΓΟΛΙΔΑ ΚΑΘΗΜΕΡΙΝΗ ΕΦΗΜΕΡΙΔΑ - ΧΡΗΣΤΟΣ Α.ΚΑΛΑΝΤΖΗΣ	2,335.00
ΑΡΙΣΤΕΙΔΟΥ ΙΩΑΝ. ΛΥΔΙΑ - ΕΛΕΥΘΕΡΟ ΒΗΜΑ ΤΗΣ ΦΛΩΡΙΝΑΣ	835.00
ΑΤΤΙΚΕΣ ΕΚΔΟΣΕΙΣ Α.Ε.	5,750.00
ΒΑΣΙΛΟΠΟΥΛΟΣ Χ - ΠΕΤΡΟΠΟΥΛΟΣ Δ. ΟΕ (NEMA PROBLEMA)	4,324.98
ΒΟΡΕΙΑ ΕΝΗΜΕΡΩΤΙΚΗ ΑΕ	1,000.00
ΓΕΝΙΚΕΣ ΡΑΔΙΟΤΗΛΕΟΠΤΙΚΕΣ ΕΠΙΧ. ΑΕ	8,262.80
ΓΕΩΡΓΙΟΣ ΠΑΠΑΤΡΙΑΝΤΑΦΥΛΛΟΥ & ΣΙΑ ΕΕ	4,200.00
ΓΝΩΜΗ Μ.ΙΚΕ	640.00
Δ. ΜΠΟΥΡΑΣ & ΣΙΑ ΕΕ	30,000.00
ΔΕΣΜΗ ΑΕ ΕΜΠ.ΔΙΑΦ.ΡΑΔ.ΕΤΑΙΡΕΙΑ & ΕΦ.ΔΙΑΔΙΚΤΥΟΥ.	3,163.00
ΔΗΜ.ΡΟΥΧΩΤΑΣ & ΣΙΑ ΟΕ ΑΣΦΑΛΙΣΤΙΚΗ ΑΓΟΡΑ	141.51
ΔΗΜΗΤΡΙΟΣ ΑΛ ΑΡΑΜΠΑΤΖΗΣ ΣΕΡΡΑΪΚΟΝ ΘΑΡΡΟΣ	5,000.00
ΔΗΜΟΣΙΟΓΡΑΦΙΚΟΣ ΟΡΓΑΝΙΣΜΟΣ Ο ΧΡΟΝΟΣ ΜΟΝΟΠΡΟΣΩΠΗ ΙΚΕ	340.00
ΔΗΜΟΤΙΚΗ ΕΠ'ΙΧ/ΣΗ ΤΗΛΕΟΡΑΣΗΣ Δ.ΑΣΠΡ/ΡΓΟΥ ΑΤΤΙΚΑ TV	5,961.00
ΔΙΟΓΕΝΗΣ ΜΚΟ ΑΣΤΙΚΗ ΜΗ ΚΕΡΔΟΣΚΟΠΙΚΗ ΕΤΑΙΡΕΙΑ	4,500.00
ΔΙΟΝΑΤΟΣ Ι. & ΣΙΑ Ε.Ε.	15,000.00
ΔΟΥΣΗΣ ΑΝΑΣΤΑΣΙΟΣ & ΣΙΑ ΕΕ - DOUSIES COM ΕΕ	8,330.00
ΔΥΑΔΙΚΗ ΕΝΗΜΕΡΩΣΗ ΕΕ	12,784.00
ΔΥΟ ΔΕΚΑ ΑΝΩΝ.ΕΚΔΟ.ΕΤΑΙΡΕΙΑ	56,900.00
ΕΘΝΙΚΟΣ ΚΗΡΥΞ ΤΗΣ ΝΕΑΣ ΥΟΡΚΗΣ ΕΛΛΑΣ ΜΟΝΟΠΡΟΣΩΠΗ ΕΠΕ	5,997.60

PAYMENTS TO MEDIA COMPANIES (Article 6 Par.1 of L.4374/2016)	
NAME*	Amounts in € before taxes
ΕΙΔ.ΛΟΓ/ΣΜΟΣ Κ ^ο ΝΑΔ.ΕΡΕΥΝΑΣ ΤΟΥ ΕΘΝ.ΑΣΤΕΡ. ΑΘΗΝΩΝ	1,000.00
ΕΙΔΗΣΕΙΣ ΝΤΟΤ ΚΟΜ ΑΕ	469,465.14
ΕΚΔΟΣΕΙΣ ΜΟΤΟΡΙ ΕΠΕ	1,500.00
ΕΚΔΟΣΕΙΣ ΑΠΟΣΤΟΛΟΥ ΕΛΕΝΗ	280.00
ΕΚΔΟΣΕΙΣ ΕΝΤΥΠΟΥ ΥΛΙΚΟΥ ΚΑΡΑΜΑΝΟΓΛΟΥ Ε.Π.Ε.	5,310.00
ΕΚΔΟΣΕΙΣ ΕΠΕΝΔΥΣΗ ΑΕ	10,000.00
ΕΚΔΟΣΕΙΣ Ν.ΠΑΠΑΝΙΚΟΛΑΟΥ ΑΕ	6,338.78
ΕΚΔΟΣΕΙΣ ΝΑΣΤΑ ΙΚΕ	1,200.00
ΕΚΔΟΣΕΙΣ ΝΕΟ ΧΡΗΜΑ ΑΕ NEWMONEY GR	34,320.00
ΕΚΔΟΣΕΙΣ ΠΡΩΤΟ ΘΕΜΑ ΕΚΔΟΤΙΚΗ ΑΕ	443,844.10
ΕΚΔΟΣΕΙΣ ΣΟΦΙΑ ΜΟΣΧΑΝΔΡΕΟΥ & ΣΙΑ ΕΕ	9,421.77
ΕΚΔΟΣΕΙΣ ΣΤΑΜΟΥΛΗ ΑΕ	4,000.00
ΕΚΔΟΤΙΚΗ ΒΟΡΕΙΩΝ ΠΡΟΑΣΤΙΩΝ Μ. Ι.Κ.Ε.	1,500.00
ΕΚΔΟΤΙΚΗ ΤΡΙΠΟΛΕΩΣ ΒΑΣΙΛΕΙΟΣ ΗΛ. ΚΑΡΥΔΗΣ & ΣΙΑ ΟΕ	280.00
ΕΛΕΥΘΕΡΙΑ ΑΕ	196.75
ΕΛΕΥΘΕΡΙΑ ΤΟΥ ΤΥΠΟΥ ΕΚΔΟΤΙΚΗ Α.Ε.	60,750.00
ΕΛΛΗΝΙΚΟ ΙΝΣΤΙΤΟΥΤΟ ΕΞΥΠΗΡΕΤΗΣΗΣ ΠΕΛΑΤΩΝ	400.00
ΕΛΛΗΝΟΓΕΡΜΑΝΙΚΟ ΕΜΠΟΡΙΚΟ & ΒΙΟΜΗΧΑΝΙΚΟ ΕΠΙΜΕΛΗ	1,350.00
ΕΛΝΑΒΙ Ι.Κ.Ε.	2,660.00
ΕΝΙΚΟΣ ΑΝΩΝΥΜΗ ΕΤΑΙΡΕΙΑ	90,853.00
ΕΝΤΥΠΟΕΚΔΟΤΙΚΗ Α.Ε.Β.Ε.Τ.	8,000.00
ΕΞΕΡΕΥΝΗΤΗΣ-ΕΞΠΛΟΡΕΡ ΑΕ	14,450.00
ΕΠΙΚΟΙΝΩΝΙΑ ΕΠΕ	20,000.00
ΕΡΙΝΥΑ ΕΙΔΗΣΕΙΣ Μ ΙΚΕ	13,100.00
ΕΡΩΤΙΚΟΣ ΡΑΔΙΟ ΑΕ	819.00
ΕΣΤΙΑ ΕΠΕΝΔΥΤΙΚΗ ΜΜΕ ΑΕ	40,000.00
ΕΤΑΙΡΕΙΑ ΕΠΙΧ/ΚΗΣ ΑΝΑΠΤΥΞΗΣ ΑΘΗΝΩΝ	1,300.00
ΕΦΗΜΕΡΙΣ ΕΣΤΙΑ ΑΝΩΝΥΜΗ ΕΚΔΟΤΙΚΗ ΕΤΑΙΡΕΙΑ	49,149.14
ΖΟΥΓΚΛΑ ΤΖΙ ΑΡ Α.Ε.	60,413.00
ΖΟΥΓΡΗΣ ΔΗΜΗΤΡΙΟΣ ΑΝΔ ΣΙΑ ΕΕ	2,000.00
ΖΩΗ ΛΕΥΚΟΦΡΥΔΟΥ ΙΚΕ	1,310.44
Η ΑΛΗΘΕΙΑ ΜΟΝ. Ε.Π.Ε. - ΑΜΒΡΟΣΙΟΥ ΓΕΩΡΓΙΟΣ	560.00
Η ΑΥΓΗ Α.Ε.	2,500.01
Η ΘΕΣΠΡΩΤΙΚΗ ΑΛΕΞΑΝΔΡΟΣ ΘΕΜΕΛΗΣ	780.00
Η ΘΕΣΣΑΛΙΑ	491.04
Η ΚΑΘΗΜΕΡΙΝΗ ΑΕ	336.60
Η ΝΑΥΤΕΜΠΟΡΙΚΗ -ZOFRANK HOLDINGS CO. LIMITED	7,880.00
ΗΛΙΑΣ ΚΑΝΕΛΛΗΣ & ΣΙΑ ΕΕ	3,300.00
ΗΤ PRESS ONLINE ΜΟΝΟΠΡΟΣΩΠΗ ΙΚΕ	9,000.00
ΗΧΟΣ ΑΝΔ ΡΥΘΜΟΣ ΑΕ	8,657.10
ΗΧΩ ΤΗΣ ΑΡΤΑΣ ΚΑΘΗΜΕΡΙΝΗ ΕΦΗΜΕΡΙΔΑ ΕΛΕΝΗ ΣΤΑΜΟΥ ΕΚΔΟΣΕΙΣ	245.00
ΘΕΜΑ ΡΑΔ ^ο ΙΟ Α.Ε.	2,675.79
ΘΕΟΧΑΡΗΣ ΣΠΥΡ. ΓΕΩΡΓΙΟΣ	5,746.00
Ι. Κ. ΔΡΑΓΟΥΝΗΣ ΕΚΔΟΣΕΙΣ Ι.Κ.Ε.	5,000.00
Ι. ΤΟΜΕΛΙΤΟΥ - ΚΑΣΤΟΡΙΝΗ	1,556.60
ΙΚΑΡΟΣ ΡΑΔΙΟΤΗΛΕΟΠΤΙΚΕΣ ΕΠΙΧ/ΣΕΙΣ Α.Ε.	16,360.00
ΙΝΣΤΙΤΟΥΤΟ ΕΡΕΥΝΩΝ & ΜΕΛ. ΤΗΣ ΚΕΝΤ.ΕΝ.ΕΠΙΜ.ΕΛΛ/ΔΟΣ	2,900.00

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PAYMENTS TO MEDIA COMPANIES (Article 6 Par.1 of L.4374/2016)	
NAME*	Amounts in € before taxes
ΙΟΝΙΚΕΣ ΕΚΔΟΣΕΙΣ Α.Ε.	2,550.00
Κ.Μ ΧΑΤΖΗΗΛΙΑΔΗΣ & ΣΙΑ Ε.Ε.	5,160.00
ΚΑΘΗΜΕΡΙΝΕΣ ΕΚΔΟΣΕΙΣ Α.Ε.	409,456.95
ΚΑΛΕΣ ΙΣΤΟΡΙΕΣ ΙΚΕ	30,000.00
ΚΑΛΛΙΟΠΗ ΚΟΖΥΡΗ - ΜΙΧΑΛΗΣ ΚΟΖΥΡΗΣ Ο.Ε.Ε. - ΑΝΑΤΟΛΗ	118.00
ΚΑΛΟΠΟΥΛΟΥ ΓΕΩ.ΜΑΡΙΑ (WOMANIDOL)	2,800.00
ΚΑΠΙΤΑΛ.GR Α.Ε.	104,270.00
ΚΟΙΝΩΝΙΚΗ ΣΥΝΕΤΑΙΡΙΣΤΙΚΗ ΕΠΙΧΕΙΡΗΣΗ ΠΡΟΤΑΣΙΣ	1,100.00
ΚΟΣΜΟΡΑΔΙΟ ΕΕ	2,768.01
ΚΩΝ/ΝΟΣ Δ. ΔΕΜΕΡΤΖΗΣ	275.00
ΚΩΝΣΤΑΝΤΑΚΟΣ ΑΝΤΩΝΙΟΣ ΜΟΝΟΠΡΟΣΩΠΗ ΙΚΕ	5,500.00
ΚΩΣΤΑΡΕΛΛΑΣ Ν. ΙΩΑΝΝΗΣ	120.00
ΛΑΚΩΝΙΚΟΣ ΤΥΠΟΣ ΧΡΙΣΤΙΝΑ ΑΝΝΑ ΧΙΩΤΗ	831.50
ΛΑΜΙΑΚΟΣ ΤΥΠΟΣ ΑΕ	730.00
ΛΑΜΨΗ ΕΚΔΟΤΙΚΕΣ & ΡΑΔ/ΚΕΣ ΕΠΙΧΕΙΡΗΣΕΙΣ Α.Ε.	12,333.01
ΛΥΚΑΒΗΤΟΣ ΕΚΔΟΣΕΙΣ ΜΟΝΟΠΡΟΣΩΠΗ Ι.Κ.Ε.	3,500.00
ΜΑΚΕΔΟΝΙΑ ΕΝΗΜΕΡΩΣΗ Α.Ε.	3,641.51
ΜΑΚΕΔΟΝΙΑ TV Α.Ε.	16,790.22
ΜΑΛΤΕΖΟΣ ΑΝΔ. ΔΗΜΗΤΡΙΟΣ - ΕΚΔΟΣΕΙΣ ΕΚΗΒΟΛΟ	350.00
ΜΑΝΕΣΙΩΤΗΣ ΝΙΚ - ΨΩΜΙΑΔΗΣ ΚΩΝ ΟΕ FMVOICEGR	23,200.00
ΜΑΡΙΑ ΒΑΣΙΛΑΚΗ ΜΟΝΟΠΡΟΣΩΠΗ ΕΠΕ	12,500.00
ΜΑΡΙΝΑ Γ.ΤΟΥΛΑ & ΣΙΑ ΟΕ	2,400.00
ΜΕΤΡΟΝΤΗΛ ΜΟΝ. ΙΚΕ	3,324.00
ΜΠΑΜ MEDIA Ι.Κ.Ε.	5,000.00
ΜΠΟΥΣΙΑΣ ΕΠΙΚΟΙΝΩΝΙΕΣ ΕΠΕ	4,974.82
Ν. & Ι. ΑΓΓΕΛΑΚΗΣ ΚΡΗΤΙΚΑ ΜΕΣΑ ΕΝΗΜΕΡΩΣΗΣ ΕΠΕ	120.00
ΝΕΑ ΤΗΛΕΟΡΑΣΗ ΑΕ	336,729.49
ΝΕΑ ΤΗΣ ΒΟΙΩΤΙΑΣ ΙΩΑΝΝΗΣ Η. ΚΑΝΤΑΣ	513.39
ΝΕΟ ΡΑΔΙΟΦΩΝΟ ΤΩΝ ΔΗΜΟΣΙΟΓΡΑΦΩΝ ΕΠΕ	13,298.99
ΝΕΟΤΥΠΟΓΡΑΦΙΚΗ ΜΟΝΟΠΡΟΣΩΠΗ ΕΠΕ Ο ΛΟΓΟΣ	21,689.90
ΝΟΗΣΙΣ ΙΚΕ	7,880.00
ΟΚΤΑΣ MEDIA ΙΚΕ	32,000.00
ΟΜΙΛΟΣ ΤΟΤΣΗ	169.82
ΟΠΙΝΙΟΝ ΠΟΣΤ ΗΛΕΚΤΡΟΝΙΚΕΣ ΕΚΔΟΣΕΙΣ ΑΕ	5,930.00
ΟΡΓΑΝΙΣΜΟΣ ΜΕΓΑΡΟ ΜΟΥΣΙΚΗΣ ΑΘΗΝΩΝ	1,800.00
ΟΡΘΟΔΟΞΗ ΚΙΒΩΤΟΣ ΕΚΔΟΣΕΙΣ ΑΕ	1,500.00
ΟΡΙΖΟΝΤΕΣ ΕΠΕ	125.00
ΟΤΕ Α.Ε	46,307.91
Π.Δ. ΕΚΔΟΣΕΙΣ ΕΠΕ	7,500.00
ΠΑΛΟ ΨΗΦΙΑΚΕΣ ΤΕΧΝΟΛΟΓΙΕΣ ΕΠΕ	2,003.00
ΠΑΠΟΥΛΙΔΗΣ ΘΕΟΔΩΡΟΣ Μ.ΙΚΕ	8,876.71
ΠΑΡΑΕΝΑ Μ. ΕΠΕ	102,794.24
ΠΑΡΑΠΟΛΙΤΙΚΑ ΕΚΔΟΣΕΙΣ ΑΕ	43,905.00
ΠΑΤΡΙΣ - ΚΑΘΗΜΕΡΙΝΗ ΠΡΩΙΝΗ ΕΦΗΜΕΡΙΔΑ - ΕΚΔΟΣΕΙΣ Α.ΜΥΚΩΝΙΑΤΗΣ ΑΕ	630.00
ΠΑΤΡΙΣ Δ.Ο.Β. Ι.Κ.Ε ΕΚΔΟΣΗ ΕΦΗΜΕΡΙΔΑΣ ¹⁰	3,620.00
ΠΕΛΟΠΟΝΝΗΣΟΣ ΠΑΤΡΩΝ ΕΚΔΟΣΕΙΣ ΑΕ	8,000.00
ΠΡΟΤΑΓΚΟΝ Α.Ε.	30,200.00
ΠΡΩΙΝΟΣ ΤΥΠΟΣ - ΣΤΕΛΛΑ Ι. ΣΤΑΥΡΙΔΟΥ	417.50
ΠΡΩΤΗ ΕΚΔΟΤΙΚΗ Α.Ε.	100.80
ΡΑΔ/ΚΑ ΗΛΕΚΤ/ΚΑ ΕΚΔΟΤΙΚΑ ΜΕΣΑ ΕΛΛΑΔΑΣ ΑΕ	3,000.00

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NAME*	Amounts in € before taxes
ΡΑΔΙΟ ΘΕΣΣΑΛΟΝΙΚΗ ΑΕ	6,064.18
ΡΑΔΙΟΤΗΛΕΟΠΤΙΚΕΣ ΕΠΙΧΕΙΡΗΣΕΙΣ ΑΕ	9,224.50
ΡΑΔΙΟΤΗΛΕΟΠΤΙΚΗ Α.Ε.	170,886.62
ΡΑΔΙΟΦΩΝΙΚΕΣ ΕΠΙΧΕΙΡΗΣΕΙΣ RADIO NORTH 98FM ΜΟΝ. ΕΠΕ	2,856.00
ΡΑΔΙΟΦΩΝΙΚΕΣ ΠΑΡΑΓΩΓΕΣ ΜΟΝ. Α.Ε.	4,614.20
ΡΑΔΙΟΦΩΝΙΚΗ ΕΠΙΚΟΙΝΩΝΙΑ ΑΕ ΔΙΕΣΗ FM	8,823.40
ΣΕΛΑΝΑ Α.Ε	4,000.00
ΣΕΡΡΑΙΚΕΣ ΕΚΔΟΣΕΙΣ ΜΟΝΟΠΡΟΣΩΠΗ Ε.Π.Ε.	250.00
ΣΗΜΕΡΙΝΗ ΤΩΝ ΣΕΡΡΩΝ ΕΚΔΟΣΗ ΕΦΗΜΕΡΙΔΩΝ , ΜΕΤΟΚΗΣ-ΜΕΤΟΚΗ ΟΕ	420.00
ΣΙΜΟΠΟΥΛΟΣ Ν. ΜΙΛΤΙΑΔΗΣ ΕΚΔΟΣΕΙΣ ΕΦΗΜΕΡΙΔΩΝ-ΕΝΤΥΠΩΝ	439.00
ΣΙΜΟΥΣΙ Ε.Ε.	6,712.25
ΣΚΟΥΤΕΡΗΣ ΖΗΣΤΟΣ Γ. ΚΟΡΙΝΘΙΑΚΗ ΗΜΕΡΑ	600.32
ΣΤΑΥΡΟΣ Κ. ΒΛΑΧΟΠΟΥΛΟΣ ΗΜΕΡΗΣΙΣ ΕΦΗΜΕΡΙΣ ΦΩΝΗ ΤΗΣ ΞΑΝΘΗΣ	145.00
ΣΥΓΧΡΟΝΗ ΕΠΟΧΗ ΕΚΔΟΤΙΚΗ ΑΕΒΕ/ΡΙΖΟΣΠΑΣΤΗΣ	3,000.00
ΤΕΚΜΗΡΙΩΣΗ Μ ΕΠΕ ΕΦΗΜΕΡΙΔΑ ΤΑΧΥΔΡΟΜΟΣ	231.44
ΤΕΡΖΕΝΙΔΗΣ ΑΛ.ΚΩΝ/ΝΟΣ ΠΡΩΙΝΗ ΕΙΔΗΣΕΙΣ	224.00
ΤΟ ΜΑΝΙΦΕΣΤΟ ΙΚΕ	2,000.00
ΤΟΠΙΚΕΣ ΕΦΗΜΕΡΙΔΕΣ Ι.Κ.Ε.	260.00
ΤΣΙΤΑΣ Χ. ΠΡΟΔΡΟΜΟΣ	3,900.00
ΤΥΠΟΚΥΚΛΑΔΙΚΗ Α.Ε.	768.20
ΤΥΠΟΣ ΘΕΣΣΑΛΟΝΙΚΗΣ ΤΥΡΟΣ ΜΕΔΙΑ ΕΠΕ	8,425.50
ΤΥΠΟΣ ΧΑΛΚΙΔΙΚΗΣ ΘΩΜΑ ΘΕΟΔΩΡΑ	571.60
ΥΠΑΙΘΡΟΣ ΧΩΡΑ Α.Ε	1,400.00
ΦΕΛΝΙΚΟΣ ΗΛΕΚΤΡ. ΜΕΣΩΝ ΕΝΗΜΕΡΩΣΗΣ Μ.ΕΠΕ	6,072.00
ΦΙΛΑΘΛΟΣ ΙΚΕ	11,000.00
ΦΙΛΕΛΕΥΘΕΡΟΣ ΤΥΠΟΣ ΜΟΝΟΠΡΟΣΩΠΗ ΑΕ	72,660.77
ΦΩΤΑΓΩΓΟΣ ΕΠΕ	3,775.00
ΧΟΝΔΡΟΓΙΑΝΝΗ ΧΡΥΣΟΥΛΑ-ΧΡΙΣΤΙΝΑ	1,407.50
ΧΡΥΣΗ ΕΥΚΑΙΡΙΑ ΕΚΔΟΣΕΙΣ ΑΕ	160.02
	6,903,817.06

PAYMENTS TO MEDIA COMPANIES OF AMOUNTS LESS THAN €100 PER MEDIA COMPANY	
NAME	
ΑΡΧΑΙΟΛΟΓΙΑ AND ΤΕΧΝΕΣ	
ΓΝΩΜΗ ΜΟΝΟΠΡΟΣΩΠΗ ΕΚΔΟΣΕΙΣ ΕΠΕ	
ΕΛΕΥΘΕΡΙΑ ΑΕ ΑΝΩΝΥΜΟΣ ΕΚΔΟΤΙΚΗ ΕΤΑΙΡΕΙΑ	
Ι.Δ ΚΟΛΛΑΡΟΥ & ΣΙΑ ΑΕ ΒΙΒΛΙΟΠΩΛΕΙΟ ΤΗΣ ΕΣΤΙΑΣ	
ΚΥΚΛΑΔΙΚΗ Ε.Ε.	
ΚΥΚΛΟΣ ΑΕ ΠΑΓΚΡΗΤΙΑ ΗΜΕΡΗΣΙΑ ΕΦΗΜΕΡΙΔΑ	
ΝΑΥΤΙΚΑ ΧΡΟΝΙΚΑ GRATIA ΕΚΔΟΤΙΚΗ ΙΚΕ	
ΠΑΠΑΔΟΓΙΑΝΝΗ ΜΑΡΙΑ	
ΤΑ ΝΕΑ ΤΗΣ ΤΕΧΝΗΣ ΙΚΕ	
ΤΡΙΑΝΤΑΦΥΛΛΟΠΟΥΛΟΥ Α. ΔΕΣΠΟΙΝΑ ΕΚΔΟΣΗ ΕΦΗΜΕΡΙΔΩΝ	

The above table refers to Media Companies of amounts less than € 100, with total amount equal to € 519,84

TOTAL FOR MEDIA PAYMENTS	6,904,336.90

	Amounts
TELEVISION TAX PAYMENTS	63,082.72
DIGITAL TAX PAYMENTS 2%	25,250.81
SPECIAL FEE PAYMENTS 0,02%	1,146.33

MUNICIPAL FEE PAYMENTS 2%	9,929.62

*Names have not been translated into English

PAYMENTS DUE TO DONATIONS, SPONSORSHIP, SUBSIDIES OR OTHER CHARITABLE REASONS (Article 6 Par. 2 of L.4374/2016)	
A) TO LEGAL ENTITIES	
NAME*	Amounts in € before taxes
4ος ΔΙΕΘΝΗΣ ΜΑΡΑΘΩΝΙΟΣ ΛΑΡΝΑΚΑΣ RADISSON BLU (DKC EVENTS SPECIALISTS LTD)	126.05
7ο ΓΥΜΝΑΣΙΟ ΚΟΡΥΔΑΛΛΟΥ	715.00
ACFE ΙΝΣΤΙΤΟΥΤΟ ΚΑΤΑ ΤΗΣ ΑΠΑΤΗΣ	1,250.00
ALBANIAN ASSOCIATION OF BANKS ¹¹	764.19
ARIONA HELLAS SA	20,000.00
ASOCIATIA C.F.A. ROMANIA (CERTIFIED FINANCIAL ANALYSTS)	2,000.00
ASOCIATIA KOGAYON	5,000.00
ASOCIATIA PARINTILOR SI TUTORILOR SCOLII ELENE DIN BUCURESTI ATHENA	5,000.00
ASOCIATIA PENTRU PROMOVAREA PERFORMANTEI IN EDUCATIE	5,000.00
CAMERA DE COMERT BILATERALA ELENOM-ROMANA	2,990.00
EBEN	1,000.00
ERNST & YOUNG BUSINESS ADVISORY SOLUTIONS	35,000.00
ETHOS MEDIA ΑΝΩΝΥΜΗ ΕΤΑΙΡΕΙΑ ΕΚΔΟΤΙΚΗ ΣΥΝΕΔΡΙΑΚΗ	5,700.00
EXPONENTIAL IMPACT - Not for profit	95,000.00
FUNDATIA DEMOCRATIE PRIN CULTURA	9,954.00
GLOBAL SUSTAIN	3,000.00
HACK THE BOX ΜΟΝΟΠΡΟΣΩΠΗ ΙΚΕ	10,000.00
ΙΜΗ ΣΥΝΕΔΡΙΟ - 8TH BANKING FORUM & FINTECH EXPO	3,000.00
ΙΜΗ ΣΥΝΕΔΡΙΟ - 9TH BANKING FORUM & FINTECH EXPO	3,000.00
J & P VERITAS ΙΚΕ	4,000.00
MADAME FIGARO ΒΡΑΒΕΙΑ "ΓΥΝΑΙΚΕΣ ΤΗΣ ΧΡΟΝΙΑΣ 2021"	270.00
MEDIA PRINT ("TO KNOW" CONCERT)	1,400.18
MIND VIEW STRATEGY AND RESEARCH	5,000.00
PALLADIAN COMMUNICATIONS SPECIALISTS	14,000.00
PERPARIM TEPELENA HOSPITAL	1,324.94
PESHKOPI MUNICIPALITY	5,051.34
POGRADEC MUNICIPALITY	1,711.91
PUBLIC AFFAIRS AND NETWORKS MON	3,000.00
RED CROSS ALBANIA	8,123.91
SAFER INTERNET HELLAS	1,000.00
SAFEWATERSPORTS ΝΠΙΔ ΜΗ ΚΕΡΔΟΣΚΟΠΙΚΟ ΣΩΜΑΤΕΙΟ	20,000.00
SHKODRA MENTAL HEALTH INSTITUTION	1,059.75
TEK URA CENTER	2,056.94
THE AMERICAN COLLEGE OF GREECE	4,000.00
THE PROPELLER CLUB OF THE US	2,000.00
THE TIPPING POINT AMKE	4,000.00
THE TWELVE APOSTLES CHURCH	233.90
THINKBIZ ΣΥΛΛΟΓΟΣ ΕΠΙΧΕΙΡΗΜΑΤΙΚΟΤΗΤΑΣ ΤΩΝ ΦΟΙΤΗΤΩΝ ΤΟΥ ΟΙΚΟΝΟΜΙΚΟΥ ΠΑΝΕΠΙΣΤΗΜΙΟΥ ΑΘΗΝΩΝ	1,000.00
TIRANA ECONOMIC FORUM	5,025.68
WORLD VISION ALBANIA	5,959.11
XHAVIT MARA HOSPITAL	3,036.27
ΑΝΟΙΧΤΗ ΑΓΚΑΛΙΑ ΦΙΛΟΙ ΚΟΙΝΩΝΙΚΗΣ ΠΑΙΔΙΑΤΡΙΚΗΣ & ΙΑΤΡΙΚΗΣ	3,000.00
ΑΝΤΙΚΑΡΚΙΝΙΚΟΣ ΣΥΝΔΕΣΜΟΣ ΚΥΠΡΟΥ	300.00
ΑΝΩΤΑΤΗ ΣΧΟΛΗ ΚΑΛΩΝ ΤΕΧΝΩΝ	4,015.95
ΓΕΝΙΚΟ ΑΝΤΙΚΑΡΚΙΝΙΚΟ ΟΓΚΟΛΟΓΙΚΟ ΝΟΣΟΚΟΜΕΙΟ ΑΘΗΝΩΝ Ο ΑΓΙΟΣ ΣΑΒΒΑΣ	15,220.00
ΓΕΝΙΚΟ ΝΟΣΟΚΟΜΕΙΟ ΑΘΗΝΩΝ Γ. ΓΕΝΝΗΜΑΤΑΣ	29,596.78
ΓΕΝΙΚΟ ΝΟΣΟΚΟΜΕΙΟ ΑΘΗΝΩΝ Ο ΕΥΑΓΓΕΛΙΣΜΟΣ	119,492.50
ΓΕΝΙΚΟ ΝΟΣΟΚΟΜΕΙΟ ΑΙΤΩΛΟΑΚΑΡΝΑΝΙΑΣ ΝΟΣΗΛΕΥΤΙΚΗ ΜΟΝΑΔΑ ΑΓΡΙΝΙΟΥ	1,612.10
ΓΕΝΙΚΟ ΝΟΣΟΚΟΜΕΙΟ ΘΕΣΣΑΛΟΝΙΚΗΣ Γ. ΓΕΝΝΗΜΑΤΑΣ- Ο ΑΓΙΟΣ ΔΗΜΗΤΡΙΟΣ / ΟΡΓΑΝΙΚΗ ΜΟΝΑΔΑ Ο ΑΓΙΟΣ ΔΗΜΗΤΡΙΟΣ	7,905.00
ΓΕΝΙΚΟ ΝΟΣΟΚΟΜΕΙΟ ΚΟΡΙΝΘΟΥ	11,285.16
ΓΕΝΙΚΟ ΝΟΣΟΚΟΜΕΙΟ ΝΟΣΗΜΑΤΩΝ ΘΩΡΑΚΟΣ ΑΘΗΝΩΝ "Η ΣΩΤΗΡΙΑ"	16,657.79
ΓΕΝΙΚΟ ΝΟΣΟΚΟΜΕΙΟ ΠΑΙΔΩΝ ΠΑΤΡΩΝ ΚΑΡΑΜΑΝΔΑΝΕΙΟ	3,990.00
ΓΕΝΙΚΟ ΝΟΣΟΚΟΜΕΙΟ ΣΥΡΟΥ	15,506.00
ΓΝΑ ΕΛΕΝΑ ΒΕΝΙΖΕΛΟΥ ΑΛΕΞΑΝΔΡΑ	3,193.55
ΓΝΑ ΚΑΤ	15,000.00

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A) TO LEGAL ENTITIES	
NAME*	Amounts in € before taxes
ΓΥΜΝΑΣΙΟ ΒΡΟΝΤΑΔΟΥ	498.80
ΔΗΜΟΣ ΕΛΑΣΣΟΝΑΣ	3,543.10
ΔΗΜΟΣ ΛΥΚΟΒΡΥΣΗΣ ΠΕΥΚΗΣ	800.00
ΔΗΜΟΣ ΜΗΝΩΑ ΠΕΔΙΑΔΑΣ	1,987.04
ΔΙΚΗΓΟΡΙΚΟΣ ΣΥΛΛΟΓΟΣ ΑΓΡΙΝΙΟΥ	4,000.00
ΔΙΚΗΓΟΡΙΚΟΣ ΣΥΛΛΟΓΟΣ ΠΕΙΡΑΙΩΣ	800.00
ΕΘΕΛΟΝΤΕΣ ΔΑΣΟΠΥΡΟΣΒΕΣΤΕΣ ΑΤΤΙΚΗΣ	10,000.00
ΕΘΕΛΟΝΤΙΚΕΣ ΔΥΝΑΜΕΙΣ ΔΑΣΟΠΥΡΟΣΒΕΣΤΗΣ & ΔΙΑΣΩΣΗΣ - ΚΛΙΜΑΚΙΟ ΡΟΔΟΠΟΛΗΣ	25,000.00
ΕΘΕΛΟΝΤΙΚΗ ΟΜΑΔΑ ΚΑΠΑΝΔΡΙΤΙΟΥ ΠΟΛΥΔΕΝΔΡΙΟΥ	43,760.00
ΕΘΝΙΚΗ ΛΥΡΙΚΗ ΣΚΗΝΗ	100,000.00
ΕΘΝΙΚΟ ΚΑΙ ΚΑΠΟΔΙΣΤΡΙΑΚΟ ΠΑΝΕΠΙΣΤΗΜΙΟ ΑΘΗΝΩΝ	3,095.32
ΕΙΔΙΚΟ ΚΕΝΤΡΟ ΕΦΟΔΙΑΣΜΟΥ ΜΟΝΑΔΩΝ ΣΤΡΑΤΟΥ	2,000.00
ΕΙΣΦΟΡΑ ΣΤΟ ΣΩΜΑΤΕΙΟ "Η ΜΑΝΑ" ΕΙΣ ΜΝΗΜΗΝ ΛΟΥΚΗ ΠΑΠΑΦΙΛΙΠΠΟΥ (ΑΝΤ1)	200.00
ΕΛΕΤΑΕΝ ΑΜΚΕ	4,000.00
ΕΛΚΕ ΕΘΝΙΚΟ ΚΑΙ ΚΑΠΟΔΙΣΤΡΙΑΚΟ ΠΑΝΕΠΙΣΤΗΜΙΟ ΑΘΗΝΩΝ	6,000.00
ΕΛΚΕ ΠΑΝΕΠΙΣΤΗΜΙΟΥ ΑΙΓΑΙΟΥ	50,000.00
ΕΛΚΕ ΠΑΝΕΠΙΣΤΗΜΙΟΥ ΔΥΤΙΚΗΣ ΑΤΤΙΚΗΣ	60,000.00
ΕΛΚΕ ΠΑΝΕΠΙΣΤΗΜΙΟΥ ΠΑΤΡΩΝ	2,000.00
¹² ΕΛΛΗΝΙΚΑ ΧΡΗΜΑΤΙΣΤΗΡΙΑ ΑΕ	6,200.00
ΕΛΛΗΝΙΚΗ ΔΗΜΟΚΡΑΤΙΑ ΥΠΟΥΡΓΕΙΟ ΕΣΩΤΕΡΙΚΩΝ ΚΑΙ ΔΙΟΙΚΗΤΙΚΗΣ ΑΝΑΣΥΓΚΡΟΤΗΣΗΣ ΑΡΧΗΓΕΙΟ ΕΛΛΗΝΙΚΗΣ ΑΣΤΥΝΟΜΙΑΣ	15,123.11
ΕΛΛΗΝΙΚΗ ΕΤΑΙΡΙΑ ΑΠΕΙΚΟΝΗΣΗΣ ΜΑΣΤΟΥ	500.00
ΕΛΛΗΝΙΚΗ ΕΤΑΙΡΙΑ ΠΡΟΣΤΑΣΙΑΣ & ΑΠΟΚΑΤΑΣΤΑΣΕΩΣ ΑΝΑΠΗΡΩΝ ΠΡΟΣΩΠΩΝ (ΕΛΕΠΑΠ)	1,500.00
ΕΛΛΗΝΙΚΗ ΣΧΟΛΗ ΣΚΥΛΩΝ ΟΔΗΓΩΝ Η ΛΑΡΑ	3,500.00
ΕΛΛΗΝΙΚΟ ΙΝΣΤΙΤΟΥΤΟ ΕΞΥΠΗΡΕΤΗΣΗΣ ΠΕΛΑΤΩΝ	2,500.00
ΕΛΛΗΝΙΚΟΣ ΕΡΥΘΡΟΣ ΣΤΑΥΡΟΣ	5,206.77
ΕΛΛΗΝΟΑΜΕΡΙΚΑΝΙΚΟ ΕΜΠΟΡΙΚΟ ΕΠΙΜΕΛΗΤΗΡΙΟ	7,000.00
ΕΛΛΗΝΟΓΑΛΛΙΚΗ ΣΧΟΛΗ ΟΥΡΣΟΥΛΙΝΩΝ	500.00
ΕΛΛΗΝΟΓΕΡΜΑΝΙΚΟ ΕΜΠΟΡΙΚΟ ΚΑΙ ΒΙΟΜΗΧΑΝΙΚΟ ΕΠΙΜΕΛΗΤΗΡΙΟ	2,000.00
ΕΜΠΟΡΙΚΗ ΛΕΣΧΗ ΞΑΝΘΗΣ	2,500.00
ΕΜΠΟΡΙΚΟΣ ΣΥΛΛΟΓΟΣ ΑΡΓΟΥΣ	500.00
ΕΝΩΣΗ ΑΣΤΥΝΟΜΙΚΩΝ ΥΠΑΛΛΗΛΩΝ ΦΘΙΩΤΙΔΑΣ	899.94
ΕΝΩΣΗ ΑΣΦΑΛΙΣΤΙΚΩΝ ΕΤΑΙΡΙΩΝ ΕΛΛΑΔΟΣ	6,131.96
ΕΝΩΣΗ ΚΥΠΡΙΩΝ ΣΥΝΤΑΞΙΟΥΧΩΝ (Ε.ΚΥ.ΣΥ)	100.00
ΕΠΙΣΕΥ ΕΡΕΥΝΗΤΙΚΟ ΠΑΝΕΠΙΣΤΗΜΙΑΚΟ ΙΝΣΤΙΤΟΥΤΟ ΣΥΣΤΗΜΑΤΩΝ ΕΠΙΚΟΙΝΩΝΙΩΝ ΚΑΙ ΥΠΟΛΟΓΙΣΤΩΝ	10,000.00
ΕΠΙΤΡΟΠΗ ΕΛΛΑΔΑ 2021	1,000,000.00
ΕΡΕΥΝΗΤΙΚΟ ΚΕΝΤΡΟ ΣΤΡΑΤΗΓΙΚΗΣ ΔΙΟΙΚΗΣΗΣ ΕΠΙΧΕΙΡΗΣΕΩΝ ΚΑΙ ΕΠΙΧΕΙΡΗΜΑΤΙΚΟΤΗΤΑΣ	5,000.00
ΕΡΥΘΡΟΣ ΣΤΑΥΡΟΣ ΚΕΡΥΝΕΙΑΣ	100.00
ΕΤΑΙΡΕΙΑ ΑΞΙΟΠΟΙΗΣΕΩΣ ΚΑΙ ΔΙΑΧΕΙΡΙΣΕΩΣ ΤΟΥ ΟΙΚΟΝΟΜΙΚΟΥ ΠΑΝΕΠΙΣΤΗΜΙΟΥ ΑΘΗΝΩΝ Α.Ε.	1,000.00
ΕΤΑΙΡΙΑ ΑΞΙΟΠΟΙΗΣΗΣ ΚΑΙ ΔΙΑΧΕΙΡΙΣΗΣ ΠΕΡΙΟΥΣΙΑΣ ΔΗΜΟΚΡΕΤΕΙΟΥ ΠΑΝΕΠΙΣΤΗΜΙΟΥ ΘΡΑΚΗΣ	1,000.00
ΕΤΑΙΡΙΑ ΑΡΧΙΠΕΛΑΓΟΣ ΑΜΚΕ	8,000.00
ΕΤΑΙΡΙΑ ΜΑΚΕΔΟΝΙΚΩΝ ΣΠΟΥΔΩΝ	4,000.00
ΕΤΑΙΡΙΑ ΠΡΟΣΤΑΣΙΑΣ ΣΠΑΣΤΙΚΩΝ ΠΟΡΤΑ ΑΝΟΙΧΤΗ	3,000.00
ΕΥΘΥΜΕΙΟ ΚΕΝΤΡΟ	300.00
ΙΔΡΥΜΑ ΑΝΤΩΝΗΣ & ΙΩΑΝΝΗΣ ΑΓΓΕΛΙΚΟΥΣΗΣ	200.00
ΙΔΡΥΜΑ ΕΥΣΤΑΘΙΑΣ Ι. ΚΩΣΤΟΠΟΥΛΟΥ	200,000.00
ΙΔΡΥΜΑ ΖΗΝΩΝΟΣ ΚΑΙ ΤΕΡΕΖΑΣ ΡΩΣΣΙΔΗ	500.00
ΙΔΡΥΜΑ ΙΩΑΝΝΟΥ Φ. ΚΩΣΤΟΠΟΥΛΟΥ	36,500.00
ΙΔΡΥΜΑ ΚΩΝΣΤΑΝΤΙΝΟΣ ΣΗΜΙΤΗΣ	3,000.00
ΙΕΡΑ ΜΗΤΡΟΠΟΛΙΣ ΣΕΡΡΩΝ ΚΑΙ ΝΙΓΡΙΤΗΣ ΓΕΝΙΚΟΝ ΕΚΚΛΗΣΙΑΣΤΙΚΟΝ ΦΙΛΑΝΘΡΩΠΙΚΟΝ ΤΑΜΕΙΟΝ ΠΑΝΑΓΙΑ Η ΠΟΝΟΛΥΤΡΙΑ	1,500.00
ΙΕΡΟΣ ΝΑΟΣ ΕΙΣΟΔΙΩΝ ΘΕΟΤΟΚΟΥ ΚΕΦΑΛΟΥ ΚΩ	3,000.00
ΙΝΣΤΙΤΟΥΤΟ ΕΝΑΛΛΑΚΤΙΚΩΝ ΠΟΛΙΤΙΚΩΝ - ΈΝΑ	2,000.00
ΙΟΒΕ	4,000.00
ΚΑΝΕ ΜΙΑ ΕΥΧΗ ΕΛΛΑΔΟΣ ΑΜΚΕ	4,000.00
ΚΑΠΙΤΑΛ ΛΙΝΚ ΕΛΛΑΣ ΜΟΝ ΕΠΕ	5,000.00
ΚΕΝΘΕΑ (ΚΕΝΤΡΟ ΕΝΗΜΕΡΩΣΗΣ ΓΙΑ ΤΑ ΝΑΡΚΩΤΙΚΑ ΚΑΙ ΘΕΡΑΠΕΙΑΣ ΕΞΑΡΤΩΜΕΝΩΝ ΑΤΟΜΩΝ)	100.00
ΚΕΝΤΡΟ ΕΡΕΥΝΩΝ ΤΟΥ ΠΑΝΕΠΙΣΤΗΜΙΟΥ ΠΕΙΡΑΙΑ	6,000.00
ΚΕΠ ΦΙΛΟΘΕΗΣ	215.02
ΚΙΒΩΤΟΣ ΤΟΥ ΚΟΣΜΟΥ, ΑΣΤΙΚΗ ΜΗ ΚΕΡΔΟΣΚΟΠΙΚΗ ΕΤΑΙΡΙΑ	7,300.00

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A) TO LEGAL ENTITIES	
NAME*	Amounts in € before taxes
ΚΙΝΗΣΗ ΠΟΛΙΤΩΝ ΓΙΑ ΜΙΑ ΑΝΟΙΧΤΗ ΚΟΙΝΩΝΙΑ	2,000.00
ΚΟΙΝΩΝΙΚΟ ΠΑΝΤΟΠΛΕΙΟ ΔΗΜΟΥ ΚΑΡΔΙΤΣΑΣ	772.80
ΚΟΙΝΩΦΕΛΗΣ ΕΠΙΧΕΙΡΗΣΗ ΔΗΜΟΥ ΑΙΓΙΝΗΣ	5,000.00
ΚΥΠΡΙΑΚΟΣ ΕΡΥΘΡΟΣ ΣΤΑΥΡΟΣ (ΚΛΑΔΟΥ ΛΑΡΝΑΚΑΣ)	300.00
ΛΥΚΕΙΟ ΤΩΝ ΕΛΛΗΝΙΔΩΝ ΣΩΜΑΤΕΙΟ ΜΗ ΚΕΡΔΟΣΚΟΠΙΚΟΥ ΧΑΡΑΚΤΗΡΑ	3,000.00
ΜΑΚΑΡΕΙΟ ΝΟΣΟΚΟΜΕΙΟ	2,357.00
ΜΑΚΙΠ ΜΟΝΑΔΑ ΑΝΤΙΜΕΤΩΠΙΣΗΣ ΚΙΝΔΥΝΩΝ ΙΠΠΟΚΡΑΤΕΙΟΥ ΠΟΛΙΤΕΙΑΣ	1,810.10
ΜΑΡΓΑΡΙΤΑ-ΕΡΓΑΣΤΗΡΙ ΕΙΔΙΚΗΣ ΑΓΩΓΗΣ	1,500.00
ΜΕΛΑΘΡΟΝ ΑΓΩΝΙΣΤΩΝ ΕΟΚΑ	400.00
ΜΕΡΙΜΝΑ - ΑΣΤΙΚΗ ΜΗ ΚΕΡΔΟΣΚΟΠΙΚΗ ΕΤΑΙΡΙΑ	200.00
ΜΟΥΣΕΙΟ ΜΠΕΝΑΚΗ	66,200.00
ΜΟΥΣΕΙΟ ΣΟΛΩΜΟΥ ΚΑΙ ΕΠΙΦΑΝΩΝ ΖΑΚΥΝΘΙΩΝ Α.Σ.	3,000.00
ΜΟΥΣΙΚΟΣ ΚΑΙ ΔΡΑΜΑΤΙΚΟΣ ΣΥΛΛΟΓΟΣ ΩΔΕΙΩΝ ΑΘΗΝΩΝ 1871	30,000.00
ΝΟΜΙΚΗ ΒΙΒΛΙΟΘΗΚΗ ΑΕΤΕΕ	11,000.00
ΝΟΣΟΚΟΜΕΙΟ ΘΕΙΑΣ ΠΡΟΝΟΙΑΣ ΠΑΜΜΑΚΑΡΙΣΤΟΣ	1,575.00
ΟΙΚΟΝΟΜΙΚΟ ΣΥΝΕΔΡΙΟ ΔΕΛΦΩΝ ΑΜΚΕ	15,000.00
ΟΡΓΑΝΙΣΜΟΣ ΜΕΓΑΡΟΥ ΜΟΥΣΙΚΗΣ ΘΕΣΣΑΛΟΝΙΚΗΣ	10,000.00
ΠΑΓΚΥΠΡΙΑ ΟΡΓΑΝΩΣΗ ΤΥΦΛΩΝ (Π.Ο.Τ)	200.00
ΠΑΓΚΥΠΡΙΟΣ ΑΝΤΙΝΑΡΚΩΤΙΚΟΣ ΣΥΝΔΕΣΜΟΣ	30.00
¹³ ΠΑΝΕΠΙΣΤΗΜΙΑΚΟ ΓΕΝΙΚΟ ΝΟΣΟΚΟΜΕΙΟ ΑΛΕΞΑΝΔΡΟΥΠΟΛΗΣ	1,153.32
ΠΑΝΕΠΙΣΤΗΜΙΑΚΟ ΓΕΝΙΚΟ ΝΟΣΟΚΟΜΕΙΟ ΙΩΑΝΝΙΝΩΝ	18,000.00
ΠΑΝΕΠΙΣΤΗΜΙΟ ΚΥΠΡΟΥ	1,500.00
ΠΑΣΥΚΑΦ (ΠΑΓΚΥΠΡΙΟΣ ΣΥΝΔΕΣΜΟΣ ΚΑΡΚΙΝΟΠΑΘΩΝ ΚΑΙ ΦΙΛΩΝ)	200.00
ΠΕΛΟΠΟΝΝΗΣΙΑΚΟ ΛΑΟΓΡΑΦΙΚΟ ΙΔΡΥΜΑ Β.ΠΑΠΑΝΤΩΝΙΟΥ ΚΟΙΝΩΦΕΛΕΣ ΙΔΡΥΜΑ	5,000.00
ΠΟΛΙΤΙΣΤΙΚΟ ΙΔΡΥΜΑ ΙΟΝΙΚΗΣ ΤΡΑΠΕΖΑΣ	15,000.00
ΠΡΟΓΡΑΜΜΑ ΜΑΖΙ ΜΕ ΣΤΟΧΟ ΤΗΝ ΠΑΙΔΕΙΑ	51,680.00
ΠΡΟΓΡΑΜΜΑ ΜΑΖΙ ΜΕ ΣΤΟΧΟ ΤΗΝ ΥΓΕΙΑ	146,143.18
ΠΡΟΓΡΑΜΜΑ ΟΙ ΦΘΟΡΕΣ ΠΟΥ ΠΛΗΓΩΝΟΥΝ	14,350.00
ΠΡΟΤΥΠΟ ΕΘΝΙΚΟ ΝΗΠΙΟΤΡΟΦΕΙΟ ΚΑΛΛΙΘΕΑΣ	14,000.00
Σ.ΑΥΓΟΥΛΕΑ - ΛΙΝΑΡΔΑΤΟΥ ΑΝΩΝΥΜΗ ΕΚΠΑΙΔΕΥΤΙΚΗ ΕΤΑΙΡΕΙΑ	1,000.00
ΣΕΒ ΣΥΝΔΕΣΜΟΣ ΕΠΙΧΕΙΡΗΣΕΩΝ ΚΑΙ ΒΙΟΜΗΧΑΝΙΩΝ	18,000.00
ΣΚΑΚΙΣΤΙΚΟΣ ΟΜΙΛΟΣ ΗΡΑΚΛΕΙΟΥ ΚΡΗΤΗΣ	750.00
ΣΤΗΡΙΞΗ EURORA DONNA ΚΥΠΡΟΥ ΤΑ ΧΡΙΣΤΟΥΓΕΝΝΑ ΜΕ ΠΡΟΣΦΟΡΑ ΔΩΡΟΚΟΥΠΟΝΙΩΝ	2,000.00
ΣΤΗΡΙΞΗ ΕΚΣΤΡΑΤΕΙΑΣ ΠΣΣΕ "ΥΙΟΘΕΤΗΣΤΕ ΜΙΑ ΟΙΚΟΓΕΝΕΙΑ ΤΑ ΧΡΙΣΤΟΥΓΕΝΝΑ" ΜΕ ΠΡΟΣΦΟΡΑ ΔΩΡΟΚΟΥΠΟΝΙΩΝ	1,000.00
ΣΤΗΡΙΞΗ ΣΥΝΔΕΣΜΟΥ ΒΑΓΟΝΙ ΑΓΑΠΗΣ ΤΑ ΧΡΙΣΤΟΥΓΕΝΝΑ ΜΕ ΠΡΟΣΦΟΡΑ ΔΩΡΟΚΟΥΠΟΝΙΩΝ	2,000.00
ΣΥΛΛΟΓΟΣ ΓΥΝΑΙΚΩΝ ΣΠΕΤΣΩΝ	800.00
ΣΥΛΛΟΓΟΣ Η ΚΑΡΔΙΑ ΤΟΥ ΠΑΙΔΙΟΥ	1,500.00
ΣΥΛΛΟΓΟΣ ΦΙΛΩΝ ΑΜΕΡΙΚΑΝΙΚΗΣ ΓΕΩΡΓΙΚΗΣ ΣΧΟΛΗΣ	62,000.00
ΣΥΛΛΟΓΟΣ ΦΙΛΩΝ ΤΩΝ ΠΑΙΔΙΩΝ ΜΕ ΧΡΟΝΙΕΣ ΡΕΥΜΑΤΟΠΑΘΕΙΕΣ	1,500.00
ΣΥΝΔΕΣΜΟΣ ΓΟΝΕΩΝ ΔΗΜΟΤΙΚΟΥ ΣΧΟΛΕΙΟΥ ΕΓΚΩΜΗΣ Β'	100.00
ΣΥΝΔΕΣΜΟΣ ΓΟΝΕΩΝ ΔΗΜΟΤΙΚΟΥ ΣΧΟΛΕΙΟΥ ΚΩΝΣΤΑΝΤΙΝΟΥΠΟΛΕΩΣ	100.00
ΣΥΝΔΕΣΜΟΣ ΓΟΝΕΩΝ ΔΗΜΟΤΙΚΟΥ ΣΧΟΛΕΙΟΥ ΠΑΛΑΙΟΜΕΤΟΧΙΟΥ	150.00
ΣΥΝΔΕΣΜΟΣ ΕΞΑΓΩΓΕΩΝ ΒΟΡΕΙΟΥ ΕΛΛΑΔΟΣ (Σ.Ε.Β.Ε.)	3,720.00
ΣΥΝΔΕΣΜΟΣ ΘΕΡΑΠΕΥΤΙΚΗΣ ΙΠΠΑΣΙΑΣ ΕΛΛΑΔΟΣ	2,500.00
ΣΥΝΔΕΣΜΟΣ ΘΕΣΣΑΛΙΚΩΝ ΕΠΙΧΕΙΡΗΣΕΩΝ ΚΑΙ ΒΙΟΜΗΧΑΝΙΩΝ	1,000.00
ΣΥΝΕΞΕΛΙΞΗ ΣΥΛΛΟΓΟΣ ΓΟΝΕΩΝ ΚΑΙ ΦΙΛΩΝ ΑΝΘΡΩΠΩΝ ΜΕ ΑΥΤΙΣΜΟ	200.00
ΣΩΜΑ ΟΜΟΤΙΜΩΝ ΚΑΘΗΓΗΤΩΝ ΠΑΝΕΠΙΣΤΗΜΙΟΥ	700.00
ΤΟ ΧΑΜΟΓΕΛΟ ΤΟΥ ΠΑΙΔΙΟΥ	1,000.00
ΤΟΠΙΚΗ ΔΙΟΙΚΟΥΣΑ ΕΠΙΤΡΟΠΗ ΠΑΡΑΡΤΗΜΑΤΟΣ ΕΛΕΠΑΠ ΑΓΡΙΝΙΟΥ	250.00
ΤΣΟΜΩΚΟΣ ΔΗΜΟΣΙΕΣ ΣΧΕΣΕΙΣ ΑΕ	6,000.00
ΦΑΡΙΣ ΚΟΙΝΩΦΕΛΗΣ ΕΠΙΧΕΙΡΗΣΗ ΔΗΜΟΥ ΚΑΛΑΜΑΤΑΣ	10,000.00
ΦΕΣΤΙΒΑΛ ΚΙΝΗΜΑΤΟΓΡΑΦΟΥ ΘΕΣΣΑΛΟΝΙΚΗΣ	40,000.00
ΦΙΛΑΝΘΡΩΠΙΚΟΣ ΣΚΟΠΕΥΤΙΚΟΣ ΑΓΩΝΑΣ ΠΑΣΥΚΑΦ	220.00
ΦΛΟΓΑ ΣΥΛΛΟΓΟΣ ΓΟΝΙΩΝ ΠΑΙΔΙΩΝ ΜΕ ΝΕΟΠΛΑΣΜΑΤΙΚΕΣ ΑΣΘΕΝΕΙΕΣ	1,800.00
ΧΟΡΗΓΙΑ 22ης ΕΤΗΣΙΑΣ ΔΙΑΔΡΟΜΗΣ ΑΓΑΠΗΣ ΠΑΓΚΥΠΡΙΟΥ ΣΥΝΔΕΣΜΟΥ "ΕΝΑ ΟΝΕΙΡΟ ΜΙΑ ΕΥΧΗ"	1,000.00
	2,806,750.47

*Names have not been translated into English

B) TO INDIVIDUALS - FOUR (4) BENEFICIARIES	13,007.43

TOTAL AMOUNT	2,819,757.90

DONATIONS OF FIXED ASSETS	
Name *	
107ο ΝΗΠΙΑΓΩΓΕΙΟ ΑΘΗΝΩΝ	
10ο ΓΕΝΙΚΟ ΛΥΚΕΙΟ ΗΡΑΚΛΕΙΟΥ	
11ο ΝΗΠΙΑΓΩΓΕΙΟ ΙΛΙΟΥ	
11η Μ.Κ.Β. ΗΡΑΚΛΕΙΟΥ ΚΡΗΤΗΣ	
13ο ΝΗΠΙΑΓΩΓΕΙΟ ΓΛΥΦΑΔΑΣ	
14ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΓΙΟΥ	
19ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΛΑΜΙΑΣ	
¹⁴ 1ο ΓΕΛ ΧΟΛΑΡΓΟΥ	
1ο ΓΥΜΝΑΣΙΟ ΑΓ. ΠΑΡΑΣΚΕΥΗΣ	
1ο Ε.Ε.Ε.Κ. ΔΗΛΛΟΥ ΠΥΛΑΙΑΣ ΧΟΡΤΙΑΤΗ	
1ο ΕΠΑΛ ΑΤΑΛΑΝΤΗΣ	
1ο ΚΕΣΥ ΠΕΙΡΑΙΑ	
1ο ΝΗΠΙΑΓΩΓΕΙΟ ΓΙΑΝΝΙΤΣΩΝ	
1ο ΝΗΠΙΑΓΩΓΕΙΟ ΠΕΡΑΜΑΤΟΣ	
1ο ΝΗΠΙΑΓΩΓΕΙΟ ΣΚΥΔΡΑΣ	
1ο ΓΥΜΝΑΣΙΟ ΑΛΕΞΑΝΔΡΕΙΑΣ ΗΜΑΘΙΑΣ	
1ο ΔΗΜ.ΣΧΟΛΕΙΟ ΑΞΙΟΥΠΟΛΗΣ	
1ο ΔΗΜΟΤΙΚΟ ΠΑΝΑΙΤΩΛΙΟΥ	
1ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΠΑΝΑΙΤΩΛΙΟΥ	
1ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΠΕΡΙΣΤΕΡΙΟΥ	
1ο ΕΙΔΙΚΟ ΔΗΜ.ΣΧΟΛΕΙΟ ΚΕΡΑΤΣΙΝΙΟΥ	
1ο ΕΙΔΙΚΟ ΔΗΜ.ΣΧΟΛΕΙΟ ΚΟΡΥΔΑΛΛΟΥ	
1ο ΚΑΙ 2ο ΓΥΜΝΑΣΙΟ ΑΡΤΕΜΙΔΟΣ	
1ο ΚΕ.ΔΑ.ΣΥ -Α'ΘΕΣΣΑΛΟΝΙΚΗΣ	
1ο ΝΗΠΙΑΓΩΓΕΙΟ ΑΧΑΡΝΩΝ	
1ο ΟΛΟΗΜΕΡΟ ΔΗΜ.ΣΧΟΛΕΙΟ ΓΙΑΝΝΙΤΣΩΝ	
2 ΓΕ.Λ. ΔΙΑΠΟΛ/ΚΗΣ ΕΚΠΑΙΔ.ΕΛΛΗΝΙΚΟΥ	
26ο ΓΥΜΝΑΣΙΟ ΑΘΗΝΩΝ	
2ο ΔΗΜΟΤΙΚΟ ΓΛΥΦΑΔΑΣ	
2ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΠΙΚΕΡΜΙΟΥ	
2ο ΓΥΜΝΑΣΙΟ ΑΓΙΩΝ ΑΝΑΓΥΡΩΝ	
2ο ΓΥΜΝΑΣΙΟ ΘΕΡΜΗΣ	
2ο ΔΗΜ.ΣΧΟΛΕΙΟ ΑΓΙΑΣ ΠΑΡΑΣΚΕΥΗΣ	
2ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΜΑΛΙΑΔΟΣ	
2ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΓΟΥΜΕΝΙΣΣΑΣ	
2ο Κ.Ε.Σ.Υ.-Γ ΑΘΗΝΑΣ	
30ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΒΟΛΟΥ	
33ο ΝΗΠΙΑΓΩΓΕΙΟ ΠΕΡΙΣΤΕΡΙΟΥ	
3ο ΝΗΠΙΑΓΩΓΕΙΟ ΘΕΣ/ΝΙΚΗΣ	
3ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΙΓΑΛΕΩ	
3ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΝΕΑΣ ΙΩΝΙΑΣ	
3ο ΝΗΠΙΑΓΩΓΕΙΟ ΚΑΜΑΤΕΡΟΥ	
48ο ΓΥΜΝΑΣΙΟ ΑΘΗΝΑΣ	
4ο ΕΠΑΛ ΝΑΥΤΙΚΗΣ ΚΑΤΕΥΘΥΝΣΗΣ	
4ο ΓΥΜΝΑΣΙΟ ΧΑΡΙΛΑΟΥ ΘΕΣΣΑΛΟΝΙΚΗΣ	
4ο ΔΗΜ.ΣΧΟΛΕΙΟ ΗΛΙΟΥΠΟΛΕΩΣ	
4ο ΔΗΜ.ΣΧΟΛΕΙΟ ΜΕΤΑΜΟΡΦΩΣΕΩΣ	
4ο ΝΗΠΙΑΓΩΓΕΙΟ ΣΑΛΑΜΙΝΑΣ	
56ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΘΗΝΩΝ	

*Names have not been translated into English

DONATIONS OF FIXED ASSETS	
Name *	
5ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΚΑΛΛΙΘΕΑΣ	
5ο Ε.Κ.Γ' ΑΘΗΝΑΣ - ΙΛΙΟΝ	
5ο ΔΗΜ.ΣΧΟΛΕΙΟ ΑΓΙΑΣ ΠΑΡΑΣΚΕΥΗΣ	
5ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΝΙΚΑΙΑΣ	
66ο ΔΗΜΟΤΙΚΟ ΓΥΜΝΑΣΙΟ ΑΘΗΝΩΝ	
6ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΠΥΛΑΙΑΣ	
6η Υ.ΠΕ. (ΥΓΕΙΟΝΟΜΙΚΗ ΠΕΡΙΦΕΡΕΙΑ)	
6ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΠΕΡΑΜΑΤΟΣ	
8ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΓ. ΔΗΜΗΤΡΙΟΥ	
8ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΚΑΛΑΜΑΤΑΣ	
8ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΚΙΛΚΙΣ	
8ο ΝΗΠΙΑΓΩΓΕΙΟ ΠΕΤΡΟΥΠΟΛΕΩΣ	
90ο ΔΗΜΟΤΙΚΟ ΘΕΣΣΑΛΟΝΙΚΗΣ	
93ο ΔΙΘΕΣΙΟ ΝΗΠΙΑΓΩΓΕΙΟ ΑΘΗΝΩΝ	
96ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΘΗΝΩΝ	
9ο ΔΗΜΟΤΙΚΟ ΝΙΚΑΙΑΣ	
9ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΧΑΡΝΩΝ	
9ο ΝΗΠΙΑΓΩΓΕΙΟ ΠΕΡΙΣΤΕΡΙΟΥ	
9ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΧΑΡΝΩΝ	
9ο ΔΗΜΟΤΙΚΟ Σ ¹⁵ ΧΟΛΕΙΟ ΧΑΛΚΙΔΟΣ	
ACHELOS GROW UP	
ΕΝΩΣΗ ΥΠΑΛΛΗΛΩΝ ΠΥΡΟΣΒ. ΣΩΜΑΤΟΣ	
Α' ΑΣΤΥΝΟΜΙΚΟ ΤΜΗΜΑ ΠΕΡΙΣΤΕΡΙΟΥ	
Α.Σ.ΠΑΙ.ΤΕ.	
Α.Τ. ΑΣΦΑΛΕΙΑΣ ΑΓΡΙΝΙΟΥ	
Α.Τ. ΚΟΡΥΔΑΛΛΟΥ	
Α.Τ. ΝΕΑΣ ΣΜΥΡΝΗΣ	
Α.Τ. ΧΑΡΙΛΑΟΥ	
ΑΘΛΗΤΙΚΟΣ ΟΜΙΛΟΣ "ΠΑΥΛΟΣ ΜΕΛΑΣ"	
ΑΘΛΗΤΙΚΟΣ ΣΥΛΛΟΓΟΣ ΑΜΕΑ ΘΕΣ/ΝΙΚΗΣ	
ΑΘΛΗΤΙΚΟΣ ΦΥΣΙΟΛ/ΚΟΣ ΜΟΡΦΩΤΙΚΟΣ	
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ΑΡΧΗΓΕΙΟ ΕΛΛΗΝΙΚΗΣ ΑΣΤΥΝΟΜΙΑΣ	
ΑΣΤΥΝΟΜΙΚΟ ΤΜΗΜΑ. ΣΠΕΤΣΩΝ	
Γ.Α.Δ.Α. / ΔΑΕΕΒ / ΤΜΗΜΑ 5	
ΓΕΝΙΚΗ ΑΣΤΥΝΟΜΙΚΗ Δ/ΝΣΗ ΘΕΣ/ΝΙΚΗΣ	
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ΓΕΝΙΚΟ ΛΥΚΕΙΟ ΘΕΡΜΟΥ	
ΓΕΝΙΚΟ ΝΟΣΟΚΟΜΕΙΟ ΑΤΤΙΚΗ-Κ.Α.Τ.	
ΓΕΝΙΚΟ ΝΟΣΟΚΟΜΕΙΟ ΚΙΛΚΙΣ	
ΓΡΑΦΕΙΟ ΑΡΧΕΙΕΡΑΤΕΙΑΣ	
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Δ/ΝΣΗ ΔΕΥΤΕΡ. ΕΚΠ. ΔΥΤ. ΑΤΤΙΚΗΣ	
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ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΝΔΡΑΒΙΔΑΣ	

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DONATIONS OF FIXED ASSETS
Name *
ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΡΙΣΤΟΜΕΝΗΣ
ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΝΕΟΧΩΡΙΟΥ
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ΔΙΕΥΘΥΝΣΗ ΑΣΦΑΛΕΙΑΣ ΘΕΣ/ΝΙΚΗΣ
ΔΟΜΗ ΦΙΛΟΞΕΝΙΑΣ ΕΛΛΙΩΝΑ
Ε.Ε.Ε.Κ. ΠΑΥΛΟΥ ΜΕΛΑ
ΕΘΕΛΟΝΤΙΚΗ ΟΜΑΔΑ ΚΑΠΑΝΔΡΙΤΙΟΥ-
ΕΘΝΙΚΟ ΚΕΝΤΡΟ ΑΜΕΣΗΣ ΒΟΗΘΕΙΑΣ
ΕΙΔΙΚΟ ΓΥΜΝΑΣΙΟ-ΛΥΚΕΙΟ ΙΛΙΟΥ
ΕΙΔΙΚΟ ΝΗΠΙΑΓΩΓΕΙΟ ΚΩΦΩΝ ΚΑΙ ΒΑΡΗΚΩΝ ΑΡΓΥΡΟΥΠΟΛΗΣ
ΕΙΔΙΚΟ ΣΧΟΛΕΙΟ ΒΕΡΟΙΑΣ
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ΕΠΑΛ ΒΑΣΙΛΙΚΩΝ
ΕΠΙΛΕΚΤΗ ΟΜΑΔΑ ΕΙΔΙΚΩΝ ΑΠΟΣΤΟΛΩΝ
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ΕΥΡΩΠΑΪΚΗ ΕΚΦΡΑΣΗ Ε.Κ.Π.Ε.Θ.Ε
Ζ' ΜΑΚ Λ/Κ/ΝΕΑ ΠΕΡΑΜΟΣ
ΙΕΡΟΣ ΝΑΟΣ ΑΓ. ΜΑΡΙΝΑΣ ΩΡΩΠΟΥ
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ΚΕΝΤΡΟ ΥΓΕΙΑΣ ΠΟΛΥΚΑΣΤΡΟΥ
ΛΙΜΕ ¹⁶ ΝΑΡΧΕΙΟ ΣΠΕΤΣΩΝ
ΜΗΧΑΝ/ΝΗΤΟ ΤΑΓΜΑ ΠΕΖΙΚΟΥ ΛΗΜΝΟΥ
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ΠΑΤΡΑΙΚΟΣ ΟΜΙΛΟΣ ΦΟΥΣΚΩΤΩΝ ΣΚΑΦΩΝ
ΠΟΔΟΣΦ.ΑΘΛ.ΟΜ.ΑΛΣΟΥΠΟΛΗΣ
ΠΟΛΙΤΙΣΤΙΚΟΣ ΣΥΛΛΟΓΟΣ ΑΠΟΔΟΥΛΟΥ
ΠΥΡΟΣΒΕΣΤΙΚΗ ΥΠΗΡΕΣΙΑ ΑΓΡΙΝΙΟΥ
ΠΥΡΟΣΒΕΣΤΙΚΗ ΥΠΗΡΕΣΙΑ ΑΡΙΔΑΙΑΣ
ΣΥΛΛΟΓΟΣ ΑΠΑΝΤΑΧΟΥ ΜΟΛΟΧΙΩΤΩΝ
ΣΥΛΛΟΓΟΣ ΓΟΝΕΩΝ ΚΑΙ ΚΗΔΕΜΟΝΩΝ 19ου ΔΗΜΟΤΙΚΟΥ ΣΧΟΛΕΙΟΥ ΑΧΑΡΝΩΝ
ΣΥΛΛΟΓΟΣ ΓΟΝΕΩΝ ΦΙΛΩΝ ΑΜΕΑ
ΣΥΛΛΟΓΟΣ ΥΠΑΛΛΗΛΩΝ ΠΕΡΙΦΕΡΕΙΑΚΩΝ ΥΠΗΡΕΣΙΩΝ Υ.Π.Ε.Π.Θ.
ΣΥΛΛΟΓΟΣ ΦΑΡΟΣ ΕΛΠΙΔΑΣ
ΣΥΛΛΟΓΟΣ ΦΙΛΩΝ ΠΕΡΙΣΤΕΡΑΔΩΝ
ΣΥΛΛΟΓΟΣ ΧΡΥΣΟΧΩΡΙΤΩΝ ΤΡΙΦΥΛΙΑΣ
ΣΥΝΔΕΣΜΟΣ ΠΡΟΠΟΝΗΤΩΝ ΠΟΔΟΣΦΑΙΡΟΥ
ΤΕΘ ΠΑΤΜΟΥ

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DONATIONS OF FIXED ASSETS
Name *
ΤΜΗΜΑ ΑΣΦΑΛΕΙΑΣ ΗΛΙΟΥΠΟΛΕΩΣ
ΤΜΗΜΑ ΑΣΦΑΛΕΙΑΣ ΚΟΛΩΝΟΥ
ΤΜΗΜΑ ΔΟΚΙΜΩΝ ΑΣΤ/ΚΩΝ ΚΟΜΟΤΗΝΗΣ
ΤΟΠΙΚΗ ΚΟΙΝΟΤΗΤΑ ΑΕΤΟΥ
ΤΟΠΙΚΗ ΚΟΙΝΟΤΗΤΑ ΠΑΠΑΔΑΤΩΜ
ΤΟΠΙΚΗ ΚΟΙΝΟΤΗΤΑ ΠΑΥΛΟΥ ΒΟΙΩΤΙΑΣ
ΥΠΗΡΕΣΙΑ ΕΣΩΤΕΡΙΚΩΝ ΥΠΟΘΕΣΕΩΝ
ΥΠΟΥΡΓΕΙΟ ΠΡΟΣΤΑΣΙΑΣ ΠΟΛΙΤΗ

The above table refers to donations of fully amortised fixed assets of the Bank with total residual value €22,74

TOTAL FOR MEDIA PAYMENTS	6,904,33.,90
TOTAL PAYMENTS DUE TO DONATIONS, SPONSORSHIP, SUBSIDIES OR OTHER CHARITABLE REASONS TO LEGAL ENTITIES	2,806,750.47
TOTAL PAYMENTS DUE TO DONATIONS, SPONSORSHIP, SUBSIDIES OR OTHER CHARITABLE REASONS TO INDIVIDUALS	13,007.43

OTHER INFORMATION - ARTICLE 97, PARA. 3 OF LAW 4548/2018

Mr. E.O. Vidalis, Non-Executive Member and Mr. D.K. Tsitsiragos, Independent Non-Executive Member of the Board of Directors, did not participate in a meeting of the Board of Directors of Alpha Bank S.A. regarding the proposed annual credit limit of TITAN Group, in order to avoid a possible conflict of interest

TRANSACTIONS WITH RELATED PARTIES

According to the corresponding regulatory framework, this report must include the main transactions with related parties. All the transactions between related parties, Alpha Bank S.A. and the Group companies, are performed in the ordinary course of business, conducted according to market conditions and are authorized by corresponding management personnel. There are no other material transactions between related parties beyond those described in the following paragraph.

A. The outstanding balances of the Group transactions with key management personnel which is composed by members of the Board of Directors and the Executive Committee of the Alpha Bank S.A. as well as their close family members and the companies relating to them, as well as the corresponding results from those transactions are as follows:

(Amounts in thousand of Euro)

Loans and advances to customers	1,858
Due to customers	4,352
Employee defined benefit obligations	207
Provisions	
Letters of guarantee and approved limits	306
Interest and similar income	26
Fee and commission income	10
Other income	1
Interest expense and similar charges	4
Commission expense	1
General and administrative expenses	1
Fees paid to key management and close family members	5,242

B. The outstanding balances of Alpha Bank S.A. with the Group companies and the corresponding results are as follows:

i. Subsidiaries

	Name	Assets	Liabilities	Income	Expenses	Letters of guarantee and other guarantees
Banks						
1	Alpha Bank London Ltd	50,771	3,804	603	9	
2	Alpha Bank Cyprus Ltd	399,965	132,738	566	33	48,354
3	Alpha Bank Romania S.A.	305,034	118,649	1,436	126	248,700
4	Alpha Bank Albania SH.A.	16,319	44,091	281	96	7,425
Leasing						
1	ALPHA LEASING A.E.	198,702	1,266	4,411	62	
2	ABC Factors A.E.	404,498	2,170	4,704	0	2,000
3	CEPAL HELLAS HOLDINGS S.A.	0	0	1,631	11,411	
Investment Banking						
1	Alpha Finance A.E.Π.Ε.Υ.	182	15,342	751	1,291	
2	ALPHA VENTURES A.E.	0	2,516	17	0	
3	ALPHA VENTURES CAPITAL MANAGEMENT - AKES	0	261	33	0	
4	Emporiki Ventures Capital Developed Markets Ltd	0	9	0	0	
5	Emporiki Ventures Capital Emerging Markets Ltd	0	3,935	0	0	
Asset Management						
1	Alpha Asset Management A.E.Δ.Α.Κ.	3,892	8,071	8,970	7	3
Real Estate and hotel						
1	ALPHA ASTIKA AKINITA A.E.	5,279	86,016	8	4,520	
2	ALPHA REAL ESTATES MANAGEMENT AND INVESTMENTS S.A.	58	113,554	141	2,025	
3	Alpha Real Estate Bulgaria E.O.O.D.	0	0	0	5	

	Name	Assets	Liabilities	Income	Expenses	Letters of guarantee and other guarantees
4	ALPHA INVESTMENT PROPERTY ATTIKIS A.E.	0	88	6	0	
5	AGI-RRE Participations 1 S.R.L.	0	153	0	0	
6	Stockfort Ltd	0	1,870	0	0	
7	Romfelt Real Estate S.A.	0	3,989	0	10	
8	AGI-RRE Zeus S.R.L.	0	1,152	0	0	
9	AGI-RRE Poseidon S.R.L.	0	4,575	0	11	
10	AGI-RRE Hera S.R.L.	0	940	0	0	
11	AGI-BRE Participations 2BG E.O.O.D.	170	0	0	0	
12	APE Fixed Assets A.E.	0	268	13	0	
13	SC Carmel Residential S.R.L.	0	1,002	0	1	
14	ALPHA INVESTMENT PROPERTY NEAS KIFISSIAS S.A.	0	302	9	0	
15	Alpha Investment Property Kallirois S.A.	0	268	7	0	
16	ALPHA INVESTMENT PROPERTY LEVADIAS S.A.	0	6,016	5	0	
17	Asmita Gardens S.R.L.	0	6,453	0	14	
18	ALPHA INVESTMENT PROPERTY KEFALARIOU A.E.	0	0	13	0	
19	Cubic Center Development S.A.	0	176	0	0	
20	ALPHA INVESTMENT PROPERTY NEAS ERYTHRAIAS S.A.	0	6,494	5	2	
21	AGI-SRE Participations 1 D.O.O.	18,338	0	54	83	
22	ALPHA INVESTMENTS PROPERTY SPATON S.A.	0	571	7	0	
23	ALPHA INVESTMENTS PROPERTY KALLITHEAS S.A.	3,149	20,952	69	0	
24	ALPHA INVESTMENTS PROPERTY IRAKLEIOU S.A.	0	41	0	0	
25	AEP INDUSTRIAL PROPERTY M. AE	0	16,020	7	7	
26	Alpha Group Real Estate Ltd	0	65,182	316	0	
27	Fierton Ltd	4,900	0	139	0	
28	AIP INDUSTRIAL ASSETS ROG S.M.S.A.	0	13,477	7	0	
29	AIP ATTICA RESIDENTIAL ASSETS I S.M.S.A.	0	3,373	6	0	
30	AIP THESSALONIKI RESIDENTIAL ASSETS S.M.S.A.	0	2,352	5	0	
31	AIP CRETAN RESIDENTIAL ASSETS S.M.S.A.	0	2,491	4	0	
32	AIP AEGEAN RESIDENTIAL S.M.S.A.	0	1,202	5	87	
33	AIP IONIAN RESIDENTIAL ASSETS S.M.S.A.	0	2,160	4	0	
34	AIP ATTICA COMMERCIAL ASSETS S.M.S.A.	0	2,889	75	0	400
35	AIP THESSALONIKI COMMERCIAL ASSETS S.M.S.A.	0	9,718	0	4	
36	AIP COMMERCIAL ASSETS ROG S.M.S.A.	0	7,861	5	0	
37	AIP ATTICA RETAIL ASSETS I S.M.S.A.	0	6,803	4	0	
38	AIP ATTICA RETAIL ASSETS II S.M.S.A.	0	3,656	5	0	
39	AIP ATTICA RESIDENTIAL ASSETS II S.M.S.A.	0	525	0	1	
40	AIP RETAIL ASSETS ROG S.M.S.A.	0	2,355	6	0	
41	AEP GI II M.A.E.	0	2,117	6	0	
42	Alpha Payment Services S.M.S.A.	0	998	0	0	
Special Purposes Entities and Holding						
1	Alpha Group Investments Ltd	0	83,556	304	4	

	Name	Assets	Liabilities	Income	Expenses	Letters of guarantee and other guarantees
2	Ionian Equity Participations Ltd	0	6,350	0	0	
3	AGI-RRE Participations 1 Ltd	0	161	0	0	
4	Epihiro Plc	0	445	0	0	
5	Irida Plc	416,921	225,157	0	0	
6	Pisti 2010-1 Plc	0	142	0	0	
7	Alpha Shipping Finance Ltd	8,815	88	1,426	1,513	
8	AGI-RRE Poseidon Ltd	0	151	0	0	
9	Umera Ltd	0	6	0	1	
10	AGI-BRE Participations 4 Ltd	0	1,455	0	0	
11	AGI-RRE Ares Ltd	0	955	0	0	
12	AGI-RRE Artemis Ltd	0	37	0	4	
13	Zerelda Ltd	0	999	0	0	
14	AGI-Cypre Evagoras Ltd	0	10	0	0	
15	AGI-Cypre Ermis Ltd	177,126	24,220	2,575	0	
16	Alpha Credit Acquisition Company Ltd	908,358	387,186	14,613	0	
17	ALPHA INTERNATIONAL HOLDINGS S.M.S.A	436	55,329	4,255	3,809	
18	ALPHA HOLDINGS SINGLE MEMBER S.A	0	54,751	33	0	
Other companies						
1	KAFE ALPHA A.E.	0	49	15	135	
2	ALPHA SUPPORTING SERVICES A.E	685	18,189	1,015	794	
3	REAL CAR RENTAL A.E.	0	390	0	0	
4	EMPORIKI MANAGEMENT A.E.	37	2,160	53	0	
5	ALPHA BANK DEBT NOTIFICATION SERVICES S.A.	0	1,172	5	0	

ii. Joint ventures

1	APE Commercial Property A.E.	10	179	4	0	
2	APE INVESTMENT PROPERTY A.E	108	7,117	79	0	
3	ALPHA Taneo A.K.E.S.	0	150	0	0	
4	ALPHA INVESTMENT PROPERTY COMMERCIAL STORES S.A.	9	6,326	0	1	
5	Rosequeens Properties SRL	3,966	0	0	5,751	

iii. Associates

	Name	Assets	Liabilities	Income	Expenses	Letters of guarantee and other guarantees
1	AEDEP Thessalias and Stereas Ellados	0	546	0	0	
2	Banking information Systems A.E.	1,014	370	35	0	
3	Propindex AEDA	0	50	0	0	
4	ALPHA INVESTMENT PROPERTY ELEONA A.E.	54,349	4,201	517	0	

	Name	Assets	Liabilities	Income	Expenses	Letters of guarantee and other guarantees
5	CEPAL HELLAS HOLDINGS S.A.	51,310	77,688	1,298	18,819	
6	Aurora	0	588	0	588	0

	Total	3,034,401	1,691,085	50,561	51,225	306,881

Other related party transactions

	Name	Assets	Liabilities	Income	Expenses	Letters of guarantee and other guarantees
1	Alpha Services and Holdings	20,783	1,038,768	21,058	37,170	0
2	Hellenic Financial Stability Fund-HFSF			6		
3	Alpha Group Jersey Ltd	595	0	0	71	15,542
4	Alpha Insurance Agents A.E.	0	2,161	5	0	0
5	Alphalife A.A.E.Z.	2,371	5,525	7,588	3,751	0
6	REOCO ORION X M.A.E.	0	0	3	0	0
7	REOCO GALAXY II M.A.E.	0	0	1	0	0
8	REOCO GALAXY IV M.A.E.	0	0	0	1	0
9	ORION X SECURITISATION DESIGNATED ACTIVITY COMPANY	0	0	0	0	0
10	GALAXY II FUNDING DESIGNATED ACTIVITY COMPANY	0	0	0	0	0
11	GALAXY III FUNDING DESIGNATED ACTIVITY COMPANY	2,477	19,975	3,616	0	0
12	GALAXY IV FUNDING DESIGNATED ACTIVITY COMPANY	0	0	0	0	0

	Total	26,226	1,066,428	32,277	40,993	15,542

(Amounts in thousand of Euro)

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Due to customers	4,352
Employee defined benefit obligations	207
Provisions	
Letters of guarantee and approved limits	306
Interest and similar income	26
Fee and commission income	10
Other income	1
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1	ALPHA LEASING A.E.	198,702	1,266	4,411	62	
2	ABC Factors A.E.	404,498	2,170	4,704	0	2,000
3	CEPAL HELLAS HOLDINGS S.A.	0	0	1,631	11,411	
Investment Banking						
1	Alpha Finance A.E.Π.Ε.Υ.	182	15,342	751	1,291	
2	ALPHA VENTURES A.E.	0	2,516	17	0	
3	ALPHA VENTURES CAPITAL MANAGEMENT - AKES	0	261	33	0	
4	Emporiki Ventures Capital Developed Markets Ltd	0	9	0	0	
5	Emporiki Ventures Capital Emerging Markets Ltd	0	3,935	0	0	
Asset Management						
1	Alpha Asset Management A.E.Δ.Α.Κ.	3,892	8,071	8,970	7	3
Real Estate and hotel						
1	ALPHA ASTIKA AKINITA A.E.	5,279	86,016	8	4,520	
2	ALPHA REAL ESTATES MANAGEMENT AND INVESTMENTS S.A.	58	113,554	141	2,025	
3	Alpha Real Estate Bulgaria E.O.O.D.	0	0	0	5	
4	ALPHA INVESTMENT PROPERTY ATTIKIS A.E.	0	88	6	0	
5	AGI-RRE Participations 1 S.R.L.	0	153	0	0	
6	Stockfort Ltd	0	1,870	0	0	
7	Romfelt Real Estate S.A.	0	3,989	0	10	

	Name	Assets	Liabilities	Income	Expenses	Letters of guarantee and other guarantees
8	AGI-RRE Zeus S.R.L.	0	1,152	0	0	
9	AGI-RRE Poseidon S.R.L.	0	4,575	0	11	
10	AGI-RRE Hera S.R.L.	0	940	0	0	
11	AGI-BRE Participations 2BG E.O.O.D.	170	0	0	0	
12	APE Fixed Assets A.E.	0	268	13	0	
13	SC Carmel Residential S.R.L.	0	1,002	0	1	
14	ALPHA INVESTMENT PROPERTY NEAS KIFISSIAS S.A.	0	302	9	0	
15	Alpha Investment Property Kallirois S.A.	0	268	7	0	
16	ALPHA INVESTMENT PROPERTY LEVADIAS S.A.	0	6,016	5	0	
17	Asmita Gardens S.R.L.	0	6,453	0	14	
18	ALPHA INVESTMENT PROPERTY KEFALARIOU A.E.	0	0	13	0	
19	Cubic Center Development S.A.	0	176	0	0	
20	ALPHA INVESTMENT PROPERTY NEAS ERYTHRAIAS S.A.	0	6,494	5	2	
21	AGI-SRE Participations 1 D.O.O.	18,338	0	54	83	
22	ALPHA INVESTMENTS PROPERTY SPATON S.A.	0	571	7	0	
23	ALPHA INVESTMENTS PROPERTY KALLITHEAS S.A.	3,149	20,952	69	0	
24	ALPHA INVESTMENTS PROPERTY IRAKLEIOU S.A.	0	41	0	0	
25	AEP INDUSTRIAL PROPERTY M. AE	0	16,020	7	7	
26	Alpha Group Real Estate Ltd	0	65,182	316	0	
27	Fierton Ltd	4,900	0	139	0	
28	AIP INDUSTRIAL ASSETS ROG S.M.S.A.	0	13,477	7	0	
29	AIP ATTICA RESIDENTIAL ASSETS I S.M.S.A.	0	3,373	6	0	
30	AIP THESSALONIKI RESIDENTIAL ASSETS S.M.S.A.	0	2,352	5	0	
31	AIP CRETAN RESIDENTIAL ASSETS S.M.S.A.	0	2,491	4	0	
32	AIP AEGEAN RESIDENTIAL S.M.S.A.	0	1,202	5	87	
33	AIP IONIAN RESIDENTIAL ASSETS S.M.S.A.	0	2,160	4	0	
34	AIP ATTICA COMMERCIAL ASSETS S.M.S.A.	0	2,889	75	0	400
35	AIP THESSALONIKI COMMERCIAL ASSETS S.M.S.A.	0	9,718	0	4	

	Name	Assets	Liabilities	Income	Expenses	Letters of guarantee and other guarantees
36	AIP COMMERCIAL ASSETS ROG S.M.S.A.	0	7,861	5	0	
37	AIP ATTICA RETAIL ASSETS I S.M.S.A.	0	6,803	4	0	
38	AIP ATTICA RETAIL ASSETS II S.M.S.A.	0	3,656	5	0	
39	AIP ATTICA RESIDENTIAL ASSETS II S.M.S.A	0	525	0	1	
40	AIP RETAIL ASSETS ROG S.M.S.A.	0	2,355	6	0	
41	AEP GI II M.A.E.	0	2,117	6	0	
42	Alpha Payment Services S.M.S.A.	0	998	0	0	
Special Purposes Entities and Holding						
1	Alpha Group Investments Ltd	0	83,556	304	4	
2	Ionian Equity Participations Ltd	0	6,350	0	0	
3	AGI-RRE Participations 1 Ltd	0	161	0	0	
4	Epihiro Plc	0	445	0	0	
5	Irida Plc	416,921	225,157	0	0	
6	Pisti 2010-1 Plc	0	142	0	0	
7	Alpha Shipping Finance Ltd	8,815	88	1,426	1,513	
8	AGI-RRE Poseidon Ltd	0	151	0	0	
9	Umera Ltd	0	6	0	1	
10	AGI-BRE Participations 4 Ltd	0	1,455	0	0	
11	AGI-RRE Ares Ltd	0	955	0	0	
12	AGI-RRE Artemis Ltd	0	37	0	4	
13	Zerelda Ltd	0	999	0	0	
14	AGI-Cypre Evagoras Ltd	0	10	0	0	
15	AGI-Cypre Ermis Ltd	177,126	24,220	2,575	0	
16	Alpha Credit Acquisition Company Ltd	908,358	387,186	14,613	0	
17	ALPHA INTERNATIONAL HOLDINGS S.M.S.A	436	55,329	4,255	3,809	
18	ALPHA HOLDINGS SINGLE MEMBER S.A	0	54,751	33	0	
Other companies						
1	KAFE ALPHA A.E.	0	49	15	135	

	Name	Assets	Liabilities	Income	Expenses	Letters of guarantee and other guarantees
2	ALPHA SUPPORTING SERVICES A.E	685	18,189	1,015	794	
3	REAL CAR RENTAL A.E.	0	390	0	0	
4	EMPORIKI MANAGEMENT A.E.	37	2,160	53	0	
5	ALPHA BANK DEBT NOTIFICATION SERVICES S.A.	0	1,172	5	0	

ii. Joint ventures

1	APE Commercial Property A.E.	10	179	4	0	
2	APE INVESTMENT PROPERTY A.E	108	7,117	79	0	
3	ALPHA Taneo A.K.E.S.	0	150	0	0	
4	ALPHA INVESTMENT PROPERTY COMMERCIAL STORES S.A.	9	6,326	0	1	
5	Rosequeens Properties SRL	3,966	0	0	5,751	

iii. Associates

	Name	Assets	Liabilities	Income	Expenses	Letters of guarantee and other guarantees
1	AEDEP Thessalias and Stereas Ellados	0	546	0	0	
2	Banking information Systems A.E.	1,014	370	35	0	
3	Propindex AEDA	0	50	0	0	
4	ALPHA INVESTMENT PROPERTY ELEONA A.E.	54,349	4,201	517	0	
5	CEPAL HELLAS HOLDINGS S.A.	51,310	77,688	1,298	18,819	
6	Aurora	0	588	0	588	0

	Total	3,034,401	1,691,085	50,561	51,225	306,881

Other related party transactions

	Name	Assets	Liabilities	Income	Expenses	Letters of guarantee and other guarantees
1	Alpha Services and Holdings	20,783	1,038,768	21,058	37,170	0
2	Hellenic Financial Stability Fund-HFSF			6		
3	Alpha Group Jersey Ltd	595	0	0	71	15,542
4	Alpha Insurance Agents A.E.	0	2,161	5	0	0
5	Alphalife A.A.E.Z.	2,371	5,525	7,588	3,751	0
6	REOCO ORION X M.A.E.	0	0	3	0	0
7	REOCO GALAXY II M.A.E.	0	0	1	0	0
8	REOCO GALAXY IV M.A.E.	0	0	0	1	0
9	ORION X SECURITISATION DESIGNATED ACTIVITY COMPANY	0	0	0	0	0
10	GALAXY II FUNDING DESIGNATED ACTIVITY COMPANY	0	0	0	0	0
11	GALAXY III FUNDING DESIGNATED ACTIVITY COMPANY	2,477	19,975	3,616	0	0
12	GALAXY IV FUNDING DESIGNATED ACTIVITY COMPANY	0	0	0	0	0
Total		26,226	1,066,428	32,277	40,993	15,542

In accordance with articles 151 par. 3, 154 par. 3 and 153 of Company Law 4548/2018, the non-financial information of the Alpha Bank S.A., is included in the Parent company's Alpha Services and Holdings S.A. Board of Directors' Report for the year ended 31 December 2021.

Athens, March 31, 2022

THE CHAIRMAN
OF THE BOARD OF DIRECTORS

VASILEIOS T. RAPANOS
ID. No AI 666242

THE CHIEF
EXECUTIVE OFFICER

VASSILIOS E. PSALTIS
ID. No AI 666591

Corporate Governance Statement for the year 2021

A. INTRODUCTION

Further to the resolution dated 2.4.2021 of the Extraordinary General Meeting of Shareholders and the registration in the General Commercial Registry (G.E.M.I.), on 16.4.2021, of the decision of the Ministry of Development and Investments, which approved the demerger of the société anonyme under the corporate name “ALPHA BANK SOCIETE ANONYME” (the “Demerged Entity”), by way of hive-down of the banking business sector with the incorporation of a new company - credit institution (the “Demerger”), as well as the new company’s Articles of Incorporation, the Bank under the corporate name “ALPHA BANK SOCIETE ANONYME” (the “Bank”) was incorporated on April 16, 2021, with Registration Code Number 159029160000 in the General Commercial Registry and with Tax Registration Number 996807331.

Taking into consideration the corporate governance structure of the Bank and its Parent Company, i.e. Alpha Services and Holdings S.A. (the “Company”), the present Corporate Governance Statement is supplemented by the Corporate Governance Statement of the Company and needs to be read in conjunction with the latter. The Corporate Governance Statement of the Company has been included in the Annual Report for the year 2021 of Alpha Services and Holdings S.A. and is also available on the website www.alphaholdings.gr.

B. CORPORATE GOVERNANCE CODE

The Bank, following a resolution of the Board of Directors, adopted the Hellenic Corporate Governance Code of the Hellenic Corporate Governance Council (the “Code”).

The Bank complies with the Code, which is posted on its website (<https://www.alpha.gr/en/group/corporate-governance/corporate-governance-code>), with the exception of the election of Vice-Chair or Senior Independent Director (par. 2.2.21 “Special Practice of the Code”). The relevant explanation for the non-conformity can be found in the Corporate Governance Statement of the Company.

C. BOARD OF DIRECTORS AND COMMITTEES

1. Board of Directors

The appointment of the Members of the first Board of Directors is mentioned in the Bank’s Articles of Incorporation and, specifically, in article 28 thereof. The current composition of the Board of Directors of the Bank is identical to the Board of Directors of the Company, thus the above-mentioned general reference to the latter applies for further related information.

The tenure of the Members of the Board of Directors is set for one year and shall be extended until the Ordinary General Meeting of Shareholders, which shall be convoked following the termination of the tenure of the first Board of Directors.

2. Board and Committees attendance

In 2021, the Board of Directors convened 21 times. The average participation rate of the Members of the Board of Directors in the meetings stood at 99% (based on the composition of the Board of Directors on 31.12.2021).

**Board Meetings Average
Attendance**

99%

3. 2021 Board Members' Individual Attendance Rates at Meetings

Board of Directors		Audit Committee	Risk Management Committee	Remuneration Committee	Corporate Governance, Sustainability and Nominations Committee
Number of meetings	21	8	10	9	8
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 Members					
Efthimios O. Vidalis	100%	100%	-	-	88%
Artemios Ch. Theodoridis (until 17.6.2021)	100%	-	-	-	-
Independent Non-Executive Members					
Dimitris C. Tsitsiragos	100%	-	90%	100%	-
Jean L. Cheval	100%	-	100%	100%	-
Carolyn G. Dittmeier	100%	100% C	-	-	100%
Richard R. Gildea	90%	-	90%	100% C	-
Elanor R. Hardwick	100%	100%	-	-	100% C (as of 30.9.2021) M (until 30.9.2021)
Shahzad A. Shahbaz	90%	-	-	-	88% M (as of 30.9.2021) C (until 30.9.2021)
Jan A. Vanhevel	100%	88%	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 M: Member -: The Member does not participate in this Committee					

4. Committees of the Board of Directors

AUDIT COMMITTEE

The Committee has been established and operates in accordance with all applicable laws and regulations. The Audit Committee currently constitutes a Committee of the Board of Directors and its Members were appointed through the Bank's Articles of Incorporation that were included in the notarial deed for the Hive-Down. The tenure of the Members

of the first Audit Committee is set for one year and shall be extended until the Ordinary General Meeting of Shareholders which shall be convoked following the termination of the tenure of the first Board of Directors.

The Members of the Audit Committee fulfil the requirements of article 44 of Law 4449/2017, as in force; in particular, they have a proven excellent track record of knowledge of the banking and financial sector in general.

Chair:	Carolyn G. Dittmeier
Number of Members (including the Chair):	5
Number of meetings in 2021:	8
Average participation rate of the Members:	98% (based on the Committee's composition on 31.12.2021)

AUDIT COMMITTEE COMPOSITION



(Based on the composition of the Audit Committee on 31.12.2021)

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/committees>).

During 2021 the main activities of the Committee, among others, were the following:

The Committee:

- Evaluated the following reports for the year 2020 which were submitted to the Bank of Greece:
 - the Annual Report of the Internal Audit Division on the Internal Control System of the Bank for the previous year, as per the Bank of Greece Governor's Act 2577/9.3.2006,
 - the Annual Report of the Compliance Division as per the Bank of Greece Governor's Act 2577/9.3.2006,
 - the Annual Report of the Compliance Officer on Anti-Money Laundering and Combating the Financing of Terrorism,
 - the evaluation of the adequacy and effectiveness of the Anti-Money Laundering and Combating the Financing of Terrorism Policy,
 - the evaluation of the adequacy and effectiveness of the Internal Control System of the Alpha Bank Group by the Internal Audit Division, the Compliance Division and the Management,
 - the Independent Assessment Report regarding the custody of Alpha Bank's customer assets.
- Was informed of the quarterly activity reports of the Internal Audit Division and the Compliance Division of the Bank, based on the plans previously endorsed by the Audit Committee.
- Submitted to the Board of Directors for approval the fees of Deloitte Certified Public Accountants S.A. and of SOL S.A. for the statutory audit of the Financial Statements of Alpha Bank S.A. and its respective Subsidiaries for the year 2021 and for the issuance of a tax certificate.

- Reviewed and endorsed the reappointment of the Statutory Certified Auditor (Deloitte) for the statutory and tax audit of Alpha Bank for the next five years.
- Reviewed the annual Financial Statements preparation for Alpha Bank S.A. and the Group for the year 2020 as well as the Press Release regarding the Annual 2020 Group's results, prior to their submission to the Board of Directors for approval.
- Reviewed the Statutory Certified Auditors' Audit Plan for 2021 with reference to the planned audit approach, the key audit matters and risks, the audit standards and regulation, etc. and evaluated the internal control issues regarding financial reporting processes identified by the Statutory Certified Auditor as well as the adequacy of the responses provided by the Management.
- Reviewed the Non-Audit Services provided to the Bank by the Statutory Certified Auditor, on the basis of the Manual of the Bank on the Assignment of Non-Audit Services to Auditors.
- Monitored the procedure followed for the drafting of the Non-Financial Information Report and the Sustainability Report for the year 2020, in accordance with Laws 4548/2018 and 4403/2016, and, subsequently, endorsed the said Reports and submitted them for approval by the Board of Directors.

Regarding the Subsidiaries, the Audit Committee:

- Aiming at further enhancing corporate governance and the collaboration among the Subsidiaries, launched a series of videoconference meetings with the Audit Committees of the Subsidiaries. In this context, a meeting with the Members of the Audit Committee of Alpha Bank Cyprus Ltd, Alpha Bank Romania S.A., Alpha Bank London Ltd and Alpha Astika Akinita S.A. took place.
- Reviewed their Annual and Semi-Annual Activity Reports regarding the fulfillment of their responsibilities.

During 2021, the Audit Committee met jointly with the Risk Management Committee once.

RISK MANAGEMENT COMMITTEE

The Committee has been established and operates in accordance with all applicable laws and regulations. The Members of the current Risk Management Committee were appointed by the Board of Directors at its meeting of 16.4.2021.

Chair:	Jan A. Vanhevel
Number of Members (including the Chair):	5
Number of meetings in 2021:	10
Average participation rate of the Members:	96% (based on the Committee's composition on 31.12.2021)

RISK MANAGEMENT COMMITTEE COMPOSITION

Independent Non-Executive Members	Non-Executive Members
80%	20%

(Based on the composition of the Risk Management Committee on 31.12.2021)

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/committees>).

During 2021 the main activities of the Committee, among others, were the following:

The Committee:

- Reviewed on a monthly basis the progress made with regard to credit risk, liquidity risk, operational risk as well as with regard to capital adequacy, regulatory liquidity and supervisory issues.
- Was regularly updated on issues related to Cepal as well as on the Bank's Non-Performing Exposures (NPEs) Remedial Management Business Unit and its interaction with Cepal and reviewed the implementation of the carve-out of the Wholesale and Retail Non-Performing Loans (NPLs) to Cepal.
- Reviewed the NPLs and NPEs Reduction Plan against the targets submitted to the Single Supervisory Mechanism (SSM) and was updated on the Alpha Bank Cyprus Ltd's NPEs portfolio and transaction developments.
- Evaluated the adequacy and effectiveness of the risk management policies and procedures of the Bank in terms of the undertaking, monitoring and management of risks.
- Endorsed the Climate-Related and Environmental Risk Questionnaire and resolved to submit it to the Board of Directors for approval in order for it to be further submitted to the SSM.
- Obtained updates about the Pillar I and Pillar II Capital Requirements for all risk types, credit risk and the achievement of the targets submitted to the SSM.
- Was informed of the publication of the results of the European Union-wide 2021 Stress Test which took place in July 2021.
- Was updated on a regular basis on the SSM and the Single Resolution Board (SRB) Agendas for 2021.
- Assessed the Annual Report of the Risk Management Business Unit for the year 2020, which was submitted to the Bank of Greece.

Regarding the Subsidiaries, the Risk Management Committee:

- Aiming at further enhancing corporate governance and the collaboration among the Subsidiaries, launched a series of videoconference meetings with the Risk Management Committees of the Subsidiaries abroad. In this context, meetings with the Members of the Risk Management Committee of Alpha Bank Cyprus Ltd, of Alpha Bank Romania S.A. and of Alpha Bank London Ltd took place.
- Reviewed the Annual Activity Reports for 2020 and the Semi-Annual Activity Reports for 2021 prepared by the Risk Management Committees of the Subsidiaries.

REMUNERATION COMMITTEE

The Committee has been established and operates in accordance with all applicable laws and regulations. The Members of the current Remuneration Committee were appointed by the Board of Directors at its meeting of 16.4.2021.

Chair:	Richard R. Gildea
Number of Members (including the Chair):	4
Number of meetings in 2021:	9
Average participation rate of the Members:	100% (based on the Committee's composition on 31.12.2021)

REMUNERATION COMMITTEE COMPOSITION

Independent Non-Executive Members	Non-Executive Members
75%	25%

(Based on the composition of the Remuneration Committee on 31.12.2021)

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/committees>).

During 2021 the main activities of the Committee, among others, were the following:

The Committee:

- Reviewed and proposed to the Board of Directors the approval of:
 - the Expenses Policy for the Non-Executive Members of the Board of Directors,
 - the amended Senior Executives Severance Payment Policy,
 - the Remuneration Committee Charter,
 - the salary ranges for Senior Executives, Key Function Holders and other Executives.
- Endorsed the Performance Incentive Program – 2020 Bonus Pool as well as the respective Bonus Allocation and recommended to the Board of Directors the approval thereof.
- Endorsed the 2020 Sales Incentive Program Bonus Allocation to Branch Employees as well as the 2021 Sales Incentive Program Targets and the conditional bonus allocation for the First Half and the Third Quarter of 2021 and recommended to the Board of Directors the approval thereof.
- Resolved to recommend to the Board of Directors the approval of the allocation of Stock Options to Material Risk Takers, including the Senior Managers under the Bonus Ban Perimeter.
- Reviewed the list of Material Risk Takers for 2020.
- Reviewed the 2020 Evaluation Scorecards and the 2021 objective-setting Scorecards of the General Managers and of the Key Function Holders.
- Provided input to the Corporate Governance, Sustainability and Nominations Committee regarding the Policy for the Evaluation of Senior Executives and Key Function Holders.
- Finalized the remuneration amounts of the Members of the Board of Directors for the financial year 2021.
- Was updated on the Job Evaluation Framework developed by the Human Resources Unit.
- Was updated on the Voluntary Separation Scheme, which the Bank announced on September 17, 2021.

Regarding the Subsidiaries, the Remuneration Committee:

- Reviewed the Annual Activity Reports for the year 2020 of the Remuneration Committees of the Subsidiaries.
- Reviewed the annual remuneration amounts of the Non-Executive Members of the Boards of Directors of the Subsidiaries for the year 2021.
- Reviewed the Minutes of the Remuneration Committees of Alpha Bank Romania S.A. and Alpha Bank London Ltd.
- Was updated on Alpha Bank Romania S.A.'s Total Human Resources Turnover Action Plan.

CORPORATE GOVERNANCE, SUSTAINABILITY AND NOMINATIONS COMMITTEE (FORMER CORPORATE GOVERNANCE AND NOMINATIONS COMMITTEE)

The Committee has been established and operates in accordance with all applicable laws and regulations. The Members of the current Corporate Governance, Sustainability and Nominations Committee were appointed by the Board of Directors at its meeting of 16.4.2021.

Chair:	Elanor R. Hardwick
Number of Members (including the Chair):	5
Number of meetings in 2021:	8
Average participation rate of the Members:	95% (based on the Committee's composition on 31.12.2021)

CORPORATE GOVERNANCE, SUSTAINABILITY AND NOMINATIONS COMMITTEE COMPOSITION



(Based on the composition of the Corporate Governance, Sustainability and Nominations Committee on 31.12.2021)

The specific duties and responsibilities of the Corporate Governance, Sustainability 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/committees>).

During 2021 the main activities of the Committee, among others, were the following:

The Committee:

- Identified and recommended for approval by the Board of Directors candidates to fill vacancies in the Board of Directors; in particular, it recommended the appointment of Ms. E.M. Andriopoulou as Non-Executive Member of the Board of Directors, with effect as of 1.1.2022.
- Reviewed and proposed to the Board of Directors the approval of:
 - the Committees' Charters;
 - the Suitability and Nomination Policy for the Members of the Board of Directors and Key Function Holders;
 - the Suitability and Nomination Process for the Members of the Board of Directors;
 - the Diversity Policy;
 - the Induction and Training Policy for the Members of the Board of Directors;
 - the Policy for the Evaluation of Senior Executives and Key Function Holders;
 - the Policy for the Succession Planning of Senior Executives and Key Function Holders.
- Recommended to the Board of Directors the approval of the adoption of the Hellenic Corporate Governance Code.
- Confirmed, after reviewing the independence criteria, that the Independent Non-Executive Members fulfil all the criteria for being Independent Non-Executive Members of the Board of Directors, in accordance with Law 4706/2020 on corporate governance, the Articles of Incorporation and the Hellenic Corporate Governance Code, as in force.

- Recommended to the Board of Directors the approval of changes to the Organizational Chart of the Bank.
- Approved the Collective Board Evaluation Questionnaire and the Individual Self-Evaluation Questionnaire, in the context of the Board of Directors' evaluation.
- Was informed of the assessment of the effectiveness of the Bank's approach to Corporate Governance conducted by Nestor Advisors.
- Was informed of a letter from the HFSF on the third Corporate Governance review and the Board evaluation recommendations implementation process.
- Was informed of Environmental, Social, and Governance (ESG) issues and, in particular, of the proposed Environmental, Social and Governance (ESG) Framework.

Regarding the Subsidiaries, the Corporate Governance, Sustainability and Nominations Committee:

- Reviewed the 2020 Annual and the 2021 Semi-Annual Activity Reports of the Subsidiaries' Nomination Committees and Boards of Directors.
- Reviewed the composition of the Subsidiaries' Boards of Directors and their Committees and was informed of any changes therein.

D. MANAGEMENT COMMITTEES

1. Executive Committee

In accordance with Law 4548/2018 and the Bank's Articles of Incorporation, the Board of Directors has established an Executive Committee.

The Executive Committee acts as a collective corporate body of the Bank. The Committee's composition, responsibilities, competencies, decision-making process and its overall operation are set by the Board of Directors.

The current composition of the Executive Committee of the Bank is identical to the Executive Committee of the Company, thus the above-mentioned general reference to the latter applies for further information thereon.

2. General Manager-level Management Committees

2.1 Assets-Liabilities Management Committee (ALCo)

Frequency of meetings:	Once a fortnight or ad hoc, following a proposal by a Member with voting rights

The Committee:

- 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, risk monitoring and control, portfolios, etc.
- assesses financial risks and decides on the risk hedging strategy and actions, taking into account (current and, according to forecasts, future) market conditions, the Regulatory Framework and the Supervisory Indicators.

2.2 Troubled Assets Committee

Frequency of meetings:	At least quarterly or ad hoc, following a proposal by a Member with voting rights

The Committee:

- formulates, evaluates and approves the Wholesale and the Retail Banking Non-Performing Loans management strategy and forwards it to the Credit Risk Committee for approval and to the Risk Management Committee, if necessary.
- evaluates and approves the amendments to the Service Level Agreements and forwards them to the Risk Management Committee and the Board of Directors, if necessary.
- formulates, evaluates and approves the Wholesale and the Retail Banking Non-Performing Loans strategy and forwards it to the Credit Risk Committee for approval and for information purposes to the Risk Management Committee, if necessary.
- performs the initial approval of the annual budget, the Business Plans and the objectives set for the NPEs Strategy, Recovery and Monitoring (NSRM) Division and the Servicers. The above are forwarded to the Executive Committee and to the Board of Directors for the final approval, if necessary.

- approves proposals for the sale of NPEs portfolios in terms of operational feasibility and relevance to the Business Plan and the budget of the NSRM Division. The above proposals are forwarded for approval to the Executive Committee or to the Board of Directors, if necessary.
- formulates and approves the available types of settlements/restructurings and the final arrangements concerning Wholesale and Retail Banking Customers with loans in arrears and performs the periodic monitoring and evaluation of the effectiveness of their assessment.
- plans, approves, monitors and evaluates the pilot programs for arrangements/settlements applied by the Servicers.
- sets out the criteria for examining the long-term viability of the proposed arrangements and/or final settlements.
- monitors, checks and evaluates the progress towards the approved budget, Business Plans and targets set for the NSRM Division and the Servicers in Greece and abroad.
- submits the necessary proposals for the modification of the operational plans and the budget of proposals to the Credit Risk Committee and to the Risk Management Committee, if necessary.
- approves the operational considerations (subject to approval by the Executive Committee and the Board of Directors) for assigning the management of NPEs portfolios to outsourcers/Servicers approved by the Bank of Greece.
- provides the initial approval of the operational feasibility of the proposals submitted by the NSRM Division for the assignment of a project to consultants, subject to the final approval of the Cost Control Committee.
- approves reports on the management of NPEs to be submitted to the European Central Bank and to the Hellenic Financial Stability Fund.
- coordinates the activities of the Troubled Assets Committees of Group Companies abroad.

2.3 REO Committee I

Frequency of meetings:	Quarterly or ad hoc, following a relevant request submitted by one of its regular Members with voting rights

The Committee:

- 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 examined to be acquired by the Bank or the Group.

2.4 Operational Risk and Internal Control Committee

Frequency of meetings:	At least quarterly or ad hoc, following a relevant request submitted by one of its regular Members with voting rights

The Committee:

- ensures that the appropriate organizational structure, processes, methodologies and infrastructure to manage operational risk are in place;
- is regularly updated on the operational risk profile of the Group and the results of the operational risk assessment process;
- reviews recommendations for minimizing operational risk;
- approves the operational risk provisions on Third Party Lawsuits against the Bank;
- approves the authorization limits of the Committees responsible for the management of operational risk events of the Bank and the Group Companies;
- reviews the operational risk events whose financial impact exceeds the limits of the other Committees;
- is updated on the operational risk regulatory requirements as well as on the regulatory findings which are identified via internal and external audits and assesses the action plans proposed for their mitigation;

- is informed of issues raised by the Internal Audit Division, concerning high operational risk areas and required corrective actions in order to reduce operational risk;
- takes cognizance of and decides upon issues related to Operational Risk and the Internal Control Framework.

2.5 Credit Risk Committee

Frequency of meetings:	Every month or ad hoc, following a proposal by one of its Members

The 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;
- approves and monitors the Bank's and the Group's Credit Risk Appetite;
- reviews and updates the Group credit risk policies as per the Bank's Credit Risk Appetite;
- reviews periodically the development of credit risk by sector and geographic area and of concentration risk where the Group operates;
- reviews the reports of the Risk Management Units submitted to the Board of Directors and the Risk Management Committee;
- reviews the Troubled Assets Committee's reports;
- reviews the progress against the annual targets submitted through the Business Plan to the Single Supervisory Mechanism (SSM), in the framework of the management of NPEs and NPLs;
- approves the Wholesale and Retail Credit Policy Manuals;
- approves the Group Credit Risk Policies as well as the Group Credit Monitoring Framework;
- approves the Group's Write-offs;
- approves the development and update of the Credit Risk Models and the relevant Governance Framework for the Credit Risk Model Management Policy;
- approves the methodology for the calculation of provisions of impairments [Expected Credit Loss (ECL) Methodology];
- approves the quarterly impairment provisions;
- is informed of the most important findings resulting from the conduct of credit reviews by the Credit Control Division;
- is informed of the strategy for the management of arrears, arrears regulations and the Group's Arrears Committees, approved by the Troubled Assets Committee.
- reviews the results of the Stress Tests;
- reviews the results of external evaluation processes, including the Supervisory Review and Evaluation Process (SREP), the Single Resolution Board (SRB) process, the SSM Audits, the European Banking Authority (EBA) Stress Tests, and decides on required actions for issues stemming therefrom;
- reviews financial and risk monitoring and reporting issues (e.g. Pillar III disclosures, IFRS 9 reports, impairments);
- is informed and reviews the progress of projects related to supervisory guidelines (e.g. new definition of default, provisioning calendar) as well as important projects for the Bank related to Credit Risk.

2.6 Cost Control Committee

Frequency of meetings:	Once a fortnight or ad hoc, following a proposal by a Member with voting rights

The Committee:

- approves the cost control policies;
- validates the proposed Capital Expenditures/Operating Expenses (CapEx/OpEx) budget prior to its submission to the Executive Committee for approval and the formulation proposal on the projects portfolio;
- examines and approves expense requests/projects' costs within the Committee's limits;

- reviews the cost evolution versus the Budget as well as mitigation actions in case of overruns;
- evaluates proposals on cost containment initiatives;
- assesses options to promote the Bank's cost-efficient operation;
- validates cost allocation rules among the Bank's Business Units.

2.7 Credit Committee I

Frequency of meetings:	At least twice a week

The Committee:

- 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.
 - Lending to companies or groups of connected companies of the International Network with Performing Exposures.

2.8 Arrears Committee I

Frequency of meetings:	At least once a week

The Committee:

- 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

2.9 Group Sustainability Committee

Frequency of meetings:	At least bi-monthly or following a relevant request submitted by one of its regular Members with voting rights

The Committee:

- steers the Group's strategy and direction on sustainability and ESG-related topics, to support the sustainability and resilience of the Group's business model as well as to enable long-term value creation;
- agrees upon and proposes for endorsement by the Executive Committee and approval by the Board of Directors the Group's ESG Policy and its targets, including financial and non-financial Key Performance Indicators (KPIs), according to the established governance procedures;

- ensures that the aforementioned ESG targets and KPIs are aligned with and are incorporated into the Group's Risk Appetite Framework, the Business Plan and any relevant policies, through the implementation of an appropriate decision-making process and the approval of the responsible Bodies for the said policies;
- monitors the Group's sustainability performance against policy targets and benchmarks;
- monitors current and emerging ESG trends affecting the Group;
- proposes criteria for sustainable credit approvals, debt issuances and investments to be incorporated in the relevant policies;
- oversees the content of ESG-related non-financial disclosures, including the Non-Financial Report and the Sustainability Report;
- monitors the Group's alignment with ESG requirements, including regulatory expectations and Principles for Responsible Banking (PRB) commitments;
- monitors the implementation of sustainability and corporate responsibility initiatives;
- oversees internal and external communications related to ESG;
- takes cognizance of ESG-related findings which are identified in external audits and assesses the action plans proposed to mitigate them;
- is informed about the results of supervisory evaluations and decides on appropriate actions in response to topics stemming from new supervisory requirements, guidelines and recommendations of relevant Bodies, such as: (i) Supervisory Review and Evaluation Process (SREP), (ii) Single Supervisory Mechanism (SSM), (iii) European Banking Authority (EBA) and (iv) Other Legal, Regulatory or Government authorities which may issue ESG-related legislation or regulations. For supervisory issues, the Committee leverages on the existing governance structure of the Bank.

Athens, March 31, 2022

THE CHAIRMAN
OF THE BOARD OF DIRECTORS

VASILEIOS T. RAPANOS
ID. No AI 666242

THE CHIEF
EXECUTIVE OFFICER

VASSILIOS E. PSALTIS
ID. No AI 666591

TRUE TRANSLATION FROM THE ORIGINAL IN GREEK

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Alpha Bank S.A.

Report on the Audit of the Separate and Consolidated Financial Statements

Opinion

We have audited the accompanying separate and consolidated financial statements of Alpha Bank S.A. (the Bank) and its subsidiaries (the Bank and the Group), which comprise the separate and consolidated balance sheet as at 31 December 2021, and the separate and consolidated statements of income and comprehensive income, changes in equity and cash flows for the year then ended, and notes to the separate and consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the separate and consolidated financial position of Alpha Bank S.A. and its subsidiaries as at 31 December 2021 and its separate and consolidated financial performance and its separate and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), as endorsed by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as they have been incorporated into the Greek legislation. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements" section of our report. We have been independent of the Bank and the Group during the whole period of our appointment, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), as incorporated into the Greek legislation and the ethical requirements in Greece, relevant to the audit of the separate and consolidated financial statements. We have fulfilled our ethical requirements in accordance with the applicable legislation and the abovementioned Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the separate and consolidated financial statements of the current year. These matters and the assessed risks of material misstatements were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the Key audit matters
Allowance for expected credit losses (ECL) for loans at amortized cost	
Loans at amortized cost of the Bank and the Group amounted to € 29,280 million for the Bank and € 33,020 for the Group at 31 December 2021 excluding Senior Notes and allowance for expected credit losses amounted to € 1,764 million for the Bank and €2,076 million for the Group at 31 December 2021. Measurement of ECL on loans at amortized cost is deemed a key audit matter as the determination of assumptions used, involves critical Management judgments and accounting estimates with high level of subjectivity and complexity. The most significant Management judgements and estimates, relate to: • The criteria used for the staging assessment of loans at amortized cost (Significant Increase in Credit Risk – SICR and Unlikeliness to Pay – UTP). • The determination of credit risk parameters, such as Loss Given Default (LGD), Probability of Default (PD) and the Exposure at Default (EAD) as well as the modeling assumptions and data used to build and run the models that calculate the ECL. • Assumptions of expected future cash flows of individually assessed credit impaired exposures, including assessment approach, valuation of collaterals, and the time to liquidate the collaterals. • Inputs, assumptions and weightings used to estimate the impact of multiple economic scenarios. • Appropriateness, identification and valuation of post model adjustments raised by Management to address known impairment model limitations as well as risks not captured by the models. These adjustments are inherently uncertain and significant management judgment is involved.	Based on our risk assessment and following a risk-based approach, we have evaluated the impairment methodologies applied and assumptions made by Management in relation to this key audit matter, and we performed, inter alia, the following audit procedures: • With the support of our financial risk modeling specialists where appropriate, we assessed the design and implementation of relevant internal controls over the ECL estimate included the controls around: - assumptions used in the ECL models - model monitoring and model validation - governance and approval of post model adjustments - allocation of loans into stages - selection and implementation of macro-economic variables and the controls over the selection of macro-economic scenarios and probability weightings. • We assessed the design and tested the operating effectiveness of relevant controls over the ECL measurement of credit impaired loans assessed on an individual basis, including controls around the determination of the appropriate approach, the valuation of collaterals and the assumptions of the expected future cash flows. • We involved our financial risk modelling specialists in: - evaluating the appropriateness of the Group's IFRS9 impairment methodologies - inspecting model code and reperforming the calculation of certain components of the ECL models (including the stage allocation) - evaluating Management's design of models and the appropriateness of assumptions and parameters used in the models (i.e. Exposure at Default – EAD, Probability of Default – PD, Loss Given Default- LGD), especially for new models developed or re-calibrated in the year. - evaluating the appropriateness of the criteria used to allocate loans to stages in accordance with IFRS9. This included an evaluation of the criteria set by Management for determining whether there had been a Significant Increase in Credit Risk (SICR) or an Unlikeliness to Pay (UTP). - assessing the reasonableness and appropriateness of the macroeconomic variables, scenarios and weightings used in the models by comparing them to macroeconomic variables included in a variety of external market sources.

Key audit matters	How our audit addressed the Key audit matters
Allowance for expected credit losses (ECL) for loans at amortized cost – (continued)	
Management has provided further information about principles and accounting policies for determining the ECL on loans at amortized cost and management of credit risk in Notes 1.2.11, 11, 19 και 39.1 to the separate and Notes 1.2.12, 11, 19 and 43.1 to the consolidated financial statements.	We obtained and substantively tested evidence of timely identification of exposures with significant increase in credit risk and timely identification of credit impaired exposures. We performed substantive procedures to test the accuracy and completeness of critical data used in the ECL models by agreeing a sample of ECL calculation data points to source systems or documentation, including balance sheet data used to run the models. On a sample basis we assessed whether the approach used in the measurement of impairment for the individually assessed credit impaired exposures is appropriate, and we tested the reasonableness of significant assumptions used, including valuation of collaterals (where we also made use of our real estate specialists), time to liquidate collaterals, and estimation of the discounted future cash flows. We assessed the appropriateness of post model adjustments, including those which were applied as a result of the expected sale of certain loan portfolios and as a result of ad hoc management actions by considering the data, judgements, methodologies and governance of these adjustments. Given the complexity and granularity of the related disclosures, we assessed their completeness and accuracy in accordance with the provisions of the relevant accounting standards.

Key audit matters	How our audit addressed the Key audit matters
Recoverability of Deferred Tax Asset (DTA)	
The Bank and the Group have recognized a deferred tax asset of € 5,403 million and € 5,416 million respectively as at 31 December 2021. The recognition and measurement of the deferred tax asset is considered a key audit matter as it involves a high degree of judgment and significant accounting estimates to be made by Management regarding the ability to generate sufficient future taxable profits. The most significant judgements and estimates used by Management regarding future profit forecasts and recoverability of deferred tax assets include: - Revenue and Cost forecasts for the preparation of the annual budget and the 3 year business plan taking into account the impact of the Group's strategic plan. - Macroeconomic assumptions and management projections used to extend the period covered under the business plan to the time when the deferred tax assets can be utilized for tax purposes. - Conversion of accounting profits to taxable profits. Management has provided further information about the deferred tax asset in Notes 1.2.14, 13 and 25 to separate and in Notes 1.2.15, 13, 25 to the consolidated financial statements.	Based on our risk assessment, we evaluated the method used to determine the amount of deferred tax asset recognized and examined the budgets prepared and significant assumptions made by Management relating to the future taxable profits. Our examination included the following elements where we also made use of our tax specialists: • Assessed the design and implementation of the relevant internal controls over the preparation and approval of budgets and forecasts, including the internal controls over the significant assumptions, inputs, calculation and methodologies used for this purpose. • We compared significant assumptions used by Management in the DTA exercise with the approved budget and the three year business plan for consistency and assessed their reasonability by evaluating the underlying business strategies. • We compared previous management forecasts to actual results, to evaluate the reasonableness of the forecasting process. • We assessed whether significant assumptions used beyond the business plan period were reasonable. • With the support of our tax specialists we assessed the appropriateness of the adjustments made by Management to convert accounting profits into tax profits. We evaluated the adequacy of the disclosures in the financial statements including the appropriateness of the assumptions disclosed.
Key audit matters	
Information Technology General Controls and controls over financial reporting	
The Bank's and the Group's financial reporting processes are highly dependent on Information Technology ("IT") systems supporting automated accounting and reconciliation procedures, thus leading to a complex IT environment, pervasive in nature and in which a significant number of transactions are processed daily, across numerous locations. This is a key audit matter since it is important that controls over access security, cyber risks, system change control and datacenter and network operations, are designed and operate effectively to ensure complete and accurate financial records and information. Management has provided further information about General Information Technology Controls under the header "Internal Control System" in Section C of the Corporate Governance Statement for the year 2021.	Based on our risk assessment, we have tested the design and operating effectiveness of General Information Technology Controls (GITCs) relevant for financial reporting. Our assessment included the evaluation of user access over applications, operating systems and databases, the process followed over changes made to information systems, as well as the evaluation of datacenter and network IT operations. In summary, our key audit activities included, among others, testing of: • User access provisioning and de-provisioning process. • Privileged access to applications, operating systems and databases. • Periodic review of user access rights. • Change management process over applications, operating systems and databases (i.e. user request, user acceptance testing and final approval for promotion to production). • Datacenter and network operations.

Other Information

Management is responsible for the other information. The other information, included in the Annual Report prepared in accordance with Law 3556/2007, comprises the Board of Directors' Annual Management Report, referred to in the section "Report on Other Legal and Regulatory Requirements", the Statement by the Members of the Board of Directors, the Explanatory Report of the Board of Directors and the Corporate Governance Statement but does not include the separate and consolidated financial statements and our auditor's report thereon.

Our opinion on the separate and consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement in this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the separate and consolidated financial statements

Management is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with IFRSs, as endorsed by the European Union, and for such internal control as Management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, Management is responsible for assessing the Bank's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Bank and the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee (article 44 of Law 4449/2017) of the Bank is responsible for overseeing the Bank's and Group's financial reporting process.

Auditor's Responsibilities for the audit of the separate and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs, as these have been incorporated into Greek legislation, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs, as these have been incorporated into Greek legislation, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's and Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's and Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the current year and are therefore the key audit matters.

Report on Other Legal and Regulatory Requirements

1) Board of Directors' Annual Management Report

Taking into consideration that Management is responsible for the preparation of the Board of Directors' Annual Management report which also includes the Corporate Governance Statement, according to the provisions of paragraph 5 of article 2 of Law 4336/2015 (part B) we note the following:

- a) The Board of Directors' report includes the Corporate Governance Statement which provides the information required by article 152 of Law 4548/2018.
- b) In our opinion, the Board of Directors' report has been prepared in accordance with the applicable legal requirements of articles 150 - 151 and 153 - 154 and paragraph 1 (cases c and d) of article 152 of Law 4548/2018 and its content is consistent with the accompanying consolidated financial statements for the year ended 31 December 2021.
- c) Based on the knowledge we obtained during our audit of the Bank and the Group and its environment, we have not identified any material inconsistencies in the Board of Directors' Annual Management Report.

2) Additional Report to the Audit Committee

Our audit opinion on the separate and consolidated financial statements is consistent with the additional report to the Audit Committee of the Bank referred to in Article 11 of the European Union (EU) Regulation 537/2014.

3) Non-audit Services

We have not provided to the Bank and the Group any prohibited non-audit services referred to in Article 5 of EU Regulation 537/2014.

The allowable non-audit services provided to the Bank and the Group by Deloitte Certified Public Accountants S.A., which is a member firm of Deloitte Touche Tohmatsu Limited ("DTTL"), during the year ended 31 December 2021 are disclosed in Note 42 and 46 to the separate and consolidated financial statements respectively.

4) Appointment

We were first appointed as statutory auditors of the Bank based on article 30, par.2 of its Articles of Association.

5) Internal Regulation

The Bank retains an Internal Regulation according to the provisions of article 14 of Law 4706/2020.

Athens, 31 March 2022

The Certified Public Accountant

Alexandra V. Kostara

Reg. No. SOEL: 19981

Deloitte Certified Public Accountants S.A.

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Group Financial Statements of Alpha Bank Group as at 31.12.2021



ALPHA BANK

Consolidated Income Statement

(Amounts in thousands of Euro)

		From 17 April to
	Note	31.12.2021
Interest and similar income		1,223,749
Interest expense and similar charges		(368,204)
Net interest income	2	855,545
Fee and commission income		352,140
Commission expense		(54,352)
Net fee and commission income	3	297,788
Dividend income	4	1,488
Gains less losses on derecognition of financial assets measured at amortised cost	6	11,458
Gains less losses on financial transactions	5	128,210
Other income	7	34,221
Total other Income		175,377
Total Income		1,328,710
Staff costs	8	(286,876)
Expenses for separation schemes		(31)
General administrative expenses	9	(350,500)
Depreciation and amortization	22, 23, 24	(108,762)
Other expenses	10	(81,678)
Total expenses before impairment losses, provisions to cover credit risk and related expenses		(827,847)
Impairment losses, provisions to cover credit risk and related expenses	11,12	(511,644)
Share of profit/(loss) of associates and joint ventures	21	6,378
Profit/(loss) before income tax		(4,403)
Income tax	13	(60,379)
Profit/(losses) after income tax from continued operations		(64,782)
Net profit/ (losses) after income tax from discontinued operations	38	(29,604)
Profit/(loss) after income tax		(94,386)
Profit/(loss) attributable to:		
Equity Holders of the Bank		(94,365)
Non-controlling interests		(21)
Earnings/(losses) per share		
Basic (€ per share)	14	(0.0018)
Basic (€ per share) from continued operations	14	(0.0013)
Basic (€ per share) from discontinued operations	14	(0.0006)
Adjusted (€ per share)	14	(0.0018)
Adjusted (€ per share) from continued operations	14	(0.0013)
Adjusted (€ per share) from discontinued operations	14	(0.0006)

Consolidated Statement of Comprehensive Income

(Amounts in thousands of Euro)

		From 17 April to
	Note	31.12.2021
Profit/(loss) for the year, recognized in the Income Statement		(94,386)
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		(102,523)
Net change in cash flow hedge reserve		14,748
Foreign currency translation net of investment hedges of foreign operations		882
Income tax		23,567
Items that may be reclassified to the Income Statement from continuing operations		(63,326)
Items that may be reclassified to the Income Statement from discontinued operations		1,976
Items that will not be reclassified to the Income Statement		
Remeasurement of defined benefit liability/(asset)	31	3,487
Gains/(losses) from investments in equity securities measured at fair value through other comprehensive income		10,312
Income tax	13	(1,602)
Items that will not be reclassified to the Income Statement from continuing operations		12,197
Other comprehensive income, after income tax		(49,153)
Total comprehensive income for the year after income tax		(143,539)
Total comprehensive income for the year attributable to:		
Equity holders of the Bank		(143,507)
-from continuing operations		(113,903)
-from discontinued operations		(29,604)
Non controlling interests		(32)

The attached notes (pages 83-286) form an integral part of the Group's financial statements

Consolidated Balance Sheet

(Amounts in thousands of Euro)

	Note	31.12.2021
ASSETS		
Cash and balances with central banks	15	11,803,344
Due from banks	16	2,964,059
Trading securities	17	4,826
Derivative financial assets	18	960,216
Loans and advances to customers	19	36,864,822
Investment securities	20	-
- Measured at fair value through other comprehensive income	20a	6,050,143
- Measured at fair value through profit or loss	20b	78,578
- Measured at amortized cost	20c	3,752,748
Investments in associates and joint ventures	21	68,267
Investment property	22	425,432
Property, plant and equipment	23	737,790
Goodwill and other intangible assets	24	477,809
Deferred tax assets	25	5,416,071
Other assets	26	1,489,194
		71,093,299
Assets classified as held for sale	48	1,378,526
Total Assets		72,471,825
LIABILITIES		
Due to banks	27	13,983,661
Derivative financial liabilities	18	1,288,405
Due to customers	28	47,018,386
Debt securities in issue and other borrowed funds	29	2,606,871
Liabilities for current income tax and other taxes	30	24,407
Deferred tax liabilities	25	18,772
Employee defined benefit obligations	31	29,409
Other liabilities	32	879,439
Provisions	33	161,725
		66,011,075
Liabilities related to assets classified as held for sale	48	607,657
Total Liabilities		66,618,732
EQUITY		
Equity attributable to holders of the Bank		
Share capital	34	5,188,999
Share premium	35	1,044,000
Reserves	36	(105,816)
Amounts directly recognized in equity and associated with assets classified as held for sale		15,127
Retained earnings	37	(318,649)
		5,823,661
Non-controlling interests		29,432
Total Equity		5,853,093
Total Liabilities and Equity		72,471,825

The attached notes (pages 83-286) form an integral part of the Group's financial statements

Consolidated Statement of Changes in Equity

(Amounts in thousands of Euro)

	Note	Share capital	Share premium	Reserves	Amounts recognized directly in Equity related to assets held for sale	Retained earnings	Total	Non-controlling interests	Total
Balance 17.04.2021		5,083,824	-	(54,809)	-	13,079	5,042,377	29,455	5,071,549
Changes for the year 17.04 - 31.12.2021									
Profit/(loss) for the year, after income tax		-	-	-	-	(94,365)	(94,365)	(21)	(94,386)
Other comprehensive income for the year, after income tax		-	-	(61,339)	-	12,197	(49,142)	(11)	(49,153)
Total comprehensive income for the year		-	-	(61,339)	-	(82,168)	(143,507)	(32)	(143,539)
Share Capital Increase through cash		116,000	1,044,000	-	-	-	1,160,000	-	1,160,000
Valuation reserve of employee stock option program	8	-	-	2,888	-	-	2,888	-	2,888
Share capital decrease, through distribution in kind of bonds, after income tax	19	(10,825)	-	-	-	(245,592)	(256,417)	-	(256,417)
Transfer of reserves related to the valuation of shares measured at fair value through other comprehensive income		-	-	(15,127)	15,127	-	-	-	-
Difference from valuation of initial recognition of bond covered by parent entity, after income tax		-	-	20,558	-	-	20,558	-	20,558
Appropriation of reserves		-	-	2,023	-	(2,023)	-	-	-
Expenses for share capital increase		-	-	-	-	(861)	(861)	-	(861)
Other		-	-	(10)	-	(1,084)	(1,094)	9	(1,085)
Balance 31.12.2021		5,188,999	1,044,000	(105,816)	15,127	(318,649)	5,823,661	29,432	5,853,093

The attached notes (pages 83-286) form an integral part of the Group's financial statements

Consolidated Statement of Cash Flows

(Amounts in thousands of Euro)

	Note	From 17 April to 31.12.2021
Cash flows from operating activities		
Profit/(loss) before income tax from continued operations		(4,403)
Adjustments of profit/(loss) before income tax for:		
Depreciation, impairment and net result from disposal of property, plant and equipment		120,713
Amortization and impairment of intangible assets		55,597
Impairment losses on financial assets, other provisions and related expenses		520,844
Gains less losses on derecognition of financial assets measured at amortised cost		(11,458)
Fair value (gains)/losses on financial assets measured at fair value through profit or loss		31,415
(Gains)/losses from investing activities		(214,823)
(Gains)/losses from financing activities		41,253
Share of (profit)/loss of associates and joint ventures		(6,378)
		532,762
Net (increase)/decrease in assets relating to continued operating activities:		
Due from banks		39,944
Trading securities and derivative financial instruments		(17,268)
Loans and advances to customers		(1,686,686)
Other assets		75,027
Net increase/(decrease) in liabilities relating to continued operating activities:		
Due to banks		(436,569)
Due to customers		2,399,295
Other liabilities		(144,410)
Net cash flows from continued operating activities before income tax		762,095
Income tax paid		(9,761)
Net cash flows from continued operating activities		752,334
Net cash flows from discontinued operating activities		31,177
Cash flows from investing activities		
Proceeds from disposals of subsidiaries		78,816
Dividends received		1,488
Acquisitions of investment property, property, plant and equipment and intangible assets	22, 23, 24	(127,176)
Disposals of investment property, property, plant and equipment and intangible assets		12,079
Interest received from investment securities		52,396
Purchases of Greek Government Treasury Bills		(883,027)
Proceeds from disposal and redemption of Greek Government Treasury Bills		1,026,120
Purchases of investment securities (excluding Greek Government Treasury Bills)		(2,626,566)
Disposals/maturities of investment securities (excluding Greek Government Treasury Bills)		1,636,279
Net cash flows from continuing investing activities		(829,591)
Net cash flows from discontinued investing activities		(13,175)
Cash flows from financing activities		
Share capital increase		1,160,000
Share capital increase expenses		(1,214)
Issuance of debt securities in issue and other borrowed funds		1,890,021
Interest paid on debt securities in issue and other borrowed funds		(6,147)
Finance lease payments		(26,264)
Net cash flows from continued financing activities		3,016,396
Net cash flows from discontinued financing activities		(7,061)
Effect of foreign exchange changes on cash and cash equivalents		(5,895)
Net increase/(decrease) in cash flows		2,944,184
Cash and cash equivalents at the beginning of the year		10,006,533
Cash equivalents at the end of the year from discontinued operations		81,617
Cash and cash equivalents at the end of the year		12,869,100

The attached notes (pages 83-286) form an integral part of the Group's financial statements

Notes to the Consolidated Financial Statements

GENERAL INFORMATION

The Alpha Bank S.A. Group, (hereinafter the "Group"), which includes companies in Greece and abroad, offers the following services: corporate and retail banking, financial services, investment banking and brokerage services, insurance services, real estate management, hotel services.

By virtue of the decision of the Ministry of Development and Investments number 45089/16.4.2021, on the 16th April 2021 the demerger by way of hive-down of the banking business sector of Alpha Bank S.A. (hereby the "Demerged") was completed with the incorporation of a new company – credit institution under the name "Alpha Bank S.A." (the "Beneficiary") which was registered under G.E.M.I. on the same date. The approval of the demerger resulted in the following:

- a. The new banking company under the corporate name "Alpha Bank S.A." substituted the Demerged, under universal succession, to all of its assets, legal relationships and rights and obligations of the Demerged that come under the Banking Business Sector transferred to it (assets and liabilities), as these are included in the transformation balance sheet of 30.6.2020 and were formed until 16.4.2021, the completion date of the demerger. The new banking company under the corporate name "Alpha Bank S.A." was granted a licence to operate as a Financial Holdings Company and to provide banking services under the applicable legislation, by the European Central Bank.
- b. The Demerged became a shareholder of the Beneficiary, receiving 100% of its issued shares, and specifically 50,838,244,961 ordinary, registered shares with voting rights with nominal value Euro 0.10 each.

On 19.4.2021 the amendment of the Articles of Incorporation of the "Demerged" was approved, by virtue of the decision of the Ministry of Development and Investments number 45898/19.4.2021, with the modification, addition or/and restatement of its articles, among which article 1 (Name), with a change of its corporate name and distinctive title of the Demerged to "Alpha Services and Holdings S.A." and "Alpha Services and Holdings" respectively.

Leading or parent entity of the Group is Alpha Bank S.A. (hereinafter "the Bank"), which operates under the corporate name Alpha Bank S.A. and the distinctive title Alpha Bank, has its registered office at 40 Stadiou Street, Athens and is listed in the General Commercial Register with registration number 159029160000. Its duration has been set until 2101 and can be extended following a decision of the General Assembly. The Alpha Bank S.A. Group is part of the Alpha Services and Holdings Group (hereinafter "the Super-Group"). The chief parent entity of the Super-Group is Alpha Services and Holdings S.A.

The Bank's scope of business, as stated in article 4 of its Articles of Incorporation, is the conducting, serving its own interests or those of third parties, in Greece or abroad, independently or in cooperation, including joint ventures, under third parties, of the entirety, under no limitation or other distinction, of (primary and ancillary) works, activities, transactions and services permitted to be conducted by credit institutions under the applicable (domestic, communal, foreign) legislation.

For its fulfillment, the Bank may conduct any actions, works or transactions that, directly or indirectly, are consistent, supplementary or auxiliary to the aforementioned.

The Bank is managed by the Board of Directors, which represents the Bank 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. The tenure of the Board of Directors is decided annually and is extended until the Ordinary General Meeting of Shareholders that will take place in after the end of tenure of the first Board of Directors.

On 25 February 2022, Alpha Services and Holdings S.A. transferred to ALPHALIFE A.A.E.Z. ten (10) ordinary, registered, with voting rights, unlisted shares, with nominal value Euro 0.10 each for a total amount of €12.5 it holds in the Bank's share capital and which represent approximately 0.00000002% of the latter's share capital.

The composition of the Board of Directors as at December 31, 2021 is as follows:

CHAIRMAN (Non-executive Director)

Vasileios T. Rapanos

EXECUTIVE DIRECTORS

Vassilios E. Psaltis, Chief Executive Officer (CEO)

Spyros N. Filaretos, General Manager - Growth and Innovation

NON-EXECUTIVE DIRECTORS

Efthimios O. Vidalis */****

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dimitris K. Tsitsiragkos **/**

Jean L. Cheval **/**

Carolyn Adele G. Dittmeier */****

Richard R. Gildea **/**

Elanor R. Hardwick */****

Shahzad A. Shahbaz ****

Jan Oscar A. Vanhevel */**

NON-EXECUTIVE DIRECTOR

(pursuant to the provisions of Law 3864/2010)

Johannes Herman Frederik G. Umbgrove */**/**/****

SECRETARY

George P. Triantafyllides (until 16.12.2021)

Irene E. Tzanakaki (as of 16.12.2021)

- * Member of the Audit Committee
- ** Member of the Risk Management Committee
- *** Member of the Remuneration Committee
- **** Member of the Corporate Governance, Sustainability and Nomination Committee

It is noted that the Board of Directors of 16.12.2021 elected Mrs. E.M. Andriopoulou as a Non Executive Member of the Board of Directors, effective as of 1.1.2022.

The Board of Directors can set up the Executive Committee to which it delegates certain powers and responsibilities. The Executive Committee acts as the collective corporate body of the Bank. The powers and authorities of the Committee are determined by way of a Chief Executive Officer Act, delegating powers and authorities to the Committee.

Indicatively, main responsibilities of the Committee include, but are not limited to, the preparation of 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; the preparation of the Internal Capital Adequacy Assessment Process (ICAAP) Report and the Internal Liquidity Adequacy Assessment Process (ILAAP) Report; review and approval of the Bank's policies; processes and systems related to Recovery Plan. Furthermore, the Committee is responsible for the implementation of the overall risk strategy – including risk the institution's risk appetite and its risk management framework-, an adequate and effective internal governance and internal control framework, the selection and suitability assessment process for Key Function Holders, the amounts, types and distribution of both internal capital and regulatory capital, and the targets for the liquidity management of the Bank.

The composition of the Executive Committee as of 31.12.2021 is as follows:

CHAIRMAN

Vassilios E. Psaltis, Chief Executive Officer

EXECUTIVE MEMBERS

Spyros N. Filaretos, General Manager - Growth and Innovation Officer

Spyridon A. Andronikakis, General Manager - Chief Risk Officer (CRO)

Lazaros A. Papagaryfallou, General Manager - Chief Financial Officer (CFO)

Sergiu-Bogdan A. Oprea, General Manager International Network

Nikolaos V. Salakas, General Manager - Chief Legal and Governance Officer

Ioannis M. Emiris, General Manager Wholesale Banking

Isidoros S. Passas, General Manager Retail Banking

Anastasia X. Sakellariou, General Manager - Chief Transformation Officer

Stefanos N. Mytilinaios, General Manager - Chief Operating Officer

On 16.11.2021 the "Committee for Sustainable Development at Group level" was established, following the decision of 30.9.2021 by which the Committee of the Board of Directors "Committee for Corporate Governance and Nomination of Candidates" was renamed into "Committee for Corporate Governance, Sustainability and Nomination of Candidates". The purpose of the Commission is to examine and decide on Sustainable Development issues, as well as Environmental, Social and Governance Issues ("ESG") issues, in order to ensure an internal governance framework that allows the Company to manage relevant risks and to study all issues related to sustainable development.

The present annual financial statements of the Group have been approved by the Board of Directors on 31st March 2022.

ACCOUNTING POLICIES APPLIED

1.1 Basis of presentation

The financial statements for the period ending 17.4-31.12.2021 have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union, in accordance with Regulation 1606/2002 of the European Parliament and the Council of the European Union on 19 July 2002.

The present financial statements relate to the period beginning on the date on which the hive down transaction of the banking sector was completed, through which all of the assets and liabilities of Alpha Bank prior to the demerger, identified as constituting the banking sector, were transferred to a new credit institution established for this purpose. Alpha Bank is now the new credit institution, while the Company from which the hive down was originated was transformed into a Holding company under the name Alpha Services and Holdings SA. As described in detail in note "Corporate Transformation-Demerger", the aforementioned transaction was accounted for as an intragroup reorganization under which, in accordance with the accounting policy of the Bank, assets and liabilities were transferred at book values while Alpha Services and Holdings SA recognized an investment in the new credit institution equal to the book value of net assets transferred. Additionally, both in the separate and in the consolidated financial statements of the new company information is included from the date of the corporate reorganization and onwards.

The financial statements have been prepared on the historical cost basis. However, some assets and liabilities are measured at fair value. Those assets are the following:

- Securities held for trading
- Derivative financial instruments
- Loans and advances to customers measured at fair value through profit or loss
- Investment securities measured at fair value through other comprehensive income
- Investment securities measured at fair value through profit or loss
- The contingent consideration recognized either as a result of a business combination in which the Group is the acquirer or in the context of asset disposal transactions in which the Group is the seller.

The financial statements are presented in Euro, rounded to the nearest thousand, unless otherwise indicated.

1.1.1. Going concern

The financial statements as at 31.12.2021 have been prepared based on the going concern principle. For the application of this principle, the Board of Directors considered current economic developments and made estimates for the formation, in the near future, of the economic environment in which it operates. In this context, the Board of Directors assessed the following areas which are considered important during its assessment:

Developments in the macroeconomic environment

In early 2020, the emergence and rapid spread of the Covid-19 pandemic overturned the growth prospects of the global and the Greek economy. Many governments, in an effort to boost the resilience of their national economies, have taken to an unprecedented extent emergency fiscal measure to support national health systems and ensure employment and entrepreneurship. The fiscal support policy that the government has followed mitigated, in part, the adverse effects of the recession that reached 9% on an annual basis in 2020. The swift and strong recovery of economic activity in the first nine months of 2021, recouped a significant part of the losses registered because of the recession of the previous year, as GDP at constant prices increased by 8.3% on an annual basis based on the adjusted criteria.

The steep rebound of GDP in 2021 can be attributed, firstly, to the private consumption, which increased by 7.8%, on an annual basis, contributing by 5.5 points on GDP growth and which was driven by the sharp increase in savings and the rise in employment. Investments have marked the second greater positive contribution to the GDP increase in 2021 (2.3 percentage points), as they increased by 19.6%, which amongst individual categories was mainly attributed to the rise of investment in

machinery and technological equipment (+34.5% on an annual basis). The good performance of exports of services, and especially the remarkable recovery of tourism in 2021, have resulted in the positive contribution of net exports to the GDP increase, by 0.9 percentage points. Finally, public consumption has increased by 3.7% in 2021, in comparison to 2020, contributing to GDP increase by 0.8 percentage points, as a result of fiscal interventions addressing the negative impacts of the pandemic, as well as other fiscal support measures for the strengthening of households and businesses, which include, amongst others, the provision of subsidies for heating, electricity and petroleum. On the contrary, inventories have significantly decreased, during the previous year, deducting 1.1 percentage points from the GDP rise.

Some particularly favorable indications that the recovery of the Greek economy will be strong are the following: first, conditions for the change of the composition of the economic growth are put in place, which is expected to derive mainly from investment expenditure. The increase of investment in the short-term will be determined by the evolution of the country's sovereign credit rating towards the so-called "investment grade", the disbursement of funds in the context of the Recovery and Resilience Facility (RRF), as well as the implementation of structural reforms that will establish a business-friendly environment. The RRF funding can be demonstrated a stable basis for a strong continued growth of the Greek economy and is expected to mobilize new investments and sustainable growth rates. The funds, according to the National Recovery and Resilience Plan (NRRP), are expected to mobilize new investments of around EUR 57.5 billion in 2021-2026, covering to a large extent the investment gap that was created in Greece in the previous decade. Secondly, in the estimation for new increase of tourist arrivals and proceeds from tourism, the significant recovery of turnover of businesses and finally, the gradual stabilisation of the Economic Sentiment Indicator (ESI).

Despite the positive expectations, the challenges and uncertainties are retained with regards to the evolution of the disease Covid-19 and its mutations, as well as the potential impacts of permanent nature in productivity, employment, behavior of households, resilience of businesses and risks of financing the economically weak economies. In addition, inflation, as measured by the harmonized index of consumer prices, has increased the second half of 2021 primarily due to the rising energy prices globally, the supply chains disruptions and shortages of raw materials. In December 2021 the harmonized index of consumer prices increased by 4.4%, compared to -2.4% in the respective month of 2020, while the average ratio increased in 2021 by 0.6% compared to the previous year. In 2022, the harmonized index is expected to amount to 3.1% according to the Organisation for Economic Co-operation and Development (World Economic Outlook, December 2021) and to 3% according to the European Central Bank (Eurosystem staff macroeconomic projections for the euro area countries, December 2021).

Finally, the economic implications of the full-scale invasion from Russia to Ukraine at the beginning of the year, as well as the sanctions against Russia, are basically related with a longer period of inflation tensions in Eurozone. These tensions are fueled by gas, oil and food prices which are expected to remain high over the medium term, as well as from increased uncertainty from the disruption in financial markets. As a result, the impact of high energy prices on households' real incomes as well as on industries supply lines, is expected to weaken the increase in private consumption. Consequently, the three basic channels through which it is expected that the geopolitical developments will affect the Greek economy are the energy prices, tourism and a potential disruption of financial markets. The potential economic or non-economic impact of these conditions on the Group depends on the manner that the crisis is going to unfold. This crisis and its impact on the domestic and global economic conditions could affect the capacity of the Group to generate income or satisfy financial targets, increase expenses, or result in higher expected credit losses. Given the uncertainty that exists it is not possible to estimate with reliance the future economic impact (note 43.8).

Liquidity

Regarding the liquidity levels of the Group, 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 repos interbank transactions (with or without collateral). The Bank made use of the TLTRO III program of the European Central Bank and ensured long-term liquidity with very low interest rates. In this context, the total financing from the European Central Bank on 31.12.2021 amounts to € 12.9 billion (note 27). In addition, in order to reinforce its liquidity, the Bank issued on 16.9.2021 a senior preferred bond, amounting to €500 mil., with a 6.5-year maturity, callable in year 5.5 with a coupon of 2.5% and a yield of 2.625%, while, additionally on 10.12.2021 the Bank issued a senior preferred bond, amounting to €400 mil, with a 2-year maturity, with a coupon of 3% and callable the first year. In addition, it is important that the European Central Bank, in its decisions in March, April and December 2020, accepted the securities of the Hellenic Republic as collateral for liquidity operations. It is noted that the available eligible collaterals through which the drawing of liquidity from the Eurosystem Mechanisms and / or from third sources is ensured, to the extent required, amounts to € 13 billion as of

31.12.2021. As a result of the above, the liquidity ratios (liquidity coverage ratio and net stable funding ratio) exceed the supervisory limits that have been set. In addition, considering the conditions that form the current economic environment, stress test exercises are carried out regularly for liquidity purposes, in order to assess possible outflows (contractual or potential). Based on these exercises, the Group successfully overcomes the liquidity short term stress scenarios (idiosyncratic, systemic and combined), retaining a high liquidity buffer. As a result, based on the Group's plan as well on internal stress tests the Group has sufficient liquidity reserves to meet its needs.

Capital Adequacy

Following have down, capital adequacy ratios are calculated for the Bank and for the Group of Alpha Services and Holdings (note 44). On 31.12.2021, the Common Equity Tier I of the Group of Alpha Services and Holdings stands at 13.2%, while the Total Capital Adequacy Ratio at 16.1%. Respectively for the Bank, the Common Equity Tier I stands at 13.4%, while the Total Capital Adequacy Ratio at 16.5%. These levels are significantly higher than the levels set by the European Central Bank. It is also important that due to the spread of Covid-19, the European Central Bank decided to temporarily deviate from the minimum limits of regulatory capital for European Banks at least until the end of 2022. The Bank in order to strengthen its capital proceeded on 4.3.2021 to the issuance of new Tier 2 bond amounting to €500 mil, with a 10.25-year maturity callable anytime between year 5 and year 5.25 with initial fixed coupon of 5.5% until 11.6.2026, which resets to a new rate effective from the call date until maturity and which is set based on the 5-year swap rate plus a margin 5.823% for the residual maturity. It is also noted that within 2021 the Group of Alpha Services and Holdings recognized significant losses due to the finalization of Galaxy (sale of 80% of Cepal Holding SA and of 51% of Mezzanine and Junior securitization notes of Galaxy securitization) and Cosmos (sale of 51% of Mezzanine and Junior securitization notes of Cosmos securitization) transactions, as well as due to the increased impairment losses, which are related to the imminent sales of portfolios of overdue loans. However, given the relief of risk weighted assets from the Galaxy and Cosmos transactions, the capital adequacy of the Group of Alpha Services and Holdings stood at a level higher than the capital requirement thresholds. Finally, the Group of Alpha Services and Holdings successfully concluded the 2021 EU-wide Stress Test. The Stress Test was conducted based on a static balance sheet approach under a baseline and an adverse macro scenario with a 3-year forecasting horizon (2020-2023). Taking into consideration the results of the capital Stress Test and the internal capital adequacy assessment process (ICAAP), the actions performed within 2021 (share capital increase, Tier 2 issuance, NPE reduction) as well as the actions that aim in the creation of internal capital through profitability, it is estimated that for the next 12 months the Total Capital Adequacy Ratio and the MREL ratio will remain higher than the required minimum levels.

Updated Strategic Plan 2021-2024

In May 2021 the Bank announced the Updated Strategic Plan which is intended to drive the sustainable development and profitability of the Group. The updated Strategic Plan is based on the following key initiatives:

- The asset growth initiative, with specific focus on corporate loans, in the context of the anticipated recovery of the Greek economy and the prospects being developed by the Recovery and Resilience Fund (RRF), enhancing Net Interest Income and Fee and Commission Income for the Bank.
- The initiatives for the reduction of non-performing exposures (NPEs), which include the Galaxy transaction, which was completed on 18th June 2021, as well as a series of other transactions, that refer to a total gross book value of €8.1 billion of NPEs, part of which relate to securitizations under the extension of the HAPS scheme («HAPS 2»), but also to the ongoing organic NPE reduction.
- The initiatives for efficiency enhancements, with the aim to achieve operational excellence and reducing operating costs throughout the organization.
- The initiatives for the growth of fees and commissions income, through low-intensity capital operations, such as Wealth Management products and services and the supply of Bancassurance products.
- The initiatives for the development of the Groups' international presence, including utilization of additional funds in Romania where the banking sector has a strong growth outlook.

In addition, in the context of the updated strategic plan, capital measures are taken through the implementation of specific transactions that provide additional capital buffers.

For the support of the implementation of the updated strategic plan with regards to the asset growth initiative, the parent company has successfully completed increase of share capital, raising new capital of € 800 mil. The Group estimates that the share capital increase ensures from the start the growth capital that is expected to be utilised for this purpose until the end of 2024.

The updated strategic plan aims in aggregate at the reform of the Group's balance sheet and in the mid-term at the increase of return on equity, preserving at the same time the capital position, over the required minimum thresholds that apply.

Based on the above and taking into account:

- the capital adequacy ratio of Alpha Services and Holdings Group that is significantly higher than the required minimum levels, the MREL ratio that is higher than the mid-level, as well the specific actions the Bank has planned to further strengthen the ratios,
- the satisfactory liquidity of the Group,
- the measures taken by the Group to protect its employees from coronavirus, the implementation of actions under the Business Continuity Plan and the activation of the ability for teleworking at a large scale whilst ensuring that critical operations are performed,
- the actions taken to enhance efficiency and profitability,
- the decisions of the eurozone countries to adopt a series of fiscal and other measures to stimulate the economy, according to which Greece is expected to receive € 30.5 billion from the recovery package for Europe "Next Generation EU",
- that even though the prolonged duration as well as the form that the Russia and Ukraine war conflict will possibly take may adversely affect the macroeconomic environment, the Group has limited exposure to Russian and Ukrainian economy as well as significant buffers of capital adequacy and liquidity,

the Board of Directors estimates that, at least for the next 12 months from the date of approval of the financial statements, the conditions for the application of the going concern principle for the preparation of its financial statements are met.

1.1.2 Adoption of new standards and of amendments to standards

The European Union has adopted IFRS 17 as well as the following amendments to standards which are effective for annual periods beginning from 1.1.2022 onwards and have not been early adopted by the Group.

► **Amendment to the International Financial Reporting Standard 3 "Business Combinations"**: Reference to the Conceptual Framework (Regulation 2021/1080/28.6.2021)

Effective for annual periods beginning on or after 1.1.2022

On 14.5.2020 the International Accounting Standards Board amended IFRS 3 in order to update references to the Conceptual Framework. More specifically:

- amended IFRS 3 in order to refer to the latest version of the Conceptual Framework,
- added a requirement that for transactions within the scope of IAS 37 or IFRIC 21 an acquirer applies IAS 37 or IFRIC 21 instead of the Conceptual Framework to identify liabilities it has assumed in a business combination,
- added an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

The adoption of the above amendment is not expected to have any impact on the financial statements of the Group.

► **International Financial Reporting Standard 17 "Insurance Contracts"** and **Amendment to International Financial Reporting Standard 17 "Insurance Contracts"** (Regulation 2021/2036/19.11.2021)

Effective for annual periods beginning on or after 1.1.2023

On 18.5.2017 the International Accounting Standards Board issued IFRS 17 which replaces IFRS 4 "Insurance Contracts". In contrast to IFRS 4, the new standard introduces a consistent methodology for the measurement of insurance contracts. The key principles in IFRS 17 are the following:

An entity:

- identifies as insurance contracts those contracts under which the entity accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder;

- separates specified embedded derivatives, distinct investment components and distinct performance obligations from the insurance contracts;
- divides the contracts into groups that it will recognise and measure;
- recognises and measures groups of insurance contracts at:
 - i. a risk-adjusted present value of the future cash flows (the fulfilment cash flows) that incorporates all of the available information about the fulfilment cash flows in a way that is consistent with observable market information; plus (if this value is a liability) or minus (if this value is an asset)
 - ii. an amount representing the unearned profit in the group of contracts (the contractual service margin);
- recognises the profit from a group of insurance contracts over the period the entity provides insurance cover, and as the entity is released from risk. If a group of contracts is or becomes loss-making, an entity recognises the loss immediately;
- presents separately insurance revenue, insurance service expenses and insurance finance income or expenses; and
- discloses information to enable users of financial statements to assess the effect that contracts within the scope of IFRS 17 have on the financial position, financial performance and cash flows of an entity.

On 25.6.2020 the International Accounting Standards Board issued an amendment to IFRS 17 which aimed to ease implementation of the standard and make it easier for entities to explain their financial performance. Additionally, with the amendment the effective date of the standard was postponed to 1.1.2023.

Finally, it is noted that under the Regulation of the European Union that adopted above standard, an entity may choose not to apply paragraph 22 of the standard, in accordance with which an entity shall not include contracts issued more than one year apart in the same group, to:

(a) groups of insurance contracts with direct participation features and groups of investment contracts with discretionary participation features and with cash flows that affect or are affected by cash flows to policyholders of other contracts; (b) groups of insurance contracts that are managed across generations of contracts and that meet the conditions laid down in Article 77b of Directive 2009/138/EC and have been approved by supervisory authorities for the application of the matching adjustment.

IFRS 17 does not apply to the financial statements of the Group.

► **Amendment to the International Accounting Standard 1 “Presentation of Financial Statements”:** Disclosure of accounting policies (Regulation 2022/357/2.3.2022)

Effective for annual periods beginning on or after 1.1.2023

On 12.2.2021 the International Accounting Standards Board issued an amendment to IAS 1 with which it clarified that:

- The definition of accounting policies is provided by paragraph 5 of IAS 8.
- An entity shall disclose material accounting policy information. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of financial statements make.
- Accounting policy information that relates to immaterial transactions is immaterial and need not be disclosed. Accounting policy information may nevertheless be material because of the nature of the related transactions even if the amounts are immaterial. However, not all accounting policy information relating to material transactions and other events is itself material.
- Accounting policy information is material if users of an entity’s financial statements would need it to understand other material information in the financial statements.
- Accounting policy information that focuses on how an entity has applied an accounting policy is more useful to users of financial statements than standardized information or information that only summarizes the requirements of IFRSs.
- If an entity discloses immaterial accounting policy information, such information shall not obscure material accounting policy information.

The Group is examining the impact from the adoption of the above amendment on its financial statements.

► **Amendment to the International Accounting Standard 8 “Accounting Policies, Changes in Accounting Estimates and Errors”:** Definition of accounting estimates (Regulation 2022/357/2.3.2022)

Effective for annual periods beginning on or after 1.1.2023

On 12.2.2021 the International Accounting Standards Board issued an amendment to IAS 8 with which:

- Defined accounting estimates as monetary amounts in financial statements that are subject to measurement uncertainty.
- Clarified that an accounting policy may require items in financial statements to be measured in a way that involves measurement uncertainty. In such a case, an entity develops an accounting estimate. Developing accounting estimates involves the use of judgements and assumptions.
- An entity uses measurement techniques and inputs to develop an accounting estimate.
- An entity may need to change an accounting estimate. By its nature, a change in an accounting estimate does not relate to prior periods and is not the correction of an error. A change in an input or a change in a measurement technique are changes in accounting estimates unless they result from the correction of prior period errors.

The Group is examining the impact from the adoption of the above amendment on its financial statements.

► **Amendment to International Accounting Standard 16** “Property, plant and equipment”: Proceeds before intended use (Regulation 2021/1080/28.6.2021)

Effective for annual periods beginning on or after 1.1.2022

On 14.5.2020 the International Accounting Standards Board issued an amendment to IAS 16 which prohibits deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, the proceeds from selling such items and the cost of producing them must be recognized in profit or loss.

The Group is examining the impact from the adoption of the above amendment on its financial statements.

► **Amendment to International Accounting Standard 37** “Liabilities, Contingent Liabilities and Contingent Assets”: Onerous Contracts – Cost of fulfilling a contract (Regulation 2021/1080/28.6.2021)

Effective for annual periods beginning on or after 1.1.2022

On 14.5.2020 the International Accounting Standards Board issued an amendment to IAS 37 in order to clarify that the cost of fulfilling a contract comprises the costs that relate directly to the contract. These costs are both the incremental costs of fulfilling a contract – for example direct labour and materials- and an allocation of other costs that relate directly to fulfilling a contract – for example the depreciation charge of an item of property plant and equipment used in fulfilling that contract.

The Group is examining the impact from the adoption of the above amendment on its financial statements.

► **Annual Improvements** – cycle 2018-2020 (Regulation 2021/1080/28.6.2021)

Effective for annual periods beginning on or after 1.1.2022

As part of the annual improvements project, the International Accounting Standards Board issued on 14.5.2020 non-urgent but necessary amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41.

The above amendments are not expected to have any impact on the financial statements of the Group.

In addition, the International Accounting Standards Board has issued the following standards and amendments to standards, which have not yet been adopted by the European Union and which have not been early applied by the Group.

► **Amendment to International Financial Reporting Standard 10** “Consolidated Financial Statements” and to **International Accounting Standard 28** “Investments in Associates and Joint Ventures”: Sale or contribution of assets between an investor and its associate or joint venture.

Effective date: To be determined.

On 11.9.2014 the International Accounting Standards Board issued an amendment to IFRS 10 and IAS 28 in order to clarify the accounting treatment of a transaction of sale or contribution of assets between an investor and its associate or joint venture. In particular, IFRS 10 was amended in order to be clarified that in case that as a result of a transaction with an associate or joint venture, a parent (investor) loses control of a subsidiary, which does not constitute a business, as defined in IFRS 3, it shall recognise to profit or loss only the part of the gain or loss which is related to the unrelated investor's interests in that associate or joint venture. The remaining part of the gain from the transaction shall be eliminated against the carrying amount of the investment in that associate or joint venture. In addition, in case the investor retains an investment in the former subsidiary and

the former subsidiary is now an associate or joint venture, it recognises the part of the gain or loss resulting from the remeasurement at fair value of the investment retained in that former subsidiary in its profit or loss only to the extent of the unrelated investor's interests in the new associate or joint venture. The remaining part of the gain is eliminated against the carrying amount of the investment retained in the former subsidiary.

In IAS 28, respectively, it was clarified that the partial recognition of the gains or losses shall be applied only when the involved assets do not constitute a business. Otherwise, the total of the gain or loss shall be recognised.

On 17.12.2015, the International Accounting Standards Board deferred the effective date for the application of the amendment that had been initially determined. The new effective date will be determined by the International Accounting Standards Board at a future date after taking into account the results of its project relating to the equity method.

► **International Financial Reporting Standard 14** "Regulatory deferral accounts"

Effective for annual periods beginning on or after 1.1.2016

On 30.1.2014 the International Accounting Standards Board issued IFRS 14. The new standard, which is limited-scope, addresses the accounting treatment and the disclosures required for regulatory deferral accounts that are maintained in accordance with local legislation when an entity provides rate-regulated goods or services. The scope of this standard is limited to first-time adopters that recognized regulatory deferral accounts in their financial statements in accordance with their previous GAAP. IFRS 14 permits these entities to capitalize expenditure that non-rate-regulated entities would recognize as expense.

It is noted that European Union has decided not to launch the endorsement of this standard and to wait for the final standard.

The above standard does not apply to the financial statements of the Group.

► **Amendment to International Financial reporting Standard 17:** "Insurance Contracts": Initial Application of IFRS 17 and IFRS 9 – Comparative information

Effective for annual periods beginning on or after 1.1.2023

On 9.12.2021 the International Accounting Standards Board issued an amendment to IFRS 17 according to which entities are permitted on initial application of IFRS 17 to classify financial assets in the comparative period in a way that aligns with how the entity would classify them on IFRS 9 transition. The amendment specifies how this option is applied depending on whether the entity applies IFRS 9 for the first time at the same time as IFRS 17 or whether it has already applied it in a previous period.

The above amendment does not apply to the financial statements of the Group.

► **Amendment to the International Accounting Standard 1** "Presentation of Financial Statements": Classification of liabilities as current or non-current

Effective for annual periods beginning on or after 1.1.2023

On 23.1.2020, the International Accounting Standards Board issued amendments to IAS 1 relating to the classification of liabilities as current or non-current. More specifically:

- The amendments specify that the conditions which exist at the end of the reporting period are those which will be used to determine if the liability must be classified as current or non-current.
- Management expectations about events after the balance sheet date must not be taken into account.
- The amendments clarify the situations that are considered settlement of a liability.

On 15.7.2020 the International Accounting Standards Board extended effective date by one year taking into account the impact of Covid-19.

The above amendment will have no impact on the financial statements of the Group since in Group's balance sheet liabilities are not classified as current and non-current.

► **Amendment to International Accounting Standard 12** "Income Taxes": Deferred tax related to assets and liabilities arising from a single transaction

Effective for annual periods beginning on or after 1.1.2023

On 7.5.2021 the International Accounting Standards Board issued an amendment to IAS 12 with which it narrowed the scope of the recognition exception according to which, in specific circumstances, entities are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The amendment clarifies that the exception no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

The Group is examining the impact from the adoption of the above amendment on its financial statements.

1.2 Accounting policies

1.2.1 Basis of consolidation

The consolidated financial statements include the parent company Alpha Bank, its subsidiaries, associates and joint ventures. The financial statements used to prepare the consolidated financial statements have been prepared as at 31.12.2021 and the accounting policies applied in their preparation, when necessary, were adjusted to ensure consistency with the Group accounting policies.

a. Subsidiaries

Subsidiaries are entities controlled by the Group.

The Group takes into account the following factors, in assessing control:

- power over the investee,
- exposure, or rights, to variable returns from its involvement with the investee, and
- the ability to use its power over the investee to affect the amount of the investor's return.

Power arises from currently exercisable rights that provide the Group with the current ability to direct the relevant activities of the investee. In a straightforward case, rights that provide power are derived from voting rights granted by equity instruments such as shares. In other cases, power results from contractual arrangements.

The Group's returns are considered variable, when these returns have the potential to vary as a result of the investee's performance. Variability of returns is judged based on the substance of the arrangement, regardless of their legal form.

The Group, in order to evaluate the link between power and returns, assesses whether it exercises its power for its own benefit or on behalf of other parties, thus acting as either a principal or an agent, respectively. If the Group determines that it acts as a principal, then it controls the investee and consolidation is required. Otherwise, control does not exist and there is no requirement to consolidate.

In cases where the power over an investee arises from voting rights, the Group primarily assesses whether it controls the investee through holding more than 50% of the voting rights. However, the Group can have power even if it holds less than 50% of the voting rights of the investee, through:

- a contractual arrangement between the investors and other vote holders,
- rights arising from other contractual arrangements,
- the size of the investor's holding of voting rights relative to the size and dispersion of holdings of the other vote holders,
- potential voting rights.

In cases of structured entities where the voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements (i.e. securitization vehicles or mutual funds), the Group assesses the existence of control based on the following:

- the purpose of the entity and the contractual rights of the parties involved,
- the risks to which the investee was designed to be exposed, the risks it was designed to pass on to the parties involved with the investee and the degree of exposure of the Group to those risks,
- indications of a special relationship with the entity, which suggests that the Group has more than a passive interest in the investee.

Furthermore, regarding the structured entities that are managed by the Group, the Group assesses if it acts as principal or an agent based on the extent of its decision – making authority over the entity's activities, the rights of third parties and the degree of its exposure to variability of returns due to its involvement with the entity.

The Group, based on the above criteria, controls structured entities established for the securitization of loan portfolios.

The Group reassess whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

The financial statements of subsidiaries are fully consolidated from the date that control commences until the date that control ceases.

The acquisition method is applied when the Group obtains control of other companies or units that meet the definition of a business. Application of the acquisition method requires identifying the acquirer, determining the acquisition date and measuring the consideration transferred, the identifiable assets acquired, the liabilities assumed and any non controlling interest in the acquiree, in order to determine the amount of goodwill or gain arising from the business combination.

The consideration transferred is measured at fair value on acquisition date. Consideration includes also the fair value of any contingent consideration. The obligation to pay contingent consideration is recognized as a liability or as an equity component, in accordance with IAS 32. The right to the return of a previously transferred consideration is classified as an asset, if specified conditions are met. Subsequently, and to the extent that changes in the value of the contingent consideration do not constitute measurement period adjustments, contingent consideration is measured as follows:

- In case it has been classified in equity, it is not re-measured.
- In all other cases it is measured at fair value through profit or loss.

The identifiable assets acquired and liabilities assumed are initially recognised on acquisition date at their fair value, except from specific assets or liabilities for which a different measurement basis is required. Any non controlling interests are recognised at either fair value or at their proportionate share in the acquiree's identifiable net assets, as long as they are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation. Otherwise, they are measured at their acquisition date fair values.

Any difference between:

- a. the sum of the consideration transferred, the fair value of any previously held equity interest of the Group in the acquiree and the amount of any non – controlling interests, and
- b. the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed,

is recognised as goodwill if the above difference is positive or as a gain in profit or loss if the difference is negative.

During the measurement period, the provisional amounts recognized at the acquisition date are adjusted in order to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognized as of that date. These adjustments affect accordingly the amount of goodwill. The measurement period ends as soon as the information about facts and circumstances existed as of the acquisition date has been obtained. However, the measurement period shall not exceed one year from the acquisition date.

When the Group's interest in a subsidiary increases as a result of an acquisition, the difference between the consideration paid and the share of net assets acquired is recognized directly in retained earnings.

Sales of ownership interests in subsidiaries that do not result in a loss of control for the Group are accounted for as equity transactions and the gain or loss arising from the sale is recognized directly in retained earnings.

Corporate reorganizations under the same Group, which are made through the establishment of a new company that absorbs assets and liabilities of another company which satisfy the definition of business under IFRS 3, are not business combinations since the new company does not satisfy the definition of an acquirer. Under the policy applied by the Group, those transactions are accounted for by transferring assets and liabilities at the book values in the books of the company that makes the transfer. Additionally, both in the separate and group financial statements of the new company, information is included from the date of the corporate reorganization. However, in case corporate reorganization is inextricably linked to the transfer of the new company or of the above assets and liabilities to a third party investor, the transfer of the assets and liabilities is accounted for at their fair value at the date of the corporate reorganization.

Intercompany transactions are eliminated, unless the transaction provides evidence of impairment of the asset transferred, in which case, it is recognized in the consolidated balance sheet.

b. Associates

Associates are entities over which the Group has significant influence but not control. Significant influence is generally presumed to exist when the Group holds, directly or indirectly, more than 20% of the share capital of the company concerned without having control or joint control, unless the ownership of more than 20% does not ensure significant influence, e.g. due to lack of representation of the Group in the company's Board of Directors or due to the Group's non-participation in the policy making process.

Investments in associates are accounted for using the equity method of accounting. The investment is initially recognised at cost and adjusted thereafter for the post acquisition change in the Group's share of net assets of the associate. In case the losses according to the equity method exceed the investment in ordinary shares, they are recognized as a reduction of other elements that are essentially an extension of the investment in the associate.

The Group's share of the associate's profit or loss and other comprehensive income is separately recognized in the income statement and in the statement of comprehensive income, accordingly.

c. Joint ventures

The Group applies IFRS 11 which deals with the accounting treatment of interests in joint arrangements. All joint arrangements in which the Group participates and has joint control are joint ventures, which are accounted for by using the equity method.

A detailed list of all Group subsidiaries, associates and joint ventures, as well as the Group's ownership interest in them, is provided in note 40.

1.2.2 Operating Segments

Operating segments are determined and measured based on the information provided to the Executive Committee of the parent Company Alpha Bank, which is the body responsible for the allocation of resources between the Group's operating segments and the assessment of their performance.

Based on the above, and given the Group's administrative structure and activities, the following operating segments have been determined:

- Retail Banking
- Corporate Banking
- Asset Management
- Investment Banking and Treasury
- South Eastern Europe
- Other

Since the Group operates in various geographical areas, apart from the operating segments identified above, the financial statements contain information based on the below distinction:

- Greece
- Other Countries

It is noted that the methods used to measure operating segments for the purpose of reporting to the Executive Committee are not different from those required by the International Financial Reporting Standards.

Detailed information relating to operating segments is provided in note 42.

1.2.3 Transactions in foreign currency and translation of foreign operations

a. Transactions in foreign currency

The consolidated financial statements are presented in Euro, which is the functional currency and the currency of the country of incorporation of the parent company Alpha Bank.

Items included in the financial statements of the subsidiaries are measured in the functional currency of each subsidiary which is the currency of the company's country of incorporation or the currency used in the majority of the transactions held.

Transactions in foreign currencies are translated into the functional currency of each subsidiary at the closing exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate at the balance sheet date. Foreign exchange differences arising from the translation are recognized in the income statement.

Non-monetary assets and liabilities are translated using the rate of exchange at the transaction date, except for non-monetary items denominated in foreign currencies that are measured at fair value which are translated at the exchange rate of the date that the fair value is determined. The exchange differences relating to these items are part of the change in fair value and they are recognized in the income statement or recorded directly in equity depending on the classification of the non-monetary item.

b. Translation of foreign operations

The financial statements of all group entities that have a functional currency that is different from the presentation currency of the Group financial statements are translated as follows:

- i. Assets and liabilities are translated to Euro at the closing rate applicable on the balance sheet date. The comparative figures presented are translated to Euro at the closing rates at the respective date of the comparative balance sheet.
- ii. Income and expense items are translated to Euro at average exchange rates applicable for each period presented.

The resulting exchange difference from the retranslation and those arising from other monetary items designated as a part of the net investment in the entity are recorded in equity. When a foreign entity is sold, the exchange differences are reclassified to the income statement as part of the gain or loss on sale.

1.2.4 Cash and cash equivalents

For the purposes of the consolidated cash flow statement, cash and cash equivalents consists of:

- a. Cash on hand
- b. Non-restricted balances with Central Banks and
- c. Short-term balances due from banks and Reverse Repo agreements

Short-term balances are amounts that mature within three months of the balance sheet date.

Non-restricted placements with Central Banks, short-term balances due from banks and Reverse Repo agreements are measured at amortised cost.

1.2.5 Classification and measurement of financial instruments

Initial recognition

The Group recognises financial assets or financial liabilities in its statement of financial position when it becomes a party to the terms of the contract.

At initial recognition the Group measures financial assets and liabilities at fair values. Financial instruments not measured at fair value through profit or loss are initially recognised at fair value plus or minus transaction costs and income or fees that are directly attributable to the acquisition or issue of the financial instrument.

Regular way purchases and sales of financial instruments are recognized at the settlement date with the exception of equity shares and derivatives that are recognized on trade date. For bonds that are measured at fair value, the change in fair value during the period between the trade date and the settlement date is recognized in profit or loss or in other comprehensive income based on the bond's classification category.

It is noted that in the context of the accounting policy applied for the hive down of the banking sector, the date of initial recognition of the financial assets for the purposes of assessing whether the contractual cash flows are exclusively cash flows of

principal and interest on the principal amount outstanding, determination of effective interest and calculation of expected credit risk losses was considered to be that in force prior to the hive down. Respectively, for financial liabilities the date of initial recognition for the purpose of determining effective interest rate was considered to be the one that was valid before hive down.

Subsequent measurement of financial assets

The Group classifies its financial assets as:

- Financial assets measured at amortised cost
- Financial assets measured at fair value through other comprehensive income, with gains or losses reclassified in profit or loss on derecognition
- Equity instruments measured at fair value through other comprehensive income, with no reclassification in gains or losses to profit or loss on derecognition
- Financial assets measured at fair value through profit or loss.

For each of the above categories the following apply:

a) Financial assets measured at amortised cost

In this category are classified the financial assets that satisfy both of the following criteria:

- are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows,
- 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.

The above category is measured at amortised cost using the effective interest method and is periodically assessed for expected credit losses, as it is further described in notes 1.2.12 and 1.2.13.

b) Financial assets measured at fair value through other comprehensive income, with gains or losses reclassified in profit or loss on derecognition

In this category are classified the financial assets that satisfy both of the following criteria:

- are held within a business model whose objective is a both to collect contractual cash flows and selling financial assets,
- 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.

The above category is periodically assessed for expected credit losses, as it is further described in notes 1.2.12 and 1.2.13.

c) Equity instruments measured at fair value through other comprehensive income, with no reclassification in gains or losses to profit or loss on derecognition

In this category are classified 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. With the exception of dividends, which are directly recognized in profit or loss, all other gains and losses arising from those instruments are directly recognized in other comprehensive income and are not reclassified to profit or loss. For those equity instruments there is no impairment assessment.

d) Financial assets measured at fair value through profit or loss

Financial assets included in this category are:

- i. those acquired principally for the purpose of selling in the near term to obtain short term profit (held for trading). The Group has included in this category 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
- iii. those the Group designated, at initial recognition, as at fair value through profit or loss. This classification option, which is irrevocable, is used when the designation eliminates an accounting mismatch which would otherwise arise from measuring

financial assets and liabilities on a different basis (i.e. amortised cost) in relation to another financial asset or liability (i.e. derivatives which are measured at fair value through profit or loss).

As at the reporting date, the Group had not designated, at initial recognition, any financial assets as at fair value through profit or loss.

Business Model assessment

The business model reflects how the Group manages its financial assets in order to generate cash flows. That is, the Group's business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both. The Group's business model is determined at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. Accordingly, business model does not depend on management's intentions for an individual instrument but it is determined on a higher level of aggregation.

The business models of the Group are determined by the Asset Liability Committee (ALCO) or the Executive Committee (ExCo) which decide on the determination of the business model both for the loans and advances to customers and the securities portfolio. In this context:

- For loans and advances to customers the Group has identified the following business models:
 - Business model whose objective is to hold financial instruments in order to collect their contractual cash flows (hold to collect) and
 - Business model whose objective is the sale of financial instruments which is applied only to syndicated loans that the Group grants in order to sell them within six months.
- Due from banks are included in the business model whose objective is to hold financial assets in order to collect contractual cash flows (hold to collect)
- For bonds and in general for fixed income investments, the Group has identified the following business models:
 - Business model whose objective is to hold financial instruments in order to collect their contractual cash flows (hold to collect)
 - Business model that aims both at collecting contractual cash flows and selling (hold to collect and sell)
 - Trading portfolio
 - Business model whose objective is achieved by the sale/distribution of the financial assets.

The determination of the above business models has been based on:

- The way the performance of the business model and the financial assets held within that business model are evaluated and reported to the Group key management personnel.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, specifically, the way those risks are managed.
- The way the managers are evaluated (e.g., whether the evaluation is based on the fair value of the assets managed or the contractual cash flows collected).
- Past and expected frequency and value of sales from the portfolio

The Group, at each reporting date, reassesses its business models in order to confirm that there has been no change compared to the prior period or application of a new business model. In the context of the reassessment of the hold to collect business model past sales as well as expected future sales are taken into account. In this assessment, the following cases of sales are considered consistent with a hold to collect business model:

- a) Sales of non performing loans due to the credit deterioration of the debtor, excluding those sales of loans considered as credit impaired at origination.
- b) Sales made close to the maturity of the financial assets so that the proceeds from the sales approximate the collection of the remaining contractual cash flows. In these cases, for loan portfolio the Group defines as 'close', what is less than 5% of the total life of the instrument remaining at the time of sale. For bonds portfolio respectively, the Group defines as 'close', the minimum between 10% of the original life of the instrument and a time period equal to 6 months up to maturity while no

limitation on the size exists on the sales that take place close to maturity where expected cash flows amount to at least 97% of principal plus accrued interest.

c) Sales (excluding a and b) which are infrequent (even if significant in value) or insignificant in value both individually and in aggregate (even if frequent). For loan portfolio the Group has defined the following thresholds:

- Significance: Sales exceeding 5% the previous reporting period gross balance of the respective portfolio
- Frequency: Significant sale transactions occurring more than twice a year.

For bonds portfolio, sales deemed insignificant are those that sum up to 5% of the current total portfolio size or the portfolio of the last quarterly reporting period, whichever is higher.

In addition, for bond portfolio the following sales are considered consistent with a hold to collect business model:

- Sales of bonds that do not longer meet the requirements stated in the investment policy due to a significant increase in issuer's credit risk.
- Infrequent sales under liquidity stress conditions.

Solely Payments of Principal and Interest (SPPI) assessment of the contractual cash flows

For the purposes of applying the SPPI assessment:

- Principal is the fair value of the asset at initial recognition, which may change over the life of the financial asset (for example if there are repayments of principal).
- Interest is the consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks (i.e. liquidity risk) and costs, as well as a profit margin.

Contractual terms that introduce exposure to risks and volatility in the contractual cash flows that are not related to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are solely payments of principal and interest on the principal amount outstanding.

In this context, in assessing whether contractual cash flows are SPPI, the Group assesses whether the instrument contain contractual terms that change the timing or amount of contractual cash flows. More specifically, the following are taken into account:

- Leveraged payments
- Payments linked with the variability in exchange rates
- Conversion to equity terms
- Interest rates indexed to non-interest variables
- Prepayment or extension options
- Terms that limit the Group's claim to the cash flows from specified assets or based on which the Group has no contractual right to unpaid amounts
- Interest-free deferred payments
- Terms based on which the performance of the instruments is affected by equity or commodity prices

Especially in the case of financing of a special purpose vehicle, in order for the loan to meet the criterion that its cash flows are solely payments of principal and interest on the principal amount outstanding, among other, at least one of the following conditions should apply:

- At initial recognition, LTV (Loan to Value) shall not exceed the threshold of 80% or LLCR (Loan Life Coverage Ratio) shall be at least equal to the threshold of 1.25.
- The equity of the special purpose vehicle shall amount to at least 20% of its total assets.
- There are sufficient collaterals that are not related to the asset being funded.

In addition, in determining whether contractual cash flows are solely payments of principal and interest on the principal amount outstanding, it is assessed whether time value of money element has been modified. Time value of money is the element of

interest that provides consideration for only the passage of time. That is, the time value of money element does not provide consideration for other risks or costs associated with holding the financial asset. However, in some cases, the time value of money element may be modified. That would be the case, for example, if a financial asset's interest rate is periodically reset but the frequency of that reset does not match the tenor of the interest rate or if a financial asset's interest rate is periodically reset to an average of particular short- and long-term interest rates. In such cases, the Group assesses the modification to determine whether the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding. The objective of the assessment is to determine how different the contractual (undiscounted) cash flows could be from the (undiscounted) cash flows that would arise if the time value of money element was not modified (benchmark test). The effect of the modified time value of money element must be considered in each reporting period and cumulatively over the life of the instrument. If the Group concludes that the contractual (undiscounted) cash flows could be significantly different from the (undiscounted) benchmark cash flows, the contractual cash flows are not solely payments of principal and interest on the principal amount outstanding. According to the policy set by the Group, the above assessment test does not result in significant different contractual cash flows when the cumulative difference over the life of the instrument does not exceed 10% and at the same time the number of individual cash flows with a difference of more than 10% do not exceed 5% of total reporting periods of the asset until maturity.

Reclassification of financial assets

Reclassifications of financial assets between measurement categories occur when, and only when, the Group changes its business model for managing the assets. In this case the reclassification is applied prospectively. Changes in the business model of the Group are expected to be rare. They arise from decisions of the Asset Liability Committee (ALCO) or the Executive Committee (ExCo) as a result of external or internal changes which must be significant to the entity's operations and demonstrable to external parties.

It is noted that during the fourth quarter the Bank amended the operating model for the management of long-term securities that had been included within hold to collect and sell business model, a fact which will lead, on 1.1.2022, to the reclassification of those securities from the securities portfolio measured at fair value through other comprehensive income to the securities portfolio measured at amortized cost (note 20).

If the Group reclassifies a financial asset out of the amortised cost measurement category and into the fair value through profit or loss measurement category, its fair value is measured at the reclassification date. Any gain or loss arising from a difference between the previous amortised cost of the financial asset and fair value is recognized in profit or loss. The same happens if the Group reclassifies a financial asset out of the amortised cost measurement category and into the fair value through other comprehensive income measurement category, however in this case the difference between the previous amortised cost of the financial asset and fair value is recognized in other comprehensive income. The effective interest rate and the measurement of expected credit losses are not adjusted as a result of the reclassification. However, the loss allowance would be derecognized (and thus would no longer be recognized as an adjustment to the gross carrying amount) but instead would be recognized as an accumulated impairment amount in other comprehensive income.

If the Group reclassifies a financial asset out of the fair value through profit or loss measurement category and into the amortised cost measurement category, its fair value at the reclassification date becomes its new gross carrying amount. At this date, the effective interest rate of the asset is calculated while the date of the reclassification is treated as the date of initial recognition for impairment calculation purposes.

If the Group reclassifies a financial asset out of the fair value through profit or loss measurement category and into the fair value through other comprehensive income measurement category, the financial asset continues to be measured at fair value. As in the above case, at this date, the effective interest rate of the asset is calculated while the date of the reclassification is treated as the date of initial recognition for impairment calculation purposes.

If a financial asset is reclassified out of the fair value through other comprehensive income measurement category and into the amortised cost measurement category, the asset is reclassified at its fair value at the measurement date. However, the cumulative gain or loss previously recognized in other comprehensive income is reversed and adjusted against the fair value of the financial asset at the reclassification date. As a result, the financial asset is measured at the reclassification date as if it had always been measured at amortised cost. This reversal affects other comprehensive income but does not affect profit or loss

and therefore is not a reclassification adjustment under IAS 1. The effective interest rate and the calculation of expected credit losses are not affected. However, the loss allowance is recognized as an adjustment to the gross carrying amount of the financial asset from the reclassification date.

If the Group reclassifies a financial asset out of the fair value through other comprehensive income measurement category and into the fair value through profit or loss measurement category, the financial asset continues to be measured at fair value. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment (in accordance with IAS 1) at the reclassification date.

Derecognition of financial assets

The Group derecognizes financial assets when:

- the contractual rights to the assets cash flows expire,
- the contractual right to receive the cash flows of the financial assets are transferred and at the same time all the risks and rewards of ownership are substantially transferred,
- loans or investments in securities are no longer recoverable and consequently are written off,
- the contractual cash flows of the assets are significantly modified.

In the case of transactions where despite the transfer of the contractual right to receive the cash flows from financial assets both the risk and rewards remain with the Group, no derecognition of these financial assets occurs. The amount received by the transfer is recognized as a financial liability. The accounting practices followed by the Group in such transactions are discussed in notes 1.2.20 and 1.2.21.

In the case of transactions, whereby the Group neither retains nor transfers risks and rewards of the financial assets, but retains control over them, the financial assets are recognized to the extent of the Group's continuing involvement. If the Group does not retain control of the assets then they are derecognised, and in their position the Group recognizes, distinctively, the assets and liabilities which are created or retained during the transfer. No such transactions occurred upon balance sheet date. In case of a change in the contractual terms of a financial asset, the change is considered significant and therefore it results in the derecognition of the original financial asset and the recognition of a new one when one of the following criteria is met:

- Change of issuer/debtor
- Change in denomination currency
- Consolidation of different types of contracts
- Consolidation of contracts that do not entirely satisfy the criterion that cash flows are solely payments of principal and interest on the principal amount outstanding
- Addition or deletion of equity conversion terms
- Separation of a non-SPPI debt instrument into two or more new instruments so that the reason that leads to SPPI failure of the original instrument is not included in all of the new instruments.
- Split of contract that meets SPPI criteria and addition of a non-SPPI term to part of it
- Significant modifications occurring due to the commercial renegotiation of the contractual terms of performing borrowers.
- Refinancing of existing loans accompanied by an increase in the amount financed.

In case of derecognition due to significant modification, the difference between the carrying amount of the original asset and the fair value of the new asset is directly recognized in the Income Statement, as specifically mentioned in notes 1.2.26 and 1.2.27. Additionally, in case the original asset was measured at fair value through other comprehensive income, the cumulative gains or losses recognized in other comprehensive income is transferred to profit or loss.

In contrast, if the change in contractual cash flows is not significant, the gross carrying amount of the asset is recalculated by discounting new contractual cash flows with the original effective interest rate and the difference compared to the current gross carrying amount is directly recognized in profit or loss (modification gain or loss) in the line item "Impairment losses, provisions to cover credit risk and related expenses". Fees related to the modification adjust the carrying amount of the asset and are amortised over the remaining term of the modified financial asset through the effective interest method.

Subsequent measurement of financial liabilities

The Group classifies financial liabilities in the following categories for measurement purposes:

a) Financial liabilities measured at fair value through profit or loss

i. This category includes financial liabilities held for trading, that is:

- financial liabilities acquired or incurred principally with the intention of selling or repurchasing in the near term for short term profit, or
- derivatives not used for hedging purposes. Liabilities arising from either derivatives held for trading or derivatives used for hedging purposes are presented as “derivative financial liabilities” and are measured according to the principles set out in note 1.2.6.

ii. this category also includes financial liabilities which are designated by the Group as at fair value through profit or loss upon initial recognition, when:

- doing so results in more relevant information, because either:
 - it eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases; or
 - a group of financial liabilities or financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the Group’s key management personnel; or
- the contract contains one or more embedded derivatives and the Group measures the compound financial instrument as a financial liability measured at fair value through profit or loss unless:
 - the embedded derivative does not significantly modify the cash flows that otherwise would be required by the contract or
 - it is clear with little or no analysis when a similar hybrid instrument is first considered that the separation of the embedded derivative(s) is prohibited.

It is noted that in the above case, the amount of the change in fair value attributable to the Group’s credit risk is recognized in other comprehensive income, unless this treatment would create or enlarge an accounting mismatch in profit or loss.

Amounts recognized in other comprehensive income are never transferred to profit or loss.

As at the reporting date, the Group had not designated, at initial recognition, any financial liabilities as at fair value through profit or loss.

b) Financial liabilities carried at amortised cost

The liabilities classified in this category are measured at amortised cost using the effective interest method.

Liabilities to credit institutions and customers, debt securities issued by the Group and other loan liabilities are classified in this category.

In cases when financial liabilities included in this category are designated as the hedged item in a hedge relationship, the accounting principles applied are those set out in note 1.2.6.

c) Liabilities arising from financial guarantees and commitments to provide loans at a below market interest rate

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the agreed terms.

The financial guarantee contracts and the commitments to provide loans at a below market interest rate are initially recognized at fair value, and measured subsequently at the higher of:

- the amount of the provision determined during expected credit loss calculation (note 1.2.12),
- the amount initially recognised less cumulative amortization which is calculated based on the term of the instrument.

d) Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies

In the first case the liability should be equal to the amount received during the transfer while in the second case it should be measured in such a way that the net carrying amount of the transferred asset and the associated liability is:

- The amortised cost of the rights and obligations retained by the Group, if the transferred asset is measured at amortised cost or
- Equal to the fair value of the rights and obligations retained by the Group when measured on a stand-alone basis, if the transferred asset is measured at fair value.

e) Contingent consideration recognized by an acquirer in a business combination

Such contingent consideration is subsequently measured at fair value with changes recognized in profit or loss.

Derecognition of financial liabilities

Financial liabilities (or part thereof) are derecognized when the contractual obligation is been discharged, cancelled or expires.

When a financial liability is exchanged for another liability with substantially different terms, the exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new one. The same applies in cases of a substantial modification of the terms of an existing financial liability or a part of it (whether or not attributable to the financial difficulty of the debtor). The terms are considered substantially different if the discounted present value of the cash flows under the new terms (including any fees paid net of any fees received), discounted using the original effective interest rate, is at least 10% different from the present value of the remaining cash flows of the original financial liability.

In cases of derecognition, the difference between the carrying amount of the financial liability (or part of the financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the amount are reported net on the balance sheet, only in cases when the Group has the legally enforceable right to offset recognized amounts and there is the intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

1.2.6 Derivative financial instruments and hedge accounting

Derivative financial instruments

Derivatives are financial instruments that upon inception have a minimal or zero fair value that subsequently changes in accordance with a particular underlying instrument or indices defined in the contract (foreign exchange, interest rate, index or other variable).

All derivatives are recognized as assets when their fair value is positive and as liabilities when their fair value is negative.

Derivatives are entered into for either hedging or trading purposes and they are measured at fair value irrespective of the purpose for which they have been transacted.

The change in the fair value of the interest and currency derivatives, excluding options, is separated into interest, foreign exchange differences and other gains or losses from financial transactions.

In case a derivative is embedded in a financial asset, the embedded derivative is not separated and the hybrid contract is accounted for based on the classification requirements mentioned in note 1.2.5.

In case a derivative is embedded in a host contract, other than a financial asset, the embedded derivative is separated and measured at fair value through profit or loss when the following conditions are met:

- the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host,
- a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and
- the hybrid contract is not measured at fair value with changes in fair value recognised in profit or loss.

The Group uses derivatives as a means of exercising Asset-Liability management within the guidelines established by the Asset-Liability Committee (ALCO).

In addition the Group uses derivatives for trading purposes to exploit short-term market fluctuations, within the Group risk level set by the Asset-Liability Committee (ALCO).

Valuation differences arising from derivatives are recognized in Gains less losses on financial transactions except when derivatives participate in hedging relationships in which case the principles for hedge accounting mentioned below apply.

When the Group uses derivatives for hedging purposes hedge relationships are formally designated and documented at inception and effectiveness is monitored on an ongoing basis at each balance sheet date.

We emphasize the following:

a. Synthetic Swaps

Alpha Bank, in order to increase the return on deposits to selected customers, uses synthetic swaps.

This involves the conversion of a Euro deposit to JPY or other currency with a simultaneous forward purchase of the related currency to cover the foreign exchange exposure.

The result arising from the forward transaction is recognized as interest expense, which is included in deposits' interest expense, foreign exchange differences and other gains less losses on financial transactions.

b. FX Swaps

These types of swaps are entered into primarily to economically hedge the exposures arising from customer loans and deposits. For those cases for which no hedge accounting is applied, swaps are accounted for as trading instruments.

The result arising from these derivatives is recognized as interest and foreign exchange differences, in order to match with the interest element and foreign exchange differences resulting from the deposits and loans, and as other gains less losses on financial transactions.

Hedge accounting

Hedge accounting establishes the valuation rules to offset the gain or loss of the fair value of a hedging instrument and a hedged item which would not have been possible if the normal measurement principles were applied. It is noted that the Group has opted to continue to apply the provisions for hedge accounting of IAS 39.

Documentation of the hedging relationship upon inception and of the effectiveness of the hedge on an on-going basis are the basic requirements for the adoption of hedge accounting.

The hedge relationship is documented upon inception and the hedge effectiveness test is carried out upon inception and is repeated at each reporting date.

A hedge is regarded as highly effective only if both of the following conditions are met:

- at the inception of the hedge and in subsequent periods the hedge is expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk during the period for which the hedge is designated,
- the results of the hedge are within a range of 80%-125% of the results of the hedged item.

It is noted that according to the accounting policy applied for the hive down of the banking sector, the hedging relationships that were transferred to the new credit institution are a continuation of the relationships that had started before the hive down.

a. Fair value hedges

A fair value hedge of a financial instrument offsets the change in the fair value of the hedged item in respect of the risks being hedged.

Changes in the fair value of both the hedging instrument and the hedged item, in respect of the specific risk being hedged, are recognized in the income statement.

When the hedging relationship no longer exists, the hedged items continue to be measured based on the classification and valuation principles set out in note 1.2.5. Specifically any adjustment, due to the fair value change of a hedged item for which the effective interest method is used, up to the point that the hedging relationship ceases to be effective, is amortised to interest income or expense based on a recalculated effective interest rate, over its remaining life.

The Group uses interest rate swaps (IRS's) to hedge risks relating to borrowings, loans and bonds.

b. Cash flow hedge

A cash flow hedge changes the cash flows of a financial instrument from a variable rate to a fixed rate.

The effective portion of the gain or loss on the hedging instrument is recognized directly in other comprehensive income, in cash flow hedge reserve, whereas the ineffective portion is recognized in Gains less losses on financial transactions. The accounting treatment of the hedged item does not change.

When the hedging relationship is discontinued, the amount recognized in equity remains there separately until the cash flows or the future transaction occur. When the cash flows or the future transaction occur the following apply:

- If the result is the recognition of a financial asset or a financial liability, the amount is reclassified to profit or loss in the same periods during which the hedged forecast cash flows affect profit or loss.
- If the result is the recognition of a non-financial asset or a non-financial liability or a firm commitment for which fair value hedge accounting is applied, the amount recognized in equity either is reclassified to profit or loss in the same periods during which the asset or the liability affect profit or loss or adjusts the carrying amount of the asset or the liability.

When a forecasted transaction or the expected cash flows are no longer expected to occur, the cumulative gain or loss that was recognized in equity is reclassified to profit or loss. In particular, the amount that has been recognized in equity, as a result of revoked cash flow hedging relationships for term deposits, is linearly amortised as interest expense in the periods during which the hedged cash flows from the aforementioned term deposits affect profit or loss.

c. Hedges of net investment in a foreign operation

The Group uses foreign exchange derivatives or borrowings to hedge foreign exchange risks arising from investment in foreign operations.

Hedge accounting of net investment in a foreign operation is similar to cash flow hedge accounting. The cumulative gain or loss recognized in equity is reversed and recognized in profit or loss, at the time that the disposal of the foreign operation takes place.

1.2.7 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability.

The Group measures the fair value of assets and liabilities traded in active markets based on available quoted market prices. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. Especially, for the measurement of securities, the Group uses a particular range of prices, within the bid-ask spread, in order to characterize the prices as prices of an active market (the difference between bid and ask prices quoted should not exceed 1.5/100 nominal value). Furthermore, if quoted market prices are not available on the measurement date, but they are available during the three last working days of the reporting period and there are quoted prices for 15 working days during the last month of the reporting period and the criteria of the bid-ask spread is met, then the market is considered to be active.

The fair value of financial instruments that are not traded in an active market is determined by the use of valuation techniques, appropriate in the circumstances, and for which sufficient data to measure fair value are available, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. If observable inputs are not available, other model inputs are used which are based on estimations and assumptions such as the determination of expected future cashflows, discount rates, probability of counterparty default and prepayments. In all cases, the Group uses the assumptions that 'market participants' would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Assets and liabilities which are measured at fair value or for which fair value is disclosed are categorized according to the inputs used to measure their fair value as follows:

- Level 1 inputs: quoted market prices (unadjusted) in active markets
- Level 2 inputs: directly or indirectly observable inputs

- Level 3 inputs: unobservable inputs used by the Group, to the extent that relevant observable inputs are not available

In particular, the Group applies the following:

Financial instruments

For financial instruments the best evidence of fair value at initial recognition is the transaction price, unless the fair value can be derived by other observable market transactions relating to the same instrument, or by a valuation technique using mainly observable inputs. In these cases, if the fair value differs from the transaction price, the difference is recognized in the statement of comprehensive income. In all other cases, fair value is adjusted to defer the difference with the transaction price. After initial recognition, the deferred difference is recognized as a gain or loss only to the extent that it arises from a change in a factor that market participants would take into account when pricing the instrument.

When measuring fair value, the Group takes into consideration the effect of credit risk. Specifically, for derivative contracts, the Group estimates the credit risk of both counterparties (bilateral credit valuation adjustments).

The Group measures fair value for all assets and liabilities separately. Regarding derivative exposures, however, that the Group manages as a group on a counterparty basis and for which it provides information to the key management personnel, the fair value measurement for credit risk is performed based on the net risk exposure per counterparty. Credit valuation adjustments arising from the aforementioned process are allocated to either assets or liabilities, depending on whether the net exposure to the counterparty is long or short respectively.

Furthermore, the fair value of deposit accounts with a demand feature (such as saving deposits) is no less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

The principal inputs to the valuation techniques used by the Group are:

- Bond prices - quoted prices available for government bonds and certain corporate securities.
- Credit spreads - these are derived from active market prices, prices of credit default swaps or other credit based instruments, such as debt. Values between and beyond available data points are obtained by interpolation and extrapolation.
- Interest rates - these are principally benchmark interest rates such as the LIBOR, OIS and other quoted interest rates in the swap, bond and futures markets. Values between and beyond available data points are obtained by interpolation and extrapolation.
- Foreign currency exchange rates - observable markets both for spot and forward contracts and futures.
- Equity and equity index prices - quoted prices are generally readily available for equity shares listed on stock exchanges and for major indices on such shares.
- Price volatilities and correlations - Volatility and correlation values are obtained from pricing services or derived from option prices.
- Unlisted equities - financial information specific to the company or industry sector comparables.
- Mutual Funds- for open-ended investments funds listed on a stock exchange the published daily quotations of their net asset values (NAVs).
- Loans and Deposits- market data and Bank/customer specific parameters.

Non financial assets and liabilities

The most important category of non financial assets for which fair value is estimated is real estate property.

The process, mainly, followed for the determination of the fair value is summarized below:

- Assignment to the engineer - valuer
- Case study- Setting of additional data
- Autopsy - Inspection
- Data processing - Calculations
- Preparation of the valuation report

To derive the fair value of the real estate property, the valuer chooses among the three following valuation techniques:

- Market approach (or sales comparison approach), which measures the fair value by comparing the property to other identical ones for which information on transactions is available.
- Income approach, which capitalizes future cash flows arising from the property using an appropriate discount rate.
- Cost approach, which reflects the amount that would be required currently to replace the asset with another asset with similar specifications, after taking into account the required adjustment for impairment.

Examples of inputs used to determine the fair value of properties and which are analysed to the individual valuations, are the following:

- Commercial property: price per square meter, rent growth per annum, long-term vacancy rate, discount rate, expense rate of return, lease term, rate of non leased properties/units for rent.
- Residential property: Net return, reversionary yield, net rental per square meter, rate of continually non leased properties/units, expected rent value per square meter, discount rate, expense rate of return, lease term etc.
- General assumptions such as the age of the building, residual useful life, square meter per building etc are also included in the analysis of the individual valuation assessments.

It is noted that the fair value measurement of a property takes into account a market's participant ability to generate economic benefits by using the asset in it's highest and best use or by selling it to another market participant that would use the asset in it's highest and best use.

1.2.8 Property, Plant and Equipment

This caption includes: land, buildings used by branches or for administrative purposes, additions and improvements of leased property and equipment. It also includes right of use assets in case those assets are used by the Group (the accounting policies applicable to those assets are presented in note 1.2.11).

Property, plant and equipment are initially recognised at cost which includes any expenditure directly attributable to the acquisition of the asset.

Subsequently, property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Subsequent expenditure is recognized on the carrying amount of the item when it increases future economic benefit.

Expenditure on repairs and maintenance is recognized in profit or loss as an expense as incurred.

Depreciation is charged on a straight line basis over the estimated useful lives of property, plant and equipment and it is calculated on the asset's cost minus residual value.

The estimated useful lives are as follows:

- Buildings: up to 50 years
- Additions to leased fixed assets and improvements: duration of the lease
- Equipment and vehicles: up to 40 years

Land is not depreciated but is tested for impairment.

The residual value of property and equipment and their useful lives are periodically reviewed and adjusted if necessary at each reporting date.

Property, plant and equipment are reviewed on an annual basis to determine whether there is an indication of impairment and if they are impaired the carrying amount is adjusted to its recoverable amount with the difference recorded in profit or loss.

In case of sale of property, plant and equipment as well as when no economic benefits are expected for the Group, the fixed asset is derecognised. When selling the asset, the difference between the sale price and its carrying amount is recognized in profit or loss.

1.2.9 Investment property

The Group includes in this category buildings or portions of buildings together with their respective portion of land that are held for the purpose of long-term lease or for capital appreciation. The Group has also included in this category right of use assets

when the Group is an intermediate lessor in an operating lease (the accounting policies applicable to those assets are presented in note 1.2.11).

Investment property is initially recognised at cost which includes any expenditure directly attributable to the acquisition of the asset.

Subsequently investment property is measured at cost less accumulated depreciation and impairment losses.

Subsequent expenditure is recognized on the carrying amount of the item when it increases future economic benefit and can be measured reliably. All costs for repairs and maintenance are recognized in profit or loss as incurred.

The estimated useful lives over which depreciation is calculated using the straight line method are the same as those applied to property, plant and equipment.

Transfers to and from the category of investment property are made when the property meets (or ceases to meet) the definition of investment property and there is evidence of change in its use. In particular, the property is reclassified in "Property, plant and equipment" if the Group decides to use it while it is reclassified in the category of property held for sale if a decision is taken to sell it and if the criteria referred to in paragraph 1.2.16 are met. Conversely, for property not classified within "Investment Property", its lease constitutes a proof of change of use and leads to the reclassification to investment property.

In case of sale of investment property as well as when no economic benefits are expected for the Group, the fixed asset is derecognised. When selling the asset, the difference between the sale price and its carrying amount is recognized in profit or loss.

1.2.10 Goodwill and other intangible assets

Goodwill

Goodwill represents the difference between the cost of an acquisition as well as the value of non-controlling interests and the fair value of the assets and liabilities of the entity acquired, as at the acquisition date.

Positive goodwill arising from acquisitions after 1/1/2004 is recorded to "Goodwill and other intangible assets", if it relates to the acquisition of a subsidiary, and it is tested for impairment at each balance sheet date. Goodwill on acquisitions of associates or joint ventures is included in "Investment in associates and joint ventures".

Negative goodwill is recognized in profit or loss.

Other intangible assets

The Group has included in this caption:

a) Intangible assets which are recognized from business combinations or which are individually acquired.

b) Software, which is measured at cost less accumulated amortization and impairment losses. Expenditure incurred to maintain software programs is recognized in the income statement as incurred. Software that is considered to be an integral part of hardware (hardware cannot operate without the use of the specific software) is classified in property, plant and equipment.

More specifically, separately acquired software is initially measured at cost which comprises its purchase price and any directly attributable cost of preparing the software for its intended use, including employee benefits or professional fees. Software acquired as part of a business combination is initially measured at fair value. Both software separately acquired and acquired as part of a business combination is depreciated during its useful life which has been set from 1 to 15 years.

Regarding internally generated software, the Group recognizes an intangible asset when it can demonstrate all of the following at the development phase:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the intangible asset and use or sell it;
- its ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;

- its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Expenditure incurred during the research phase is directly recognized in profit or loss.

Consequently, the cost of an internally generated intangible asset is the sum of expenditure incurred from the date when the intangible asset first meets the above criteria, including employee benefits arising from the generation of the software.

Internally generated software is depreciated, using the straight line method, during its useful life which has been set from 2 to 15 years.

All intangible assets are assessed for impairment when there are triggers for impairment (note 1.2.14).

No residual value is estimated for intangible assets.

In case of sale of an intangible asset the intangible asset is derecognised, while when no economic benefits are expected for the Group, its value is fully impaired. When selling the asset, the difference between the sale price and its carrying amount is recognized in profit or loss.

1.2.11 Leases

The Group enters into leases either as a lessee or as a lessor. At inception, the Group assesses whether a contract is or contains a lease. If the contract conveys the right to control the use of an identified asset for a period of time for consideration, then the contract is accounted as a lease.

The lease term is determined as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. After lease commencement, upon the occurrence of either a significant event or a significant change in circumstances that is within the control of the lessee, the Group, as a lessee, reassesses the lease term. The Group, either as a lessee or lessor, revises the lease term if there is a change in the non-cancellable period of a lease.

a) When the Group is the lessor

When the risks and rewards incident to ownership of an asset are transferred to the lessee they are classified as finance leases.

All other lease agreements are classified as operating leases.

The accounting treatment followed depends on the classification of the lease, which is as follows:

i. Finance leases:

For finance leases where the Group is the lessor the aggregate amount of lease payments is recognized as loans and advances.

The difference between the present value (net investment) of lease payments and the aggregate amount of lease payments is recognized as unearned finance income and is deducted from loans and advances.

The lease rentals received decrease the aggregate amount of lease payments and finance income is recognized on an accrual basis.

The finance lease receivables are subject to the same impairment testing as applied to customer loans and advances as described in note 1.2.12.

ii. Operating leases:

When the Group is a lessor of assets under operating leases, the leased asset is recognized and depreciation is charged over its estimated useful life. Income arising from the leased asset is recognized as other income on an accrual basis.

b) When the Group is the lessee

The Group, as a lessee, for all leases recognizes a right of use asset and a lease liability at the commencement of the lease. The right of use asset is initially measured at cost, comprising the initial lease liability amount, any initial direct costs and an estimate of the obligation for costs to refurbish the asset, less any lease incentives received.

Right-of use assets are subsequently measured at cost less any accumulated depreciation, any accumulated impairment losses and adjusted for any remeasurement of the lease liability.

Depreciation is charged on a straight line basis from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Right-of-use assets are reviewed at each reporting date to determine whether there is an indication of impairment and if they are impaired the carrying amount is adjusted to its recoverable amount with the difference recorded in profit or loss (note 1.2.14).

For short-term leases (lease term of 12 months or less at the commencement date) and leases for which the underlying asset is of low value (less than 5.000 EUR when new) the Group does not recognize a right-of-use asset and a lease liability but instead recognizes the lease payments associated with those leases as an expense on a straight-line basis over the lease term.

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 Alpha 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.

Right of use assets are included within Property, plant and equipment and the lease liability is included in Other liabilities. In cases where the Group is an intermediate lessor in an operating lease, right of use assets recognized for the head lease are included within Investment property while in case the Group is an intermediate lessor in a finance lease right of use asset, or the part of it which is subleased, is derecognized and a finance lease receivable is recognized.

1.2.12 Credit impairment losses on loans and advances to customers, undrawn loan commitments, letters of credit and letters of guarantee

The Group, at each reporting date, recognizes a loss allowance for expected credit losses on loans and advances to customers not measured at fair value through profit or loss as well as for off-balance sheet exposures (letters of guarantee, letters of credit, undrawn loan commitments).

The loss allowance for loans and off-balance sheet exposures is based on expected credit losses related to the probability of default within the next twelve months, unless there has been a significant increase in credit risk from the date of initial recognition in which case expected credit losses are recognized over the life of the instrument. In addition, if the financial asset falls under the definition of purchased or originated credit impaired (POCI) financial assets, a loss allowance equal to the lifetime expected credit losses is recognized.

a) Default definition

The Group has adopted the default definition defined in the EBA Guidelines (GL/2016/07).

b) Classification of exposures into stages based on credit risk (Staging)

For the purposes of calculating expected credit losses, the exposures are classified into stages as follows:

- Stage 1: Stage 1 includes performing exposures that do not have significant increase in credit risk since initial recognition. Stage 1 also includes exposures for which credit risk has been improved and the exposure has been reclassified from Stages 2 or 3. In this stage, expected credit losses are recognized based on the probability of default within the next twelve months.
- Stage 2: Stage 2 includes performing exposures for which there has been a significant increase in credit risk since initial recognition. Stage 2 also includes exposures for which credit risk has been improved and the exposure has been reclassified from Stage 3. In this stage, lifetime expected credit losses are recognized.
- Stage 3: Stage 3 includes non performing/impaired exposures. In this stage, lifetime expected credit losses are recognized.

As an exception to the above, for purchased or originated credit impaired (POCI) exposures, lifetime expected credit losses are always recognized. Purchased or originated credit impaired exposures include:

- Exposures that at the time of acquisition meet the criteria to be classified as non-performing exposures.

- Exposures for which there has been a change in repayment terms, either due to financial difficulty or not, which resulted in derecognition and recognition of a new impaired asset (POCI) except when derecognition is due to the change of debtor of a corporate loan in which case the creditworthiness of the new debtor is reassessed.

c) Significant increase in credit risk

In determining significant increase in credit risk of an exposure since initial recognition and the recognition of lifetime expected credit losses instead of 12 months expected credit losses, the Group assesses, at each reporting date, the risk of default compared to the risk of default at initial recognition for all its performing exposures including those with no delinquencies.

The assessment of the significant increase in credit risk is based on the following:

- Quantitative Indicators: refers to the quantitative information used and more specifically to the comparison of the probability of default (PD) between the reporting date and the date of initial recognition.
- Qualitative Indicators: refers to the qualitative information used which is not necessarily reflected in the probability of default, such as the classification of an exposure as forborne performing (FPL, according to EBA ITS). Additional qualitative indicators, both for corporate and retail portfolios are also reflected through the Early Warning indicators where depending on the underlying assessment, an exposure can be considered to have a significant increase in credit risk or not. Especially for special lending portfolio, additional qualitative indicators are captured through slotting category.
- Backstop Indicators: in addition to the above, and in order to capture cases for which there are no triggers reflecting the increase in credit risk, based on qualitative and quantitative indicators, the 30 days past due indicator is used as a backstop.

d) Calculation of expected credit loss

The measurement of expected credit losses is made as follows:

- For financial assets, a credit loss is the present value of the difference between:
 - (a) the contractual cash flows and
 - (b) the cash flows that the Group expects to receive
- For undrawn loan commitments, a credit loss is the present value of the difference between:
 - (a) the contractual cash flows that are due if the holder of the loan commitment draws down the loan; and
 - (b) the cash flows that the Group expects to receive if the loan is drawn down.
- For letters of guarantee and letters of credit, the loss is equal to the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder.

For present value calculation, original effective interest rate is used as a discount rate. Especially for POCI assets credit-adjusted effective interest rate is used.

The Group calculates impairment losses either on a collective (collective assessment) or on an individual basis (individual assessment), taking into account the significance of an exposure or the borrower's limit. In addition, exposures that do not have common credit risk characteristics or for which there are no sufficient historical behavioral data are assessed on an individual basis. The Group calculates expected credit losses based on the weighted probability of three scenarios. More specifically, the Economic Research Division produces forecasts for the possible evolution of macroeconomic variables that affect the level of expected credit losses of loan portfolios under a baseline and under alternative macroeconomic scenarios and also generates the cumulative probabilities associated with these scenarios.

The mechanism for calculating expected credit loss is based on the following credit risk parameters:

- Probability of Default (PD): It is an estimate of the probability of a debtor to default over a specific time horizon.
- Exposure at default (EAD): Exposure at Default is an estimate of the amount of the exposure at the time of the default taking into account: (a) expected changes in the exposure after the reporting date, including principal and interest payments; (b) the expected use of credit limits and (c) accrued interest. The approved credit limits that have not been fully disbursed represent a potential credit exposure and are converted into a credit exposure equal to the approved undrawn loan commitment multiplied by a Credit Conversion Factor (CCF). The Credit Conversion factor of credit exposure is calculated based on statistical models.

- **Loss given default (LGD):** Loss given default is an estimate of the loss that will occur if the default occurs at a given time. It is based on the difference between the contractual cash flows due and those expected to be received, including the liquidation of collaterals and cure rate.

e) Measurement of expected credit losses on receivables from customers

Receivables from customers are derived from the Group's commercial, other than loan, activity. The loss allowance for receivables from customers is measured at an amount equal to the lifetime expected credit losses (there is no stage allocation) based on the simplified approach provided by IFRS 9.

f) Presentation of expected credit losses in financial statements

Loss allowances for expected credit losses are presented in the Balance Sheet as follows:

- Financial assets measured at amortised cost and finance lease receivables: loss allowance is presented as a deduction from the gross carrying amount of the assets.
- Financial assets measured at fair value through other comprehensive income: for those assets no loss allowance is recognized in the Balance Sheet, however, its amount is disclosed in the notes to the financial statements.
- Letters of credit/letters of guarantee: loss allowance is recognized in line "Provisions" of liabilities in Balance Sheet.
- Undrawn loan commitments: When there is not also a loan, loss allowance is recognized in line "Provisions" of liabilities in Balance Sheet. If a financial asset includes both a loan and an undrawn loan commitment, the accumulated expected credit losses of the loan commitment are presented together with the accumulated expected credit losses of the loan, as a deduction from its gross carrying amount. To the extent that the combined expected credit losses exceed the gross carrying amount of the loan, the expected credit losses are recognized in line "Provisions" of liabilities in Balance Sheet.

The amount of expected credit losses for the period is presented in the caption "Impairment losses, provisions to cover credit risk and related expenses". In the same caption the following are also recognized: recoveries from written-off loans measured at amortised cost, modification gains or losses of loans measured at amortised cost, the favourable changes in expected credit losses of POCI assets in case expected credit losses are less than the amount of expected credit losses included in the estimated cash flows on initial recognition, loans servicing fees arising from a contract signed in the context of the transfer of the entity that services overdue loans as well as protection fee and reimbursement from a special purpose entity paid as part of the synthetic securitization. For servicing fees, this presentation reflects more accurately the nature of these fees taking into account the new model for the servicing of overdue loans as well as the fact that impairment losses on these loans and the impact from the modification of their contractual terms is also presented in the same line item. Corresponding is the presentation of protection fee and reimbursement paid as part of synthetic securitization since those amounts relate to credit risk coverage.

g) Write-offs

The Group proceeds with the write-off of loans and advances to customers when it has no reasonable expectations for their recovery. In this case, the loss allowance is used against the carrying amount of the financial asset. Write-off is an event of derecognition.

1.2.13 Credit impairment losses on due from banks and bonds

The Group, at each reporting date, recognizes a loss allowance for expected credit losses on due from banks and bonds not measured at fair value through profit or loss.

The loss allowance is based on expected credit losses related to the probability of default within the next twelve months, unless there has been a significant increase in credit risk from the date of initial recognition in which case expected credit losses are recognized over the life of the instrument. In addition, if the financial asset falls under the definition of purchased or originated credit impaired (POCI) financial assets, a loss allowance equal to the lifetime expected credit losses is recognized.

a) Default definition

Due from banks and bonds are considered impaired when the external rating of the issuer/counterparty is equivalent to default (D). In case there is no external rating, then the instrument is characterized as impaired based on internal rating. If there is also

an exposure to the corporate issuer/counterparty to the loan portfolio which has been classified as impaired, the instrument is also characterized as impaired.

b) Classification of due from banks and bonds into stages based on credit risk (Staging)

For the purposes of calculating expected credit losses, the exposures are classified into stages as follows:

- Stage 1: Stage 1 includes non impaired instruments that do not have significant increase in credit risk since initial recognition. Stage 1 also includes instruments for which credit risk has been improved and the instrument has been reclassified from Stages 2 or 3. In this stage, expected credit losses are recognized based on the probability of default within the next twelve months.
- Stage 2: Stage 2 includes non impaired instruments for which there has been a significant increase in credit risk since initial recognition. Stage 2 also includes instruments for which credit risk has been improved and the instrument has been reclassified from Stage 3. In this stage, lifetime expected credit losses are recognized.
- Stage 3: Stage 3 includes impaired instruments. In this stage, lifetime expected credit losses are recognized.

As an exception to the above, for purchased or originated credit impaired (POCI) instruments, lifetime expected credit losses are always recognized. An instrument is characterized as purchased or originated credit impaired when:

- The instrument (or the issuer) has an external rating that corresponds to default at the time of acquisition
- Corporate bonds resulting from debt restructuring are classified as purchased or originated credit impaired, based on the guidelines applicable to the loan portfolio.

When a debt security has been purchased at a large discount and does not fall into any of the categories mentioned above, the Group examines the transaction in detail (transaction price, recovery rate, issuer's financial condition at the time of purchase, etc.) in order to determine whether it should be recognised as purchased or originated credit-impaired (POCI). Classification in this category requires documentation and approval by the relevant committees of the Group.

c) Significant increase in credit risk

The classification into stages for the purpose of expected credit loss measurement is based on the credit rating of rating agencies or, for corporate securities issued by Greek issuers for which there is also an exposure in loan portfolio, on the issuer's internal rating.

The Group defines as low credit risk all investment grade securities, which are classified in Stage 1.

The determination of significant increase in credit risk for non-investment grade securities is based on the following two conditions:

- Downgrade in the issuer / counterparty's credit rating on the reporting dates compared to the credit rating on the date of the initial recognition.
- Increase in the probability of default of the issuer / counterparty for the 12-month period compared to the corresponding probability of default at initial recognition.

Additionally, the Group monitors the change in the credit spread since initial recognition. A change in credit spread at the reporting date that exceeds a specific threshold compared to the credit margin prevailing at the date of initial recognition is a trigger for reviewing the securities classification stage.

d) Calculation of expected credit loss

The expected credit loss is the present value of the difference between:

- (a) the contractual cash flows and
- (b) the cash flows that the Group expects to receive

For present value calculation, original effective interest rate is used as a discount rate. Especially for POCI assets credit-adjusted effective interest rate is used.

For the calculation of the expected credit loss, the following parameters are used:

- Probability of default (PD): the probability of default over the next 12 months is used to calculate the expected credit loss for 12 months, and the probability of default over the life of the instrument is used to calculate the lifetime expected credit losses.
- Exposure at default (EAD): In the case of securities, the Group estimates the future unamortised cost in order to calculate the EAD. In particular, for each period, EAD is the maximum loss that would result from issuer / counterparty potential default.
- Loss given default (LGD) is the percentage of the total exposure that the Group estimates as unlikely to recover at the time of the default. The Group distinguishes sovereigns from non-sovereign issuers / counterparties as regards to the LGD estimation. In case the Group has also granted a loan to the issuer / counterparty of the security, the estimated LGD is aligned to corresponding estimate for the loan portfolio (taking into account any potential collaterals the loan portfolio is likely to have against the unsecured debt securities).

e) Presentation of expected credit losses in financial statements

Loss allowances for expected credit losses are presented in the Balance Sheet as follows:

- Financial assets measured at amortised cost: loss allowance is presented as a deduction from the gross carrying amount of the assets.
- Financial assets measured at fair value through other comprehensive income: for those assets no loss allowance is recognized in the Balance Sheet, however, its amount is disclosed in the notes to the financial statements.

The amount of expected credit losses for the period is presented in the caption "Impairment losses, provisions to cover credit risk and related expenses". The caption includes also the favourable changes in expected credit losses of POCI assets in case expected credit losses are less than the amount of expected credit losses included in the estimated cash flows on initial recognition.

1.2.14 Impairment losses on investments and non-financial assets

The Group assess as at each balance sheet date its investments in associates and joint ventures as well as non-financial assets for impairment, particularly, right of use assets, goodwill and other intangible assets and at least annually property, plant and equipment and investment property.

In assessing whether there is an indication that an asset may be impaired both external and internal sources of information are considered, of which the following are indicatively mentioned:

- The asset's market value has declined significantly, more than would be expected as a result of the passage of time or normal use.
- Significant changes with an adverse effect have taken place during the period or will take place in the near future, in the technological, economic or legal environment in which the entity operates or in the market to which the asset is dedicated.
- Significant unfavorable changes in foreign exchange rates.
- Market interest rates or other rates of return of investments have increased during the period, and those increases are likely to affect the discount rate used in calculating an asset's value in use.
- The carrying amount of the net assets of the entity is greater than its market capitalization.
- Evidence is available of obsolescence or physical damage of an asset.

Specifically for right of use assets, triggers for impairment include:

- The existence of leased properties that are neither used nor leased by the Group.
- The fact that the present value of the leases received in the event of a sublease is lower than the value of the rents paid under the lease.

An impairment loss is recognized in profit or loss when the recoverable amount of an asset is less than its carrying amount. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Fair value less costs to sell is the amount received from the sale of an asset (less the cost of disposal) in an orderly transaction between market participants.

Value in use is the present value of the future cash flows expected to be derived from an asset or cash –generating unit through their use and not from their disposal.

For the valuation of property, plant and equipment, the calculation of the recoverable amount includes all improvements which render the asset perfectly suitable for its use by the Group. In this way, the market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use is taken into account.

1.2.15 Income tax

Income tax consists of current and deferred tax.

Current tax for a period includes the expected amount of income tax payable in respect of the taxable profit for the current reporting period, based on the tax rates enacted at the balance sheet date.

Deferred tax is the tax that will be paid or for which relief will be obtained in future periods and it is calculated based on the temporary differences between the tax base of assets and liabilities and their respective carrying amounts in the financial statements.

Deferred tax assets and liabilities are calculated using the tax rates that are expected to apply when the temporary difference reverses, based on the tax rates (and laws) enacted at the balance sheet date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

In addition, deferred tax assets are not recognized from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time it takes place affects neither accounting profit nor taxable profit.

Furthermore, regarding investments in associates and joint ventures, deferred tax assets are recognized only when it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilized.

Income tax, both current and deferred, is recognized in profit or loss except when it relates to items recognized directly in equity. In such cases, the respective income tax is also recognized in equity.

1.2.16 Non-current assets held for sale

Non-current assets or disposal groups that are expected to be recovered principally through a sale transaction, along with the related liabilities, are classified as held-for-sale.

The above classification is used if the asset is available for immediate sale in its present condition and its sale is highly probable. The sale is considered highly probable when it has been decided by the competent bodies of the Management, an active programme to locate a buyer has been initiated, the asset is actively marketed for sale at a price which is reasonable in relation to its current fair value and the sale is expected to be completed within one year. Non-current assets that are acquired exclusively with a view to their subsequent disposal are classified as held for sale at the acquisition date when the one-year requirement is met and it is highly probable that the remaining criteria will be met within a short period following the acquisition (usually within three months).

Before their classification as held for sale, the assets are remeasured in accordance with the respective accounting standard.

Assets held for sale are initially recognised and subsequently remeasured at each balance sheet date at the lower of their carrying amount and fair value less cost to sell. Any loss arising from the above measurement is recorded in profit or loss and can be reversed in the future. In this case, the gain from any subsequent increase in fair value less costs to sell cannot exceed the cumulative impairment losses that have been recognized. When the loss relates to a disposal group it is allocated to assets within the disposal group with the exception of specific assets that are not within the scope of IFRS 5. The impairment loss on a disposal group is first allocated to goodwill and then to the remaining assets and liabilities on a pro-rata basis.

Assets in this category are not depreciated.

Gains or losses from the sale of these assets are recognized in the income statement.

Non-current assets held for sale, that the Group subsequently decides either to use or to lease, are reclassified to the categories of property, plant and equipment or investment property respectively. During their reclassification, they are measured at the

lower of their recoverable amount and their carrying amount before they were classified as held for sale, adjusted for any depreciation, amortization or revaluation that would have been recognized had the assets not been classified as held for sale.

Non - current assets that the Group intends to sell but which are not available for immediate sale or are not expected to be sold within a year are included in Other Assets and are measured at the lower of cost (or carrying amount) and net realizable value in accordance with IAS 2. Net realizable value is considered equal to fair value less cost to sell.

1.2.17 Defined contribution and defined benefit plans

The Group has both defined benefit and defined contribution plans.

A defined contribution plan is where the Group pays fixed contributions into a separate entity and the Group has no legal or constructive obligation to pay further contributions if the fund does not have sufficient assets to pay all employees the benefits relating to employee service in current or prior years. The contributions are recognized as employee benefit expense on an accrual basis. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement which is dependent, among others, on years of service and salary on date of retirement and it is guaranteed by the entity of the Group.

The defined benefit obligation is calculated, separately for each plan, based on an actuarial valuation performed by independent actuaries using the projected unit credit method.

The net liability recognized in the consolidated financial statements is the present value of the defined benefit obligation (which is the expected future payments required to settle the obligation resulting from employee service in the current and prior periods) less the fair value of plan assets. The amount determined by the above comparison may be negative, an asset. The amount of the asset recognised in the financial statements cannot exceed the total of the present value of any economic benefits available to the Group in the form of refunds from the plan or reductions in future contributions to the plan.

The present value of the defined benefit obligation is calculated based on the return of high quality corporate bonds with a corresponding maturity to that of the obligation, or based on the return of government bonds in cases when there is no deep market in corporate bonds.

Interest on the net defined benefit liability (asset), which is recognised in profit or loss, is determined by multiplying the net defined benefit liability (asset) by the discount rate used to discount post-employment benefit obligation, as determined at the start of the annual reporting period, taking into account any changes in the net defined benefit liability (asset).

Service cost, which is also recognised in profit or loss, consists of:

- Current service cost, which is the increase in the present value of the defined benefit obligation resulting from employee service in the current period;
- Past service cost, which is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting from the introduction or withdrawal of, or changes to, a defined benefit plan or a curtailment (a significant reduction by the entity in the number of employees covered by a plan) and
- Any gain or loss on settlement.

Before determining past service cost or a gain or loss on settlement, the Group remeasures the net defined benefit liability (asset) using the current fair value of plan assets and current actuarial assumptions, reflecting the benefits offered under the plan before its amendment, curtailment or settlement.

Past service cost, in particular, is directly recognized to profit or loss at the earliest of the following dates

- When the plan amendment or curtailment occurs and
- When the Group recognizes related restructuring costs (according to IAS 37) or termination benefits.

Likewise, the Group recognizes a gain or loss on the settlement when the settlement occurs.

Remeasurements of the net defined benefit liability (asset) which comprise:

- actuarial gains and losses;
- return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and

- any change in the effect of the limitation in the asset recognition, excluding amounts included in net interest on the net defined benefit liability (asset),

are recognized directly in other comprehensive income and are not reclassified in profit or loss in a subsequent period.

Finally, when the Group decides to terminate the employment before retirement or the employee accepts the Group's offer of benefits in exchange for termination of employment, the liability and the relative expense for termination benefits are recognized at the earlier of the following dates:

- a. when the Group can no longer withdraw the offer of those benefits; and
- b. when the Group recognizes restructuring costs which involve the payment of termination benefits.

1.2.18 Share options on Alpha Services and Holdings shares granted to employees

The granting of share options on Alpha Services and Holdings shares to the employees, their exact number, the price and the exercise date are decided by the Board of Directors of Alpha Services and Holdings in accordance with the Shareholders' Meeting approvals and after taking into account the current legal framework.

The fair value calculated at grant date is recognized during the servicing period and recorded in staff costs with an increase of a reserve in equity respectively. When there are no vesting conditions, it is considered that services have been received. On the contrary, when there are service vesting conditions the expense is recognized as the relative services are received. In case there are conditions that are not vesting conditions, they are taken into account in share options valuation.

1.2.19 Provisions and contingent liabilities

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are, also, recognized in cases of restructuring plans with which management attempts either to change the subject of a corporate activity or the manner in which it is conducted (e.g. close down business locations). The recognition of provision is accompanied with the relevant, authorized by the Management, program and with the suitable actions of disclosure. A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both necessarily entailed by the restructurings and not associated with the ongoing activity of the Group.

The amount recognized as a provision shall be the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Where the effect of the time value of money is material, the amount of the provision is equal to the present value of the expenditures expected to settle the obligation.

Amounts paid for the settlement of an obligation are set against the original provisions for these obligations. Provisions are reviewed at the end of each reporting period.

If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed. Additionally, provisions are not recognized for future operating losses.

Future events that may affect the amount required to settle the obligation, for which a provision has been recognized, are taken into account when sufficient objective evidence exists that they will occur.

Reimbursements from third parties relating to a portion of or all of the estimated cash outflow are recognized as assets, only when it is virtually certain that they will be received. The amount recognized for the reimbursement does exceed the amount of the provision. The expense recognized in profit or loss relating to the provision is presented net of the amount of the reimbursement.

The Group does not recognize in the statement of financial position contingent liabilities which relate to:

- possible obligations resulting from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or
- present obligations resulting from past events for which:
 - it is not probable that an outflow of resources will be required, or
 - the amount of liability cannot be measured reliably.

The Group provides disclosures for contingent liabilities taking into consideration their materiality.

1.2.20 Securities sale and repurchase agreements and securities lending

The Group enters into purchases of securities under agreements to resell at a certain date in the future at a fixed price (reverse repos). Securities purchased subject to commitments to resell them at future dates are not recognized in the balance sheet.

The amounts paid, including interest accruals, are recognized in loans and advances to either banks or customers. The difference between the purchase price and the resale price is recognized as interest income using effective interest method.

Similarly, securities that are sold under agreements to repurchase (repos) are not derecognized but they continue to be measured in accordance with the accounting policy of the category that they have been classified.

The proceeds from the sale of the securities are reported as liabilities to either banks or customers. The difference between the sales price and the repurchase price is recognized as interest expense using effective interest method.

Securities borrowed by the Group under securities lending agreements are not recognized in the consolidated balance sheet except when they have been sold to third parties whereby the liability to deliver the security is recognized and measured at fair value.

1.2.21 Securitization

The Group securitises financial assets by transferring these assets to special purpose entities, which in turn issue bonds.

In each securitization of financial assets the assessment of control of the special purpose entity is considered, based on the circumstances mentioned in note 1.2.1, so as to examine whether it should be consolidated. In addition, the contractual terms and the economic substance of transactions are considered, in order to decide whether the Group should proceed with the derecognition of the securitised financial assets, as referred in note 1.2.5.

1.2.22 Equity

Distinction between debt and equity

Financial instruments issued by Group companies to obtain funding are classified as equity when, based on the substance of the transaction, the Group does not undertake a contractual obligation to deliver cash or another financial asset or to exchange financial instruments under conditions that are potentially unfavorable to the issuer.

In cases when Group companies are required to issue equity instruments in exchange for the funding obtained, the number of equity instruments must be fixed and determined on the initial contract, in order for the obligation to be classified as equity.

In the context of the above assessment, hybrid securities issued by the Group entity Alpha Group Jersey Ltd were classified within the equity of the Group.

Distributions to the holders of equity instruments are directly recognized by debiting the equity of the Group.

Incremental costs of share capital increase

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from retained earnings.

Share premium

Share premium includes the difference between the nominal value of the shares and the consideration received in the case of a share capital increase.

It also includes the difference between the nominal value of the shares issued and their market value, in cases of exchanges of shares as consideration for the acquisition of a business by the Group.

Treasury shares

The cost of acquiring treasury shares is recognized as a reduction of equity. Subsequent gains or losses from the sale of treasury shares, after deducting all direct costs and taxes, are recognized directly in retained earnings.

Dividends

Dividends are deducted from retained earnings and recorded as a liability in the period that the dividend is approved by the Shareholders in General Meeting.

Distributions of non-cash assets to Alpha Services and Holdings

Distributions of non-cash assets to Alpha Services and Holdings are out of scope of IFRIC 17 since Alpha Services and Holdings continues to control the assets distributed. Under the accounting policy applied by the Group, those distributions are accounted for in the book value of the assets distributed.

1.2.23 Interest income and expense

Interest income and expense is recognized in the income statement for all interest bearing financial assets and liabilities.

Interest income and expense is recognised on an accrual basis and measured using the effective interest method, with the exception of derivatives as described in detail in note 1.2.6. Especially for POCI assets, interest income is calculated using credit-adjusted effective interest rate.

Effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate.

For financial assets, in particular, the following apply:

- For those financial assets classified within Stage 1 or Stage 2 for the purpose of expected credit losses measurement, interest income is calculated by applying effective interest rate to the gross carrying amount of the asset.
- For those financial assets classified within Stage 3 for the purpose of expected credit losses measurement, interest income is calculated by applying the effective interest rate to the amortised cost of the asset.
- For purchased or originated credit impaired financial assets interest income is calculated by applying the credit-adjusted effective interest rate to the amortised cost of the asset.

In case of negative interest rates, interest is presented within interest income for interest bearing financial liabilities and within interest expense for interest bearing financial assets.

Borrowing costs that are directly attributable to assets that require a substantial period of time to get ready for their intended use or sale are capitalized as part of the cost of the asset. Capitalisation ceases when substantially all the activities necessary to prepare the asset for its intended use are complete.

1.2.24 Fee and commission income

Fees and commission income from contracts with customers are recognized based on the consideration specified in the contract when the Group satisfies the performance obligation by transferring the service to the customer. With the exception of specific portfolio management fees which are calculated on the basis of the size and performance of the portfolio, the services provided have a fixed price. Variable portfolio management fees are recognized when all related uncertainties are resolved.

For commissions on services provided over time, revenue is recognized as the service is being provided to the customer, such as commissions to provide account management services, fees for administration of syndicated loans, fees for portfolio management and investment services advice as well as management fees and fees for collection of receivables.

For transaction-based fees, the execution and completion of the transaction executed signals the point in time, in which the service is transferred to the customer and the revenue is recognized, such as currency transactions, purchases / sales of securities as well as issue and disposal of syndicated loans and bonds.

Transaction revenues relating to the recognition of a financial instrument not measured at fair value through profit or loss are capitalized and amortised in the income statement using the effective interest method over the life of the financial instrument and included in interest income.

1.2.25 Dividend Income

Dividend income from investments in shares is recognised in the income statement when the dividend distribution is approved by the appropriate body of the company that the Group has invested in.

1.2.26 Gains less losses on financial transactions

Gains less losses on financial transactions include:

- fair value changes of financial assets and liabilities,
- gains and losses arising from the modification of the contractual terms of financial assets measured at fair value through profit or loss,
- gains and losses arising from the derecognition of financial assets and liabilities due to early repayment, including conversion of loans into shares, disposal or significant modification of the contractual terms, except for gains and losses arising from the derecognition of financial assets measured at amortised cost which are recognized in a separate line item of the Income Statement,
- gains and losses arising from the impairment or disposal of Group entities that have not been classified as discontinued operations,
- negative goodwill arising from business combinations,
- exchange differences arising from the translation of financial instruments denominated in foreign currencies.

1.2.27 Gains less losses on derecognition of financial assets measured at amortised cost

Gains less losses on derecognition of financial assets measured at amortised cost include:

- Gains and losses from the derecognition of financial assets measured at amortised cost
- The difference, at initial recognition, between the nominal and the fair value of a financial asset measured at amortised cost that is the result of the derecognition of another financial asset due to significant modification of its contractual terms.

1.2.28 Discontinued operations

A discontinued operation is a component of the Group that either has been disposed of, or has been classified as held for sale and represents:

- a major line of Group's business; or
- a geographical area of operations; or
- a subsidiary acquired exclusively with a view to resale.

The profit or loss after tax from discontinued operations and any losses recognized on the measurement to fair value less costs to sell of the disposal group are presented in a separate line in the face of the income statement after net profit from continuing operations.

The comparative financial statements are restated only for the income statement and the cash flow statement.

1.2.29 Related parties definition

According to IAS 24, a related party is a person or entity that is related to the entity that is preparing its financial statements. For the Group, in particular, related parties are considered:

- a. The parent company of the Bank, Alpha Services and Holdings S.A., and its subsidiaries
- b. An entity that constitutes for the Group:
 - i) a joint venture and
 - ii) an associate
- c. A person or an entity (other than the parent company of the Bank) that have control, or joint control, or significant influence over the Group.

This category includes Hellenic Financial Stability Fund and its subsidiaries because, in the context of the L.3864/2010, the HFSF participates in the Board of Directors and in significant committees of the Bank and as a result is considered to have significant influence over the Group.

d. A person and his close family members, if that person is a member of the key management personnel.

The Group considers as key management personnel all the members of the Bank's Board of Directors and of the Bank's Executive Committee while as their close family members it considers their children and spouses or domestic partners and their dependants and the dependants of their spouses or domestic partners.

Related parties are also considered the entities controlled or jointly controlled by the above mentioned persons and more specifically the entities in which the above persons participate with more than 20%.

1.2.30 Comparatives

The current financial statements are the first financial statements of the new credit institution after the hive down of the banking sector. Therefore, according to the accounting policy applied for the transaction, comparative information is not included.

1.3 Significant accounting judgments and key sources of estimation uncertainty

Significant accounting judgments

The Group, in the context of applying accounting policies, makes judgments and assessments relating to the carrying amount of assets and liabilities at the end of the period that relate to the future. Final amounts in the next year may be significantly different from those recognised in the financial statements. Those judgements relate to the following:

Assessment of whether contractual cash flows of a debt financial instrument represent solely payments of principal and interest on the principal amount outstanding (SPPI) (note 1.2.5)

The Group, at initial recognition of a debt financial asset, assesses whether cash flows are solely payments of principal and interest on the principal amount outstanding. The assessment requires judgement mainly on:

- Whether contractual terms that affect the performance of the instrument relate solely to credit risk, other basic lending risks and profit margin.
- For loans in special purpose entities, whether there is a non-recourse feature. The assessment is based on specific index thresholds as well as on the evaluation of the adequacy of equity and of the collaterals that are not related to the asset being financed.
- Whether in case of prepayment or extension the compensation received is considered fair.
- Whether loans with ESG (Environmental, Social, Governance) criteria, the change in credit spread based on the satisfaction of those ESG criteria relates to the change in credit risk and/or change in profit margin.

Significant judgements relating to the selection of methodologies and models for expected credit losses calculation (note 43.1)

The Group, in the context of the application of its accounting policies for the measurement of the expected credit losses makes judgments in order to identify:

- the criteria that indicate a significant increase in credit risk,
- the choice of appropriate methodologies for expected credit loss calculation (expected credit loss calculation on an individual or on a collective basis),
- the choice and development of appropriate models used to calculate the exposure at default by financial instrument category (EAD), the probability of default (PD), the estimated expected credit loss at the time of default (LGD), the probability of forbearance (PF) and the choice of appropriate parameters and economic forecasts used in them,
- the choice of the parameters of the macroeconomic forecasts used in the models to determine the expected life and the date of initial recognition of revolving exposures,
- the grouping of financial assets based on similar credit risk characteristics.

Applying different judgments could significantly affect the number of financial instruments classified in stage 2 or significantly differentiate expected credit loss.

Income Tax (notes 13 and 39)

The recognition of assets and liabilities for current and deferred tax is carried out based on the interpretation of the applicable tax legislation. However, it may be affected by factors such as the practical implementation of the relevant legislation and the settlement of disputes that might exist with tax authorities etc. When assessing the tax treatment of all significant transactions, the Group takes into account and evaluates all available data (Circulars of the Ministry of Finance, case law, administrative practices, etc.) and / or opinions received from internal and external legal advisers. Future tax audits and changes in tax legislation may result in the adjustment of the amount of assets and liabilities for current and deferred tax and in tax payments other than those recognized in the financial statements of the Group.

Classification of non-current assets held for sale (note 48, 50)

The Group classifies non-current assets or disposal groups that are expected to be recovered principally through a sale transaction, along with the related liabilities, as held-for-sale when the asset is available for immediate sale in its present condition and its sale is highly probable to be completed within one year. The assessment of whether the above criteria are met requires judgment mainly as to whether the sale is likely to be completed within one year from the reporting date. In the context of this assessment, the Group takes into account the receipt of the required approvals (both regulatory and those given by the General Meeting and the Committees of the Group), the receipt of offers (binding or note) and the signing of agreements as well as of any conditions included in them.

Assessment of control of special purpose entities (note 40)

The Group in the context of its actions for liquidity and for strategic management of non - performing loans proceeds with the securitization of assets through the establishment of special purpose entities whose activities are guided by contractual agreements. The Group makes judgments in order to assess whether it controls those companies taking into account the possibility to make decisions on their relative activities as well as the degree of its exposure to the variability of their returns.

Key sources of estimation uncertainty

Key sources of estimation uncertainty used by the Group in the context of applying its accounting principles and which have a significant impact on the amounts recognized in the financial statements are presented below:

Fair value of assets and liabilities (notes 22, 23, 26, 43.4, 48)

For assets and liabilities traded in active markets, the determination of their fair value is based on quoted, market prices. In all other cases the determination of fair value is based on valuation techniques that use observable market data to the greatest extent possible. In cases where there is no observable market data, the fair value is determined using data that are based on internal estimates and assumptions i.e. determination of expected cash flows, discount rates, prepayment probabilities or potential counterparty default.

Estimates included in the calculation of expected credit losses (note 43.1)

The measurement of expected credit losses requires the use of complex models and significant estimates of future economic conditions and credit behavior, taking into account the events that have occurred until reporting date. The significant estimates relate to:

- the determination of the alternative macroeconomic scenarios and the cumulative probabilities associated with these scenarios,
- the probability of default during a specific time period based on historical data, the assumptions and estimates for the future,
- the probability of forbearance for retail portfolios,
- the determination of the expected cash flows and the flows from the liquidation of collaterals,
- the determination of the adjustments to the expected credit loss models and
- the integration of loan portfolio sales scenarios taking into account on the one hand any factors that may hinder the realization of the sale and on the other hand the level of satisfaction of the conditions for the completion of the sale.

Impairment losses on investments in associates and joint ventures and on non - financial assets (notes 22 and 23)

The Group, at each reporting date, assesses for impairment non – financial assets, and in particular, right-of-use assets, goodwill and other intangible assets, as well as its investments in associates and joint ventures and at least on an annual basis property, plant and equipment and investment property. Internal estimates are used to a significant degree to determine the recoverable amount of the assets, i.e. the higher between the fair value less costs to sell and value in use.

Employee defined benefit obligations (note 31)

Defined benefit obligations are estimated based on actuarial valuations, which are mainly conducted on an annual basis, that incorporate assumptions regarding discount rates, future changes in salaries and pensions, as well as the return on any plan assets. Any change in these assumptions will affect the amount of obligations recognized.

Provisions (note 33)

The amounts recognized by the Group in its financial statements as provisions are derived from the best estimate of the outflow required to settle the present obligation. This estimate is determined by Management after taking into account experience from relevant transactions and in some cases expert reports. In case the amount recognized as a provision is affected by a variety of factors, its calculation is based on the weighting of all possible results. At each balance sheet date, provisions are revised to reflect current best estimates of the obligation.

Recoverability of deferred tax assets (notes 13 and 25)

The Group recognizes deferred tax assets to the extent that it is probable that it will have sufficient future taxable profit available, against which, deductible temporary differences and tax losses carried forward can be utilized. The estimation of future taxable profits is based on forecasts for the development of the accounting results, as these are formulated in accordance with the business plan of the Group. In particular, the business plan includes actions aimed at enhancing profitability through:

- the reduction of the amount of non-performing exposures, based on the plan submitted to the Single Supervisory Mechanism (SSM),
- further reduction of operating costs,
- interest income increase through targeted financing of business segments,
- increase in commission income from services and products offered to individuals and corporates and
- the active management of the sources and the financing costs of the Group.

The main categories of deferred tax assets which have been recognized by the Group relate to losses from the Greek government bonds exchange program (PSI) and the December 2012 Greek government bond buyback program and to deductible temporary differences arising from loans' impairment.

Deferred tax assets associated with tax losses incurred by the PSI and the participation of the Bank in the December 2012 Greek government bond buyback program were recognized as a "debit difference" according to Law 4046/14.2.2012, Law 4110/23.1.2013 and a respective legal opinion. According to Law 4110/23.1.2013 the "debit difference" is deductible for tax purposes, gradually in equal installments, within 30 years, a fact which, according to the Group's estimation, provides a sufficient time period for its gradual utilization against taxable profits.

Regarding the temporary differences arising from loans' impairment, there are no time constraints concerning their recovery, as is the case for the other deferred tax assets categories. The Group assessed their recoverability based on estimates for future taxable profits, as these are forecasted on the basis of the aforementioned business plan. In order to assess deferred tax asset recoverability, the Group's business plan was extended for a limited number of years during which estimates were made regarding the production of new loans and the evolution of the operating results.

In addition, tax losses resulting from the write-down of debts and the sale of loans, as specifically mentioned in note 13, are recognized as a debit difference. In this context, during the period a significant amount of this kind of debit difference was recognized due to the securitization of loans under Cosmos transaction. It is noted that the debit difference is recognized gradually and equally over a period of 20 years, a fact which in accordance with Group's estimations provides sufficient time for offsetting against taxable profits. In addition, in accordance with the amendment of article 27 of L. 4172/2013 that was enacted during the year, the amount of the annual deduction of the debit difference due to credit risk that is not offset against the

taxable profits of the year is transferred in order to be deducted in subsequent tax years within the twenty-year period. If at the end of the twenty-year depreciation period there are balances that have not been offset, they constitute a loss that can be carried forward in order to be offset with future taxable profits within five years.

The Group, based on the above, estimates that the total deferred tax assets recognized and that relate to temporary differences and to tax losses carried forward is recoverable.

In addition, and regardless of the assessment of the recoverability of deferred tax assets that is carried out based on what is mentioned above, Law 4303/2014 provides that in case that the after tax accounting result for the period is a loss, deferred tax assets arising from the PSI debit difference and from the accumulated provisions and other general losses due to credit risk are eligible to be converted into a final and settled claim against the Greek State, as described in detail in note 13.

The main uncertainties concerning the estimations for the recoverability of the deferred tax assets relate to the achievement of the goals set in the Group's business plan, which is affected by the general macroeconomic environment in Greece and internationally. These goals mainly concern the reduction of non-performing exposures, the production of new loans as well as the evolution of operating results. At each balance sheet date, the Group reassesses its estimation regarding the recoverability of deferred tax assets in conjunction with the development of the factors that affect it.

The estimates and judgments applied by the Group in making decisions and in preparing the financial statements are based on historical information and assumptions which at present are considered appropriate. The estimates and judgments are reviewed on an ongoing basis in order to take into account current conditions, and the effect of any changes is recognized in the period in which the estimates are revised.

CORPORATE TRANSFORMATION – HIVE DOWN

The Board of Directors decided on 1.6.2020 the initiation of the demerger by way of hive-down of the banking business sector and the incorporation of a new company in accordance with Article 16 of Law 2515/1997 and par. 3 of Article 57 of Law 4601/2019 and article 59 to 74 of Law 4601/2019.

The Extraordinary General Meeting of shareholders of 2.4.2021 resolved a) the demerger of the société anonyme under the name “Alpha Bank S.A.” (the “Demerged”), by way of hive-down of the banking business sector 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 and 140 of law 4601/2019, b) the Draft Demerger Deed dated 15.9.2020, including the Transformation Balance Sheet dated 30.6.2020 and c) the Articles of Incorporation of the Beneficiary.

The demerger was approved pursuant to the decision of the Ministry of Development and Investments no. 45089/16.4.2021 dated April 16, 2021, by way of hive-down of the banking business sector with the incorporation of a new company which was registered in G.E.MI. on the same day. As a consequence of the Hive-down:

a) A new credit institution was incorporated under the name “Alpha Bank S.A.” (“the Beneficiary”) which substituted as universal successor, in all the transferred Banking Business Sector (assets and liabilities), as set out in the transformation balance sheet of the transferred banking business sector dated June 30, 2020 and formed up 16.4.2021.

The new credit institution Alpha Bank S.A. was licensed by European Central Bank to operate as a credit institution pursuant to the provisions of L.4601/2014 and Regulation (EU) 1024/2013

b) The Demerged become the shareholder of the Beneficiary assuming all shares issued by the Beneficiary and in particular 50,838,244,961 common, registered shares with voting rights, of a nominal value of Euro 0.10 each.

On 19.4.2021 the amendment of the Articles of Incorporation of the demerged entity was approved, pursuant to the decision of the Ministry of Development and Investments no. 45898/19.4.2021, and the operating license of the demerged entity as a credit institution was revoked. According to article 1 of the Articles of Association, the corporate name and the trade name of the Demerged changed to “Alpha Services and Holdings S.A.”.

The Stock Exchange was informed about the aforementioned decision on 19.4.2021 and therefore, the date of the change of the corporate name and the trade name of the Company on the Athens Stock Exchange is set at 20.4.2021.

The Demerged become the parent of Alpha Bank S.A. with the following main scope of business: (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 which are expected to take the form of notes or bonds.

The rights of the Hellenic Financial Stability Fund will be retained and preserved in full after the completion of the Hive-Down.

Accounting treatment of the Demerger

The Demerger resulted in the incorporation of a new company (under the name Alpha Bank S.A.) which assumed all the activities of the Alpha Bank S.A. before the demerger that related to the banking sector. It is therefore considered as business combination between entities under common control (Alpha Bank S.A. is the subsidiary of former Alpha Bank S.A. which become holding entity under the name Alpha Services and Holdings S.A.) and is therefore scoped out of IFRS 3 “Business Combinations”. In addition since Alpha Bank S.A. is a newly established entity, it cannot be considered as the acquirer in the transaction and therefore the demerger cannot be considered as a business combination and is effectively a reorganization within the Group.

Since IFRSs do not provide guidance on accounting for such transactions, the accounting policy of the Group is that the transactions between group entities that involve the incorporation of new entities to which the assets and liabilities of a sector of another group entity are transferred this is accounted at book values.

In this context the accounting of the Demerger involved the following:

- i. Based on the Demerger Deed, Alpha Services and Holding maintained the activities relating to the planning, promotion and distribution of insurance products in the name and on behalf of one or more insurance companies in the capacity of insurance agent, as well as the provision of accounting and tax services to affiliated companies and third parties, as well as the preparation of studies for the strategy and financial management of titles for capital purposes. It also maintained certain

investments relating to above operations and in particular to: Alpha Group Jersey Ltd, Alpha Insurance Brokerage S.A., Alpha Life, Reoco Orion X S.A., Reoco Galaxy IIS.A., Reoco Galaxy IV S.A.

It also retained the contractual rights and obligations of the subordinated and hybrid notes as well as of the bonds issued under the Galaxy securitization except for the 100% of the senior notes and the 5% of the mezzanine and junior notes which were transferred to Alpha Bank S.A. Because of the holding of the aforementioned notes the Company continued to recognize the loans securitized under the Galaxy securitization in accordance with IFRS 9.

- ii. The assets, liabilities and equity reserves which were not maintained by Alpha Services Holding S.A. and which were determined to relate to the banking sector were transferred to Alpha Bank S.A. at book values.
- iii. Given that until the hive-down the notes issued under Galaxy securitization were held by Alpha Bank S.A. before the demerger these notes and the related liabilities were not recognized. The transfer of part of the notes to the Bank resulted in the recognition by Alpha Bank S.A. of the 100% of the senior notes and 5% of the mezzanine and junior notes at fair values (see table I column B). Similarly, Alpha Services and Holdings S.A. recognized a liability equal to the amount of the bonds recognized by Alpha Bank S.A., which also included the netting of the assets and liabilities deriving from the securitization and transactions with the special purpose entities. Alpha Bank S.A. recognized these notes under Loans and advances, as the intention was to hold the notes until maturity in order to collect principal and interest, the risks associated with these bonds as well as the management of such risks relate to the risks of the underlying loans which were originated by Alpha Bank S.A. before the demerger and were subsequently securitized under Galaxy securitization, while the Alpha Bank S.A. substituted the Alpha Bank S.A. before the dermerger in the banking sector. In contrast the bonds of the Galaxy securitization held by Alpha Services and Holding were classified as Investment securities as the intention of the company is to sell or distribute them.
- iv. Alpha Bank S.A. recognized on its balance sheet the assets, liabilities and equity reserves transferred based on their carrying amount as at 16.4.2021 and any difference between the carrying amounts of assets and liabilities transferred between 30.6.2020 and 16.4.2021 was recognized directly in retained earnings. Alpha Services and Holdings S.A. recognized its investment in Alpha Bank S.A. at cost, being the difference between the book value of the assets, liabilities and equity accounts derecognized taking into consideration also the liability recognized as a result of the transfer to Alpha Bank S.A. of part of the notes issued under the Galaxy securitization.
- v. The equity of Alpha Bank S.A. at the date of the demerger comprises of the share capital as this was determined based on the Transformation Balance sheet prepared based on Law 2515/1997 and Law 4601/2019 and includes all assets and liabilities of the banking sector as of 30.6.2020 which were transferred to Alpha Bank S.A., as well as the fair value through other comprehensive income reserve and the cash flow hedging reserves which were transferred to Alpha Bank S.A. at the hive down and the retained earnings.

The following table presents the assets, liabilities and equity accounts transferred to Alpha Bank S.A. on the date of the hive down, the required adjustments and the statement of financial position of Alpha Bank S.A. and Alpha Services and Holdings S.A. as of the same date.

	(a)	(b)	(c)=(a)+(b)	(d)	(e)	(f)=(d)+(e)	(g)=(c)+(d)	(h)	(i)	(k)=(g)+(h)+(i)
	Alpha Bank prior demerger	Cancellation of Galaxy securitization off-set	Balances excluding Galaxy's securitization off-set	Assets transferred to Alpha Bank S.A.	Initial recognition of assets transferred to Alpha Bank S.A. and reclassifications ⁵	Alpha Bank	Assets not transferred to Alpha Bank	Recognition of Alpha Services and Holdings S.A. participation to Alpha Bank S.A.	Initial recognition of assets remained under Alpha Services and Holdings S.A. and reclassifications	Alpha Services and Holdings S.A.
ASSETS										
Cash and balances with central banks	7,265,548		7,265,548	7,265,548		7,265,548				
Due from banks	3,877,744		3,877,744	2,384,199	⁽³⁾ 1,493,545	3,877,744	1,493,545			1,493,545
Trading securities	15,725		15,725	15,725		15,725				-
Derivative financial assets	1,098,977		1,098,977	1,098,977		1,098,977				-
Loans and advances to customers	35,058,719	-48,581	35,010,138	28,987,449	⁽²⁾ 3,841,587	32,829,037	6,022,689			6,022,689
Investment securities										
- Measured at fair value through other comprehensive income	4,846,802	318,628	5,165,430	4,846,802		4,846,802	318,628		⁽¹⁾ (318,628)	
- Measured at amortised cost	3,267,461	3,795,340	7,062,801	7,062,801	⁽²⁾ (3,795,340)	3,267,461				
- Measured at fair value through profit or loss	217,246	2,144,967	2,362,213	324,495	⁽²⁾ (107,248)	217,246	2,037,719		⁽¹⁾ (2,037,719)	
Investments in associates and joint ventures	2,497,861		2,497,861	2,465,081		2,465,081	32,780	5,007,471	(61,001)	4,979,250
Investment property	45,379		45,379	45,379		45,379				
Property, plant and equipment	630,448		630,448	630,440		630,440	8			8
Goodwill and other intangible assets	420,780		420,780	420,378		420,378	402			402
Deferred tax assets	5,279,400		5,279,400	5,336,251	4,569	5,340,821	-56,851		56,851	
Other assets	1,380,268		1,380,268	1,337,001	1,192	1,338,193	43,267			43,267
	65,902,358	6,210,354	72,112,712	62,220,526	1,438,305	63,658,832	9,892,187	5,007,471	(2,360,497)	12,539,161
Assets classified as held for sale	79,391		79,391	79,391		79,391				
Total Assets	65,981,749	6,210,354	72,192,103	62,299,917	1,438,305	63,738,223	9,892,187	5,007,471	(2,360,497)	12,539,161
LIABILITIES										
Due to banks	14,676,759		14,676,759	14,676,759		14,676,759				
Derivative financial liabilities	1,471,483		1,471,483	1,471,483		1,471,483				
Due to customers	39,326,704	238,183	39,564,887	39,564,887	⁽³⁾ 1,493,545	41,058,432				
Debt securities in issue and other borrowed funds	1,521,698	5,975,438	7,497,136	504,879		504,879	⁽⁴⁾ 6,992,257		-2,417,348	4,574,909
Liabilities for current income tax and other taxes	86,824		86,824	985	4,569	5,555	85,839			85,839
Deferred tax liabilities									56,851	56,851
Employee defined benefit obligations	36,923		36,923	36,912		36,912	11			11
Other liabilities	910,404	-3,267	907,137	907,093	1,192	908,285	44			44
Provisions	284,393		284,393	284,366		284,366	27			27
Total Liabilities	58,315,188	6,210,354	64,525,542	57,447,364	1,499,306	58,946,671	7,078,178		(2,360,497)	4,717,681
Total Equity	7,666,561		7,666,561	(154,918)	4,946,470	4,791,552	7,821,480			7,821,480
Total Liabilities and Equity	65,981,749	6,210,354	72,192,103	57,292,446	6,445,776	63,738,223	14,899,658		(2,360,497)	12,539,161

⁽¹⁾ The amount relates to the nominal value of 95% of the Mezzanine and Junior notes and the 100% of the issues from Galaxy III Funding Designated Activity Company of Galaxy securitization held by Alpha Services and Holdings S.A.

⁽²⁾ The amount relates to the nominal value of the securitization Galaxy bonds, which were held by Alpha Bank S.A. and relate to the 100% of the Senior and 5% of the Mezzanine and Junior securitization notes of Galaxy securitization. The amount in Loans and Advances to customers includes the fair value adjustment at initial recognition of € 61.001.

⁽³⁾ The amount concerns the deposits of Alpha Services and Holdings S.A. with Alpha Bank S.A.

⁽⁴⁾ The amount relates to the nominal value of Tier II bonds held by Alpha Services and Holdings S.A. and which on 19.4.2021 was transferred to Alpha Bank S.A. through an intragroup transaction with the same terms as well as the financial liabilities mainly from the Senior notes transferred to Alpha Bank S.A. at the demerger with the 5% of the Mezzanine and Junior notes of the Galaxy securitization.

⁽⁵⁾ Some of the assets and liabilities transferred to Alpha Bank S.A. on initial recognition at the date of the hive down, have been amended from the initial disclosures made in the half year financial statements on 30.06.2021. The amendments relate to changes on the accounting estimate for the defined benefit plan (note 31).

It is noted that as the above is an intragroup transaction there was no accounting impact in the consolidated financial statements of Alpha Services and Holdings S.A.

In the consolidated financial statements of Alpha Bank S.A. the assets, liabilities and equity accounts of the entities that are direct or indirect subsidiaries of Alpha Bank S.A. were also transferred at their book values. The net assets of the consolidated balance sheet of Alpha Bank S.A. at the date of the demerger was determined based on these amounts.

The table below presents the assets, liabilities and equity accounts of the Alpha Bank S.A. Group before the demerger that were transferred to Alpha Bank S.A. Group.

	Alpha Bank Group prior demerger	Movement for the period 1.4 – (1) 16.4.2021	Alpha Bank Group prior demerger ⁷	Assets not transferred to Alpha Bank Group and other adjustments	Alpha Bank Group
	31.3.2021		16.4.2021		16.4.2021
ASSETS					
Cash and balances with central banks	7,951,827	56,874	8,008,701		8,008,701
Due from banks	3,776,190	248,551	4,024,741	1,009	4,025,840
Trading securities	25,437	(8,385)	17,052		17,052
Derivative financial assets	1,096,568	(6,027)	1,090,541		1,090,541
Loans and advances to customers	39,376,359	(231,902)	39,144,457	(2) (2,230,528)	36,913,928
Investment securities					
-Measured at fair value through other comprehensive income	6,384,177	(141,300)	6,242,877	(3) (571,484)	5,671,393
-Measured at amortised cost	3,457,504	(5,427)	3,452,077		3,452,077
-Measured at fair value through profit or loss	145,161	(629)	144,532	(3) (70,938)	73,594
Investments in associates and joint ventures	30,522		30,522		30,522
Investment property	554,235		554,235		554,235
Property, plant and equipment	783,278	(66)	783,212	(34)	783,178
Goodwill and other intangible assets	544,105		544,105	(402)	543,703
Deferred tax assets	5,292,687	1,512	5,294,199	60,903	5,355,102
Other assets	1,619,097	9,177	1,628,274	(52,270)	1,576,004
	71,037,145	(77,622)	70,959,523	(2,863,653)	68,095,870
Assets classified as held for sale	108,707	49	108,756		108,756
Total Assets	71,145,852	(77,573)	71,068,279	(2,863,653)	68,204,626
Liabilities					
Due to banks	14,475,110	(33,242)	14,441,868	70	14,441,938
Derivative financial liabilities	1,480,170	(13,713)	1,466,457	4,699	1,471,156
Due to customers	43,375,457	23,724	43,399,181	(4) 1,735,989	45,135,170
Debt securities in issue and other borrowed funds	1,678,698	2,373	1,681,071	(5) (977,406)	703,665
Liabilities for current income tax and other taxes	82,985	11,571	94,556	(83,095)	11,461
Deferred tax liabilities	31,375		31,375	(12,967)	18,408
Employee defined benefit obligations	44,302	(17)	44,285	(114)	44,171
Other liabilities	1,110,225	(81,103)	1,029,122	(3,281)	1,025,841
Provisions	842,534	(330)	842,204	(6) (560,980)	281,225
	63,120,856	(90,737)	63,030,119	102,916	63,133,035
Liabilities related to assets classified as held for sale	42		42		42
Total Liabilities	63,120,898	(90,737)	63,030,161	102,916	63,133,077
Total Equity	8,024,954	13,164	8,038,118	(2,966,569)	5,071,549
Total Liabilities and Equity	71,145,852	(77,573)	71,068,279	(2,863,653)	68,204,626

(1) Movement of the period 1.4-16.4 relate to the movement of Alpha Bank S.A. before the demerger

(2) Amount mainly relates to the book value of the securitized loan of the Galaxy securitisation which remained at Alpha Services and Holdings S.A. amount to € 6 billion and the book value of the notes of the Galaxy securitisation (100% of the senior notes and 5% of the mezzanine and junior notes) which were recognised and classified in "Loans and advances to customers" from Alpha Bank S.A. after the demerger.

(3) Amount relates to the securities held by Alpha Life, which remained a direct subsidiary of Alpha Services and Holdings S.A. and is therefore not included in the Alpha Bank S.A. Group.

(4) Amount mainly comprises the deposits of Alpha Services and Holdings S.A. and the Galaxy special purposes vehicles to Alpha Bank S.A.

(5) The amount mainly relates to the Tier II bonds remained in Alpha Services and Holdings S.A. and which on 19.4.2021 were transferred to Alpha Bank S.A. through an intragroup transaction under the same terms

(6) The amount mainly comprises Alpha Life's insurance provisions, which is a direct subsidiary of Alpha Services and Holdings S.A. and is therefore not included in the Alpha Bank S.A. Group.

(7) Some of the assets and liabilities transferred to Alpha Bank S.A on initial recognition at the date of the hive down, have been amended from the initial disclosures made in the half year financial statements on 30.06.2021. The amendments relate to i) changes on the accounting estimate for the defined benefit plan (note 31), and ii) the finalization of the fair value of Acarta which was acquired late in 2020 (note 40)

INCOME STATEMENT

2. Net interest income

	From 17 April to
	31.12.2021
Interest and similar income	
Due from banks	1,503
Loans and advances to customers measured at amortized cost	851,673
Loans and advances to customers measured at fair value through profit or loss	5,712
Trading securities	(71)
Investment securities measured at fair value through other comprehensive income (Note 20a)	29,280
Investment securities measured at fair value through profit or loss	499
Investment securities measured at amortized cost	29,121
Derivative financial instruments	125,855
Finance lease receivables	9,814
Negative interest from interest bearing liabilities	169,872
Other	491
Total	1,223,749
Interest expense and similar charges	
Due to banks	(6,930)
Due to customers	(38,505)
Debt securities in issue and other borrowed funds	(49,918)
Lease liabilities	(1,813)
Derivative financial instruments	(124,855)
Negative interest from interest bearing assets	(105,639)
Other	(40,544)
Total	(368,204)
Net interest income	855,545

“Negative interest from interest bearing liabilities” includes an amount of €98,499 which relates to Targeted Long Term Refinancing Operations III (TLTRO III) of the European Central Bank.

The following table presents interest income and interest expense calculated using the effective interest rate method, by financial asset measurement category.

	From 17 April to
	31.12.2021
Financial assets measured at amortised cost	842,166
Financial assets measured at fair value through other comprehensive income	29,280
Financial assets measured at fair value through profit or loss	6,140
Total	877,586
Financial liabilities measured at amortised cost	8,789

“Negative interest from interest bearing assets” amounting to €33,917 have been included within financial assets measured at amortised cost and Negative interest from interest bearing liabilities amounting to €104,142 have been included within financial liabilities measured at amortised cost.

3. Net fee and commission income and other income

Net fee and commission income

	From 17 April to
	31.12.2021
Loans	44,848
Letters of guarantee	28,541
Imports-exports	4,372
Credit cards	71,530
Transactions	34,645
Mutual funds	50,386
Advisory fees and securities transaction fees	6,591
Brokerage services	6,135
Foreign exchange fees	14,630
Insurance brokerage	13,269
Other	22,841
Total	297,788

Commission income from Loans for the year 2021, includes an amount equal to € 44,948 which relates to loans and advances to customers measured at amortized cost.

Fee and commissions and other income

The following table presents, per operating segment, the income from contracts, that fall within the scope of IFRS 15:

	From 17 April to 31.12.2021						
	Retail Banking	Corporate Banking	Asset Management	Investment Banking / Treasury	South-Eastern Europe	Other / Elimination Center	Group
Fee and commission income							
Loans	3,440	26,350	18	15,297	655	-	45,760
Letters of guarantee	1,543	24,640	1	1,025	1,332	-	28,541
Imports-exports	979	3,233	-	1	160	-	4,372
Credit cards	80,006	30,921	1	312	9,472	-	120,713
Transactions	16,962	5,898	399	964	10,421	-	34,645
Mutual funds	-	-	50,314	68	5	-	50,386
Advisory fees and securities transaction fees	-	1,153	-	5,155	283	-	6,591
Brokerage services	-	-	-	7,308	143	-	7,451
Foreign exchange fees	10,234	3,015	25	772	583	-	14,630
Insurance brokerage	10,876	-	-	-	2,393	-	13,269
Other	3,775	3,027	9,455	184	9,137	205	25,781
Total	127,815	98,238	60,213	31,085	34,584	205	352,140
Other income							
Gains from disposal of fixed assets	-	453	-	-	2,510	3,645	6,608
Other	10,331	76	-	1,278	612	4,582	16,879
Total	10,331	529	-	1,278	3,122	8,227	23,487

“Other income” line of the Income Statement includes additional income, such as operating lease income, which are not presented in the above table since they do not fall within the scope of IFRS 15.

4. Dividend income

	From 17 April to
	31.12.2021
Equity securities of trading portfolio	21
Equity securities of investment portfolio measured at fair value through other Comprehensive Income (note 20)	1370
Equity securities of investment portfolio measured at fair value through profit or loss	97
Total	1,488

5. Gains less losses on financial transactions

	From 17 April to
	31.12.2021
Foreign exchange differences	27,129
Trading securities:	
- Bonds and treasury bills	917
- Equity securities	53
Financial assets measured at fair value through profit or loss	
- Bonds and treasury bills	2,245
- Other securities	4,514
- Loans	(39,599)
Financial assets measured at fair value through other comprehensive income	
- Bonds and Greek treasury bills	55,118
Impairments / Sale of investments	99,033
Derivative financial instruments	9,684
Other financial instruments	(30,884)
Total	128,210

“Gains less losses on financial transactions” for the year 2021 have been mainly affected by:

- Losses of € 39,599 included in Loans of “Financial Assets measured at Fair Value Through Profit or Loss” mainly derived from the fair valuation adjustments within the year.
- Gains of € 55,118 included in “Bonds and treasury Bills” of financial assets measured at fair value through other comprehensive income relate to gains from sales of Greek Government Bonds and treasury bills amounting to € 51,975 and gains from sales of other corporate bonds amounting to € 3,143.
- Losses of € 8,230 included in “Impairments / Sale of investments” relates to the result from the sale of 100% of shares of the Group’s subsidiary Alpha Investment Property Kefalariou A.E.
- Gains of € 111,296 included in “Impairments / Sale of investments” relates to the result from the sale of 80% of the share capital of Cepal Holdings Single Member S.A. to Davidson Kempner Capital Management LP in the context of the Galaxy transaction. (Note 40).
- Losses of € 22,741 included in “Other financial instruments” mainly derived from the estimation of provisions for indemnities included in the share transfer agreement of Cepal Holdings A.E.
- Gains of € 7,310 included in “Derivative financial instruments” relates to the valuation of the embedded derivative of call option associated with Subordinated Debt Issuances of the Bank (Note 18).

6. Gains less losses on derecognition of financial assets measured at amortised cost

The table below presents gains less losses from derecognition of financial assets measured at amortised cost as well as their carrying amount before derecognition.

	From 17 April 2021 to 31.12.2021			
	Carrying Amount	(Losses) from derecognition	Gains from derecognition	Gains less losses from derecognition
Early repayments				
- Loans and advances to customers	1,048,021	(2,541)	4,205	1,664
Sales				
- Loans and advances to customers	6,797	(35)	132	97
- Securities	125,623	(2)	8,732	8,730
Substantial modifications				
- Loans and advances to customers	1,033,236	(3,852)	4,818	966
Total	2,213,677	(6,430)	17,887	11,458

“Early repayments” includes gains and losses that arise from the recognition in the income statement of the unamortised amounts of capitalized commission and fees from loans and advances to customers that were early repaid.

“Sales” include the following:

- loans that were sold during the financial year, part of which had been classified as Assets held for sale during previous periods (note 48).
- Securities measured at amortized cost which were sold within approved limits and mainly relates to Greek government bonds.

“Substantial modifications” include the following:

- the carrying amount of loans that were derecognized during the years 2021 due to the substantial modification of their contractual terms, as well as the related profit or loss from their derecognition and any valuation adjustment in the fair value of the newly recognized loans.

7. Other income

	From 17 April to
	31.12.2021
Operating lease income	10,076
Sale of fixed assets	6,608
Other	17,538
Total	34,221

“Operating lease income” for the year 2021 includes an amount of € 1,241 relating to income from subleases.

8. Other income

a. Staff Costs

	From 17 April to
	31.12.2021
Staff costs	
Wages and salaries	209,780
Social security contributions	46,315
Employee defined benefit obligation of the Group (note 31)	132
Employee indemnity provision due to retirement based on Law 2112/1920 (note 31)	7,382
Compensation due to staff separation	23,267
Other charges	286,876

The total number of Group’s employees as at 31.12.2021 was 8,923 out of which 5,915 are employed in Greece and 3,008 are employed abroad.

“Wages and salaries” and “Social security contributions” include costs relating to employee incentive schemes as a reward on the Group’s employees’ performance scheme.

Based on the Board of Directors decision held in December 2020, the terms of the existing incentive programs are as follows:

Awards in Cash

According to the terms of the programs, this award is paid in a lump sum by the Group while the relevant expense is recognized at the time the employee has the right to receive this remuneration or, if the remuneration depends on performance targets, at the time of their achievement.

For a part of the staff, the benefit is paid in a lump sum of up to 60% while the payment of at least 40% is deferred for three years from the initial payment subject to the condition that the employee will remain with the Group. The recognition of the expense relates to the amount the payment of which is deferred for three years, is recognized as the related services are provided.

The Group has recognized in “Wages and Salaries” for the period from 17 April to 31 December 2021 an amount of €9,011, relating to these programs.

Awarding of stock options rights

The Annual General Meeting of shareholders of 31.07.2020 approved a five year Stock Option plan which provides the right to acquire newly – issued shares of the Bank by awarding of stock options rights to management and employees of the Bank and its related entities. The plan concerns the period 2020-2024 and according to that the beneficiaries may exercise their right to acquire each new share with an offer price equal to the nominal value of the share, i.e. 0.30 €. The General Meeting of shareholders also approved the assignment to the Board of Directors of the responsibility to determine the beneficiaries, the terms of options’ awarding, as well as any other term and condition related to the plan, in accordance with the applicable legal and regulatory framework and Bank’s policies.

Within the first year from the date the remuneration is paid, the beneficiaries may exercise 60% of their total rights while for each subsequent year for the next three years they may exercise 13.3% of them provided they remain in service. The exercise of the rights takes place in January or September. Rights that are not exercised cease to apply. Also in case one of the beneficiaries ceases to be an employee or executive of the Group (for reasons other than retirement or inability to work) ceases to have the right to purchase shares.

Following the exercise of the Options Rights, the New Shares are subject to a mandatory twelve (12) months retention period.

The Board of Directors of the Company, at its meeting held on 30.12.2020: (a) approved the Plan’s Regulation (b) awarded Stock Options Rights under the Performance Incentive Program for the fiscal years 2018 and 2019 to identified employees of the Bank and its related entities. Respectively, the Board of Directors of Alpha Services and Holding, during its meeting on 16.12.2021, granted the options, in the framework of the Performance Incentive Program for the year 2020.

It is noted that under the Performance Incentive Program for the year 2020, 3,612,094 options rights were granted to Senior Executives, the exercise of which is subject to the postponement of the amendment or repeal of the provisions for the prohibition of additional remuneration, which were introduced of article 10 par. 3 of the law on the Financial Stability Fund and which should enter into force, within a period of two (2) years, which begins on January 15, 2022 and ends on January 15, 2024.

On 31.12.2020 and 31.12.2021 the beneficiaries were informed about the exact amount of their remuneration for the performance of the years 2018/2019 and 2020 respectively as well as the conditions that govern them.

Accordingly, based on the deferral periods of each Program, the exercise periods have been set as follows:

	Options granted
Balance at 17.4.2021	1,528,726
Options Rights awarded during the year	5,293,111
Options Rights canceled during the year due to non-registered	(28,235)
Options Rights exercised during the year	0
Options Rights expired during the year	0
Balance at 31.12.2021	6,793,602

The periods for exercising the remaining options as at 31.12.2021 are as follows:

Exercise period	Maximum number of options granted that may be exercised in the period
January 2022	3,699,880
January 2023	1,229,842
January 2024	1,158,052
January 2025	705,828
Total	6,793,602

The weighted average remaining life of the options above is 19.5 months.

For the period from April 17 to December 31 2021, the Group recognized in "Wages and salaries" an expense of € 2,888 against a credit on equity reserves of the Group.

For the Options rights awarded on 31.12.2021 with an exercise date of January 2022, the fair value was determined as the difference between the share price on 31.12.2021, which is the date of issue, and the exercise price.

For the rest of Options rights the fair value was determined using the Black & Scholes valuation model. The key variables that used in the model, as presented in the table below, are the share price, the exercise price, the volatility of the share price as well as the remaining duration until the expiration. Historical volatility has been used as volatility i.e. the standard deviation of the logarithmic changes of the daily share price for a period equal to the remaining duration of each right.

	Options under the Performance Incentive Program for the years 2018 and 2019	Options, under the Performance Incentive Program for the year 2020
Average fair value	0.7	0.79
Expected volatility	72.23%	58.20%
Expected duration (in years)	2	2
Weighted average share price	0.9702	1.077
Exercise price	0.3	0.3
Expected dividends		
Risk free interest rate	(0.52)%	(0.48)%

The weighted average fair value of the rights granted during the year under the Performance Incentive Program for the year 2020 amounted to € 1,664.

Defined contribution plans

All the employees of the Bank are insured for their main pension plans by the Social Insurance Fund (IKA-ETAM). The Social Insurance Fund (IKA-ETAM) as of 1.1.2017 consists part of the Single Social Security Body (E.F.K.A.), a Public law entity established under the provisions of Law 4387/2016. In addition for the Bank's employees, the following also apply:

- Staff from the former Alpha Credit Bank and the former Emporiki Bank are insured for subsidiary insurance at the E.T.E.A.E.P. (Joint Supplementary Insurance Fund and Lump Sum Benefits), as renamed on January 1, 2017 by E.T.E.A. with Law 4387/2016. Pre-retirement pensioners are insured as of 1.1.2017 with the Single Social Security Agency (EFKA) under the same Law.
- The supplementary pension plan for employees of the former Ionian and Laiki Bank of Greece is T.A.P.I.L.T.A.T., a multi-employer plan. The Bank has obtained legal opinions that indicate that it has no obligation if this fund does not have sufficient assets to pay employee benefits. Therefore, the Bank considers that the fund is a defined contribution plan and has accounted for it as such.
- Employees of former Ionian and Laiki Bank of Greece and former Emporiki Bank are insured for the lump sum benefit in the "Bank Employee and Companies Common Benefit Plan" (T.A.Y.T.E.K.O.) which is a defined contribution plan with contributions paid only by employees. In accordance with article 74 of Law 4387/2016, the Care Sectors of the "Bank Employee and Companies Common Benefit Plan" (T.A.Y.T.E.K.O.) consist part of the E.T.E.A.E.P. (Joint Supplementary Insurance Fund and Lump Sum Benefits).
- All employees of the Bank receive medical benefits from the National Organization of Health Care (EOPYY) and either in the Care Sector of the former T.A.Y.T.E.K.O. or the former E.T.A.A., both of which have been incorporated into Single Social Security Body (E.F.K.A.) since 1.1.2017.

e. Retirement/Savings Insurance Plans

- i. The Bank, in cooperation with insurance company, has created a savings plan. The plan's effective date is January 1, 2011 and its aim is to provide a lump sum monetary benefit to retiring employees.

The plan assets consist of investment for the fixed monthly contributions of the Bank and its employees.

Initially the plan included Bank's personnel that were hired and insured for the first time on 1.1.1993 and onwards.

After signing the Collective Labor Agreement for the 3-year period of 2016-2019, the personnel of the Bank may be included in the savings plan.

Except from those employees, that were hired by the Bank and were members of the main pension scheme for the period from 1.1.1993 until 31.12.2004 for which a minimum payment guarantee is required (Law 2084/1992), for the remaining employees, the plan is considered to be a defined contribution plan, given that the benefit is paid out from a savings fund that was accumulated up to the date they leave.

- ii. Following the Board of Directors' and General Assembly's decision, the Bank provides to its senior management a group retirement and savings Insurance Plan with effect from 1.1.2018. The plan is a defined contribution plan and aims to provide a lump-sum benefit upon retirement. The savings fund sums up from the investment of defined monthly contributions paid by the senior management and the Bank.

The Bank's "Investment Committee for group insurance employee plans of Alpha Bank" is responsible for determining the appropriate structure of the portfolio of the aforementioned saving plans.

Employee defined benefit obligations

The analysis of Defined Benefit Plan is presented in Note 31.

9. General administrative expenses

	From 17 April to
	31.12.2021
Lease expenses	228
Maintenance of EDP equipment	15,169
EDP expenses	20,215
Marketing and advertising expenses	18,823
Telecommunications and postage	11,558
Third party fees	57,727
Contribution to the Deposit / Investment Coverage Scheme and to the Resolution Scheme	39,834
Consultants fees relating to financial information	6,289
Insurance	7,154
Electricity	8,977
Building and equipment maintenance	5,970
Security of buildings-money transfers	10,912
Cleaning	3,495
Consumables	1,848
Commission for the amount of Deferred tax Asset guaranteed by the Greek State (note 13)	3,471
Taxes and Duties (VAT, real estate tax etc.)	64,941
Other	73,895
Total	350,500

General administrative expenses of year 2021 have been charged with an amount of € 11,032 which concern: a) the transaction relating to non-performing retail and corporate loans ("Cosmos transaction") (note 19), b) the merger and acquisitions transaction (note 48) and the synthetic securitization transaction (note 11). Also included are expenses of € 10,251 related to the Bank's transformation program which started in 2020, in order to enhance the efficiency of the organization, optimize the business model and further strengthen the systems for measuring and rewarding performance in all operations.

The caption "Contribution to the Deposit / Investment Coverage Scheme and to the Resolution Scheme" includes € 23,373 regarding the regular contribution to the Deposit Guarantee Fund and € 15,774 contribution to the Single Resolution Fund.

The caption "Lease expenses" includes expenses for short-term leases, low value leases and variable lease payments which are not included in lease liabilities.

10. Other expenses

	From 17 April to
	31.12.2021
Losses from disposals/write-off/impairment on plant, property and equipment, intangible assets and right-of-use assets	74,539
Provisions (note 33)	5,212
Other	1,927
Total	81,678

"Losses from sales / write-offs / deductions of tangible and intangible assets and rights of use for fixed assets" of the year includes losses from sale of fixed assets / destruction of fixed assets amounting to € 1,920 as well as impairment losses of own property, investment property and intangible assets amounting to € 72,619. Within this caption, an amount of € 65,693 relates to the impairment losses of Cypriot portfolio of non-performing loans with collateral mainly real estate properties ("Sky transaction"), which is described in detail in the note "48 Assets Held for Sale". The respective impairments and losses from sale of assets are included within the functional section "Other / Elimination Center" of note 42 "Operating Segments".

"Provisions" as at 31.12.2021 relates to provisions for legal cases against the Group. The aforementioned amounts are included in "Other Provisions" of Note 33.

11. Impairment losses and provisions to cover credit risk on loans and advances to customers and related expenses

“Impairment losses and provisions to cover credit risk and related expenses” for year 2021 amounted to €511,644 and include the total of the captions presented in the table below, along with the impairment losses on other financial instruments, as presented in note 12.

The following table presents the impairment losses and provisions to cover credit risk on loans and advances to customers, financial guarantee contracts, other assets, recoveries, commissions for credit protection as well as servicing fees of non-performing loans as the Bank considers that their presentation along with impairment losses presents more accurately the nature of these expenses.

Servicing fees derived from the service agreement with Cepal for the management of non-performing loans.

	From 17 April to
	31.12.2021
Impairment losses on loans	504,546
Impairment losses on advances to customers	151
Provisions to cover credit risk on letters of guarantee, letters of credit and undrawn loan commitments (note 33)	(54,262)
(Gains) / Losses from modifications of contractual terms of loans and advances to customers	12,632
Recoveries	(12,210)
Loan servicing fees	43,088
Impairment losses on other assets	2,544
Commission expenses for credit protection	588
Total	497,077

Impairment losses on loans for the current period include an amount of €221 mil. which represents the impact of incorporating probabilities of sale in the estimation of expected credit losses, in order to incorporate the impact of expected sales of loans of the following projects::

- Portfolio of retail loans mainly uncollateralized (project “Orbit”)
- Cypriot portfolio of non-performing loans mainly collateralized which also included connected real estate assets (project “Sky”)
- Portfolio of non-performing corporate loans that is expected to be securitized with the senior note expected to be guaranteed by the Greek Government through the “Hercules II” Guarantee Program (project “Solar”)
- Portfolio of non-performing Finance leases of Alpha Leasing SA (project “Leasing”)

The above transactions are included in the NPE Business plan, as detailed in Note 50. The Group, for the determination of the sale probabilities, evaluated the uncertainties that relate to each project and mainly refer to the stage of preparation and the uncertainty relates to the fulfillment of the prerequisites that are linked with these sales (other capital actions, obtaining approvals etc.)

Orbit and Sky loan portfolios were classified as at 31.12.2021 as Assets held for sale. In this context, the expected credit loss were estimated by using a 100% probability of sale scenario. As a result, the carrying amount of the loan portfolios reflect the amounts expected to be recovered through sale, if the Group estimates that the transaction will be completed.

For the Solar and leasing portfolios a 20% probability of sale has been calculated. Additionally, for a portfolio of non-performing corporate loans (project “Hermes” transaction) the Group has not calculated a sale scenario probability as at 31.12.2021.

For the Solar, Leasing and Hermes transactions in case the Group applied a sale scenario with a probability of 100% additional impairment loss would amount to approximately €250 mil.

On 17.12.2021, the Bank completed the Aurora synthetic securitization transaction. With this transaction the Bank receives protection against the credit risk of a specific portfolio of performing corporate loans amounted to €1.9 bil. through a credit protection/financial guarantee agreement with a special purpose entity. The total amount of credit protection is €152 millions and represents the mezzanine tranche. In the context of the transaction, the guarantee is activated in the event of a default payment, default or loss due to modification of contractual terms in the context of restructuring and given that the respective loss (for all loans in aggregate) has exceeded a certain limit, which is stated in the contractual terms and which is bared by the Bank.

The Bank pays a variable commission every quarter to the special purpose entity for the guarantee. The above guarantee is not an integral part of the securitized loans and as a consequence is not taken into account during the calculation of expected credit losses. The claim for compensation is recognized in income statement when its collection is in substance certain. For disclosure purposes, the commission expense paid by the Bank as well as the income from the recognition of the receivable from the claim are recognized in the caption "Impairment losses and provisions to cover credit risk and related expenses", as in this way, their nature which is related to credit risk is better reflected. The expense for the year that relates to the commission for the guarantee amounts to € 588, whereas until the end of the year no claim for compensation has been made.

Gains/(Losses) from modifications of the contractual terms of loans and advances to customers

The Group, in the context of renegotiation with borrowers or of restructurings, proceeds with the modifications of the contractual cash flows of the loans in order to ensure their repayment.

The following table presents the carrying amount of those loans and advances to customers for which there was gain or loss from the modification of the contractual terms and loss allowance were measured at an amount equal to lifetime expected credit loss i.e. loans categorized in Stage 2 or Stage 3 or loans Purchased or originated credit-impaired (POCI).

	From 17 April to
	31.12.2021
Net carrying amount before the modification	4,813,065
Net gain or (loss) due to the modification	(11,506)

The following table presents the carrying amount of loans and advances to customers that modified at a time they had a lifetime expected credit loss and for which the allowance is measured based on 12-month expected credit risk losses at the end of the year.

	From 17 April to
	31.12.2021
Carrying amount before allowance for expected credit losses at the end of the year	1,749,460

12. Impairment losses and provisions to cover credit risk on other financial instruments

	From 17 April to
	31.12.2021
Impairment losses of debt securities measured at amortized cost	4,482
Impairment losses of debt securities and other securities measured at fair value through other comprehensive income	10,741
Impairment losses on due from banks	(656)
Total	14,567

The impairment losses of debt securities during 2021 are mainly due to new placements in Greek issuers' bonds within the portfolio of debt securities measured at amortized cost and the portfolio of debt securities measured at fair value through other comprehensive income. It is noted that Covid-19 pandemic did not lead to a significant increase in credit risk of those debt securities held by the Group.

13. Income tax

The Extraordinary General Meeting of the Shareholders of Alpha Bank S.A. held on 2.4.2021, approved the demerger of the société anonyme with the corporate name "Alpha Bank Societe Anonyme" ("Demerged Entity"), by way of hive-down of the banking business sector with the incorporation of a new company – financial institution under the legal name "Alpha Bank Societe Anonyme". Alpha Bank S.A. resulting from the demerger by the way of the hive-down of the banking business sector, started its operations on 16.04.2021, following the approval of the Ministry of Development and Investments. The first tax year for Alpha Bank S.A. is from 1.7.2020 to 31.12.2021.

The Demerged changed its corporate name to "Alpha Services and Holding Societe Anonyme" and become a listed holding company, and its business scope is the provision of the insurance agency services and accounting supporting services, and has retained the same GEMI and VAT numbers.

The new group created due to the demerger of banking sector is a subtotal of Alpha services and Holding Group and includes all entities, except for the following:

- Alpha Insurance Agents S.A.
- Alphalife S.A.
- Alpha Group Jersey Ltd
- Galaxy III Funding Designated Activity Company

In accordance with article 120 of L.4799 "Incorporation of Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 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, Incorporation of Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards the loss-absorbing and recapitalization capacity of credit institutions and investment firms and Directive 98/26/EC, through the amendment of article 2 of L.4335/2015, and other urgent provisions", the income tax rate for legal entities is reduced by 2% (from 24% as in force today to 22%) for the income of tax year 2021 and afterwards. By explicit reference of the law, this decrease does not apply to the financial institutions for which the income tax rate remains at 29%.

In accordance with article 119 of the same law, the percentage of income tax prepayment for legal entities is reduced to eighty percent (80%) from one hundred per cent (100%) as in force. The above is applicable for income tax prepayment of income tax declaration for the tax year 2021 and the following tax years.

The article 20 of Law 4646 / 12.12.2019 "Tax reform with a growth dimension for tomorrow's Greece", exempts income tax on income derived from the goodwill of the transfer of equity instruments to a legal entity resident in a Member State of the European Union, which a legal entity receives which is a tax resident of Greece if the legal entity whose titles are transferred fulfills the conditions prescribed by law. This income shall not be taxable on the distribution or capitalization of these profits. Any impairment losses recognized as at 31.12.2019 are deducted under certain conditions from gross income at the time of transfer. The provision applies to income derived from 1.1.2020 onwards.

Furthermore, the withholding rate is reduced to 5% from 10% in dividends paid from 1.1.2020 and onwards.

For the Bank' subsidiaries and branches operating in other countries, the applicable nominal tax rates for the year 2021 are as follows:

Cyprus	12.5	Albania	15
Bulgaria	10	Luxembourg	24.94
Serbia	15	United Kingdom	19
Romania	16	Ireland	12.5

In accordance with article 65A of Law 4174/2013, from 2011, the statutory auditors and audit firms conducting statutory audits to a Societe Anonyme (S.A.), are obliged to issue an Annual Tax Certificate on the compliance on tax issues. In accordance with article 56 of Law 4410/3.8.2016 for the fiscal years from 1.1.2016 and onwards, the issuance of tax certificate is optional. However, the Bank intends to continue to obtain the tax certificate.

For the fiscal years 2011 up to 2020, the tax audit based on article 65A of Law 4174/2013 has been completed and the Company has received the relevant tax certificate without any qualifications on the tax issues covered.

For Group companies in Greece a tax certificate has been received without any qualifications on the tax issues covered for the tax years up to 2020. The tax audit for the fiscal year 2021 is ongoing.

The income tax in the Income Statement is analysed as follows:

	From 17 April to
	31.12.2021
Current tax	82,558
Deferred tax	(22,179)
Total	60,379

Deferred tax recognized in the income statement is attributable to temporary differences, the effect of which is analyzed in the table below:

	From 17 April to
	31.12.2021
Debit difference of Law 4046/2012	33,416
Debit difference of Law 4465/2017	(484,742)
Write-offs, depreciation, impairment of plant, property and equipment and leases	(51,860)
Loans	392,752
Valuation of loans due to hedging	(225)
Defined benefit obligation and insurance funds	2,992
Valuation of derivative financial instruments	6,168
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	3,717
Valuation/Impairment of investments	1,363
Valuation/Impairment of debt securities and other securities	(5,617)
Tax losses carried forward	4,755
Other temporary differences	75,102
Total	(22,179)

Other temporary differences includes amount of € 66,251 related to the reversal of the deferred tax asset at the completion of the Cepal transaction, which was recognized by the transfer of the Non-performing Exposure Management Activity to the Subsidiary of the Cepal Hellas Financial Company and distributed to the Bank during the corporate transformation.

“Debit difference of Law 4465/2017” mainly relates to the deferred tax of € 477,172 which resulted from the securitization of loans (project Cosmos), as referred to note 19. According to the terms of the transaction the relevant impairment provisions has been considered as permanent for tax purposes and are subject to a 20 year amortization resulting to an equivalent reduction of the deferred tax of the category “Loans”.

“Debit difference of Law 4046/2012” relates to the deferred tax asset on tax losses, due to the Bank’s participation in the Greek government bonds exchange program (PSI) and the Greek government bond buyback program on December 2012, which have been recognized as a debit difference in accordance with Law 4046/14.2.2012 and Law 4110/23.1.2013. According to Law 4110/23.1.2013 the “debit difference” is deductible, gradually in equal installments, within 30 years.

Moreover, according to article 5 of Law 4303/17.10.2014 “Ratification of the Legislative Act Emergency legislation to replenish the General Secretary of Revenue upon early termination of office (A’ 136) and other provisions”, which replaced article 27A of Law 4172/2013, deferred tax assets of legal entities supervised by the Bank of Greece, under article 26 paragraphs 5, 6 and 7 of Law 4172/2013 that have been or will be recognized and are due to the debit difference arising from the PSI and the accumulated provisions and other general losses due to credit risk, with respect to existing amounts up to 31.12.2014, are converted into final and settled claims against the State, if, the accounting result for the period, after taxes, is a loss, according to the audited and approved financial statements by the Ordinary Shareholders’ General Meeting.

The inclusion in the Law is implemented with the approval of the General Meeting of Shareholders and relates to tax assets arising from 2016 and onwards, relating to fiscal year 2015 and onwards, whereas it is envisaged the end of inclusion in the Law with the same procedure and after obtaining relevant approval from the Regulatory Authority.

According to article 4 of Law 4340/01.11.2015 “Recapitalization of financial institutions and other provisions of the Ministry of Finance” the above were amended regarding the time of the application which is postponed for a year. In addition the amount of the relevant deferred tax asset which is included in the above provisions of article 5 of Law 4303/17.10.2014 and relates to accumulated provisions and other general losses due to credit risk, is limited to the amount related to the provisions for credit risk, which were accounted for on 30.06.2015.

In connection with the amount included in caption “Debit difference of Law 4465/4.4.2017”, according to article 43 of Law 4465/04.4.2017 “Integration of Directive 2014/92/EU of the European Parliament and Council held on 23.7.2014 for the comparability of charges related to payment accounts, the change of payment account and the access to payment accounts

with basic characteristics and other provisions", the articles 27 and 27A of the Income Tax Code were amended (Law 4172/2013). In particular, par. 3 of article 27, as amended, provides the right to amortise losses registered by the above legal entities, for a period of 20 years, if those losses resulted from debt write-offs from their balance sheet due to loan settlement or restructuring contractually, judicial or extrajudicial or due to the transfer of the loan to companies of loan acquisition or securitization or to credit and financial institutions or other companies and legal entities under the conditions that the management of those loans is carried out by a claims servicing company. The tax benefit of the 20-year depreciation is given only to the realized losses. In case of an accounting write-off of the loan considering that the events for the final debt write-off or transfer of the loan have not yet completed, the tax result for the year of the accounting write-off is not affected. When these events occur, the amount that was written off will be converted into a debit difference and will be amortised over the estimated 20-year period.

The amended provisions of Article 27A explicitly provide that in addition to the deferred tax assets relating to the amount of accumulated provisions and other general losses due to credit risk and to the remaining (amortized) balance of the PSI, the deferred tax asset relating to accounting write-offs and final losses due to final write-off or transfer of loans, under certain conditions, can be converted to final and settled receivable against the State and therefore to be included in the regulatory capital. It is noted that the right to convert deferred tax asset into final and settled against the State, had already been provided in the legislative framework since 2014 in order to avoid losses in the regulatory capital of credit institutions.

Based on the above mentioned Law, the total amount of deferred tax asset from (a) the debit difference due to the permanent write off of debtors' debts and the sale of loans, (b) the temporary differences from any accounting write-off of loans and credits and (c) the temporary differences from accumulated provisions and other losses due to credit risk, is limited to the total tax amount related to accumulated provisions and other losses due to credit risk, recognised until 30.06.2015.

This amendment ensures that the loan write-offs and disposals, aiming to decrease the non-performing loans, will not result in the loss of regulatory capital.

The above apply from 01.01.2016.

In accordance with article 125 of L.4831 / 2021 "Legal Council of the State (NSK) and situation of its officials and employees and other provisions", article 27 of L.4172 / 2013 was amended. Pursuant to the new provisions, the debit difference from the exchange of Greek government bonds or corporate bonds guaranteed by the Greek State, in application of a participation program in the redistribution of Greek debt (of par. 2 of article 27 of law 4172/2013), deducts as a priority compared to the debit difference due to credit risk of law 4465/2017 (par. 3 of article 27 of law 4172/2013). The amount of the annual debit difference from credit risk deduction is limited to the amount of gains determined under tax law, before the deduction of these debt differences and after the deduction of the debit difference resulting from the PSI bond exchange. The remaining amount of the annual deduction that has not been offset is carried forward for deduction in subsequent tax years within the twenty-year period, in which the remaining profits will remain after the annual deduction of the debit differences corresponding to those years. The order of deduction of the transferred amounts is preceded by the older debit difference balances compared to the newer ones. If at the end of the twenty-year amortization period there are balances that have not been offset, these are losses subject to the five-year transfer rule.

It is noted that the above provision does not affect the rate of the depreciation for regulatory purposes of the deferred tax asset (DTA), neither retrospectively nor in the future, ie DTA will continue to be depreciated on a straight line basis (1/20 per year), for both previous, as well as for future sales of non-performing loans.

The above is valid from 1.1.2021 and concerns debit differences of par. 3 that have arisen from 1.1.2016. Within the context of the above article, the Bank recognized a deferred tax asset of € 119,852, on the unamortised balance of debit difference of FY 2021.

As of 31.12.2021, the amount of deferred tax asset which is in the scope of L.4465 / 2017 and includes the amount of the debit difference of L.4046 / 2012 (PSI), amounts to € 2,891 million.

In accordance with article 82 of Law 4472 / 19.05.2017 "Pension provisions of the State and amendment of provisions of Law 4387/2016, measures for the implementation of fiscal objectives and reforms, measures of social support and employment regulations, Medium-Term Framework of the Fiscal Strategy 2018-2021 and others provisions "provides the obligation of credit institutions and other companies that fall under the provisions of article 27A of Law 4172/2013) to pay an annual fee of 1.5% for the

amount of the tax claim guaranteed by the Greek State arising from the difference between the current tax rate (currently 29%) and the tax rate that was valid on 31.12.2014 (26%). The amount of the commission for the year 2021 amounts to € 3,471.

Pursuant to article 24 par. 8 of law 4172/2013, the new established credit institution Alpha Bank Societe Anonyme made use of the beneficial provisions of the law and postponed the depreciation for tax purposes of its fixed assets for the first three tax years. Based on Circular 1073 / 31.3.2015 of AADE, the postponement of tax depreciation does not include the amortization of the debit difference of article 27 par. 2 of law 4172/2013 (loss from the exchange of Greek government bonds) and of the debit difference of article 27 par.3 of Law 4172/2013 (loss from final write-off or transfer of doubtful receivables). From 1.7.2020, which is the date of commencement of the first fiscal year of Alpha Bank SA, tax depreciation of € 177.4 million and deferred tax of € 51.4 million, which is included in the item " Write-offs, depreciation, impairment of plant, property and equipment and leases " was reversed.

The deferred tax asset not recognized as at 31.12.2021 for tax losses arising from the Group's subsidiaries is presented in the table below per maturity year. It is noted that due to the Hive Down the accumulated tax losses as at 31.12.2021 include tax losses of the subsidiaries that had been formed until 17.4.2021.

Year of maturity of tax losses	Deferred Tax Assets
2022	52,406
2023	28,690
2024	21,503
2025	20,414
2026	57,746
2027	843
2028	292
Total	181,894

The amount of € 57,746 includes an amount of € 38,300 that relates to deferred tax asset for tax losses for the period 1.1-16.4.2021.

Additionally, the Group hasn't recognized deferred tax assets of the amount of € 14,761 regarding temporary differences, for which the maturity date cannot be reliably determined.

A reconciliation between the effective and nominal tax rate is provided below:

	From 17 April to	
	31.12.2021	
	%	
Profit / (Loss) before income tax		(4,403)
Income tax (nominal tax rate)	(714.72)	31,469
Increase / (Decrease) due to:		
Non-taxable income	154.62	(6,808)
Non-deductible expenses	(230.34)	10,142
Adjustment in tax rates for the estimation of deferred tax	(68.45)	3,014
Deferred tax not recognized for tax losses	(425.10)	18,717
Deferred tax not recognized for temporary differences of the current period	(19.37)	853
Other tax differences	(67.95)	2,992
Income tax (effective tax rate)	(1,371.32)	60,379

The nominal tax rate is the average tax rate resulting from the income tax, based on the nominal tax rate, and the pre-tax results, for the parent and for each of the Group's subsidiaries.

Income tax of other comprehensive income recognized directly in equity

	From 17 April to		
	31.12.2021		
	Before Income tax	Income tax	After Income tax
Amounts that may be reclassified to the Income Statement			
Net change in the reserve of debt securities measured at fair value through other comprehensive income	(102,355)	28,670	(73,685)
Net change in cash flow hedge reserve	14,748	(4,277)	10,471
Currency translation differences from financial statements and net investment hedging of foreign operations	2,715	(851)	1,864
	(84,892)	23,542	(61,350)
Amounts that will not be reclassified to the Income Statement			
Net change in actuarial gains/(losses) of defined benefit obligations	3,487	(1,198)	2,289
Gains/(Losses) from equity securities measured at fair value through other comprehensive income	10,312	(404)	9,908
	13,799	(1,602)	12,197
Total	(71,093)	21,940	(49,153)

During the period 17 April to 31 December, credit deferred tax was recorded directly in equity in the retained earnings amounting of € 30,598 relating to the loss from the derecognition of the Cosmos transaction loans recorded directly in equity, as described in note 19. In addition, a debit tax of € 8,397 has been recognized regarding the tax resulting from the valuation at fair value of the Bank's subordinated securities issued by Alpha Services and Holdings Societe Anonyme. It is noted that the above valuation affected the Equity as it constitutes a direct capital increase and therefore the tax was recorded in the Equity.

14. Earnings/(losses) per share

a. Basic

Basic earnings/(losses) per share are calculated by dividing the net profit/(losses) for the year attributable to ordinary equity holders of the Company, by the weighted average number of ordinary shares outstanding during the period, excluding the weighted average number of own shares held, during the period.

b. Diluted

Diluted earnings/(losses) per share are calculated by adjusting the weighted average number of ordinary shares outstanding during the period with the dilutive potential ordinary shares. The Bank does not have shares in this category, and therefore there is no reason to differentiate the adjusted from the basic gains / (losses) per share.

	From 17 April to
	31.12.2021
Profit / (Loss) attributable to equity holders of the Bank	(94,364)
Weighted average number of outstanding ordinary shares	51,454,705,029
Basic and diluted earnings /(losses) per share (in €)	(0.0018)

	From 17 April to
	31.12.2021
Profit / (Loss) from continued operations attributable to equity holders of the Bank	(64,761)
Weighted average number of outstanding ordinary shares	51,454,705,029
Basic and diluted earnings /(losses) per share (in €)	(0.0013)

	From 17 April to
	31.12.2021
Profit / (Loss) from discontinued operations attributable to equity holders of the Bank	(29,604)
Weighted average number of outstanding ordinary shares	51,454,705,029
Basic and diluted earnings /(losses) per share (in €)	(0.0006)

ASSETS

15. Cash and balances with Central Banks

	31.12.2021
Cash	394,820
Cheques receivables	4,816
Balances with Central Banks	11,403,708
	11,803,344
Less: Deposits pledged to Central Banks	(268,527)
Total	11,534,817

Cash and cash equivalents (as presented in the Statement of Cash Flows)

	31.12.2021
Cash and balances with central banks	11,534,817
Securities purchased under agreements to resell (Reverse Repos)	783,238
Short-term placements with other banks	551,045
Total	12,869,100

16. Due from banks

	31.12.2021
Placements with other banks	1,136,125
Guarantees for derivative securities coverage and repurchase agreements (note 39)	1,077,895
Securities purchased under agreements to resell (Reverse Repos)	783,238
Loans to credit institutions	36,965
Less:	
Allowance for expected credit losses (note 43.1)	(70,164)
Total	2,964,059

17. Trading securities

The following table presents an analysis of the carrying amount of trading portfolio per type of security:

	31.12.2021
Bonds:	
Greek Government	3,819
Other issuers	
Equity Shares:	
Listed	1007
Total	4,826

18. Derivative financial instruments (assets and liabilities)

	31.12.2021		
	Notional Amount	Fair Value	
		Assets	Liabilities
Derivatives held for trading purposes			
a. Foreign exchange derivatives			
Foreign exchange forwards	461,085	10,603	6,384
Foreign exchange swaps	1,432,168	3,307	7,253
Cross currency swaps	432,322	18,930	4,180
Currency options	9,361	109	35
Currency options embedded in customer products	2,518	12	-
Total non-listed	2,337,454	32,961	17,852
b. Interest rate derivatives			
Interest rate swaps	25,239,935	786,410	1,231,717
Interest rate options (caps and floors)	2,020,212	25,031	24,893
Total non-listed	27,260,147	811,441	1,256,610
c. Commodity derivatives			
Commodity swaps	15,655	301	-
Total non-listed	15,655	301	-
d. Index derivatives			
Index swaps	40,668	1,027	1,027
OTC options	29,764	-	639
Total non-listed	70,432	1,027	1,666
Futures	146	-	1
Total listed	146	-	1
e. Credit derivatives			
Total return swap	124,796	2,337	-
Total non-listed	124,796	2,337	-
f. Other derivatives			
GDP linked security	640,987	320	-
Total-listed	640,987	320	-
Derivatives for fair value hedging			
a. Foreign exchange derivatives			
Foreign exchange swaps	57,344	-	903
Cross currency swaps	96,035	1,465	-
Total non-listed	153,379	1,465	903
b. Interest rate derivatives			
Interest rate swaps	2,950,100	110,364	11,373
Total non-listed	2,950,100	110,364	11,373
Grand Total	33,553,096	960,216	1,288,405

In the context of the daily process for setting off and providing collateral for derivatives transactions with credit institutions counterparties the Bank has pledged as collateral a net amount of € 1,066,172 on 31.12.2021. The respective fair value of derivatives with credit institutions amounted to € 966,009 on 31.12.2021.

Hedging accounting

a. Fair value hedges

The Group uses interest rate swaps to hedge its exposure to changes in the fair values due to changes in market rates of fixed interest rate: a) Greek Government Bonds, b) retail loans and c) debt securities in issue.

For all hedges of interest rate risk, the Group determines the reference interest rate associated with the hedged risk (Euro rate) at inception of the hedging relationship and calculates the changes in the fair value of the hedging instrument with respect to euro interest rate curve.

The amendments of the IAS 39 that address issues arising from the interest rate benchmark reform do not expect to have any impact to the existing fair value hedges considering that the hedging instruments are applied with the corresponding Euribor referenced interest rate and that it is not replaced with any alternative interest rate.

In order to measure hedge effectiveness, the changes in the fair value of the hedged item are compared to the changes in the fair value of the hedging instrument and in order for the hedge to qualify as effective, the ratio of the change in the fair value of the hedging instrument over the change in the fair value of the hedged item is required to be within 80% -125% (dollar offset method).

The Group has identified the following sources which may lead to hedging ineffectiveness:

- a. Credit risk of the derivative counterparty, which is not offset by the hedged item. The Bank minimizes counterparty credit risk in derivative instruments by entering into transactions with high credit risk rating counterparties.
- b. Difference in timing of cash flows of hedged items and hedging instruments.

During the year, the Group did not identify any other source of hedging ineffectiveness.

Hedging instruments of 31.12.2021 are summarized as follows::

Risk category	Duration 1 - 5 years
Interest rate risk	
Tier II Bond issued by the Bank	
Nominal amount of the derivative	1,000,000
Average fixed interest rate	(0.21%)
Fixed rate retail loans	
Nominal amount of the derivative	200,000
Average fixed interest	(0.39%)

Risk category	Duration > 5 years
Interest rate risk	
Greek Government Bonds Nominal amount of € 923 million measured at amortized cost	
Nominal amount of the derivative	1,203,800
Average fixed interest	(0.05%)
Greek Government Bond Nominal amount of € 50 million measured at FVOCI	
Nominal amount of the derivative	46,300
Average fixed interest	0.07%
Bond issued by Bank Senior Preferred nominal amount of € 500 million	
Nominal amount of the derivative	500,000
Average fixed interest	(0.27%)

The balance sheet and the income statement amounts relating to fair value hedging instruments and the hedge effectiveness are analyzed as follows:

2021							
Hedging relationship	Derivative Type	Carrying amount of hedging instrument		Financial line item in the balance sheet where the hedging instrument is included	Change in fair value of hedging instrument used for calculating the hedge effectiveness for 2021	Ineffectiveness recognised in the income statement for 2021	Financial line item in the Income statement that included hedge ineffectiveness
		Assets	Liabilities				
Interest rate risk							
Greek Government Bonds with nominal value € 923 million at AC	Interest rate swap	109,494		Derivative	7,748	(1,650)	Gains less losses on financial transactions
Greek Government Bonds with nominal value € 50 million at FVOCI	Interest rate swap	855		Derivative	867	(11)	
Bond issues and other loan liabilities	Interest rate swap		11,351	Derivative	(12,623)	(369)	
Fixed rate retail loans	Interest rate swap	15	23	Derivative	780	6	

The amounts related to balance sheet items designated as hedged items are analyzed as follows:

2021						
Hedging relationship	Carrying Amount		Accumulated amount of fair value hedge adjustments on the hedged item		Financial line item in the balance sheet where the hedged item is included	Change in fair value of hedged item used for calculating the hedge effectiveness
	Assets	Liabilities	Assets	Liabilities		
Interest rate risk						
Greek Government bonds Portfolio nominal value € 923 million at amortized cost	1,192,362		(111,607)		Investment securities measured at amortized cost	(9,398)
Greek Government bonds Portfolio nominal value € 50 million at FVOCI	47,772		(878)		Investment securities measured at fair value through other comprehensive income	(878)
Bond issues and other loan liabilities		1,498,269		12,254	Issued bonds and other loan liabilities	12,254
Fixed rate retail loans	200,148		148		Loans and advances to customers	(775)

The amounts related to balance sheet items, the hedging relationship of which has been terminated during the year 2021 are analyzed as follows:

2021						
Hedging relationship	Carrying Amount		Accumulated amount of fair value hedge adjustments on the hedged item		Financial line item in the balance sheet where the hedged item is included	Change in fair value of hedged item used for calculating the hedge effectiveness
	Assets	Liabilities	Assets	Liabilities		
Interest rate risk						
Fixed rate retail loans	49,935		(65)		Loans and advances to customers	352

b. Cash flow hedges

On 31.12.2021 there are no cash flow hedge relationships in force.

In case of cash flow hedge relationships, the Group determines the referenced interest rate associated with the hedged risk (Euro rate) at inception of the hedging relationship and measures the changes in the fair value of the hedging instrument and a hypothetical derivative relating to Euro interest rate curve changes.

The floating leg of the hypothetical derivative replicates the cash flows of the hedged item, whereas the fixed leg cash flows are determined so that the hypothetical derivative has a value equal to zero at inception.

In respect to the currency risk hedge of foreign currency loans, the hypothetical foreign currency derivative component replicates the hedged item's cash flow, while the euro leg cash flow is determined so that the hypothetical derivative has a value equal to zero at inception.

In order to measure the effectiveness of the hedge, the changes of the hypothetical derivative are compared to the changes of the hedged item, and in order for the hedge to qualify as effective the ratio of the change in the fair value of the hypothetical derivative over the change in the fair values of the hedged item should be between 80% - 125% (dollar offset method).

The Group has identified the following sources that may lead to ineffective hedging:

- a. Credit risk of the derivative counterparty, which is not offset by the hedged item. The Group minimizes counterparty credit risk in derivative instruments by entering into transactions with high credit rating counterparties.
- b. Difference in timing of cash flows of hedged items and hedging instruments.

No other sources of ineffectiveness were identified during the year.

In the context of the corporate transformation, a negative hedge reserve for time deposits amounting to € 308,993 before taxes was transferred to the Bank from terminated hedging relationships. On 31.12.2021, an amount of € 14,748 before taxes was reclassified from the cash flow hedge reserve to interest expense on deposits and therefore the negative cash flow hedge reserve amounted to € 294,245 before taxes.

c. Hedging of net investment in foreign subsidiaries

The Group hedges part of the net investment in RON through loans in RON and foreign exchange swap derivatives. In addition, the Group hedges part of the net investment in GBP in the subsidiary Alpha Bank London through forward foreign exchange derivative transactions that are renewed. For the hedging of the foreign currency risk of the net investment in foreign operations, valuation of the net assets takes place using the spot exchange rate, while any foreign exchange differences arising from this valuation are compared to exchange rate differences from the derivative. In order to measure the effectiveness of the hedge, the changes in the hedged item are compared to the changes in the hedging instrument, and in order for the hedge to qualify as effective the ratio of the change in the fair value of the hedging instrument over the change in the fair value of the hedged item should be between 80% - 125% (dollar offset method).

The Group recognizes the following sources which may lead to ineffective hedging:

- a. The credit risk (counterparty risk) of the hedging instruments used to hedge the foreign currency risk which is minimized by entering into transactions with high credit risk counterparties.
- b. The difference in the timing of settlement of hedging instruments and hedged items.

During the year, no other sources of ineffectiveness were identified.

The hedging instruments as at 31.12.2021 are summarized as follows:

	Currency	Notional amount in Euro
Investment in Alpha Bank London		Duration < 1 year
FX Swaps - EUR/GBP	GBP	57,344
Exchange rate GBP/EUR	0.84	
Investment in subsidiaries (RON)		Duration < 1 year
Deposit amount RON	RON	282,885
Exchange rate RON/EUR	4.95	
Forward transactions CCIRS -EUR/RON	RON	93,600
Exchange rate RON/EUR	4.95	

The balance sheet and the income statement amounts relating to hedging of net investment in foreign subsidiaries and the effectiveness of the hedge are analyzed as follows:

31.12.2021						
Hedging instrument	Assets	Liabilities	Line item in the balance sheet where the hedge item is included	Change in fair value of hedging instrument for the measurement of the hedge effectiveness for the year 2021	Change in the fair value of the hedging instrument recognized in the reserve for the year 2021	Change in the fair value of the hedging instrument recognized in the income statement in the year 2021
FX Swaps - EUR/GBP	-	903	Derivatives	(3,811)	(3,811)	-
Deposit amount in RON	-	282,885	Due to customers	4,689	4,689	-
Forward transactions CCIRS - EUR/RON	1,465	-	Derivatives	1,451	1,451	-

The amounts related to hedged items as of 31.12.2021 are analyzed as follows::

31.12.2021			
	Change in fair value for the measurement of the hedge effectiveness	Foreign Exchange differences reserve	Balance of foreign exchange differences reserve due to discontinued hedging relationships
Investment in Alpha Bank London	(1,402)	(12,743)	-
Investment in subsidiaries (RON)	56,784	(33,871)	-

19. Loans and advances to customers

	31.12.2021
Loans measured at amortised cost	37,890,742
Leasing	612,077
Less: Allowance for expected credit losses	(2,077,358)
Total	36,425,461
Advances to customers measured at amortised cost	239,665
Advances to customers measured at fair value through profit or loss	40,000
Loans measured at fair value through profit or loss	159,696
Loans and advances to customers	36,864,822

As at 31.12.2021, "Advances to customers measured at amortised cost" include accumulated allowance of €49,822.

Advances to customers measured at amortized cost on 31.12.2021 include the net deferred consideration amounting to €105,692 from the sale of the non-performing loan portfolio collateralised with real estate property as well as other advances to customers ("Neptune" transaction).

In addition, advances from customers measured at fair value through profit or loss includes the receivable from the variable consideration provided in the aforementioned transaction the fair value of which was estimated at 31.12.2021 to €40,000.

Finance leases derived mainly from the activities of the subsidiary Alpha Leasing S.A..

The following tables, present an analysis of loans per type and category.

Loans measured at amortised cost

	31.12.2021
Individuals	
Mortgages:	
- Non-securitized	6,700,109
- Securitized	2,793,296
Consumer:	
- Non-securitized	878,303
- Securitized	886,371
Credit cards:	
- Non-securitized	406,162
- Securitized	533,555
Other	1,365
Total loans to individuals	12,199,161
Corporate:	
Corporate loans:	
- Non-securitized	17,146,882
- Securitized	2,481,162
Leasing:	
- Non-securitized	381,550
- Securitized	230,527
Factoring	581,049
Mezzanine and junior securitization notes	5,482,488
Total corporate loans	26,303,658
Total	38,502,819
Less: Allowance for expected credit losses	(2,077,358)
Total loans measured at amortised cost	36,425,461

In the context of the reassessment of the hold to collect business model of loans and advances to customers measured at amortised cost, past sales are taken into account.

Considering that:

- the majority of the Group's sales are in accordance with the Group's business model as they concern sales of non-performing loans due to the deterioration of the debtors' credit rating and
- individual sale are not considered material individually or in the aggregate,

the Group has assessed that the "hold to collect" business model is not challenged.

As at 31.12.2021 the Group did not hold syndicated loans, that grants in order to sell them within six months and are classified under a «hold to sell» business model.

On 28.6.2021 the Bank transferred portfolios of non-performing loans to the special purpose vehicle "Gemini Core Securitization Designated Activity Company" based in Ireland which was established for this purpose and which in turn issued notes. The Group covered all issues, which resulted in the control of the special purpose vehicle by the Bank and the non-derecognition of these loans from its balance sheet as it retained all risks and rewards arising from the securitized portfolios. The balance of securitized loans of the aforementioned transaction measured at amortized cost amounted to €4,526,627 as of 31.12.2021.

In addition, the Bank holds a portfolio of corporate, consumer loans and credit cards securitized through special purpose companies controlled by the Bank. Examination of the contractual terms and structure of the above transactions (eg provision of guarantees and / or credit or ownership of special purpose entities bonds) proves that the Bank has maintained in all cases the risks and rewards arising from the securitized portfolios. The carrying amount after allowance for expected credit losses of the aforementioned transaction measured at amortized cost amounted to €1,161,298 as at 31.12.2021.

Mortgage loans on 31.12.2021 include loans amounting to € 3,189,417 that have been used as cover in the Covered Bonds Program I and the Covered Bonds Program II.

On 10.12.2021 the "Cosmos" transaction was completed which included:

- The securitization by the Bank of loans and advances of carrying amount before impairment €3.4 billions to the special purpose entity Cosmos Securitization Designated Activity Company in accordance with Law 3156/2003. In the context of the securitization, which was conducted on 8.10.2021, the special purpose entity issued bonds in three tranches, Series A (senior notes), Series B (mezzanine notes) and Series C (junior notes), which were initially acquired by the Bank.
- The distribution in kind, through reduction of share capital by Alpha Bank of 95% of the above bonds of mezzanine and junior notes to the parent company of Alpha Services and Holdings Group SA. in accordance with the decision of 25.10.2021 of the Extraordinary General Meeting of Alpha Bank SA. As a result of this transaction, Alpha Bank A.E. on 10.12.2021 derecognised from its balance sheet the securitized loans, while recognizing the bonds held at their fair value and the difference in total amount after taxes of € 256,417 was recognized in a decrease in its equity. In particular, the reduction in its share capital amounted to € 10,825, representing the fair value of the bonds distributed.

The following were taken into account for the aforementioned calculation:

- The carrying amount after impairment of the securitized portfolio of € 1,977,035
- The fair value of 100% of the senior bonds and 5% of the mezzanine and junior notes retained for a total amount of € 1,721,270
- The net book value of € 100,964 of the financial liabilities and receivables to the special purpose company that were recognized after the derecognition
- Impact of the tax totaling € 100,312 (note 13).

As a result of the above the Group recognized in loans measured at amortized cost the senior notes amounting to €1,720,701 and also recognized in loans measured in fair value through profit or loss the mezzanine and junior notes amounting to €570.

In addition, the Group in the context of the sale of Non Performing Loans through securitization of Galaxy Trasaction that was completed by Alpha Services and Holdings S.A. (note Corporate transformation-Hive down) recognized in loans measured at amortized cost the senior notes amounting to €3,839,596 and also recognized in loans measured in fair value through profit or loss the mezzanine and junior notes amounting to €1,991.

On 31.12.2021, the Group classified the loan portfolios of Orbit and Sky under "Assets for sale", with a carrying amount of € 590,400.

According to a) the Business Plan relating to the management of Non Performing Exposures, that the Bank submitted on

15 April 2020 and has been prepared in accordance with the methodology and models of the supervisory authorities and b) the Strategic Plan of the Bank presented on May 2021, the Bank is obliged to monitor and report to the SSM the level of the achievement of the targets set in the Business Plan on a consolidated basis, until the end of 2023, through relevant supervisory reports. As at 31.12.2021, the balance of the NPE loans included in total loans and advances to customers amounted to €5.1 billion. It is noted that the Bank is expected to submit an updated Business plan for thee management of Non Performing Exposures on 31.3.2022 with a reference period spanning up to the end of 2024.

The carrying amount of loans guaranteed by the Greek Government and foreign governments that were issued in the context of the Covid-19 pandemic as at 31.12.2021 amounted to € 1,336,953 and is included in the balance of loans measured at amortized cost. For this category of loans an expected credit loss allowance has been formed as at 31.12.2021 amounting to € 1,977.

The carrying amount of loans with interest rate subsidy from the Entrepreneurship Fund II and the Western Macedonia Development Fund of the Hellenic Development Bank amounts to € 367,947 on 31.12.2021 and is included in the balance of loans measured at amortized cost. For the above loans the expected credit losses recognized as at 31.12.2021 amounts to € 1,393.

As at 31.12.2021, the Group classified the Sky and Orbit portfolios under "Assets Held for sale". The first portfolio concerned a Cypriot portfolio of retail and wholesale loans, with a book value of € 555,496. and the second portfolio related to retail banking loans mainly unsecured with a carrying amount of € 34,903. In addition, on 31.12.2021 the Group classified under "Assets Held for sale" loans of Alpha Bank Albania with a carrying amount of € 278,099 in the context of the company's sale transaction.

The movement of allowance for expected credit losses on loans, that are measured at amortized cost, is presented below:

Allowance for expected credit losses

Balance at 17.04.2021	4,959,656
Changes for the year 17.04 - 31.12.2021	
Impairment losses for the year	517,496
Transfer of allowance for expected credit losses to Assets held for sale	(1,859,972)
Derecognition of Cosmos loans portfolio	(1,316,015)
Derecognition due to substantial modifications in loans' contractual terms	(6,528)
Change in present value of the impairment losses	39,360
Foreign exchange differences	49,798
Disposal of impaired loans	(6,888)
Loans written-off during the year	(281,414)
Other movements	(18,134)
Balance at 31.12.2021	2,077,358

"Impairment losses" for the year presented above, does not include impairment loss of € 999 which relates to impairment losses for loans classified as held for sale and the fair value adjustment for the contractual balance of loans which were impaired at their acquisition or origination (POCI) which is included in the carrying amount of the loans.

In the line " Transfer of allowance for expected credit losses to Assets held for sale " the amount of € 1,859,972 mainly concerns the Sky and Orbit portfolios with accumulated impairments amounting to € 1,611,825 and € 289,798 respectively on 31.12.2021.

Finance lease receivable are analyzed by duration as follows:

	31.12.2021
Up to 1 year	324,130
From 1 year to 5 years	188,633
Over 5 years	151,489
	664,252
Non accrued finance lease income	(52,176)
Total	612,077

The net amount of finance lease receivables are analyzed as follows, based on their duration:

	31.12.2021
Up to 1 year	313,159
From 1 year to 5 years	164,227
Over 5 years	134,691
Total	612,077

There has been no significant impact from the application of the rent concession measures on the receivable from finance leases.

Loans measured at fair value through profit or loss

	31.12.2021
Corporate:	
Corporate loans:	
- Non-securitized	157,135
- Securitized	-
Mezzanine and junior securitization notes	2,561
Total corporate loans	159,696
Total loans to customers measured at fair value through profit or loss	159,696

20. Investment securities

	31.12.2021
Investment Securities measured at fair value through other comprehensive income	6,050,143
Investment Securities measured at fair value through profit or loss	78,578
Investment Securities measured at amortized cost	3,752,748
Total	9,881,469

a. Securities measured at fair value through other comprehensive income

	31.12.2021
Greek Government:	
- Bonds	1,759,640
- Treasury bills	693,752
Other Sovereign:	
- Bonds	1,590,045
- Treasury bills	82,695
Other issuers:	
- Listed Bonds	1,860,491
- Non listed bonds	4,820
Equity securities	
- Listed	23,425
- Non listed	35,275
Total	6,050,143

In December 2021, following:

- The significant change in the capital base of the Bank as a result of the actions taken to reduce NPEs,
- The supervisory expectations, as expressed in the Supervisory Evaluation (SREP) from 2019 onwards relating to the use of the business models and their impact on regulatory capital and the Capital Adequacy Ratio of the Bank.
- The introduction of the binding target for the Minimum Required Eligible Liabilities (MREL) from 01.01.2022 with which the Bank will need to comply and in relation to Capital the requirement of the Bank to comply with the minimum supervisory limits of Pillar II Guidance (P2G) on a continuous base from 01.01.2023

The Executive Committee of the Bank decided to minimise the usage of the Fair Value Through Other Comprehensive Income (FVTOCI) towards the utmost operational needs of the Bank's Capital Markets, and the long term bonds to be held to collect interest income, which is also aligned with the Strategic Plan of the Bank and to reclassify bonds of € 4.16 billion in the hold to collect business model to be held to collect contractual cash flows.

The above decision was assessed that meets the criteria for a change in the business model in accordance with the provisions of IFRS 9 and therefore from 1.1.2022 the relevant investment portfolio is reclassified to the portfolio of investment securities measured at amortized cost. The securities will be reclassified at their fair value on 1.1.2022 which will be adjusted with the cumulative losses of € 6.98 million that have been recognized in equity, and as a result the value of the bonds will be as if they had always been measured at amortised cost. Their original interest rate and expected credit losses that have already been recognized are not affected.

Investment portfolio of equity securities measured at fair value through other comprehensive income

The Group has made the irrevocable election on initial recognition to measure at fair value through other comprehensive income equity instruments that have the following characteristics:

- Shares in companies of the financial sector (credit institutions and interbank companies)
- Investments in private equity (shares of venture capital or private equity)
- Equity shares received in exchange for debt forgiveness in the context of debt restructurings and
- Shares held in long term investment horizon

The following table presents the equity shares of investment portfolio measured at fair value through other comprehensive income as of 31.12.2021.

	Fair Value 31.12.2021	Dividend income from 17.4 to 31.12.2021
Investments in financial industry entities	6,068	1,082
Investments in private equity	25,980	-
Long term equity holdings	26,652	288
Total	58,700	1,370

There were no sales of equity shares measured at fair value through other comprehensive income in 2021.

b. Securities measured at fair value through profit or loss

Securities measured at fair value through profit or loss include securities for which it was assessed that their contractual cash flows do not meet the solely payments of principal and interest (SPPI) as required by IFRS 9, as well as the equity securities which have been classified in this category.

	31.12.2021
Other Governments:	
- Bonds	-
Other issuers:	
- Listed	10,953
- Non listed	3,009
Equities:	
- Non listed	32,439
Other variable yield securities	32,177
Total	78,578

c. Securities measured at amortized cost

	31.12.2021
Greek Government:	
- Bonds	3,088,894
Other Governments:	
- Bonds	428,957
Other issuers:	
- Listed	234,897
Total	3,752,748

For the aforementioned securities measured at amortised cost expected credit losses of €15,371 have been recognised. The carrying amount prior to impairment was €3,768,119.

21. Investments in associates and joint ventures

	31.12.2021
Opening balance	30,522
Reclassification of Cepal Holdings A.E. as subsidiary	29,764
Increases/ (Returns) of share capital	46
Reversal of impairment/(impairment) of joint venture	1,558
Share of profit/(loss) and other comprehensive income	6,377
Total	68,267

The reclassification of Cepal Holdings Societe Anonyme in associates for the year 2021 concerns the retention of 20% that the Group maintained in the share capital of the company. "Increases/ (Returns) of share capital" for the year 2021 concerns the share capital increase of the joint venture Alpha TANEO AKES by € 46.

The associates and joint ventures of the Group are as follows:

Name	Group's ownership interest %	
	Country	31.12.2021
a. Associates		
AEDEP Thessalias and Stereas Ellados	Greece	50.00
A.L.C Novelle Investments Ltd	Cyprus	33.33
Olganos A.E.	Greece	30.44
Bank Information Systems A.E	Greece	23.77
Propindex A.E.D.A.	Greece	35.58
Cepal Holdings A.E.*	Greece	20.00
Famar S.A.	Luxembourg	
Alpha Investment Property Elaionas A.E.	Greece	50.00
Perigenis Commercial Property A.E.	Greece	31.97
b. Joint Ventures		
APE Commercial Property A.E	Greece	72.20
APE Investment Property A.E.*	Greece	71.08
Alpha TANEO A.K.E.S.	Greece	51.00
Rosequeens Properties Ltd*	Cyprus	33.33
Panarae Saturn LP	Jersey	61.58
Alpha Investment Property Commercial Stores A.E.	Greece	70.00

* the companies are parent companies of groups as mentioned in Note 40

The Group's share in equity and profit/(losses) of each associate and joint venture is set out below.

	Group's share on equity	Share of profit/(loss)	Share of other comprehensive income
	From 17 April to	From 17 April to	From 17 April to
Name	31.12.2021	31.12.2021	31.12.2021
a. Associates			
AEDEP Thessalias and Stereas Ellados	73	-	
A.L.C. Novelle Investments Ltd	3,367	2,946	
Olganos A.E.		-	
Bank Information Systems AE	343	116	
Propindex A.E.D.A	78	-	
Alpha Investment Property Elaionas A.E.	(252)	(848)	
Cepal Holdings A.E.	32,593	2,829	
Perigenis Commercial Property A.E.	15,230	(133)	
Total (a)	51,432	4,910	-
b. Joint ventures			
Alpha TANEQ A.K.E.S.	7,029	1,562	
Rosequeens Properties Ltd	(13)	(4)	
Panarae Saturn LP	1,431	(78)	
Alpha Investment Property Commercial Stores A.E.	4,471	(13)	
APE Commercial Property A.E.	3,917	0	
Total (b)	16,835	1,467	-
Total (a) + (b)	68,267	6,377	-

Investments in significant associates and joint ventures

The Group considers as significant the associates and joint ventures in which it participates by taking into account the activities that are considered to be of strategic importance, the book value of the Group's participation in the companies and the loans and receivables that consist part of the Group's net investment in the companies, if any.

On the basis of the above, the associates Cepal Holdings A.E., Alpha Investment Property Elaionas A.E., Perigenis Commercial Property A.E. and the joint venture APE Investment Property A.E. are considered as significant.

It is noted that Cepal Holdings A.E. which was evaluated for the year 2021 as a significant associate was reclassified to associates as at 18.6.2021, the date on which the Group lost the control of the company as a result of the sale of 80% of its share capital as described in note 40.

Alpha Investment Property Elaionas S.A. has as main activity the construction of buildings and the general exploitation of real estate.

Perigenis Commercial Property A.E. has as main activity the management of real estate properties that obtains from the restructuring of specific loans such as purchases and sales, construction activities and wider exploitation.

APE Commercial Property A.E. carries out activities mainly relating to the acquisition of investments and real estate assets and it has been characterized as a consortium due to the fact that the contractual agreement to exercise control requires a unanimous decision of its shareholders.

All the above-mentioned companies are established in Greece, are not listed on a regulated market and therefore there is no reference value for their fair value. Except for the associates and joint ventures that have been classified as Assets held for sale and are valued in accordance with the provisions of IFRS 5, the other associates and joint ventures are valued using the equity method.

The Group's associates include Zero Energy Buildings Energy Services Societe Anonyme, in which the subsidiaries of the Group Alpha Ventures and Ionian Equity Participations participate with 49% in the total share capital having preferred shares acquired through the conversion of its bonds. The significant influence that the Group exercises on the company derives from the fact that these preferred shares have voting rights while there is also the right of appointing a member to the Board of Directors of the Company. However, the preferred shares based on their characteristics, including the term for their mandatory redemption by the issuer, do not constitute an equity instrument and are therefore valued under IFRS 9 as Securities valued at fair value through profit or loss.

The Group's associates include the non-consolidated special purpose company Aurora SME I DAC through which the Bank in December 2021 made a synthetic securitization transaction of small and medium and large business loans. While the activities and returns of the company are predetermined, the Bank reserves the right to make decisions on specific core activities that arise if the special purpose company suffers a credit event and/or if the collateral of the bond issued to third parties is down graded. Therefore, the Bank exerts a substantial influence on the special purpose company. As the Bank does not participate in its share capital and has no exposure to any of its equity instruments, the equity method does not apply.

Condensed financial information of Alpha Investment Property Eleonas SA. Cepal Holdings S.A (only figures for the year 2021) and Perigenis Commercial Property A.E. are accounted for under the equity method. are presented below.

For APE Investment Property A.E. that was classified at Assets held for sale. the disclosures required by IFRS 5 are provided in note 48.

Alpha Investment Property Elaionas A.E.

Condensed Statement of Total Comprehensive Income

	31.12.2021
Interest and similar expenses	(1,840)
Other expenses	(399)
Profit/(losses) before income tax	(2,239)
Income tax	
Profit/(losses) for the year	(2,239)
Other comprehensive income	
Other comprehensive income for the year after income tax	(2,239)
Amount attributed to the participation of the Group to profits/(losses) of the associate	(848)

No dividends have been received from the entity within the year 2021.

Condensed Balance Sheet

ASSETS	31.12.2021
Other current assets	4,211
Total current assets	4,211
Non-current assets	105,069
Short-term liabilities	1,472
Total Short-term liabilities	1,472
Long-term financial liabilities	108,322
Total long-term liabilities	108,322
Total equity	(514)
Group participation (%)	50%
Equity shareholding	(257)
Goodwill from the acquisition	
Carrying amount of participation	(252)
Loan that is part of the net investment	55,652
Net investment	55,400

Cepal Holdings A.E

Condensed Statement of Total Comprehensive Income

	31.12.2021
Interest and similar income	2
Interest and similar expenses	(4,903)
Commission expense	(5)
Gains less losses on financial transactions	(21)
Other income	169,001
General Administrative Expenses	(77,917)
Depreciation	(26,988)
Profit/(losses) before income tax	59,169
Income tax	(10,218)
Profit/(losses) for the year	48,951
Other comprehensive income	
Total comprehensive income after income tax	48,951
Amount attributed to the participation of the Group to profits/(losses) of the associate	2,829

The amount corresponding to the profits of the associate Cepal Holdings A.E. concerns the period from 18.6.2021 to 31.12.2021.
No dividend was received in 2021.

Condensed Balance Sheet

ASSETS	31.12.2021
Other current assets	58,118
Total current assets	58,118
Non current assets	281,425
Short-term liabilities	27,470
Total short-term liabilities	27,470
Long-term liabilities	96,753
Total long-term liabilities	96,753
Provisions	6,075
Total Equity	209,245
% Group's participation	20%
Group's share of results	41,849
Carrying amount of participation	32,593

Perigenis Commercial Property A.E.

Condensed Statement of Total Comprehensive Income

	31.12.2021
Interest and similar expenses	(3)
General Administrative Expenses	(195)
Depreciation	(192)
Profit/(losses) before income tax	(390)
Income tax	
Profit/(losses) for the year	(390)
Other comprehensive income	
Total comprehensive income after income tax	(390)
Amount attributed to the participation of the Group to profits/(losses) of the associate	(133)

No dividend was received in 2021.

Condensed Balance Sheet

ASSETS	31.12.2021
Other current assets	34,055
Total current assets	34,055
Non current assets	13,992
Other short-term liabilities	422
Total short-terms liabilities	422
Total Equity	47,626
Group participation (%)	31,97%
Equity shareholding	15,240
Carrying amount of participation	15,230

Other information for associates and joint ventures and significant restrictions

Apart from the associates and the joint ventures that have been classified as Assets Held for Sale and are accounted for in accordance with the provisions of IFRS 5, the rest of the associates and the joint ventures are accounted for using the equity method.

There are no cases where the Group, through the application of the equity method, has ceased recognizing its portion to losses of associates and joint ventures due to the full impairment of its participation to them.

The Group has no contingent liabilities regarding its participation in associates or joint ventures. The Bank has the obligation to contribute with additional funds in the share capital of the joint venture Alpha TANEO AKES up to the amount of € 19. Further to this, there are no other unrecognized commitments of the Group relating with its participation in associates and joint ventures which could result in future cash or other outflows.

There are no significant restrictions for the associates or joint ventures to transfer capital in the Group or to repay the loans that have been granted by the Group apart from the restrictions imposed by Law 4548/2018 for Greek companies regarding the minimum amount of share capital and equity required and the ability to distribute dividends.

22. Investment property

	Land – Buildings	Rights-of-use on Land and Buildings	Total
Acquisition Cost	647,674	7,826	655,500
Accumulated depreciation and impairment losses	(99,011)	(1,879)	(100,890)
17.4.2021 - 31.12.2021			
Net book value 17.4.2021	548,663	5,947	554,610
Additions	16,901	-	16,901
Additions from expenses capitalization	17,405	-	17,405
Additions from companies consolidated for the first time in the year	10,723	-	10,723
Reclassification to "Assets held for sale"	(91,026)	-	(91,026)
Foreign Exchange differences	411	-	411
Disposals / Write-offs / Terminations	(696)	-	(696)
Disposal of Subsidiary	(18,383)	-	(18,383)
Depreciation charge for the year	(6,695)	(582)	(7,277)
(Impairment) / Reversal of Impairment for the year	(57,237)	-	(57,237)
Net book value 31.12.2021	420,067	5,365	425,432
Balance 31.12.2021			
Acquisition Cost	526,301	7,826	534,127
Accumulated depreciation and impairment losses	(106,235)	(2,460)	(108,695)

The fair value of investments in land and buildings as at 31.12.2021 amounts to € 430,169.

In 2021 an impairment loss amounting to € 57,237, was recognized, in order for the carrying amount of investment property not to exceed the recoverable amount as at 31.12.2021, as the latter was estimated by certified valuers. The impairment amount was recognized in 'Other Expenses'. The main part of the impairment losses of the year, concerns property of book value € 91,026 as at 31.12.2021 that have been transferred to Held for Sale (note 48). The recoverable amount of investment property, which was impaired during the current year, amounted to € 112,507.

The fair value of the investment property is calculated in accordance with the methods mentioned in note 1.2.7 and are classified, in terms of fair value hierarchy, in Level 3 since assumptions and inputs relating to properties of relevant characteristics are used for the determination of fair value and therefore encompass a wide range of unobservable market inputs. The capitalization rate used ranges between 6.5% and 8%.

It is noted that further to the updated reports obtained by the competent divisions of the Bank relating to the effect of Covid-19 on the values of real estate properties and based on the assumptions of the basic scenario relating to the evaluation of the pandemic and its effect on the values of the properties, and considering recent data from realized property sales by the Group to third parties, it is estimated that the prices of Group's properties have not been affected by the pandemic in order to merit further impairment in the fair values.

Information about the caption "Reclassification to Assets held for sale" is presented in note 48.

"Additions" of the current year as well as the "additions from companies that were consolidated for the first time in the year" mainly relates to investment in properties acquired in the context of the credit risk management of the Group from real estate loan collaterals.

The recoverable amount of right-of-use assets on buildings is equal to the discounted value of the rental receivables from subleases.

The Group, as a lessor of buildings owned by third parties, recognizes in the results of the period rental income.

Future receipts from operating leases are as follows:

	31.12.2021
Up to 1 year	8,809
From 1 year to 5 years	15,221
Over 5 years	482
Total	24,512

Future income from finance leases are disclosed in note 19.

Income from operating leases for 2021 amount to € 10,076 and are included in "Other income".

The Group as a lessor did not have a material impact from the implementation of the lease concession measures in response to the Covid-19 pandemic.

23. Property, plant and equipment

	Land and Buildings	Equipment	Rights-of-use on fixed assets	Total
Balance 17.04.2021				
Acquisition Cost	862,704	525,649	175,158	1,563,510
Accumulated depreciation and impairment losses	(274,844)	(435,502)	(67,789)	(778,135)
17.04.2021- 31.12.2021				
Net book value 17.04.2021	587,859	90,147	107,368	785,375
Additions	6,046	8,680	12,337	27,062
Additions from companies consolidated for the first time in the year	-	43	-	43
Disposals / Write-offs / Terminations / Reassessments	(5,990)	(392)	2,460	(3,922)
Disposal of Subsidiary	-	(2,400)	(6,032)	(8,432)
Reclassification to "Other Assets"	(4,068)	-	-	(4,068)
Reclassification to "Assets held for sale"	(2,505)	(1,431)	(8,612)	(12,547)
Foreign Exchange differences	(1,251)	(1,274)	2,790	265
Depreciation charge for the year	(11,930)	(13,522)	(20,520)	(45,971)
Impairment losses for the year	(94)	(1)	81	(14)
Net book value 31.12.2021	568,068	79,851	89,871	737,790
Balance 31.12.2021				
Acquisition Cost	841,752	509,090	172,781	1,523,624
Accumulated depreciation and impairment losses	(273,683)	(429,240)	(82,911)	(785,834)

The recoverable amount of plant, property and equipment which were impaired during 2021, amounted to € 2,084, while an impairment loss of € 94 was recorded in "Other Expenses". During the impairment test of property, the estimation of the recoverable amount is based on the value in use, which incorporates in the value of the asset all the improvements realized as necessary to bring the asset in an appropriate condition to be used by the Group. The discount rates used range between 6.5% and 8% depending on the characteristics (location, size use) of each asset.

The fair values of the properties are calculated in accordance with the methods described in note 1.2.7 and are classified, in terms of fair value hierarchy, in Level 3 since assumptions and inputs relating to properties of relevant characteristics are used for the determination of fair value and therefore encompass a wide range of unobservable market inputs.

It is noted that further to the updated reports obtained by the competent divisions of the Bank relating to the effect of Covid-19 on the values of real estate properties in Greece it is estimated that these values have not been affected by the pandemic in order to merit further impairment in the fair values as at 31.12.2021.

In addition, the Group did not have an impact from the application of the lease concession measures, given that the Bank and the Group companies, as tenants, have not been favored in this regard.

Information on the transfers to Assets held for sale is presented in note 48.

With regards to the right of use assets, in 2021 an impairment loss of €0.15 was recognized as well as a reversal of impairment of €81 recorded in "Other Expenses".

24. Goodwill and other intangible assets

	Goodwill	Software	Other intangible	Total
Balance 17.4.2021				
Acquisition Cost	59,656	995,410	125,343	1,180,408
Accumulated depreciation and impairment losses		(507,665)	(125,297)	(632,963)
17.4.2021 - 31.12.2021				
Net book value 17.4.2021	59,656	487,744	45	547,446
Additions		78,144	-	78,144
Disposal of Subsidiary	(55,332)	(22,865)	-	(78,197)
Reclassification to "Assets held for sale"	-	(1,327)	-	(1,327)
Foreign exchange differences	(71)	(248)	-	(318)
Disposals / Write-offs	-	(1,484)	-	(1,484)
Amortisation charge for the year	-	(55,512)	(3)	(55,515)
Impairment losses for the year	(4,254)	(6,686)	-	(10,939)
Net book value 31.12.2021	-	477,767	42	477,809
Balance 31.12.2021				
Acquisition Cost	-	1,013,512	125,342	1,138,854
Accumulated depreciation and impairment losses	-	(535,745)	(125,300)	(661,046)

Software additions of the year, relate mainly to purchase of licences and other applications of the Bank.

Respectively, the subsidiary's sale is attributable to the deconsolidation of Cepal Holdings AE, since the Group lost control of it due to the sale of 80% of its share capital on 18.06.2021 (Note 40).

Respectively, the goodwill impairment derives from the goodwill impairment of the real estate company Acarta Construct Srl and was recorded in "Gains less losses on financial transactions".

In software programs additions is included an amount of € 8,732, which concerns an internally produced computer applications. The depreciation for the year corresponding to these applications amounted to € 2,545.

In 2021, an impairment loss on Intangibles assets of € 83 was recognized in "Other Expenses" as well as €6,686 was recognized in "Discontinued operations".

25. Deferred tax assets and liabilities

	31.12.2021
Assets	5,416,071
Liabilities	(18,772)
Total	5,397,299

Deferred tax assets and liabilities are analyzed as follows:

	17.04 - 31.12.2021						
	Balance 17.4.2021	Recognized in		Sale of Cepal	Acquisition Acarta	Foreign exchange differences	Balance 31.12.2021
		Income Statement	Equity				
Debit difference of Law 4046/2012 (Note 13)	924,513	(33,416)					891,097
Debit difference of Law 4465/2017 (Note 13)	2,459,652	484,742					2,944,394
Write-offs, depreciation and impairment of fixed assets and leases	(3,960)	51,860					47,900
Loan portfolio	1,404,650	(392,752)	25,099				1,036,997
Valuation of loans due to hedging	(249)	225					(24)
Employee defined benefit and insurance funds	11,694	(2,992)	(1,198)				7,504
Valuation of derivatives financial instruments / Valuation cash flow hedge reserve	128,925	(6,168)	(6,876)				115,881
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	(13,076)	(3,717)	(5,798)				(22,591)
Valuation/impairment of investments	136,817	(1,363)					135,454
Valuation/impairment of debt securities and other securities	86,487	5,617	32,315				124,419
Tax losses carried forward	12,500	(4,755)					7,745
Other temporary differences	202,805	(75,102)	1,450	(3,561)	3,441	(5,006)	124,027
Currency translation differences from financial statements and net investment hedging of foreign operations	(14,653)		(851)				(15,504)
Total	5,336,105	22,179	44,141	(3,561)	3,441	(5,006)	5,397,299

26. Other assets

	31.12.2021
Tax advances and withholding taxes	188,601
Deposit and Investment Guarantee Fund	634,048
Property obtained from auctions and other property are held for sale	393,233
Prepaid expenses	18,540
Accrued income	6,274
Other	248,499
Total	1,489,194

“Deposit and Investment Guarantee Fund” relates to the Bank’s participation in the assets of Investment Cover Scheme and Deposit Cover Scheme and comprises the following:

1. the amount of the contribution to the Investment Cover Scheme and
2. the difference on the regular annual contribution of credit institutions deriving from the application of article 6 of Law 3714/2008 “Borrower’s protection and other provisions”, which increase the upper coverage level for the amount of deposits guaranteed by the deposit guarantee scheme from € 20 to € 100 per depositor.

The above difference is considered, according to Law 4370/7.3.2016 in “Deposit Guarantee Scheme (transposition of Directive 2014/49/EU), Deposit and Investment Guarantee Fund and other regulations” a distinct group of assets, which are considered to be assets of the participating depository institutions according to their participation.

“Tax advances and withholding taxes” is presented, net of provisions amounted to € 64,763 in year 2021.

As at 31.12.2021 the Group measured “Property obtained from auctions and other property held for sale” at the lowest value between the carrying amount and fair value less costs to sell. For the cases where the fair value was lower than the carrying amount, an impairment loss of € 15,452 was recognized in “Other expenses” of the Income Statement. The main part of the impairment losses for the current year related to properties with carrying amount of € 20,384 on 31.12.2021 that were transferred to the Assets for Sale (note 48). The recoverable amount of the property which was impaired during the current year amounted to € 22,372.

The fair value of the assets has been estimated based on the methods mentioned in note 1.2.7 and are classified in terms of fair value hierarchy in Level 3, since is based on market research data, assumptions and inputs relating to properties of relevant characteristics and therefore encompass a wide range of unobservable market inputs. The capitalization rate used was between 6.5% and 8%.

It is noted that further to the updated reports obtained by the competent divisions of the Bank relating to the effect of Covid-19 on the values of real estate properties it is estimated that these values have not been affected by the pandemic in order to merit further impairment in the fair values during 31.12.2021.

LIABILITIES

27. Due to Banks

	31.12.2021
Deposits:	
- Current accounts	208,056
- Term deposits:	
Central Banks	12,862,803
Other credit institutions	80,592
Cash collateral for derivative margin account and repurchase agreements	22,022
Securities sold under agreement to resell (Repos)	308,019
Borrowing funds	497,602
Deposits on demand:	
- Other credit institutions	4,568
Total	13,983,661

In order to cope with the effects of Covid-19 pandemic, ensure adequate liquidity, normalize market's condition and support the credit expansion, European Central Bank gradually announced since March 2020 a series of measures such as amendment on terms of the Targeted Longer Term Refinancing Operations III and a new bunch of non-targeted longer term refinancing operations due to the pandemic (Pandemic Emergency Longer Term Refinancing Operations).

It is noted that the interest rate of TLTRO III can reach -1% for the period from June 2020 to June 2021 and remain to -0.5% for the residual period until maturity, provided that the amount of loans falling under the program remain for the period between March 2020 and March 2021, at March 2020's levels. The ECB announced on 10.12.2020 a further amendment to the terms of the TLTRO III program, according to which if, in addition to the achievement of the target set for the period March 2020 – March 2021, loans for the period October 2020 - December 2021 remain at the levels of October 2020 the interest rate can be set at -1% for the next period from June 2021 to June 2022.

The date of Hive Down the amount of Bank funding through TLTRO III program amounted to € 12.9 billion. The repayments of €1.9 billion and €2.0 billion in September and December 2021 and the concurrent renewals of € 4.0 billion, resulted in total borrowing through the TLTRO III program of € 13 billion as at 31.12.2021. In terms of loans, the target for the period March 2020 – March 2021 has been achieved, while it is also estimated, on the basis of the available data, that the target for the period October 2020 – December 2021 is also being achieved. Following the above, an income of € 98,499 relating to the current fiscal year of which an amount of € 51,965 relates to the additional margin -0.50%.

In particular, given that changes in the interest rate based on the level of the achievement of the objectives are contractually prescribed, the effective interest rate will be adjusted as a conventionally predetermined variable interest rate when the estimates for the achievement of the objectives become reliable and cumulative adjust of the amount recognized in interest income. It is also noted that the interest rate of this loan has not been treated as an off-market interest rate loan as the European Central Bank has provided it to all credit institutions under its supervision.

Regarding the reduction in liabilities to other credit institutions, the increase of ECB funding led to reduction in repos transactions.

The caption "Borrowing Funds" includes mainly liabilities of the Group towards multilateral development banks.

The interest income recognized for the period of 2021 from these transactions is presented in the caption 'Interest and similar income' of the Statement of Income.

28. Due to customers

	31.12.2021
Deposits:	
- Current account	22,071,706
- Saving accounts	14,959,750
- Term deposits	9,792,024
Deposits on demand	42,906
	46,866,386
Cheques payable	152,000
Total	47,018,386

29. Debt securities in issue and other borrowed funds

In the context of the hive down of the Banking Sector on 16.04.2021, all financial liabilities related to the covered bonds and the senior debt securities of Alpha Services and Holdings were contributed to Alpha Bank SA.

i. Covered bonds *

The movement of the liabilities relating to Covered Bonds is summarized as below:

Balance 17.4.2021	702.144
Changes for the year 17.04 - 31.12.2021	
Maturities / Repayments	(2,009)
Accrued Interests	10,056
Foreign exchange differences	(149)
Balance 31.12.2021	710,042

The following table presents detailed information for the covered Bonds issuances:

a. Held by the Group

Issuer	Currency	Interest Rate	Maturity	Nominal value
				31.12.2021
Alpha Bank S.A.	Euro	3m Euribor+0.5% Minimum 0%	23.1.2023	1,000,000
Alpha Bank S.A.	Euro	3m Euribor+0.5% Minimum 0%	23.1.2023	1,000,000
Alpha Bank S.A.	Euro	3m Euribor+0.35% Minimum 0%	23.1.2023	200,000
Alpha Bank S.A.	Euro	2.50%	5.2.2023	1,000
Total				2,201,000

b. Held by third parties

Issuer	Currency	Interest Rate	Maturity	Nominal value
				31.12.2021
Alpha Bank S.A.	Euro	2.5%	5,2,2023	499,000
Alpha Bank Romania S.A.	Euro	6m Euribor+1.5%	16,5,2024	200,000
Total				699,000

* Financial disclosures regarding covered bond issues, as determined by the 2620/28.8.2009 Act of the Bank of Greece, have been published on the Bank's website.

ii. Senior Debt Securities

Balance 17.4.2021	1,598
Changes for the year 17.04 - 31.12.2021	
New issues	890,021
Maturities / Repayments	(43)
Hedging adjustments	(6,908)
Accrued Interests	4,442
Balance 31.12.2021	889,110

In the context of the Euro Medium Term Note Program of € 15 billion the Bank has issued on 23.09.2021 a Senior Preferred Note with a nominal value of € 500 million maturing on 23.03.2028, with a call option on 23.03.2027 and with an initially fixed annual interest rate equal to 2,5%, which is adjusted on a new interest rate valid from the call date until its maturity, defined on the basis of the annual swap rate plus a margin of 2.849%. On 14.12.2021, in the context of the aforementioned Program, the Bank has proceeded to a new Senior Preferred Note issue with a nominal value of € 400 million maturing on 14.02.2024, with a call option on 14.02.2023 and with an initially fixed annual interest rate equal to 3,0%, which is adjusted on a new interest rate valid from the call date until its maturity, defined on the basis of the annual swap rate plus a margin of 3,468%.

The aforementioned issues aim to meet the Bank's objectives for the Minimum Equity and Eligible Liabilities Requirements as defined by the Single Resolution Board.

The following tables presents additional information for the Senior Debt Securities issues:

Held by third parties

Issuer	Currency	Interest Rate	Maturity	Nominal value
				31.12.2021
Alpha Bank S.A.	Euro	2.50%	20.6.2022	350
Alpha Bank S.A.	Euro	2.50%	20.6.2022	1,345
Alpha Bank S.A.	Euro	2.50%	23.3.2028	500,000
Alpha Bank S.A.	Euro	3.00%	14.2.2024	400,000
Total				901,695

iii. Liabilities from the securitization of other loans

Liabilities arising from the securitization of consumer loans, business loans, credit cards and leasing receivables are not included in "Debt securities in issue and other borrowed funds" because the respective notes with nominal amount of € 1,441,800 (16.04.2021: € 2,141,000) issued by special purpose entities are own-held by the Group.

The following table presents detailed information for the above mentioned issues:

Held by the Group

Issuer	Currency	Interest Rate	Maturity	Nominal value
				31.12.2021
Katanalotika Plc LDN - Class A	Euro	3m Euribor +2.6%, minimum 0%	17.12.2019	-
Katanalotika Plc LDN - Class Z	Euro	3m Euribor +1%, minimum 0%	17.12.2029	-
Epihiro Plc LDN - Class A	Euro	6m Euribor +0.3%, minimum 0%	20.1.2035	400,000
Epihiro Plc LDN - Class B	Euro	6m Euribor, minimum 0%	20.1.2035	100,000
Pisti 2010-1 Plc LDN - Class A	Euro	2.50%	24.2.2026	294,200
Pisti 2010-1 Plc LDN - Class B	Euro	1m Euribor, minimum 0%	24.2.2026	172,800
Irida Plc LDN - Class A	Euro	3m Euribor +0.3%, minimum 0%	3.1.2039	261,100
Irida Plc LDN - Class B	Euro	3m Euribor, minimum 0%	3.1.2039	213,700
Total				1,441,800

On 17.6.2021 the Class A and Class Z versions of the consumer loan securitization transaction were repaid and the respective consumer loans were declassified.

On 25.5.2021 the Class A and Class B issues of the credit card securitization transaction at nominal value of € 75,100 and € 44,100 respectively were partially repaid.

iv. Liabilities from the securitization of non – performing loans

On 30.4.2020, the Bank has proceeded to a securitization transaction of non-performing consumer and corporate loans ("Galaxy"), the terms of which have been finalized on 24.06.2020. More specifically, non-performing loans were transferred to special purpose entities Orion X Securitisation Designated Activity Company, Galaxy II Funding Designated Activity Company, Galaxy III Funding Designated Activity Company and Galaxy IV Funding Designated Activity Company, established in Ireland, with a book value on 16.4.2021 of € 6.022.689.

Until the demerger date of 16.4.2021, the liabilities that arose from the aforementioned securitization, are not included in the caption "Debt securities in issue and other borrowed funds", due to the fact that the respective notes of a total nominal value of € 11,713,951, issued by the Special Purpose entities, were held by Alpha Bank S.A. before the demerger, with an acquisition cost equal to the carrying amount of the loans securitized.

On 16.4.2021 the Senior notes (Class A) with a nominal value of € 3,763,000 as well as the 5% of the mezzanine and junior notes (Class B and Class C) with a nominal value of € 350,221 were contributed to Alpha Bank S.A. and recognized respectively in loans measured at amortized cost and loans measured at fair value through profit or loss.

Alpha Services and Holdings S.A. recognised a liability from the securitization equal to the value of the Notes recognised by Alpha Bank S.A., in which the net receivables and payables from the securitization and transactions with special purpose entities are net off.

95% of the mezzanine and junior notes with a nominal value of € 6,654,192 remained to Alpha Services and Holdings. Following the sale transaction of 51% of the mezzanine and junior notes that concluded on 18.6.2021, the derecognition of the respective securitized loans occurred.

v. Liabilities from NPL securitization

Alpha Bank SA on 28.6.2021 carried out an NPL portfolio securitization transaction managed by Cepal, the amount of which may vary on a continuous basis depending on the satisfaction of specific eligibility criteria. In particular, the loans were transferred to the special purpose company Gemini Core Securitisation Designated Activity Company based in Ireland, which issued a bond with an initial nominal value of € 8,712,547 which was purchased by Alpha Bank Societe Anonyme. The nominal value of the securitization amounts to € 6,914,844 on 31.12.2021. Due to the fact that the bond is being held by the bank, the liability from the securitization is not included in the account "Debt securities in issue and other borrowed funds".

Information regarding the aforementioned issue is presented in the following table:

Issuer	Currency	Interest Rate	Maturity	Nominal value
				31.12.2021
Gemini Core Securitisation DAC	Euro	3m Euribor +0.4%, minimum 0%	27.6.2050	6,914,844

viii. Subordinated debt (Lower Tier II, Upper Tier II)

On 19.04.2021 the Bank has issued a Subordinated Debt security of a nominal value of € 500 million and maturity date on 13.02.2031, with a call option from 19.4.2026 until 13.02.2027 and with an initially fixed annual interest rate equal to 4.45%, which is adjusted on a new interest rate valid from the call date until its maturity, defined on the basis of the five year swap rate plus a margin of 4.69%.

In addition, on 19.04.2021, the Bank has issued a Subordinated Debt security of a nominal value of € 500 million and maturity date on 11.06.2031, with a call option from 19.4.2026 until 11.06.2026 and with an initially fixed annual interest rate equal to 5.70%, which is adjusted on a new interest rate valid from the call date until its maturity, defined on the basis of the five year swap rate plus a margin of 5.99%.

Both issues have been fully subscribed by Alpha Services and Holdings S.A.

The aforementioned issues have been valued at their fair value at the initial recognition and the resulting valuation adjustment has been recognized in equity as indirect capital contribution by the parent entity. It is noted that, both titles hold the same essential terms, except the call date, with the Subordinated Debt Issues of Alpha Services and Holdings (Nominal Value equal to

500 million each and issue dates on 13.02.2020 and 11.03.2021) and held the aforementioned issues after the hive down of the Banking Sector. The call option constitutes an embedded derivative which, due to the difference between the amortised cost of the Bond, as it is estimated on the call date, and the call price, has been separated as not closely related to the host contract and is valued as a derivative at fair value through profit and loss.

Balance 17.04.2021	-
Changes for the year 17.04 - 31.12.2021	
New issues	1,000,000
Valuation difference at initial recognition	(19,993)
Maturities / Repayments	(4,138)
Hedging adjustments	(5,346)
Financial (gains)/losses	-
Accrued interest	37,196
Balance 31.12.2021	1,007,719

The following table presents additional information for the above mentioned issues:

Issuer	Currency	Interest Rate	Maturity	Nominal value
				31.12.2021
Alpha Bank S.A.	Euro	4.45%	13.2.2031	500,000
Alpha Bank S.A.	Euro	5.70%	11.6.2031	500,000
Total				1,000,000

Total of debt securities in issue and other borrowed funds as at 31.12.2021	2,606,871

The following table presents the changes of debt securities and other borrowed funds, separately disclosing the cash and non-cash items.

Cash flows from financing activities	17.04.2021	Cash Flows	Non Cash Flows				31.12.2021
		Desecuritizations New issues Maturities Repayments	Accrued interest	Foreign exchange differences	Change of Fair Value	Desecuritizations New issues Maturities Repayments	
Joint bond issues (ii)	1,598	889,978	4,442	-	(6,908)		889,110
Subordinated loans(vi)	-	995,862	37,196	-	(25,339)		1,007,719
Covered bond issues *(i)	702,144	(2,009)	10,056	-	-	(149)	710,042

The above cash flows are included in the net cash flows from financing activities in the cash flow statement of the year.

30. Liabilities for current income tax and other taxes

	31.12.2021
Income tax	2,378
Other taxes	22,029
Total	24,407

31. Employee defined benefit obligations

The total amounts recognized, in the financial statements for defined benefit obligations are presented in the tables below:

	Balance Sheet- Liabilities
	31.12.2021
Alpha Bank employee's indemnity provision due to retirement in accordance with Law 2112/1920	19,040
Savings program guarantee	512
Plans for Diners (pension and health care)	8,250
Greek Group companies' employees indemnity provision due to retirement in accordance with Law 2112/1920	1,007
Other provision for retirement benefits	600
Total Liabilities	29,409

	Income Statement Expense /(Income)
	31.12.2021
Alpha Bank employee's indemnity provision due to retirement in accordance with Law 2112/1920	4,733
Savings program guarantee	95
Plans for Diners (pension and health care)	37
Greek Group companies' employees indemnity provision due to retirement in accordance with Law 2112/1920	2,055
Other provision for retirement benefits	594
Total Liabilities	7,514

Balance Sheet and Income Statement amounts are analyzed per fund and type of benefit as follows:

i. Bank

a. Employee indemnity due to retirement in accordance with Law 2112/1920

The contracts of the regular employees of the Bank are indefinite term employee contracts and when terminated, the provisions of Law 2112/1920 and Law 3198/1955 apply, as amended by Law 4093/2012, which provide a lump sum benefit payment.

During the year, the Company changed the method of calculating the defined benefit obligation taking into account a decision of the IFRS Interpretations Committee (IFRIC Committee) issued in May 2021. With the implementation of this decision, the attributing of benefits to periods of service will no longer begin from the first day of employment but as per what is defined in article 8 of Law 3198/1955. The decision is treated as a change in accounting policy in accordance with the provisions of IAS 8.

The amounts recognized in the balance sheet are as follows:

	31.12.2021
Present value of defined obligations	19,040
Liability	19,040

The amounts recognized in the income statement are as follows:

	From 17 April until
	31.12.2021
Current service cost	1,553
Net interest cost resulted from net asset/liability	17
Settlement/Curtailment/Termination (gain)/loss	3,163
Total (included in staff costs)	4,733

The movement in the present value of defined obligation is as follows:

	2021
Opening Balance	
Hive-down impact	25,147
Current Service cost	1,553
Interest cost	17
Benefits paid	(10,039)
(Gain)/Loss from Settlement/Curtailment/Termination	3,163
Reclassification to voluntary separation scheme provision	(434)
Actuarial (gain)/loss-financial assumptions	(407)
Actuarial (gain)/loss-experience assumptions	90
Reclassification of staff provision to liabilities related to Assets Held for Sale	(50)
Closing Balance	19,040

The amount of € 434 in 2021 corresponds to the provision made for employees who made use of the long-term leave under the voluntary exit scheme of September 2021.

The amount of €50 in 2021 corresponds to the accrued liability concerning Bank's staff transfer in the context of hive down of the merger and acquiring transaction.

The amounts recognized directly in equity during the year are analyzed as follows:

	31.12.2021
Change in liability gain/(loss) due to changes in financial and demographic assumptions	407
Change in liability gain/(loss) due to experience adjustments	(90)
Total actuarial gain/(loss) recognized directly in Equity within the year	317

The movement in the defined obligation liability is as follows:

	31.12.2021
Opening Balance	-
Hive-down impact	25,147
Benefits paid	(10,039)
Loss/(Gain) recognized in Income Statement	4,733
Loss/(Gain) recognized in equity	(317)
Reclassification to voluntary separation scheme provision	(434)
Reclassification to assets held for sale	(50)
Closing Balance	19,040

b. Savings plan guarantee

For employees hired by the Bank and insured from 1.1.1993 until 31.12.2004 the Bank has guaranteed that the lump sum benefit payment, according to the provisions of the insurance plan, will be at least equal to the benefit as defined in Law 2084/1992 and the Cabinet Act 2/39350/0022/2.3.99.

The amounts included in the balance sheet are analyzed as follows:

	31.12.2021
Present value of defined obligation	512
Liability	512

he amounts included in the income statement are as follows:

	From 17 April until
	31.12.2021
Current Service Cost	86
Net Interest cost resulted from net asset/liability	9
Total (Included in staff costs)	95

The movement in the present value of defined benefit obligation is as follows:

	2021
Opening Balance	-
Hive-down impact	2,800
Current Service Cost	86
Interest cost	9
Actuarial (gain)/loss-financial assumptions	(210)
Actuarial (gain)/loss-experience assumptions	(2,173)
Closing Balance	512

The amounts recognized directly in Equity during the year are analyzed as follows:

	31.12.2021
Change in liability due to changes in financial and demographic assumptions - gain/(loss)	210
Change in liability due to experience adjustments - gain/(loss)	2.173
Total actuarial gain/(loss) recognized in equity	2.383

The movement in the obligation is as follows:

	31.12.2021
Opening Balance	-
Hive-down impact	2,800
Loss/(gain) recognized in income statement	95
Loss/(gain) recognized in equity	(2,383)
Closing Balance	512

c. Supplementary Pension Fund and Healthcare of Diners

The Bank guarantees from 30.9.2014, date of acquisition of Diners Club Greece A.E., the Supplementary Pension Fund and Health Care Plan of the Company, which is managed by an independent insurance company.

On 2.6.2015, the merger through absorption of the company was completed. These plans cover the pensioners and those who have retired and have the right to receive supplementary pension in the future.

The amounts included in the balance sheet are analyzed as follows:

	31.12.2021
Present value of defined obligation	9.895
Fair value of plan assets	(1.645)
Liability	8.250

The assets of the scheme include only cash.

The amounts included in the income statement are analyzed as follows:

	From 17 April until 31.12.2021
Present value of defined obligation	36
Fair value of plan assets	1
Liability	37

The movement in the present value of defined benefit obligation is as follows:

	31.12.2021
Opening Balance	-
Hive Down impact	10,888
Interest Cost	44
Benefits paid directly by the Bank	(9)
Benefits paid by the Plan	(270)
Actuarial (gain)/loss-financial assumptions	(810)
Actuarial (gain)/loss-experience adjustments	52
Closing Balance	9,895

The movement in the fair value of of assets for the plan as follows:

	31.12.2021
Opening Balance	-
Hive Down impact	1,919
Expected return	8
Benefits paid	(270)
Expenses	(1)
Actuarial losses	(11)
Closing Balance	1,645

The amounts recognized directly in Equity during the year are analyzed as follows!

	31.12.2021
Change in liability due to financial and demographic assumptions - gains/(loss)	810
Change in liability due to experience adjustments - gain/(loss)	(52)
Return on plan assets excluding amounts included in income statement - gain/(loss)	(11)
Total actuarial gain/(loss) recognized in equity	747

The movement in the obligation/(asset) is as follows:

	31.12.2021
Opening Balance	-
Hive Down impact	8,969
Benefits paid directly by the Bank	(9)
(Gain)/loss recognized in Income Statement	37
(Gain)/loss recognized in Equity	(747)
Closing Balance	8,250

The results of the abovementioned valuations are based on the assumptions of the actuarial studies.

The principal actuarial assumptions used for the abovementioned defined benefit plans are as follows:

	31.12.2021
Discount rate	0.61%-1.09%
Inflation rate	2.00%
Return on plan assets	2.00%
Future salary growth	2.00%
Future pension growth	0.00%

The discount rate was based on the iBoxx Euro Corporate AA+ adjusted to the characteristics of the programs.

The average duration per program is depicted in the table below:

	31.12.2021
Bank employee's indemnity provision due to retirement in accordance with Law 2112/1920	8.0
Saving program guarantee	13.9
Plans for Diners (pension and health care)	15.4

The table below presents the sensitivity analysis of the financial assumptions in regards to the obligation of the above programs:

	Percentage change
Increase in discount rate by 0.5%	(4.9)
Decrease in discount rate by 0.5%	5.4
Increase in future salary growth rate by 0.5%	3.4
Decrease in future salary growth rate by 0.5%	(2.7)

ii. Group companies

The employees of Greek subsidiaries with employment contracts of indefinite duration, receive a lump sum payment on retirement, as defined by Law 2112/1920 as modified by Law 4093/2012.

The total amounts recognized in the financial statements regarding the defined benefit obligations of the Group are analyzed as follows:

The total amounts recognized in the financial statements regarding the defined benefit obligations of the Group are analyzed as follows:

	Balance Sheet – Liabilities
	31.12.2021
Indemnity of employees of greek subsidiaries due to retirement in accordance with Law 2112/1920	1,007
Other provision for retirement benefits	599
Total Liabilities	1,606

	Income Statement Expenses from 17 April until
	31.12.2021
Indemnity of employees of greek subsidiaries due to retirement in accordance with Law 2112/1920	2,055
Other provision for retirement benefits	594
Indemnity of employees of greek subsidiaries due to retirement in accordance with Law 2112/1920	2,649

The amount of actuarial gain/losses that was recognized in equity for the defined benefit plans of the Group companies' for 2021 amounts to a gain of €40.

For all the mentioned above plans, no contributions are expected to be paid during 2022.

32. Other liabilities

	31.12.2021
Liabilities to third parties	53,465
Brokerage services	25,451
Deferred income	7,766
Accrued expenses	85,473
Liabilities to merchants for the use of credit cards	258,860
Leases liabilities	139,296
Other	309,128
Total	879,439

Liabilities to merchants arising from the use of credit cards, despite being related to the card acquiring industry, are not included in the assets and liabilities classified as held for sale, as during the completion of the spin-off in Alpha Payment Services and the disposal of 51% of the company, this obligation will be replaced by an obligation to Alpha Payment Services which will no longer be a subsidiary company (note 48).

Lease liabilities as at 31.12.2021 amount to €139,296.

The movements arising from lease operations (lease liabilities) are analyzed as follows:

Lease cash flows	17.4.2021	Cash flows	Non-cash flows		Lease cash flows
			New leases	Other changes	
Lease liabilities	159,783	(26,264)	5,972	(195)	139,296

The Group's lease liabilities mainly relate to the buildings it uses for the Bank's branches and other business units, premises for ATM's and executives' cars.

More specifically for the Bank, the duration of the lease agreement in new branches is set at three years with the possibility of extension by the Bank for an additional period, taking into account current conditions at that respective period. The extensions are performed with the same terms as with the initial leases, retaining the right to terminate the contract at any time within the agreed period. The Bank's policy is to renew these contracts, if needed.

In the case of renewals of existing leases, the new lease is set at three years with the possibility of an extension by the Bank for an additional period, which decides whether to exercise in accordance with current conditions at that respective period. The extensions performed is with the same terms as of the initial lease, retaining the right to terminate the contract at any time within the agreed period. The Bank's policy is to renew these contracts, if needed.

In particular, in the case of branch leases, which the Bank decided that the lease should be extended, the term of the lease is set at one or two years on the basis of the relevant extension right.

Finally, for leases of off-site ATMs, for the majority of them, the lease duration is set at one or two years and if extended, since contractually the extension transpose them to indefinite, the duration of the lease is estimated for ten years.

It is noted that there are no property leases which include a variable lease term while variable leases have been included in the expenses relating to other types of leases. However, variable lease terms, which concern other lease categories, were recorded in expenses.

It is noted that there are initial lease agreements relating to the operation of Off Site ATM that were signed in the last days of 2021 and have been implemented since 1.1.2022, however they do not have a significant impact on the Group's amounts.

33. Provisions

a. Provisions to cover credit risk and other provisions

Balance 17.04.2021	281,225
Changes for the year 17.04-31.12.2021	
Provisions to cover credit risk relating to letters of guarantee, letters of credit and undrawn loan commitments (note 11)	(54,262)
Other provisions	5,212
Other provisions used	(4,042)
Provision for separation schemes	31
Use of provision for separation schemes	(63,656)
Reclassification to assets held for sale	(2,573)
Foreign exchange differences	(210)
Balance 31.12.2021	161,725

The amounts of other provisions are included in “Other Expenses” (note 10) and “Other Income” (note 7), the amounts of provisions to cover credit risk relating to financial guarantee contracts are included in “Impairment losses and provisions for credit risk” (note 11), and the amounts for provisions of staff separation schemes are included in “Staff costs and expenses for separation schemes” (note 8).

On 31.12.2021 the balance of provisions to cover credit risk relating to Letters of Guarantee, Letters of Credit and undrawn loan commitments amounts to € 42,684 of which an amount of € 5,909 and undrawn loan commitments amounts to € 36,775 relates to provisions for Letters of Guarantee and Letters of Credit.

The balance of the provision for the separation schemes as at 31.12.2021 amounts to € 47,489, which relates to an amount of € 40,355 concerning the provision for the voluntary separation scheme of 2021, to an amount of € 5,592 to cover the cost of employees who departed using the long term leave in the context of the exit programs that was in force for the period 2016 and onwards and to an amount of € 1,542 for the senior executives.

On 31.12.2021 the balance of other provisions amounts to € 71.553 out of which:

- An amount of € 34.439 relates to pending legal cases,
- An amount of € 2.559 relates to the Bank’s assessment for the year ended 31.12.2021 , for the dismissal of the appeals submitted in previous years regarding the obligation to make contributions to an insurance fund.
- An amount of € 4.750 relates to provisions for indemnities included in sale agreement of Cepal.
- The remaining balance of other provisions relate mainly to other provisions for operational loss events.

EQUITY

34. Share capital

		Changes for the year from 17.04. to 31.12.2021			
	Open Balance as at 17.04.2021	Shares from Share Capital Increase in cash	Share Capital Decrease	Balance as at 31.12.2021	Share Capital paid on 31.12.2021
Number of ordinary registered shares	50,838,244,961	1,160,000,000	108,252,500	51,889,992,461	5,188,999

The Company's share capital on 31.12.2021 amounts to € 5,188,999 divided into 51,889,992,461 ordinary, registered shares with voting rights with a nominal value of €0.10 each.

The Unsolicited Extraordinary General Meeting of the sole Bank's Shareholder, Alpha Services and Holdings S.A., of 23.07.2021 approved, inter alia, the increase of the Bank's share capital by the amount of € 1 billion. with payment in cash and the issue of 1,000,000,000 new common shares with voting rights with a nominal value of € 0.10 each and Offering Price at € 1.00 per New Share. The above Share Capital Increase was completed on 28.7.2021 and the share capital of the Company increased by € 100,000 while the difference between the offering price and the nominal value of a total amount of € 900,000 increased the Share premium.

In addition, the Unsolicited Extraordinary General Meeting of the sole Shareholder of 25.10.2021 approved, inter alia, the decrease, in kind, of the Bank's share capital by the amount of € 10,825 with the cancellation of 108,252,500 common shares with voting rights with a nominal value of € 0.10 each, held by the Shareholder, Alpha Services and Holdings S.A.. The above Share Capital Decrease was completed on 10.12.2021, as detailed described in note 19.

Finally, the Unsolicited Extraordinary General Meeting of the Shareholders of 23.12.2021 approved the increase of Bank's share capital by the amount of € 160,000 with payment in cash and the issue of 160,000,000 new common shares with voting rights with a nominal value of € 0.10 each and Offering Price at € 1.00 per Share. The above Share Capital Increase was completed on 29.12.2021 and the share capital of the Company increased by € 16,000 while the difference between the offering price and the nominal value of a total amount of € 144,000 increased the Share premium.

Following the above Share Capital during the period from 17.04.2021 to 31.12.2021 increased by € 105,175.

35. Share premium

The share premium on 31.12.2021 at € 1,044,000.

Balance as at 17.04.2021	-
Increase in Share Capital – share premium from the issuance of share capital	1,044,000
Balance as at 31.12.2021	1,044,000

Considering the share capital increase described above the reserve from the share premium has been increased by €1,044,000 as a result between the difference from the nominal value of the shares of € 0.10 and the issue price of € 1.

36. Reserves

Reserves are analyzed as follows:

a. Statutory reserve

	31.12.2021
Statutory reserve	119,625

According to article 158 of Law 4548/2018, (the respective provision exists in Article 26 of the Bank's Articles of Association, as applicable), one-twentieth (1/20) of the net profit of the year is deducted annually from each year's net profit for the formation of the statutory reserve. The deduction for the formation of the statutory reserve ceases to be mandatory when the reserve amounts one-third (1/3) of the share capital. Based on the provisions of the aforementioned article this reserve can be used only before any dividend distribution in order to offset any debit balance in the Retained Earnings.

The other companies of the Group form the statutory reserve as and when provided for by local legislation.

b. Reserves of investment securities measured at fair value through other comprehensive income

	2021
Opening Balance 17.04	103,373
Changes for the year 17.04 - 31.12	
Valuation of debt securities measured at fair value through other comprehensive income, after income tax	(37,737)
Reclassification to amounts recognized directly in Equity related to assets held for sale	(4,363)
Reclassification to income statement of reserve of debt securities measured at fair value through other comprehensive income, after income tax	(35,922)
Total	(78,022)
Balance 31.12	25,351

The movements for the year 17.04 to 31.12.2021 of the reserve for investment securities measured at fair value through other comprehensive income that relate to the revaluation of the investment securities and the transfer of the related reserve to Income Statement, amounts (before income tax) to a credit amount of € 35,948 and a debit amount of € 71.539, respectively.

c. Cash flow hedge reserve recognised directly in Equity

	2021
Opening Balance 17.04	(219,385)
Changes for the year 17.04 - 31.12	
Change in cash flow hedge reserve after income tax	10,471
Balance 31.12	(208,914)

d. Exchange differences on translating and hedging the net investment in foreign operations

	2021
Opening Balance 17.04	(55,753)
Changes for the year 17.04 - 31.12	
Change of Foreign Exchange differences on translating and hedging the net investment in foreign operations	1,864
Reclassification to amounts recognized directly in Equity related to assets held for sale	(10,764)
Balance 31.12	(64,653)

e. Share of other comprehensive income of associates and joint ventures

	2021
Balance 17.04	(311)
Changes for the year 17.04 - 31.12	
Change in the share of other comprehensive income of associates and joint ventures	
Balance 31.12	(311)

f. Reserve valuation for stock options rights to employees

	2021
Opening balance 17.04	-
Changes for the year 17.04 – 31.12	
Reserve valuation for stock options right to employees	2,888
Balance 31.12	2,888

At 31.12.2021, in the context of the Stock Options Plan and the stock options granted to key management personnel of the Bank and its connected entities, as detailed described in note 8, a reserve was recognized amounting to € 2,888 from the valuation of the abovementioned options.

g. Other reserve

	2021
Balance 17.04	-
Changes for the year 17.04 - 31.12	
Difference from valuation at initial recognition of bond covered by the parent entity, after income tax	20,558
Balance 31.12	20,558

Total reserves (a+b+c+d+e+f+g)	(105,816)

Amounts recognized directly in Equity related to assets held for sale

	2021
Balance 17.04	-
Changes for the year 17.04 - 31.12	
Foreign exchange differences from translations of financial statements and hedgings of foreign subsidiaries	10,764
Reserve of investment securities' measured at fair value through other comprehensive income	4,363
Balance 31.12	15,127
Total amounts recognized directly in Equity related to assets held for sale	15,127

37. Retained earnings

Pursuant to article 159 of Law 4548/2018 and due to the fact that there are no distributable profits for the year 2021, the Board of Directors of the Bank at the Ordinary General Assembly Meeting of Shareholders will propose the non-distribution of dividends to the shareholders of the Company.

38. Discontinued operations

In the context of the sale transaction of Alpha Bank Albania, the activities, whose sale is expected to be completed, constitute for the Group, according to IFRS 5, discontinued activity. Therefore, the presentation of the funds expected to be sold is cumulatively presented as results from discontinued activities in a distinct line in the Income Statement and the Statement of Comprehensive Income.

	From 17 April until
	31.12.2021
Interest and similar income	13,661
Interest expense and similar charges	(2,188)
Net interest income	11,472
Fee and commission income	3,821
Commission expense	(340)
Net fee and commission income	3,481
Gains less losses on financial transactions	(1,343)
Other income	101
Total other income	(1,242)
Total income	13,711
Staff costs	(4,763)
General administrative expenses	(5,934)
Depreciation and amortization	(2,021)
Other expenses	(7,264)
Total expenses before impairment losses and provisions to cover credit risk	(19,983)
Impairment losses and provisions to cover credit risk	644
Impairment losses and other financial assets	74
Profit/(loss) before income tax	(5,554)
Income tax	1,456
Net profit/(loss) after income tax	(4,098)
Gains less losses from valuation after income tax	(25,506)
Net profit/(loss) after income tax from discontinued operations	(29,604)
Net change in reserve of investment securities' measured at fair value through other comprehensive income	168
Foreign exchange differences from translations of financial statements and hedgings of foreign subsidiaries	1,833
Income tax	(25)
Items that may be reclassified subsequently to the Income Statement from discontinued operations	1,976
Total comprehensive income for the period after income tax	(27,628)

ADDITIONAL INFORMATION

39. Contingent liabilities and commitments

a. Legal issues

There are certain legal claims against the Group, in the ordinary course of business. In the context of managing the operational risk events and based on the applied accounting policies, the Group has established internal controls and processes to monitor all legal claims and similar actions by third parties in order to assess the probability of a negative outcome and the potential loss.

For cases where there is a significant probability of a negative outcome, and the result may be reliably estimated, the Group recognizes a provision that is included in the Balance Sheet under the caption "Provisions". On 31.12.2021 the amount of the provision stood at € 34,439.

For those cases, that according to their progress and the assessment of the legal department as at December 31, 2021, a negative outcome is not probable or the potential outflow cannot be estimated reliably due to the complexity of the cases, and their duration the Group has not recognized a provision. As of 31.12.2021 the legal claims against the Group for the above cases amount to € 242,417 and € 586,541. It is noted, however, that in March 2022, the plaintiffs in a lawsuit amounting to € 360,926 withdrew from the lawsuit.

According to the legal department's estimation, the ultimate settlement of the claims and lawsuits is not expected to have a material effect on the financial position or the operations of the Group.

b. Tax issues

Alpha Bank emerged from the hive-down of the banking sector and started its operation on 17.4.2021, the first fiscal year is from 1.7.2020 to 31.12.2021.

Emporiki Bank has been audited by the tax authorities for the years up to and including 2008. Years 2009-2013 are considered as closed, in accordance with the Ministerial Decision 1208/20.12.2017 of the Independent Public Revenue Authority

The Bank's branch in London has been audited by the tax authorities up to and including 2016, the end of operation of which was declared in the Companies Register on 23.12.2020.

The Bank's branch in Luxemburg started its operation on June 2020 and has not been tax audited since its operation.

Based on Ministerial Decision 1006/5.1.2016 there is no exemption from tax audit by the tax authorities to those entities that have been tax audited by the independent auditor and they have received an unqualified tax audit certificate. Therefore, the tax authorities may reaudit the tax books for previous years.

Additional taxes, interest on late submission and penalties may be imposed by tax authorities, as a result of tax audits for unaudited tax years, the amount of which cannot be accurately determined.

The Group's subsidiaries have been audited by the tax authorities up to and including the year indicated in the table below:

Name	Year
Banks	
1. Alpha Bank London Ltd (voluntary settlement of tax obligation)	2019
2. Alpha Bank Cyprus Ltd	2017
3. Alpha Bank Romania S.A. (tax audit is in progress for the years 2014 - 2019)	2006
4. Alpha Bank Albania SH.A.	2016
Leasing Companies	
1. Alpha Leasing S.A.**	2015
2. Alpha Leasing Romania IFN S.A.	2014
3. ABC Factors S.A.**	2015
Investment Banking	
1. Alpha Finance A.E.P.E.Y.** / ***	2015
2. SSIF Alpha Finance Romania S.A. (dissolve on 4.11.2021)	2002
3. Alpha Ventures S.A.** / ***	2015
4. Alpha A.E. Ventures Capital Management - AKES * / ***	2015
5. Emporiki Ventures Capital Developed Markets Ltd	2011
6. Emporiki Ventures Capital Emerging Markets Ltd	2013
Asset Management	
1. Alpha Asset Management A.E.D.A.K.** / ***	2015
2. ABL Independent Financial Advisers Ltd (voluntary settlement of tax obligation)	2019
Insurance	
1. Alpha Insurance Brokers Srl	2006
Real Estate and Hotel	
1. Alpha Astika Akinita S.A. **	2015
2. Alpha Real Estate Management and Investments S.A.	2015
3. Alpha Real Estate Bulgaria E.O.O.D. (commencement of operation 2007)	*
4. Chardash Trading E.O.O.D. (commencement of operation 2006)	*
5. Alpha Real Estate Services Srl (commencement of operation 1998)	*
6. Alpha Investment Property Attikis S.A. (commencement of operation 2012) */**	2015
7. Alpha Investment Property Attikis II S.A. (commencement of operation 2012-the company was transferred on 12.2.2021) */**	2015
8. AGI – RRE Participations 1 Srl (commencement of operation 2010)	*
9. Stockfort Ltd (commencement of operation 2010)	2012
10. Romfelt Real Estate SA	2015
11. AGI – RRE Zeus Srl (commencement of operation 2012)	*
12. AGI – RRE Poseidon Srl (commencement of operation 2012)	*
13. AGI – RRE Hera Srl (commencement of operation 2012)	*
14. Alpha Real Estate Services LLC (commencement of operation 2010)	2013
15. AGI – BRE Participations 2 E.O.O.D. (commencement of operation 2012)	*
16. AGI – BRE Participations 2BG E.O.O.D. (commencement of operation 2012)	*
17. AGI – BRE Participations 4 E.O.O.D. (commencement of operation 2012)	*
18. APE Fixed Assets A.E. ** / ***	2015
19. AGI – RRE Cleopatra Srl (commencement of operation 2014-the company was transferred on 17.3.2021)	*
20. SC Carmel Residential Srl (commencement of operation 2013)	*
21. Alpha Investment Property Neas Kifisias S.A. (commencement of operation 2014) *	2015
22. Alpha Investment Property Kalirois S.A. (commencement of operation 2014) *	2015
23. AGI-Cypre Tochni Ltd (commencement of operation 2014)	*
24. AGI-Cypre Mazotos Ltd (commencement of operation 2014)	*
25. Alpha Investment Property Livadias S.A. . (commencement of operation 2014) *	2015
26. Asmita Gardens Srl	2015
27. Alpha Investment Property Kefalariou S.A. (commencement of operation 2015)	*
28. Cubic Center Development S.A. (commencement of operation 2010)	2020
29. Alpha Investment Property Neas Erythreas S.A. (commencement of operation 2015)	*
30. AGI – SRE Participations 1 DOO (commencement of operation 2016)	*
31. Alpha Investment Property Spaton A.E. (commencement of operation 2017)	*

Name	Year
32. TH Top Hotels S.R.L (commencement of operation 2009-the company was transferred on 17.3.2021)	*
33. Alpha Investment Property Kallitheas A.E. (commencement of operation 2017)	*
34. Kestrel Enterprise E.O.O.D. (commencement of operation 2013)	*****
35. Alpha Investment Property Irakleiou A.E (commencement of operation 2018)	*
36. AGI-Cypr Property 2 Ltd (commencement of operation 2018)	*
37. AGI-Cypr Property 4 Ltd (commencement of operation 2018)	*
38. AGI-Cypr Property 5 Ltd (commencement of operation 2018)	*
39. AGI-Cypr Property 6 Ltd (commencement of operation 2018)	*
40. AGI-Cypr Property 7 Ltd (commencement of operation 2018)	*
41. AGI-Cypr Property 8 Ltd (commencement of operation 2018)	*
42. AGI-Cypr Property 9 Ltd (commencement of operation 2018)	*
43. AGI-Cypr Property 10 Ltd (commencement of operation 2018-the company was transferred on 31.1.2021)	*
44. AGI-Cypr Property 11 Ltd (commencement of operation 2018-the company was transferred on 15.10.2021)	*
45. AGI-Cypr Property 12 Ltd (commencement of operation 2018)	*
46. AGI-Cypr Property 13 Ltd (commencement of operation 2018)	*
47. AGI-Cypr Property 14 Ltd (commencement of operation 2018)	*
48. AGI-Cypr Property 15 Ltd (commencement of operation 2018)	*
49. AGI-Cypr Property 16 Ltd (commencement of operation 2018)	*
50. AGI-Cypr Property 17 Ltd (commencement of operation 2018)	*
51. AGI-Cypr Property 18 Ltd (commencement of operation 2018)	*
52. AGI-Cypr Property 19 Ltd (commencement of operation 2018)	*
53. AGI-Cypr Property 20 Ltd (commencement of operation 2018)	*
54. AGI-Cypr RES Pafos Ltd (commencement of operation 2018)	*
55. AGI-Cypr P&F Nicosia Ltd (commencement of operation 2018)	*
56. ABC RE P1 Ltd (commencement of operation 2018-the company was transferred on 26.2.2021)	*
57. ABC RE P2 Ltd (commencement of operation 2018)	*
58. ABC RE P3 Ltd (commencement of operation 2018)	*
59. ABC RE L2 Ltd (commencement of operation 2018)	*
60. ABC RE P4 Ltd (commencement of operation 2018)	*
61. AGI-Cypr RES Nicosia Ltd (commencement of operation 2018)	*
62. AGI-Cypr P&F Limassol Ltd (commencement of operation 2018)	*
63. AGI-Cypr Property 21 Ltd (commencement of operation 2018)	*
64. AGI-Cypr Property 22 Ltd (commencement of operation 2018)	*
65. AGI-Cypr Property 23 Ltd (commencement of operation 2018)	*
66. AGI-Cypr Property 24 Ltd (commencement of operation 2018)	*
67. ABC RE L3 Ltd (commencement of operation 2018)	*
68. ABC RE P&F Limassol Ltd (commencement of operation 2018)	*
69. AGI-Cypr Property 25 Ltd (commencement of operation 2019)	*
70. AGI-Cypr Property 26 Ltd (commencement of operation 2019)	*
71. ABC RE COM Pafos Ltd (commencement of operation 2019)	*
72. ABC RE RES Larnaca Ltd (commencement of operation 2019)	*
73. AGI-Cypr P&F Pafos Ltd (commencement of operation 2019)	*
74. AGI-Cypr Property 27 Ltd (commencement of operation 2019)	*
75. ABC RE L4 Ltd (commencement of operation 2019)	*
76. ABC RE L5 Ltd (commencement of operation 2019)	*
77. AGI-Cypr Property 28 Ltd (commencement of operation 2019)	*
78. AGI-Cypr Property 29 Ltd (commencement of operation 2019)	*
79. AGI-Cypr Property 30 Ltd (commencement of operation 2019)	*
80. AGI-Cypr COM Pafos Ltd (commencement of operation 2019)	*
81. AIP Industrial Assets S.M.S.A. (commencement of operation 2019)	*
82. AGI-Cypr Property 31 Ltd (commencement of operation 2019)	*
83. AGI-Cypr Property 32 Ltd (commencement of operation 2019)	*
84. AGI-Cypr Property 33 Ltd (commencement of operation 2019)	*
85. AGI-Cypr Property 34 Ltd (commencement of operation 2019)	*
86. Alpha Group Real Estate Ltd (commencement of operation 2019)	*
87. ABC RE P&F Pafos Ltd (commencement of operation 2019)	*

Name	Year
88. ABC RE P&F Nicosia Ltd (commencement of operation 2019)	*
89. ABC RE RES Nicosia Ltd (commencement of operation 2019)	*
90. Fierton Ltd (commencement of operation 2019)	*
91. AIP residential Assets Rog S.M.S.A (commencement of operation 2019)	*
92. AIP Attica Residential Assets I S.M.S.A. (commencement of operation 2019)	*
93. AIP Thessaloniki Residential Assets S.M.S.A. (commencement of operation 2019)	*
94. AIP Cretan Residential Assets S.M.S.A. (commencement of operation 2019)	*
95. AIP Aegean Residential Assets S.M.S.A. (commencement of operation 2019)	*
96. AIP Ionian Residential Assets S.M.S.A. (commencement of operation 2019)	*
97. AIP Urban Cetres Commercial Assets S.M.S.A. (commencement of operation 2019)	*
98. AIP Thessaloniki Commercial Assets S.M.S.A. (commencement of operation 2019)	*
99. AIP Commercial Assets Rog S.M.S.A. (commencement of operation 2019)	*
100. AIP Attica Retail Assets I S.M.S.A. (commencement of operation 2019)	*
101. AIP Attica Retail Assets II S.M.S.A. (commencement of operation 2019)	*
102. AIP Attica Residential Assets II S.M.S.A. (commencement of operation 2019)	*
103. AIP Retail Assets Rog S.M.S.A. (commencement of operation 2019)	*
104. AIP Land II S.M.S.A. (commencement of operation 2019)	*
105. ABC RE P6 Ltd (commencement of operation 2019)	*
106. AGI-Cypr Property 35 Ltd (commencement of operation 2019)	*
107. AGI-Cypr P&F Larnaca Ltd (commencement of operation 2019)	*
108. AGI-Cypr Property 37 Ltd (commencement of operation 2019)	*
109. AGI-Cypr RES Ammochostos Ltd (commencement of operation 2019)	*
110. AGI-Cypr Property 36 Ltd (commencement of operation 2019-the company was transferred on 15.2.2021)	*
111. AGI-Cypr Property 38 Ltd (commencement of operation 2019)	*
112. AGI-Cypr RES Larnaca Ltd (commencement of operation 2019)	*
113. ABC RE P7 Ltd (commencement of operation 2019)	*
114. AGI-Cypr Property 42 Ltd (commencement of operation 2019)	*
115. ABC RE P&F Larnaca Ltd (commencement of operation 2019)	*
116. AGI-Cypr Property 43 Ltd (commencement of operation 2019)	*
117. AGI-Cypr Property 44 Ltd (commencement of operation 2019)	*
118. AGI-Cypr Property 45 Ltd (commencement of operation 2020)	*
119. Reoco Orion X M.A.E. (commencement of operation 2020-the company was transferred on 18.6.2021)	*
120. Reoco Galaxy II M.A.E. (commencement of operation 2020-the company was transferred on 18.6.2021)	*
121. Reoco Galaxy IV M.A.E. (commencement of operation 2020-the company was transferred on 18.6.2021)	*
122. AGI-Cypr Property 40 Ltd (commencement of operation 2020)	*
123. ABC RE RES Ammochostos Ltd (commencement of operation 2020)	*
124. ABC RE RES Paphos Ltd (commencement of operation 2020)	*
125. Sapava Ltd (commencement of operation 2020)	*
126. AGI-Cypr Property 46 Ltd (commencement of operation 2020)	*
127. AGI-Cypr Property 47 Ltd (commencement of operation 2020)	*
128. AGI-Cypr Property 48 Ltd (commencement of operation 2020)	*
129. Alpha Credit Property 1 Ltd (commencement of operation 2020)	*
130. Office Park 1 Srl (commencement of operation 2020)	*
131. AGI-Cypr COM Nicosia Ltd (commencement of operation 2020)	*
132. AGI-Cypr Property 49 Ltd (commencement of operation 2020)	*
133. AGI-Cypr Property 50 Ltd (commencement of operation 2020)	*
134. AGI-Cypr COM Larnaca Ltd (commencement of operation 2020)	*
135. Acarta Construct Srl	2014
136. AGI-Cypr Property 51 Ltd (commencement of operation 2021)	*
137. AGI-Cypr Property 52 Ltd (commencement of operation 2021)	*
138. AGI-Cypr Property 53 Ltd (commencement of operation 2021)	*
139. Alpha Credit Properties Ltd (commencement of operation 2021)	*
140. AGI-Cypr Property 54 Ltd (commencement of operation 2021)	*
141. AGI-Cypr Property 55 Ltd (commencement of operation 2021)	*
142. Reoco Cosmos M.A.E. (commencement of operation 2021-the company was transferred on 17.12.2021)	*
143. Engromest (commencement of operation 2021)	*

Name	Year
Special Purpose and Holdings Entities	
1. Alpha Credit Group Plc (voluntary settlement of tax obligation – dissolve on 2.9.2021)	2019
2. Alpha Group Investments Ltd (commencement of operation 2006)	2010
3. Ionian Equity Participations Ltd (commencement of operation 2006)	2011
4. AGI – BRE Participations 1 Ltd (commencement of operation 2009)	2012
5. AGI – RRE Participations 1 Ltd (commencement of operation 2009)	2012
6. Alpha Group Ltd (commencement of operation 2012)	2012
7. Katanalotika Plc (voluntary settlement of tax obligation)	2019
8. Epihiro Plc (voluntary settlement of tax obligation)	2019
9. Irida Plc (voluntary settlement of tax obligation)	2019
10. Pisti 2010 - 1 Plc (voluntary settlement of tax obligation)	2019
11. Alpha Shipping Finance Ltd (voluntary settlement of tax obligation)	2019
12. Alpha Quantum D.A.C. (commencement of operation 2019)	*
13. AGI – RRE Athena Ltd (commencement of operation 2011– dissolve on 06.08.2021)	2012
14. AGI – RRE Poseidon Ltd (commencement of operation 2012)	2012
15. AGI – RRE Hera Ltd (commencement of operation 2012)	2012
16. Umera Ltd (commencement of operation 2012)	2017
17. Alpha Συμμετοχών Μ.Α.Ε. **	2015
18. AGI – BRE Participations 2 Ltd (commencement of operation 2011)	2012
19. AGI – BRE Participations 3 Ltd (commencement of operation 2011)	2012
20. AGI – BRE Participations 4 Ltd (commencement of operation 2010)	2012
21. AGI – RRE Ares Ltd (commencement of operation 2010)	2012
22. AGI – RRE Venus Ltd (commencement of operation 2012- dissolve on 6.8.2021)	*
23. AGI – RRE Artemis Ltd (commencement of operation 2012)	2012
24. AGI – BRE Participations 5 Ltd (commencement of operation 2012)	2012
25. AGI – RRE Cleopatra Ltd (commencement of operation 2013)	*
26. AGI – RRE Hermes Ltd (commencement of operation 2013)	*
27. AGI – RRE Arsinoe Ltd (commencement of operation 2013)	*
28. AGI – SRE Ariadni Ltd (commencement of operation 2013)	*
29. Zerelda Ltd (commencement of operation 2012)	2012
30. AGI-Cypre Evagoras Ltd (commencement of operation 2014)	*
31. AGI-Cypre Tersefanou Ltd (commencement of operation 2014)	*
32. AGI-Cypre Ermis Ltd (commencement of operation 2014)	*
33. AGI – SRE Participations 1 Ltd (commencement of operation 2016)	*
34. Alpha Credit Acquisition Company Ltd (commencement of operation 2019)	*
35. Alpha International Holding Company S.A. (commencement of operation 2019)	*
36. Orion X Securitisation D.A.C. (commencement of operation 2020-the company was transferred on 18.6.2021)	*
37. Galaxy II Funding D.A.C. (commencement of operation 2020-the company was transferred on 18.6.2021)	*
38. Galaxy III Funding D.A.C. (commencement of operation 2020)	*
39. Galaxy IV Funding D.A.C. (commencement of operation 2020-the company was transferred on 18.6.2021)	*
40. Alpha Διεθνών Συμμετοχών Μ.Α.Ε. (commencement of operation 2020)	*
41. Krigeo Holdings Ltd (commencement of operation 2019)	*
42. Gemini Core Securitisation D.A.C. (commencement of operation 2021)	*
43. SKY CAC LIMITED (commencement of operation 2021)	*
Other Companies	
1. Alpha Bank London Nominees Ltd	****
2. Alpha Trustees Ltd (commencement of operation 2002)	2011
3. Kafe Alpha S.A. ** / ***	2015
4. Alpha Supporting Services S.A. ** / ***	2015
5. Real Car Rental S.A. ** / ***	2015
6. Commercial Management and Liquidation of Assets-Liabilities S.A. ** / ***	2015
7. Alpha Bank Notification Services S.A. (commencement of operation 2015)	*
8. Alpha Services MAE (commencement of operation 2021)	*

- * These companies have not been audited by the tax authorities since commencement of their operations.
- ** These companies received tax certificate for the years 2011 up to and including 2020 without any qualification whereas the years up to and including 2015 are considered as closed in accordance with the circular POL.1208/20.12.2017 (note 13).
- *** These companies have been audited by the tax authorities up to and including 2009 in accordance with Law 3888/2010 which relates to voluntary settlement for the unaudited tax years.
- **** These companies are not subject to a tax audit
- **** These companies entered the Group in 2017 through bankruptcy and have not been audited by the tax authorities since.

c. Off balance sheet commitments

The Group as part of its normal operations, make contractual commitments, that in the future may result in changes in its asset structure. These commitments are monitored in off balance sheet accounts and relate to letters of credit, letters of guarantee and liabilities from undrawn loan commitments as well as guarantees given for bonds issued and other guarantees to subsidiary companies.

Letters of credit are used to facilitate trading activities and relate to the financing of contractual agreements for the transfer of goods locally or abroad, through direct payment to the third party on behalf of the Group's customers. Letters of credit, as well as letters of guarantee, are commitments under specific terms and are issued by the Group for the purpose of ensuring that its customers will fulfill the terms of their contractual obligations.

In addition, contingent liabilities for the Group arise from undrawn loan commitments that may be drawn upon if certain requirements are fulfilled by counterparties.

The outstanding balances are as follows:

	31.12.2021
Letters of credit	30,022
Letters of guarantee and other guarantees	3,483,532
Undrawn loan commitments	4,106,074

The Group measures the expected credit losses for all the undrawn loan commitments and letters of credit / letters of guarantee, which are included in the caption "Provisions".

Expected credit losses of the aforementioned exposures as of 31.12.2021 amounts to €42,684 (note 33).

The Bank has committed to contribute in the share capital of the joint venture Alpha TANEO AKES up to the amount of €19.

d. Pledged assets

Pledged assets, as at 31.12.2021 are analyzed as follows:

Cash and balances with Central Banks:

As at 31.12.2021 Cash and balances with Central Banks amounting to €268,527 concerning the Group's obligation to maintain deposits in Central Banks according to percentages determined by the respective country. The amount of reserved funds that the Bank has to maintain to the Bank of Greece on average for the period from 22.12.2021 to 8.2.2022, amounts to €428,210. On 31.12.2021 the amount of reserved funds was €0.

Due from Banks:

1. Placements amounting to €205,335 relate to guarantees provided, mainly, on behalf of the Greek Government.
2. Placements amounting to €1,077,895 have been provided as guarantee for derivative and other repurchase agreements (repos).
3. Placements amounting to €105,070 have been provided for Letter of Credit or Guarantee Letters that the Bank issue for facilitating customer imports.

4. Placements amounting to € 20,012 have been provided to the Resolution Fund as irrevocable payment commitment, as part of the 2016 up to 2021 contribution. This commitment must be fully covered by collateral exclusively in cash, as decided by the Single Resolution Board.
5. Placements amounting to € 34,039 have been used as collateral for the issuance of bonds with nominal value of € 2,900,000 out of which bonds with nominal value of € 2,200,000 held by the Bank, as mentioned below under “Loans and advances to customers”

Loans and advances to customers:

1. Loans of € 5,285,333 have been pledged to central banks for liquidity purposes.
2. Corporate loans and credit cards with a book value of € 1,226,422 have been securitized for the issuance of Special Purpose Entities’ corporate bond of a nominal value of € 967,000 held by the Bank, of which a nominal amount of € 166,000 has been given as collateral for repos transactions.
3. Shipping loans with a book value of € 151,907, have been securitized for the purpose of financing the Group’s Special Purpose Entity. This total nominal amount of the remaining loan that is held amounts to € 129,051 as of 31.12.2021.
4. Corporate loans with a book value of € 3,689 has been pledged as collateral for other loan facilities.
5. Mortgage loans with a book value of € 3,420,371 have been used as collateral in the following covered bond issuance programs: Covered Bonds Issuance Program I, Covered Bond Issuance Program II and in Direct Issuance of Covered Bonds Program of Alpha Bank Romania. The nominal value of the aforementioned bonds amounted to € 2,900,000 out of which the Bank holds € 2,200,000 and has been pledged to Central Banks for liquidity purposes

Investment securities:

1. Bonds issued by the Greek Government with a book value of € 4,513,314 have been given to the European Central Bank for liquidity purposes.
2. Treasury Bills issued by the Greek government with a book value of € 681,004 have been given to the European Central Bank for liquidity purposes.
3. Bonds issued by Other governments with a book value of € 2,717,822 have been given as a collateral to Central Banks for liquidity purposes
4. Securities issued by the European Financial Stability Facility (EFSF) with a book value of € 97,070 have been pledged to Central Banks with the purpose to participate in main refinancing operations.
5. Bonds issued by the Greek government with a book value of € 267,873 have been given as a collateral in the context of repo agreements.
6. Other corporate securities issued with a book value of € 18,869 and other countries securities with book value € 0 have been given as a collateral in the context of repo agreements

Additionally, the Bank has obtained:

- Greek Government treasury bills with a nominal value of € 750,000 (31.3.2021: € 900,000) as collateral for derivatives transactions with the Greek State of which a nominal value of € 100.851 has been given as a collateral in the context of repo agreements.
- Bonds with a nominal value of € 814,536 (31.3.2021 € 1,546,440) and a fair value of € 876,119 which are not recognized in Banks’ balance sheet have been given as a collateral in the context of repo agreements. From these bonds a fair value amount of € 812,668 has been pledged to Central Banks for liquidity purposes and a fair value amount of € 37,547 has been pledged as a collateral in the context of repo agreements.

40. Group Consolidated Companies

The consolidated financial statements, apart from the parent company Alpha Bank S.A., include the following entities:

a. Subsidiaries

Name	Country	Group's ownership interest %
		31.12.2021
Banks		
1 Alpha Bank London Ltd	United Kingdom	100.00
2 Alpha Bank Cyprus Ltd	Cyprus	100.00
3 Alpha Bank Romania S.A.	Romania	99.92
4 Alpha Bank Albania SH.A.	Albania	100.00
Financing companies		
1 Alpha Leasing S.A.	Greece	100.00
2 Alpha Leasing Romania IFN S.A.	Romania	100.00
3 ABC Factors S.A..	Greece	100.00
4 Cepal Holdings S.A.	Greece	
Investment Banking		
1 Alpha Finance A.E.Π.E.Y.	Greece	100.00
2 SSIF Alpha Finance Romania S.A.	Romania	
3 Alpha Ventures S.A.	Greece	100.00
4 Alpha S.A. Ventures Capital Management - AKES	Greece	100.00
5 Emporiki Ventures Capital Developed Markets Ltd	Cyprus	100.00
6 Emporiki Ventures Capital Emerging Markets Ltd	Cyprus	100.00
Asset Management		
1 Alpha Asset Management A.E.D.A.K.	Greece	100.00
2 ABL Independent Financial Advisers Ltd	United Kingdom	100.00
Insurance		
2 Alpha Insurance Brokers Srl	Romania	100.00
Real Estate and Hotel		
1 Alpha Astika Akinita S.A.	Greece	93.17
2 Alpha Real Estate Management and Investments S.A.	Greece	100.00
3 Alpha Real Estate Bulgaria E.O.O.D.	Bulgaria	93.17
4 Chardash Trading E.O.O.D.	Bulgaria	93.17
5 Alpha Real Estate Services Srl	Romania	93.17
6 Alpha Investment Property Attikis S.A.	Greece	100.00
8 AGI-RRE Participations 1 Srl	Romania	100.00
9 Stockfort Ltd	Cyprus	100.00
10 Romfelt Real Estate S.A.	Romania	99.99
11 AGI-RRE Zeus Srl	Romania	100.00
12 AGI-RRE Poseidon Srl	Romania	100.00
13 AGI-RRE Hera Srl	Romania	100.00
14 Alpha Real Estate Services LLC	Cyprus	93.17
15 AGI-BRE Participations 2 E.O.O.D.	Bulgaria	100.00
16 AGI-BRE Participations 2BG E.O.O.D.	Bulgaria	100.00
17 AGI-BRE Participations 4 E.O.O.D.	Bulgaria	100.00
18 APE Fixed Assets S.A.	Greece	72.20
20 SC Carmel Residential Srl	Romania	100.00
21 Alpha Investment Property Neas Kifissias S.A.	Greece	100.00
22 Alpha Investment Property Kallirois S.A.	Greece	100.00
24 AGI-Cypre Tochni Ltd	Cyprus	100.00
25 AGI-Cypre Mazotos Ltd	Cyprus	100.00
26 Alpha Investment Property Livadias S.A.	Greece	100.00
27 Asmita Gardens Srl	Romania	100.00
28 Alpha Investment Property Kefalariou A.E.	Greece	
29 Cubic Center Development S.A.	Romania	100.00
30 Alpha Investment Property Neas Erythreas S.A.	Greece	100.00
31 AGI-SRE Participations 1 D.O.O.	Serbia	100.00
32 Alpha Investment Property Spaton S.A.	Greece	100.00
34 Alpha Investment Property Kallitheas S.A.	Greece	100.00
35 Kestrel Enterprise E.O.O.D.	Bulgaria	100.00
36 Alpha Investment Property Irakleiou S.A.	Greece	100.00

Name	Country	Group's ownership interest %
		31.12.2021
37 AGI-Cypre Property 2 Ltd	Cyprus	100.00
38 AGI-Cypre Property 4 Ltd	Cyprus	100.00
39 AGI-Cypre Property 5 Ltd	Cyprus	100.00
40 AGI-Cypre Property 6 Ltd	Cyprus	100.00
41 AGI-Cypre Property 8 Ltd	Cyprus	100.00
42 AGI-Cypre Property 7 Ltd	Cyprus	100.00
43 AGI-Cypre Property 9 Ltd	Cyprus	100.00
45 AGI-Cypre Property 11 Ltd	Cyprus	
46 AGI-Cypre Property 12 Ltd	Cyprus	100.00
47 AGI-Cypre Property 13 Ltd	Cyprus	100.00
48 AGI-Cypre Property 14 Ltd	Cyprus	100.00
49 AGI-Cypre Property 15 Ltd	Cyprus	100.00
50 AGI-Cypre Property 16 Ltd	Cyprus	100.00
51 AGI-Cypre Property 17 Ltd	Cyprus	100.00
52 AGI-Cypre Property 18 Ltd	Cyprus	100.00
53 AGI-Cypre Property 19 Ltd	Cyprus	100.00
54 AGI-Cypre Property 20 Ltd	Cyprus	100.00
55 AGI-Cypre RES Pafos Ltd	Cyprus	100.00
56 AGI-Cypre P&F Nicosia Ltd	Cyprus	100.00
58 ABC RE P2 Ltd	Cyprus	100.00
59 ABC RE P3 Ltd	Cyprus	100.00
60 ABC RE L2 Ltd	Cyprus	100.00
61 ABC RE P4 Ltd	Cyprus	100.00
62 AGI-Cypre RES Nicosia Ltd	Cyprus	100.00
63 AGI-Cypre P&F Limassol Ltd	Cyprus	100.00
64 AGI-Cypre Property 21 Ltd	Cyprus	100.00
65 AGI-Cypre Property 22 Ltd	Cyprus	100.00
66 AGI-Cypre Property 23 Ltd	Cyprus	100.00
67 AGI-Cypre Property 24 Ltd	Cyprus	100.00
68 ABC RE L3 Ltd	Cyprus	100.00
69 ABC RE P&F Limassol Ltd	Cyprus	100.00
70 AGI-Cypre Property 25 Ltd	Cyprus	100.00
71 AGI-Cypre Property 26 Ltd	Cyprus	100.00
72 ABC RE COM Pafos Ltd	Cyprus	100.00
73 ABC RE RES Larnaca Ltd	Cyprus	100.00
74 AGI-Cypre P&F Pafos Ltd	Cyprus	100.00
75 AGI Cypre Property 27 Ltd	Cyprus	100.00
76 ABC RE L4 Ltd	Cyprus	100.00
77 ABC RE L5 Ltd	Cyprus	100.00
78 AGI-Cypre Property 28 Ltd	Cyprus	100.00
79 AGI-Cypre Property 29 Ltd	Cyprus	100.00
80 AGI-Cypre Property 30 Ltd	Cyprus	100.00
81 AGI-Cypre COM Pafos Ltd	Cyprus	100.00
82 AIP Industrial Assets Athens S.M.S.A.	Greece	100.00
83 AGI-Cypre Property 31 Ltd	Cyprus	100.00
84 AGI-Cypre Property 32 Ltd	Cyprus	100.00
85 AGI-Cypre Property 33 Ltd	Cyprus	100.00
86 AGI-Cypre Property 34 Ltd	Cyprus	100.00
87 Alpha Group Real Estate Ltd	Cyprus	100.00
88 ABC RE P&F Pafos Ltd	Cyprus	100.00
89 ABC RE P&F Nicosia Ltd	Cyprus	100.00
90 ABC RE RES Nicosia Ltd	Cyprus	100.00
91 Fierton Ltd	Cyprus	100.00
92 AIP Residential Assets Rog S.M.S.A.	Greece	100.00
93 AIP Attica Residential Assets I S.M.S.A.	Greece	100.00
94 AIP Thessaloniki Residential Assets S.M.S.A.	Greece	100.00
95 AIP Cretan Residential Assets S.M.S.A.	Greece	100.00
96 AIP Aegean Residential Assets S.M.S.A.	Greece	100.00
97 AIP Ionian Residential Assets S.M.S.A.	Greece	100.00
98 AIP Commercial Assets City Centres S.M.S.A.	Greece	100.00

Name	Country	Group's ownership interest %
		31.12.2021
99 AIP Thessaloniki Commercial Assets S.M.S.A.	Greece	100.00
100 AIP Commercial Assets Rog S.M.S.A.	Greece	100.00
101 AIP Attica Retail Assets I S.M.S.A.	Greece	100.00
102 AIP Attica Retail Assets II S.M.S.A.	Greece	100.00
103 AIP Attica Residential Assets II S.M.S.A.	Greece	100.00
104 AIP Retail Assets Rog S.M.S.A.	Greece	100.00
105 AIP Land II S.M.S.A.	Greece	100.00
106 ABC RE P6 Ltd	Cyprus	100.00
107 AGI-Cypre Property 35 Ltd	Cyprus	100.00
108 AGI-Cypre P&F Larnaca Ltd	Cyprus	100.00
109 AGI-Cypre Property 37 Ltd	Cyprus	100.00
110 AGI-Cypre RES Ammochostos Ltd	Cyprus	100.00
112 AGI-Cypre Property 38 Ltd	Cyprus	100.00
113 AGI-Cypre RES Larnaca Ltd	Cyprus	100.00
114 ABC RE P7 Ltd	Cyprus	100.00
115 AGI-Cypre Property 42 Ltd	Cyprus	100.00
116 ABC RE P&F Larnaca Ltd	Cyprus	100.00
117 Krigeo Holdings Ltd	Cyprus	100.00
118 AGI-Cypre Property 43 Ltd	Cyprus	100.00
119 AGI-Cypre Property 44 Ltd	Cyprus	100.00
120 AGI-Cypre Property 40 Ltd	Cyprus	100.00
121 ABC RE RES Ammochostos Ltd	Cyprus	100.00
122 ABC RE RES Paphos Ltd	Cyprus	100.00
123 Sapava Ltd	Cyprus	100.00
124 AGI-Cypre Property 46 Ltd	Cyprus	100.00
125 AGI-Cypre Property 47 Ltd	Cyprus	100.00
126 AGI-Cypre Property 48 Ltd	Cyprus	100.00
127 Alpha Credit Property 1 Ltd	Cyprus	100.00
128 Office Park I Srl	Cyprus	100.00
129 Acarta Construct Srl	Cyprus	100.00
130 AGI-Cypre Property 45 Ltd	Cyprus	100.00
131 AGI-Cypre Com Nicosia Ltd	Cyprus	100.00
132 AGI-Cypre Property 49 Ltd	Cyprus	100.00
133 AGI-Cypre Property 50 Ltd	Cyprus	100.00
134 AGI-Cypre Com Larnaca Ltd	Cyprus	100.00
135 AGI-CYPRE PROPERTY 51 LIMITED	Cyprus	100.00
136 AGI-CYPRE PROPERTY 52 LIMITED	Cyprus	100.00
137 AGI-CYPRE PROPERTY 53 LIMITED	Cyprus	100.00
138 ALPHA CREDIT PROPERTIES LIMITED	Cyprus	100.00
139 AGI-CYPRE PROPERTY 54 LIMITED	Cyprus	100.00
140 Engromest	Romania	
Special purpose and holding entities		
1 Alpha Credit Group Plc	United Kingdom	
2 Alpha Group Investments Ltd	Cyprus	100.00
3 Ionian Equity Participations Ltd	Cyprus	100.00
4 AGI-BRE Participations 1 Ltd	Cyprus	100.00
5 AGI-RRE Participations 1 Ltd	Cyprus	100.00
6 Alpha Group Ltd	Cyprus	100.00
7 SKY CAC LIMITED	Cyprus	100.00
8 Katanalotika Plc	United Kingdom	
9 Epihiro Plc	United Kingdom	
10 Irida Plc	United Kingdom	
11 Pisti 2010-1 Plc	United Kingdom	
12 Alpha Shipping Finance Ltd	United Kingdom	
13 Alpha Quantum DAC	Ireland	
14 AGI-RRE Athena Ltd	Cyprus	
15 AGI-RRE Poseidon Ltd	Cyprus	100.00
16 AGI-RRE Hera Ltd	Cyprus	100.00
17 Umera Ltd	Cyprus	100.00
18 Alpha Holdings S.M.S.A.	Greece	100.00

Name	Country	Group's ownership interest %
		31.12.2021
19 AGI-BRE Participations 2 Ltd	Cyprus	100.00
20 AGI-BRE Participations 3 Ltd	Cyprus	100.00
21 AGI-BRE Participations 4 Ltd	Cyprus	100.00
22 AGI-RRE Ares Ltd	Cyprus	100.00
23 AGI-RRE Venus Ltd	Cyprus	
24 AGI-RRE Artemis Ltd	Cyprus	100.00
25 AGI-BRE Participations 5 Ltd	Cyprus	100.00
26 AGI-RRE Cleopatra Ltd	Cyprus	100.00
27 AGI-RRE Hermes Ltd	Cyprus	100.00
28 AGI-RRE Arsinoe Ltd	Cyprus	100.00
29 AGI-SRE Ariadni Ltd	Cyprus	100.00
30 Zerelda Ltd	Cyprus	100.00
31 AGI-Cypre Evagoras Ltd	Cyprus	100.00
32 AGI-Cypre Tersefanou Ltd	Cyprus	100.00
33 AGI-Cypre Ermis Ltd	Cyprus	100.00
34 AGI-SRE Participations 1 Ltd	Cyprus	100.00
35 Alpha Credit Acquisition Company Ltd	Cyprus	100.00
36 Alpha International Holding Company S.A.	Luxembourg	100.00
37 Alpha International Holdings M.A.E.	Greece	100.00
38 GEMINI CORE SECURITISATION DESIGNATED ACTIVITY COMPANY	Ireland	
Other companies		
1 Alpha Bank London Nominees Ltd	United Kingdom	100.00
2 Alpha Trustees Ltd	Cyprus	100.00
3 Kafe Alpha A.E.	Greece	100.00
4 Alpha Supporting Services S.A.	Greece	100.00
5 Real Car Rental S.A.	Greece	100.00
6 Emporiki Management S.A.	Greece	100.00
7 Alpha Bank Notification Services S.A.	Greece	100.00
8 Alpha Payment Services S.M.S.A.	Greece	100.00

b. Joint ventures

Name	Country	Group's ownership interest %
		31.12.2021
1 APE Commercial Property S.A..	Greece	72.20
2 APE Investment Property S.A.	Greece	71.08
3 Alpha Taneo AKES	Greece	51.00
4 Rosequeens Properties Ltd	Cyprus	33.33
5 Panaræ Saturn LP	Jersey	61.58
6 Alpha Investment Property Commercial Stores A.E.	Greece	70.00

c. Associates

Name	Country	Group's ownership interest %
		31.12.2021
1 AEDEP Thessalias and Stereas Ellados	Greece	50.00
2 ALC Novelle Investments Ltd	Cyprus	33.33
3 Banking Information Systems S.A.	Greece	23.77
4 Propindex AEDA	Greece	35.58
5 Olganos S.A..	Greece	30.44
6 Alpha Investment Property Elaiona S.A.	Greece	50.00
7 Cepal Holdings S.A.	Greece	20.00
8 Perigenis Commercial Assets S.A.	Greece	31.97
9 AURORA SME I DAC (note 21)	Ireland	
10 Zero Energy Buildings S.A. Energy Services	Greece	49.00

Detailed information on corporate events for the companies included in the consolidated financial statements is set out in note 49.

With respect to Subsidiaries the following are noted:

- The subsidiary Stockfort Ltd is a group of companies that includes the company Pernik Logistics Park E.O.O.D.
- The Group hedges the foreign exchange risk arising from the net investment in subsidiaries through the use of derivatives in their functional currency.
- On 18.6.2021, the Group proceeded with the disposal of the 80% of its investment in Cepal Holdings S.A.

With respect to Associates and Joint Ventures the following are noted:

- APE Investment Property A.E. is the parent company of a group that includes SYMET A.E., Astakos Terminal A.E., Akarport A.E. and NA.VI.PE A.E. Furthermore, Rosequeens Properties Ltd is the parent company of Rosequeens Properties Srl.
- The Group's investment in Rosequeens Properties Ltd is accounted for using the equity method, while the group of APE Investment Property A.E. has been classified as asset held for sale and is measured in accordance with IFRS 5 (note 48).

Acquisitions of companies

On 15.12.2020, the Group acquired the control of Acarta Construct Srl by acquiring 100% of its share capital by paying an amount of € 0.2 and with an additional payment of one euro for the assignment of the right to collect the amount from the loan liability that the company has to a subsidiary of the same group to which Acarta Construct Srl belonged, amounting to € 68,260. Acarta Construct Srl is a real estate company and owns a modern office building in Bucharest, with a total area of 41,500 sq.m., which the Group intends to use for investment purposes.

In December 2021, the fair values of the company's net assets at the date of acquisition were finalized. It is noted that in relation to the temporary fair values that were initially disclosed, the below movement presented in the table occurred.

	Final Fair Value
Receivables from customers	212
Due from Banks	2,479
Property, plant and equipment	195
Investment Property	71,349
Other assets	1,170
Deferred tax assets	625
Due to banks	(75,836)
Liabilities for current income tax and other taxes	(4)
Deferred tax liabilities	(4,193)
Provisions	(93)
Other liabilities	(228)
Net Identifiable Assets recognized (A)	(4,324)
Consideration (B)	
Goodwill (B-A)	4,324

Based on the final values of the assets and liabilities acquired by the Group, a recognition of goodwill amounting to € 4,324 (note 24) occurs, which was impaired on 31.12.2021, taking into account the updated valuation of the company's property.

There are no contingent liabilities of Acarta Construct Srl to be recognised.

On 30.12.2021, the Group acquired the control of the company Engromest as the lender of the company due to the fact that based on the agreement mentioned below, it is the one who decides for its main business activities related to the management of its property and also the one that is most exposed to the variable returns of the company due to the borrowing.

More specifically, the shares of the borrower Engromest were transferred to a SPV which has undertaken to provide management services of the property of Engromest, in return for a fee. On the same date, an agreement was signed between the Group, Engromest and the SPV, which acquired its shares, according to which it is determined that the property is managed in accordance with the instructions received from the lender of Engromest. In particular, the management is based on an initial business plan approved by the lender, any amendments to the business plan are also approved by the lender, while any decision

to transfer Engromest's property or shares requires the lender's approval. The lender has the right to acquire the shares of Engromest (call option) for 1 €.

The table below presents the temporary fair values of the company's net assets at the date of acquisition of control. Based on the temporary fair values of the assets and liabilities acquired by the Group, a negative goodwill (bargain purchase) of € 589 occurs, which derives from the zero consideration. In the context of temporary fair value measurement of the company's assets and liabilities at fair value, the investment property held by the company was valued at € 8,200.

	Temporary Fair Value
Cash	2,246
Property, plant and equipment	25
Investment Property	8,200
Other assets	263
Due to banks	(9,595)
Other liabilities	(550)
Net Identifiable Assets recognized (A)	589
Consideration (B)	
Negative Goodwill (B-A)	589

Due to the short period of time passed since the acquisition date, the fair valuation of assets, liabilities and the assessment of any contingent liabilities of Engromest have not been finalized.

Following the acquisition of the control of Engromest, the Group did not recognize, after eliminations, results from the consolidation of its results in 2021. If the acquisition of the control had taken place on 17.04.2021, the Group's total revenue would have been formed at a gain of € 1,330,103 and the losses before income tax from ongoing activities in the amount of € 4,520.

Group subsidiaries with non-controlling interests

The table below presents information concerning the Group's subsidiaries with non-controlling interests:

Name	Country	Non controlling interests %	Profit/(loss) attributable to non-controlling interests	Other comprehensive income recognized directly in Equity for non-controlling interests	Non-controlling interests
		31.12.2021	From 17 April to 31.12.2021	From 17 April to 31.12.2021	31.12.2021
1. APE Fixed Assets S.A.	Greece	27.80	(59)		10,939
2. Alpha Astika Akinita S.A.	Greece	6.83	92	(10)	9,988
3. Alpha Real Estate Bulgaria E.O.O.D.	Bulgaria	6.83	-		29
4. Chardash Trading E.O.O.D.	Bulgaria	6.83	(31)		(164)
5. Alpha Bank Romania S.A.	Romania	0.08	15	(1)	340
6. Romfelt Real Estate S.A.	Romania	0.01	-		1
7. Alpha Real Estate Services Srl	Romania	6.83	2		99
8. Alpha Real Estate Services LLC	Cyprus	6.83	11		71
9. SSIF Alpha Finance Romania S.A.	Romania	0.02	-		(13)
Total			30	(11)	21,290

The percentage of voting rights owned by third parties in subsidiaries does not differ from their participation in their share capital.

With respect to the above mentioned subsidiaries, significant non-controlling interests exist in Alpha Astika Akinita S.A. and in APE Fixed Assets S.A.

Condensed sets of financial information of Alpha Astika Akinita S.A. and APE Fixed Assets S.A. are presented below. The above mentioned condensed sets of financial information are based on figures before any intra-group transactions have taken place.

Condensed Statement of Total Comprehensive Income

	Alpha Astika Akinita S.A.		APE Fixed Assets S.A.
	From 17 April to		From 17 April to
	31.12.2021		31.12.2021
Total income	11,491		-
Total expenses	(9,421)		(324)
Profit/(loss) for the year after income tax	1,743		(279)
Total comprehensive income for the year, after income tax	1,743		(279)

Condensed Balance Sheet

	Alpha Astika Akinita S.A.		APE Fixed Assets S.A.
	31.12.2021		31.12.2021
Total non-current assets	57,136		39,222
Total current assets	83,784		268
Total short-term liabilities	2,901		68
Total long-term liabilities	1,026		82
Total Equity	136,993		39,340

Condensed Statement of Cash Flows

	Alpha Astika Akinita S.A.		APE Fixed Assets S.A.
	From 17 April to		From 17 April to
	31.12.2021		31.12.2021
Total inflows/(outflows) from operating activities	2,202		(144)
Total inflows/(outflows) from investing activities	(2,922)		(36)
Total inflows/(outflows) from financing activities	(129)		4
Total inflows/(outflows) for the year	(849)		(177)
Cash and cash equivalents at the beginning of the year	77,227		445
Cash and cash equivalents at the end of the year	76,378		268

No dividends were distributed by the aforementioned companies, for the year 2021.

Significant Restrictions

The Group's significant restrictions regarding the use of assets or the settlement of liabilities, are those imposed by the regulatory framework in which its subsidiaries operate and concerns mainly those that are subject to supervision for their capital adequacy. In particular, the regulatory authorities request, where appropriate and depending on the nature of the company, the compliance with specific thresholds, for example maintaining minimum capital adequacy ratios, holding a predetermined level of highly liquid assets, minimizing their exposure to other Group companies and complying with specified ratios. The total assets and liabilities of the subsidiaries operating in the banking, insurance and other mainly financial sectors with significant restrictions amount to € 9,499 million and € 8,399 million respectively.

In addition, all Greek subsidiaries are subject to the restrictions imposed by the regulatory framework (Codified Law 4548/2018 or any other specific legislation depending on the nature of their operations) regarding the minimum threshold of the share capital and net assets as well as the ability to distribute dividends and to transfer equity shares.

There are no options of protection rights held by third parties in the share capital of subsidiaries that could otherwise limit the Group's ability to utilize those assets or settle the Group's liabilities.

Consolidated structured entities

The Group consolidates five special purpose entities that serve transactions related to securitization of loan portfolios held by companies of the Group. The Group exercises control over these special purpose entities as it has authority over their activities and significant exposure to their returns.

During 2021 the Group carried out two new securitization transactions of non-performing loans by transferring loan portfolios to the special purpose entities Gemini Core Securitization DAC and Cosmos Securitization DAC, which were established for this purpose and issued notes covered by the Group. During the year, the Bank proceeded with the distribution, through share capital decrease in kind, of the 95% of the mezzanine and junior notes of Cosmos Securitization DAC to the parent entity Alpha Services and Holdings S.A., which resulted in the loss of control over the specific special purpose entity and the cessation of its consolidation.

The other securitization of loan portfolio transactions that were in force on 31.12.2021 are intended for liquidity purposes through the issuance of notes or other legal form of lending. The table below presents the nominal value of notes per special purpose entity issued that is consolidated by the Group. On 31.12.2021 all the following notes were held by the Group.

Company name	Nominal value
	31.12.2021
Epihiro Plc	500,000
Pisti 2010-1 Plc	467,000
Irida Plc	474,800
Alpha Shipping Finance Ltd	-
Gemini Core Securitisation DAC	6,914,843

With respect to securitization transactions aimed to raise liquidity, depending on the criteria to be met for each securitized portfolio, the Group, without having any relevant contractual obligation, proceeds as appropriate in ad hoc repurchases of securitized loans. In addition, for those securitization transactions that are in replacement period, the Group engages in new securitization transactions of loan portfolios by transferring them to those entities, in order to meet the specific quantitative criteria related to the amounts of the bonds issued. The intention of the Group is to continue this practice.

Furthermore, on 31.12.2021 the Group had granted subordinated loans amounting to € 148,043 to the special purpose entities for credit enhancement purposes of the securitization transactions. It is noted that Alpha Shipping Finance Ltd has fully repaid the high repayment loan that has initially issued. Apart from the above mentioned loan, the Group has no contractual obligation to grant additional funding to the entities, except for the loan to the Alpha Shipping Finance Limited to which the Group is obliged, if needed, to grant additional amounts.

Regarding non-performing loan transactions, in particular the Gemini transaction, repurchases and new securitizations are carried out to ensure that the eligibility criteria are met. Repurchases and new securitizations are not settled in cash but adjust the value of the bond issued by the company. Also, the Group has granted a loan of € 50 million in order to provide liquidity to the special purpose entity and has no contractual obligation to provide additional financing.

Changes of ownership interest in subsidiaries which did not result in loss of control

During 2021, there was no change in the shareholder structure of the Group's subsidiaries.

Loss of control in subsidiary due to sale or liquidation

On 22.2.2021 a binding agreement was signed with the company Davidson Kempner Capital Management LP in the context of the Galaxy transaction which includes the sale of 80% of the share capital of Cepal Holdings, while the remaining 20% is retained by Alpha Bank. The sale of the shares took place on 18.6.2021. The consideration of the transaction amounted to € 117,672 and the gain from the sale amounted to € 111,296, which was recognized in Gains less losses from financial transactions and includes the loss occurred from the valuation of the remaining 20% of the share capital held by the Group amounting to € 10.863.

It is noted that for the determination of the consideration of the transaction, the amount of € 62,698 paid by the buyer in cash, the present value of the deferred consideration that is expected to be collected in 18 months and the valuation of the contingent consideration already received, as well as the provision for indemnity of the buyer based on the conditions provided in the contract of sale were taken into account. At the date of the disposal, the Company's Assets and Liabilities are presented in the table below:

Assets	18.6.2021
Cash	-
Due from Banks	12,849
Total Current Assets	12,849
Non current Assets	329,002
Other short-term liabilities	13,898
Total short-term Liabilities	13,898
Long-term financial liabilities	130,270
Total long-term liabilities	130,270

On 6.8.2021, the liquidation of the group subsidiary AGI-RRE Athena Ltd. was completed. The total cash of the subsidiary at the time of sale amounted to € 2.

On 6.8.2021, the liquidation of the group subsidiary AGI-RRE Venus Ltd. was completed. The total cash of the subsidiary at the time of sale amounted to € 1.

On 2.9.2021, the liquidation of the group subsidiary Alpha Credit Group Plc was completed. The total cash of the subsidiary at the time of sale amounted to € 604.

On 15.10.2021, the sale of all the shares of the group subsidiary AGI-CYPRE PROPERTY 11 LTD was completed for a total price of € 1,345, while a loss of € 288 was recognized. The subsidiary had no cash available at the time of the sale.

On 4.11.2021, the liquidation of the group subsidiary Alpha Finance Romania was completed. The total cash of the subsidiary at the time of sale amounted to € 168.

On 12.12.2021, the sale of all the shares of the group subsidiary AEP Kefalariou S.A. was completed for a total price of € 15,231, while a loss of € 8,230 was recognized. The total cash reserves of the subsidiary at the time of sale amounted to € 1,288.

Exposure to non-consolidated structured entities

The Group, through its subsidiary Alpha Asset Management AEDAK, manages 41 mutual funds which meet the definition of structured entities and at each reporting date, it assesses whether it controls any of these according with the provisions of IFRS 10.

The Group, acting as the manager of the mutual funds has the ability to direct the activities which significantly affect the level of their return by selecting the investments made by the funds within the framework of permitted investments as described in the regulation of each fund. As a result, the Group has power over the mutual funds under management but within a clearly defined decision making framework. Moreover the Group is exposed to variable returns through its involvement in the mutual funds as it receives fees for the purchase, redemption and management of the funds under normal market levels for similar services. The Group also holds direct investments in some of the funds under management, the level of which is assessed to be determined whether it leads to a significant variability in its returns compared to the variability of the respective total rate of return of the mutual fund. Due to these factors, the Group assessed that, for all mutual funds under management, it exercises, for the benefit of unit holders, the decision making rights assigned to it acting as an agent without controlling the mutual funds.

The following table presents by category of investments the total assets of the mutual funds managed but not controlled by the Group.

In particular, the below table shows the total assets of the mutual funds under management but not controlled by the Group by category of investment. During the year 2021, the commission income from the management fees of these Mutual Funds amounted to € 31,379.

	Total assets
	31.12.2021
Category of Mutual Funds	
Bond Funds	669,910
Money Market Funds	39,009
Equity Funds	688,284
Balanced Funds	957,576
Total	2,354,779

The direct investment of the Group in the above mutual funds was classified, in the portfolio of investment securities measured at fair value through profit or loss, under the IFRS 9, as they did not meet the definition of equity instrument. The carrying amount of the investment in mutual funds as at 31.12.2021 amounts to € 6,741. The change in the fair value of the aforementioned mutual funds during the year 2021 resulted in a gain of € 3,644.

It is noted that there is no contractual obligation for the Group to provide financial support to any of the mutual funds under management nor does it guarantee their rate of return.

In addition, the Group manages Alpha TANEAKES through its subsidiary Alpha A.E. Venture Capital Management -AKES. The mutual fund shareholders of this mutual fund are the Bank owning 51% and the Hellenic Development Bank of Investments S.A. owning 49%. Both parties jointly control the mutual fund and as a result the Group's investment in Alpha TANEAKES is accounted for under the equity method. The carrying amount of the Group's investment on 31.12.2021 amounts to € 7,029 and

has been classified in "Investments in Associates and Joint Ventures". The Group's share of Alpha TANEOKES profit or loss is presented in note 21. The total assets amounted to €8,388 as at 31.12.2021. The Group's commission income for the management of the mutual fund for 2021 amounted to €90. The Bank has undertaken the obligation to participate in additional investments in the share capital of the joint venture up to €19. The aforementioned commitment along with carrying amount of the Group's investment represent the maximum exposure of the Group to Alpha TANEOKES.

During the hive down, the Group acquired the 100% of the senior notes and the 5% of the mezzanine and junior notes that were issued by the special purpose entities Orion Securitization DAC, Galaxy II Funding DAC and Galaxy IV Funding DAC in the context of the respective securitization transactions of the non performing loans. The Group does not control the specific special purpose entities. Furthermore, in the context of the Cosmos transaction that was completed during 2021 in accordance with the Strategic Plan of the Bank for the decrease of the non performing exposures, the Group acquired the notes issued by the special purpose entity Cosmos Securitization DAC which was established to serve the respective securitization transaction. The Group has initially covered the total of the notes, which resulted in the exercise of the control over Cosmos Securitization DAC. Following, the Bank proceeded with the distribution, through share capital decrease in kind, of the 95% of the mezzanine and junior notes of Cosmos Securitization DAC to the parent entity Alpha Services and Holdings S.A., which resulted in the loss of control over the specific special purpose entity and the cessation of its consolidation. The Group retained the 100% of the senior notes and the 5% of the mezzanine and junior notes of the special purpose entities Orion Securitisation DAC, Galaxy II Funding DAC, Galaxy IV Funding DAC and Cosmos Securitisation DAC, out of which the 100% of the senior notes were classified to loans measured at amortized cost and the 5% of the mezzanine and junior notes were classified to loans measured at fair value through profit and loss based on the contractual terms of the respective notes.

The following table presents the book value of 31.12.2021 of the above notes and the results recognized by the Group from the respective securities during the year. It is noted that the total nominal value of the securities issued by the aforementioned special purpose entities on 31.12.2021 amounts to €14 billion.

	Carrying Amount as at 31.12.2021	Profit or Loss 31.12.2021		
		Interest	Gains/ Losses of financial transactions	ECL Allowance
Loans and Advances to Customers measured at fair value through profit or loss				
Notes issued by special purpose entities	2,561	54	1,744	
Loans and Advances to Customers measured at amortized cost				
Notes issued by special purpose entities	5,481,594	13,946		(894)

The Group has granted loans with a book value of €112.4 million as of 31.12.2021 to the special purpose entities Orion Securitisation DAC, Galaxy II Funding DAC, Galaxy IV Funding DAC and Cosmos Securitization DAC in order to finance their reserves. The total results recognized by the Group from these loans in the year 2021 amounted to €505.

Regarding the Group's liabilities arising from the specific securitization transactions, it is pointed out that the securitized portfolios that were transferred to Orion Securitisation DAC, Galaxy II Funding DAC, Galaxy IV Funding DAC and Cosmos Securitization DAC included letters of guarantee. In case of forfeiture of any of them, the Group disburses a loan which it transfers directly to the respective special purpose entity at a price equal to the value of the loan. The payment of the price is made from special deposit accounts, with pledged balances kept by the aforementioned companies specifically for the specific purpose in the Group. Also, the Group has undertaken to issue letters of guarantee for the above securitization companies, up to a total limit of €205 million, in exchange for a commission. In case of forfeiture of a guarantee, the amount paid becomes immediately due and is repaid through the reserves and accounts of the securitization company, while in case these are not enough, it is placed in a high order of payment priority and its repaid through interest payments.

Also, in the context of the above transactions Galaxy and Cosmos, the special purpose entities Reoco Orion X MAE, Reoco Galaxy II MAE, Reoco Galaxy IV MAE and Reoco Cosmos MAE were established, whose main activity is to participate in auctions for the purchase of properties that are collaterals of the respective securitized portfolios and their subsequent management. The Group does not participate in the share capital of the entities and does not control them. It is noted that the Group has undertaken to provide financing through granting of loans to the above companies for the acquisition of properties. In the event that a relevant loan is required to be granted, this is transferred immediately to the respective special purpose entity holding the securitized

portfolio with an advance payment of the relevant price to the Group. In the event that the price is not prepaid, the Group is not obliged to proceed with the disbursement of the loan and therefore the Group's exposure to credit risk from the above transaction is zero.

The aforementioned book values of Notes, loans and participations together with the aforementioned commitments of the Group for the provision of loans and guarantees constitute the maximum possible exposure of the Group to the special purpose entities established in the context of Galaxy and Cosmos transactions.

In December 2021, the Group entered into a synthetic securitization transaction of a portfolio of small and medium-sized and large business loans, through which the non-consolidated special purpose entity Aurora SME I DAC, in which the Group has a significant influence, provides the Group with a guarantee for a part of credit losses of the securitized portfolio, in accordance with the terms specified in the contract between them. For this purpose, Aurora SME I DAC issued a bond with a nominal value of € 152 million, which was covered by third parties not affiliated with the Group, and the proceeds from the issuance that are a collateral for the Group's compensation in case of forfeiture of the guarantee. The Group pays a commission to the special purpose entity for the provision of the guarantee and has also undertaken to cover its expenses. During the year, a relevant expense of € 588 was recognized in the results. Also, the Group is the collateral manager, investing in eligible securities according to specified criteria.

In addition, the Group has investments in special purpose entities through its participation in venture capital mutual funds which it does not manage as well as in companies subject to the issuance of securities secured by its assets (asset-backed securities). The following table analyzes the said participations of the Group. An indication of the size of special purpose entities is the total assets of the venture capital mutual funds based on the most recent available balance sheet and the total nominal value of the issues of asset backed securities.

	Carrying Amount	Total Assets / Value of issue
	31.12.2021	31.12.2021
Category of structured entity		
Investment securities - measured at fair value through other comprehensive income recognized directly in Equity		
Venture capital mutual funds	11,383	319,432
Asset-backed securities	886	231,395
Investment securities - measured at fair value through profit or loss		
Asset-backed securities	10,357	28,500
Investments in associates and joint ventures		
Venture capital mutual funds	1,907	3,708

The Group is committed to participate in additional investments of the above mutual funds up to the amount of € 4,367. This commitment together with the book value of the participation constitute the maximum possible exposure of the Group to these investments.

41. Disclosures N. 4261/5.5.2014

Article 81 of Law 4261/5.5.2014 transposed into Greek legislation the Article 89 of Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013, according to which, it is enacted for first time the obligation to disclose information on a consolidated basis by Member State and third country in which the Group has a head office as follows: company name or company names, nature of operations, geographic location, turnover, results before tax, income tax, public subsidies received and the number of full time employees.

The required information is presented below.

Greece

Turnover in Greece for the year ended 31.12.2021 amounted to 1,654,563, losses before tax amounted to € (341,930), income taxes amounted to € (60,955), the number of employees was 5.915 and the following companies are included:

Banks
1 Alpha Bank S.A.
Financing Companies
1 Alpha Leasing A.E.
2 ABC Factors A.E.
3 Cepal Holdings S.A.
Investment Banking
1 Alpha Finance A.E.P.E.Y.
2 Alpha Ventures A.E.
3 Alpha A.E. Ventures Capital Management-AKES
Asset Management
1 Alpha Asset Management A.E.D.A.K.
Real Estate and Hotel
1 Alpha Astika Akinita A.E.
2 Alpha Real Estate Management and Investments S.A
3 Alpha Investment Property Attikis A.E.
4 APE Fixed Assets A.E.
5 Alpha Investment Property Neas Kifisias A.E.
6 Alpha Investment Property Kallirois A.E.
7 Alpha Investment Property Livadias A.E.
8 Alpha Investment Property Neas Erythraias A.E.
9 Alpha Investment Property Spaton A.E.
10 Alpha Investment Property Kallitheas A.E.
11 Alpha Investment Property Irakleiou A.E
12 AIP Industrial Assets S.M.S.A.
13 AIP Residential Assets Rog S.M.S.A.
14 AIP Attica Residential Assets I S.M.S.A.
15 AIP Thessaloniki Residential Assets S.M.S.A.
16 AIP Cretan Residential Assets S.M.S.A.
17 AIP Aegean Residential Assets S.M.S.A.
18 AIP Ionian Residential Assets S.M.S.A.
19 AIP Commercial Assets City Centres S.M.S.A.
20 AIP Thessaloniki Commercial Assets S.M.S.A.
21 AIP Commercial Assets Rog S.M.S.A.
22 AIP Attica Retail Assets I S.M.S.A.
23 AIP Attica Retail Assets II S.M.S.A.
24 AIP Attica Residential Assets II S.M.S.A.
25 AIP Retail Assets Rog S.M.S.A.
26 AIP Land II S.M.S.A.
27 Reoco Cosmos S.M.S.A.
28 Alpha Investment Property Kefalariou A.E.
Special purpose and holding entities
1 Alpha Holdings M.A.E.
2 ALPHA International Holdings M.A.E.
Other
1 Kafe Alpha A.E.
2 Alpha Supporting Services A.E.
3 Real Car Rental A.E.
4 Emporiki Management A.E.
5 Alpha Bank Notification Services A.E.
6 Alpha Payment Services M.A.E..

United Kingdom

Turnover in United Kingdom for the year ended 31.12.2021 amounted to €15,530, profit before tax amounted to €2,300, income taxes amounted to €(427), the number of employees was 59 and the following companies are included:

	Banks
1	Alpha Bank London Ltd
	Asset Management
1	ABL Independent Financial Advisers Ltd
	Special purpose and holding entities
1	Katanalotika Plc
2	Epihiro Plc
3	Irida Plc
4	Pisti 2010-1 Plc
5	Alpha Shipping Finance Ltd
	Other
1	Alpha Bank London Nominees Ltd

Cyprus

Turnover in Cyprus for the year ended 31.12.2021 amounted to €(181,990), losses before tax amounted to €(530,784), income taxes amounted to €(653), the number of employees was 514 and the following companies are included:

	Banks
1	Alpha Bank Cyprus Ltd
	Investment Banking
1	Emporiki Ventures Capital Developed Markets Ltd
2	Emporiki Ventures Capital Emerging Markets Ltd
	Real Estate and Hotel
1	Stockfort Ltd
2	Alpha Real Estate Services LLC
3	AGI-Cypre Tochni Ltd
4	AGI-Cypre Mazotos Ltd
5	AGI-Cypre Property 2 Ltd
6	AGI-Cypre Property 4 Ltd
7	AGI-Cypre Property 5 Ltd
8	AGI-Cypre Property 6 Ltd
9	AGI-Cypre Property 8 Ltd
10	AGI-Cypre Property 7 Ltd
11	AGI-Cypre Property 9 Ltd
12	AGI-Cypre Property 12 Ltd
13	AGI-Cypre Property 13 Ltd
14	AGI-Cypre Property 14 Ltd
15	AGI-Cypre Property 15 Ltd
16	AGI-Cypre Property 16 Ltd
17	AGI-Cypre Property 17 Ltd
18	AGI-Cypre Property 18 Ltd
19	AGI-Cypre Property 19 Ltd
20	AGI-Cypre Property 20 Ltd
21	AGI-Cypre RES Pafos Ltd
22	AGI-Cypre P&F Nicosia Ltd
23	ABC RE P2 Ltd
24	ABC RE P3 Ltd
25	ABC RE L2 Ltd

26	ABC RE P4 Ltd
27	AGI-Cypre RES Nicosia Ltd
28	AGI-Cypre P&F Limassol Ltd
29	AGI-Cypre Property 21 Ltd
30	AGI-Cypre Property 22 Ltd
31	AGI-Cypre Property 23 Ltd
32	AGI-Cypre Property 24 Ltd
33	ABC RE L3 Ltd
34	ABC RE P&F Limassol Ltd
35	AGI-Cypre Property 25 Ltd
36	AGI-Cypre Property 26 Ltd
37	ABC RE COM Pafos Ltd
38	ABC RE RES Larnaca Ltd
39	AGI-Cypre P&F Pafos Ltd
40	AGI Cypre Property 27 Ltd
41	ABC RE L4 Ltd
42	ABC RE L5 Ltd
43	AGI-Cypre Property 28 Ltd
44	AGI-Cypre Property 29 Ltd
45	AGI-Cypre Property 30 Ltd
46	AGI-Cypre COM Pafos Ltd
47	AGI-Cypre Property 31 Ltd
48	AGI-Cypre Property 32 Ltd
49	AGI-Cypre Property 33 Ltd
50	AGI-Cypre Property 34 Ltd
51	Alpha Group Real Estate Ltd
52	ABC RE P&F Pafos Ltd
53	ABC RE P&F Nicosia Ltd
54	ABC RE RES Nicosia Ltd
55	Fierton Ltd
56	ABC RE P6 Ltd
57	AGI-Cypre Property 35 Ltd
58	AGI-Cypre P&F Larnaca Ltd
59	AGI-Cypre Property 37 Ltd
60	AGI-Cypre RES Ammochostos Ltd
61	AGI-Cypre Property 38 Ltd
62	AGI-Cypre RES Larnaca Ltd
63	ABC RE P7 Ltd
64	AGI-Cypre Property 42 Ltd
65	ABC RE P&F Larnaca Ltd
66	Krigeo Holdings Ltd
67	AGI-Cypre Property 43 Ltd
68	AGI-Cypre Property 44 Ltd
69	AGI-Cypre Property 45 Ltd
70	ABC RE RES Ammochostos Ltd
71	ABC RE RES Paphos Ltd
72	Sapava Ltd
73	AGI-Cypre Property 46 Ltd
74	AGI-Cypre Property 47 Ltd
75	AGI-Cypre Property 48 Ltd
76	Alpha Credit Property 1 Ltd
77	AGI-Cypre COM Nicosia Ltd
78	AGI-Cypre Property 49 Ltd
79	AGI-Cypre Property 50 Ltd

80	AGI-Cypre COM Larnaca Ltd
81	AGI-CYPRE PROPERTY 51 LIMITED
82	AGI-CYPRE PROPERTY 52 LIMITED
83	AGI-CYPRE PROPERTY 53 LIMITED
84	ALPHA CREDIT PROPERTIES LIMITED
85	AGI-CYPRE PROPERTY 54 LIMITED
86	AGI-Cypre Property 11 Ltd
87	AGI-Cypre Property 40 Ltd
88	AGI-Cypre Property 55 Ltd
	Special purpose and holding entities
1	Alpha Group Investments Ltd
2	Ionian Equity Participations Ltd
3	AGI-BRE Participations 1 Ltd
4	AGI-RRE Participations 1 Ltd
5	Alpha Group Ltd
6	SKY CAC LIMITED
7	AGI-RRE Poseidon Ltd
8	AGI-RRE Hera Ltd
9	Umera Ltd
10	AGI-BRE Participations 2 Ltd
11	AGI-BRE Participations 3 Ltd
12	AGI-BRE Participations 4 Ltd
13	AGI-RRE Ares Ltd
14	AGI-RRE Artemis Ltd
15	AGI-BRE Participations 5 Ltd
16	AGI-RRE Cleopatra Ltd
17	AGI-RRE Hermes Ltd
18	AGI-RRE Arsinoe Ltd
19	AGI-SRE Ariadni Ltd
20	Zerelda Ltd
21	AGI-Cypre Evagoras Ltd
22	AGI-Cypre Tersefanou Ltd
23	AGI-Cypre Ermis Ltd
24	AGI-SRE Participations 1 Ltd
25	Alpha Credit Acquisition Company Ltd
26	AGI-RRE Athena Ltd
30	AGI-RRE Venus Ltd
	Other
1	Alpha Trustees Ltd

Luxembourg

Turnover in Luxembourg for the year ended 31.12.2021 amounted to €0, losses before tax amounted to €(30), income taxes amounted to €0 and the following company is included:

	Special purpose and holding entities
1	Alpha International Holding Company S.A.

Romania

Turnover in Romania for the year ended 31.12.2021 amounted to € 132,194, profit before tax amounted to € 23,963, income taxes amounted to € (3,791), the number of employees was 2,022 and the following companies are included:

	Banks
1	Alpha Bank Romania S.A.
	Financing Companies
1	Alpha Leasing Romania IFN S.A.
	Investment Banking
1	SSIF Alpha Finance Romania S.A.
	Insurance
1	Alpha Insurance Brokers Srl
	Real Estate and Hotel
1	Alpha Real Estate Services S.R.L.
2	AGI-RRE Participations 1 S.R.L.
3	Romfelt Real Estate S.A.
4	AGI-RRE Zeus S.R.L.
5	AGI-RRE Poseidon S.R.L.
6	AGI-RRE Hera S.R.L.
7	SC Carmel Residential S.R.L.
8	Asmita Gardens S.R.L.
9	Cubic Center Development S.A.
10	OFFICE PARK I SRL
11	ACARTA CONSTRUCT SRL
12	Engromest

Serbia

Turnover in Serbia for the year ended 31.12.2021 amounted to € (1), losses before tax amounted to € (255) and the following company is included:

	Real Estate and Hotel
1	AGI-SRE Participations 1 DOO

Albania

Turnover in Albania for the year ended 31.12.2021 amounted to € 18,041, losses before tax amounted to € 489, the number of employees was 410 and the following company is included:

	Banks
1	Alpha Bank Albania SH.A.

Bulgaria

Turnover in Bulgaria for the year ended 31.12.2021 amounted to € (86), losses before tax amounted to € (1,077) and the following companies are included:

	Real Estate and Hotel
1	Alpha Real Estate Bulgaria E.O.O.D.
2	Chardash Trading E.O.O.D.
3	AGI-BRE Participations 2 E.O.O.D.
4	AGI-BRE Participations 2BG E.O.O.D.
5	AGI-BRE Participations 4 E.O.O.D.
6	Kestrel Enterprise E.O.O.D.

Ireland

Turnover in Ireland for the year ended 31.12.2021 amounted to €0..

	Special purpose and holding entities
1	Alpha Quantum DAC
2	GEMINI CORE SECURITISATION DESIGNATED ACTIVITY COMPANY

Neither the Bank nor any of the Group companies have received any public subsidies.

Article 82 of Law 4261/5.5.2014 transposed into Greek Law article 90 of Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013, which establishes for the first time the requirement to disclose total return on assets. The total return on the assets of the Group for the year 2021 amounted to -0.13%.

42. Operating Segments

a. Analysis by operating segment

(In millions of Euro)	17.04 – 31.12.2021						
	Retail Banking	Corporate Banking	Asset Management	Investment Banking/Treasury	South-Eastern Europe	Other /Elimination Center	Group
Net interest income	281.4	304.0	9.8	119.5	131.4	9.4	855.5
Net fee and commission income	95.8	83.5	59.9	29.6	28.9	0.1	297.8
Other income	16.1	(27.9)	1.4	76.3	(1.0)	116.9	181.8
Total income	393.3	359.5	71.1	225.4	159.3	126.4	1,335.1
Total expenses (excluding expenses for separation schemes)	(364.0)	(128.7)	(29.8)	(25.8)	(210.5)	(69.0)	(827.8)
Impairment losses and provisions to cover credit risk and other related expenses	(308.0)	(31.2)	0.1	1.9	(159.1)	(0.8)	(497.1)
Impairment losses on other financial instruments	-	-	-	(14.6)	-	-	(14.6)
Expenses for separation schemes	-	-	-	-	-	-	(0.0)
Profit/(losses) before income tax from continued operations	(278.7)	199.5	41.5	187.0	(210.3)	56.6	(4.4)
Income tax	-	-	-	-	-	-	(60.4)
Profit/(losses) after income tax from continued operations	(278.7)	199.5	41.5	187.0	(210.3)	56.6	(64.8)
Profit/(losses) after income tax from discontinued operations	-	-	-	-	(29.6)	-	(29.6)
Profit/(losses) after income tax	(278.7)	199.5	41.5	187.0	(239.9)	56.6	(94.4)
Assets 31.12.2021	15,250.8	15,188.2	864.8	22,449.4	8,466.8	10,251.8	72,471.8
Liabilities 31.12.2021	31,052.5	8,856.7	1,917.6	18,031.0	6,394.4	366.6	66,618.7
Capital expenditure	52.7	23.9	3.2	3.4	24.2	2.3	109.8
Depreciation and Amortization	(54.0)	(22.0)	(3.9)	(3.5)	(17.6)	(7.8)	(108.8)
Investments in associates and joint ventures	-	-	-	-	-	68.2	-

Profit/(losses) before income tax of the operating segment named “Other/Elimination Center” totaling to € 56.6 million include income from eliminations between operating segments totaling to € 0.6 million and unallocated income totaling to € 56 million. These unallocated amounts refer to a) non-recurring items that do not relate to a specific operating segment and therefore cannot be allocated and b) results from operations that do not represent reportable operating segments.

i. Retail Banking

It includes all individuals (retail banking customers), self-employed professionals, small and very small companies operating in Greece and abroad, except from South-Eastern Europe countries.

The Group, through its extended branch network, offers all types of deposit products (deposits/ savings accounts, working capital/ current accounts, investment facilities/ term deposits, Repos, Swaps), loan facilities (mortgages, consumer, corporate loans, letters of guarantee), debit and credit cards of the above mentioned customers.

ii. Corporate Banking

It includes all medium-sized and large companies, corporates with international business activities, enterprises which cooperate with the Corporate Banking Division, as well as shipping corporations operating in Greece and abroad except for South Eastern European countries. This operating segment offers working capital facilities, corporate loans, and letters of guarantee to the abovementioned corporations. This segment offers also leasing products through the Group’s subsidiary named Alpha Leasing A.E. as well as factoring services provided by the Group’s subsidiary named ABC Factors A.E.

iii. Asset Management

It includes a wide range of asset management services offered through Group’s private banking units, its subsidiary Alpha Asset Management A.E.D.A.K. as well as the proceeds from the sale and the management of mutual funds.

iv. Investment Banking / Treasury

It includes stock exchange, advisory and brokerage services related to capital markets, and also investment banking facilities, which are offered either by the Bank or specialized subsidiaries (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 operations related to securitization transactions.

v. South-Eastern Europe

It consists of the Group’s subsidiaries, which operate in South Eastern Europe as well as in Cyprus.

vi. Other / Elimination Center

This segment includes the non-financial operations of the Group, as well as unallocated / non-recurring income and expenses and intersegment transactions. In addition, this segment includes a) the Notes of the Galaxy and Cosmos securitization transactions held by the Group and b) the special purpose entities for securitization transactions that are no longer consolidated.

Income and expenses per segment also include transactions between operating segments. All transactions are conducted on market terms. Intersegment transactions are eliminated.

The assets of the operating segments “Retail” and “Corporate Banking” include the following Bank’s loans as well as those provided by the Group’s subsidiaries ABC Factors S.A. and Alpha Leasing S.A., that have been placed under the supervision of the Non-Performing Exposures Strategy, Recovery and Monitoring Division following a full outsourcing to providers of Non-Performing Exposures Management Services (Servicers) from 1.12.2020.

	31.12.2021		
	Balance before allowance for expected credit losses	Allowance for expected credit losses	Balance after allowance for expected credit losses
Mortgages	1,435,055	230,599	1,204,456
Consumer Loans	597,419	257,707	339,712
Corporate Loans	2,658,427	1,226,952	1,431,475
Total	4,690,901	1,715,258	2,975,643

B. Analysis by geographical sector

The breakdown by geographical segment is defined by the country of the business operations of the Group Company.

(in millions of Euro)	17.04 - 31.12.2021		
	Greece	Other countries	Group
Net interest income	714.0	141.6	855.6
Net fee and commission income	266.9	30.9	297.8
Other income	183.2	(1.5)	181.7
Total income	1,164.1	171.0	1,335.1
Total expenses (excluding provision for separation scheme)	(605.5)	(222.4)	(827.9)
Impairment losses and provisions to cover credit risk	(338.1)	(158.9)	(497.0)
Impairment losses on other financial instruments	(14.6)	-	(14.6)
Profit/(losses) before income tax from continued operations	205.9	(210.3)	(4.4)
Income tax	-	-	(60.4)
Profit/(losses) before income tax from continued operations	205.9	(210.3)	(64.8)
Profit/(losses) before income tax from discontinued operations	-	(29.6)	(29.6)
Profit/(losses) after income tax	205.9	(239.9)	(94.4)
Non current assets - 31.12.2021	1,423.5	217.5	1,641.0

For the purposes of the above note, Non-current Assets include:

- Investment property
- Property, Plant and Equipment
- Goodwill and other intangible assets

43. Risk Management

The Group has established a thorough and prudent risk management framework which is being built on best supervisory practices which, considering on the common European legislation and banking system rules, principles and standards is evolved over time in order to be implemented in a coherent and effective manner on the Bank's and Group's companies conduct of the day-to-day business to ensure the effectiveness of the corporate governance of the Group entities.

The Group's critical focus in 2021 was to maintain high standards in corporate governance and compliance with regulatory risk rules and retain confidence in the conduct of its business activities through sound and robust provision of financial services.

The Group recognized in the balance sheet the financial assets and liabilities transferred during the transfer of the banking sector from Alpha Bank SA. before disintegration. In this context, it is noted that the Group continued to apply the Credit Risk Policies as well as the Credit and Arrears Regulations of Retail Banking and Wholesale Banking that were in force until the date of separation.

RISK MANAGEMENT FRAMEWORK

Board of Directors (BoD)

The Board of Directors supervises the overall operations of the Risk Management Unit. Regarding Risk Management, the Board of Directors has established a Risk Management Committee (RMC), which convenes on a monthly basis and reports to the BoD. The RMC recommends to the BoD risk undertaking and capital management strategy, checks its implementation and evaluates its effectiveness.

The risk management framework and its effectiveness are re-assessed on a regular basis in order to ensure compliance with supervisory and regulatory requirements.

For a more comprehensive and effective identification and monitoring of all risk types, Management Committees have been established (Assets and Liabilities Committee, Operational Risk Committee and Credit Risk Committee).

Risk Management Unit

The General Manager - Group Chief Risk Officer supervises the Risk Management Unit of the Group and reports on a regular basis and ad hoc to the Management Committees, the Risk Management Committee and to the Board of Directors. As far as credit risk is concerned the reporting to the above-mentioned 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 by rating grade, group of clients, etc.
- The trends of basic rating criteria.
- The changes in the rating process, in the criteria or in each specific parameter.
- The concentration risk (by risk type, sector, country, collateral etc.).
- The evolution of Gross Loans, +90 days past due loans, Non-Performing exposures and the monitoring KPIs per segment on a Group basis.
- The Cost of Risk.
- The IFRS 9 Staging transition of exposures per asset class.
- The maximum risk appetite per country, sector, currency, business Units, limit breaches and mitigation plans.

Organizational Structure of Risk Management Divisions

In the Group, under the supervision of the General Manager - Group Chief Risk Officer, the following Risk Management Divisions operate within the Group and have been assigned with the responsibility of implementing the risk management framework, according to the principles of the RMC.

- Credit Control Division
 - Credit Risk Policy and Control Division
 - Credit Risk Methodologies Division
 - Credit Risk Cost Assessment Division
- Credit Risk Data and Analysis Division
 - Credit Risk Data Management Division
 - Credit Risk Analysis Division
- Market and Operational Risk Division
- Risk Models Validation Division
- Wholesale Credit Division
- Credit Workout Division
- Retail Credit Division

For credit risk management purposes, facilities are separated into Wholesale and Retail, as described below.

43.1 Credit Risk

WHOLESALE BANKING CREDIT FACILITIES

Wholesale Banking credit facilities are included in each of the following categories subject to the characteristics of the credit facility and the obligor, as shown in the table below:

	Portfolio	Characteristics
Obligors under the competence of Wholesale Banking	Corporate	Companies with turnover > Euro 75 million Includes financing in shipping companies, as well as, obligors under the management of the Investment Banking Division
	SME	Companies with turnover > Euro 2.5 million and up to Euro 75 million or companies with credit limit > Euro 1 million

1. Credit Risk Approval Process

The Group, following best international practices and taking into account the prevailing institutional framework set by legislation, regulations, ministerial decrees/decisions, etc, has established a robust credit risk framework, where the key principles and guidelines, the procedures and actions followed and the responsibilities of all related Units and Officers are clearly defined based on the four eyes principle.

Within this context, all credit proposals are prepared by the Business Units, are reviewed by the Credit Units and are subsequently forwarded for assessment and final decision to the respective Credit Committee based on the total credit exposure, the borrower risk rating, the provided collaterals and the environmental and social risk evaluation.

The limits of the Wholesale Banking Credit Committees are determined in accordance to Total Credit Exposure, defined as the sum of all credit facilities of the obligor (single company or group of associated companies) which can be approved by the Group and include the following:

- Total credit requested exposure
- Working Capital limits
- Withdrawal limits from unclear deposits
- Letters of Credit/Letters of Guarantee limits
- Factoring limits
- Derivative transaction limits
- Corporate Cards limits
- Medium and long-term loans (current outstanding/exposure for facilities that have been fully drawn or limit amount of undrawn facilities).
- Leasing Facilities (current outstanding/exposure for leasing facilities that have been fully drawn or limit amount for undrawn/unused facilities).
- Special credit limits or loans, or any form of personal financing to the company's business owners (mortgage loans, consumer loans, shares' purchase, credit cards etc.).

Wholesale Banking Credit Committees

Credit Committees decisions are multidimensional, with the main assessments performed being as following:

- Approval of the terms of new loans, renegotiations or restructuring of existing credit facilities.
- Approval of the loan pricing, considering the overall profitability of a client's relationship based on the Return on Risk Adjusted Capital – RoRAC (historical RoRAC and post – new money RoRAC).
- Credit Limit Expiry/Renewal date (depending on the customer's credit risk zone) and any deviations from the rule.
- Amendment on the collateral structure.

- Decision on actions in case of activation of early warning triggers.
- Financial Difficulty assessment.
- Unlikelihood to Pay (UTP) assessment.
- Credit Rating decisioning.
- Environmental and Social (E&S) risk assessment.

Credit Committees Structure:

- Wholesale Banking Credit Committee I
- Wholesale Banking Credit Committee II
- Wholesale Banking Credit Committee III
- Wholesale Banking Credit Committee IV
- Wholesale Banking Credit Committee V

Credit Limit Expiry/Renewal date:

The credit limits' expiry/renewal date is determined by the relevant Wholesale Banking Credit Committees. The basic factor for the determination of the credit limit expiry is the client's credit rating, which is not a standalone approval or rejection criterion, but the basis for determining the minimum security/collateral required and the respective pricing. As a rule, for obligors that have been rated in the Low, Medium and Acceptable credit risk zones, reviews are carried out on an **annual basis**, for Watch List clients, on a **semi-annual basis** while obligors that have been rated in the High Risk zone are reviewed on a **quarterly basis**. Deviations from the above rule are not allowed, except when the request by the responsible Business Units is approved by the competent Credit Committees.

2. Credit Risk Measurement and Internal Ratings

The assessment of the borrower's creditworthiness and their rating in credit risk scales is established through rating systems.

The rating of the Group's borrowers with the use of credit risk rating systems constitutes a basic tool for:

- The decision-making process of Credit Committees for the approval/ renewal of credit limits and the implementation of the appropriate pricing policy (interest rate spreads etc.).
- The estimation of the future behavior of borrowers which belong to a group with similar characteristics.
- The early recognition of potential troubled facilities (early alert mechanism) and the prompt, effective action for the minimization of the expected loss for the Group.
- The assessment of the quality of the Group's loan portfolio and the credit risk undertaken.

The aim of the credit risk rating systems is the estimation of the probability that the borrowers will not meet their contractual obligations to the Group as well as the Expected Credit Loss estimation.

The rating systems employed by the Group are the Alpha Bank Rating System (ABRS) and Moody's Credit Lens which incorporate different credit rating models.

All current and future clients of the Group are assessed based on the appropriate credit risk rating model and within pre-specified time frames.

For the estimation of the probability of default of the obligors of the Group the credit risk rating models evaluate a series of parameters, which can be grouped as follows:

- Financial Analysis: obligor's Financial Ability (liquidity ratios, debt to income, etc.)
- Peers' Analysis: obligor's comparative position in the market in which it operates mostly compared to its peers.
- Behavioral status and history of the obligor with the Group and with third parties (debt in arrears, adverse transaction records, etc).
- Obligor's qualitative characteristics (solid and healthy administration, management succession, appropriate infrastructure and equipment etc.).

The credit rating models which are currently employed by the Group are differentiated according to:

- The turnover of the company.
- The level of the total credit risk exposure.
- The credit facility's specific characteristics.
- The available information for the obligor's assessment. Specifically, for the financial analysis the differentiation relates to the type of the local accounting standards and the International Financial Reporting Standards.

For each of the credit rating models, different parameters may be used, each of which contributes in a specific manner the relevant assessment.

The statistical validation of the credit risk rating models is reviewed regularly in order to ensure the maximum predictive and discriminatory ability according to the supervisory and regulatory framework for credit risk management.

Obligors Rating Scale

Borrowers are rated in the following rating scales:

AA, A+, A, A-, BB+, BB, BB-, B+, B, B-, CC+, CC, CC-, C, D, D0, D1, D2

For special purpose finance (Structured and Shipping Financing) special models have been designed (slotting) with the following categorization scale:

Strong (Class 1), Good (Class 2), Satisfactory (Class 3), Weak (Class 4), Default (D, D0, D1, D2).

For presentation purposes of table "Loans by credit quality and IFRS9 Stage", the "strong" rating includes the rating scales AA, A+, A, A-, BB+ and BB and Categories 1 and 2, "satisfactory" rating includes the rating scales BB-, B+, B, B-, CC+, CC and Category 3, and "under close monitoring" (higher risk) includes the rating scales CC-, C and Category 4. Last, default category, includes the rating scales D, D0, D1, D2.

RETAIL BANKING CREDIT FACILITIES

Retail banking involves the lending facilities offered from the Group to borrowers covering traditional banking products and services such as:

- Housing loans/Mortgages
- Consumer Loans and Credit Cards
- Small businesses and professionals (SB): Individuals and Legal entities with turnover up to Euro 2.5 million and credit limit up to Euro 1 million.

1. Credit Risk Approval Process

The Group monitors customer Total Credit Risk Exposure (For Individuals and Small Businesses), which refers to the sum of all revolving limits of an obligor, all the balances of long term facilities and for the case of small businesses the total exposure of facilities given to stakeholders of customer companies. Additionally, facilities for which the customer is guarantor or co-debtor are also taken into account.

The Group has developed and implemented a strict framework for the conduct of credit policy (legislative and supervisory / regulatory) and has also formulated and put into effect an internal system of credit principles, procedures and rules clearly applicable to the Group's lending business, in order to promote sound practices for managing credit risk.

Credit policies establish the framework for lending and guide the credit-granting activities of Retail Banking through:

- Sound lending management.
- Prudent client selection through in-depth assessment of both financial and qualitative data of the borrower
- Assessing the risk/reward relationship with a respective determination of pricing policy and collateral coverage after taking into account the level of credit risk.
- Monitoring and management of the total credit risk, i.e. the consolidated risk from any type of credit facility granted by the Alpha Bank Group.

The enforcement of the Credit Policy requires certain criteria to be met. These criteria play a significant role in the achievement and maintenance of a healthy portfolio and in the Group's Capital allocation. In particular:

Individuals

The approval process of credit to individuals (individuals with earnings from salaries, pensions or other sources of income not related with business activities) is performed on the basis of the classification of borrowers into risk groups, which represent a certain level of undertaken risk. The level of risk undertaken by the Group is adjusted, when deemed necessary, according to its credit policy.

The credit assessment for individuals is based upon the following pillars:

- Application fraud detection;
- Willingness to pay;
- Ability to pay;
- Collateral risk.

Small Businesses

Small Businesses are defined as following:

- Personal Companies with turnover up to € 2.5 million and a credit limit up to € 1 million
- Entrepreneurs with a credit limit up to € 1 million
- Legal entities with turnover up to € 2.5 million and a credit limit up to € 1 million.

The creditworthiness of Small Businesses in the Retail Banking sector is related to the creditworthiness of company's stakeholders/ managers of the company and vice versa. Therefore, the evaluation of claims in this category is based on two dimensions:

- The valuation of the creditworthiness of company's stakeholders or business managers.
- The valuation of the creditworthiness of the company.

The creditworthiness of a company's stakeholders or managers is based on the specific pillars:

- Willingness to pay.
- Ability to pay.

Hence, the credit assessment for the small businesses is based on the following:

- Application fraud detection;
- Demographics;
- Financials;
- Behavior;
- Credit Bureau;
- Qualitative data; and
- Collateral risk.

2. Internal Models

The fundamental parameter in assessing Retail Banking Credit Risk is the Credit Scoring Models that are developed and employed throughout the credit cycle at the Group level. The above models segments populations into homogenous risk groups (pools) and are categorized as follows:

- Behavior Models, which assess the customer's performance and predict the probability of defaulting within the following months;
- Application Credit Scoring Models, which assess application data—mainly demographic that predict the probability of defaulting within the following months;
- Models for the assessment of regulatory parameters. It is noted that since 1.1.2018, the Bank's and Group's companies credit risk assessment models are in line with International Financial Reporting Standard 9 (IFRS 9).

These models and the probabilities of default that derive from them, contribute a significant role in risk management and decision making throughout the Group.

Specifically, the models are used in the following segments:

- Decision making of credit assessment and credit limit assignment.
- Impairment assessments
- Predicting future performance of customers belonging to the same pool of common characteristics.
- Tracing high risk accounts in time to schedule all necessary actions so as to reduce expected losses for the Group.
- Assessing the Group's portfolio quality and credit risk.

The parameters taken into account vary, according to the model's type and product category that it assesses. Indicatively, some factors are:

- Personal/demographic data: the customer's age, profession, marital status, or current address;
- Loan characteristics: product applied for, loan term, loan amount, or financing purpose;
- Behavioral data: payments during latest period of time, maximum delinquency, outstanding loan balance versus loan limit, transaction type;
- Qualitative data: Activity Sector, Number of Employees, Company Type.

Models are reviewed, validated and updated on a yearly basis and are subject to quality control so as to ensure at their predictive power at any point in time.

Furthermore, on a regular basis the Group conducts exercises simulating crisis situations (Stress Tests), which explore the potential impact on the financial results of the Group due to unfavorable developments both in obligors' transactional behavior as well as in the broader financial macroeconomic environment.

For presentation purposes of table "Loans by credit quality and IFRS 9 Stage", the classification in "Strong", "Satisfactory" and "Watchlist" categories, for Retail Banking loans is generally based on the twelve-month Probability of Default as well as Staging criterion and EBA status. Specifically, for Alpha Bank Greece, the range of probabilities that determines this classification, has derived from an analysis aiming at optimizing discriminatory power between categories. Therefore ranges might differ for each portfolio and for each subsidiary- Specifically for the Bank, the range of probability default which determine the classification of a loans is presented below:

Rating Classification	Range of probability of default			
	Mortgages	Consumer	Credit cards	Small Businesses
Strong	up to 5%	up to 5%	up to 3%	up to 5%
Satisfactory	from 5% up to 13%	from 5% up to 13%	from 3% up to 13%	from 5.0% up to 13%
Watchlist	over 13%	over 13%	over 13%	over 13%

CREDIT CONTROL

According to the risk management and control framework, there are three "lines of defence" with distinctly allocated roles and responsibilities and specifically the Business and Operations Units (first "Line of Defence"), the Risk Management Units (second "Line of Defence") and the Internal Audit Unit (third "Line of Defence").

In the context of the second line of defence operation and within the single context of operations set out for the sectors of Retail Banking, Wholesale Banking and Private and Investment Banking, credit controls are carried out in order to optimise Credit Risk management, to assess the quality of the loan portfolio and to ensure that the first "line of defence" operates within the framework set out for effective Credit Risk management.

This second line of defence is independent and aims, among else, to:

- Design and develop procedures and controls for credit risk management.
- Monitor the adequacy and effectiveness of existing credit risk management procedures.
- Highlight critical issues and deviations from the Group's Manuals and Policies.
- Provide guidelines and instructions related to the procedures for the management of credit risk.
- Provide information to concerned Units about the findings of the controls and any recommendations made.

In order to reinforce the second line of defense the Group has established, , the Risk Models Validation Division, an independent division from model development activities, with direct reporting line to General Manager and CRO. The role of Risk Models Validation Division, in the context of the MRM Framework, encompasses different responsibilities and activities related to the monitoring of the performance of the models undertaken by the first line of defense. Its primary task is to independently challenge and ensure that models are sound, fit-for-purpose as well as aligned with the regulatory guidelines. Risk Models Validation Division responsibility is to develop systematic procedures for the evaluation of models' performance as well as model related processes, on a periodic basis.

The frequency, rigor and sophistication of the validation process followed for each model is determined by the overall use, complexity and materiality of models, as well as the size and complexity of the Group's operations. The associated level of inherent model risk, as assessed by the Tiering methodology, determines the validation requirements in terms of frequency, extent and intensity.

CREDIT RISK MITIGATION

Collaterals

Collaterals are received in order to mitigate credit risk that may arise from the obligor's inability to fulfill his contractual obligations, at the loan origination or during the loan lifetime, either by consensus or after forced executions, auctions, etc. Collaterals include all kind of assets and rights which are made available to the Group either by their debtors or by third parties, in order to be used as complementary liquidity sources of relative loans.

In any case, the necessary legal control of the offered collaterals is carried out, in order to ensure their validity, as well as the possibility to be liquidated or to come into the possession of the Group.

The mitigation tools applied by the Group include two broad categories: intangible and tangible collaterals.

1. Intangible Collaterals- Guarantees

Intangible collaterals form the framework of the obligations and rights that are typically included and described in specific contractual documents that bind the Group and the borrowers during the lending process with specific commitments. The commitments involve a third party who substitutes for the primary debtor in the event of the latter's default or the primary debtor itself (natural or legal entities) to honor the contractual loan agreements and their prompt repayment to the Group and on the other hand the Group has the right to claim them.

The main type of intangible collateral used to protect the Group against debtor insolvency is the Guarantee.

The guarantee constitutes a legal relationship between the guarantor and the lender (Bank), through which the guarantor assumes the responsibility that the debt will be paid. It is drafted in writing and presupposes the existence of a basic legal relationship between the Bank and the borrower (principal debt), i.e. it is a relationship of principal to ancillary.

The guarantor can be an individual or a legal entity and the guarantee can be provided for future or conditional debt.

It is noted that the intangible collaterals include the guarantees of the Greek State which are taken into account in the calculation of the expected credit loss, unlike other intangible collaterals which are not counted in the calculation of the allowance for expected credit losses.

2. Tangible Collaterals

Tangible collaterals provide the Group with the rights over an asset (movable or immovable), owned by the obligor or the guarantor, providing priority in the satisfaction of the creditor by the liquidation proceeds of the asset.

Tangible collaterals are distinguished between mortgages and prenotation on mortgages which are registered over immovable properties and pledges on movable assets (e.g., commodities, checks, bills of exchange) or on claims and rights.

In order to better secure credit facilities granted, all mortgage and pledged assets are covered by an insurance contract, with assignment of the relevant insurance contract to the Bank.

2.1. Mortgages - Prenotation on Mortgages

Mortgages are registered on real estate or immovable assets which can be liquidated as indicatively reported below:

- Residential Real Estate;

- Commercial Real Estate;
- Industrial Buildings;
- Land;
- Mines;
- Ships or aircraft and engines, whether or not movable;
- Machinery or other facilities (engineering, mechanical, electrical, etc.), if they are permanently and consistently connected with the mortgaged estate.

Methods and Frequency of real estate property valuations

According to the Group's Credit Policy, the existence and the valuation of mortgaged property are closely monitored. The property revaluations should be carried out on a yearly basis all property types, except for cases where contract foresees something different, in cases of known changes on the property or in the business process, or in case there are urban planning changes or any other considerable factors. In addition to the review of collateral values, the Group also validates such collateral values on an annual basis.

The initial valuations of a real estate property, provided as collateral, are carried out through on site appraiser visits and internal inspection.

Revaluations of properties, which are collaterals to performing exposures, are mainly carried out using the following methodologies:

- Alignment with the property price statistical index of the Bank of Greece, for the Residential Properties used as collateral on performing exposures of amount up to Euro 3 million.
- Expert input by the authorized engineers, after their visit to the residential property used as collateral or via desktop valuation, if the amount of exposure exceeds Euro 3 million.
- Alignment with the property price statistical index of commercial real estate (CRE) that has been developed by Alpha Astika Akinita S.A. taking into account indices published by Bank of Greece, for certain categories of commercial property, used as collateral on performing exposures up to Euro 1 million.
- Expert input by authorized engineers, after their visit to the professional property used as collateral or by desktop valuation, in cases where the statistical index does not cover the type of business property or the amount of exposure exceeds Euro 1 million.

The revaluations for property used as collateral to non-performing exposures, are mainly carried out using the following methodologies:

- Alignment with the property price statistical index of the Bank of Greece, for Residential Properties and for non-performing exposures up to Euro 300 thousand.
- Alignment with the property price statistical index of commercial real estate (CRE) that has been developed by Alpha Astika Akinita S.A. taking into account indices published by Bank of Greece, for certain categories of commercial property used as collateral for non-performing exposure of amount up to Euro 300 thousand
- Expert input by authorised engineers, after their visit to the property serving as collateral or by desktop valuation, provided that either the amount of non-performing exposure that cover the property under valuation exceeds the amount of Euro 300 thousand or in the cases where the indices do not cover the type of the property under revaluation.

The Group in the context of the credit control process performs on a regular basis and through proper sampling, audits for the procedures of implementation of the Group Loan Collateral Policy, audits (back-testing) for the verification of property valuations. Audits are based on indices and individual assessments in order to ensure that the proper collateral valuation is captured in the Group's Companies core systems according to the values mentioned in the relevant Committee approvals.

2.2. Pledges

Pledges provide seniority rights over liquidation proceeds from a movable third party asset.

Pledges can be registered on movable assets, securities, rights or claims that have not been excluded or banned from exchanges and which can be liquidated, including:

- Raw materials, products or commodities;

- Machinery (movable);
- Bill of Lading;
- Bill of exchange;
- Cheques;
- Securities;
- Deposit; and
- Any type of claim that can be pledged

Frequency of pledges revaluation

Depending on the right or the underlying asset on which a pledge is registered, the periodic revaluation varies from one month to one year.

3. Acceptable Value

During the approval process, the Group calculates the value of the collaterals received based on the potential proceeds that could arise if and when these are liquidated, in order to reduce potential risk. This estimation is referred to as the acceptable guaranteed value of the collaterals provided to the Group for the determination of which the quality of the assets as well as their market value are taken into account.

In this way, the ratio of acceptable guaranteed values are determined for each type of collateral, those are expressed as a percentage of their market value, nominal or weighted value, depending on the type of collateral.

CREDIT RISK EARLY WARNING SYSTEM

In order to optimise the management of Lending and, in particular, limit the loans whose status changes from Performing Loans (PLs) to Non-Performing Loans (NPLs), the Group has developed the Credit Risk Early Warning System, which is defined as the aggregation of actions, processes and reports required to ensure the early identification of events, at borrower (corporate and individuals) and portfolio level, which may possibly lead to either an increase in NPLs due to the debtor's negligence or financial difficulty of a temporary or permanent nature or an increase in exposures with significant increase in credit risk, as well as the relevant actions that must be taken in order to manage the borrowers concerned.

A comprehensive and effective Credit Risk Early Warning System is composed of the following stages:

- Identification of early warning triggers
- Actions (timely and appropriate action taken)
- Monitoring the effectiveness of the procedure
- Quality control of the procedure's implementation

The perimeter to which the Credit Risk Early Warning System is implemented encompasses all performing exposures, as well up to up to 10 days-past-due for Retail (beyond 11 days-past-due assignments for management) and 30 days delinquent loans (PLs) for Wholesale which have not been forborne.

Additionally to the early identification and management of borrowers or loan portfolio segments with signals of deterioration, the Group also monitors through the Early Warning System the loan portfolio, regardless of days past due, to ensure that the evolution and performance of the lending portfolio are in accordance with the Bank's and Group's Credit Risk Appetite.

The Group enhanced its Early Warning (EW) system to introduce Covid-19-specific events and expanded policies to ensure their applicability to the Covid-19 general moratoria perimeter. Specifically:

- Separate monitoring of the Covid-19 general payment moratoria perimeter for Retail and Wholesale portfolio, irrespective of EBA status.
- Enhancement of borrower communication through interviews in order to detect early signs of financial difficulty, provide adequate support measures to viable distressed borrowers and classify exposures appropriately. Customer outreach has prioritised high-risk segments and customers under Covid-19 moratoria ahead of expiration.

- Enhancement of borrower-level EW triggers, such as inclusion in Covid-19 moratoria perimeter, expiration of Covid-19 moratoria.
- Enhancement of portfolio level EW metrics, such as one-month to expiration moratoria population, actual vs. target portfolio under EAT/TEPIX II.

The effectiveness of the Credit Risk Early Warning System is being monitored on a regular basis by three “lines of defence”:

- The first “line of defence” consists of controls within the Units of the Group that participate in the process.
- The second “line of defence”, i.e. the Risk Management Unit, is responsible for ensuring on an ongoing basis and at least once per year, that the controls of the “first line of defence” are applied effectively, through the Credit Control Mechanism.
- The third “line of defence” is the internal audit function that carries out regular evaluations and proposes potential improvements.

CLIMATE-RELATED, ENVIRONMENTAL - SOCIAL AND GOVERNANCE (ESG) RISKS

The Group has updated its Risk Inventory to include in the internal risks definitions the dimension of climate-related risks. The main climate risk transmission channels in the area of credit risk include transition risk (e.g. the energy efficiency standards may trigger substantial adaptation costs and therefore lower profitability for counterparties as well as lower collateral values) and physical risk (e.g. a damage to counterparties' physical capital reduces the value of their assets and therefore, collateral valuations). Thus, climate risks may have an impact on Group's main credit risk parameters (PD, LGD, EAD).

The Group is currently in the process of identifying the sectors mostly sensitive to climate related risks, through a materiality assessment exercise. In this vein, the Group is in the process of conducting a transition risk assessment exercise in its corporates portfolio, to identify its exposure per sector and the allocation of portfolio to potentially high transition risk categories. Furthermore, the Group is in the process of conducting a qualitative analysis on its top 15 clients in terms of transition risk. On physical risk, the Group is in the process of conducting a materiality assessment for flood risk as regards the allocation of its real estate secured exposures per risk class of the geographical location of exposures, taking also into consideration the collateral assurance against natural disasters for its whole secured building portfolio.

In alignment with the ECB expectations and in the context of the Action Plan submitted to the ECB in May 2021, the Group has incorporated in its Risk Appetite Framework, the following qualitative statements on climate risks in the context of Credit Risk:

- The Group is committed to integrate climate risks into its overall risk management framework. In this context, the Group regularly monitors its exposure concentration in climate-sensitive sectors and areas of its loan portfolio.
- The Group aims to enhance its due diligence process with respect to the assessment of its clients' ESG/climate risk profile, through the collection of relevant information. In this setting, the Group will take initiatives to encourage its clients to clearly define and communicate their client related commitments and to develop and execute effective strategies to mitigate climate risks.
- The Group aims to finance its counterparties' green / sustainable transition both in the short-term and in the long-term.
- The Group, to the extent possible, will start collecting EPC rating certificates from its clients, in order to monitor the energy performance class of its real estate secured exposures.
- The Group applies an exclusion list in line with the Environmental and Social Exclusion List developed by the European Bank for Reconstruction and Development (EBRD), for the avoidance of financing, directly or indirectly, specific activities considered as harmful to the environment and society.

It should be also underlined that the Group has already updated its Credit Policy to expand the exclusion list activities i.e. the activities that does not finance. Specifically, the Group does not finance the following activities: Thermal coal mining or coal-fired electricity generation capacity; Upstream oil exploration; Upstream oil development projects, except in rare and exceptional circumstances where the proceeds of the project exclusively target the reduction of GHG emissions or flaring from existing producing fields.

In 2022, the Group is participating in the following ECB supervisory initiatives regarding climate related and environmental risks: ECB Climate Risk Stress Test and the Thematic Review on the incorporation of climate-related and environmental risks into Groups' risk strategies, governance and risk management frameworks and processes.

The ECB Climate Risk Stress Test is a learning exercise for banks and supervisors. It aims to identify vulnerabilities, best practices and challenges that banks face when managing climate risk. Importantly, this is not a success or failure exercise, nor does it have a direct impact on banks' capital levels.

The purpose of the 2022 Thematic Review, is to carry out further deepening in institutions' strategies related to climate and environmental risks, governance risks as well as risk management frameworks and procedures. In this way, the ECB will assess and assess the soundness and completeness of its key policies and processes, as well as the ability of institutions to effectively steer their strategies and risk profiles for the climate and the environment.

Regarding the impact of climate risk on the calculation of Expected Credit Risk Loss, detailed information on the location of collateral as well as information on energy performance certificates is being collected. The information will be incorporated into the respective data systems and methodological approaches will be developed in order to adapt the models for calculating expected credit risk loss. More specifically, the following are in progress:

- Perform enhancements or additions to the current set of models used for risk parameter estimation and prediction, in order to integrate ESG risks.
- Identify ESG-related data needs leveraging on the data that will be collected for the borrower's assessment and supplementing with additional information where needed.
- Examine alternative methodological approaches for the quantification and integration of ESG risks in the credit risk parameters.
- Enhance the Credit Risk Model Validation framework so as to review and validate whether environmental risks are captured in the risk parameters, or whether sectoral / geographical segmentations have been addressed during the model development phase.

CREDIT RISK CONCENTRATION MANAGEMENT

Concentration Risk is a specific form of credit risk and arises due to the low degree of diversification between counterparties, products or group of counterparties, sectors, geographic regions, or collaterals.

The Group monitors on a regular basis concentration risk at sector level and at borrower/group of borrowers level as well through detail reporting which informs senior management and Committees of the Board of Directors.

The Group categorizes the financed companies according to their NACE Rev.2 codes into Industry groups/Sectors, which are rated into risk zones. The Sectors ranking relative to their credit risk is carried out by an independent and certified company and is based on a predictive indicator that, focusing on future estimates rather than solely on past data, captures the risks and prospects of each sector. The Group determines the Credit Risk Appetite per sector and manages the concentration risk by monitoring the evolution of its portfolio.

Additionally, the Group manages concentration risk at borrower/group of borrowers level by setting and monitoring compliance with limits set both by regulatory guidelines and by internal policies that have been developed.

Regulatory limits are mandated externally as following:

- Hard Regulatory Limit is determined to 25% of CET 1 and no exception is allowed.
- Soft Regulatory Limit is set to 10% of CET 1, serving as a threshold above which, cases should be reported to the European Central Bank.

Apart from the above limits set by external/ regulatory guidelines, the Bank has developed internal Policies that set limits aiming at managing and monitoring the concentration risk at borrower/group of borrowers level, taking into account the total credit limits as well as the credit rating of Borrowers. It is noted that, the relevant Policy is approved by the Board of Directors through the Risk Management Committee.

In line with the supervisory framework, the Group applies and complies with the regulatory directives regarding large exposures, while the capital requirements for single name and sector concentration risks are estimated in the context of Pillar 2 of Basel II.

DEFINITIONS

The following definitions are provided as guidance to tables that follow:

Public Sector

The Public Sector includes:

- The Greek Central Government;
- Local Authorities;
- Companies controlled and fully or partially owned by the State (excluding those engaged in commercial activity)

Past Due Exposures

An Exposure is past due if the counterparty's exposure is, materially, more than one day past due (sum of the principal, interests and charges/commissions due more than one day at an account level).

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.
- It is assessed as Unlikely to Pay (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 (Pulling Effect).

Performing Exposures

An exposure is considered as performing when the following criteria are met:

- The exposure is less than 90 days past due;
 - No legal actions have been undertaken against the exposure;
 - No unlikelihood to pay is reported on its credit obligation;
 - The exposure is not classified as impaired;
- or
- The exposure is classified as forborne performing exposure, as defined in the aforementioned Implementing Regulation (EU) 2015/227 of 9 January 2015.

Unlikelihood to Pay

An exposure is flagged as 'Unlikely To Pay' (UTP) when it is less than 90 days past due and the Group assesses that the borrower is unlikely to fully meet his credit obligations without the liquidation of collateral, regardless the existence of any past due amount or the number of days past due, with the exception of collaterals that are part of the production and trade chain of the borrower (e.g. properties for Real Estate companies, corporate shares for Holding companies).

For Wholesale Banking, the procedure is the following:

- Identification of events which when occur lead to the transfer of the exposure to Non-Performing status without requiring an assessment by any Credit Committee (Hard UTP Triggers),
- Identification of triggers which when occur, lead to borrower's credit assessment by the relevant Wholesale Banking Credit Committee in order to determine whether borrower's exposures should be classified as Non-Performing or not (Soft UTP Triggers). This assessment takes place when reviewing borrower's credit limits depending on its credit ratings and in

accordance with Wholesale Banking Credit Manual. If a borrower is flagged as UTP, then his credit risk rating should be D (Default) according to Group's rating system or Default for Borrowers assessed using Slotting Models. If a borrower flagged as UTP belongs to a group of companies, then the group should also be assessed by the competent Credit Committee for the existence or not of UTP trigger.

For Wholesale Banking exposures the following Hard UTP Triggers exist:

- Denouncement of loan agreement
- Liquidation of collaterals and initiation of foreclosure measures by the Group when the borrower does not have operational cash flows for the repayment of his debt obligations (excluding e.g. checks).
- Legal actions, sale or judicial sale in order to collect the claim (e.g. foreclosure instead of debt collection).
- Withdrawal of a license of particular importance in companies that require public authorisation to carry out their activities such as banks and insurance companies. The same applies for technical and construction companies, telecommunications companies, pharmaceutical, mining, transport, food, chemical, petroleum, recycle, media etc.
- Refinancing/Extensions of loans whose lifetime exceeds the economic lifetime of the funded investment.
- There are strong indications that the borrower is unable to meet his debt obligations (e.g. termination of business).
- Fraud cases
- Excess of the minimum acceptable Loan to Value (LTV), as depicted contractually, for loans collateralised with securities, e.g. bonds, shares etc (Margin Financing).
- Disappearance of an active market for the debtor's financial instruments, hold by the Group.
- Write-off because of default
- Debt Forgiveness with or without forbearance (conditional or not) at least for the first 12 months since the debt forgiveness.
- The credit institution or the leader of consortium starts bankruptcy/insolvency proceedings (application for insolvency).
- A credit event is declared under the International Swaps and Derivatives Association - ISDA).
- Out-of-court settlement/negotiation between Banks and Borrower for settlement / debt repayment of borrowers that are under bankruptcy proceedings (application for the bankruptcy).
- The borrower has requested to enter into bankruptcy or insolvency status (application for bankruptcy).
- A Bank has initiated bankruptcy or insolvency proceedings (application for bankruptcy).

Additionally, for Wholesale Banking exposures the following Soft UTP Triggers exist:

- Exposures that were modified by providing a 'balloon' payment while the initial terms of the loan agreement did not include this repayment method, as well as exposures that the initial terms of the loan agreement included the 'balloon' payment and were modified by including an increase of the "balloon" amount of and simultaneously by reducing the current installment.
- Multiple modifications in the same exposure.
- Deterioration of the leverage ratio (Debt to Equity).
- An exposure was purchased or sold with deep discount that reflects the low credit quality of the borrower.
- The debt service coverage ratio indicates that debt is not viable.
- 5 Years Credit Default Swaps (CDS) above 1.000 bps in the last 12 months.
- Loss of an important customer or lessee representing a significant percentage of entity's turnover or the total property income, respectively.
- A turnover decrease resulting in a significant reduction of cash flows.
- An affiliated customer, who represents a significant percentage of entity's turnover, has applied for bankruptcy.
- An external auditor report with restrictions or reservations that results to significant deterioration of key financial ratios of the borrower and to worsened estimated future cash flows of the borrower.
- It is expected that an exposure with repayment at maturity or a due installment cannot be refinanced under current market conditions.

- Disappearance of an active market for the debtor's financial instruments, not hold by the Bank.
- The borrower has breached the financial terms of the loan agreement.
- There is significant deterioration of the borrower's sector activity prospects.
- Adverse changes in the ownership structure or the management of the company or serious administrative problems.
- A third party (excluding Banks) has started bankruptcy or insolvency proceedings (application for Bankruptcy).
- Over due payments to Tax Authorities and Social Security Funds.

For Retail Banking, the procedure is the following:

- (a) Identification of events which when occur lead to the transfer of the exposure to Non-Performing status without requiring an assessment by any Credit Committee (Hard UTP Triggers),
- (b) Identification of triggers which when occur, lead to borrower's credit assessment by the relevant Retail Banking Credit Committee in order to determine whether borrower's exposures should be classified as Non-Performing or not (Soft UTP Triggers). This assessment takes place at the date of a forbearance request. If an exposure is flagged as UTP, then it should be classified as Non-Performing in the systems of the Group's companies.

For Retail Banking exposures the following Hard UTP Triggers exist:

- A trial date has been set for filling for Bankruptcy L.3869/2010
- Fraud has been confirmed at the expense of the Bank.
- The borrower has passed away.
- Multiple forbearances for the same exposure within a 12 months' time period.
- An out-of-court settlement / negotiation is underway between banks and borrower for settlement / repayment of debts of borrowers who are under bankruptcy proceedings (application for bankruptcy).
- Denouncement of loan agreement.
- Collaterals liquidation and foreclosure procedures have been initiated by the Bank in case the borrower cannot repay its debt obligation with the existing operating cash flows (excluding e.g. checks).
- Legal actions, sale or forced sale have been initiated in order to collect the debt (e.g. foreclosure measures against debt collection).
- Debt Forgiveness with or without forbearance (conditional or not), at least for the first 12 months since the debt forgiveness.

Additionally, for Retail Banking exposures the following Soft UTP Triggers exist:

- Multiple forbearances in the same exposure
- The borrower has other exposures in the Bank in default.
- The borrower is unemployed.
- The borrower has applied for bankruptcy or insolvency (application for bankruptcy).
- The borrower is the sole owner of a company with exposures in default and for which he has provided personal guarantees.

It is noted that the Group has adopted the new Definition of Default that applies from 1.1.2021, according to the EBA guideline (Article 178 of Regulation (EU) No 575/2013), adjusting its Policies and updating the Hard and Soft UTP triggers by implementing new ones (see par. "NEW Definition Of Default"), for both the Retail and Wholesale Banking Portfolios.

DEFINITION OF DEFAULT

In order to support a more harmonised approach with regard to the definition of default, the European Banking Authority (EBA) has adopted the following, that guide the application of the definition of default: the Guidelines for the application of the default definition, EBA/GL/2016/07 and the Regulatory Technical Standards (RTS) on the materiality threshold for credit obligations in arrears; EBA/RTS/2016/06.

The Group adopts the new Definition of Default of credit exposures that applies from 1.1.2021.

The main changes introduced by the new Definition of Default are presented as follows:

- Additional “Unlikelihood To Pay” trigger events such as Diminished Financial obligations (NPV Loss), Sale of Credit Obligations, Default to Subsidiaries.
- Change on the way of counting of Days Past Due meaning that hereafter the counting will be based on the existence of consecutive days of material past due.
- An additional three-month probation period from the moment the obligor is no longer materially past due and no indication of Unlikelihood To Pay occurs.

The Group has decided since 2018 to align Default, NPE and IFRS 9 “Credit Impaired” perimeter.

Definition

A Default event is considered to have occurred, regarding a particular Borrower, when at least one of the following criteria has taken place:

1. Past Due Criterion

The Borrower is past due more than 90 consecutive days on any material amount of the credit obligation(s).

Particularly, for Alpha Bank Greece, exposures at Alpha Leasing and ABC Factors are taken into consideration at the calculation of the Past Due Criterion.

2. Unlikelihood to Pay (UTP) Criterion

The Bank considers that the Borrower is unlikely to pay its credit obligations without recourse by the Bank to actions such as realizing security.

Additionally, the Default classification and the EBA classification should be aligned and thus any FNPL or NPL exposure is considered as Defaulted.

For Retail exposures, the above specified definition of Default is applied at the level of an individual credit facility.

For Non-Retail exposures, the definition of Default is applied at the obligor level meaning that when at least one of the above specified criteria are met, the Obligor is considered as Defaulted. The Past Due Criterion is applied both at facility and at obligor level for exposures classified as Non-Retail, in order to be able to identify exposures for which the Past Due Criterion is satisfied at facility level, but not at obligor level.

Credit impaired exposures

An exposure is considered as Credit Impaired when the criteria specified by the definition of Non-Performing Exposures are met.

Default exposures

An exposure is considered as Default when the criteria specified by the definition of Non-Performing Exposures are met.

Allowance for expected credit losses

For credit risk reporting purposes, the allowance for expected credit losses of loans measured at amortised cost includes also the fair value adjustment for the contractual balance of loans which were impaired at their acquisition or origination (POCI) since the Bank, from credit risk perspective, monitors the respective adjustment as part of the provisions. These loans were recognized 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. Relevant adjustment has been performed to the carrying amount of the loans before allowance for expected credit losses.

Collateral value

The collateral value taken into account is the latest market value available. In the case of immovable properties, collateral value is considered the lower amount between the prenotation amount and the market value of the real estate. Value of guarantees only includes the amount that exceeds the value of collaterals. All collateral values are capped at 100% of the outstanding amount of the loan.

EXPECTED CREDIT LOSS ESTIMATION METHODOLOGY

The Group, at each reporting date, recognizes a provision for expected credit losses on loans and advances to customers not measured at fair value through profit or loss as well as for letters of guarantee, letters of credit and undrawn loan commitments.

The Loan Impairment Methodology is common and applicable for both the Wholesale and Retail Banking Portfolios.

Default definition

The Group has fully aligned the perimeters of the portfolios characterized as "EBA Non-performing Exposures", "Exposures in Default" and "IFRS 9 Impaired Exposures".

The definition of Non-Performing Exposures is consistently used to develop models for estimating credit risk parameters (Probability of Default, Loss Given Default, Exposure at Default).

In addition, the definition of default is consistent with the one used for internal credit risk management purposes, as well as capital adequacy measuring objectives.

Portfolio Classification in Stages based on the Credit Risk (Staging)

Following an exposure's initial recognition, exposure is classified into stages based on its credit risk characteristics. The classification of loans in stages is based on the changes of the credit quality compared to its initial recognition.

Upon initial recognition of an exposure, the Group must determine whether this exposure is considered as credit impaired (Credit Impaired at Initial Recognition).

The POCL category (Purchased or Originated Credit Impaired, POCL) includes the following:

- Exposures that at the time of purchase (Purchased) meet the criteria of non-performing exposures.
- Exposures that as per accounting rules are derecognised and a new exposure is recognized and for which the following apply (Originated): if the exposure was classified as impaired (hence NPE) prior to derecognition, the new exposure will continue to maintain this classification and it will be classified as POCL.

For exposures not classified as POCL, the classification in stages is performed as follows:

- **The Stage 1** includes performing credit exposures that have no significant increase in credit risk since the initial recognition date. The expected credit losses calculated are based on the probability of default within the next 12 months and the assessment is carried out on a collective basis with the exception of borrowers assessed on an individual basis
- **The Stage 2** includes credit exposures with significant increase in credit risk since the initial recognition date but which are not non-performing. The expected credit losses calculated are lifetime credit losses and the assessment is carried out on a collective basis with the exception of borrowers assessed on an individual basis
- **The Stage 3** includes the non-performing / default exposures. The expected credit losses calculated are the lifetime losses and the assessment is performed on a collective or individual basis.

With regards to the POCL exposures, the expected credit losses calculated are the lifetime losses.

All possible movements between Stages of credit risk are presented below

- An exposure which has been classified in Stage 1 in previous quarter of reference could be classified either in Stage 1 in the next reporting quarter, if the credit risk has not deteriorated and the exposure is still performing, or in Stage 2, if the exposure is still performing but the credit risk has deteriorated, or in Stage 3 if the exposure is non-performing/default.
- An exposure which has been classified in Stage 2 in previous quarter of reference could be classified either in Stage 1 in the next reporting quarter, if the exposure is performing and does not meet any of the criteria of "Significant increase in credit risk" and in particular, for case of Forborne Performing exposure, if the exit criteria from the 2-years probation period are met. It could also remain in Stage 2, if the credit risk has not substantially changed, or be transferred to Stage 3, if the exposure is non-performing/default.
- An exposure which has been classified in Stage 3 in previous quarter of reference could be classified either in Stage 1 in the next reporting quarter, if the exposure is performing and does not meet any of the criteria of "Significant increase in credit risk", or transferred in Stage 2, if it is no longer considered as non-performing, or remain in Stage 3, if it is still non-performing/default.

All exposures in default status (Stage 3), except from those related to distressed restructuring, in order to be reclassified as non-default, a probation period of at least 3 months is needed from the time when the conditions leading to default status are not applied. Exposures with distressed restructuring, regardless of whether the restructuring took place before or after the default, should have a minimum probation period of 12 months from the most recent event of the following:

1. the time of restructuring
2. the time when the exposure has been classified as default
3. the end of the grace period provided by the restructuring terms

The Group does not make use of the exemption provided by the standard for low credit risk exposures.

For classification purposes, for wholesale banking revolving exposures, initial recognition date is the date of the most recent credit assessment reflecting the annual thorough credit risk review practice of the Group.

Significant Increase in Credit Risk

For the timely identification of significant increase in credit risk for an Exposure after the initial recognition (SICR) leading to the calculation of lifetime credit loss of the exposure instead of twelve months credit losses, the risk of default at the reference date is compared to the risk of default at the initial recognition date for all Performing Exposures, including those with no days past due (Delinquencies).

The assessment to determine whether an exposure shows significant increase in credit risk or not is based on the following three types of Indicators:

- **Quantitative Indicators:** They refer to the use of quantitative information and specifically to the comparison between the probability of default (PD) at the reference date and the probability of default at the initial recognition date.
The assessment of significant increase in credit risk is based either on a relative or on an absolute increase of PD between the reporting date and the initial recognition date. The relative increase can range between 125% and 200% depending on the asset class of the loans. For Wholesale exposures, the relative increase can range between 50% and 200% as Obligor rating is taken into consideration. The absolute threshold, when used, can range between 3 and 5 percentage points depending on the asset class of the loans and acts as a backstop to the relative (i.e., just one of the two triggers needs to be hit in order to trigger stage 2). Also, the threefold increase in annualized PD as backstop is ensured. The SICR thresholds are derived based on portfolio level analyses. The assessment of the exposures for significant increase in credit risk is applied on account level. Absolute and relative thresholds determining the significant increase between reporting and initial recognition date are validated on an annual basis, in order to ensure the correct application of stage 1 and stage 2 along with the verification that the criteria capture the credit risk deterioration.
- **Qualitative Indicators:** They refer to use of qualitative information which is not necessarily depicted in the probability of default, such as the assessment of an exposure as performing forborne ("FPL" within 2 years probation period according to EBA ITS) or as exposure with Financial Difficulty. Additional qualitative indicators for the Wholesale Banking portfolios and the Retail Banking portfolios are included in Early Warning Policy. According to the abovementioned policy and as per the assessment performed, an exposure may be considered to show significant increase in credit risk. Especially for Specialized Lending portfolios additional qualitative indicators are identified).
- **Backstop Indicators:** In addition to the above, and with a view to addressing cases where there is no evidence of significant credit risk deterioration based on the quantitative and qualitative indicators, exposures over 30 days past due are considered by definition to show a significant increase in credit risk.

Allowance for expected credit losses estimation

Exposures assessed on individual basis (Individual Assessment)

The Expected Credit Losses calculation is carried out either on an individual basis, taking into account the significance of the exposure, the fact that certain exposures do not share common credit risk characteristics and the existence or not of sufficient historical data, or on a collective basis.

For companies where the corporate guarantee from the parent company represent 100% of the exposure of the companies, or for other important interdependencies between group of companies, the assessment may be performed at a group level.

Regarding the exposures to companies, with at least one non-performing exposure, they are individually assessed if they exceed the limits set by each company of the Group (following the permission/approval of the Bank). All other exposures to Companies are collectively assessed.

Specifically for the Bank, Exposures to Companies assessed on an individual basis are the following:

- Borrowers with at least one Non-Performing Exposure whose Customer overall credit Limit in the Bank exceeds the amount of Euro 2 million.
- Borrowers of the Shipping Division and the Structured Finance Division regardless the overall credit limit with at least one Non-Performing Exposure.
- Exposures that do not share common risk characteristics or for which no relevant historical data that enables a collective analysis is available.

Any remaining Exposure to Companies is assessed collectively.

Non-performing Exposures to Individuals are individually assessed, if the exposures of retail banking customers exceed the defined limits according to the specifications of each Group company. All other exposures to individuals are collectively assessed.

Specifically for the Bank, Exposures to Individuals are assessed individually, if they are Non-Performing Exposures (NPE), and if the following threshold, per portfolio, applies:

- Consumer Loans: Accounts of Consumer Credit Borrowers with total on balance exposures over € 500 thousand.
- Mortgage Loans: Accounts of Mortgage Credit Borrowers with on balance exposures over € 2 million.

Any remaining exposure to Individuals is assessed collectively.

Exposures assessed on collective basis (Collective Assessment)

Collective Assessment applies to credit exposures which are not assessed individually, i.e. exposures classified in Stage 1 and Stage 2 as well as non-performing exposures that do not meet the above criteria for individual assessment, after having been categorised based on similar credit risk characteristics by portfolio.

For the classification of credit facilities into groups with similar credit risk characteristics, the followings are considered:

- Staging according to Credit Risk
- Type of Product
- Days Past Due
- Time in default
- Indication of unlikeliness to pay
- Modification of contractual terms for borrowers showing financial difficulty (Forbearance Measures)
- Modification Type
- Existence of Collateral taking into account the type and Loan to Value ratio
- Existence of Greek State Guarantee
- Partial Write-Off
- Credit Risk Rating
- Activity Sector

The groupings are reviewed on a regular basis to ensure that each group is comprised of homogenous exposures.

Expected Credit Loss is calculated on account level.

Calculation of allowance for expected credit losses

Allowance for expected credit losses is updated at each reporting date to reflect the changes in the credit risk since initial recognition and thus provide timely information on evolution of expected credit losses.

The measurement of Expected Credit Losses is performed as follows:

- For financial assets, a credit loss is the present value of the difference between:
 - (a) the contractual cash flows and

- (b) the cash flows that the Group expects to receive
- For undrawn loan commitments, Expected Credit Losses are the present value of the difference between:
 - (a) the contractual cash flows that will be due if the loan commitment is drawn down; and
 - (b) the cash flows that the Group expects to receive if this amount is disbursed.
- For letters of guarantee and letters of credit, the loss is equal to the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder.

Credit risk parameters

Calculation of Expected Credit Loss is based on the following credit risk parameters which are developed through internal statistical models based on historical data.

Specifically, regarding 2021, in the context of the annual update of Credit Risk parameters, the following adjustments have been performed:

- New DoD: credit Risk parameters have been updated, taking into account the new default definition (DoD).
- Covid-19 Moratoria: Moratorium period due to Covid-19 effect has been excluded from the updated measurements under a rolling window approach according to which the duration of the moratorium is excluded from the measurement and an equivalent time window after the end of the moratorium is used.

• Probability of Default (PD):

Wholesale portfolio

It is an estimate of the probability of a borrower to default over a specific time horizon.

For assessing the probability of default, the credit risk rating models assess a series of parameters that can be grouped as follows:

- Financial Analysis: The Borrower's Financial Capacity (Liquidity Indicators, Debt to Revenue etc.)
- Competitor's analysis: the borrower's comparative position in the market in which operates, mainly in relation to its competitors (mainly applicable to debtors of Wholesale Banking)
- Current and historical debtor's behavioral data either towards the Group or towards third parties (delinquencies, repayment behavior, etc.), and
- Qualitative characteristics of the debtor (strong and sound management, management succession, appropriate facilities and equipment, etc.).

Regarding Specialized Lending the Probability to Default is estimated on facility level based on dedicated expert based models.

Retail portfolio

It is an estimate of the probability of an account to default over a specific time horizon.

For assessing the probability of default, credit risk behavioural models have been developed which assess a series of parameters that can be grouped as follows:

- Qualitative data: Activity Sector, Number of Employees, Company Type
- Loan characteristics: product applied for, loan term, loan amount, or financing purpose;
- Behavioral data: payments during latest period of time, delinquencies (i.e. overdue amount, bucket etc), exposure, transaction type, credit limit usage.

Credit Risk models/Ratings models constitute the main input in order to determine the probability of default. The Group uses statistical models in order to analyze the collected data and make estimates of the remaining probability of default over the life of the exposures and how they will evolve over time based, among other things, on macroeconomic variables. Specifically, based on historical time series of observations, specialized models have been developed per portfolio and portfolio type, which evaluate separately the twelve-month probability of default (12-month PD models) as well as the probability of default throughout the lifetime of exposures (Lifetime PD models). The twelve-month default models basically evaluate the behavioural models of the loan, while the Lifetime models evaluate two types of

factors: the endogenous such as the maturity of the loan and the exogenous ones such as the macroeconomic environment (indicatively unemployment, annual percentage change in GDP, change in property prices). The final estimate of the probability of default is derived from the combination of the two components (12-month PD & Lifetime PDs).

- **Exposure at default (EAD):** Exposure at Default is an estimate of the amount of the exposure at the time of the default taking into account: (a) expected changes in the exposure after the reporting date, including principal and interest payments; (b) the expected use of credit limits and (c) accrued interest. The approved credit limits that have not been fully disbursed represent a potential credit exposure and are converted into a credit exposure equal to the approved undrawn loan commitments multiplied by a Credit Conversion Factor (CCF). The Credit Conversion factor of credit exposure is calculated based on statistical models. The maximum period for which credit losses are calculated is the remaining contractual maturity of a financial instrument unless the Group has the legal right to recall the financial instrument earlier. In particular, for Credit Cards and loan agreements to individuals, the maximum period is set at three years, while for revolving loans to Small Businesses, the corresponding maturity is set at four years. Regarding Wholesale Banking loan agreements, the period is set to one year, given the thorough credit review performed at least once a year. If the residual maturity of the loan agreements classified in Stage 2 was increased by one year, Expected Credit Losses would increase by € 7.5 million as at 31.12.2021.

The Group uses models that reflect the characteristics of the portfolios.

- **Loss given default (LGD):** Loss given default is an estimate of the loss that will occur if the default occurs at a given time. It is based on the difference between the contractual cash flows due and those expected to be received, including the liquidation of collaterals, probability of cure and probability to modify which are both based on historical data.

For unsecured loans, the Estimated Expected loss at the time of the default, takes into account expected recovery rates which vary throughout the recovery period as well as the probability of curing and probability to modify.

Expected recoveries from tangible collaterals are based on the following inputs: the most recent (updated within the year) market value of the collateral, the time required for the liquidation or sale of the collateral (ranging between 1 to 4 years depending on the legal action status of the loan), the expected market value at liquidation /sale date based on the evolution of RRE/ CRE indices for the next 4 years, the expected recoveries through foreclosure process or sale (as derived from historical data obtained for foreclosures and sales of collateral). The recovery rate is adjusted at the end to reflect value of preferential claims. Expected cash flows are discounted using the original effective interest rate.

Last, it is noted that for exposures secured with tangible collaterals and with cash recoveries, the LGD may vary following changes of macroeconomic scenarios. The estimates for expected recovery through payments are adjusted by incorporating macroeconomic indicators (indicatively unemployment, annual percentage change in GDP, change in property prices) through the development of corresponding statistical models. More specifically, based on historical time series of observations, specialized models (regression) have been developed per portfolio, which assess the expected recovery combined with the impact of macroeconomic indicators.

Regarding the cure rate estimates, statistical models (regression) per portfolio have been developed on the basis of historical time series of observations, which incorporate the impact of the macroeconomic environment through relevant indicators (indicatively unemployment, annual percentage change in GDP, change in property prices).

- **Management overlays:** Management overlays refer to temporary adjustments applied to allowance for expected credit losses, in the context of the preparation of financial statements, in order to incorporate recent developments and information that cannot be captured by the internal models used for the estimation of the expected credit losses. The Group implements a robust governance framework to review and support the management, calculation and application of these adjustments. The Group's governance framework requires such adjustments to be well documented, controlled and appropriately approved. More specifically, the adjustments performed by the Group relate to the incorporation of alternative recovery scenarios in relation to the objectives of reducing the stock of outstanding non-performing loans, included in its business plans.

Where the business plan of the Group includes objectives and recovery strategies through portfolio disposals, then for the portfolio of non-performing loans that may be disposed of, the recoverable amount is quantified by weighting

- (i) the value in the event of sale (fair value) and

- (ii) the amount expected to be recovered according to the internal methods adopted by the Group for the impairment of non-performing loans, i.e. based on the individual assessment for the exposures exceeding a defined threshold and based on collective assessment for the others.

The weighting is based on the probability assigned to each non-performing loan portfolio by assessing the stage of preparation of the underlying portfolios, the significance of the conditions precedent for materialization of the sale as well as the recovery time.

For 2021, the portfolios where a sale scenario was considered include the Solar portfolio and the Leasing portfolio for which the probability of sale was estimated at 20%. For the Sky and the Orbit portfolios the probability of sales was estimated at 100%.

The effect of the incorporation of the sale scenario in the ECL calculation for 2021 amounted to € 221 mil.(note 11).

In addition, the Group performed an overlay in the output of the ECL for specific non performing residential and non residential loan portfolios, in order to incorporate the effect of ad hoc management actions (i.e. conditional write downs) on these portfolios determined on the basis of the time in default. The effect of the incorporation of the sale scenario in the ECL calculation for 2021 amounted to €93 mil..

Incorporation of forward-looking information

The Group calculates allowance for expected credit losses based on the weighted probability of three alternative scenarios. More specifically, the Economic Research Division produces forecasts for the possible evolution of macroeconomic variables that affect the level of allowance for expected credit losses of loan portfolios under a baseline and under two alternative macroeconomic scenarios (an upside and a downside one) and also produces the cumulative probabilities associated with these scenarios.

The macroeconomic variables affecting the level of expected credit losses are the Gross Domestic product (hereinafter "GDP"), the unemployment rate and forward-looking prices of residential and commercial real estates.

The scenarios, which on 31.12.2021 predict growth rates for 2021, ranging from 9.1% (upside scenario) of quasi-V shape With a return to the pre-Covid-19 uptrend and strong growth rates in the coming years, up to 7.6% (downside scenario) of quasi-shape (Incomplete) with relatively lower growth rates in the medium term.

Regarding Alpha Bank Cyprus, the growth rate for 2021 ranges from 5.9% (upside scenario) to 4.7% (downside scenario), while for Alpha Bank Romania it ranges from 7.0% (upside scenario) to 2.5% (downside scenario).

The above approach is due to the gradual weakening of the pandemic phenomenon, the scale and effectiveness of its containment efforts, combined with the scope and speed of fiscal and monetary policy measures. In this context, an important negative factor was the maintenance of a degree of uncertainty and supply chain disruptions.

The main features of these scenarios can be described as follows:

Baseline Scenario

The baseline scenario predicts a strong recovery in comparison to the initial shock. This positive impact on domestic economic activity is estimated to come from:

- first, the better than expected performance of exports of services, due to the remarkable recovery of tourism in the summer of 2021,
- secondly, the strong increase in private consumption, which was supported by the rapid growth of savings and the improvement of employment; and
- third, to increase investment.

Fiscal support remained in place in 2021, weakening the negative impact on economic activity and confidence, as the government adopted additional fiscal measures of Euro 17 billion, while the Budget for 2022 provides for additional budgetary interventions for of the consequences of the pandemic, amounting to Euro 3.3 billion.

The dynamics of the baseline scenario in 2022 is based on the formation of conditions for a change in the composition of economic growth, which is expected to come to a greater extent from investment expenditure. The conditions for the increase of investments, in the next period, will be determined

- (a) from the course of the debt of the Greek economy to the investment grade, and
- (b) the inflow of funds from the Recovery and Resilience Fund (TFA) - which is the central element of the European

Union (Next Generation EU) recovery plan to address the negative effects of the pandemic, as well as the implementation of structural reforms that create an entrepreneurial environment.

Regarding real estate prices, their growth rate was revised to improve over the forecasts of December 2020 for both 2021 and cumulatively for the period 2021-23, due to the strong recovery of economic activity. The above revision on the improvement of the Group's estimates for real estate prices for 2021 and beyond (eg from 3.2% to 6.3% on an annual basis for the current year) is significantly linked to enrichment of the analysis with the historical data of the second quarter (+ 6.1% on an annual basis) and the third quarter (+ 7.9% on an annual basis) of the BoG index, a development that shows a strong dynamics of housing prices real estate

Upside Scenario

In the upside scenario the development of the pandemic crisis is more favorable than originally expected. It is believed that the economy will recover at a stronger pace, achieving a rapid and complete return to normalcy before the pandemic.

Real estate prices exceed their pre-Covid-19 potential, assisted by other structural factors besides the rise of construction activity

Downside Scenario

The downside scenario shows a partial restoration of losses in terms of GDP in 2020, predicting a relatively limited increase in 2021 and the next two years. The scenario reflects inflationary pressures, but also geopolitical tensions, as well as a possible deterioration of epidemiological data, which are the main factors of uncertainty in the short term, slowing down the recovery of the Greek economy.

Specifically in Greece, the macroeconomic variables per year for the period 2022-2025, which affect both the estimation of the probability of default and the estimation of the expected Loss in case of default when calculating the expected credit loss are the following:

Downside scenario	2022	2023	2024	2025
Real GDP growth (% change)	3,00%	2,00%	0,90%	0,40%
Unemployment (% change)	13,90%	13,60%	12,30%	11,70%
RRE prices (% change)	3,30%	0,40%	1,00%	1,70%
CRE Price Index (% change)	3,50%	2,90%	2,50%	3,00%
Baseline scenario	2022	2023	2024	2025
Real GDP growth (% change)	5,20%	4,10%	2,80%	2,20%
Unemployment (% change)	13,20%	11,90%	10,50%	9,70%
RRE prices (% change)	5,40%	2,20%	2,20%	2,60%
CRE Price Index (% change)	4,50%	4,20%	4,40%	3,90%
Upside scenario	2022	2023	2024	2025
Real GDP growth (% change)	7,40%	6,30%	4,70%	4,10%
Unemployment (% change)	12,40%	10,20%	8,60%	7,70%
RRE prices (% change)	7,60%	4,00%	3,50%	3,50%
CRE Price Index (% change)	5,70%	5,70%	6,60%	5,00%

In the countries where the Group operates mainly, the average per year for the period 2022-2024 that affects the expected credit risk loss of 31.12.2021, is presented in the following tables:

CYPRUS	2022 – 2024		
	Downside scenario	Baseline scenario	Upside scenario
Real GDP growth (% change)	1,60%	3,50%	5,40%
Unemployment (% change)	8,20%	6,30%	4,30%
RRE prices (% change)	1,10%	3,30%	5,60%
CRE Price Index (% change)	-2,20%	0,00%	2,30%

ROMANIA	2022 – 2024		
	Downside scenario	Baseline scenario	Upside scenario
Real GDP growth (% change)	2,50%	4,00%	4,90%
Unemployment (% change)	6,50%	4,50%	3,00%
RRE prices (% change)	3,40%	5,00%	7,00%
CRE Price Index (% change)	0,40%	5,70%	8,00%

The production of baseline scenario, supported by a consistent economic description, constitutes the most likely scenario according to the current economic conditions and the Group's basic assessment of the course of the economy.

The cumulative probabilities of the macroeconomic scenarios for the Greek economy indicate that the economy performs better or worse than forecasts of the baseline scenario and the alternative scenarios, i.e. the upside and downside scenario. For each one of the alternative scenarios, the allowance for expected credit losses is calculated and weighted against the probability of each scenario in order to calculate the weighted expected credit loss

The cumulative probability assigned to the baseline scenario remained 60%, while cumulative probability assigned to the downside and upside scenario remained 20% for each of the scenario.

If the assigned cumulative probability of the downside scenario has a weight of 100%, Expected Credit Losses would increase by € 88 million as at 31.12.2021

If the assigned cumulative probability of the upside scenario has a weight of 100%, Expected Credit Losses would decrease by € 87.2 million as at 31.12.2021

The effect due to the change in weighting, is listed below, for each of the three scenarios.

The following table shows in more detail this impact per Classification Step.

(In millions of Euro)	Baseline Scenario	Downside scenario	Upside Scenario
	31.12.2021	31.12.2021	31.12.2021
Retail Exposures	-0,6	55,9	-54,6
Stage 1	-0,1	2,6	-5,5
Stage 2	-0,6	34,2	-30,3
Stage 3	0,1	19,1	-18,8
Wholesale Exposures	-2,4	32,1	-32,6
Stage 1	-0,3	1,4	-8,3
Stage 2	-1,9	17,0	-11,8
Stage 3	-0,2	13,7	-12,4
Total	-3,0	88,0	-87,2

Undrawn loan commitments

According to IFRS 9, these contracts fall within the scope for expected credit losses recognition.

In estimating the allowance for expected credit losses over the life of an undrawn loan commitment, the Group assesses the expected part of the loan commitment that will be used throughout its expected life.

Inherent Model Risk

The Group recognizing the inherent model risk, derived from the model complexity and aggregated model risk, has adopted a Model Risk management framework which includes the principles of credit risk models development policy and risk models validation framework. In this context, the independent Risk Models Validation division validates all credit risk models used for the calculation of IFRS 9 allowance for expected credit losses.

Governance

The Credit Risk Committee is responsible for approving the Expected Credit Losses as well as the methodologies developed by the Group for calculating the expected credit loss (ECL Methodology) for loan portfolio.

The Board of Directors approves the Group Loan Impairment Policy through the Risk Management Committee.

EFFECT FROM THE COVID-19 PANDEMIC

Perimeter affected by the Covid-19 pandemic

The Group, in order to support its customers who are affected by the crisis due to the Covid-19 pandemic, has taken a series of measures in order to support businesses as well as individuals facing temporary payment difficulties and liquidity shortages. Initially, the Group provided its customers with “installment suspension payment” programs until 31.3.2021, according to the relevant EBA guidelines (EBA / GL / 2020/02, EBA / GL / 2020/08 and EBA / GL / 2020/15). It is noted that on the 31st of December 2021, there were no active exposures that have received payment suspension scheme. Since 01/04/2021, for those customers whose ability to pay has not been restored to the pre-Crisis levels, by the “installment suspension payment” programs, the Group proceeded to the following actions:

- For retail banking exposures, the Bank has individually assessed any financial difficulty, in order to return to the repayment levels applicable prior to the installment suspension schemes, by providing step up scheduling programs, which have been flagged as per the EBA Guidelines (EBA/ITS/2017/01, EBA/GL/2016/07).
- For business exposures, an individual analysis has been performed with the most updated financial data, as to the existence of financial difficulty. Based on this individual assessment, customers have been granted with personalized solutions, which have been flagged as per EBA Guidelines (EBA/ITS/2017/01, EBA/GL/2016/07)

Moreover, it is noted that the Bank closely monitors and actively participates in Business as well as Individual Financing Support Programs running either by the Greek Government or by the competent European Institutions (Program “Gefyra” I & II, EAT, TEPIX, European Investment Fund, COSME, EIF e.t.c.).

Amendments in the loan impairment policy due to Covid-19 pandemic

During the second quarter of 2021, the Bank Loan Impairment Policy has been amended by the Group, as the EBA guidelines on legislative and non-legislative loan payment moratoria, applied due to the Covid-19 crisis (EBA / GL / 2020/02, EBA / GL / 2020/08) cease to be valid from 1.4.2021 and no further payment suspensions are granted due to Covid-19. In addition, Post model adjustments (PMAs) are no longer applicable to exposures affected by the Covid-19 pandemic. More specifically, the following are no longer applicable:

- Performing retail credit exposures, under payment moratoria that are classified in high Credit risk zones, were classified in Stage 2 and Lifetime ECL is calculated for the remaining maturity of the exposure, as a result of respective qualitative evaluation for possible credit risk deterioration.
- Temporary short term modifications granted to Retail Credit exposures, that are no longer under payment moratoria and as per the individual assessment performed, are viable customers who are facing temporary liquidity problems with no indication of permanent financial difficulty, were classified in Stage 2 and Lifetime ECL is

calculated for the remaining maturity of the exposures.

Adjustments in the calculation of allowance for expected credit losses

During 2020 the Group adopted sound staging and provisioning policies and procedures, in line with established IFRS 9 best practices, in order to ensure appropriate credit risk management and coverage during the COVID-19 crisis. To that direction, the following post model adjustments were performed both in terms of risk parameters and Stage Classification criteria.

More specifically, in order to address the delays anticipated in the liquidation of the collaterals, the expected time to sale increased by one year compared to 31.12.2019, both for the collectively assessed exposures and for the individually assessed exposures for which the recovery is not based on the operating cash flows (gone concern).

Additionally, the Group has enhanced its credit rating assessment and risk parameter quantification processes to ensure they remain appropriate in the Covid-19 environment. More specifically, the Group conducted an extensive sectoral analysis in order to inform its Covid-19-adjusted segmentation framework. The segmentation was used to identify high-risk segments for prioritisation in terms of the customer outreach. The feedback from the borrower campaign fed the Bank's:

- Rating assessments: Rating downgrades informed the SICR triggers and Stage 2 classification as well as the frequency of review based on the Risk Zone.
- Mitigating actions: Following customer feedback, the Group offered appropriate credit mitigation strategies to viable borrowers, where necessary. In turn, this informed the Forbearance classification and eventually Stage 2 migration.

Moreover, necessary adjustments were applied to the results of the models used to calculate the expected credit loss. These adjustments reflect the risks and other uncertainties that are not included in the underlying credit risk models. The adjustments to the results of the existing models are approved by the credit risk committee. More specifically:

- Performing retail exposures under payment moratoria that are classified in high and satisfactory risk zones (average PD 6.9%), transferred from Stage 1 to Stage 2 and Lifetime ECL is calculated for the remaining maturity of the exposures as a result of respective qualitative evaluation for possible increase of credit risk.
- Temporary short-term modifications granted to Retail exposures that are no longer under payment moratoria and according to individual evaluation that has been performed are viable customers who are facing temporary liquidity problems with no indication of permanent financial difficulty, were classified in Stage 2 and Lifetime ECL is calculated for the remaining maturity of the exposures.
- For all loans that were already under modification terms and for which a Covid modification has been provided, based on the above mentioned measures that the Group applied, the cure rate remained unchanged for the period of the Covid modification.
- In order to assess the impact of the pandemic on the cash flows of the borrowers for which the exposures are assessed on an individual basis for the estimation of expected credit losses, adjustments were made to the estimated credit losses depending on the sector of activity of the borrower.

The aforementioned adjustments were still in force in 2021, until the expiration of the supporting measures taken by the Group.

Considering that the aim of overlays is to reduce any uncertainty that cannot be captured by the existing models, any decision whether these adjustments should be factored in the model is examined during the regular update of the model. To that direction, and in line with Group's Model Management Policy and ECL methodology framework, all credit risk parameters have been calibrated with 2021 figures in order to account for any post covid effect. In addition, the most recent financial data were used for the calculation of ECL for the individually assessed exposures and for the rating of Wholesale Banking obligors. With this approach, the calculation of Expected Credit Risk Loss was based on the updated Credit Risk parameters and the most recent financial data, without any additional adjustment.

Finally, as the Group's models assess the evolution of next year's GDP (forward-looking), in order to ensure a strong model estimate and avoid abrupt effects, for the purpose of calculating the expected loss, the estimate of the period 2020-2021 has been used for GDP as more representative. This approach was applied until 30.9.2021. As of 31.12.2021, and given

that the templates were updated incorporating the trading behaviour of 2021, they take into account the evolution of next year's GDP without any specific adjustment.

FORBEARANCE

Maintaining a healthy loan portfolio depends on the constant monitoring and assessment of the borrowers in order to allow early detection of future liquidity problems, which could affect the normal repayment of their obligations to the Group.

The credit tools which are normally used by the Group for managing the liquidity problems that borrowers are facing for repaying their obligations are the restructuring of debt through the renegotiation of the original terms and conditions of the loan agreement they have entered into.

The Executive Committee "Act 175/2/29.7.2020 of the Bank of Greece, has determined the supervisory framework for the management of loans in arrears and non-performing loans, over and above the already applicable requirements of Law 4261/2014, the CRR 575/2013, and delegated the decision authority to the Bank of Greece.

Furthermore, in the context of the Commission Implementing Regulation (EU) 2015/227 of the European Commission dated January 9, 2015 and the executive technical standards of the European Banking Authority, the Group assumes the resulting regulatory obligations for forbore exposures.

Forbearance measures should be applied on the basis of the risk, cooperativeness and viability of each debtor and consist of concessions assessed to be robust and sustainable, through the renegotiation of the initial terms and conditions of the debt contract duly taking into account the causes of the debtor's financial difficulties.

Forbearance measures may be applied a) on the basis of a customer's request, b) in accordance with the Code of Conduct under Law 4224/2013, as currently is in force, which is a State initiative under the supervision of the Bank of Greece. Apart from the forbearance measures applied to existing Retail lending exposures, which are initiated by the Group in accordance with the directives of the Executive Committee Acts of the Bank of Greece (No. 175/2/29.7.2020) and Arrears Resolution Process (ARP) of the Code of Conduct under L.4224/2013 as currently is in force, there are restructuring solutions according to the Legislative Framework.

The existence of more favorable terms for renegotiating and modifying the terms and conditions of the bilateral arrangement between the Group and the debtor (concession), who is facing or is about to face difficulties in meeting his financial commitments ("financial difficulty"), are defined with respect to:

- Respective terms existing and applied to customers with no financial difficulty; and
- Corresponding terms existing in market for debtors with similar credit risk profile.

Financial Difficulty is defined as the situation where the debtor is unable to comply or is about to face difficulties in servicing his credit obligations as per the current loan repayment schedule due to the worsening of his financial status.

MONITORING OF FORBORN EXPOSURES

Following the Executive Committee Act 42/30.5.2014, ("Act 42") as subsequently amended by the Act 47/9.2.2015 ("Act 47") and by the Act 102/30.8.2016 ("Act 102") 134/5.3.2018, 136/2.4.2018 and 175/2/29.7.2020 of the Bank of Greece, the Group has undertaken a series of actions to ensure adherence to the supervisory obligations and requirements arising from the above Acts. These changes cover the following distinct sections:

- Adaptation of Information Systems of the Group;
- Amendments of the existing processes, such as the customization of new types of forbore exposures according to what is provided in Act 42/47/102/134/136/175.
- Creation of data structures (Data Marts) aiming at:
 - Automation of the processes related to the production of both internal (Risk Management) and external (Supervisory) reports;
 - Perform analyses on the portfolio of the Group; and
 - Production of Management Information Reporting (MIS)

WRITE-OFFS AND WRITE-DOWNS OF BAD DEBTS

Bad Debt Write-off is defined as the reduction of the gross carrying amount of a financial asset, when there is no reasonable expectation of recovery. The write-off refers to the accounting write-off of a debt or a portion of it, i.e. the removal of the financial asset or part of it from the balance sheet, which does not necessarily entail the waiver of the legal right to recover the debt. In the event that the Group decides to waive its legal right to recover the debt, this is called **Debt Forgiveness** and this waiver may include either on or off-balance sheet items as well.

Bad Debt Write-down is defined as the definitive reduction of a debt or portion of it, as a result of a legally binding decision or agreement (court judgment, contractual agreement etc.), which is not further claimable. It is noted that this category encompasses **Definitive write-downs** which are unconditional and **Conditional Write-Downs** (Contingent Write-Down) subject to the achievement by the Customer of a specific performance (usually, upon the successful implementation of a specific repayment program). In the case of Definitive Write-downs, both the accounting and the legal reduction (Debt Forgiveness) take place immediately and simultaneously, whereas in the case of Contingent Write-downs, the accounting reduction takes place when the relevant decision is taken or when the agreement is concluded, while the legal reduction (Debt Forgiveness) takes place either simultaneously with the relevant decision or at a later (future) time, depending on the type of the condition.

Contingent Write-downs of debts are in turn classified into:

- (a) **Resolutive Condition**, i.e. the debt is accounting and legal write down at the time of reaching the agreement with the Debtor and is revived only in the event that the debtor does not pay the remaining amount and
- (b) **Condition Precedent**, i.e. the debt is legally written down if the Debtor repays the debt in accordance with the relevant agreement.

Indicative conditions for the submission of proposals for writing-off part or total amount of the exposure include, but are not limited to, the following:

- The relevant Agreements with the Customers have been terminated.
- Payment Orders have been issued against all liable parties to such Agreements.
- The actions regarding the investigation of immovable property have been completed without any results.
- The procedure for the registration of encumbrances.
- At least one real estate property has been auctioned, so that the preferential claims (through the final creditor's classification list) and, by extension, the Group's potential losses, are finalised.
- In cases where the likelihood of further recovery of the debt is considered to be particularly low, due to:
 - the fact that the debtors are placed under special liquidation;
 - the proven existence of preferential claims of a significant amount and the adoption of a decision to cease litigation actions, in order to avoid non-collectable enforcement costs;
 - the fact that further litigation actions seeking collection of the claim is economically unprofitable (e.g. low-value collateral);

The write-off requires the existence of an equal amount of provision for impairment, established no later than in the quarter preceding the submission of the proposal.

DUE FROM BANKS

Exposure to credit institutions relates to loans, interbank transactions (which include positions in derivatives), reverse repos transactions and International Trade activities. Following the basic rules of designation, monitoring and revision of corporate lending, boundaries are established by the relevant Credit Committees for the monitoring of credit risk for the overall exposure per credit institution counterparty, excluding positions related to bonds issued by them. The approved credit limits are monitored on a daily basis. The validity period of the limits is specified in the approval of the limits in accordance with the counterparty credit institutions rating from international credit rating agencies.

In addition to the regular revisions of counterparty credit institutions limits, interim revisions may be carried out either due to circumstances associated with the trading activity of the Group or due to markets conditions or problems associated

with counterparty credit institutions. Trigger events for an extraordinary review are regularly monitored per counterparty in order to review the relevant limits when such trigger events exist.

At each reporting date, a loss allowance for expected credit losses on due from banks is recognized.

The loss allowance is based on expected credit losses related to the probability of default within the next twelve months, unless there has been a significant increase in credit risk from the date of initial recognition in which case expected credit losses are recognized over the life of the instrument. In addition, if the receivable falls under the definition of purchased or originated credit impaired (POCI) financial assets, a loss allowance equal to the lifetime expected credit losses is recognized.

Due from bank's credit risk is assessed based on credit rating of rating agencies or internal credit rating of the counterparty when a loan exposure exists at bank level.

The Group defines as low credit risk all investment grade counterparties, for which it calculates a credit allowance equal to a 12-month expected credit loss (Stage 1).

For counterparties which do not meet the criteria of investment grade, the assessment of the significant increase in credit risk for which calculation of lifetime expected credit losses is required (Stage 2), is based on the two following conditions (whichever occurs first):

- Downgrade by at least two notches of the counterparty credit rating between the reporting date and the initial recognition date
- The 12-month PD at reporting date is above 5% in absolute terms and has increased more than 50% compared to the respective PD existing at initial recognition date.

INVESTMENTS IN DEBT SECURITIES

Investments in debt securities relate to securities that are classified into investment security portfolio. If there is a loan relationship with the counterparty issuer at the time of classification of the security position as investment, the Corporate Credit Policy procedures apply. These positions are subject to Group investment limits and issuer's limits and are monitored on a daily basis.

At each reporting date, a loss allowance for expected credit losses on bonds, which are not measured at fair value through profit or loss, is recognized.

The loss allowance is based on expected credit losses related to the probability of default within the next twelve months, unless there has been a significant increase in credit risk from the date of initial recognition in which case expected credit losses are recognized over the life of the instrument. In addition, if the debt securities fall under the definition of purchased or originated credit impaired (POCI) financial assets, a loss allowance equal to the lifetime expected credit losses is recognized.

Credit risk of investment in debt securities is assessed based on credit ratings of rating agencies or internal credit rating in case of Greek corporate issuers for which loan exposure exists.

The Group defines as low credit risk all investment grade securities, for which it calculates a credit allowance equal to a 12-month expected credit loss (Stage 1).

For debt securities, which do not meet the criteria of investment grade, the assessment of the significant increase in credit risk for which calculation of lifetime expected credit losses is required (Stage 2), is based on the two following conditions:

- Downgrade by at least two notches of the counterparty credit rating between the reporting date and the initial recognition date
- The 12-month PD at reporting date is above 5% in absolute terms and has increased more than 50% compared to the respective PD existing at initial recognition date

In addition, the Group is monitoring, the change in credit spreads since the initial recognition date. A change in the credit spread of the issue of more than 500bps since the initial recognition date is a trigger for the review of the debt instrument staging.

Depending on the outcome of the above review the debt instrument will remain at Stage 1 or be allocated at Stage 2, regardless of whether the primary staging criteria for allocation to Stage 2 have been triggered or not.

FINANCIAL ASSETS EXPOSURE TO CREDIT RISK

The maximum credit risk exposure per category of financial asset in which the Group is exposed is depicted in the “Net exposure to credit risk” column.

	31.12.2021		
	Exposure before impairment	Provision for impairment losses	Net exposure to credit risk
A. Credit risk exposure relating to balance sheet items			
Balances with central banks	11,403,708	-	11,403,708
Due from banks	3,034,223	70,164	2,964,059
Loans and advances to customers:			
- Loans measured at amortised cost	38,588,767	2,163,306	36,425,461
- Advances to customers measured at amortised cost	289,487	49,822	239,665
- Advances to customers measured at fair value through profit or loss	159,696		159,696
- Loans measured at fair value through profit or loss	40,000		40,000
Total	39,077,950	2,213,128	36,864,822
Derivative financial assets	960,216		960,216
Trading securities:			
- Government bonds	3,819		3,819
Total	3,819	-	3,819
Securities measured at fair value through other comprehensive income:			
- Securities measured at fair value through other comprehensive income (Government bonds)	4,132,429	6,297	4,126,132
- Securities measured at fair value through other comprehensive income (other)	1,878,799	13,487	1,865,312
Total	6,011,228	19,784	5,991,444
Securities measured at amortised cost:			
- Securities measured at amortised cost (Government bonds)	3,098,703	9,809	3,088,894
- Securities measured at amortised cost (other)	669,417	5,563	663,854
Total	3,768,120	15,372	3,752,748
Securities measured at fair value through profit or loss:			
- Securities measured at fair value through profit or loss (other)	13,963		13,963
Total	13,963	-	13,963
Assets held for sale - Loans and receivables			
- Assets held for sale - Loans and receivables measured at amortised cost	2,852,379	1,976,650	875,729
- Assets held for sale - Loans and receivables measured at fair value through profit or loss	52,896		52,896
Total	2,905,275	1,976,650	928,625
Total amount of balance sheet items exposed to credit risk (a)	67,178,502	4,295,098	62,883,404
Other balance sheet items not exposed to credit risk	10,094,656	506,234	9,588,421
Total Assets	77,273,159	4,801,333	72,471,825
B. Credit risk exposure relating to off balance sheet items:			
Letters of guarantee, letters of credit and other guarantees	3,513,554	36,775	3,476,779
Undrawn loan commitments	4,092,720	5,909	4,086,811
Total amount of off-balance sheet items exposed to credit risk (b)	7,606,274	42,684	7,563,590
Total credit risk exposure (a+b)	74,784,776	4,337,782	70,446,994

LOANS AND ADVANCES TO CUSTOMERS

For credit risk disclosure purposes, the allowance for expected credit losses of loans measured at amortised cost includes also the fair value adjustment for the contractual balance of loans which were impaired at their acquisition or origination (POCI) since the Group, from credit risk perspective, monitors the respective adjustment as part of the provisions. These loans were recognized 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. Relevant adjustment has also been 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.

Loans per IFRS 9 Stage (past due and not past due)

The following tables present past due and not past due loans, measured at amortised cost, per IFRS 9 Stage as well as loans that are measured at fair value through profit or loss, as at 31.12.2021:

31.12.2021									
	Loans measured at fair value through profit or loss (FVPL)				Loans measured at amortised cost				
	Not past due	Past due	Net carrying amount	Value of collateral	Stage 1				
					Not past due	Past due	Carrying amount (before allowance for expected credit losses)	Allowance for expected credit losses	Net carrying amount
Retail lending	-	-	-	-	7,299,640	62,584	7,362,224	12,089	7,350,135
Mortgage					5,292,200	36,334	5,328,534	3,347	5,325,187
Consumer					562,271	14,004	576,275	3,754	572,521
Credit cards					761,719	2,816	764,535	2,679	761,856
Small Businesses					683,450	9,430	692,880	2,309	690,571
Corporate lending	114,385	45,311	159,696	151,995	20,385,741	118,655	20,504,396	35,860	20,468,536
Large corporate	114,385	45,311	159,696	151,995	15,065,973	36,900	15,102,873	32,350	15,070,523
SME's					5,319,768	81,755	5,401,523	3,510	5,398,013
Public sector					35,542	0	35,542	54	35,488
Greece	0	0	0	0	33,372	0	33,372	39	33,333
Other countries	0	0	0	0	2,170	0	2,170	15	2,155
Total	114,385	45,311	159,696	151,995	27,720,923	181,239	27,902,162	48,003	27,854,159

31.12.2021										
	Loans measured at amortised cost									
	Stage 2					Stage 3				
	Not past due	Past due	Carrying amount (before allowance for expected credit losses)	Allowance for expected credit losses	Net carrying amount	Not past due	Past due	Carrying amount (before allowance for expected credit losses)	Allowance for expected credit losses	Net carrying amount
Retail lending	3,097,482	427,045	3,524,527	163,844	3,360,683	1,069,307	1,225,165	2,294,472	625,968	1,668,504
Mortgage	1,922,919	248,820	2,171,739	67,858	2,103,881	658,806	536,459	1,195,265	189,777	1,005,488
Consumer	371,251	93,569	464,820	52,765	412,055	131,750	309,307	441,057	196,680	244,377
Credit cards	86,192	20,413	106,605	12,613	93,992	3,715	61,690	65,405	33,331	32,074
Small Businesses	717,120	64,243	781,363	30,608	750,755	275,036	317,709	592,745	206,180	386,565
Corporate lending	1,295,871	61,823	1,357,694	20,425	1,337,269	652,102	1,121,223	1,773,325	910,483	862,842
Large corporate	799,968	29,798	829,766	15,990	813,776	349,236	297,113	646,349	272,375	373,974
SME's	495,903	32,025	527,928	4,435	523,493	302,866	824,110	1,126,976	638,108	488,868
Public sector	588	23	611	60	551	512	595	1,107	463	644
Greece	362	23	385	51	334	512	595	1,107	463	644
Other countries	226		226	9	217					
Total	4,393,941	488,891	4,882,832	184,329	4,698,503	1,721,921	2,346,983	4,068,904	1,536,914	2,531,990

31.12.2021							
	Loans measured at amortised cost						
	Purchased or originated credit impaired loans (POCI)					Total net carrying amount at amortised cost	Value of collateral
	Not past due	Past due	Carrying amount (before allowance for expected credit losses)	Allowance for expected credit losses	Net carrying amount		
Retail lending	979,418	391,344	1,370,762	246,473	1,124,289	13,503,611	10,592,303
Mortgage	662,475	145,480	807,955	80,081	727,874	9,162,430	8,722,590
Consumer	198,783	98,539	297,322	72,927	224,395	1,453,348	482,496
Credit cards	901	7,621	8,522	5,350	3,172	891,094	3,536
Small Businesses	117,259	139,704	256,963	88,115	168,848	1,996,739	1,383,681
Corporate lending	168,912	195,195	364,107	147,587	216,520	22,885,167	17,890,238
Large corporate	147,173	57,451	204,624	38,693	165,931	16,424,204	13,156,372
SME's	21,739	137,744	159,483	108,894	50,589	6,460,963	4,733,866
Public sector	0	0	0	0	0	36,683	36,311
Greece	0	0	0	0	0	34,311	33,979
Other countries	0	0	0	0	0	2,372	2,332
Total	1,148,330	586,539	1,734,869	394,060	1,340,809	36,425,461	28,518,852

“Purchased or originated credit impaired loans” include loans amounting to €871,520,323 as at 31.12.2021 which are not credit impaired/non performing.

Loans by credit quality and IFRS 9 Stage

The following tables present loans measured at amortised cost by IFRS 9 Stage and credit quality, as well as loans that are measured at fair value through profit or loss by credit quality as at 31.12.2021:

31.12.2021						
	Loans measured at amortised cost					Loans measured at fair value through profit or loss (FVPL)
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total	
MORTGAGE						
Strong credit quality	5,041,126	911			5,042,037	
Satisfactory credit quality	276,896	793,177		228,477	1,298,550	
Watch list (higher risk)	10,512	1,377,651		256,635	1,644,798	
Default			1,195,265	322,843	1,518,108	
Carrying amount (before allowance for expected credit losses)	5,328,534	2,171,739	1,195,265	807,955	9,503,493	
Allowance for expected credit losses	(3,347)	(67,858)	(189,777)	(80,081)	(341,063)	
Net Carrying Amount	5,325,187	2,103,881	1,005,488	727,874	9,162,430	0
Value of collateral	5,075,320	1,953,492	1,015,231	678,547	8,722,590	0
CONSUMER						
Strong credit quality	456,165	0	0	0	456,165	0
Satisfactory credit quality	118,281	211,749	0	57,770	387,800	0
Watch list (higher risk)	1,829	253,071	0	104,178	359,078	0
Default	0	0	441,057	135,374	576,431	0
Carrying amount (before allowance for expected credit losses)	576,275	464,820	441,057	297,322	1,779,474	
Allowance for expected credit losses	(3,754)	(52,765)	(196,680)	(72,927)	(326,126)	
Net Carrying Amount	572,521	412,055	244,377	224,395	1,453,348	0
Value of collateral	183,564	100,919	78,715	119,298	482,496	0
CREDIT CARDS						
Strong credit quality	709,612	0	0	0	709,612	0
Satisfactory credit quality	54,795	55,916	0	551	111,262	0
Watch list (higher risk)	128	50,689	0	239	51,056	0
Default	0	0	65,405	7,732	73,137	0
Carrying amount (before allowance for expected credit losses)	764,535	106,605	65,405	8,522	945,067	
Allowance for expected credit losses	(2,679)	(12,613)	(33,331)	(5,350)	(53,973)	
Net Carrying Amount	761,856	93,992	32,074	3,172	891,094	0
Value of collateral	1,707	11	1,789	30	3,536	0
SMALL BUSINESSES						
Strong credit quality	547,093	0	0	0	547,093	0
Satisfactory credit quality	123,848	414,678	0	40,138	578,664	0
Watch list (higher risk)	21,939	366,685	0	56,298	444,922	0
Default	0	0	592,745	160,527	753,272	0
Carrying amount (before allowance for expected credit losses)	692,880	781,363	592,745	256,963	2,323,951	
Allowance for expected credit losses	(2,309)	(30,608)	(206,180)	(88,115)	(327,212)	
Net Carrying Amount	690,571	750,755	386,565	168,848	1,996,739	0
Value of collateral	461,452	500,440	306,598	115,191	1,383,681	0
LARGE CORPORATE						
Strong credit quality	11,424,157	9,083	0	0	11,433,240	72,465
Satisfactory credit quality	3,616,831	468,544	0	40,436	4,125,811	27,073
Watch list (higher risk)	61,885	352,139	0	79,519	493,543	0
Default	0	0	646,349	84,669	731,018	60,158
Carrying amount (before allowance for expected credit losses)	15,102,873	829,766	646,349	204,624	16,783,612	
Allowance for expected credit losses	(32,350)	(15,990)	(272,375)	(38,693)	(359,408)	
Net Carrying Amount	15,070,523	813,776	373,974	165,931	16,424,204	159,696
Value of collateral	11,883,974	664,095	446,202	162,101	13,156,372	151,995

31.12.2021						
	Loans measured at amortised cost					Loans measured at fair value through profit or loss (FVPL)
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total	
SME's						
Strong credit quality	2,158,669	17,071	0	0	2,175,740	0
Satisfactory credit quality	3,218,751	305,378	0	5,111	3,529,240	0
Watch list (higher risk)	24,103	205,179	0	1,487	230,769	0
Default	0	300	1,126,976	152,885	1,280,161	0
Carrying amount (before allowance for expected credit losses)	5,401,523	527,928	1,126,976	159,483	7,215,910	
Allowance for expected credit losses	(3,510)	(4,435)	(638,108)	(108,894)	(754,947)	
Net Carrying Amount	5,398,013	523,493	488,868	50,589	6,460,963	0
Value of collateral	3,601,379	408,848	657,341	66,298	4,733,866	0
PUBLIC SECTOR						
Strong credit quality	6,403	0	0	0	6,403	0
Satisfactory credit quality	29,139	259	0	0	29,398	0
Watch list (higher risk)	0	352	0	0	352	0
Default	0	0	1,107	0	1,107	0
Carrying amount (before allowance for expected credit losses)	35,542	611	1,107	0	37,260	
Allowance for expected credit losses	(54)	(60)	(463)	-	(577)	
Net Carrying Amount	35,488	551	644	0	36,683	0
Value of collateral	35,430	249	632	0	36,311	0

Letters of guarantee, letters of credit and undrawn loan commitments by credit quality and IFRS 9 Stage

31.12.2021					
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Letters of guarantee, letters of credit and other guarantees					
Strong credit quality	2,269,188	22	0	0	2,269,210
Satisfactory credit quality	584,921	124,790	0	0	709,711
Watch list (higher risk)	86,678	128,240	0	0	214,918
Default	0	0	319,715	0	319,715
Carrying amount (before allowance for expected credit losses)	2,940,787	253,052	319,715	0	3,513,554
Allowance for expected credit losses	(627)	(997)	(35,151)	-	(36,775)
Net Carrying Amount	2,940,160	252,055	284,564	0	3,476,779
Value of collateral of impaired letters of guarantee, letters of credit and other guarantees	0	0	45,769	0	45,769
Undrawn loan commitments					
Strong credit quality	3,088,907	1,342	0	0	3,090,249
Satisfactory credit quality	808,957	149,395	0	769	959,121
Watch list (higher risk)	15,270	23,088	0	193	38,551
Default	0	0	4,681	118	4,799
Carrying amount (before allowance for expected credit losses)	3,913,134	173,825	4,681	1,080	4,092,720
Allowance for expected credit losses	(2,620)	(2,218)	(1,070)	(1)	(5,909)
Net Carrying Amount	3,910,514	171,607	3,611	1,079	4,086,811
Value of collateral of impaired undrawn loan commitments	0	0	203	7	210

The value of the collaterals related to impaired exposures, as at 31.12.2021 amounts to € 3,009,853.

Ageing analysis by IFRS 9 Stage and product line of loans

31.12.2021									
	Loans measured at fair value through profit or loss (FVPL)				Loans measured at amortised cost				
	Retail lending		Corporate lending		Retail lending				
	Consumer	Large corporate	SME's	Total	Mortgage Loans				Total
					Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	
Current		114,384	0	114,384	5,289,085	1,861,698	581,662	610,902	8,343,347
1-30 days		24,531	0	24,531	36,102	157,262	30,538	23,875	247,777
31-60 days		0	0	0	0	56,949	27,985	13,553	98,487
61-90 days		0	0	0	0	27,972	23,040	8,997	60,009
91-180 days		0	0	0	0	0	87,439	22,159	109,598
181-360 days		0	0	0	0	0	115,885	27,788	143,673
> 360 days		20,781	0	20,781	0	0	138,939	20,600	159,539
Total	-	159,696	0	159,696	5,325,187	2,103,881	1,005,488	727,874	9,162,430
Value of collaterals		151,995	0	151,995	5,075,320	1,953,492	1,015,231	678,547	8,722,590

31.12.2021									
	Loans measured at amortised cost								
	Retail lending								
	Consumer					Credit Cards			
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total	Stage 1	Stage 2	Stage 3	Total
Current	558,707	329,908	95,585	169,230	1,153,430	759,073	76,484	2,326	838,664
1-30 days	13,814	40,867	10,647	13,096	78,424	2,783	10,593	655	14,078
31-60 days	0	9,998	6,483	4,999	21,480	0	4,678	427	5,123
61-90 days	0	31,282	6,053	3,136	40,471	0	2,237	289	2,555
91-180 days	0	0	21,599	6,730	28,329	0	0	4,186	4,241
181-360 days	0	0	42,412	12,688	55,100	0	0	10,498	10,809
> 360 days	0	0	61,598	14,516	76,114	0	0	13,693	15,624
Total	572,521	412,055	244,377	224,395	1,453,348	761,856	93,992	32,074	891,094
Value of collaterals	183,564	100,919	78,715	119,298	482,496	1,707	11	1,789	3,536

31.12.2021									
	Loans measured at amortised cost								
	Retail lending					Corporate lending			
	Small Business					Large corporate			
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total	Stage 1	Stage 2	Stage 3	Total
Current	681,317	689,655	227,173	104,651	1,702,796	15,033,647	784,685	243,942	16,199,108
1-30 days	9,254	43,189	12,772	5,721	70,936	36,876	12,194	66,919	115,989
31-60 days	0	8,011	12,129	3,404	23,544	0	1,726	0	1,726
61-90 days	0	9,900	8,875	1,857	20,632	0	15,171	10,066	25,237
91-180 days	0	0	22,989	4,822	27,811	0	0	2,083	2,083
181-360 days	0	0	34,905	8,127	43,032	0	0	278	8,037
> 360 days	0	0	67,722	40,266	107,988	0	0	50,686	72,024
Total	690,571	750,755	386,565	168,848	1,996,739	15,070,523	813,776	373,974	16,424,204
Value of collaterals	461,452	500,440	306,598	115,191	1,383,681	11,883,974	664,095	446,202	13,156,372

31.12.2021													
	Loans measured at amortised cost												
	Corporate lending					Public Sector							
	SME's					Greece					Other Countries		
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total	Stage 1	Stage 2	Total
Current	5,316,381	491,853	200,966	17,098	6,026,298	33,333	311	513	0	34,157	2,155	217	2,371
1-30 days	81,632	19,001	48,737	3,505	152,875	0	0	0	0	0	0	0	0
31-60 days	0	12,442	6,058	3,142	21,642	0	0	0	0	0	0	0	0
61-90 days	0	197	6,533	0	6,730	0	23	0	0	23	0	0	0
91-180 days	0	0	11,129	0	11,129	0	0	0	0	0	0	0	0
181-360 days	0	0	21,871	35	21,906	0	0	0	0	0	0	0	0
> 360 days	0	0	193,574	26,809	220,383	0	0	131	0	131	0	0	0
Total	5,398,013	523,493	488,868	50,589	6,460,963	33,333	334	644	0	34,311	2,155	217	2,372
Value of collaterals	3,601,379	408,848	657,341	66,298	4,733,866	33,324	23	632	0	33,979	2,106	226	2,332

Reconciliation of loans by IFRS 9 Stage

The following tables present the movement of the loans measured at amortised cost by IFRS 9 Stage for the year 2021:

31.12.2021															
	Retail lending					Corporate lending and public sector					Total				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total
Balance 17.04.2021	7,358,034	4,159,229	5,243,332	2,453,686	19,214,281	17,001,065	1,774,983	2,969,974	593,853	22,339,874	24,297,966	5,934,212	8,213,306	3,047,539	41,554,156
Changes for the period 17.04.2021 – 31.12.2021															
Transfers to Stage 1 from Stage 2 or 3	1,375,902	(1,315,636)	(60,266)	-	-	803,457	(744,707)	(58,750)	-	-	2,179,359	(2,060,343)	(119,016)	-	-
Transfers to Stage 2 from Stage 1 or 3	(1,441,536)	1,916,936	(475,400)	-	-	(560,197)	650,412	(90,215)	-	-	(2,001,733)	2,567,348	(565,615)	-	-
Transfers to Stage 3 from Stage 1 or 2	(67,069)	(849,979)	917,048	-	-	(29,119)	(55,872)	84,991	-	-	(96,188)	(905,851)	1,002,039	-	-
New loans originated or purchased	713,653	-	-	1,300	714,953	3,789,892	-	-	10,933	3,800,825	4,503,545	-	-	12,233	4,515,778
Initial recognition of Senior notes	-	-	-	-	-	1,720,701	-	-	-	1,720,701	1,720,701	-	-	-	1,720,701
Derecognition of loans	(52,765)	(249,471)	(1,791,683)	(816,018)	(2,909,937)	(930,868)	(91,063)	(425,757)	(37,545)	(1,485,233)	(983,633)	(340,534)	(2,217,440)	(853,563)	(4,395,170)
Changes due to modifications that did not result in derecognition	(379)	(666)	(8,754)	(1,221)	(11,020)	(244)	(109)	(1,459)	199	(1,613)	(623)	(775)	(10,213)	(1,022)	(12,633)
Write-offs	(38)	(3,101)	(140,401)	(46,535)	(190,075)	(1)	-	(85,458)	(16,652)	(102,111)	(39)	(3,101)	(225,859)	(63,187)	(292,186)
Repayments, foreign exchange and other movements	(399,444)	(79,800)	15,877	44,215	(419,152)	(1,144,720)	(144,752)	(57,673)	17,690	(1,329,455)	(1,483,031)	(224,552)	(41,796)	61,905	(1,748,607)
Reclassification of loans to “Assets held for sale”	(124,134)	(52,985)	(1,405,281)	(264,665)	(1,847,065)	(110,028)	(30,587)	(561,221)	(204,371)	(906,207)	(234,162)	(83,572)	(1,966,502)	(469,036)	(2,753,272)
Balance 31.12.2021	7,362,224	3,524,527	2,294,472	1,370,762	14,551,985	20,539,938	1,358,305	1,774,432	364,107	24,036,782	27,902,162	4,882,832	4,068,904	1,734,869	38,588,767
Allowance for expected credit losses	(12,089)	(163,844)	(625,968)	(246,473)	(1,048,374)	(35,914)	(20,485)	(910,946)	(147,587)	(1,114,932)	(48,003)	(184,329)	(1,536,914)	(394,060)	(2,163,306)
Balance of loans 31.12.2021	7,350,135	3,360,683	1,668,504	1,124,289	13,503,611	20,504,024	1,337,820	863,486	216,520	22,921,850	27,854,159	4,698,503	2,531,990	1,340,809	36,425,461

Reconciliation of allowance for expected credit losses of loans by IFRS 9 Stage

The following tables include the movement of allowance for expected credit losses of loans measured at amortized cost for the year 2021:

31.12.2021															
Allowance for expected credit losses															
	Retail lending					Corporate lending and public sector					Total				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total
Balance 17.04.2021	20,614	228,193	2,335,842	693,119	3,277,768	60,027	48,856	1,481,400	281,240	1,871,523	80,641	277,049	3,817,242	974,359	5,149,291
Changes for the period 17.04 - 31.12.2021															
Transfers to stage 1 from stage 2 or 3	52,010	(46,538)	(5,472)	-	-	17,131	(15,718)	(1,413)	-	-	69,141	(62,256)	(6,885)	-	-
Transfers to stage 2 from stage 1 or 3	(6,717)	92,055	(85,338)	-	-	(2,873)	5,337	(2,464)	-	-	(9,590)	97,392	(87,802)	-	-
Transfers to stage 3 from stage 1 or 2	(877)	(62,365)	63,242	-	-	(156)	(1,489)	1,645	-	-	(1,033)	(63,854)	64,887	-	-
Net remeasurement of expected credit losses (a)	(45,628)	(11,149)	62,032	(5,809)	(554)	(14,100)	4,987	7,805	4,785	3,484	(59,728)	(6,155)	69,837	(1,024)	2,930
Impairment losses on new loans (b)	2,531	-	-	(2,198)	333	6,758	-	-	3,854	10,612	9,289	-	-	1,656	10,945
(c) Impairment losses on Senior notes						894	-	-	-	894	894	-	-	-	894
Change in risk parameters (d)	(7,703)	(14,749)	317,883	87,146	382,577	(27,282)	(23,430)	112,894	43,622	105,804	(34,985)	(38,179)	430,777	130,768	488,381
Impairment losses on loans (a)+(b)+(c)+(d)	(50,800)	(25,898)	379,915	79,139	382,356	(33,730)	(18,443)	120,699	52,261	120,794	(84,530)	(44,334)	500,614	131,400	503,143
Derecognition of loans	(82)	(10,031)	(784,519)	(307,191)	(1,101,823)	(535)	(157)	(204,662)	(61,631)	(266,985)	(617)	(10,188)	(989,181)	(368,822)	(1,368,808)
Write offs	(38)	(3,101)	(140,401)	(46,535)	(190,075)	(1)	-	(85,458)	(16,652)	(102,111)	(39)	(3,101)	(225,859)	(63,187)	(292,186)
Foreign exchange and other movements	(1,108)	(5,045)	(2,107)	34,413	26,153	(905)	3,037	(4,557)	25,093	22,661	(2,013)	(2,015)	(6,664)	59,506	48,814
Change in the present value of the impairment losses	-	-	8,496	5,199	13,695	-	-	11,247	6,168	17,415	-	-	19,743	11,367	31,110
Reclassification of allowance for expected credit losses to "Assets held for sale"	(913)	(3,426)	(1,143,690)	(211,671)	(1,359,700)	(3,044)	(938)	(405,491)	(138,892)	(548,365)	(3,957)	(4,364)	(1,549,181)	(350,563)	(1,908,065)
Balance 31.12.2021	12,089	163,844	625,968	246,473	1,048,374	35,914	20,485	910,946	147,587	1,114,932	48,003	184,329	1,536,914	394,060	2,163,306

In the above table which presents the movement of allowance for expected credit losses for the year 2021, the amount of €998,914 which is related to impairment losses of loans classified to assets held for sale in the previous periods is not included in "Impairment losses on loans".

During 2021, allowance for expected credit losses have been affected by the following movements:

- Transfer to Stage 1 from Stage 2 and Stage 3 of loans amount to €2,179,359 due to the improvement of the creditworthiness compared to their initial recognition
- The impairment losses of loans classified in Stage 3 were affected by:

- incorporation in the calculation of the allowance for expected credit losses of non performing portfolios for which the Group contemplates recovery strategies that include a sales scenario affected by a number of variable factors and,
- further deterioration of the portfolio remaining in Stage 3

Finally, loans written off in 2021 amounted to € 292,186 and led to an equal reduction of allowance for expected credit losses. It is noted that loans that have been written off within 2021 but can still be legally claimed amounted to € 78,886. It is noted that the receivables that were amortized within 2021 but can be legally claimed amount to € 321,423 of which €88,899 relate to receivables transferred during the branch of the bank on 17/4/2021.

Reconciliation of letters of guarantee, letters of credit and undrawn loan commitments by IFRS 9 Stage

The movement for the year 2021 of letters of guarantee, letters of credit and undrawn loan commitments is presented in the tables that follow:

	31.12.2021				
	Stage 1	Stage2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Balance 17.04.2021	6,834,391	455,401	334,309	1,099	7,625,200
Changes for the period 17.04 - 31.12.2021					
Transfers to Stage 1 from Stage 2 or 3	199,980	(172,887)	(27,093)	-	-
Transfers to Stage 2 from Stage 1 or 3	(242,454)	250,341	(7,887)	-	-
Transfers to Stage 3 from Stage 1 or 2	(6,611)	(12,942)	19,553	-	-
New letters of guarantee, letters of credit and undrawn loan commitments	1,215,593	-	-	-	1,215,593
Foreign exchange, repayments, and other movements	(1,146,978)	(93,036)	5,514	(19)	(1,234,519)
Balance 31.12.2021	6,853,921	426,877	324,396	1,080	7,606,274
Allowance for expected credit losses	(3,247)	(3,215)	(36,221)	(1)	(42,684)
Balance 31.12.2021	6,850,674	423,662	288,175	1,079	7,563,590

Reconciliation of allowance for expected credit losses of letters of guarantee, letters of credit and undrawn loan commitments by IFRS 9 Stage

The Group has recognized allowance for expected credit losses for the undrawn loan commitments, letters of credit and letters of guarantee, the reconciliation of which is presented in the following table for the year 2021:

	31.12.2021				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total
Balance 17.4.2021	6.981	13.148	76.851	-	96.980
Changes for the period 17.04 - 31.12.2021					
Transfers to Stage 1 from Stage 2 or 3	2.453	(1.300)	(1.153)	-	-
Transfers to Stage 2 from Stage 1 or 3	(243)	593	(350)	-	-
Transfers to Stage 3 from Stage 1 or 2	(81)	(36)	117	-	-
Net remeasurement of expected credit losses (a)	(2.772)	197	829	-	(1.746)
Impairment losses on new exposures (b)	2.316	-	-	-	2.316
Change in risk parameters (c)	(5.007)	(9.632)	(40.034)	(1.005)	(55.678)
Impairment losses (a)+(b)+(c)	(5.463)	(9.435)	(39.205)	(1.005)	(55.108)
Foreign exchange and other movements	(400)	245	(39)	1.006	812
Balance 31.12.2021	3.247	3.215	36.221	1	42.684

“Foreign exchange and other movements” includes a provision for a letter of guarantee given as collateral to cover credit risk of subsidiary that was forfeited and transferred to the other loan and advances to customers.

Advances to customers

Advances to customers derive mainly from Group’s commercial activity other than lending, including mainly receivables from letters of guarantee, receivables from credit cards and other receivables from banking activities. The calculation of allowance for expected credit losses for the receivables that are exposed to credit risk, is being performed using the simplified approach, taking into account their lifetime (without being allocated into stages), as provided by IFRS 9.

The expected credit loss rate applied by the Group was determined based on the assessment of expected credit losses taking into account the time that the aforementioned receivables, which are mainly short-term, remain due.

Advances to customers as at 31.12.2021 amounted to € 289,487 , while allowance for expected credit losses amounted to € 47,987.

The following table present the reconciliation of advances to customers for the year 2021:

Balance 17.04.2021	256,021
Foreign exchange, repayments, and other movements	70,030
Classification to ‘Assets held for sale’	(36,564)
Balance 31.12.2021	289,487
Allowance for expected credit losses	(49,822)
Advance to customers balance 31.12.2021	239,665

The reconciliation of the allowance for expected credit losses for the year 2021 presented in the following tables below:

Changes for the period 17.04 - 31.12.2021	51,234
Balance 17.04.2021	151
Impairment losses on advances to customers	(2,614)
Amounts used in the period for depreciation	1,051
Foreign exchange, write-offs and other movements	49,822

PLEDGED COLLATERALS

Collaterals are received in order to mitigate credit risk that may arise from the borrower’s inability to fulfill his contractual obligations.

Collaterals include all kind of assets and rights which are made available to the Group either by its borrowers or by third parties, in order to be used as complementary liquidation sources of the relevant receivables.

The breakdown of collaterals and guarantees received to reduce the credit risk exposure is summarized below:

Breakdown of collaterals and guarantees

	31.12.2021									
	Value of collaterals									
	Loans measured at fair value through profit or loss (FVPL)					Loans measured at fair value through profit or loss (FVPL)				
	Real estate collateral	Financial collateral	Other collateral	Total value of collateral	Value of Guarantees	Real estate collateral	Financial collateral	Other collateral	Total value of collateral	Value of Guarantees
Retail lending	0	0	0	0	0	9,635,949	237,495	718,859	10,592,303	1,380,508
Corporate lending	69,300	0	82,695	151,995	0	4,985,239	779,901	12,125,098	17,890,238	3,075,888
Public sector	0	0	0	0	0	1,575	45	34,690	36,310	475
Total	69,300	0	82,695	151,995	0	14,622,763	1,017,441	12,878,648	28,518,851	4,456,871

There are no cases of transfer or reassignment of collaterals received from borrowers for which an obligation to return them has been recognized.

Loan-to-value ratio (LTV)

The loan-to-value ratio of loans reflects the relationship between the loan and the value of the property held as collateral. The table below presents the mortgage loan portfolio by LTV ratio.

	Loans measured at amortised cost
	31.12.2021
< 50%	1.421.921
50% - 70%	1.686.796
71% - 80%	1.050.729
81% - 90%	1.083.831
91% - 100%	1.622.902
101% - 120%	885.280
121% - 150%	661.487
> 150%	1.090.547
Total exposure	9.503.493
Simple average LTV (%)	72%

REPOSSESSED ASSETS

Policy of disposal of repossessed assets

Within 2018 the Group created a uniform management strategy for repossessed assets by setting up two new Committees and assigning to a group company the management of all the repossessed properties of the Bank and its subsidiaries. When the Group acquires the legal title of properties in the context of the management of non-performing exposures (NPEs), the respective company is in charge of monitoring the repossession procedures (asset on – boarding), determining the best property management strategy and assigning to the appropriate channels, within or outside the Group, the management of the properties.

Depending on the defined strategy, the property is classified for accounting purposes, in the appropriate category. The classification process is repeated periodically so that the classification of each property is updated based on its current status.

Finally, there is continuous supervision and co-ordination of collaborating asset management channels on the implementation of the defined strategies as well as of the asset commercialization in accordance with the Group's policy and monitoring of their performance through appropriate Key Performance Indicators (KPIs).

Reposessed assets

	31.12.2021					
	Balance				Disposals during the year	
	Value of collaterals repossessed 31.12.2021	Of which in 2021	Accumulated impairment 31.12.2021	Of which in 2021	Net carrying amount of collaterals repossessed 31.12.2021	Net gain/ (loss) on disposal
Real estate collaterals	1,095,404	68,650	(249,414)	(80,333)	845,990	61,021
Other collaterals	6,025	0	0	0	6,025	0

The net carrying amount of the collaterals repossessed as of 31.12.2021, includes an amount of € 124,808 that relates to properties that were classified as "Assets held for sale".

Loans and allowance for expected credit losses by IFRS 9 Stage, industry and geographical region

	31.12.2021							
	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 (POCI)	Carrying amount (before allowance for expected credit losses)	Allowance for expected credit losses
Retail lending	0	5,521,823	3,182,246	2,149,710	1,323,701	12,177,480	979,640	11,197,840
Mortgage	0	3,718,873	1,898,425	1,103,449	772,961	7,493,708	313,473	7,180,235
Consumer	0	384,756	404,338	393,337	286,881	1,469,312	288,248	1,181,064
Credit cards	0	740,348	102,832	63,286	8,522	914,988	51,658	863,330
Small Businesses	0	677,846	776,651	589,638	255,337	2,299,472	326,261	1,973,211
Corporate lending	91,254	11,434,478	581,434	1,634,831	304,335	13,955,078	984,099	12,970,979
Financial institutions and other financial services	0	43,611	0	96	1,040	44,747	170	44,577
Manufacturing	16,412	4,532,786	146,576	423,090	82,107	5,184,559	280,097	4,904,462
Construction and real estate	54,061	1,313,278	82,422	236,716	27,516	1,659,932	159,746	1,500,186
Wholesale and retail trade	0	1,869,450	135,359	664,985	63,964	2,733,758	376,955	2,356,803
Transportation	0	639,142	1,797	54,724	6,228	701,891	34,156	667,735
Shipping	20,781	67,595	18,456	3,431	22,966	112,448	571	111,877
Hotels-Tourism	0	1,970,069	136,623	83,204	7,563	2,197,459	18,789	2,178,670
Services and other sectors	0	998,547	60,201	168,585	92,951	1,320,284	113,615	1,206,669
Public sector	0	33,372	385	1,107	0	34,864	553	34,311
Total	91,254	16,989,673	3,764,065	3,785,648	1,628,036	26,167,422	1,964,292	24,203,130

	31.12.2021							
	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 (POCI)	Carrying amount (before allowance for expected credit losses)	Allowance for expected credit losses
Retail lending	0	1,840,401	342,281	144,762	47,061	2,374,505	68,734	2,305,771
Mortgage	0	1,609,661	273,314	91,816	34,994	2,009,785	27,590	1,982,195
Consumer	0	191,519	60,482	47,720	10,441	310,162	37,878	272,284
Credit cards	0	24,187	3,773	2,119	0	30,079	2,315	27,764
Small Businesses	0	15,034	4,712	3,107	1,626	24,479	951	23,528
Corporate lending	68,442	9,069,918	776,260	138,494	59,772	10,044,444	130,256	9,914,188
Financial institutions and other financial services	2,561	5,695,201	35,270	0	0	5,730,471	1,827	5,728,644
Manufacturing	0	173,646	45,292	2,842	3	221,783	4,366	217,417
Construction and real estate	3,966	598,356	382,036	34,058	19,717	1,034,167	34,421	999,746
Wholesale and retail trade	0	210,006	51,401	34,824	0	296,231	8,916	287,315
Transportation	0	104,817	49,639	5,323	0	159,779	3,783	155,996
Shipping	61,915	2,141,170	111,984	56,385	2,017	2,311,556	26,419	2,285,137
Hotels-Tourism	0	35,109	64,365	129	23,428	123,031	15,577	107,454
Services and other sectors	0	111,613	36,273	4,933	14,607	167,426	34,947	132,479
Public sector	0	2,170	226	0	0	2,396	24	2,372
Total	68,442	10,912,489	1,118,767	283,256	106,833	12,421,345	199,014	12,222,331

Interest income from loans by loan category and IFRS 9 stage

The following tables present the interest income from loans for the year 2021 by IFRS 9 Stage.

For loans classified in Stages 1 and 2, interest income is calculated by applying the effective interest rate to the gross carrying amount of the loan.

For loans classified in Stage 3, interest income is calculated by applying the effective interest rate on the amortised cost of the loan (i.e. gross carrying amount after allowance for expected credit losses), while for Purchased or Originated Credit Impaired loans (POCI) interest income is calculated by applying the adjusted effective interest rate to the amortised cost of the loan.

	31.12.2021					
	Loans measured at amortised cost					Loans measured at fair value through profit or loss (FVPL)
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total interest income	
Retail lending	205,183	93,396	70,122	45,182	413,882	19
Corporate lending	347,008	37,694	30,473	22,031	437,206	5,693
Public sector	545	15	23	3	585	0
Total interest income	552,736	131,104	100,618	67,215	851,673	5,712

FORBORNE LOANS

The restructuring of loans is performed through renegotiation of the original contractual terms and include changes such as:

- Extension of the credit duration
- Write-off of a portion of borrower's amounts due
- Grace period for the principal and/or interest
- Decrease in interest rates

As a rule forbearance measures which are extended include a combination of the above amendments to the contractual terms.

In addition, in the context of renegotiations of the terms of loans granted, the Group has participated in agreements for the exchange of debt with borrowers' equity shares. As at 31.12.2021, the Group included in the portfolio measured at fair value through other comprehensive income shares with a fair value of € 4,650 which were acquired from respective transactions.

Analysis of forbore loans by type of forbearance measure

	31.12.2021		
	Loans measured at fair value through profit or loss (FVPL)	Loans measured at amortised cost	Total
Interest only payment	0	99,501	99,501
Reduced payments scheme	1,027	662,201	663,228
Grace period	34,385	347,400	381,785
Loan term extension	0	1,333,557	1,333,557
Arrears capitalization	20,781	1,866,493	1,887,274
Partial write-off in borrower's obligations	0	358,405	358,405
Debt for equity transactions	0	16	16
Other	0	53,100	53,100
Total net carrying amount	56,193	4,720,673	4,776,866

Forborne loans by product line

	31.12.2021		
	Loans measured at fair value through profit or loss (FVPL)	Loans measured at amortised cost	Total
Retail lending	0	3,460,915	3,460,915
Mortgage	0	2,316,042	2,316,042
Consumer	0	472,143	472,143
Credit cards	0	13,154	13,154
Small Businesses	0	659,576	659,576
Corporate lending	56,193	1,258,969	1,315,162
Large corporate	56,193	790,321	846,514
SME's	0	468,648	468,648
Public sector	0	789	789
Greece	0	789	789
Total net carrying amount	56,193	4,720,673	4,776,866

Forborne loans by geographical region

	31.12.2021		
	Loans measured at fair value through profit or loss (FVPL)	Loans measured at amortised cost	Total
Greece	20,781	4,121,539	4,142,320
Other Countries	35,412	599,134	634,546
Total net carrying amount	56,193	4,720,673	4,776,866

Forborne loans according to their credit quality

	31.12.2021		
	Total amount of Loans	Total amount of Forborne Loans	Percentage of Forborne Loans (%)
Loans measured at fair value through profit or loss (FVPL)			
Past due	45,311	45,312	100
Not past due	114,385	10,881	10
Total net carrying amount	159,696	56,193	35
Value of collaterals	151,995	56,192	37
Loans measured at amortised cost			
Stage 1	27,902,162	0	0
Stage 2	4,882,832	2,146,551	44
Stage 3	4,068,904	2,713,770	67
Purchased or originated credit impaired (POCI)	1,734,869	1,092,582	63
Carrying amount (before allowance for expected credit losses)	38,588,767	5,952,903	15
Stage 1 - Allowance for expected credit losses	48,003	0	0
Stage 2 - Allowance for expected credit losses	184,329	111,758	61
Stage 3 - Allowance for expected credit losses	1,536,914	862,578	56
Allowance for expected credit losses for purchased or originated credit impaired loans (POCI)	394,060	257,894	65
Total net carrying amount	36,425,461	4,720,673	13
Value of collaterals	28,518,852	4,163,726	15

Reconciliation of the net value of forborne loans

	31.12.2021		
	Loans measured at fair value through profit or loss (FVPL)	Loans measured at amortised cost	Total
Balance 17.04.2021	100,271	7,955,464	8,055,735
Changes for the period 17.04-31.12.2021			
Forbearance measures during the year	-	580,309	580,309
Interest income	2,925	178,573	181,498
Repayment of loans (partial or total)	(3,382)	(329,342)	(332,724)
Loans that exited forbearance status during the year	-	(1,273,029)	(1,273,029)
Impairment losses	-	(351,238)	(351,238)
Disposal of forborne loans	-	(3,214)	(3,214)
Remeasurment of fair value	(33,969)	-	(33,969)
Reclassification of loans to "Assets held for sale"	(434)	(2,005,954)	(2,006,388)
Other movements	(9,217)	(30,896)	(40,112)
Balance 31.12.2021	56,193	4,720,673	4,776,866

ANALYSIS PER RATING

Other financial instruments subject to credit risk

The following table presents the other financial instruments measured at amortised cost and at fair value through other comprehensive income as at 31.12.2021 by IFRS 9 Stage and credit rating.

	31.12.2021				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Balances with central Banks					
AAA	-	-	-	-	-
AA+ to AA-	-	-	-	-	-
A+ to A-	-	-	-	-	-
BBB+ to BBB-	1,367,642	-	-	-	1,367,642
Lower than BBB-	10,036,066	-	-	-	10,036,066
Unrated	-	-	-	-	-
Carrying amount (before allowance for expected credit losses)	11,403,708	-	-	-	11,403,708
Allowance for expected credit losses	-	-	-	-	-
Net carrying amount	11,403,708	-	-	-	11,403,708
Value of collaterals	-	-	-	-	-
Due from Banks					
AAA	-	-	-	-	-
AA+ to AA-	859,338	-	-	-	859,338
A+ to A-	767,920	-	-	-	767,920
BBB+ to BBB-	848,650	-	-	-	848,650
Lower than BBB-	388,367	-	-	-	388,367
Unrated	99,987	-	-	-	169,948
Carrying amount (before allowance for expected credit losses)	2,964,262	-	69,961	-	3,034,223
Allowance for expected credit losses	(203)	-	-	-	(70,164)
Net carrying amount	2,964,059	-	-	-	2,964,059
Value of collaterals	0,00	0,00	0,00	0,00	0,00
Securities measured at fair value through other comprehensive income					
AAA	77,299	-	-	-	77,299
AA+ to AA-	464,875	-	-	-	464,875
A+ to A-	482,440	-	-	-	482,440
BBB+ to BBB-	1,633,405	-	-	-	1,633,405
Lower than BBB-	3,166,990	2,141	-	-	3,169,131
Unrated	173,309	10,768	-	-	184,077
Carrying amount (before allowance for expected credit losses)	5,998,318	12,909	-	-	6,011,227
Allowance for expected credit losses	(17,967)	(1,817)	-	-	(19,784)
Net carrying amount	5,980,351	11,092	-	-	5,991,443
Value of collaterals	-	-	-	-	-
Securities measured at amortized cost					
AAA	17,680	-	-	-	17,680
AA+ to AA-	30,618	-	-	-	30,618
A+ to A-	51,740	-	-	-	51,740
BBB+ to BBB-	386,597	-	-	-	386,597
Lower than BBB-	3,277,954	-	-	-	3,277,954
Unrated	3,530	-	-	-	3,530
Carrying amount (before allowance for expected credit losses)	3,768,119	-	-	-	3,768,119
Allowance for expected credit losses	(15,371)	-	-	-	(15,371)
Net carrying amount	3,752,748	-	-	-	3,752,748
Value of collaterals	-	-	-	-	-

Trading portfolio - Derivative financial assets - Securities measured at fair value through profit or loss

The following table presents the other financial instruments measured through profit or loss per credit rating.

	2021
Trading securities	
AAA	-
AA+ to AA-	-
A+ to A-	-
BBB+ to BBB-	-
Lower than BBB-	3,819
Unrated	-
Net carrying amount	-
Value of collaterals	-
Derivative financial assets	
AAA	-
AA+ to AA-	52,736
A+ to A-	109,695
BBB+ to BBB-	6,827
Lower than BBB-	789,546
Unrated	1,412
Net carrying amount	960,216
Value of collaterals	-
Securities measured at fair value through profit or loss	
AAA	-
AA+ to AA-	-
A+ to A-	-
BBB+ to BBB-	-
Lower than BBB-	595
Unrated	13,367
Net carrying amount	13,962
Value of collaterals	-

ANALYSIS OF FINANCIAL ASSETS PER IFRS 9 STAGE
Due from Banks

The following table presents the classification of Due from Banks per IFRS 9 Stage as of 31.12.2021..

	31.12.2021				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Balance 31.12.2021					
Carrying amount (before allowance for expected credit losses)	2,964,262	-	69,961	-	3,034,223
Allowance for expected credit losses	(203)	-	(69,961)	-	(70,164)
Net carrying amount	2,964,059	-	-	-	2,964,059

Investment securities

i. Investment securities measured at fair value through other comprehensive income

The following table presents the classification of securities per IFRS 9 Stage and issuer's category as of 31.12.2021:

	31.12.2021				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Greek Government Bonds					
Allowance for expected credit losses	(5,856)	-	-	-	(5,856)
Fair value	2,453,392	-	-	-	2,453,392
Other Government Bonds					
Allowance for expected credit losses	(441)	-	-	-	(441)
Fair value	1,672,740	-	-	-	1,672,740
Other securities					
Allowance for expected credit losses	(11,670)	(1,817)	-	-	(13,487)
Total securities measured at fair value through other comprehensive income	1,854,220	11,092	-	-	1,865,312
Allowance for expected credit losses					
Fair value	(17,967)	(1,817)	-	-	(19,784)
Greek Government Bonds	5,980,352	11,092	-	-	5,991,444

Except from the above securities, in the portfolio of investment securities measured at fair value through other comprehensive income, shares measured at fair value of € 58,700 are also included.

ii. Investment securities measured at amortized cost

The following table presents the classification of securities per IFRS 9 Stage and issuer's category as of 31.12.2021:

	31.12.2021				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Greek Government bonds					
Carrying amount (before allowance for expected credit losses)	3,098,703	-	-	-	3,098,703
Allowance for expected credit losses	(9,809)	-	-	-	(9,809)
Net value	3,088,894	-	-	-	3,088,894
Other Government bonds					
Carrying amount (before allowance for expected credit losses)	429,060	-	-	-	429,060
Allowance for expected credit losses	(103)	-	-	-	(103)
Net value	428,957	-	-	-	428,957
Other securities					
Carrying amount (before allowance for expected credit losses)	240,357	-	-	-	240,357
Allowance for expected credit losses	(5,460)	-	-	-	(5,460)
Net value	234,897	-	-	-	234,897
Total securities measured at amortized cost					
Carrying amount (before allowance for expected credit losses)	3,768,120	-	-	-	3,768,120
Allowance for expected credit losses	(15,372)	-	-	-	(15,372)
Net value	3,752,748	-	-	-	3,752,748

Reconciliation of other financial assets (except loans) before allowance for expected credit losses per IFRS 9 Stage

The table below presents the movement of the carrying amount before allowance for expected credit losses of due from banks, the movement of the fair value of investment securities at fair value through other comprehensive income and securities measured at amortized cost including the allowance for expected credit losses by IFRS 9 Stage.

31.12.2021										
	Due from banks					Investment securities measured at fair value through other comprehensive income				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Balance 1.1.2021	4,026,700	-	69,961	-	4,096,661	5,602,294	22,009	-	-	5,624,303
Changes for the year 1.1-31.12.2021										
Transfers to Stage 1 from Stage 2 or 3	-	-	-	-	-	-	-	-	-	-
Transfers to Stage 2 from Stage 1 or 3	-	-	-	-	-	(9,168)	9,168	-	-	-
Transfers to Stage 3 from Stage 1 or 2	-	-	-	-	-	-	-	-	-	-
New financial assets originated	11,998,192	-	-	-	11,998,192	2,946,736	-	-	-	2,946,736
Derecognition of financial assets	-	-	-	-	-	(934,820)	-	-	-	(934,820)
Interest on carrying amount before impairment	34	-	-	-	34	33,536	521	-	-	34,057
Changes due to modifications that did not result in derecognition	-	-	-	-	-	83	-	-	-	83
Write-off	-	-	-	-	-	-	-	-	-	-
Repayments, foreign exchange differences and other movements	(13,024,784)	-	-	-	(13,024,784)	(1,520,496)	(20,606)	-	-	(1,541,102)
Amounts held for sale	(35,881)	-	-	-	(35,881)	(137,813)	-	-	-	(137,813)
Balance 31.12.2021	2,964,262	-	69,961	-	3,034,223	5,980,352	11,092	-	-	5,991,444

31.12.2021					
	Investment securities measured at amortized cost				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Balance 17.4.2021	3,461,816	1,365	-	-	3,463,181
Changes for the period 17.04-31.12.2021					
Transfers to Stage 1 from Stage 2 or 3	-	-	-	-	-
Transfers to Stage 2 from Stage 1 or 3	-	-	-	-	-
Transfers to Stage 3 from Stage 1 or 2	-	-	-	-	-
New financial assets originated	612,620	-	-	-	612,620
Derecognition of financial assets	(124,524)	-	-	-	(124,524)
Interest on carrying amount before impairment	29,269	49	-	-	29,318
Changes due to modifications that did not result in derecognition	-	-	-	-	-
Write-off	-	-	-	-	-
Repayments and other movements	(196,966)	(,1414)	-	-	(198,380)
Asset held for sale	(14,095)	-	-	-	(14,095)
Balance 31.12.2021	3,768,120	-	-	-	3,768,120

Reconciliation of the allowance for expected credit losses

The tables below present the movement of the allowance for expected credit losses of Due from banks, Investment securities measured at fair value through other comprehensive income and Investment securities measured at amortized cost per IFRS 9 stage.

31.12.2021										
	Due from banks					Investment securities measured at fair value through other comprehensive income				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Balance 17.4.2021	860	-	69,961	-	70,822	14,011	232	-	-	14,243
Changes for the period 17.04-31.12.2021										
Transfers to Stage 1 from Stage 2 or 3	-	-	-	-	-	-	-	-	-	-
Transfers to Stage 2 from Stage 1 or 3	-	-	-	-	-	(354)	354	-	-	-
Transfers to Stage 3 from Stage 1 or 2	-	-	-	-	-	-	-	-	-	-
Net remeasurement of expected credit losses (a)	-	-	-	-	-	-	1,430	-	-	1,430
Impairment losses on new loans (b)	145	-	-	-	145	9,931	-	-	-	9,931
Change in risk parameters (c)	(805)	-	-	-	(805)	(332)	(199)	-	-	(531)
Impairment losses on investment Securities/ Due from Banks (a)+(b)+(c)	(660)	-	-	-	(660)	9,599	1,231	-	-	10,830
Derecognition of financial assets	-	-	-	-	-	(4,521)	-	-	-	(4,521)
Foreign exchange and other movements	3	-	-	-	3	(8)	-	-	-	(8)
Transfer of expected credit losses to Assets held for sale	-	-	-	-	-	(760)	-	-	-	(760)
Balance 31.12.2021	203	-	69,961	-	70,164	17,967	1,817	-	-	19,784

An additional income amounted at € 10 has been recognized in the allowance for expected credit losses of 2021 in Stage 1, which corresponds to the change of allowance for expected credit losses between the opening and the closing date resulting from the disposal of securities of FVOCI portfolio which has been agreed but not settled between these two dates. The aforementioned allowance for expected credit losses, depending on the securities valuation, is recognized in "Other assets" or "Other liabilities".

31.12.2021					
	Investment securities measured at amortized cost				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Balance 17.4.2021	11,099	4	-	-	11,103
Changes for the period 17.04-31.12.2021					
Transfers to Stage 1 from Stage 2 or 3	-	-	-	-	-
Transfers to Stage 2 from Stage 1 or 3	-	-	-	-	-
Transfers to Stage 3 from Stage 1 or 2	-	-	-	-	-
Net remeasurement of expected credit losses (a)	-	-	-	-	-
Impairment losses on new loans (b)	5,046	-	-	-	5,046
Change in risk parameters (c)	(485)	(4)	-	-	(489)
Impairment losses on investment Securities/ Due from Banks (a)+(b)+(c)	4,561	(4)	-	-	4,557
Derecognition of financial assets	(260)	-	-	-	(260)
Foreign exchange and other movements	3	-	-	-	3
Transfer of expected credit losses to Assets held for sale	(31)	-	-	-	(31)
Balance 31.12.2021	15,372	-	-	-	15,372

The following tables present the financial instruments exposed to credit risk by sectors of the counterparties.

FINANCIAL ASSETS EXPOSED TO CREDIT RISK - ANALYSIS BY INDUSTRY SECTOR

31.12.2021											
	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	11,403,708	-	-	-	-	-	-	-	-	-	-11,403,708
Due from banks	3,034,223	-	-	-	-	-	-	-	-	-	3,034,223
Loans and advances to customers	5,777,779	5,422,754	2,752,126	3,029,989	37,260	861,670	2,506,700	2,320,490	1,752,234	14,616,948	39,077,950
Derivative financial assets	309,292	24,449	68,308	1,308	501,852	52,527	1,077	403	1,000	-	960,216
Trading securities	-	-	-	-	3,819	-	-	-	-	-	3,819
Securities measured at fair value through other comprehensive income	1,144,373	409,375	22,684	113,971	4,132,428	-	-	-	188,397	-	6,011,228
Securities measured at amortized cost	180,729	27,665	-	7,633	3,527,762	-	-	-	24,331	-	3,768,120
Securities measured at fair value through profit or loss	13,239	-	-	724	-	-	-	-	-	-	13,963
Assets held for sale – Loans Portfolio	7,968	88,638	745,162	148,976	23,169	4,233	5,735	44,006	1,357,953	426,538	2,852,379
Assets held for sale – Other Receivables	14,802	-	-	-	-	-	-	-	-	38,094	52,896
Total amount of balance sheet items exposed to credit risk (a)	21,886,113	5,972,881	3,588,280	3,302,601	8,226,290	918,430	2,513,512	2,364,899	3,323,915	15,081,580	67,178,502
Other balance sheet items not exposed to credit risk	807,748	1,766	56,048	2	(1)	(1)	(1)	10,999	9,218,097	(1)	10,094,656
Total assets	22,693,861	5,974,647	3,644,328	3,302,603	8,226,289	918,429	2,513,511	2,375,898	12,542,013	15,081,579	77,273,158
Credit risk of exposures relating to off-balance sheet items:											
Letters of guarantee, letters of credit and other guarantees	613,344	812,551	859,791	499,471	190,768	66,216	10,996	57,352	329,215	73,850	3,513,554
Undrawn loan commitments	23,294	844,383	210,903	823,486	874	49,748	5,318	86,905	245,944	1,801,865	4,092,720
Total amount of off-balance sheet items exposed to credit risk (b)	636,638	1,656,934	1,070,694	1,322,957	-	115,964	16,314	144,257	575,159	-	7,606,274
Total credit risk exposures (a+b)	22,522,751	7,629,815	4,658,974	4,625,558	8,226,290	1,034,394	2,529,826	2,509,156	3,899,074	15,081,580	74,784,776

EXPOSURE IN CREDIT RISK FROM DEBT ISSUED BY THE GREEK STATE

The table below presents the Bank's total exposure in Greek State debt:

31.12.2021		
Portfolio	Nominal value	Carrying amount
Securities measured at fair value through other comprehensive income	2,337,046	2,453,392
Securities measured at amortized cost	2,588,930	3,088,894
Trading	3,578	3,819
Total	4,929,554	5,546,105

All Greek Government securities are classified in level 1 based on the quality of inputs used for the estimation of their fair value.

The Bank's exposure to Greek State from other, apart from securities, financial instruments is presented in the table below:

On balance sheet exposure

	31.12.2021
	Carrying amount
Derivative financial instruments-assets	501,852
Derivative financial instruments-liabilities	(2,387)

The Group's exposure in loans to public sector entities / organizations on 31.12.2021 amounted to € 34,865.

The Group has recognized allowance for expected credit losses for the above mentioned loans that amounts to € 554 as at 31.12.2021. In addition, the balance of the Group's loans guaranteed by the Greek State on 31.12.2021 amounted to € 7,791,890. The increase is due to the recognition of high repayment bonds (senior notes) of the Galaxy and Cosmos securitization (as mentioned in note 1 "Corporate transformation - Division by branch" and note 14 "Loans and receivables against customers"). Apart from these bonds, the rest also includes loans guaranteed by the Greek State either directly or through Joint Ministerial Decisions, loans guaranteed by Hellenic Development Bank SA. For these loans the Group has recognized allowance for expected credit losses amounting to € 70,265 as at 31.12.2021. It is noted that the carrying amount of loans with guarantee by the Covid-19 Guarantee Fund of the Hellenic Development Bank amounted to € 1,259,451 as at 31.12.2021.

Off balance sheet exposure

	31.12.2021	
Portfolio	Nominal value	Carrying amount
Greek Government Treasury Bills received as collateral for derivatives transactions	750,000	700,150
Greek Government Bonds received as collateral for funding purposes	245,638	275,626

43.2 Market risk

Market risk is the risk of losses arising from unfavorable changes in the value or volatility of interest rates, foreign exchange rates, stock exchange indices, equity prices and commodities. Losses may also occur either from the trading portfolio or from the Assets-Liabilities management.

More specifically:

- Interest rate risk is the risk that results from adverse changes in the value or volatility of interest rates.
- Foreign exchange risk is the risk arising from adverse changes in the value or volatility of foreign exchange rates.
- Equity risk is the risk arising from adverse changes in the value or volatility of equities or equity indices.
- Commodity risk is the risk arising from adverse changes in the value or volatility of commodities. The Group does not holds no material portfolio in such instruments.

i. Trading book

The Bank's Market Risk Management Policy elaborates on how market risk is managed within the Bank, i.e. the identification, measurement, monitoring and control of market risk inherent in Treasury assets and liabilities transacted by the Bank and the country local Treasury Management Units, as well as the determination that adequate capital is held against this type of risk. The ultimate objective of the Policy is to provide the framework and principles for the effective management of market risk, in order to:

- maintain market risk within the limits, in line with the Bank's risk appetite;
- reduce the risk of fraud or regulatory non-compliance by prescribing sound methodologies;
- ensure adequate controls to prevent significant losses;
- facilitate efficient decision-making by quantifying where possible the probabilities of failing to achieve earnings or other targets.

Market risk of trading portfolio is measured by Value at Risk – VAR, that is the maximum amount of loss with a given probability (confidence level). The method applied for calculating Value at Risk is historical simulation with full revaluation with 99% confidence level. The historical observation period is one year at minimum. Risk factor returns are calculated according to the absolute or relative approach.

The Bank calculates VAR on a daily basis and the data sets are updated daily. 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.

According to regulatory expectations a prospective and retrospective test is performed on a daily bases for the regulatory trading book of the Bank using hypothetical and actual results. The Bank monitors the numbers of days that the results exceed the respective risk limit.

1 day value at risk, 99% confidence interval (2 years historical data)

(Amounts in Euro)		2021				
	Foreign currency risk	Interest rate risk	Price risk	Comodity risk	Covariance	Total
31 December	1,611,800	3,408,959	44,742	24	(1,108,784)	3,956,741
Average daily value (annual)	2,090,985	4,212,795	39,290	49	(1,975,827)	4,367,292
Maximum* daily value (annual)	1,621,287	5,405,227		6	(1,636,901)	5,389,619
Minimum* daily value (annual)	2,734,122	3,976,011	72,839		(3,115,837)	3,667,135

* Relates to the total Value at Risk within the year.

The information above relate to the Bank. The subsidiaries and branches of the Group has limited trading positions, significant lower than those of the Bank. As a result the market risk of these positions is not significant.

The Value at Risk methodology is based on certain theoretical assumptions, which under extreme market conditions might not capture the maximum loss the Bank may suffer. The limitations of the methodology may be summarized as follows:

- VAR refers to the potential loss at a 99% confidence level, without considering any losses beyond that level
- Risk factor returns are assumed to follow the empirical distribution that was experienced during the historical observation period.

On a daily basis, a perspective and retrospective test of Value at Risk model is carried out, taking into account hypothetical and actual changes in the trading book's profit and loss. According to best practices, the model is validated by an independent unit at the Bank on an annual basis.

The Value at Risk 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 (stress-testing).

Within the scope of market risk control, open position, maximum loss (stop loss) and value at risk limits 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 FX options
- Interest rate risk regarding positions in bonds, Interest Rate Swaps, Interest Futures, Interest Options
- Price risk regarding positions in shares, index Futures and options, Commodity Futures and Swaps
- 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.

ii. The financial risks of the banking portfolio

The Market risk may derive, apart from the trading portfolio, from the structure of assets and liabilities and from the portfolio of loans and deposits of the Bank. This risk is the foreign exchange and interest rate risk.

a. Foreign currency risk

The Group takes on the risk arising from the fluctuations in foreign exchange rates.

The management of foreign currency position is centralized.

The policy of the Group is for the positions to be closed immediately using spot transactions or currency derivatives. In case that positions remain open, they are daily monitored in the context of the financial risk management policy and they are subject to limits.

The total open position arises from the net balance sheet position from the balance sheet assets and the derivatives forward position as presented in the following tables:

	31.12.2021								
	USD	GBP	CHF	JPY	RON	RSD	Other FC	Euro	Total
ASSETS									
Cash and balances with Central Banks	8,992	3,988	822	63	49,028	-	23,075	11,617,375	11,803,344
Due from banks	400,959	108,176	13,928	3,851	49,631	105	29,314	2,358,097	2,964,059
Trading securities	-	-	-	-	-	-	-	4,826	4,826
Derivative financial assets	-	-	-	-	-	-	-	960,216	960,216
Loans and advances to customers	2,567,289	471,672	291,938	4,820	1,200,574		96,904	32,231,626	36,864,822
Investment securities:									
- Measured at fair value through other comprehensive income	92,521	18,050			135,831		98,623	5,705,118	6,050,143
- Measured at amortized cost	-	-	-	-	-	-	-	3,752,748	3,752,748
- Measured at fair value through profit or loss	4,734	-	-	-	-	-	-	73,844	78,578
Investments in associates and joint ventures	-	-	-	-	-	-	-	68,194	68,194
Investment property	-	-	-	-	103,202	-	34,599	287,631	425,432
Property, plant and equipment	-	5,699	-	-	72,523	-	2,472	657,096	737,790
Goodwill and other intangible assets	-	137	-	-	3,593	-	1,327	472,752	477,809
Deferred tax assets	-	-	-	-	2,419	-	1	5,413,651	5,416,071
Other assets	6,906	27,781	102,052	1,689	17,856	-	221	1,332,762	1,489,267
Assets held for sale	-	-	-	-	-	-	576,556	801,970	1,378,526
Total Assets	3,081,399	635,503	408,739	10,423	1,734,657	105	863,093	65,737,905	72,471,825
LIABILITIES									
Due to banks and customers	2,859,254	269,876	125,127	1,043	1,391,053	26	418,337	55,937,330	61,002,047
Derivative financial liabilities	-	-	-	-	-	-	-	1,288,405	1,288,405
Debt securities in issue and other borrowed funds	4,300		21,005		16,097	-	12,880	2,552,589	2,606,871
Liabilities for current income tax and other taxes	-	-	-	-	-	-	-	24,407	24,407
Deferred tax liabilities	-	77	-	-	6,903	-		11,793	18,772
Employee defined benefit obligations	-	-	-	-	-	-	8	29,401	29,409
Other liabilities and Liabilities related to assets classified as held for sale	5,516	9,502	330	64	13,945	-	577,322	880,417	1,487,096
Provisions	1,725	15	1		(8,375)	-	(471)	168,830	161,725
Total liabilities	2,870,796	279,470	146,462	1,107	1,419,623	26	1,008,076	60,893,171	66,618,732
Net balance sheet position	210,604	356,033	262,277	9,317	315,033	79	(144,984)	4,844,734	5,853,093
Derivatives forward foreign exchange position	(175,363)	(311,194)	(185,848)	(10,738)	(272,309)	-	180,735	793,205	18,489
Total Foreign exchange position	35,241	44,839	76,429	(1,421)	42,724	79	35,752	5,637,940	5,871,582

The open foreign exchange position as at 31.12.2021 presents the following sensitivity analysis:

Currency	Exchange rate variation scenario against Euro (%)	Impact on net income before tax	Impact on Equity
USD	5% Depreciation EUR against USD	1,855	-
	5% Appreciation EUR against USD	(1,678)	-
GBP	5% Depreciation EUR against GBP	2,360	-
	5% Appreciation EUR against GBP	(2,135)	-
CHF	5% Depreciation EUR against CHF	4,023	-
	5% Appreciation EUR against CHF	(3,639)	-
RON	5% Depreciation EUR against RON	-	2,249
	5% Appreciation EUR against RON	-	(2,034)
RSD	5% Depreciation EUR against RSD	4	-
	5% Appreciation EUR against RSD	(4)	-
ALL	5% Depreciation EUR against ALL	-	(997)
	5% Appreciation EUR against ALL	-	902

b. Interest rate risk

Interest rate risk in the banking book relates to the volatility on Equity and interest income of the Bank due to the mismatch between the non-negotiable Assets-Liabilities and the measured at fair value through other comprehensive income portfolio. The interest rate risk management framework is determined in accordance with the Asset Liability Risk Management Policy. Based on this framework, the risk analysis of the Banking Portfolio is analyzed through the Interest Rate Gap Analysis. Particularly, assets and liabilities are classified in Gaps depending on their reprising date for floating-rate items, or maturity date for fixed rate items.

For those assets and liabilities with no maturity date, the distribution of flows is based on models of their behavior analysis. These models have been validated by the competent independent Division of the Bank. Interest rate risk management is carried out by ALCO, following proposals by the Asset -Liability Management Committee, treasury division and market division. Stress interest rate scenarios are carried out on a monthly basis and their impact on the interest income change through EAR (Earnings at Risk) and Equity Value through EVE (Economic Value of Equity) is calculated. Corresponding limits have been set for both measures (EaR & EVE) which are monitored and presented to ALCO and RMC on a regular basis.

The following table presents the Interest Rate Repricing Analysis of both Assets and Liabilities, financial and non financial.

	31.12.2021							
	< 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	> 5 years	Non-interest bearing	Total
ASSETS								
Cash and balances with Central Banks	11,485,488	-	-	-	-	-	317,857	11,803,345
Due from Banks	2,707,075	40,413	1,697	110	320	214,444	-	2,964,059
Trading securities	-	-	-	762	934	3,130	-	4,826
Derivative financial assets	960,216	-	-	-	-	-	-	960,216
Loans and advances to customers	11,762,534	10,179,457	3,380,538	835,712	6,551,535	4,155,046	-	36,864,822
Investment securities	-	-	-	-	-	-	-	-
- Measured at amortized cost	5,246	97,784	2,144	165,030	1,132,386	2,350,159	-	3,752,748
- Measured at fair value through other comprehensive income	73,665	356,016	482,761	633,108	2,820,950	1,683,643	-	6,050,143
- Measured at fair value through profit or loss	-	64,374	-	-	-	14,204	-	78,578
Investments in associates and joint ventures	-	-	-	-	-	-	68,267	68,267
Investment property	-	-	-	-	-	-	425,432	425,432
Property, plant and equipment	-	-	-	-	-	-	737,790	737,790
Goodwill and other intangible assets	-	-	-	-	-	-	477,809	477,809
Deferred tax assets	-	-	-	-	-	-	5,416,071	5,416,071
Other assets	-	-	-	-	-	-	1,489,194	1,489,194
Assets held for sale	-	-	-	-	-	-	1,378,526	1,378,526
Total Assets	26,994,223	10,738,044	3,867,140	1,634,722	10,506,125	8,420,626	10,310,946	72,471,825
LIABILITIES								
Due to banks	508,103	289,612	3,555	-	13,182,391	-	-	13,983,661
Derivative financial liabilities	1,288,405	-	-	-	-	-	-	1,288,405
Due to customers	11,070,115	4,287,431	2,819,632	3,626,422	16,857,540	8,357,246	-	47,018,386
Debt securities in issue held by institutional investors and other borrowed funds	655	-	201,253	-	1,916,678	488,285	-	2,606,871
Liabilities for current income tax and other taxes	-	-	-	-	-	-	24,407	24,407
Deferred tax liabilities	-	-	-	-	-	-	18,772	18,772
Employee defined benefit obligations	-	-	-	-	-	-	29,409	29,409
Other liabilities	-	-	-	-	-	-	879,439	879,439
Provisions	-	-	-	-	-	-	161,725	161,725
Liabilities related to assets held for sale	-	-	-	-	-	-	607,657	607,657
Total Liabilities	12,867,278	4,577,043	3,024,440	3,626,422	31,956,609	8,845,531	1,721,409	66,618,732
EQUITY								
Share capital	-	-	-	-	-	-	5,188,999	5,188,999
Share premium	-	-	-	-	-	-	1,044,000	1,044,000
Reserves	-	-	-	-	-	-	(105,816)	(105,816)
Amounts recognized directly in Equity related to assets held for sale	-	-	-	-	-	-	15,127	15,127
Retained earnings	-	-	-	-	-	-	(318,649)	(318,649)
Non-controlling interests	-	-	-	-	-	-	29,432	29,432
Hybrid securities	-	-	-	-	-	-	-	-
Total Equity	-	-	-	-	-	-	5,853,093	5,853,093
Total Liabilities and Equity	12,867,278	4,577,043	3,024,440	3,626,422	31,956,609	8,845,531	7,574,502	72,471,825
OPEN EXPOSURE	14,126,945	6,161,001	842,700	(1,991,700)	(21,450,485)	(424,906)	2,736,444	
CUMULATIVE EXPOSURE	14,126,945	20,287,946	21,130,646	19,138,946	(2,311,539)	(2,736,444)	-	

From the Interest Rate Gap Analysis and from the application of alternative scenarios regarding the changes in the market interest rates or the changes in the base interest rates of the Bank, the immediate change in the net interest income and equity relating to securities measured at fair value through other comprehensive income is directly calculated and the respective hedging instruments. In the Interest Rate Gap Analysis, the variance, up to the point it's feasible (interest rate equals to zero), is studied, according to the interest rate curves by currency in force.

Interest rate variation scenario (parallel fall or rise in yield curves)	Sensitivity for net interest income (annual)	Sensitivity of Equity
-200	(50,389)	+492,176
+200	+130,354	(416,379)

43.3 Liquidity Risk

Liquidity risk relates to Group's ability to maintain sufficient funds to cover its planned or extraordinary obligations.

Liquidity risk arises both from the possibility that cash outflows are insufficiently covered by cash inflows (funding liquidity risk) and from the possibility of non timely adjustment to changing market conditions resulting to not liquidating assets at the best price of the market (market liquidity risk).

For those assets and liabilities with no maturity date, the distribution of flows is based on models of their behavior analysis. These models have been validated by the competent independent Division of the Bank.

According to Group's Liquidity Risk Management Policy, the Board Risk Management Committee assigns the overall responsibility for overseeing asset and liability management to Asset – Liability Committee (ALCo). ALCo is responsible on one hand to monitor the quantitative and qualitative aspects of liquidity risk and on the other hand to ensure that appropriate policies and procedures are in place to control and limit liquidity risk. In addition to that, ALCo is responsible for approving the guidelines, principles, risk measurement techniques and limits that have been proposed by the Group Market and Operational Risk Division, Financial Markets Division and Asset Liability Management Division.

Group's executive and senior management is informed on current liquidity risk exposures on a daily basis, ensuring that the Group's liquidity risk profile stays within approved limits. Moreover, management receives on a daily basis a liquidity report, which presents a detailed analysis of Bank's funding sources and counterbalancing capacity. Among others, for the purpose of proper management of liquidity risk and in line with supervisory requirements, the Bank monitors and manages on a monthly basis, the amount, quality and concentration of counterbalancing capacity, the cash flows arising from assets and liabilities (inflows, outflows – maturity ladder) over time, the concentration and cost of funding, the rollover of funding.

Following the hive down, the Liquidity Coverage Ratio and Net Stable Funding Ratio are calculated on a monthly and quarterly basis, respectively, on a standalone basis for the Bank and on a consolidated basis for Alpha Services and Holdings SA, for which details are included in the respective notes.

Stress tests are carried out on a monthly basis and/ or more frequently, for liquidity purposes, in order to assess potential outflows (contractual or contingent) to determine the level of immediate liquidity available to cover the Bank's needs. These tests are carried out according to the approved, Liquidity Buffer and Liquidity Stress Scenario Policy of the Group and evaluate the risk in idiosyncratic extraordinary events (idiosyncratic stress test) in the Bank's liquidity, in systemic (systemic stress test) as well as combined events (combined stress test), while it has to be noted that stress tests are also used in order to determine the Liquidity buffer for recovery purposes.

Taking into account that liquidity risk management seeks to ensure that the respective risk of the Group is measured properly and is maintained within acceptable levels, even under adverse conditions, then the Group must have access to funds in order to cover customer needs, maturing liabilities and other capital needs, while maintaining at the same time the appropriate counterbalancing capacity to ensure the above.

More analytically, the total funding can be divided into two main categories:

A. Customer Deposits

1. Customer deposits on demand for cash flow needs

Deposits that are intended to meet short term needs of customers are the savings accounts and the sight deposits. Although these deposits may be withdrawn on demand, the number of accounts and type of depositors ensure that unexpected significant fluctuations are limited. Therefore, these deposits constitute a significant factor of stability of the deposit base.

2. Customer term deposits and bonds for investment purposes

The customer term deposits and bonds for investment purposes issued by the Group companies usually consist of customer deposits for a certain period and customer repurchase agreements (repos), whereas the bonds issued by the Group companies are disposed through outright sale. Customers have the ability of early withdrawal of deposits or early liquidation of bonds which may result in potential need of finding alternative liquidity in case of extensive outflows.

For this purpose and for the general safety of customer deposits, the Bank takes care for the existence of adequate liquidity surpluses which are calculated based on stress testing exercises due to loss of liquidity or the existence of sufficient credit lines of financial instruments as shown below.

B. Wholesale funding

1. Medium-term borrowing from international capital markets

The Bank's constant aspiration is to cooperate with international investors who may offer medium term financing through purchase of securities issued by the Group companies. For this purpose, the Bank retains special financing programs appealing to international investors and provides adequate coverage of credit needs through international capital markets by planning asset level needs on an annual basis. However, the Bank acknowledges that the demand of these bonds may not be enough to fully meet the needs in specific time intervals as a result of factors which concern the credit assessment in the domestic and international economic environment.

2. Funding by Central Banks

An alternative way of Bank funding is the liquidity from financial instruments of the Central Banks- Euro system and especially from the European Central Bank (ECB). This funding regards loan granted with pledge of assets according to instructions and the eligible assets determined by the ECB. During the last years this additional source funding has become a major financial instrument by hedging the inadequate or loss of basic forms of Bank funding. Furthermore, under the period on which Greece is under the restructuring program of economy and fiscal improvement of financial figures and simultaneously servicing financing needs of the network of institutions that have the supervision of the program, the Bank can use available assets in order to increase liquidity from the Euro system to cover any financing gap. The Bank recognizes the long-term nature of this liquidity source and pursues gradually to release, if circumstances allow. However, for as long as the country is experiencing financial and economic crisis, the Bank ensures the smooth financing from these financial instruments which may be either conventional marginal lending from the ECB (MRO), or Emergent Liquidity Assistance from Bank of Greece (ELA). 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 Euro system.

The announcements of the European Central Bank, on the dates 7.4.2020, 22.4.2020 and 10.12.2020, regarding a broad set of policy measures, in order to mitigate the economic impact of the coronavirus pandemic, are still in force. Among these measures was the waiver to accept Greek sovereign debt instruments as collateral in Eurosystem credit operations. Greek Treasury Bills and Greek Government Bonds, are eligible to be used as collateral for ECB financing, even though they do not meet minimum ECB rating requirements. According to ECB, these measures recognize the recent progress achieved by the Hellenic Republic and the Greek banking system from the economic fallout of the pandemic, and helps funding access across the euro area.

Already from 24.6.2020, the Bank participated in the TLTRO III program which provides long-term financing with a conventional negative interest rate -0.5%. It is noted that the financing rate of this program can be set at -1% for the period from June 2020 to June 2022, provided that specific goals have achieved, regarding the amount of the Bank's loans granted for individual periods. In particular:

- If the amount of loans granted under the program, for the period March 2020 - March 2021, remains at the levels of March 2020, the interest rate will be -1% for the period June 2020 - June 2021 and -0.5% for the remaining duration of the financing.
- In addition, if the loans granted for the period October 2020 - December 2021 remain at the levels of October 2020, the borrowing rate can be set at -1% for the period June 2021 - June 2022.

Moreover, following the announcement of 10.12.2020, three additional dates for participation in this program were added (June, September and December 2021) and the borrowing allowance under TLTRO III was increased from 50% to 55% of eligible loans.

European System funding amounted to € 12.9 billion on 31.12.2021, derived exclusively from the Targeted longer-term refinancing operations (TLTRO-III). Through the financing of this program, the Bank managed to extend the time horizon of its financing into long-term loans as well as to improve the pricing conditions in relation to the repurchase agreements, which in 2021 decreased by 0.25 billion

According to the Liquidity Gap Analysis, the cash flows arising from balance sheet items are calculated and classified into time periods in accordance with the contractual maturity date or an estimated date based on a statistical analysis (convention). An

exception to the above, are the securities portfolios, which can contribute directly to raise liquidity, and they are allocated in the first period under the condition they have not been used to raise liquidity either by the Central Bank or through interbank repos.

	31.12.2021					
	< 1 month	1 to 3 months	3 to 6 months	6 to 12 months	> 1 year	Total
ASSETS						
Cash and balances with Central Banks	11,803,344	-	-	-	-	11,803,344
Due from Banks	2,707,075	40,413	1,697	110	214,764	2,964,059
Trading securities	4,826	-	-	-	-	4,826
Derivative financial assets	960,216	-	-	-	-	960,216
Loans and advances to customers	810,043	1,208,945	1,188,218	2,741,236	30,916,380	36,864,822
Investment securities						
- Measured at amortized cost	-	-	-	127,708	3,625,040	3,752,748
- Measured at fair value through other comprehensive income	6,050,143	-	-	-	-	6,050,143
- Measured at fair value through profit or loss	78,578	-	-	-	-	78,578
Investments in associates and joint ventures	-	-	-	-	68,267	68,267
Investment property	-	-	-	-	425,432	425,432
Property, plant and equipment	-	-	-	-	737,790	737,790
Goodwill and other intangible assets	-	-	-	-	477,809	477,809
Deferred tax assets	-	368,125	-	46,063	5,001,883	5,416,071
Other assets	-	-	-	-	1,489,194	489,194
Assets held for sale	-	103,131	54,643	1,220,752	-	1,378,526
Total Assets	22,414,225	1,720,614	1,244,558	4,135,869	42,956,559	72,471,825
LIABILITIES						
Due to banks	316,564	5,315	11,635	77,742	13,572,405	13,983,661
Derivative financial liabilities	1,288,405	-	-	-	-	1,288,405
Due to customers	7,611,756	4,456,161	3,072,728	4,132,613	27,745,128	47,018,386
Debt securities in issue held by institutional investors and other borrowed funds	-	-	1,674	-	2,605,197	2,606,871
Liabilities for current income tax and other taxes	-	-	-	24,407	-	24,407
Deferred tax liabilities	-	-	-	18,772	-	18,772
Employee defined benefit obligations	-	-	-	-	29,409	29,409
Other liabilities	-	-	-	-	879,439	879,439
Provisions	-	-	-	-	161,725	161,725
Liabilities related to assets held for sale	-	-	-	-	607,657	607,657
Total Liabilities	9,216,725	4,461,476	3,086,037	4,253,534	45,600,960	66,618,732
EQUITY						
Share capital	-	-	-	-	5,188,999	5,188,999
Share premium	-	-	-	-	1,044,000	1,044,000
Reserves	-	-	-	-	(105,816)	(105,816)
Amounts recognized directly in Equity related to assets held for sale	-	-	-	-	15,127	15,127
Retained earnings	-	-	-	-	(318,649)	(318,649)
Non-controlling interests	-	-	-	-	29,432	29,432
Hybrid securities	-	-	-	-	-	-
Total Equity	-	-	-	-	5,853,093	5,853,093
Total Liabilities and Equity	9,216,725	4,461,476	3,086,037	4,253,534	51,454,053	72,471,825
OPEN EXPOSURE	13,197,500	(2,740,862)	(1,841,479)	(117,665)	(8,497,494)	
CUMULATIVE EXPOSURE	13,197,500	10,456,638	8,615,159	8,497,494	-	

Trading and Investment portfolios measured at fair value through profit or loss and through other comprehensive income are listed based on their liquidity potential and not according to their maturity.

Cash flows arising from financial liabilities including derivative financial liabilities, are allocated into time bands according to their maturity date. Estimated interest payments are also included. Liabilities in foreign currency have been converted into Euro. Outflows and inflows relating to derivatives are estimated according to their contractual terms.

	31.12.2021						
	Total Balance Sheet	Nominal inflows / (outflows)					Total
		to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	More than 1 year	
Liabilities- non-derivative							
Due to banks	13,983,661	(310,986)	5,482	4,253	(45,899)	(13,445,692)	(13,792,843)
Due to customers	47,018,386	(7,612,900)	(4,458,582)	(3,076,996)	(4,143,064)	(27,827,563)	(47,119,105)
Debt securities in issue and other borrowed funds	2,607,023	(7,285)	(13,859)	(23,039)	(43,183)	(2,766,305)	(2,853,671)
Other liabilities	879,356	-	-	-	-	(879,356)	(879,356)
Derivative held for assets fair value hedge	926	-	-	-	-	-	-
- Outflows	-	-	(19,256)	(138)	(135)	-	(19,529)
- Inflows	-	-	18,721	-	597	-	19,318
Derivatives held for liabilities fair value hedge	11,351	-	-	-	-	-	-
- Outflows	0	0	(2,452)	0	0	(13,889)	(16,341)
- Inflows	0	0	2,162	1,999	3,444	9,962	17,567
Derivatives held for trading	1,276,130	-	-	-	-	-	-
- Outflows	-	(279,507)	(641,803)	(144,403)	(178,858)	(1,429,995)	(2,674,566)
- Inflows	-	275,776	574,506	89,148	170,084	991,950	2,101,464
Total	65,776,833	(7,934,902)	(4,535,081)	(3,149,176)	(4,237,013)	(45,360,889)	(65,217,062)
Off Balance sheet items							
Undrawn loan commitments which can't be recalled (committed)	-	(206,863)	-	-	-	-	(206,863)
Financial guarantees	-	81,715	55,456	99,466	304,816	1,716,907	2,258,360
Total off Balance sheet items	-	(125,148)	55,456	99,466	304,816	1,716,907	2,051,497

43.4 Fair value of financial assets and liabilities

Fair value hierarchy of financial instruments that are not measured at fair value

	31.12.2021				
	Level 1	Level 2	Level 3	Total fair value	Total Carrying amount
Financial Assets					
Loans and advances to customers	-	-	36,039,901	36,039,901	36,665,126
Investment securities					
- Measured at amortized cost	2,268,741	1,447,110	-	3,715,851	3,752,748
Financial liabilities					
Due to customers	-	-	46,999,157	46,999,157	47,018,386
Debt securities in issue and other borrowed funds	1,402,339	1,210,637	-	2,612,976	2,606,871

For the calculation of the fair value of loans that are valued on individual level, capital repayment assumptions are used after deducting the estimated loss due to the credit risk. The discount rate of impaired loans is the interbank market interest rate, liquidity premium, operating cost and capital requirement.

The fair value of bonds classified as Loans and valued at amortized cost is calculated using a discount model of conventional future cash flows until maturity, taking into account their credit risk.

The fair value of deposits is estimated based on the interbank market yield curve and the liquidity premium until their maturity.

Level 1 includes securities and debt securities in issue that are traded in active markets.

Level 2 includes securities and debt securities in issue, the fair value of which, is determined based on non-binding market prices provided by dealers-brokers or through the use of discounted cash flow methodologies such (income approach) using interest rates and credit spreads which are observable in the market.

The fair value of the remaining financial assets and liabilities which are measured at amortised cost and include mainly due from banks and central banks as well as due to banks, does not differ materially from their respective carrying amount.

Fair Value hierarchy - financial assets and liabilities measured at fair value

	31.12.2021			
	Level 1	Level 2	Level 3	Total fair value
Derivative financial assets	321	959,895	-	960,216
Trading securities				
- Bonds and Treasury bills	3,819	-	-	3,819
- Shares	1,007	-	-	1,007
Securities measured at fair value through other comprehensive income				
- Bonds and Treasury bills	5,906,325	84,232	886	5,991,443
- Shares	20,915	-	37,785	58,700
Securities measured at fair value through profit or loss				
- Bonds and Treasury bills	-	-	13,962	13,962
- Other variable yield securities	6,742	25,434	-	32,176
- Shares	-	22,248	10,191	32,439
Loans measured at fair value through profit or loss	-	-	159,696	159,696
Other Receivables measured at fair value through profit or loss	-	-	40,000	40,000
Derivative financial liabilities	1	1,288,404	-	1,288,405

The above tables present the fair value hierarchy of financial instruments measured at fair value by the level of the fair value hierarchy into which the fair value measurement is categorized.

Level 1 includes securities which are traded in an active market and exchange-traded derivatives.

Level 2 includes securities whose fair value is calculated based on non-binding market prices provided by dealers-brokers or securities whose fair value is estimated based the income approach methodology with the use of interest rates and credit spreads which are observable in the market.

Level 3 includes securities whose fair value is estimated using significant unobservable inputs.

The valuation methodology of securities is subject to approval by the Treasury and Balance Sheet Management / Assets Liabilities Management Committees. It is noted that specifically for securities whose fair value is calculated based on market prices, bid prices are considered and daily checks are performed with regards to their change in fair value.

Shares whose fair value is estimated are classified to Level 2 or Level 3, depending on the extent of the contribution of unobservable data to the calculation of the final fair value. The fair value of non-listed shares, as well as shares not traded in an active market is determined either based on the Group's share on the issuer's equity or by the multiples valuation method or the estimations made by the Group regarding the future profitability of the issuer taking into account the expected growth rate of its operations, as well as the weighted average rate of capital return which is used as discount rate.

For the valuation of over the counter derivatives income approach methodologies are used: discounted cash flow models, option-pricing models or other widely accepted financial valuation models.

The valuation methodology of the over the counter derivatives is subject to approval by the Treasury and Balance Sheet Management / Assets Liabilities Management Committees. Mid prices are considered as both long and short positions may be open. Valuations are checked on a daily basis with the respective prices of the counterparty banks in the context of the daily process of provision of collaterals and settlement of derivatives. If the non-observable inputs are significant, the fair value that arises is classified as Level 3 or otherwise as Level 2.

We note that the reference rate in the discount rate of interest rate derivatives in euro (interest rate swaps) that are cleared centrally, changed from Euro overnight index average (EONIA) to Euro short term rate (€ STR). Due to the change in valuation methodology the fair value of the derivatives was changed and at the same time a compensation amounting to €2,933 was collected and recognized in gains less losses on financial transactions, so that there is no transfer of value between the two parties.

In addition, the Group calculates the credit valuation adjustment (CVA) in order to take into account the counterparty credit risk for the OTC derivatives. In particular, taking into consideration its own credit risk, the Group calculates the bilateral credit valuation adjustment (Bilateral CVA/BCVA) for the OTC derivatives held on a counterparty level according to netting and collateral agreements in force. BCVA is calculated across all counterparties with a material effect on the respective derivative fair values taking into consideration the default probability of both the counterparty and Group, the impact of the first to default, the expected OTC derivative exposure, the loss given default of the counterparty and of Group and the specific characteristics of netting and collateral agreements in force.

Collaterals are simulated along with the derivative portfolio exposure over the life of the related instruments. Calculations performed depend largely on observable market data. Market quoted counterparty and Bank's CDS spreads are used in order to derive the respective probability of default, a market standard recovery rate is assumed for developed market counterparties, correlations between market data are taken into account and subsequently a series of simulations is performed to model the portfolio exposure over the life of the related instruments. In the absence of observable market data, the counterparty probability of default and loss given default are determined using the Bank's internal models for credit rating and collateral valuation.

A breakdown of BCVA per counterparty sector and credit quality, as defined for the presentation purposes of the table "Loans by credit quality and IFRS 9 Stage" is given below:

	31.12.2021
Category of counterparty	
Corporates	(904)
Governments	(11,144)

	31.12.2021
Hierarchy of counterparty by credit quality	
Strong	(246)
Satisfactory	(11,802)

The table below presents the valuation methods used for the measurement of Level 3 fair value:

	31.12.2021			
	Total Fair Value	Fair Value	Valuation Method	Significant Non-observable Inputs
Bonds measured at fair value through other comprehensive income	886	886	Based on issuer price / Cash flow discount with an estimate of the bond yield	Issuer price
Shares measured at fair value through other comprehensive income	37,785	37,785	Discounted cash flows / Multiples valuation	Future profitability of the issuer, expected growth / Valuation ratios / Average weighted cost of capital
Bonds measured at fair value through profit or loss	13,962	13,962	Based on issuer price / Discounted cash flows with estimation of credit risk	Issuer price / Credit spread
Shares measured at fair value through profit or loss	10,191	10,191	Discounted cash flows / Multiples valuation method / Expected transaction price	Future profitability of the issuer, expected growth / Valuation ratios
Loans measured at fair value through profit or loss	159,696	159,696	Discounted cash flows with interest being the underlying instruments, taking into account the counterparty's credit risk	Expected loss and cash flows from counterparty' credit risk
Other receivables measured at fair value through profit or loss	40,000	40,000	Discounted cash flows of the underlying receivables portfolio	Cash Flows from the management of the underlying receivables portfolio

The Group recognizes the transfer between fair value hierarchy Levels at the end of each reporting period.

During the year, corporate bonds of Greek issuers were transferred from Level 2 to Level 1 in the total amount of €22,155 due to the formation of the liquidity margin (bid-ask spread) outside the limit set for the classification of the market as active.

A reconciliation for the movement of financial assets measured at fair value in Level 3 is depicted below:

	31.12.2021			
	Assets			
	Securities measured at fair value through other comprehensive income	Securities measured at fair value through profit or loss	Loans measured at fair value through profit or loss	Other receivables measured at fair value
Balance 17.4.2021	33,341	23,206	262,447	40,321
Total gain or loss recognized in Income Statement	(38)	921	(28,500)	(321)
- Interest		515	5,712	
- Gains less losses on financial transactions	(38)	406	(34,212)	(321)
- Impairment losses				
Total gain/ (loss) recognized in Equity-Reserves	6	-	-	-
Total gain or loss recognized in Equity-Retained Earnings	7,439	-	-	-
Purchases / Disbursements	325	185	5,756	8,599
Repayments	(2,402)	(159)	(80,007)	(8,599)
Balance 31.12.2021	38,671	24,153	159,696	40,000
Gain/(loss) included in the income statement and relate to financial instruments included in the balance sheet at the end of the reporting period 31.12.2021	(37)	985	(39,742)	-
- Interest		515	4,704	-
- Gains less losses on financial transactions	(37)	469	(44,446)	-

Other receivables measured at fair value through profit or loss relate to a receivable from a variable consideration of €40,000.

A sensitivity analysis of financial instruments classified at Level 3 whose valuation was based on significant unobservable data as at 31.12.2021 is presented below.

	Significant Non-observable inputs	Quantitative information on non-observable inputs	Non-observable inputs change	Total effect in income statement		Total effect in Equity	
				Favourable variation	Unfavourable variation	Favourable variation	Unfavourable variation
Derivative Financial Assets	Assessment of the adequacy of reserves for the payment of hybrid securities dividends	From 2024 to maturity, probability 100%	Increase the probability of dividend payments to 100%		(504)		
Bonds measured at fair value through other comprehensive income	Issuer price	Issuer price equal to 98.25%	Variation +/-10% in issuer price			89	(89)
Shares measured at fair value through other comprehensive income	Future profitability of issuer, expected growth / Valuation indexes Average cost of capital	Valuation indexes P/BV 0.43x	Variation +/-10% in valuation indexes P/BV & E /Sales Varied WACC by ±1%			269	(269)
Bonds measured at fair value through profit or loss	Issuer price/ credit spread – Discount cashflows	Issuer Price equal to 92% Average credit spread equal to 901 bps	Change of +/- 10% in the issuer price, +/- 10% in the adjustment due to estimated credit risk	1,146	(1,137)		
Loans and advances to customers measured at fair value through profit or loss	Expected credit loss and cash flows from credit risk of the counterparty	Average credit spread and liquidity premium equal to 30.24%	Variation of the expected cashflows by +/-10% on loans individually assessed	3,016	(3,016)		
	Discount cash flow*	Recoverability of cash flows	Change in cash flow recoverability ratio, Cost of capital discount rate	517	(1,298)		
Other receivables measured at fair value through profit or loss	Cash flows from management of subject receivables portfolio	Value of property collateral € 607.6 mil. And third-party receivables € 42.4 mil.	Variation +/-4% to property collateral valuation. Variation +/- 33% to third party receivables	9,000	(7,000)		
Shares measured at fair value	Valuation indexes	Adjustment of cash flows discount based on the Buyer's business plan (expected average percentage of completion 90%)	Business plan percentage of completion: application of scenarios of change of the expected cash flows of BP by +/-35%	1,870	(2,731)		
Total				12,523	(14,388)	358	(358)

*Relates to Galaxy and Cosmos bonds recognized as Loans and advances at fair value through profit and loss

There are no interdependencies between the non-observable data that significantly affect the fair value.

43.5 Transfers of financial assets

The Group in its ordinary course of business, transfers financial assets. In cases that, despite the fact that the contractual right to receive cash flows has been transferred, the risks and rewards remain to the Group, these assets continue to be recognized on the balance sheet.

On 31.12.2021 the financial assets that have not been derecognized, despite the contractual transfer of their cash flows, derive from the following categories:

a. Securitisation of financial assets

The Group possesses corporate, shipping, retail loans and credit cards and the subsidiary entity Alpha Leasing SA possesses receivables from operating leases which have been securitized in order to draw liquidity.

In the context of these securitization transactions, these assets have been transferred to special purpose entities fully consolidated by the Group which have issued bonds. The securitized financial assets continue to be recognized in loans and advances to customers as the Group retains all risks and reward associated with them. This is justified by several factors, which include the full consolidation of the special purpose entities, own-held of the notes issued and the right to receive the deferred consideration from the transfer. As a result of the holding of the notes by the Group, there is substantially no liability associated with the transfer. The book value of the securitized receivables at 31.12.2021 amount to € 1,398,364.

In addition, on 28.06.2021 the Group proceeded to the securitization of Non Performing Loans, which were transferred to the fully consolidated Special Purpose Vehicle "Gemini Core Securitisation DAC" based in Ireland and established for this purpose, which in turn issued notes. The loans continue to be recognized on the Balance Sheet of the Group since the Group retains all risks and rewards due to the own-held of the notes issued by the special purpose entity. The book value of these loans at 31.12.2021 amounts to € 4.526.627, and there is practically no liability from the transfer.

b. Sale and repurchase agreements of debt securities

The Group as at 31.12.2021, has transferred certain Greek Government Bonds and Treasury Bills, bonds of other issuers and other sovereign bonds under Repurchase Agreements. Specific notes continue to be recognized on the investment and trading portfolio of the Group and the related amounts are presented below.

	31.12.2021				
	Securities measured at fair value through other comprehensive income			Securities measured at amortized cost	Trading portfolio securities
	Greek Government Bonds & Treasury Bills	Other Sovereign Bonds	Other Issuers' Bonds	Greek Government Bonds & Treasury Bills	Greek Government Bonds & Treasury Bills
Carrying amount of transferred securities	11,400	-	18,869	256,473	-
Carrying amount of related liability	(10,963)	-	(15,178)	(245,905)	-
Fair value of transferred securities	11,400	-	18,869	259,002	-
Fair value of related liability	(10,963)	-	(15,178)	(245,905)	-
Net Position	436	-	3,690	13,096	-

43.6 Offsetting financial assets – liabilities

The following tables present derivative transactions under International Swaps and Derivatives Association (ISDA) contracts, which are signed with credit institutions as counterparties, as well as repurchase agreements for which a global master repurchase agreement is in force. In accordance with these contracts, the Group is able to offset its assets and liabilities relating to a counterparty in case of a credit default.

Financial assets subject to offsetting

	31.12.2021					
	Gross amount of recognized financial assets	Gross amount of recognized financial liabilities offset	Net amount of financial liabilities presented in the balance sheet	Related amounts not offset		Net Amount
				Financial instruments	Cash collateral given	
Derivatives	792,535	-	792,535	(230,320)	(8,907)	553,308
Reverse repos	884,104	100,828	783,276	(292,907)	(3,347)	487,022

Financial liabilities subject to offsetting

	31.12.2021					
	Gross amount of recognized financial liabilities	Gross amount of recognized financial assets offset	Net amount of financial liabilities presented in the balance sheet	Related amounts not offset		Net Amount
				Financial instruments	Cash collateral given	
Derivatives	1,259,079	-	1,259,079	(230,320)	(1,026,197)	2,562
Reverse repos	408.881	100.828	308,054	(292.912)	(40)	15.102

Reconciliation of the net amount of financial assets and liabilities presented in the balance sheet

31.12.2021				
	Note	Net amount presented in the balance sheet	Carrying amount of financial assets in the balance sheet	Financial assets not in scope of offsetting disclosures
Type of financial asset				
Derivative financial instruments	18	792,535	960,216	167,681
Reverse repos	16	783,238	783,238	-

31.12.2021				
	Note	Net amount presented in the balance sheet	Carrying amount of financial liabilities in the balance sheet	Financial assets not in scope of offsetting disclosures
Type of financial liability				
Derivative financial instruments	18	1,259,079	1,288,405	29,326
Repos	27	308,054	308,054	-

In addition, it is disclosed that within the framework of the abovementioned contracts, apart from the cash collateral received, securities of nominal amount of € 750.000 have been used as collateral.

43.7 Disclosures on interest rate benchmark reform

As of January 2022, the London Interbank Interest Rate (LIBOR), one of the main and most important interest rate benchmarks used in global financial markets, has been abolished or ceased to be representative. Specific LIBORs indexes in English pounds (GBP) and Japanese Yen (JPY) benchmarks, following instructions from the UK Financial Conduct Authority, will continue to be published using a different calculation methodology known as "Synthetic", for a limited period of time, in order to facilitate the transition. In addition, the continuation of some specific durations of LIBORs benchmarks in US Dollar (USD) until June 30, 2023 has the sole purpose of supporting the transition of existing products (legacy products).

The Group took all the necessary measures for the timely preparation of the transition to the new alternative reference rates. More specifically, it proceeded with the following actions:

- Creation of a detailed road map with all the necessary actions that the Group had to implement to prepare for the transition.
- Establishment of an Internal Working Group with the participation of several Divisions which covered all the involved work areas under the coordination of a PMO.
- Establishment of a Steering Committee including members the Directors of core Divisions whose work was considered crucial for the completion of the project, which closely monitored the transition to the new alternative reference rates, informing the Assets Management Committee of the Bank about the progress and the challenges of the transition.
- Continuous monitoring of developments resulting from the National Working Groups to address structural and legal challenges.
- Cooperation with supervisory authorities and bodies of the sector, aiming to ensure a smooth transition for the Group and its customers.

Indicatively, the main actions that took place are mentioned:

- The Group's exposure to financial products inside and outside the Balance Sheet that are related to these reference interest rates and had maturities after 1/1/2022 was quantified.
- A transition strategy was created for contracts brought by LIBORs which expired or ceased to be representative on 1/1/2022, based on guidelines from the National Working Groups and the supervisory authorities
- The Legal Services made the necessary amendments to the relevant contracts to be compatible with the new reference rates and local law by forming fallback clauses.
- The Group proceeded to a new configuration of all IT systems, depending on the needs, in collaboration with the vendors and in accordance with the operational requirements of the units involved to support the new reference interest rate.
- The Group informed in advance its clientele about the transition from LIBOR by uploading on its website all the relevant information updating their content on an ongoing basis. In addition, personalized information was provided to customers with contracts that were directly affected by the transition to the new alternative interest rates

On August 27, 2020, the International Accounting Standards Board amended IFRS 9, IAS 39 and IFRS 7 in the context of the 2nd phase of the project to address the accounting issues that arise due to the interest rate reform. These amendments are effective from 1.1.2021 and the basic powers they provide are as follows:

- Changes in contractual cash flows: When changing the basis for calculating the cash flows of financial receivables and liabilities, the changes required by the interest rate reform do not lead to a recognition of a gain or loss on the balance sheet but to an income statement.
- Hedge accounting: changes in the hedging documentation resulting from interest rate reform do not result in termination of the hedging relationship or the commencement of a new relationship provided that they relate to changes permitted by the 2nd amendment.

The adoption of the above amendments did not have an impact on the Group's financial statements as on the one hand the Group makes use of the option provided regarding changes in contractual cash flows, and on the other hand the hedging instruments used in hedging relationships have Euribor as the reference interest rate. remains in force and is not replaced by any alternative interest rate.

The table below presents the Group's report by significant reference interest rate on derivative and non-derivative financial assets and liabilities that as 31.12.21 have not yet switched to the alternative reference rates.

	Financial assets		Derivatives
	Loans	Securities	
USD Libor	2,659,511	15,464	529,556
CHF Libor	1,275,211	-	-
GBP Libor	344,720	-	-
JPN Libor	21,995	-	-
Total	4,301,437	15,464	529,556

The amounts of the financial assets of the Assets that are disclosed are the customer balances, while the derivatives are disclosed in nominal values.

43.8 Assessment of the impact of the conflict between Russia and Ukraine and the ensuing sanctions

Alpha Bank Group closely monitors the effects of the conflict and the ensuing sanctions to assess the medium-term effects on the country, its customers and its financial system. At household level, disposable income is expected to be affected by inflationary pressures due to the overall increase in energy prices which will consequently lead to an increase in the cost of producing consumer goods.

Regarding the readiness and ability of the Group to apply sanctions, the terms of the restrictive measures vary in terms of their classification depending on the type of transaction / range, currency, country, Banks, customers, and Organization that imposes them. The responsible Divisions of the Group are to proceed with the adjustment of the operating procedures in a short period of time, for the Group to fully comply with the relevant obligations and instructions. In addition, after examining the list of suppliers and the active contracts of the Group, there is no dependence on the part of the supplier with any company from the countries directly involved in the conflict.

Alpha Bank Group implements a strong Cyber Risk mitigation program based on International Standards. Additional measures are in place to effectively monitor and respond to potential cyber-risk incidents

As the Russia / Ukraine conflict continues to evolve, any impact assessment is premature. However, the Group has an established and robust "Unlikeliness to Pay (UTP)" process for assessing borrowers' viability and long-term ability to repay. The UTP process takes place during the periodic review of the existing limits, upon request for new lending, upon extraordinary requests, upon notification of the Wholesale Banking Credit Board or when considering a request for modification and the corresponding implementation for Retail Banking. The UTP process in combination with the mechanism of the Early Warning System that exists, ensure the timely detection of events by the Group, at the level of the borrower (legal entities and individuals) and the portfolio, as well as the relevant actions to be taken to manage of these borrowers.

Romania

Alpha Bank Romania has a very limited exposure in the respective region. From a transactional point of view, Alpha Bank Romania has no correspondent banking relationship with entities in Russia or Ukraine. Payment flows (incoming and outgoing) are not substantial, representing 0.37% of the total number of payments and 0.96% of the total volume of payments. The total deposits amount to €1.83 million, representing approximately 0.10% of the bank's deposit base. In terms of credit risk exposure, the total amount is about €13.14 million, which represents roughly 0.48% of the subsidiary's loan portfolio.

Cyprus

The Cypriot economy will be affected to a moderate to marginally significant degree, as:

- the financial (the majority of local banks) and the corporate sector maintain strong ties with customers related to Russia, while
- there is also significant dependence on its markets.

The level of impact of the Russia / Ukraine conflict depends on the level of escalation and duration of the conflict as well as the degree of the international response to resolving it.

Alpha Bank Cyprus's exposure to Russian / Ukrainian borrowers is not considered significant (6.7 million after Project Sky).

London

Alpha Bank London is not active in the area, so the Russia / Ukraine conflict is not expected to have direct impact.

Albania

Alpha Bank Albania has very limited exposure in the area, which is "held for sale", so the Russia / Ukraine conflict is not expected to have direct impact.

44. Capital Adequacy

Following the hive down, the Capital Adequacy ratios are calculated on a three month basis as provided by the Regulation (EU) 575/2013, on a standalone basis for the Bank and on a consolidated basis for the Group of Alpha Services and Holdings S.A.

Minimum requirement for own funds and eligible liabilities (MREL)

On April 15, 2021, Alpha Bank, received a communication from the European Single Resolution Board regarding the decision on the obligation of minimum own funds and eligible liabilities (MREL). The requirements are based on the Recovery and Resolution Directive ("BRRD2"), which was incorporated into Greek law on Law 4799/2021 on 18.5.2021. At the same time, by the same decision, the Resolution Authority defined the single point of entry (SPE) resolution strategy. According to the decision, from January 1, 2026 Alpha Bank Societe Anonyme will have to meet, on a consolidated basis, minimum MREL requirements of 22.76% of risk-weighted assets and 5.91% of the leverage ratio. The notice also sets out the intermediate MREL requirements to be met from 1 January 2022, i.e. 14.02% of the weighted assets and 5.91% of the leverage ratio. The MREL, expressed as a percentage of risk-weighted assets, does not include the Combined Buffer Requirement (CBR), which currently stands at 3% and is expected to rise to 3.25% on the 1st January 2022. Regarding the requirement for a minimum amount of equity and subordinated eligible liabilities ("MREL Special Eligibility Requirement"), the Resolution Authority has decided that Alpha Bank Societe Anonyme is not subject to such a requirement. The MREL requirements, including the multi-year transition period of compliance, are in line with the expectations of Alpha Bank Societe Anonyme. The MREL of Group stands at 17.41% as at 31.12.2021. The long-term financing plan of Alpha Bank Societe Anonyme envisages further strengthening of MREL, so that these requirements can be met when they enter into force.

45. Related-party transactions

The Bank and the other companies of the Group enter 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 Bank's transactions with the parent company (Alpha Services and Holding), as well as, the results related to these transactions are as follows:

	31.12.2021
Assets	
Loans and advances to customers	4,513
Derivative financial assets	16,270
Total	20,783
Liabilities	
Due to customers	25,705
Debt securities in issue and other borrowed funds	1,013,063
Total	1,038,768

	From 17 April to 31.12.2021
Income	
Fee and commission income	12,695
Gains less losses on financial transactions	7,310
Other income	1,053
Total	21,058
Expenses	
Interest expense and similar charges	37,170
Total	37,170

b. The outstanding balances of Bank with companies belonging to the supervisory perimeter of Alpha Services and Holdings, as well as, the results related to these transactions are as follows:

	31.12.2021
Assets	
Derivative financial assets	2,337
Investments Securities measured at fair value	595
Other assets	2,512
Total	5,444
Liabilities	
Due to customers	22,686
Debt securities in issue and other borrowed funds	4,975
Total	27,661
Letters of guarantee and other guarantees	15,542

	From 17 April to 31.12.2021
Income	
Interest and similar income	3,595
Fee and commission income	4,738
Gains less losses on financial transactions	2,408
Other income	472
Total	11,213
Expenses	
Interest expense and similar charges	1,345
Gains less losses on financial transactions	2,476
Total	3,821

c. The outstanding balances of Group subsidiaries with companies belonging to the supervisory perimeter of Alpha Services and Holdings Group, as well as, the results related to these transactions are as follows:

	31.12.2021
Assets	
Loans and advances to customers	628
Other Assets	628
Total	
Liabilities	374
Due to customers	379
Other liabilities	753

	From 17 April to 31.12.2021
Income	
Fee and commission income	319
Other income	4,372
Total	4,691
Expenses	
Commission expenses	139
General administrative expenses	170
Total	309

d. The balances of the Group's transactions with the Key Management Executives, active for each reporting period, which consist of the Members of the Board of Directors and the Executive Committee of the Bank as well as with their close family members and affiliated companies, are as follows:

	31.12.2021
Assets	
Loans and advances to customers	1,858
Total	1,858
Liabilities	
Due to customers	4,352
Employee defined benefit obligations	207
Total	4,559
Letters of guarantee and approved limits	306

	From 17 April to 31.12.2021
Income	
Interest and similar income	26
Fee and commission income	10
Other income	1
Total	37
Expenses	
Interest expense and similar charges	4
Commission expenses	1
General administrative expenses	1
Remuneration paid to key management and close family members	5,242
Total	5,248

Remuneration of key executives and their closest relatives is analyzed as follows:

	From 17 April to 31.12.2021
Remuneration of Board members, salaries and wages	3,592
Profit-sharing schemes	1,217
Employee defined benefit obligations	12
Employer contributions	297
Other	124
Total	5,242

In addition, according to the decision of the General Meeting of Shareholders held at 29.6.2018, a compensation scheme is operating for the Bank's Senior Management, the terms of which were specified through a Regulation issued subsequently. The program is voluntary, does not constitute business practice and the program may be terminated in the future by a decision of the General Meeting of the Shareholders. It provides incentives for the eligible personnel to comply with the terms of departure, proposed by the Bank, thus ensuring the smooth (only during the period and under the terms and conditions approved by the Bank) departure and succession of Senior Management.

e. The outstanding balances with the Group's, associates as well as the results related to these transactions are as follows:

	31.12.2021
Assets	
Loans and advances to customers	106,043
Other assets	2,611
Total	108,654

	31.12.2021
Liabilities	
Due to customers	62,709
Other liabilities	23,655
Total	86,364

	From 17 April to
	31.12.2021
Income	
Interest and similar income	2,656
Fee and commission income	4
Gains less losses on financial transactions	127
Other income	1,960
Total	4,747
Expenses	
Interest expense and similar charges	
General administrative expenses	887
Other Expenses	51,797
Total	52,684

f. The outstanding balances with the Group's, joint ventures as well as the results related to these transactions are as follows:

	31.12.2021
Assets	
Loans and advances to customers	3,966
Other Assets	219
Total	4,185

	31.12.2021
Liabilities	
Due to customers	
Other liabilities	13,772
Total	13,772

	From 17 April to
	31.12.2021
Income	
Interest and similar income	418
Other income	197
Total	615
Expenses	
Gains less losses on financial transactions	5,658
Total	5,658

g. 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.

The outstanding balances and the results related to these transactions are analyzed as follows:

	From 17 April to
	31.12.2021
Income	
Fee and commission income	6
Total	6

46. Auditors' fees

The total fees of "Deloitte Certified Public Accountants S.A.", statutory auditor of the Bank, are analyzed below, in accordance with the provisions of paragraph 2 and 32, article 29 of Law 4308/2014.

	From 17 April to
	31.12.2021
Statutory audit of the annual accounts*	2,737
Other audit services	447
Issuance of tax certificate	274
Non - audit Services	3,458
*Includes expenses up to 2% of the service fee	

The auditor's fees concerning the statutory audit of the annual accounts with respect to Alpha Bank amounts to € 1,555 out of which fees amounting to € 387, which related to the period prior to the hive down, have been recognized in Alpha Services and Holdings. The auditor's fees concerning the issuance of tax certificate with respect to Alpha Bank amounts to € 250 out of which fees amounting to € 50, which related to the period prior to the hive down, have been recognized in Alpha Services and Holdings. The other fees concerning non audit services with respect to Alpha Bank amounts to € 140 out of which fees amounting to € 46, which related to the period prior to the hive down, have been recognized in Alpha Services and Holdings.

47. Disclosures of Law 4151/2013

The purpose of the provisions of chapter B of Law 4151/2013 is the funds from dormant deposit accounts to be used by the Greek State to cover government needs, after the write off of rights of depositors or their legal heirs. According to the aforementioned the provisions of Law 4151/2013:

- i. Dormant deposit account to credit Institution, according to the provisions of Law 4261/2014, is an account on which no transaction by depositors has been recorded for a period of 20 years from the day following the last transaction (the crediting or capitalizing of interest to an account will not constitute a transaction and not interrupt the prescription),
- ii. Following the expiry of the 20-year period, the credit institutions in Greece are obliged to transfer to the Greek State the aggregate balance of dormant deposit accounts, including any interest, by the end of April of each year by making a deposit of the relevant amount in a special account held in Bank of Greece, notify the General Accounting Office (GAO) and the General Directorate of Public Property to fulfill the obligations arising from the Law 4151/2013 and to provide information to beneficiaries and heirs after the lapse of 20 years for the transfer of the respective amounts, if requested (the abovementioned amounts, in total, will be recorded as income in the Annual State Budget),

For the fiscal year 2020 the Bank proceeded to the transfer of the balances of the dormant deposit accounts to the State of a total amount of €3,782 along with balances of cheques/orders and the cancellation of debt securities of a total amount of €346.

For the fiscal year 2021, the amount of inactive deposit accounts that will be given from the Bank to the Greek State, according to article 8 par. 2 of Law 4151/2013, until 31.12.2021, is estimated in the amount of € 4,050.

48. Assets held for sale

	31.12.2021
APE Investment Property SA	42,300
Project Sky	668,698
Alpha Bank Albania	544,532
ABC RE P4 Ltd	698
Fierton Ltd	10,114
Non-Performing Loans	42,134
ALPHA BANK SA Asset	3,478
Alpha Leasing SA Investment Property	7,158
AGI-BRE PART2EO Investment Property	6,518
Other receivables related to the Bank's merchant acquiring business unit	52,896
Total	1,378,526

	31.12.2021
Liabilities related to assets classified as held for sale	
Project Sky	657
Alpha Bank Albania	575,392
ABC RE P4 Ltd	11
Fierton Ltd	12
AGI-BRE PART2EO Investment Property	560
Other liabilities related to the Bank's merchant acquiring business unit	31,025
Total	607,657

The Group has initiated the process for the sale of specific subsidiaries and joint-ventures, non performing loans portfolios, real estate and other fixed assets of the Bank and of certain subsidiaries. In addition, the Group has entered into a memorandum of understanding for the spin-off of Alpha Bank's merchant acquiring business unit into a new entity ("NewCo") and transfer the 51% together with the control of NewCo. The assets and the liabilities of the business unit, for which the criteria to be classified under IFRS 5 as "Non-current Assets Held for Sale and Discontinued Operations" as presented in tables above and analysed below.

In accordance with IFRS 5 non-current assets held for sale or disposal groups held for sale are valued at the lower between their carrying amount and fair value less costs to sell and are presented in the balance sheet separately from the other assets and liabilities.

The fair values of the assets held for sale at each reporting period are determined according to the methods described in note 1.2.7 of the consolidated financial statements and are classified as level 3 in the Fair value hierarchy since they make use of data from market research, estimates and data which derive from financial assets of similar characteristics and therefore make use of significant non-observable input..

Non performing loans and assets portfolio in Cyprus – Sky project

The Group commenced in September 2021 the process for the sale of a portfolio consisting of non performing loans, investment properties and assets from auctions. On 24.12.2021 binding offers were received and on 27.12.2021 the Executive Committee of the Bank approved the commencement of bilateral discussions with the preferred bidder for the finalization of an agreement. The transaction is expected to be finalized with 2022. As a result the aforementioned portfolio was classified at 31.12.2021 as held for sale.

The carrying amount of the investment properties and the properties obtained from auctions of the Sky project amounted at 31.12.2021 to € 113,201 after its valuation at the lower between book value and fair value less cost to sell and an impairment loss of € 65,693 was recognized in "Other expenses" of the Consolidated Income Statement.

In relation to the loans that are included in Sky, the Group transferred at 31.12.2021 in "Assets held for sale" retail and wholesale loans of with a carrying amount of € 555,496. The fair value of the loan portfolio does not differ from its carrying amount, as for the calculation of the expected credit losses the sale scenario has been used with a probability of 100%.

The loan and assets portfolio of Sky project is included in operating segment "Southeastern Europe" of Note 42 "Operating segments".

Non performing loans portfolio

Loan portfolio – Orbit project

Within 2021 the Bank commenced the process for the sale, through a single phased process of a retail unsecured portfolio, which comprised:

- Loan exposures securitized into Galaxy III Funding Designated Activity Company DAC of Alpha Services and Holdings S.A.
- Loan exposures not securitized of the Bank.

In December 2021 the Bank received binding offers from interested investors which were evaluated. With the resolution of the Executive Committee of 20.12.2021 a preferred investor was selected and the Board of Directors on 22.12.2021 approved the signing of the sale agreement between the Bank and the investor.

On 28.12.2021 the Bank entered into a binding agreement with the investor for the sale of the portfolio. Considering the above and as the Board estimates that the transaction will be finalized within 2022, the Group classified the total portfolio of € 87,862 as “Assets held for sale”. It is noted that the fair value of the loan portfolio does not differ from its carrying amount, as for the calculation of the expected credit losses the sale scenario has been used with a probability of 100%.

The aforementioned portfolio is included in “Retail” segment in note 42 “Operating Segments”.

Other Loan portfolios

Other loan portfolios of non-performing loans had been classified as held for sale in the balances transferred during the Hive-down of the Banking sector as at 17.4.2021 amounting to €33,789. Out of these loans an amount of €2,402 as at 30.09.2021 were transferred to the Cosmos perimeter. The remaining loans in the portfolio were reclassified in the year in “Loans and advances to customers” as they do not longer meet the criteria to be classified as “Assets held for sale”.

In addition the Group has classified as “Assets held for sale” at 31.12.2021 individual loan exposures of € 7,231 for which the Bank is in an advanced stage for their sale, which is expected to be completed within 2022, and therefore the criteria to be classified as “Assets held for sale” were met, in accordance with IFRS 5. The aforementioned loans are included in “Corporate Banking” segment in note 42 “Operating Segments”.

Taking into consideration the above, including the loans of the Sky project, the balance of the non performing loan portfolios classified as held for sale as at 31.12.2021 amount to €42.134.

Merchant acquiring business

On 10.11.2021 the Bank and Nexi S.p.A. entered a binding agreement for the establishment of a strategic partnership in respect of the Bank’s merchant acquiring business unit in Greece, through:

- The curve-out of Alpha Bank’s merchant acquiring business unit, pursuant to a Greek statutory spin-off process, into the newly formed entity “Alpha Payment Services S.A.”, established on 15.11.2021
- The sale of a 51% stake of this entity to Nexi S.p.A subject to the fulfilment of certain conditions precedent and
- entering into a long-term distribution agreement, providing Alpha Payment Services S.A. with access to Alpha Bank’s Network in order to distribute payment acceptance products and services to business Customers of Alpha Bank in Greece.

The Board of Directors with its resolution on 24.11.2021 set the transformation balance sheet date at 30.9.2021.

On 29.11.2021 the Board of Directors approved the relevant demerger deed. The completion of the aforementioned transaction, which is subject to the fulfilment of certain conditions precedent, is expected to take place within 2022.

The assets and liabilities of the merchant acquiring business in Greece of the Bank meet the criteria to be classified as “Assets held for sale” in accordance with IFRS 5.

The assets and liabilities classified as held for sale are, as at 31.12.2021, as follows:

Total Asset for sale	31.12.2021
Due from card payment system	33,374
Trade receivables	4,720
Due from Banks	14,801
Total	52,895

Total Liability for sale	31.12.2021
Trading Liabilities	16,914
Due to Credit Institutions	14,801
Employee defined benefit obligations	49
Tax liabilities	(740)
Total	31,024

The table above does not include receivables and payables of the business unit to the Bank, amounting to €154,015 and €169,888 respectively, which although relate to the merchant acquiring business, are eliminated with the respective assets and liabilities of the Bank as the curve-out has not been completed on 31.12.2021. More specifically, liabilities do not include (a) the liability to merchants from installments and prepaid installments of credit cards issued by the Bank, although this liability will be assumed by Alpha Payment Services, as the company following the completion of the hive-down, will recognize an equal receivable from the Bank and (b) the funding gap of the business unit which will be funded by the Bank when the curve-out is completed.

It is noted that from the fair valuation of the above there was no loss since the carrying amounts are lower than the fair value less cost to sell.

The above assets of the merchant acquiring business unit are included in Retail segment.

Alpha Bank Albania

In accordance with the strategic plan of the Bank, within 2021 the process was initiated for the selection of an international buyer for the sale of the 100% stake of the Group's entity Alpha Bank Albania S.A., which is a wholly owned subsidiary of Alpha International Holdings Single Member Firm S.A.. The binding offers were received by interested investors on 18.10.2021 and following an evaluation process, the Executive Committee and the Board of Directors approved the preferred bidder and a binding agreement was signed on 6.12.2021.

Based on the above the assets and related liabilities of Alpha Bank Albania met the criteria to be classified as held-for-sale at 31.12.2021, while its operations which represent a separate geographic reason in the Southeastern segment.

Therefore for financial reporting purposes at 31.12.2021 the Group classified certain assets of Alpha Bank Albania and the total of its liabilities as "Held for sale". It is noted that total assets held for sale of Alpha Bank Albania do not include certain loans and bonds of a total carrying amount of € 52,822 on 31.12.2021 which the Group intends to keep. From the valuation of the assets and liabilities at the lower between their carrying amount and fair value less cost to sell an amount of loss of € 25,506 was recognized as a loss in "Net gains/(losses) after income tax from discontinued operations" in the Income Statement

Following the above fair valuation the total assets of Alpha Bank Albania amounted to 544,532. the liabilities to €575,392 while the amounts directly recognized in equity at €15,127. It is further noted that the amount recognized directly in equity will be reclassified to the Income Statement.

The assets and liabilities of the subsidiary are presented in the following table.

	31.12.2021
Cash and cash equivalents	81,699
Due from banks	36,147
Loans and advances to customers	278,099
Investment securities	151,877
Property, plant and equipment	12,796
Goodwill and other intangible assets	1,327
Deferred tax assets	301
Other assets	7,792
Impairment	(25,506)
Assets	544,532

	31.12.2021
Due to Banks	13,226
Due to Customers	547,328
Other Liabilities	9,874
Deferred tax liabilities	1,285
Liabilities for current income tax and other taxes	582
Provisions	3,097
Liabilities	575,392

The results and cash flows of Alpha Bank Albania are presented as “discontinued operations” in the Income Statement, the Statement of Comprehensive Income and in the Cash Flow Statement with a corresponding restatement of the previous year 1.1.2020 until 31.12.2020. In addition the results from discontinued operations of 2021 also include impairment loss of € 10,734 which relate to the impairment of software of the Group which support the operations of Alpha Bank Albania. The related analysis is presented in note 38.

APE Investment property S.A.

The Group is in advanced stage of the process of selling its participation in the joint venture APE Investment Property S.A. with a carrying amount of € 42,300 at 31.12.2021. On 2.2.2021 the Bank signed a binding agreement for the transfer of the share. The parties are committed to the completion of the transfer and significant progress has been made in fulfilling conditions precedent for the sale. There was no impact from the fair valuation of the investment for 2021. The company is classified in “Other/Elimination Center” segment for operating segment disclosure purposes.

Subsidiaries

ABC RE P4 Ltd & Fierton Ltd

The process of selling the subsidiaries in Cyprus ABC RE P4 Ltd & Fierton Ltd has been initiated before the hive – down. No result was obtained from the valuation of these companies in the current year. The most important assets of the above companies that have been classified in the category “Assets for sale” relate to investment properties.

As the entities do not present for the Group a separate business segment they do not meet the criteria to be classified as discontinued operations and are included in “S.E. Europe” segment for operating segment disclosure purposes.

Investment Properties

Investment properties AGI-BRE PART2 EO

Within 2021, AGI-BRE Participations 2 EO classified its investment properties in “Assets held for sale” following agreement with an investor dated 23.12.2021 as the relevant criteria required by IFRS 5 were met. Their carrying amount at 31.12.2021 was € 6,518. The Group recognized the properties at the lower between their carrying amount and fair value less cost to sell and the resulting loss of € 400 was recognized in “Other expenses” in the Consolidated Statement of Income.

The investment properties of the entities are included in “Other/Elimination Center” segment for operating segment disclosure purposes.

Investment properties Alpha Leasing S.A.

Within 2021 the sale of 7 of these properties was concluded for a total consideration of € 7,158 and a gain of € 404 was recognized in Other income of the Consolidated Income Statement, while another 6 investment properties of a total amount of € 5,129 were classified as “Assets held for sale”.

The investment properties of Alpha Leasing S.A. are included in “Corporate Banking” segment of Note 42 “Operating segments”.

49. Corporate Events

- ▶ On 20.4.2021 the Bank’s subsidiary, AGI-Cypre Ermis Ltd, proceeded to the share capital increase in kind of its subsidiary AGI-Cypre Property 46 Ltd, for an amount of €51.
- ▶ Within April, the Group investment, South Eastern European Fund proceeded to a capital return of €295 to the Group’s subsidiary Ionian Equity Participation Ltd.
- ▶ On 11.5.2021 the Bank’s subsidiary, Alpha Group Investments Ltd, proceeded to the share capital increase in cash of its subsidiary, AGI-BRE Participations 2 Ltd, for an amount of € 330.

- ▶ On 19.5.2021 the Bank's subsidiary, Alpha Group Investments Ltd, proceeded to the share capital increase in cash of its subsidiary Alpha Group Real Estate Ltd for an amount of €69.000.
- ▶ On 31.5.2021, the Group subsidiary Sapava Ltd proceeded to the share capital increase of its subsidiary Acarta Srl through the capitalization of a loan amounting to €68.589.
- ▶ On 7.6.2021 the Group subsidiary AGI-BRE Participations 2 Ltd proceeded to the increase of the share capital in cash of its subsidiary AGI-BRE Participations 2 EOOD for an amount of €330.
- ▶ On 9.6.2021 the Group subsidiary Alpha Credit Acquisition Company established the company Alpha Credit Properties Limited for an amount of €1.
- ▶ On 14.6.2021 the Group subsidiary Alpha Group Real Estate Ltd proceeded to the increase of the share capital in cash of its subsidiary AEP Residential Properties Attikis I S.M.S.A. MAE for an amount of €5.000.
- ▶ On 22.6.2021 Alpha Services and Holdings announced the completion of the Galaxy Transaction in accordance with the binding agreement on 22.2.2021 signed with entities that are managed and advised by Davidson Kempner Capital Management LP (the "Davidson Kempner"). The transaction includes:
 - a. the sale of 80% of the subsidiary that operates in the area of loan management, Cepal Holdings S.A. ("New Cepal") by the Bank, and
 - b. the sale of 51% of mezzanine and junior notes of the non performing exposure portfolio (NPE) of an amount € 10.8 billion ("Galaxy Transaction") (combined with the sale of the New Cepal, the "Transaction") by Alpha Services and Holdings S.A

Following the completion of the transaction, Alpha Bank S.A. signed a long-term contract on an exclusive basis ("Service Level Assurance Agreement") with the New Cepal for the management of the NPE Retail Banking and Corporate Banking in Greece, as well of respective future NPE. The duration of the Service Level Assurance Agreement, which included terms and conditions according to the market standards [including Key Performance Indicators (KPIs), indemnities, etc.], will be 13 years, with the possibility of extension.

- ▶ On 24.6.2021 the Group subsidiary Alpha Group Real Estate Ltd proceeded to the share capital increase in cash of its subsidiary Office Park I Srl for an amount of €10.012.
- ▶ On 28.6.2021 the Bank's subsidiary Alpha Group Investments proceeded to the share capital increase in cash of its subsidiaries Alpha Trustees Ltd, AGI-BRE Participations 1 Ltd, Zerelda Ltd, AGI-RRE Hera Ltd, AGI-BRE Participations 2 Ltd, AGI-BRE Participations 4 Ltd, AGI-RRE Ares Ltd, AGI-RRE Hermes Ltd, AGI-RRE Arsinoe Ltd, AGI-SRE Ariadni Ltd, AGI-SRE Participations 1 Ltd and Krigeo Holdings Ltd of amounts of €7, €15, €14, €17,5, €43, €40, €15, €9, €20, €13, €13 and €50 respectively.
- ▶ Within June, the Group subsidiary Ionian Equity Participations proceeded to the payment of the 2nd part of the share capital increase amounting to €16 of private equity fund, SME Remedium Cap SCA SICAV-RAIF based in Luxembourg.
- ▶ Within June, the participation of the Group Bluehouse Accession Property III made a return of share capital of €605 to the Group subsidiary Ionian Equity Participation Ltd.
- ▶ On 14.7.2021 the Group subsidiary Alpha Bank Cyprus Ltd established AGI-Cypre Property 55 Ltd, for an amount of €1.
- ▶ On 19.7.2021 the Group subsidiary Alpha Bank Cyprus Ltd, proceeded to the share capital increase in cash of its subsidiaries ABC RE L5 Ltd, ABC RE L3 Ltd, ABC RE L2 Ltd, ABC RE L4 Ltd, ABC RE RES Nicosia Ltd, ABC RE P7 Ltd, ABC RE P&F Larnaca Ltd, ABC RE RES Ammochostos Ltd and ABC RE RES Pafos Ltd for the amounts of €43, €59, €153, €62, €47, €110, €46, €43 and €226 respectively.
- ▶ On 29.7.2021 the Group subsidiary Alpha Bank Cyprus Ltd established AGI-Cypre Property 54 Ltd for an amount of €1.
- ▶ On 30.7.2021, in the context of the updated business plan, which includes the development of business initiatives through collaboration with international partners, the Group announced the initiation of the process for the selection of a strategic partner to pursue a joint venture through in the Greek real estate market. As the process is at an early stage, the effect cannot be estimated on the Financial Statements.
- ▶ On 6.8.2021 the liquidation and the removal of the Cyprus Company Register for the Group's subsidiaries AGI-RRE Venus Ltd and AGI-RRE Athena Ltd was completed.
- ▶ On 2.9.2021 the liquidation process of the subsidiary of Alpha Services and Holdings SA, Alpha Credit Group Plc. was completed.
- ▶ On 30.09.2021, the liquidation and removal of the Bank's associate company, Famar SA, located in Luxemburg, was completed.

- ▶ On 15.10.2021 the sale of the total shares of the Group's subsidiary AGI-Cypre Property 11 Ltd, was completed 15.
- ▶ On 27.10.2021 AGI-Cypre Property 51 Ltd a subsidiary of Alpha Bank Cyprus Ltd was transferred to the Bank's subsidiary, AGI-Cypre Ermis Ltd.
- ▶ On 27.10.2021, the share capital decrease in kind amounting to € 10,825 was completed by cancelling 108,252,500 common, registered, voting shares, with a nominal value of € 0.10 each, held by Alpha Services and Holdings S.A., with the parallel distribution to her of the 95% of mezzanine and junior notes held by the Bank and issued by the Irish entity "Cosmos Securitization Designated Activity Company", whose total fair value was equal to the amount of the above share capital decrease of the Bank.
- ▶ On 4.11.2021 the liquidation and the removal of the Romanian Company Register of the Bank's subsidiary Alpha Finance Romania Srl.
 - ▶ On 11.11.2021, following the Memorandum of Understanding on 3.8.2021, the binding agreement between Alpha Bank and Nexi SpA ("Nexi") was announced for the establishment of a strategic partnership in respect of the Bank's merchant acquiring business unit in Greece through, inter alia: i) the curve-out of Alpha Bank's merchant acquiring business unit, pursuant to a Greek statutory spin-off process, into the newly formed entity "Alpha Payment Services S.A.", established on 15.11.2021 with the corporate name "Alpha Payment Services S.M.S.A.". («NewCo») with a share capital amounting to €1,000 ii) the sale of a 51% stake of this entity to Nexi S.p.A subject to the fulfilment of certain conditions precedent and iii) entering into a long-term distribution agreement, providing Alpha Payment Services S.A. with access to Alpha Bank's Network in order to distribute payment acceptance products and services to business Customers of Alpha Bank in Greece. On 24.11.2021 Alpha Bank and NewCo started the spin off process of merchant acquiring business unit from Alpha Bank to NewCo, while on 29.11.2021 the respective demerger deed was approved by the both companies' Board of Directors, which was signed and published the same day according to the law. Based on the valuation of the merchant acquiring business unit which was performed for the purpose of the spin-off, its fair value amounts to € 306.8 mil. which is significantly higher than the carrying amount. Upon completion of the transaction, the difference between the fair value of the unit and the carrying amount, after taking additionally into account the impact of individual terms of the agreement with the investor and the transaction costs, will be recognized immediately in the results of the Bank. On 22.3.2022, at a meeting of the Plenary Session of the Competition Commission, it was decided, unanimously (Decision 773/2022), the approval of the notified concentration concerning the acquisition of exclusive control of NEXI SpA., On the payment card acceptance branch of Alpha Bank SA. , according to article 8 par.3 of L.3959 / 11, as it applies.
- ▶ On 15.11.2021 the Group's subsidiary, Alpha Bank Cyprus Ltd transferred its subsidiary, AGI-Cypre Property 54, to the Bank's subsidiary AGI-Cypre Ermis Ltd.
- ▶ On 23.11.2021 the Group's subsidiary, Alpha International Holdings, established the company Sky CAC Limited, for an amount on € 1.
- ▶ On 3.12.2021 the Group's subsidiary, Alpha Ventures transferred its investment in Theta Microelectronicst to its subsidiary Ionian Equity Participations in Cyprus.
- ▶ On 6.12.2021 the Group's subsidiary, Alpha International Holdings Single Member S.A., entered into a binding agreement with OTP Bank Plc regarding the acquisition of Alpha Bank Albania SHA by the latter.
- ▶ On 8.12.2021 the Group's subsidiary, Alpha Group Investments proceeded to the sale of the total amount of shares of Umera Ltd to Alpha Credit Acquisition Company for the amount of € 4,216.
- ▶ On 10.12.2021 Alpha Bank S.A. successfully completed the bond issuance of senior preferred notes, with total nominal amount of Euro 400,000. The senior preferred notes have a 2-year duration (maturity in February 2024) and a 3% yield, while they provide the possibility of the prepayment in the first (February 2023). The notes are listed in EuroMTF Market of Luxembourg Stock Exchange.
- ▶ On 23.12.2021 the sale of the Group's subsidiary Alpha Investment Property Kefalariou S.A was completed amounting to € 15,231.
- ▶ On 29.12.2021 the increase of the share capital of the Alpha Bank S.A. in cash by the amount of € 16,000 was completed by its sole shareholder Alpha Services and Holdings S.A. with the issuance of 160,000 new shares with a nominal value of € 0.10 each and an offer price of € 1.00 each. The total difference between the nominal value and the offer price of the new shares, ie. the amount of € 144,000 was credited to the "Share premium" account. After the abovementioned increase, the Alpha Bank S.A. share capital amounts to €5,188,999.246.
- ▶ On 30.12.2021 the merger by absorption of Umera Ltd was completed by Alpha Credit Acquisition Company Ltd..
- ▶ On 1.3.2022, the Bank proceeded to the share capital increase in cash of its subsidiary AGI-Cypre Ermis Ltd for an amount of € 60,000.
- ▶ On 8.3.2022, the sale of Bank's and Group's investment in Kefalonia Fisheries S.A. to Grupo Profand S.L was completed.

50. Strategic plan

In May 2021 the Strategic Plan of the Group was presented, which includes a number of strategic initiatives which are expected to affect the future financial results of the Group until 2024 and which include specific financial targets. These initiatives aim to the participation in the expected credit expansion of the Greek banking sector which is expected to be achieved through the financing of the Recovery and Resolution Fund as well.

The initiatives included in the above mentioned the Strategic Plan of Alpha Services and Holdings Group that relates to the Group are as follows:

1. Targeted reduction of non-performing exposures through a series of transactions of mainly non-performing exposures of a total book value up to € 7.2 billion for the Group of the Bank with the intend to decrease the exposure of the Group in non-performing exposures by € 9.4 billion until 2024 (as compared to the end of 2020) and to allow the Group to achieve a single digit NPE ratio in the first semester of 2022.

For the majority of the above transactions the sale process has either completed or relevant binding agreements are signed. More specifically the transactions completed or with binding agreements signed are:

a. Distribution in kind transaction by the Bank of 95% of mezzanine and junior Notes issued through securitization of loans and credits of book value before impairment of € 3.4 billion to the special purpose entity under the name Cosmos Securitization Designated Activity Company which had as a consequence the derecognition from the Bank's balance sheet of the securitized loans. It concerns the Cosmos securitization transaction for which an application had been submitted in the context of the extension of the Greek public guarantee program ("HAPS 2") and for which the relevant ministerial decision to provide a guarantee under the above program has been issued (note 19).

b. Sale of a portfolio of non-performing exposures in Cyprus of a total book value of € 2.2 billion before allowance for expected credit losses (project Sky). The transaction also includes real estate properties of a book value of € 113.2. The transaction was neutral for the Bank (note 48).

c. Sale of a non-performing unsecured loan portfolio in Greece of a total book value of € 1.2 billion (project Orbit, note 48).

The impact in the expected credit losses of the above transactions of the Group amounts to € 199 million and is comprised of € 133 million for project Sky and € 66 million for project Orbit.

In addition, for transactions with a total value of € 0.7 billion relating to transactions for the sale of non-performing exposures of business loans and leases for which the Group has initiated the sale process, additional provisions of € 22 million were recognized through the integration of a sales scenario in the calculation of expected credit losses (note 11).

For the remaining sales transactions that are included in the Strategic Plan and concern the Group and for which it is not possible to accurately predict their probability of occurrence due to existing conditions and condition precedents that have been set for their completion, the Group did not calculate provisions through a sales scenario in 2021.

The Group may recognize additional impairment losses of approximately € 250 million as an estimated impact from the implementation of a sale scenario with a 100% probability for the loan portfolios that when calculating the expected credit losses it will be possible to incorporate a sales scenario.

2. A series of capital measures to support the Bank's NPE initiatives by providing additional capital buffers. These measures include the following transactions, including the ones for which a binding agreement with the investors exists so have been categorized as held for sale
 - a) the curve-out of the merchant acquiring business unit of the Bank into a newly formed entity and sale of the 51% stake of this entity to the strategic partner, Nexi (a binding agreement exists which is subject to certain conditions

precedent. Subject to regulatory approvals the finalization of the sale is expected in the next 12 months). The recoverable amount of the business unit has been estimated at € 314.6 million (notes 48 and 49)

- b) The sale of Alpha Bank Albania S.A. (for which a binding agreement exists and the sale is expected to be finalized in the next 12 months) (note 48) and
- c) The synthetic securitization transaction which was completed on 17.12.2021 through which the Bank obtained credit protection for a specific wholesale loan portfolio that it holds through a credit protection / financial guarantee agreement with an SPV (note 11).

In addition to the above the Strategic plan also includes the following projects:

- d) The sale of Alpha Bank London, for which the Executive Committee has approved the initiation of the bidding process from selected investors which will be then subject to evaluation for their business rational and prospects. As no binding offers have been received yet and a preferred investor has not been selected, the carrying value of the assets and the related liabilities of the subsidiary has not been classified as held for sale on 31.12.2021.
- e) the establishment of a joint venture with an international partner in the real estate market and the transformation of the Group's subsidiaries in order to better manage the properties. The transaction is subject to internal and regulatory approvals which are out of the control of the Group and therefore an impact cannot be estimated. As binding offers have not yet been received for this transaction and a preferred investor has not been selected, these properties have not been classified as held for sale on 31.12.2021.

The successful completion of the above capital initiatives will contribute to the increase of the capital adequacy of the Group.

3. Measures for the decrease of the operating expenses and the improvement of the efficiency of the operations, focusing on the basic banking operations, decreasing operating cross across the organization, improving and enhancing the digital platform and by applying policies for sustainable banking with the integration of environment, social and governance (ESG) criteria.
4. Initiatives for the increase of income from commissions, mainly through wealth management and bancassurance products.
5. Initiatives for the increase of the international footprint, especially in Romania.

During 2021 the following have been completed:

- The share capital increase in the Bank for a total amount of € 1.160 million
- The decrease of non performing exposures by € 5.4 billion
- The transformation program of the Bank's operating model that started within 2020 continues, targeting the enhancement of the organization's efficiency, the optimization of the business model and the further enhancement of the performance measurement and reward systems in all the operations of the Bank.

51. Events after the reporting period

- On 21.1.2022, the bank's subsidiary, Alpha Group Investments Ltd, participated in the share capital increase of the Group's subsidiaries, Alpha Investment Property Neas Kifissias S.A. and Alpha Investment Property Kallirois S.A., by paying the amounts of €13,600 and €6,800 respectively.
- On 8.2.2022, the Group subsidiary AGI-Cypre Ermis Ltd sold 59 SPVs of a total carrying amount € 85,000 to the Group subsidiary Alpha Credit Acquisition Company S.A..
- On 12.2.2022 Alpha Services and Holdings S.A. reached an agreement with an affiliated entity of Cerberus Capital Management L.P. ("Cerberus") for the sale of a portfolio of non performing loans and real estate properties in Cyprus (Project Sky – note 48) of a total book value of € 2.4 billion (the "Portfolio"). The Portfolio will be sold through group wholly owned subsidiary Alpha International Holdings S.M.S.A..
- Russia's invasion in Ukraine on 24 February 2022 has created uncertainties in the markets and in the evolution of macroeconomic conditions, while in addition the subsequent sanctions imposed by United States, the European Union, the United Kingdom and others affected the transactions with the parties involved in the sanctions. It is noted that the Group has

direct exposure to Russia and Ukraine from loans to customers of circa Euro 43 million. The Group is monitoring the unfolding crisis and assesses the impact on its business, financial position and profitability. Since high uncertainty exists as to how the situation will develop, it isn't possible currently to assess the broader implications of the crisis. Additional information for the evaluation of the impact are included in note 43.8 "Assessment of the impact of the conflict between Russia and Ukraine and the ensuing sanctions".

- In the context of the strategic plan, Project Tomorrow, the Bank announced on 30.07.2021 the initiation process for the selection of strategic investor in order to form a Joint Venture in the Greek real estate market (Skyline Transaction) , which according to the press release dated on 15.3.2022 is expected to be completed in the second half of 2022 and in turn the transaction to be completed by the end of 2022. Based on current information, there are no adequate data in order to calculate the impact on the Bank's figures.
- On 11.3.2022 non-performing loans portfolio was transferred from the Bank's subsidiary, Alpha Bank Cyprus Ltd to the Group's subsidiary, Alpha Credit Acquisition Company Limited.
- On 24.3.2022 the disposal of the Retail Unsecured Non Performing Loan Portfolio (Orbit Transaction) was completed (Note 48).

Athens, 31 March 2022

THE CHAIRMAN
OF THE BOARD OF DIRECTORS

VASILEIOS T. RAPANOS
ID No AI 666242

THE CHIEF
EXECUTIVE OFFICER

VASSILIOS E. PSALTIS
ID No AI 666591

THE GENERAL MANAGER AND
CHIEF FINANCIAL OFFICER

LAZAROS A. PAPAGARYFALLOU
ID No AK 093634

THE ACCOUNTING
AND TAX MANAGER

MARIANA D. ANTONIOU
ID No X 694507

Bank Financial Statements as at 31.12.2021



ALPHA BANK

Income Statement

(Amounts in thousands of Euro)

		From 17 April to
	Note	31.12.2021
Interest and similar income		1,066,590
Interest expense and similar charges		(354,658)
Net interest income	2	711,932
Fee and commission income		286,173
Commission expense		(47,460)
Net fee and commission income	3	238,713
Dividend income	4	555
Gains less losses on derecognition of financial assets measured at amortised cost	6	13,933
Gains less losses on financial transactions	5	146,808
Other income	7	18,926
Total other Income		180,222
Total Income		1,130,867
Staff costs	8	(198,281)
Expenses for separation schemes		(31)
General administrative expenses	9	(279,556)
Depreciation and amortization	22,23,24	(85,367)
Other expenses	10	(5,950)
Total expenses before impairment losses, provisions to cover credit risk and related expenses		(569,185)
Impairment losses, provisions to cover credit risk and related expenses	11, 12	(402,285)
Profit/(loss) before income tax		159,397
Income tax	13	(47,432)
Profit/(loss) for the year		111,965
Earnings/(losses) per share		
Basic and adjusted (€ per share)	14	0,002

Statement of Comprehensive Income

(Amounts in thousands of Euro)

		From 17 April to
	Note	31.12.2021
Profit/(loss) for the year, recognized in the Income Statement		111,965
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		(83,391)
Net change in cash flow hedge reserve		14,748
Income tax	13	19,905
Items that may be reclassified to the Income Statement from continuing operations		(48,738)
Items that will not be reclassified to the Income Statement		
Remeasurement of defined benefit liability/(asset)	31	3,448
Gains/(losses) from investments in equity securities measured at fair value through other comprehensive income		4,041
Income tax	13	(2,172)
Items that will not be reclassified to the Income Statement	13	5,317
Other comprehensive income, after income tax		(43,421)
Total comprehensive income for the year		68,544

The attached notes (pages 294-466) form an integral part of the Bank's financial statements

Balance Sheet

(Amounts in thousands of Euro)

	Note	31.12.2021
ASSETS		
Cash and balances with central banks	15	10,320,250
Due from banks	16	3,212,515
Trading securities	17	4,598
Derivative financial assets	18	964,541
Loans and advances to customers	19	33,413,197
Investment securities		
- Measured at fair value through other comprehensive income	20	5,502,920
- Measured at fair value through profit or loss	20	222,130
- Measured at amortized cost	20	3,524,453
Investments in subsidiaries, associates and joint ventures	21	2,278,505
Investment property	22	40,754
Property, plant and equipment	23	601,730
Goodwill and other intangible assets	24	440,146
Deferred tax assets	25	5,403,389
Other assets	26	1,328,087
		67,257,215
Assets classified as held for sale	43	140,807
Total Assets		67,398,022
LIABILITIES		
Due to banks	27	14,033,293
Derivative financial liabilities	18	1,288,686
Due to customers	28	42,897,723
Debt securities in issue and other borrowed funds	29	2,408,178
Liabilities for current income tax and other taxes	30	18,897
Employee defined benefit obligations	31	27,802
Other Liabilities	32	743,032
Provisions	33	163,123
Liabilities related to assets classified as held for sale	43	31,024
Total Liabilities		61,611,758
EQUITY		
Share Capital	34	5,188,999
Share Premium	35	1,044,000
Reserves	36	(178,395)
Retained Earnings		(268,340)
Total Equity		5,786,264
Total Liabilities and Equity		67,398,022

The attached notes (pages 294-466) form an integral part of the Bank's financial statements

Statement of Changes in Equity

(Amounts in thousands of Euro)

	Note	Share Capital	Share Premium	Reserves	Retained Earnings	Total
Balance 17.4.2021		5,083,824	-	(153,103)	(139,169)	4,791,552
Changes for the year 17.4 - 31.12.2021						
Profit/(loss) for the year, after income tax					111,965	111,965
Other comprehensive income for the year, after income tax				(48,738)	5,317	(43,421)
Total comprehensive income after income tax		-	-	(48,738)	117,282	68,544
Valuation reserve of employee stock option program				2,888		2,888
Share Capital increase through cash		116,000	1,044,000			1,160,000
Share Capital decrease through distribution in kind, after income tax	19	(10,825)			(245,592)	(256,417)
Expenses for share capital increase after income tax					(861)	(861)
Valuation difference of initial bond recognition covered by the parent company, after income tax				20,558		20,558
Balance 31.12.2021		5,188,999	1,044,000	(178,395)	(268,340)	5,786,264

The attached notes (pages 294-466) form an integral part of the Bank's financial statements

Statement of Cash Flows

(Amounts in thousands of Euro)

		From 17 April to
	Note	31.12.2021
Cash flows from operating activities		
Profit/(loss) before income tax		159,397
Adjustments of profit/(loss) before income tax for:		
Depreciation, impairment, write-offs of property, plant and equipment		33,730
Amortization, impairment, write-offs of intangible assets		50,356
Impairment losses on financial assets and other provisions		354,022
Gains less losses on derecognition of financial assets measured at amortised cost		(13,933)
Fair value (gains)/losses on financial assets measured at fair value through profit or loss		26,720
Impairment of investments		26,940
(Gains)/losses from investing activities		(224,535)
(Gains)/losses from financing activities		38,784
		451,481
Net (increase)/decrease in assets relating to operating activities:		
Due from banks		70,354
Trading securities and derivative financial instruments		(7,980)
Loans and advances to customers		(1,414,881)
Other assets		12,642
Net increase/(decrease) in liabilities relating to operating activities:		
Due to banks		(643,466)
Due to customers		1,839,290
Other liabilities		39,619
Net cash flows from operating activities before income tax		347,059
Income tax paid		
Net cash flows from operating activities		347,059
Cash flows from investing activities		
Investments in subsidiaries, associates, and joint ventures		(1,046)
Disposals of subsidiaries, associates, and joint ventures		72,128
Dividends received		555
Acquisitions of investment property, property, plant and equipment and intangible assets	22, 23, 24	(79,045)
Disposals of investment property, property, plant and equipment and intangible assets		3,707
Interest received from investment securities		46,123
Purchases of Greek Government Treasury Bills		(892,028)
Proceeds from disposal and maturities of Greek Government Treasury Bills		996,388
Purchases of investment securities (excluding Greek Government Treasury Bills)		(2,171,484)
Disposals/maturities of investment securities (excluding Greek Government Treasury Bills)		1,123,262
Net cash flows from investing activities		(901,440)
Cash flows from financing activities		
Share Capital Increase		1,160,000
Share Capital Increase expenses		(1,214)
Proceeds from issue of debt securities and other borrowed funds		1,890,021
Interest paid on debt securities in issue and other borrowed funds		(4,181)
Repayments of debt securities in issue and other borrowed funds		
Payment of lease liabilities		(16,101)
Net cash flows from financing activities		3,028,525
Effect of foreign exchange changes on cash and cash equivalents		999
Net increase/(decrease) in cash flows		2,475,143
Cash and cash equivalents contributed to the Bank		9,263,381
Cash and cash equivalents at the end of the year	15	11,738,524

The attached notes (pages 294-466) form an integral part of the Bank's financial statements

Notes to the Financial Statements

GENERAL INFORMATION

By virtue of the decision of the Ministry of Development and Investments number 45089/16.4.2021, on the 16th of April 2021 the demerger by way of hive-down of the banking business sector of Alpha Bank S.A. (hereby the “Demerged”) was completed with the incorporation of a new company – credit institution which was registered under G.E.M.I. (General Commercial Registry) on the same date. The approval of the demerger resulted in the following:

- c. The new banking company under the corporate name “Alpha Bank S.A.” substituted the Demerged, under universal succession, to all of its assets, legal relationships and rights and obligations of the Demerged that come under the Banking Business Sector transferred to it (assets and liabilities), as these are included in the transformation balance sheet of 30.6.2020 and were formed until 16.4.2021, the completion date of the demerger. The new banking company under the corporate name “Alpha Bank S.A.” was granted a licence to operate as a Financial Holdings Company and to provide banking services under the applicable legislation, by the European Central Bank.
- d. The Demerged became a shareholder of the Beneficiary, receiving 100% of its issued shares, and specifically 50,838,244,961 ordinary, registered shares with voting rights with nominal value Euro 0.10 each.

On 19.4.2021 the amendment of the Articles of Incorporation of the “Demerged” was approved, by virtue of the decision of the Ministry of Development and Investments number 45898/19.4.2021, with the modification, addition or/and restatement of its articles, among which article 1 (Name), with a change of its corporate name and distinctive title of the Demerged to “Alpha Services and Holdings S.A.” and “Alpha Services and Holdings” respectively.

The Bank has its registered office at 40 Stadiou Street, Athens and is listed in the General Commercial Register with registration number 159029160000. Its duration has been set until 2101 and can be extended following a decision of the General Assembly. The Bank’s scope of business, as stated in article 4 of its Articles of Incorporation, is the providing of services and the conducting, serving its own interests or those of third parties, in Greece or abroad, independently or in cooperation, of all works and activities permitted to be conducted by credit institutions under the applicable legislation.

For its fulfillment, the Bank may conduct any actions, works or transactions that, directly or indirectly, are consistent, supplementary or auxiliary to it, as well as to undertake any action the serves its scope of business directly or indirectly, including any form of cooperation with any third party.

The Bank is managed by the Board of Directors, which represents the Bank 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. The tenure of the first Board of Directors is decided annually and is extended until the Ordinary General Meeting of Shareholders that will take place in after the end of tenure of the first Board of Directors.

On 25 February 2022, Alpha Services and Holdings S.A. transferred to ALPHALIFE A.A.E.Z. ten (10) ordinary, registered, with voting rights, unlisted shares, with nominal value €0.10 each for a total amount of €12.5 it holds in the Bank’s share capital and which represent approximately 0.00000002% of the latter’s share capital.

The composition of the Board of Directors as at December 31, 2021 is as follows:

CHAIRMAN (Non-Executive Member)

Vasileios T. Rapanos

EXECUTIVE MEMBERS

Vassilios E. Psaltis, Chief Executive Officer

Spyros N. Filaretos, General Manager - Growth and Innovation Officer

NON-EXECUTIVE MEMBER

Efthimios O. Vidalis */****

NON-EXECUTIVE INDEPENDENT MEMBERS

Dimitris K. Tsitsiragkos **/**

Jean L. Cheval **/**

Carolyn Adele G. Dittmeier */****

Richard R. Gildea **/**

Elanor R. Hardwick */****

Shahzad A. Shahbaz ****

Jan Oscar A. Vanhevel */**

NON-EXECUTIVE MEMBER

(pursuant to the provisions of Law 3864/2010)

Johannes Herman Frederik G. Umbgrove */**/**/****

SECRETARY

George P. Triantafyllides (until 16.12.2021)

Irene E. Tzanakaki (as of 16.12.2021)

*	Member of the Audit Committee
**	Member of the Risk Management Committee
***	Member of the Remuneration Committee
****	Member of the Corporate Governance, Sustainability and Nomination Committee

It is noted that the Board of Directors of 16.12.2021 elected Mrs. E.M. Andriopoulou as a Non Executive Member of the Board of Directors, effective as of 1.1.2022.

The Board of Directors can set up the Executive Committee to which it delegates certain powers and responsibilities. The Executive Committee acts as the collective corporate body of the Bank. The powers and authorities of the Committee are determined by way of a Chief Executive Officer Act, delegating powers and authorities to the Committee.

Indicatively, main responsibilities of the Committee include, but are not limited to, the preparation of 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; the preparation of the Internal Capital Adequacy Assessment Process (ICAAP) Report and the Internal Liquidity Adequacy Assessment Process (ILAAP) Report; review and approval of the Company's policies; processes and systems related to Recovery Plan. Furthermore, the Committee is responsible for the implementation of the overall risk strategy – including risk the institution's risk appetite and its risk management framework-, an adequate and effective internal governance and internal control framework, the selection and suitability assessment process for Key Function Holders, the amounts, types and distribution of both internal capital and regulatory capital, and the targets for the liquidity management of the Bank.

The composition of the Executive Committee as of 31.12.2021 is as follows:

CHAIRMAN

Vassilios E. Psaltis, Chief Executive Officer

EXECUTIVE MEMBERS

Spyros N. Filaretos, General Manager - Growth and Innovation Officer

Spyridon A. Andronikakis, General Manager - Chief Risk Officer (CRO)

Lazaros A. Papagaryfallou, General Manager - Chief Financial Officer (CFO)

Sergiu-Bogdan A. Oprescu, General Manager International Network

Nikolaos V. Salakas, General Manager - Chief Legal and Governance Officer

Ioannis M. Emiris, General Manager Wholesale Banking

Isidoros S. Passas, General Manager Retail Banking

Anastasia X. Sakellariou, General Manager - Chief Transformation Officer

Stefanos N. Mytilinaios, General Manager - Chief Operating Officer

On 16.11.2021 the "Sustainable Growth Committee at Group level" was formed, following the decision of 30.9.2021 under which, the Board of Directors' committee "Corporate Governance and Nominations Committee" was renamed "Corporate Governance, Sustainability and Nominations Committee". The committee's objective is to examine and decide on Sustainable Growth issues, as well as Environmental, Social, and Governance Issues ("ESG"), in order to ensure an internal governance framework that will allow the Company to manage relative risks and study all issues regarding sustainable growth.

The present annual financial statements have been approved by the Board of Directors on 31st March 2022.

ACCOUNTING POLICIES APPLIED

1.1 Basis of presentation

The financial statements for the period ending 17.4-31.12.2021 have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union, in accordance with Regulation 1606/2002 of the European Parliament and the Council of the European Union on 19 July 2002.

The present financial statements relate to the period beginning on the date on which the hive down transaction of the banking sector was completed, through which all of the assets and liabilities of Alpha Bank prior to the demerger, identified as constituting the banking sector, were transferred to a new credit institution established for this purpose. Alpha Bank is now the new credit institution, while the Company from which the hive down was originated was transformed into a Holding company under the name Alpha Services and Holdings SA. As described in detail in note "Corporate Transformation-Demerger", the aforementioned transaction was accounted for as an intragroup reorganization under which, in accordance with the accounting policy of the Bank, assets and liabilities were transferred at book values while Alpha Services and Holdings SA recognized an investment in the new credit institution equal to the book value of net assets transferred. Additionally, both in the separate and in the consolidated financial statements of the new company information is included from the date of the corporate reorganization and onwards.

The financial statements have been prepared on the historical cost basis. However, some assets and liabilities are measured at fair value. Those assets are the following:

- Securities held for trading
- Derivative financial instruments
- Loans and advances to customers measured at fair value through profit or loss
- Investment securities measured at fair value through other comprehensive income
- Investment securities measured at fair value through profit or loss
- The contingent consideration recognized either as a result of a business combination in which the Bank is the acquirer or in the context of asset disposal transactions in which the Bank is the seller.

The financial statements are presented in Euro, rounded to the nearest thousand, unless otherwise indicated.

1.1.1. Going concern

The financial statements as at 31.12.2021 have been prepared based on the going concern principle. For the application of this principle, the Board of Directors considered current economic developments and made estimates for the formation, in the near future, of the economic environment in which it operates. In this context, the Board of Directors assessed the following areas which are considered important during its assessment:

Developments in the macroeconomic environment

In early 2020, the emergence and rapid spread of the Covid-19 pandemic overturned the growth prospects of the global and the Greek economy. Many governments, in an effort to boost the resilience of their national economies, have taken to an unprecedented extent emergency fiscal measures to support national health systems and ensure employment and entrepreneurship. The fiscal support policy that the government has followed mitigated, in part, the adverse effects of the recession that reached 9% on an annual basis in 2020. The swift and strong recovery of economic activity in the first nine months of 2021, recouped a significant part of the losses registered because of the recession of the previous year, as GDP at constant prices increased by 8.3% on an annual basis based on the adjusted criteria.

The steep rebound of GDP in 2021 can be attributed, firstly, to the private consumption, which increased by 7.8%, on an annual basis, contributing by 5.5 points on GDP growth and which was driven by the sharp increase in savings and the rise in employment. Investments have marked the second greater positive contribution to the GDP increase in 2021 (2.3 percentage points), as they increased by 19.6%, which amongst individual categories was mainly attributed to the rise of

investments in machinery and technological equipment (+34.5% on an annual basis). The good performance of exports of services, and especially the remarkable recovery of tourism in 2021, have resulted in the positive contribution of net exports to the GDP increase, by 0.9 percentage points. Finally, public consumption has increased by 3.7% in 2021, in comparison to 2020, contributing to GDP increase by 0.8 percentage points, as a result of fiscal interventions addressing the negative impacts of the pandemic, as well as other fiscal support measures for the strengthening of households and businesses, which include, amongst others, the provision of subsidies for heating, electricity and petroleum. On the contrary, inventories have significantly decreased, during the previous year, deducting 1.1 percentage points from the GDP rise.

Some particularly favorable indications that the recovery of the Greek economy will be strong are the following: first, conditions for the change of the composition of the economic growth are put in place, which is expected to derive mainly from investment expenditure. The increase of investment in the short-term will be determined by the evolution of the country's sovereign credit rating towards the so-called "investment grade", the disbursement of funds in the context of the Recovery and Resilience Facility (RRF), as well as the implementation of structural reforms that will establish a business-friendly environment. The RRF funding can be demonstrated a stable basis for a strong continued growth of the Greek economy and is expected to mobilize new investments and sustainable growth rates. The funds, according to the National Recovery and Resilience Plan (NRRP), are expected to mobilize new investments of around EUR 57.5 billion in 2021-2026, covering to a large extent the investment gap that was created in Greece in the previous decade. Secondly, in the estimation for new increase of tourist arrivals and proceeds from tourism, the significant recovery of turnover of businesses and finally, the gradual stabilisation of the Economic Sentiment Indicator (ESI).

Despite the positive expectations, the challenges and uncertainties are retained with regards to the evolution of the disease Covid-19 and its mutations, as well as the potential impacts of permanent nature in productivity, employment, behavior of households, resilience of businesses and risks of financing the economically weak economies. In addition, inflation, as measured by the harmonized index of consumer prices, has increased the second half of 2021 primarily due to the rising energy prices globally, the supply chains disruptions and shortages of raw materials. In December 2021 the harmonized index of consumer prices increased by 4.4%, compared to -2.4% in the respective month of 2020, while the average ratio increased in 2021 by 0.6% compared to the previous year. In 2022, the harmonized index is expected to amount to 3.1% according to the Organisation for Economic Co-operation and Development (World Economic Outlook, December 2021) and to 3% according to the European Central Bank (Eurosystem staff macroeconomic projections for the euro area countries, December 2021).

Finally, the economic implications of the full-scale invasion from Russia to Ukraine at the beginning of the year, as well as the sanctions against Russia, are basically related with a longer period of inflation tensions in Eurozone. These tensions are fueled by gas, oil and food prices which are expected to remain high over the medium term, as well as from increased uncertainty from the disruption in financial markets. As a result, the impact of high energy prices on households' real incomes as well as on industries supply lines, is expected to weaken the increase in private consumption. Consequently, the three basic channels through which it is expected that the geopolitical developments will affect the Greek economy are the energy prices, tourism and a potential disruption of financial markets. The potential economic or non-economic impact of these conditions on the Bank depends on the manner that the crisis is going to unfold. This crisis and its impact on the domestic and global economic conditions could affect the capacity of the Bank to generate income or satisfy financial targets, increase expenses, or result in higher expected credit losses. Given the uncertainty that exists it is not possible to estimate with reliance the future economic impact (note 39.8).

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 repos interbank transactions (with or without collateral). The Bank made use of the TLTRO III program of the European Central Bank and ensured long-term liquidity with very low interest rates. In this context, the total financing from the European Central Bank on 31.12.2021 amounts to € 12.9 billion (note 27). In addition, in order to reinforce its liquidity, the Bank issued on 16.9.2021 a senior preferred bond, amounting to € 500 mil., with a 6.5-year maturity, callable in year 5.5 with a coupon of 2.5% and a yield of 2.625%, while,

additionally on 10.12.2021 the Bank issued a senior preferred bond, amounting to € 400 mil, with a 2-year maturity, with a coupon of 3% and callable the first year.

In addition, it is important that the European Central Bank, in its decisions in March, April and December 2020, accepted the securities of the Hellenic Republic as collateral for liquidity operations. It is noted that the available eligible collaterals through which the drawing of liquidity from the Eurosystem Mechanisms and / or from third sources is ensured, to the extent required, amounts to € 13 billion as of 31.12.2021. As a result of the above, the liquidity ratios (liquidity coverage ratio and net stable funding ratio) exceed the supervisory limits that have been set.

In addition, considering the conditions that form the current economic environment, stress test exercises are carried out regularly for liquidity purposes, in order to assess possible outflows (contractual or potential). Based on these exercises, the Bank successfully overcomes the liquidity short term stress scenarios (idiosyncratic, systemic and combined), retaining a high liquidity buffer. As a result, based on the Group's plan as well on internal stress tests the Bank has sufficient liquidity reserves to meet its needs.

Capital Adequacy

On 31.12.2021, the Common Equity Tier I of the Bank stands at 13.4%, while the Total Capital Adequacy Ratio at 16.5%. These levels are significantly higher than the levels set by the European Central Bank as further described in note 40. It is also important that due to the spread of Covid-19, the European Central Bank decided to temporarily deviate from the minimum limits of regulatory capital for European Banks at least until the end of 2022. The Bank in order to strengthen its capital proceeded on 4.3.2021 to the issuance of new Tier 2 bond amounting to € 500 mil, with a 10.25-year maturity callable anytime between year 5 and year 5.25 with initial fixed coupon of 5.5% until 11.6.2026, which resets to a new rate effective from the call date until maturity and which is set based on the 5-year swap rate plus a margin 5.823% for the residual maturity. It is also noted that within 2021 the equity of the Bank decreased due to the distribution to Alpha Services and Holdings of 95% of Mezzanine and Junior notes issued as part of Cosmos securitization transaction (note 19) while it was enhanced by the share capital increases of € 1 billion and € 160 million that took place in July and December 2021. Finally, the Group successfully concluded the 2021 EU-wide Stress Test. The Stress Test was conducted based on a static balance sheet approach under a baseline and an adverse macro scenario with a 3-year forecasting horizon (2020-2023). Taking into consideration the results of the capital Stress Test and the internal capital adequacy assessment process (ICAAP), the actions performed within 2021 (share capital increase, Tier 2 issuance, NPE reduction) as well as the actions that aim in the creation of internal capital through profitability, it is estimated that for the next 12 months the Total Capital Adequacy Ratio and the MREL ratio will remain higher than the required minimum levels.

Updated Strategic Plan 2021-2024

In May 2021 the Bank announced the Updated Strategic Plan which is intended to drive the sustainable development and profitability of the Group. The updated Strategic Plan is based on the following key initiatives:

- The asset growth initiative, with specific focus on corporate loans, in the context of the anticipated recovery of the Greek economy and the prospects being developed by the Recovery and Resilience Fund (RRF), enhancing Net Interest Income and Fee and Commission Income for the Bank.
- The initiatives for the reduction of non-performing exposures (NPEs), which include the Galaxy transaction, which was completed on 18th June 2021, as well as a series of other transactions, that refer to a total gross book value of € 8.1 billion of NPEs, part of which relate to securitizations under the extension of the HAPS scheme («HAPS 2»), but also to the ongoing organic NPE reduction.
- The initiatives for efficiency enhancements, with the aim to achieve operational excellence and reducing operating costs throughout the organization.
- The initiatives for the growth of fees and commissions income, through low-intensity capital operations, such as Wealth Management products and services and the supply of Bancassurance products.
- The initiatives for the development of the Groups' international presence, including utilization of additional funds in Romania where the banking sector has a strong growth outlook.

In addition, in the context of the updated strategic plan capital measures are taken through the implementation of specific transactions that provide additional capital buffers.

For the support of the implementation of the updated strategic plan, with regards to the asset growth initiative, the parent company has successfully completed increase of share capital, raising new capital of € 800 mil. The Group estimates that the share capital increase ensures from the start the growth capital that is expected to be utilised for this purpose until the end of 2024.

The updated strategic plan aims in aggregate at the reform of the Group's balance sheet and in the mid-term at the increase of return on equity, preserving at the same time the capital position, over the required minimum thresholds that apply.

Based on the above and taking into account:

- the Bank's capital adequacy ratio that is higher than the required minimum levels, the MREL ratio that is higher than the mid-level, as well the specific actions the Bank has planned to further strengthen the ratios,
- the satisfactory liquidity of the Bank,
- the measures taken by the Bank to protect its employees from coronavirus, the implementation of actions under the Business Continuity Plan and the activation of the ability for teleworking at a large scale whilst ensuring that critical operations are performed,
- the actions taken to enhance efficiency and profitability,
- the decisions of the eurozone countries to adopt a series of fiscal and other measures to stimulate the economy, according to which Greece is expected to receive € 30.5 billion from the recovery package for Europe "Next Generation EU"

that even though the prolonged duration as well as the form that the Russia and Ukraine war conflict will possibly take may adversely affect the macroeconomic environment, the Bank has limited exposure to Russian and Ukrainian economy as well as significant buffers of capital adequacy and liquidity,

the Board of Directors estimates that, at least for the next 12 months from the date of approval of the financial statements, the conditions for the application of the going concern principle for the preparation of its financial statements are met.

1.1.2 Adoption of new standards and of amendments to standards

The European Union has adopted IFRS 17 as well as the following amendments to standards which are effective for annual periods beginning from 1.1.2022 onwards and have not been early adopted by the Bank.

► **Amendment to the International Financial Reporting Standard 3 "Business Combinations"**: Reference to the Conceptual Framework (Regulation 2021/1080/28.6.2021)

Effective for annual periods beginning on or after 1.1.2022

On 14.5.2020 the International Accounting Standards Board amended IFRS 3 in order to update references to the Conceptual Framework. More specifically:

- amended IFRS 3 in order to refer to the latest version of the Conceptual Framework,
- added a requirement that for transactions within the scope of IAS 37 or IFRIC 21 an acquirer applies IAS 37 or IFRIC 21 instead of the Conceptual Framework to identify liabilities it has assumed in a business combination,
- added an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

The adoption of the above amendment is not expected to have any impact on the financial statements of the Bank.

► **International Financial Reporting Standard 17 "Insurance Contracts" and Amendment to International Financial Reporting Standard 17 "Insurance Contracts"** (Regulation 2021/2036/19.11.2021)

Effective for annual periods beginning on or after 1.1.2023

On 18.5.2017 the International Accounting Standards Board issued IFRS 17 which replaces IFRS 4 “Insurance Contracts”. In contrast to IFRS 4, the new standard introduces a consistent methodology for the measurement of insurance contracts. The key principles in IFRS 17 are the following:

An entity:

- identifies as insurance contracts those contracts under which the entity accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder;
- separates specified embedded derivatives, distinct investment components and distinct performance obligations from the insurance contracts;
- divides the contracts into groups that it will recognise and measure;
- recognises and measures groups of insurance contracts at:
 - i. a risk-adjusted present value of the future cash flows (the fulfilment cash flows) that incorporates all of the available information about the fulfilment cash flows in a way that is consistent with observable market information; plus (if this value is a liability) or minus (if this value is an asset)
 - ii. an amount representing the unearned profit in the group of contracts (the contractual service margin);
- recognises the profit from a group of insurance contracts over the period the entity provides insurance cover, and as the entity is released from risk. If a group of contracts is or becomes loss-making, an entity recognises the loss immediately;
- presents separately insurance revenue, insurance service expenses and insurance finance income or expenses; and
- discloses information to enable users of financial statements to assess the effect that contracts within the scope of IFRS 17 have on the financial position, financial performance and cash flows of an entity.

On 25.6.2020 the International Accounting Standards Board issued an amendment to IFRS 17 which aimed to ease implementation of the standard and make it easier for entities to explain their financial performance. Additionally, with the amendment the effective date of the standard was postponed to 1.1.2023.

Finally, it is noted that under the Regulation of the European Union that adopted above standard, an entity may choose not to apply paragraph 22 of the standard, in accordance with which an entity shall not include contracts issued more than one year apart in the same group, to:

- (a) groups of insurance contracts with direct participation features and groups of investment contracts with discretionary participation features and with cash flows that affect or are affected by cash flows to policyholders of other contracts;
- (b) groups of insurance contracts that are managed across generations of contracts and that meet the conditions laid down in Article 77b of Directive 2009/138/EC and have been approved by supervisory authorities for the application of the matching adjustment.

IFRS 17 does not apply to the financial statements of the Bank.

► **Amendment to the International Accounting Standard 1 “Presentation of Financial Statements”:** Disclosure of accounting policies (Regulation 2022/357/2.3.2022)

Effective for annual periods beginning on or after 1.1.2023

On 12.2.2021 the International Accounting Standards Board issued an amendment to IAS 1 with which it clarified that:

- The definition of accounting policies is provided by paragraph 5 of IAS 8.
- An entity shall disclose material accounting policy information. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of financial statements make.
- Accounting policy information that relates to immaterial transactions is immaterial and need not be disclosed. Accounting policy information may nevertheless be material because of the nature of the related transactions even if the amounts are immaterial. However, not all accounting policy information relating to material transactions and other events is itself material.
- Accounting policy information is material if users of an entity’s financial statements would need it to understand other material information in the financial statements.

- Accounting policy information that focuses on how an entity has applied an accounting policy is more useful to users of financial statements than standardized information or information that only summarizes the requirements of IFRSs.
- If an entity discloses immaterial accounting policy information, such information shall not obscure material accounting policy information.

The Bank is examining the impact from the adoption of the above amendment on its financial statements.

► **Amendment to the International Accounting Standard 8** “Accounting Policies, Changes in Accounting Estimates and Errors”: Definition of accounting estimates (Regulation 2022/357/2.3.2022)

Effective for annual periods beginning on or after 1.1.2023

On 12.2.2021 the International Accounting Standards Board issued an amendment to IAS 8 with which:

- Defined accounting estimates as monetary amounts in financial statements that are subject to measurement uncertainty.
- Clarified that an accounting policy may require items in financial statements to be measured in a way that involves measurement uncertainty. In such a case, an entity develops an accounting estimate. Developing accounting estimates involves the use of judgements and assumptions.
- An entity uses measurement techniques and inputs to develop an accounting estimate.
- An entity may need to change an accounting estimate. By its nature, a change in an accounting estimate does not relate to prior periods and is not the correction of an error. A change in an input or a change in a measurement technique are changes in accounting estimates unless they result from the correction of prior period errors.

The Bank is examining the impact from the adoption of the above amendment on its financial statements.

► **Amendment to International Accounting Standard 16** “Property, plant and equipment”: Proceeds before intended use (Regulation 2021/1080/28.6.2021)

Effective for annual periods beginning on or after 1.1.2022

On 14.5.2020 the International Accounting Standards Board issued an amendment to IAS 16 which prohibits deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, the proceeds from selling such items and the cost of producing them must be recognized in profit or loss.

The Bank is examining the impact from the adoption of the above amendment on its financial statements.

► **Amendment to International Accounting Standard 37** “Liabilities, Contingent Liabilities and Contingent Assets”: Onerous Contracts – Cost of fulfilling a contract (Regulation 2021/1080/28.6.2021)

Effective for annual periods beginning on or after 1.1.2022

On 14.5.2020 the International Accounting Standards Board issued an amendment to IAS 37 in order to clarify that the cost of fulfilling a contract comprises the costs that relate directly to the contract. These costs are both the incremental costs of fulfilling a contract – for example direct labour and materials- and an allocation of other costs that relate directly to fulfilling a contract – for example the depreciation charge of an item of property plant and equipment used in fulfilling that contract.

The Bank is examining the impact from the adoption of the above amendment on its financial statements.

► **Annual Improvements** – cycle 2018-2020 (Regulation 2021/1080/28.6.2021)

Effective for annual periods beginning on or after 1.1.2022

As part of the annual improvements project, the International Accounting Standards Board issued on 14.5.2020 non-urgent but necessary amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41.

The above amendments are not expected to have any impact on the financial statements of the Bank.

In addition, the International Accounting Standards Board has issued the following standards and amendments to standards, which have not yet been adopted by the European Union and which have not been early applied by the Bank.

► **Amendment to International Financial Reporting Standard 10 “Consolidated Financial Statements” and to International Accounting Standard 28 “Investments in Associates and Joint Ventures”:** Sale or contribution of assets between an investor and its associate or joint venture.

Effective date: To be determined.

On 11.9.2014 the International Accounting Standards Board issued an amendment to IFRS 10 and IAS 28 in order to clarify the accounting treatment of a transaction of sale or contribution of assets between an investor and its associate or joint venture. In particular, IFRS 10 was amended in order to be clarified that in case that as a result of a transaction with an associate or joint venture, a parent (investor) loses control of a subsidiary, which does not constitute a business, as defined in IFRS 3, it shall recognise to profit or loss only the part of the gain or loss which is related to the unrelated investor’s interests in that associate or joint venture. The remaining part of the gain from the transaction shall be eliminated against the carrying amount of the investment in that associate or joint venture. In addition, in case the investor retains an investment in the former subsidiary and the former subsidiary is now an associate or joint venture, it recognises the part of the gain or loss resulting from the remeasurement at fair value of the investment retained in that former subsidiary in its profit or loss only to the extent of the unrelated investor’s interests in the new associate or joint venture. The remaining part of the gain is eliminated against the carrying amount of the investment retained in the former subsidiary.

In IAS 28, respectively, it was clarified that the partial recognition of the gains or losses shall be applied only when the involved assets do not constitute a business. Otherwise, the total of the gain or loss shall be recognised.

On 17.12.2015, the International Accounting Standards Board deferred the effective date for the application of the amendment that had been initially determined. The new effective date will be determined by the International Accounting Standards Board at a future date after taking into account the results of its project relating to the equity method.

► **International Financial Reporting Standard 14 “Regulatory deferral accounts”**

Effective for annual periods beginning on or after 1.1.2016

On 30.1.2014 the International Accounting Standards Board issued IFRS 14. The new standard, which is limited-scope, addresses the accounting treatment and the disclosures required for regulatory deferral accounts that are maintained in accordance with local legislation when an entity provides rate-regulated goods or services. The scope of this standard is limited to first-time adopters that recognized regulatory deferral accounts in their financial statements in accordance with their previous GAAP. IFRS 14 permits these entities to capitalize expenditure that non-rate-regulated entities would recognize as expense.

It is noted that European Union has decided not to launch the endorsement of this standard and to wait for the final standard.

The above standard does not apply to the financial statements of the Bank.

► **Amendment to International Financial reporting Standard 17: “Insurance Contracts”:** Initial Application of IFRS 17 and IFRS 9 – Comparative information

Effective for annual periods beginning on or after 1.1.2023

On 9.12.2021 the International Accounting Standards Board issued an amendment to IFRS 17 according to which entities are permitted on initial application of IFRS 17 to classify financial assets in the comparative period in a way that aligns with how the entity would classify them on IFRS 9 transition. The amendment specifies how this option is applied depending on whether the entity applies IFRS 9 for the first time at the same time as IFRS 17 or whether it has already applied it in a previous period.

The above amendment does not apply to the financial statements of the Bank.

► **Amendment to the International Accounting Standard 1 “Presentation of Financial Statements”:** Classification of liabilities as current or non-current

Effective for annual periods beginning on or after 1.1.2023

On 23.1.2020, the International Accounting Standards Board issued amendments to IAS 1 relating to the classification of liabilities as current or non-current. More specifically:

- The amendments specify that the conditions which exist at the end of the reporting period are those which will be used to determine if the liability must be classified as current or non-current.
- Management expectations about events after the balance sheet date must not be taken into account.
- The amendments clarify the situations that are considered settlement of a liability.

On 15.7.2020 the International Accounting Standards Board extended effective date by one year taking into account the impact of Covid-19.

The above amendment will have no impact on the financial statements of the Bank since in Bank's balance sheet liabilities are not classified as current and non-current.

► **Amendment to International Accounting Standard 12 "Income Taxes"**: Deferred tax related to assets and liabilities arising from a single transaction

Effective for annual periods beginning on or after 1.1.2023

On 7.5.2021 the International Accounting Standards Board issued an amendment to IAS 12 with which it narrowed the scope of the recognition exception according to which, in specific circumstances, entities are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The amendment clarifies that the exception no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

The Bank is examining the impact from the adoption of the above amendment on its financial statements.

1.2 Accounting policies

1.2.1 Transactions in foreign currency and translation of foreign operations

a. Transactions in foreign currency

The financial statements are presented in Euro, which is the functional currency and the currency of the Bank's country of incorporation.

Items included in the financial statements for foreign branches are measured at the functional currency which is the currency of the country of incorporation in which the branch operates or the currency used in the majority of the transactions held.

Transactions in foreign currencies are translated into the functional currency at the closing exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate at the balance sheet date. Foreign exchange differences arising from the translation are recognized in the income statement.

Non-monetary assets and liabilities are translated using the rate of exchange at the transaction date, except for non-monetary items denominated in foreign currencies that are measured at fair value which are translated at the exchange rate of the date that the fair value is determined.

The exchange differences relating to these items are part of the change in fair value and they are recognized in the income statement or recorded directly in equity depending on the classification of the non-monetary item.

b. Translation of foreign operations

The results and financial position of all foreign branches that have a functional currency that is different from the presentation currency of the Bank's financial statements are translated as follows:

- Assets and liabilities are translated to Euro at the closing rate applicable on the balance sheet date. The comparative figures presented are translated to Euro at the closing rates at the respective date of the comparative balance sheet.
- Income and expense items are translated to Euro at average exchange rates applicable for each period presented.

The resulting exchange differences from the above translation and those arising from other monetary items designated as a part of the net investment in a foreign entity are recorded in equity. These translation differences are reclassified to the income statement when a foreign branch is sold.

1.2.2 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents consists of:

- a. Cash on hand
- b. Non-restricted balances with Central Banks and
- c. Short-term balances due from banks and Reverse Repo agreements

Short-term balances are amounts that mature within three months of the balance sheet date.

Non-restricted placements with Central Banks, short-term balances due from banks and Reverse Repo agreements are measured at amortised cost.

1.2.3 Classification and measurement of financial instruments

Initial recognition

The Bank recognises financial assets or financial liabilities in its statement of financial position when it becomes a party to the terms of the contract.

At initial recognition the Bank measures financial assets and liabilities at fair values. Financial instruments not measured at fair value through profit or loss are initially recognised at fair value plus or minus transaction costs and income or fees that are directly attributable to the acquisition or issue of the financial instrument.

Regular way purchases and sales of financial instruments are recognized at the settlement date with the exception of equity shares and derivatives that are recognized at the trade date. For bonds that are measured at fair value, the change in fair value during the period between the trade date and the settlement date is recognized in profit or loss or in other comprehensive income based on the bond's classification category.

It is noted that in the context of the accounting policy applied for the hive down of the banking sector, the date of initial recognition of the financial assets for the purposes of assessing whether the contractual cash flows are exclusively cash flows of principal and interest on the principal amount outstanding, determination of effective interest and calculation of expected credit risk losses was considered to be that in force prior to the hive down. Respectively, for financial liabilities the date of initial recognition for the purpose of determining effective interest rate was considered to be the one that was valid before hive down.

Subsequent measurement of financial assets

The Bank classifies its financial assets as:

- Financial assets measured at amortised cost,
- Financial assets measured at fair value through other comprehensive income, with gains or losses reclassified in profit or loss on derecognition,
- Equity instruments measured at fair value through other comprehensive income, with no reclassification in gains or losses to profit or loss on derecognition,
- Financial assets measured at fair value through profit or loss.

For each of the above categories the following apply:

a) Financial assets measured at amortised cost

In this category are classified the financial assets that satisfy both of the following criteria:

- are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows,
- 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.

The above category is measured at amortised cost using the effective interest method and is periodically assessed for expected credit losses, as it is further described in notes 1.2.11 and 1.2.12.

b) Financial assets measured at fair value through other comprehensive income, with gains or losses reclassified in profit or loss on derecognition

In this category are classified the financial assets that satisfy both of the following criteria:

- are held within a business model whose objective is both to collect contractual cash flows and selling financial assets,
- 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.

The above category is periodically assessed for expected credit losses, as it is further described in notes 1.2.11 and 1.2.12.

c) Equity instruments measured at fair value through other comprehensive income, with no reclassification in gains or losses to profit or loss on derecognition

In this category are classified equity instruments that are neither held for trading nor contingent consideration recognised by an acquirer in a business combination and that Bank decides, at initial recognition, to measure at fair value through other comprehensive income. This decision is irrevocable. With the exception of dividends, which are directly recognized in profit or loss, all other gains and losses arising from those instruments are directly recognized in other comprehensive income and are not reclassified to profit or loss. For those equity instruments there is no impairment assessment.

d) Financial assets measured at fair value through profit or loss

Financial assets included in this category are:

- i. those acquired principally for the purpose of selling in the near term to obtain short term profit (held for trading).
The Bank has included in this category 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
- iii. those the Bank designated, at initial recognition, as at fair value through profit or loss. This classification option, which is irrevocable, is used when the designation eliminates an accounting mismatch which would otherwise arise from measuring financial assets and liabilities on a different basis (i.e. amortised cost) in relation to another financial asset or liability (i.e. derivatives which are measured at fair value through profit or loss).

As at the reporting date, the Bank had not designated, at initial recognition, any financial assets as at fair value through profit or loss.

Business Model assessment

The business model reflects how the Bank manages its financial assets in order to generate cash flows. That is, the Bank's business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both. The Bank's business model is determined at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. Accordingly, business model does not depend on management's intentions for an individual instrument but it is determined on a higher level of aggregation.

The business models of the Bank are determined by the Asset Liability Committee (ALCO) or the Executive Committee (ExCo) which decide on the determination of the business model both for the loans and advances to customers and the securities portfolio. In this context:

- For loans and advances to customers the Bank has identified the following business models:
 - Business model whose objective is to hold financial instruments in order to collect their contractual cash flows (hold to collect) and
 - Business model whose objective is the sale of financial instruments which is applied only to syndicated loans that the Bank grants in order to sell them within six months.
- Due from banks are included in the business model whose objective is to hold financial assets in order to collect contractual cash flows (hold to collect)
- For bonds and in general for fixed income investments, the Bank has identified the following business models:

- Business model whose objective is to hold financial instruments in order to collect their contractual cash flows (hold to collect)
- Business model that aims both at collecting contractual cash flows and selling (hold to collect and sell)
- Trading portfolio
- Business model whose objective is achieved by the sale/distribution of the financial assets.

The determination of the above business models has been based on:

- The way the performance of the business model and the financial assets held within that business model are evaluated and reported to the Bank key management personnel.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, specifically, the way those risks are managed.
- The way the managers are evaluated (e.g., whether the evaluation is based on the fair value of the assets managed or the contractual cash flows collected).
- Past and expected frequency and value of sales from the portfolio.

The Bank, at each reporting date, reassesses its business models in order to confirm that there has been no change compared to the prior period or application of a new business model. In the context of the reassessment of the hold to collect business model past sales as well as expected future sales are taken into account. In this assessment, the following cases of sales are considered consistent with a hold to collect business model:

- a) Sales of non performing loans due to the credit deterioration of the debtor, excluding those sales of loans considered as credit impaired at origination.
- b) Sales made close to the maturity of the financial assets so that the proceeds from the sales approximate the collection of the remaining contractual cash flows. In these cases, for loan portfolio the Bank defines as 'close', what is less than 5% of the total life of the instrument remaining at the time of sale. For bonds portfolio respectively, the Bank defines as 'close', the minimum between 10% of the original life of the instrument and a time period equal to 6 months up to maturity while no limitation on the size exists on the sales that take place close to maturity where expected cash flows amount to at least 97% of principal plus accrued interest.
- c) Sales (excluding a and b) which are infrequent (even if significant in value) or insignificant in value both individually and in aggregate (even if frequent). For loan portfolio the Bank has defined the following thresholds:
 - Significance: Sales exceeding 5% the previous reporting period gross balance of the respective portfolio
 - Frequency: Significant sale transactions occurring more than twice a year.

For bonds portfolio, sales deemed insignificant are those that sum up to 5% of the current total portfolio size or the portfolio of the last quarterly reporting period, whichever is higher.

In addition, for bond portfolio the following sales are considered consistent with a hold to collect business model:

- Sales of bonds that do not longer meet the requirements stated in the investment policy due to a significant increase in issuer's credit risk.
- Infrequent sales under liquidity stress conditions.

Solely Payments of Principal and Interest (SPPI) assessment of the contractual cash flows

For the purposes of applying the SPPI assessment:

- Principal is the fair value of the asset at initial recognition, which may change over the life of the financial asset, (for example if there are repayments of principal).
- Interest is the consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks (i.e. liquidity risk) and costs, as well as a profit margin.

Contractual terms that introduce exposure to risks and volatility in the contractual cash flows that are not related to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are solely payments of principal and interest on the principal amount outstanding.

In this context, in assessing whether contractual cash flows are SPPI, the Bank assesses whether the instrument contain contractual terms that change the timing or amount of contractual cash flows. More specifically, the following are taken into account:

- Leveraged payments
- Payments linked with the variability in exchange rates
- Conversion to equity terms
- Interest rates indexed to non-interest variables
- Prepayment or extension options
- Terms that limit the Bank's claim to the cash flows from specified assets or based on which the Bank has no contractual right to unpaid amounts
- Interest-free deferred payments
- Terms based on which the performance of the instruments is affected by equity or commodity prices

Especially in the case of financing of a special purpose vehicle, in order for the loan to meet the criterion that its cash flows are solely payments of principal and interest on the principal amount outstanding, among other, at least one of the following conditions should apply:

- At initial recognition, LTV (Loan to Value) shall not exceed the threshold of 80% or LLCR (Loan Life Coverage Ratio) shall be at least equal to the threshold of 1.25.
- The equity of the special purpose vehicle shall amount to at least 20% of its total assets.
- There are sufficient collaterals that are not related to the asset being funded.

In addition, in determining whether contractual cash flows are solely payments of principal and interest on the principal amount outstanding, it is assessed whether time value of money element has been modified. Time value of money is the element of interest that provides consideration for only the passage of time. That is, the time value of money element does not provide consideration for other risks or costs associated with holding the financial asset. However, in some cases, the time value of money element may be modified. That would be the case, for example, if a financial asset's interest rate is periodically reset but the frequency of that reset does not match the tenor of the interest rate or if a financial asset's interest rate is periodically reset to an average of particular short- and long-term interest rates. In such cases, the Bank assesses the modification to determine whether the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding. The objective of the assessment is to determine how different the contractual (undiscounted) cash flows could be from the (undiscounted) cash flows that would arise if the time value of money element was not modified (benchmark test). The effect of the modified time value of money element must be considered in each reporting period and cumulatively over the life of the instrument. If the Bank concludes that the contractual (undiscounted) cash flows could be significantly different from the (undiscounted) benchmark cash flows, the contractual cash flows are not solely payments of principal and interest on the principal amount outstanding. According to the policy set by the Bank, the above assessment test does not result in significant different contractual cash flows when the cumulative difference over the life of the instrument does not exceed 10% and at the same time the number of individual cash flows with a difference of more than 10% do not exceed 5% of total reporting periods of the asset until maturity.

Reclassification of financial assets

Reclassifications of financial assets between measurement categories occur when, and only when, the Bank changes its business model for managing the assets. In this case the reclassification is applied prospectively. Changes in the business model of the Bank are expected to be rare. They arise from decisions of the Asset Liability Committee (ALCO) or the Executive Committee (ExCo) as a result of external or internal changes which must be significant to the entity's operations and demonstrable to external parties.

It is noted that during the fourth quarter the Bank amended the operating model for the management of long-term securities that had been included within hold to collect and sell business model, a fact which will lead, on 1.1.2022, to the reclassification of those securities from the securities portfolio measured at fair value through other comprehensive income to the securities portfolio measured at amortized cost (note 20).

If the Bank reclassifies a financial asset out of the amortised cost measurement category and into the fair value through profit or loss measurement category, its fair value is measured at the reclassification date. Any gain or loss arising from a difference between the previous amortised cost of the financial asset and fair value is recognized in profit or loss. The same happens if the Bank reclassifies a financial asset out of the amortised cost measurement category and into the fair value through other comprehensive income measurement category, however in this case the difference between the previous amortised cost of the financial asset and fair value is recognized in other comprehensive income. The effective interest rate and the measurement of expected credit losses are not adjusted as a result of the reclassification. However, the loss allowance would be derecognized (and thus would no longer be recognized as an adjustment to the gross carrying amount) but instead would be recognized as an accumulated impairment amount in other comprehensive income.

If the Bank reclassifies a financial asset out of the fair value through profit or loss measurement category and into the amortised cost measurement category, its fair value at the reclassification date becomes its new gross carrying amount. At this date, the effective interest rate of the asset is calculated while the date of the reclassification is treated as the date of initial recognition for impairment calculation purposes.

If the Bank reclassifies a financial asset out of the fair value through profit or loss measurement category and into the fair value through other comprehensive income measurement category, the financial asset continues to be measured at fair value. As in the above case, at this date, the effective interest rate of the asset is calculated while the date of the reclassification is treated as the date of initial recognition for impairment calculation purposes.

If a financial asset is reclassified out of the fair value through other comprehensive income measurement category and into the amortised cost measurement category, the asset is reclassified at its fair value at the measurement date. However, the cumulative gain or loss previously recognized in other comprehensive income is reversed and adjusted against the fair value of the financial asset at the reclassification date. As a result, the financial asset is measured at the reclassification date as if it had always been measured at amortised cost. This reversal affects other comprehensive income but does not affect profit or loss and therefore is not a reclassification adjustment under IAS 1. The effective interest rate and the calculation of expected credit losses are not affected. However, the loss allowance is recognized as an adjustment to the gross carrying amount of the financial asset from the reclassification date.

If the Bank reclassifies a financial asset out of the fair value through other comprehensive income measurement category and into the fair value through profit or loss measurement category, the financial asset continues to be measured at fair value. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment (in accordance with IAS 1) at the reclassification date.

Derecognition of financial assets

The Bank derecognizes financial assets when:

- the contractual rights to the assets cash flows expire,
- the contractual rights to receive the cash flows of the financial assets are transferred and at the same time all the risks and rewards of ownership are substantially transferred,
- loans or investments in securities are no longer recoverable and consequently are written off,
- the contractual cash flows of the assets are significantly modified.

In the case of transactions where despite the transfer of the contractual right to receive the cash flows from financial assets both the risk and rewards remain with the Bank, no derecognition of these financial assets occurs. The amount received by the transfer is recognized as a financial liability. The accounting practices followed by the Bank in such transactions are discussed in notes 1.2.19 and 1.2.20.

In the case of transactions, whereby the Bank neither retains nor transfers risks and rewards of the financial assets, but retains control over them, the financial assets are recognized to the extent of the Bank's continuing involvement. If the Bank does not retain control of the assets then they are derecognised, and in their position the Bank recognizes, distinctively, the assets and liabilities which are created or retained during the transfer. No such transactions occurred upon balance sheet date.

In case of a change in the contractual terms of a financial asset, the change is considered significant and therefore it results in the derecognition of the original financial asset and the recognition of a new one when one of the following criteria is met:

- Change of issuer/debtor
- Change in denomination currency
- Consolidation of different types of contracts
- Consolidation of contracts that do not entirely satisfy the criterion that cash flows are solely payments of principal and interest on the principal amount outstanding
- Addition or deletion of equity conversion terms
- Separation of a non-SPPI debt instrument into two or more new instruments so that the reason that leads to SPPI failure of the original instrument is not included in all of the new instruments.
- Split of contract that meets SPPI criteria and addition of a non-SPPI term to part of it
- Significant modifications occurring due to the commercial renegotiation of the contractual terms of performing borrowers.
- Refinancing of existing loans accompanied by an increase in the amount financed.

In case of derecognition due to significant modification, the difference between the carrying amount of the original asset and the fair value of the new asset is directly recognized in the Income Statement as specifically mentioned in notes 1.2.24 and 1.2.25. Additionally, in case the original asset was measured at fair value through other comprehensive income, the cumulative gains or losses recognized in other comprehensive income are transferred to profit or loss.

In contrast, if the change in contractual cash flows is not significant, the gross carrying amount of the asset is recalculated by discounting new contractual cash flows with the original effective interest rate and the difference compared to the current gross carrying amount is directly recognized in profit or loss (modification gain or loss) in the line item "Impairment losses, provisions to cover credit risk and related expenses". Fees related to the modification adjust the carrying amount of the asset and are amortised over the remaining term of the modified financial asset through the effective interest method.

Subsequent measurement of financial liabilities

The Bank classifies financial liabilities in the following categories for measurement purposes:

a) Financial liabilities measured at fair value through profit or loss

i. This category includes financial liabilities held for trading, that is:

- financial liabilities acquired or incurred principally with the intention of selling or repurchasing in the near term for short term profit, or
- derivatives not used for hedging purposes. Liabilities arising from either derivatives held for trading or derivatives used for hedging purposes are presented as "derivative financial liabilities" and are measured according to the principles set out in note 1.2.4.

ii. this category also includes financial liabilities which are designated by the Bank as at fair value through profit or loss upon initial recognition, when:

- doing so results in more relevant information, because either:
 - it eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases; or
 - a group of financial liabilities or financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the Bank is provided internally on that basis to the Bank's key management personnel; or

- the contract contains one or more embedded derivatives and the Bank measures the compound financial instrument as a financial liability measured at fair value through profit or loss unless:
 - the embedded derivative does not significantly modify the cash flows that otherwise would be required by the contract or
 - it is clear with little or no analysis when a similar hybrid instrument is first considered that the separation of the embedded derivative(s) is prohibited.

It is noted that in the above case, the amount of the change in fair value attributable to the Bank's credit risk is recognized in other comprehensive income, unless this treatment would create or enlarge an accounting mismatch in profit or loss. Amounts recognized in other comprehensive income are never transferred to profit or loss.

As at the reporting date, the Bank had not designated, at initial recognition, any financial liabilities as at fair value through profit or loss.

b) Financial liabilities carried at amortised cost

The liabilities classified in this category are measured at amortised cost using the effective interest method.

Liabilities to credit institutions and customers, debt securities issued by the Bank and other loan liabilities are classified in this category.

In cases when financial liabilities included in this category are designated as the hedged item in a hedge relationship, the accounting principles applied are those set out in note 1.2.4.

c) Liabilities arising from financial guarantees and commitments to provide loans at a below market interest rate

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the agreed terms.

The financial guarantee contracts and the commitments to provide loans at a below market interest rate are initially recognized at fair value, and measured subsequently at the higher of:

- the amount of the provision determined during expected credit loss calculation (note 1.2.11),
- the amount initially recognised less cumulative amortization which is calculated based on the term of the instrument.

d) Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies

In the first case the liability should be equal to the amount received during the transfer while in the second case it should be measured in such a way that the net carrying amount of the transferred asset and the associated liability is:

- The amortised cost of the rights and obligations retained by the Bank, if the transferred asset is measured at amortised cost or
- Equal to the fair value of the rights and obligations retained by the Bank when measured on a stand-alone basis, if the transferred asset is measured at fair value.

e) Contingent consideration recognized by an acquirer in a business combination

Such contingent consideration is subsequently measured at fair value with changes recognized in profit or loss.

Derecognition of financial liabilities

Financial liabilities (or part thereof) are derecognized when the contractual obligation is been discharged, cancelled or expires.

When a financial liability is exchanged for another liability with substantially different terms, the exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new one. The same applies in cases of a substantial modification of the terms of an existing financial liability or a part of it (whether or not attributable to the financial difficulty of the debtor). The terms are considered substantially different if the discounted present value of the cash flows under the new terms (including any fees paid net of any fees received), discounted using the original effective interest rate, is at least 10% different from the present value of the remaining cash flows of the original financial liability.

In cases of derecognition, the difference between the carrying amount of the financial liability (or part of the financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the amounts are reported net on the balance sheet, only when the Bank has the legally enforceable right to offset recognized amounts and there is the intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

1.2.4 Derivative financial instruments and hedge accounting

Derivative financial instruments

Derivatives are financial instruments that upon inception have a minimal or zero fair value that subsequently changes in accordance with a particular underlying instrument or indices defined in the contract (foreign exchange, interest rate, index or other variable).

All derivatives are recognized as assets when their fair value is positive and as liabilities when their fair value is negative.

Derivatives are entered into for either hedging or trading purposes and they are measured at fair value irrespective of the purpose for which they have been transacted.

The change in the fair value of the interest and currency derivatives, excluding options, is separated into interest, foreign exchange differences and other gains or losses from financial transactions.

In case a derivative is embedded in a financial asset, the embedded derivative is not separated and the hybrid contract is accounted for based on the classification requirements mentioned in note 1.2.3.

In case a derivative is embedded in a host contract, other than a financial asset, the embedded derivative is separated and measured at fair value through profit or loss when the following conditions are met:

- the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host,
- a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and
- the hybrid contract is not measured at fair value with changes in fair value recognised in profit or loss.

The Bank uses derivatives as a means of exercising Asset-Liability management within the guidelines established by the Asset-Liability Committee (ALCO).

In addition the Bank uses derivatives for trading purposes to exploit short-term market fluctuations, within the Bank risk level set by the Asset-Liability Committee (ALCO).

Valuation differences arising from derivatives are recognized in Gains less losses on financial transactions except when derivatives participate in hedging relationships in which case the principles for hedge accounting mentioned below apply.

When the Bank uses derivatives for hedging purposes hedge relationships are formally designated and documented at inception, and effectiveness is monitored on an ongoing basis at each balance sheet date.

We emphasize the following:

a. Synthetic Swaps

The Bank, in order to increase the return on deposits to selected customers, uses synthetic swaps.

This involves the conversion of a Euro deposit to JPY or other currency with a simultaneous forward purchase of the related currency to cover the foreign exchange exposure.

The result arising from the forward transaction is recognized as interest expense, which is included in deposits' interest expense, foreign exchange differences and other gains less losses on financial transactions.

b. FX Swaps

These types of swaps are entered into primarily to economically hedge the exposures arising from customer loans and deposits.

For those cases for which no hedge accounting is applied, swaps are accounted for as trading instruments.

The result arising from these derivatives is recognized as interest and foreign exchange differences, in order to match with the interest element and foreign exchange differences resulting from the deposits and loans, and as other gains less losses on financial transactions.

Hedge accounting

Hedge accounting establishes the valuation rules to offset the gain or loss of the fair value of a hedging instrument and a hedged item which would not have been possible if the normal measurement principles were applied. It is noted that the Bank has opted to continue to apply the provisions for hedge accounting of IAS 39.

Documentation of the hedging relationship upon inception and of the effectiveness of the hedge on an on-going basis are the basic requirements for the adoption of hedge accounting.

The hedge relationship is documented upon inception and the hedge effectiveness test is carried out upon inception and is repeated at each reporting date.

A hedge is regarded as highly effective only if both of the following conditions are met:

- at the inception of the hedge and in subsequent periods the hedge is expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk during the period for which the hedge is designated,
- the results of the hedge are within a range of 80%-125% of the results of the hedged item.

It is noted that according to the accounting policy applied for the hive down of the banking sector, the hedging relationships that were transferred to the new credit institution are a continuation of the relationships that had started before the hive down.

a. Fair value hedges

A fair value hedge of a financial instrument offsets the change in the fair value of the hedged item in respect of the risks being hedged.

Changes in the fair value of both the hedging instrument and the hedged item, in respect of the specific risk being hedged, are recognized in the income statement.

When the hedging relationship no longer exists, the hedged items continue to be measured based on the classification and valuation principles set out in note 1.2.3. Specifically any adjustment, due to the fair value change of a hedged item for which the effective interest method is used, up to the point that the hedging relationship ceases to be effective, is amortised to interest income or expense based on a recalculated effective interest rate, over its remaining life.

The Bank uses interest rate swaps (IRS's) to hedge risks relating to borrowings, loans and bonds. It also uses foreign exchange derivatives to hedge the foreign exchange risk of investments in subsidiaries.

b. Cash flow hedge

A cash flow hedge changes the cash flows of a financial instrument from a variable rate to a fixed rate.

The effective portion of the gain or loss on the hedging instrument is recognized directly in other comprehensive income, in cash flow hedge reserve, whereas the ineffective portion is recognized in Gains less losses on financial transactions. The accounting treatment of the hedged item does not change.

When the hedging relationship is discontinued, the amount recognized in equity remains there separately until the cash flows or the future transaction occur. When the cash flows or the future transaction occur the following apply:

- If the result is the recognition of a financial asset or a financial liability, the amount is reclassified to profit or loss in the same periods during which the hedged forecast cash flows affect profit or loss.
- If the result is the recognition of a non-financial asset or a non-financial liability or a firm commitment for which fair value hedge accounting is applied, the amount recognized in equity either is reclassified to profit or loss in the same periods during which the asset or the liability affect profit or loss or adjusts the carrying amount of the asset or the liability.

When a forecasted transaction or the expected cash flows are no longer expected to occur, the cumulative gain or loss that was recognized in equity is reclassified to profit or loss. In particular, the amount that has been recognized in equity, as a result of

revoked cash flow hedging relationships for term deposits, is linearly amortised as interest expense in the periods during which the hedged cash flows from the aforementioned term deposits affect profit or loss.

c. Hedges of net investment in a foreign operation

Hedge accounting of net investment in a foreign operation is similar to cash flow hedge accounting. The cumulative gain or loss recognized in equity is reversed and recognized in profit or loss, at the time that the disposal of the foreign operation takes place.

1.2.5 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability.

The Bank measures the fair value of assets and liabilities traded in active markets based on available quoted market prices. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. Especially, for the measurement of securities, the Bank uses a particular range of prices, within the bid-ask spread, in order to characterize the prices as prices of an active market (the difference between bid and ask prices quoted should not exceed 1.5/100 nominal value). Furthermore, if quoted market prices are not available on the measurement date, but they are available during the three last working days of the reporting period and there are quoted prices for 15 working days during the last month of the reporting period and the criteria of the bid-ask spread is met, then the market is considered to be active.

The fair value of financial instruments that are not traded in an active market is determined by the use of valuation techniques, appropriate in the circumstances, and for which sufficient data to measure fair value are available, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. If observable inputs are not available, other model inputs are used which are based on estimations and assumptions such as the determination of expected future cash flows, discount rates, probability of counterparty default and prepayments. In all cases, the Bank uses the assumptions that "market participants" would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Assets and liabilities which are measured at fair value or for which - fair value is disclosed-, are categorized according to the inputs used to measure their fair value as follows:

- Level 1 inputs: quoted market prices (unadjusted) in active markets,
- Level 2 inputs: directly or indirectly observable inputs,
- Level 3 inputs: unobservable inputs used by the Bank, to the extent that relevant observable inputs are not available.

In particular, the Bank applies the following:

Financial instruments

For financial instruments the best evidence of fair value at initial recognition is the transaction price, unless the fair value can be derived by other observable market transactions relating to the same instrument, or by a valuation technique using mainly observable inputs. In these cases, if the fair value differs from the transaction price, the difference is recognized in the statement of comprehensive income. In all other cases, fair value is adjusted to defer the difference with the transaction price. After initial recognition, the deferred difference is recognized as a gain or loss only to the extent that it arises from a change in a factor that market participants would take into account when pricing the instrument.

When measuring fair value, the Bank takes into consideration the effect of credit risk. Specifically, for derivative contracts, the Bank estimates the credit risk of both counterparties (bilateral credit valuation adjustments).

The Bank measures fair value for all assets and liabilities separately. Regarding derivative exposures, however, that the Bank manages as a group on a counterparty basis and for which it provides information to the key management personnel, the fair value measurement for credit risk is performed based on the net risk exposure per counterparty. Credit valuation adjustments arising from the aforementioned process are allocated to either assets or liabilities, depending on whether the net exposure to the counterparty is long or short respectively.

Furthermore, the fair value of deposit accounts with a demand feature (such as saving deposits) is no less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

The principal inputs to the valuation techniques used by the Bank are:

- Bond prices - quoted prices available for government bonds and certain corporate securities.
- Credit spreads - these are derived from active market prices, prices of credit default swaps or other credit based instruments, such as debt. Values between and beyond available data points are obtained by interpolation and extrapolation.
- Interest rates - these are principally benchmark interest rates such as the LIBOR, OIS and other quoted interest rates in the swap, bond and futures markets. Values between and beyond available data points are obtained by interpolation and extrapolation.
- Foreign currency exchange rates - observable markets both for spot and forward contracts and futures.
- Equity and equity index prices - quoted prices are generally readily available for equity shares listed on stock exchanges and for major indices on such shares.
- Price volatilities and correlations - Volatility and correlation values are obtained from pricing services or derived from option prices.
- Unlisted equities - financial information specific to the company or industry sector comparables.
- Mutual Funds- for open-ended investments funds listed on a stock exchange the published daily quotations of their net asset values (NAVs).
- Loans and Deposits – market data and Bank/customer specific parameters.

Non financial assets and liabilities

The most important category of non financial assets for which fair value is estimated is real estate property.

The process, mainly, followed for the determination of the fair value is summarized below:

- Assignment to the engineer- valuer
- Case study- Setting of additional data
- Autopsy - Inspection
- Data processing - Calculations
- Preparation of the valuation report

To derive the fair value of the real estate property, the valuer chooses among the three following valuation techniques:

- Market approach (or sales comparison approach), which measures the fair value by comparing the property to other identical ones for which information on transactions is available.
- Income approach, which capitalizes future cash flows arising from the property using an appropriate discount rate.
- Cost approach, which reflects the amount that would be required currently to replace the asset with another asset with similar specifications, after taking into account the required adjustment for impairment.

Examples of inputs used to determine the fair value of properties and which are analysed to the individual valuations, are the following:

- **Commercial property:** price per square meter, rent growth per annum, long-term vacancy rate, discount rate, expense rate of return, lease term, rate of non leased properties/units for rent.
- **Residential property:** Net return, reversionary yield, net rental per square meter, rate of continually non leased properties/units, expected rent value per square meter, discount rate, expense rate of return, lease term etc.
- **General assumptions such as** the age of the building, residual useful life, square meter per building etc. are also included in the analysis of the individual valuation assessments.

It is noted that the fair value measurement of a property takes into account a market's participant ability to generate economic benefits by using the asset in it's highest and best use or by selling it to another market participant that would use the asset in it's highest and best use.

1.2.6 Investments in subsidiaries, associates and joint ventures

This caption includes Bank's investments in subsidiaries, associates and joint ventures.

Investments in subsidiaries, associates and joint ventures are carried at cost, plus any expenses directly attributable to their acquisition less impairment losses.

Dividends received by the Bank from the above investments are recognised in the income statement when the dividend distribution is approved by the appropriate body of the company that the Bank has invested in.

In case of absorption of a subsidiary or of a sector that satisfies the definition of a business, the Bank applies the provisions of IFRS 3 for business combinations, as described in more detail in note 1.2.1 of the consolidated financial statements as at 31.12.2021.

Corporate reorganizations under the same Group, which are made through the establishment of a new company that absorbs assets and liabilities of another company which satisfy the definition of business under IFRS 3, are not business combinations since the new company does not satisfy the definition of an acquirer. Under the policy applied by the Bank, those transactions are accounted for by transferring assets and liabilities at the book values in the books of the company that makes the transfer. Additionally, both in the separate and group financial statements of the new company, information is included from the date of the corporate reorganization. However, in case corporate reorganization is inextricably linked to the transfer of the new company or of the above assets and liabilities to a third party investor, the transfer of the assets and liabilities is accounted for at their fair value at the date of the corporate reorganization.

1.2.7 Property, plant and equipment

This caption includes: land, buildings used by the branches or for administrative purposes, additions and improvements of leased property and equipment. It also includes right of use assets in case those assets are used by the Bank (the accounting policies applicable to those assets are presented in note 1.2.10).

Property, plant and equipment are initially recognised at cost which includes any expenditure directly attributable to the acquisition of the asset.

Subsequently, property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Subsequent expenditure is recognized on the carrying amount of the item when it increases future economic benefit for the Bank and it can be measured reliably.

Expenditure on repairs and maintenance is recognized in profit or loss as an expense as incurred.

Depreciation is charged on a straight line basis over the estimated useful lives of property, plant and equipment and it is calculated on the asset's cost minus residual value.

The estimated useful lives are as follows:

- Buildings: up to 40 years.
- Additions to leased fixed assets and improvements: duration of the lease.
- Equipment and vehicles: 5 to 33 years.

Land is not depreciated but is tested for impairment.

The residual value of property and equipment and their useful lives are periodically reviewed and adjusted if necessary at each reporting date.

Property, plant and equipment are reviewed on an annual basis to determine whether there is an indication of impairment and if they are impaired the carrying amount is adjusted to its recoverable amount with the difference recorded in profit or loss.

In case of sale of property, plant and equipment as well as when no economic benefits are expected for the Bank, the fixed asset is derecognised. When selling the asset, the difference between the sale price and its carrying amount is recognized in profit or loss.

1.2.8 Investment property

The Bank includes in this category buildings or portions of buildings together with their respective portion of land that are held for the purpose of long-term lease or for capital appreciation. The Bank has also included in this category right of use assets when the Bank is an intermediate lessor in an operating lease (the accounting policies applicable to those assets are presented in note 1.2.10).

Investment property is initially recognised at cost which includes any expenditure directly attributable to the acquisition of the asset.

Subsequently, investment property is measured at cost less accumulated depreciation and impairment losses.

Subsequent expenditure is recognized on the carrying amount of the item when it increases future economic benefit and can be measured reliably.

All costs for repairs and maintenance are recognized in profit or loss as incurred.

The estimated useful lives over which depreciation is calculated using the straight line method are the same as those applied to property, plant and equipment.

Transfers to and from the category of investment property are made when the property meets (or ceases to meet) the definition of investment property and there is evidence of change in its use. In particular, the property is reclassified in "Property, plant and equipment" if the Bank decides to use it while it is reclassified in the category of property held for sale if a decision is taken to sell it and if the criteria referred to in paragraph 1.2.15 are met. Conversely, for property not classified within "Investment Property", its lease constitutes a proof of change of use and leads to the reclassification to investment property.

In case of sale of investment property as well as when no economic benefits are expected for the Bank, the fixed asset is derecognised. When selling the asset, the difference between the sale price and its carrying amount is recognized in profit or loss.

1.2.9 Goodwill and other intangible assets

The Bank has included in this caption:

a) Intangible assets which are recognized from business combinations or which are individually acquired.

b) Software, which is measured at cost less accumulated amortization and impairment losses. Expenditure incurred to maintain software programs is recognized in the income statement as incurred. Software that is considered to be an integral part of hardware (hardware cannot operate without the use of the specific software) is classified in property, plant and equipment.

More specifically, separately acquired software is initially measured at cost which comprises its purchase price and any directly attributable cost of preparing the software for its intended use, including employee benefits or professional fees. Software acquired as part of a business combination is initially measured at fair value. Both software separately acquired and acquired as part of a business combination is depreciated, using the straight line method, during its useful life which has been set from 2 to 15 years.

Regarding internally generated software, the Bank recognizes an intangible asset when it can demonstrate all of the following at the development phase:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the intangible asset and use or sell it;
- its ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;
- its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Expenditure incurred during the research phase is directly recognized in profit or loss.

Consequently, the cost of an internally generated intangible asset is the sum of expenditure incurred from the date when the intangible asset first meets the above criteria, including employee benefits arising from the generation of the software.

Internally generated software is depreciated during its useful life which has been set from 2 to 15 years.

All intangible assets are assessed for impairment when there are triggers for impairment (note 1.2.13).

No residual value is estimated for intangible assets.

In case of sale of an intangible asset the intangible asset is derecognised, while when no economic benefits are expected for the Bank, its value is fully impaired. When selling the asset, the difference between the sale price and its carrying amount is recognized in profit or loss.

1.2.10 Leases

The Bank enters into leases either as a lessee or as a lessor. At inception, the Bank assesses whether a contract is or contains a lease. If the contract conveys the right to control the use of an identified asset for a period of time for consideration, then the contract is accounted as a lease.

The lease term is determined as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. After lease commencement, upon the occurrence of either a significant event or a significant change in circumstances that is within the control of the lessee, the Bank, as a lessee, reassesses the lease term. The Bank, either as a lessee or lessor, revises the lease term if there is a change in the non-cancellable period of a lease.

a) When the Bank is the lessor

When the risks and rewards incident to ownership of an asset are transferred to the lessee they are classified as finance leases.

All other lease agreements are classified as operating leases.

The accounting treatment followed depends on the classification of the lease, which is as follows:

i. Finance leases:

For finance leases where the Bank is the lessor the aggregate amount of lease payments is recognized as loans and advances.

The difference between the present value (net investment) of lease payments and the aggregate amount of lease payments is recognized as unearned finance income and is deducted from loans and advances.

The lease rentals received decrease the aggregate amount of lease payments and finance income is recognized on an accrual basis.

The finance lease receivables are subject to the same impairment testing as applied to customer loans and advances as described in note 1.2.11.

ii. Operating leases:

When the Bank is a lessor of assets under operating leases, the leased asset is recognized and depreciation is charged over its estimated useful life. Income arising from the leased asset is recognized as other income on an accrual basis.

b) When the Bank is the lessee

The Bank, as a lessee, for all leases recognizes a right of use asset and a lease liability at the commencement of the lease. The right of use asset is initially measured at cost, comprising the initial lease liability amount, any initial direct costs and an estimate of the obligation for costs to refurbish the asset, less any lease incentives received.

Right-of use assets are subsequently measured at cost less any accumulated depreciation, any accumulated impairment losses and adjusted for any remeasurement of the lease liability.

Depreciation is charged on a straight line basis from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Right-of-use assets are reviewed at each reporting date to determine whether there is an indication of impairment and if they are impaired the carrying amount is adjusted to its recoverable amount with the difference recorded in profit or loss (note 1.2.13).

For short-term leases (lease term of 12 months or less at the commencement date) and leases for which the underlying asset is of low value (less than 5.000 EUR when new) the Bank does not recognize a right-of-use asset and a lease liability but instead recognizes the lease payments associated with those leases as an expense on a straight-line basis over the lease term.

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 Alpha Bank's secured funding rate, as well as its difference from Hellenic Republic government yield curves.

After the commencement date, the Bank 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.

Right of use assets are included within Property, plant and equipment and the lease liability is included in Other liabilities. In cases where the Bank is an intermediate lessor in an operating lease, right of use assets recognized for the head lease are included within Investment property while in case the Bank is an intermediate lessor in a finance lease right of use asset, or the part of it which is subleased, is derecognized and a finance lease receivable is recognized.

1.2.11 Credit impairment losses on loans and advances to customers, undrawn loan commitments, letters of credit and letters of guarantee

The Bank, at each reporting date, recognizes a loss allowance for expected credit losses on loans and advances to customers not measured at fair value through profit or loss as well as for off-balance sheet exposures (letters of guarantee, letters of credit, undrawn loan commitments).

The loss allowance for loans and off-balance sheet exposures is based on expected credit losses related to the probability of default within the next twelve months, unless there has been a significant increase in credit risk from the date of initial recognition in which case expected credit losses are recognized over the life of the instrument. In addition, if the financial asset falls under the definition of purchased or originated credit impaired (POCI) financial assets, a loss allowance equal to the lifetime expected credit losses is recognized.

a) Default definition

The Bank has adopted the default definition defined in the EBA Guidelines (GL/2016/07).

b) Classification of exposures into stages based on credit risk (Staging)

For the purposes of calculating expected credit losses, the exposures are classified into stages as follows:

- Stage 1: Stage 1 includes performing exposures that do not have significant increase in credit risk since initial recognition. Stage 1 also includes exposures for which credit risk has been improved and the exposure has been reclassified from stages 2 or 3. In this stage, expected credit losses are recognized based on the probability of default within the next twelve months.
- Stage 2: Stage 2 includes performing exposures for which there has been a significant increase in credit risk since initial recognition. Stage 2 also includes exposures for which credit risk has been improved and the exposure has been reclassified from stage 3. In this stage, lifetime expected credit losses are recognized.
- Stage 3: Stage 3 includes non performing/impaired exposures. In this stage, lifetime expected credit losses are recognized.

As an exception to the above, for purchased or originated credit impaired (POCI) exposures, lifetime expected credit losses are always recognized. Purchased or originated credit impaired exposures include:

- Exposures that at the time of acquisition meet the criteria to be classified as non-performing exposures.
- Exposures for which there has been a change in repayment terms, either due to financial difficulty or not, which resulted in derecognition and recognition of a new impaired asset (POCI) when derecognition is due to the change of debtor of a corporate loan in which case the creditworthiness of the new debtor is reassessed.

c) Significant increase in credit risk

In determining significant increase in credit risk of an exposure since initial recognition and the recognition of lifetime expected credit losses instead of 12 months expected credit losses, the Bank assesses, at each reporting date, the risk of default compared to the risk of default at initial recognition for all its performing exposures including those with no delinquencies.

The assessment of the significant increase in credit risk is based on the following:

- **Quantitative Indicators:** refers to the quantitative information used and more specifically to the comparison of the probability of default (PD) between the reporting date and the date of initial recognition.
- **Qualitative Indicators:** refers to the qualitative information used which is not necessarily reflected in the probability of default, such as the classification of an exposure as forborne performing (FPL, according to EBA ITS). Additional qualitative indicators, both for corporate and retail portfolios are also reflected through the Early Warning indicators where depending on the underlying assessment, an exposure can be considered to have a significant increase in credit risk or not. Especially for special lending portfolio, additional qualitative indicators are captured through slotting category.
- **Backstop Indicators:** in addition to the above, and in order to capture cases for which there are no triggers reflecting the increase in credit risk, based on qualitative and quantitative indicators, the 30 days past due indicator is used as a backstop.

d) Calculation of expected credit loss

The measurement of expected credit losses is made as follows:

- For financial assets, a credit loss is the present value of the difference between:
 - a. the contractual cash flows and
 - b. the cash flows that the Bank expects to receive
- For undrawn loan commitments, a credit loss is the present value of the difference between:
 - a. the contractual cash flows that are due if the holder of the loan commitment draws down the loan; and
 - b. the cash flows that the Bank expects to receive if the loan is drawn down.
- For letters of guarantee and letters of credit, the loss is equal to the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Bank expects to receive from the holder.

For present value calculation, original effective interest rate is used as a discount rate. Especially for POCI assets credit—adjusted effective interest rate is used.

The Bank calculates impairment losses either on a collective (collective assessment) or on an individual basis (individual assessment), taking into account the significance of an exposure or the borrower's limit. In addition, exposures that do not have common credit risk characteristics or for which there are no sufficient historical behavioral data are assessed on an individual basis.

The Bank calculates expected credit losses based on the weighted probability of three scenarios. More specifically, the Economic Research Division produces forecasts for the possible evolution of macroeconomic variables that affect the level of expected credit losses of loan portfolios under a baseline and under alternative macroeconomic scenarios and also generates the cumulative probabilities associated with these scenarios.

The mechanism for calculating expected credit loss is based on the following credit risk parameters:

- **Probability of Default (PD):** It is an estimate of the probability of a debtor to default over a specific time horizon.
- **Exposure at default (EAD):** Exposure at Default is an estimate of the amount of the exposure at the time of the default taking into account: (a) expected changes in the exposure after the reporting date, including principal and interest payments; (b) the expected use of credit limits and (c) accrued interest. The approved credit limits that have not been fully disbursed represent a potential credit exposure and are converted into a credit exposure equal to the approved undrawn loan commitments multiplied by a Credit Conversion Factor (CCF). The Credit Conversion factor of credit exposure is calculated based on statistical models.

- **Loss given default (LGD):** Loss given default is an estimate of the loss that will occur if the default occurs at a given time. It is based on the difference between the contractual cash flows due and those expected to be received, including the liquidation of collaterals and cure rate.

e) Measurement of expected credit losses on receivables from customers

Receivables from customers are derived from the Bank's commercial, other than loan, activity. The loss allowance for receivables from customers is measured at an amount equal to the lifetime expected credit losses (there is no stage allocation) based on the simplified approach provided by IFRS 9.

f) Presentation of expected credit losses in financial statements

Loss allowances for expected credit losses are presented in the Balance Sheet as follows:

- Financial assets measured at amortised cost: loss allowance is presented as a deduction from the gross carrying amount of the assets.
- Financial assets measured at fair value through other comprehensive income: for those assets no loss allowance is recognized in the Balance Sheet, however, its amount is disclosed in the notes to the financial statements.
- Letters of credit/letters of guarantee: loss allowance is recognized in line "Provisions" of liabilities in Balance Sheet.
- Undrawn loan commitments: When there is not also a loan, loss allowance is recognized in line "Provisions" of liabilities in Balance Sheet. If a financial asset includes both a loan and an undrawn loan commitment, the accumulated expected credit losses of the loan commitment are presented together with the accumulated expected credit losses of the loan, as a deduction from its gross carrying amount. To the extent that the combined expected credit losses exceed the gross carrying amount of the loan, the expected credit losses are recognized in line "Provisions" of liabilities in Balance Sheet.

The amount of expected credit losses for the period is presented in the caption "Impairment losses, provisions to cover credit risk and related expenses". In the same caption the following are also recognized: recoveries from written-off loans measured at amortised cost, modification gains or losses of loans measured at amortised cost, the favourable changes in expected credit losses of POCI assets in case expected credit losses are less than the amount of expected credit losses included in the estimated cash flows on initial recognition, loans servicing fees arising from a contract signed in the context of the transfer of the unit that services overdue loans as well as protection fee and reimbursement from a special purpose entity paid as part of the synthetic securitization. For servicing fees, this presentation reflects more accurately the nature of these fees taking into account the new model for the servicing of overdue loans as well as the fact that impairment losses on these loans and the impact from the modification of their contractual terms is also presented in the same line item. Corresponding is the presentation of protection fee and reimbursement paid as part of synthetic securitization since those amounts relate to credit risk coverage.

g) Write-offs

The Bank proceeds with the write-off of loans and advances to customers when it has no reasonable expectations for their recovery. In this case, the loss allowance is used against the carrying amount of the financial asset. Write-off is an event of derecognition.

1.2.12 Credit impairment losses on due from banks and bonds

The Bank, at each reporting date, recognizes a loss allowance for expected credit losses on due from banks and bonds not measured at fair value through profit or loss.

The loss allowance is based on expected credit losses related to the probability of default within the next twelve months, unless there has been a significant increase in credit risk from the date of initial recognition in which case expected credit losses are recognized over the life of the instrument. In addition, if the financial asset falls under the definition of purchased or originated credit impaired (POCI) financial assets, a loss allowance equal to the lifetime expected credit losses is recognized.

a) Default definition

Due from banks and bonds are considered impaired when the external rating of the issuer/counterparty is equivalent to default (D). In case there is no external rating, then the instrument is characterized as impaired based on internal rating. If

there is also an exposure to the corporate issuer/counterparty to the loan portfolio which has been classified as impaired, the instrument is also characterized as impaired.

b) Classification of due from banks and bonds into stages based on credit risk (Staging)

For the purposes of calculating expected credit losses, the exposures are classified into stages as follows:

- Stage 1: Stage 1 includes non impaired instruments that do not have significant increase in credit risk since initial recognition. Stage 1 also includes instruments for which credit risk has been improved and the instrument has been reclassified from stages 2 or 3. In this stage, expected credit losses are recognized based on the probability of default within the next twelve months.
- Stage 2: Stage 2 includes non impaired instruments for which there has been a significant increase in credit risk since initial recognition. Stage 2 also includes instruments for which credit risk has been improved and the instrument has been reclassified from stage 3. In this stage, lifetime expected credit losses are recognized.
- Stage 3: Stage 3 includes impaired instruments. In this stage, lifetime expected credit losses are recognized.

As an exception to the above, for purchased or originated credit impaired (POCI) instruments, lifetime expected credit losses are always recognized. An instrument is characterized as purchased or originated credit impaired when:

- The instrument (or the issuer) has an external rating that corresponds to default at the time of acquisition
- Corporate bonds resulting from debt restructuring are classified as purchased or originated credit impaired, based on the guidelines applicable to the loan portfolio.

When a debt security has been purchased at a large discount and does not fall into any of the categories mentioned above, the Bank examines the transaction in detail (transaction price, recovery rate, issuer's financial condition at the time of purchase, etc.) in order to determine whether it should be recognised as purchased or originated credit-impaired (POCI). Classification in this category requires documentation and approval by the relevant committees of the Bank.

c) Significant increase in credit risk

The classification into stages for the purpose of expected credit loss measurement is based on the credit rating of rating agencies or, for corporate securities issued by Greek issuers for which there is also an exposure in loan portfolio, on the issuer's internal rating.

The Bank defines as low credit risk all investment grade securities, which are classified in Stage 1.

The determination of significant increase in credit risk for non-investment grade securities is based on the following two conditions:

- Downgrade in the issuer / counterparty's credit rating on the reporting dates compared to the credit rating on the date of the initial recognition.
- Increase in the probability of default of the issuer / counterparty for the 12-month period compared to the corresponding probability of default at initial recognition.

Additionally, the Bank monitors the change in the credit spread since initial recognition. A change in credit spread at the reporting date that exceeds a specific threshold compared to the credit margin prevailing at the date of initial recognition is a trigger for reviewing the securities classification stage.

d) Calculation of expected credit loss

The expected credit loss is the present value of the difference between:

- a. the contractual cash flows and
- b. the cash flows that the Bank expects to receive

For present value calculation, original effective interest rate is used as a discount rate. Especially for POCI assets credit-adjusted effective interest rate is used.

For the calculation of the expected credit loss, the following parameters are used:

- Probability of default (PD): the probability of default over the next 12 months is used to calculate the expected credit loss for 12 months, and the probability of default over the life of the instrument is used to calculate the lifetime expected credit losses.

- Exposure at default (EAD): In the case of securities, the Bank estimates the future unamortised cost in order to calculate the EAD. In particular, for each period, EAD is the maximum loss that would result from issuer / counterparty potential default.
- Loss given default (LGD) is the percentage of the total exposure that the Bank estimates as unlikely to recover at the time of the default. The Bank distinguishes sovereigns from non-sovereign issuers / counterparties as regards to the LGD estimation. In case the Bank has also granted a loan to the issuer / counterparty of the security, the estimated LGD is aligned to corresponding estimate for the loan portfolio (taking into account any potential collaterals the loan portfolio is likely to have against the unsecured debt securities).

e) Presentation of expected credit losses in financial statements

Loss allowances for expected credit losses are presented in the Balance Sheet as follows:

- Financial assets measured at amortised cost: loss allowance is presented as a deduction from the gross carrying amount of the assets.
- Financial assets measured at fair value through other comprehensive income: for those assets no loss allowance is recognized in the Balance Sheet, however, its amount is disclosed in the notes to the financial statements.

The amount of expected credit losses for the period is presented in the caption "Impairment losses, provisions to cover credit risk and related expenses". The caption includes also the favourable changes in expected credit losses of POCI assets in case expected credit losses are less than the amount of expected credit losses included in the estimated cash flows on initial recognition.

1.2.13 Impairment losses on investments and non-financial assets

The Bank assess as at each balance sheet date its investments in subsidiaries, associates and joint ventures as well as non-financial assets for impairment, particularly, right of use assets, goodwill and other intangible assets and at least annually property, plant and equipment and investment property

In assessing whether there is an indication that an asset may be impaired both external and internal sources of information are considered, of which the following are indicatively mentioned:

- The asset's market value has declined significantly, more than would be expected as a result of the passage of time or normal use.
- Significant changes with an adverse effect have taken place during the period or will take place in the near future, in the technological, economic or legal environment in which the entity operates or in the market to which the asset is dedicated.
- Significant unfavorable changes in foreign exchange rates.
- Market interest rates or other rates of return of investments have increased during the period, and those increases are likely to affect the discount rate used in calculating an asset's value in use.
- The carrying amount of the net assets of the entity is greater than its market capitalization.
- The carrying amount of the net assets of the entity on a consolidated basis is less than entity's acquisition cost in the books of the Bank
- Evidence is available of obsolescence or physical damage of an asset.

In addition, collection of dividends from subsidiaries, associates and joint ventures is considered as a possible impairment indicator when investments are tested for impairment at each reporting date.

Specifically for right of use assets, triggers for impairment include:

- The existence of leased properties that are neither used nor leased by the Bank.
- The fact that the present value of the leases received in the event of a sublease is lower than the value of the rents paid under the lease.

An impairment loss is recognized in profit or loss when the recoverable amount of an asset is less than its carrying amount. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Fair value less costs to sell is the amount received from the sale of an asset (less the cost of disposal) in an orderly transaction between market participants.

Value in use is the present value of the future cash flows expected to be derived from an asset or cash –generating unit through their use and not from their disposal.

For the valuation of property, plant and equipment, the calculation of the recoverable amount includes all improvements which render the asset perfectly suitable for its use by the Bank. In this way, the market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use is taken into account.

1.2.14 Income tax

Income tax consists of current and deferred tax.

Current tax for a period includes the expected amount of income tax payable in respect of the taxable profit for the current reporting period, based on the tax rates enacted at the balance sheet date.

Deferred tax is the tax that will be paid or for which relief will be obtained in future periods and it is calculated based on the temporary differences between the tax base of assets and liabilities and their respective carrying amounts in the financial statements.

Deferred tax assets and liabilities are calculated using the tax rates that are expected to apply when the temporary difference reverses, based on the tax rates (and laws) enacted at the balance sheet date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

In addition, deferred tax assets are not recognized from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time it takes place affects neither accounting profit nor taxable profit.

Furthermore, regarding investments in subsidiaries, branches, associates and joint ventures, deferred tax assets are recognized only when it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilized.

Income tax, both current and deferred, is recognized in profit or loss except when it relates to items recognized directly in equity. In such cases, the respective income tax is also recognized in equity.

1.2.15 Non-current assets held for sale

Non-current assets or disposal groups that are expected to be recovered principally through a sale transaction, along with the related liabilities, are classified as held-for-sale.

The above classification is used if the asset is available for immediate sale in its present condition and its sale is highly probable. The sale is considered highly probable when it has been decided by the competent bodies of the Management, an active programme to locate a buyer has been initiated, the asset is actively marketed for sale at a price which is reasonable in relation to its current fair value, and the sale is expected to be completed within one year. Non-current assets that are acquired exclusively with a view to their subsequent disposal are classified as held for sale at the acquisition date when the one-year requirement is met and it is highly probable that the remaining criteria will be met within a short period following the acquisition (usually within three months).

Before their classification as held for sale, the assets are remeasured in accordance with the respective accounting standard.

Assets held for sale are initially recognised and subsequently remeasured at each balance sheet date at the lower of their carrying amount and fair value less cost to sell.

Any loss arising from the above measurement is recorded in profit or loss and can be reversed in the future. In this case, the gain from any subsequent increase in fair value less costs to sell cannot exceed the cumulative impairment losses that have been recognized. When the loss relates to a disposal group it is allocated to assets within the disposal group with the exception of

specific assets that are not within the scope of IFRS 5. The impairment loss on a disposal group is first allocated to goodwill and then to the remaining assets and liabilities on a pro-rata basis.

Assets in this category are not depreciated.

Gains or losses from the sale of these assets are recognized in the income statement.

Non-current assets held for sale, that the Bank subsequently decides either to use or to lease, are reclassified to the categories of property, plant and equipment or investment property respectively. During their reclassification, they are measured at the lower of their recoverable amount and their carrying amount before they were classified as held for sale, adjusted for any depreciation, amortization or revaluation that would have been recognized had the assets not been classified as held for sale.

Non-current assets that the Bank intends to sell but are not available for immediate sale or are not expected to be sold within a year are included in Other Assets and are measured at the lower of cost (or carrying amount) and net realizable value in accordance with IAS 2. Net realizable value is considered equal to fair value less cost to sell.

1.2.16 Defined contribution and defined benefit plans

The Bank has both defined benefit and defined contribution plans.

A defined contribution plan is where the Bank pays fixed contributions into a separate entity and the Bank has no legal or constructive obligation to pay further contributions if the fund does not have sufficient assets to pay all employees the benefits relating to employee service in current or prior years. The contributions are recognized as employee benefit expense on an accrual basis. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement which is dependent, among others, on years of service and salary on date of retirement and it is guaranteed by the Bank.

The defined benefit obligation is calculated, separately for each plan, based on an actuarial valuation performed by independent actuaries using the projected unit credit method.

The net liability recognized in the financial statements is the present value of the defined benefit obligation (which is the expected future payments required to settle the obligation resulting from employee service in the current and prior periods) less the fair value of plan assets. The amount determined by the above comparison may be negative, an asset. The amount of the asset recognised in the financial statements cannot exceed the total of the present value of any economic benefits available to the Bank in the form of refunds from the plan or reductions in future contributions to the plan.

The present value of the defined benefit obligation is calculated based on the return of high quality corporate bonds with a corresponding maturity to that of the obligation, or based on the return of government bonds in cases when there is no deep market in corporate bonds.

Interest on the net defined benefit liability (asset), which is recognised in profit or loss, is determined by multiplying the net defined benefit liability (asset) by the discount rate used to discount post-employment benefit obligation, as determined at the start of the annual reporting period, taking into account any changes in the net defined benefit liability (asset).

Service cost, which is also recognised in profit or loss, consists of:

- Current service cost, which is the increase in the present value of the defined benefit obligation resulting from employee service in the current period;
- Past service cost, which is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting from the introduction or withdrawal of, or changes to, a defined benefit plan or a curtailment (a significant reduction by the entity in the number of employees covered by a plan) and
- Any gain or loss on settlement.

Before determining past service cost or a gain or loss on settlement, the Bank remeasures the net defined benefit liability (asset) using the current fair value of plan assets and current actuarial assumptions, reflecting the benefits offered under the plan before its amendment, curtailment or settlement.

Past service cost, in particular, is directly recognized to profit or loss at the earliest of the following dates:

- When the plan amendment or curtailment occurs; and
- When the Bank recognizes related restructuring costs (according to IAS 37) or termination benefits.

Likewise, the Bank recognises a gain or loss on the settlement when the settlement occurs.

Remeasurements of the net defined benefit liability (asset) which comprise:

- actuarial gains and losses;
- return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and any change in the effect of the limitation in the asset recognition, excluding amounts included in net interest on the net defined benefit liability (asset) are recognized directly in other comprehensive income and are not reclassified in profit or loss in a subsequent period.

Finally, when the Bank decides to terminate the employment before retirement or the employee accepts the Bank's offer of benefits in exchange for termination of employment, the liability and the relative expense for termination benefits are recognized at the earlier of the following dates:

- when the Bank can no longer withdraw the offer of those benefits; and
- when the Bank recognizes restructuring costs which involve the payment of termination benefits.

1.2.17 Share options of Alpha Services and Holdings granted to employees

The granting of share options of Alpha Services and Holdings to the employees, their exact number, the price and the exercise date are decided by the Board of Directors of Alpha Services and Holdings in accordance with Shareholders' Meeting approvals and after taking into account the current legal framework.

The fair value calculated at grant date is recognized during the servicing period and recorded in staff costs with an increase of a reserve in equity respectively. When there are no vesting conditions, it is considered that services have been received. On the contrary, when there are service vesting conditions the expense is recognized as the relative services are received. When the options are granted to the employees of the Group companies, instead of recognizing an expense, the Bank increases the acquisition cost of its interest in the subsidiary (or the intermediate subsidiary in case the employees offer their services to a subsidiary in which the Bank has an indirect interest). In case there are conditions that are not vesting conditions, they are taken into account in share options valuation.

1.2.18 Provisions and contingent liabilities

A provision is recognized if, as a result of a past event, the Bank has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are, also, recognized in cases of restructuring plans with which management attempts either to change the subject of a corporate activity or the manner in which it is conducted (e.g. close down business locations). The recognition of provision is accompanied with the relevant, authorized by the Management, program and with the suitable actions of disclosure. A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both necessarily entailed by the restructurings and not associated with the ongoing activity of the Bank

The amount recognized as a provision shall be the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Where the effect of the time value of money is material, the amount of the provision is equal to the present value of the expenditures expected to settle the obligation.

Amounts paid for the settlement of an obligation are set against the original provisions for these obligations. Provisions are reviewed at the end of each reporting period. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed. Additionally, provisions are not recognized for future operating losses.

Future events that may affect the amount required to settle the obligation, for which a provision has been recognized, are taken into account when sufficient objective evidence exists that they will occur.

Reimbursements from third parties relating to a portion of or all of the estimated cash outflow are recognized as assets, only when it is virtually certain that they will be received. The amount recognized for the reimbursement does not exceed the amount of the provision. The expense recognized in profit or loss relating to the provision is presented net of the amount of the reimbursement.

The Bank does not recognize in the statement of financial position contingent liabilities which relate to:

- possible obligations resulting from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank, or
- present obligations resulting from past events for which:
 - it is not probable that an outflow of resources will be required, or
 - the amount of liability cannot be measured reliably.

The Bank provides disclosures for contingent liabilities taking into consideration their materiality.

1.2.19 Securities sale and repurchase agreements and securities lending

The Bank enters into purchases of securities under agreements to resell at a certain date in the future at a fixed price (reverse repos). Securities purchased subject to commitments to resell them at future dates are not recognized in the balance sheet.

The amounts paid, including interest accruals, are recognized in loans and advances to either banks or customers. The difference between the purchase price and the resale price is recognized as interest income using effective interest method.

Similarly, securities that are sold under agreements to repurchase (repos) are not derecognized but they continue to be measured in accordance with the accounting policy of the category that they have been classified.

The proceeds from the sale of the securities are reported as liabilities to either banks or customers. The difference between the sales price and the repurchase price is recognized as interest expense using effective interest method.

Securities borrowed by the Bank under securities lending agreements are not recognized in the balance sheet except when they have been sold to third parties whereby the liability to deliver the security is recognized and measured at fair value.

1.2.20 Securitization

The Bank securitises financial assets, by transferring these assets to special purpose entities, which in turn issue bonds.

In each securitization of financial assets the Bank considers the contractual terms and the economic substance of transactions, in order to decide whether the Bank should proceed with the derecognition of the securitized assets, as referred in note 1.2.3.

1.2.21 Equity

Distinction between debt and equity

Financial instruments issued by the Bank to obtain funding are classified as equity when, based on the substance of the transaction, the Bank does not undertake a contractual obligation to deliver cash or another financial asset or to exchange financial instruments under conditions that are potentially unfavorable to the issuer.

In cases when the Bank is required to issue equity instruments in exchange for the funding obtained, the number of equity instruments must be fixed and determined on the initial contract, in order for the obligation to be classified as equity.

Distributions to the holders of equity instruments are directly recognized by debiting the equity of the Bank.

Incremental costs of share capital increase

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from retained earnings.

Share premium

Share premium includes the difference between the nominal value of the shares and the cost consideration received in the case of a share capital increase.

It also includes the difference between the nominal value of the shares issued and their market value, in cases of exchanges of shares as consideration for the acquisition of a business by the Bank.

Treasury shares

The cost of acquiring treasury shares is recognized as a reduction of equity. Subsequent gains or losses from the sale of treasury shares, after deducting all direct costs and taxes, are recognized directly in retained earnings.

Dividends

Dividends are deducted from retained earnings and recorded as a liability in the period that the dividend is approved by the Shareholders' General Meeting.

Distributions of non-cash assets to Alpha Services and Holdings

Distributions of non-cash assets to Alpha Services and Holdings are out of scope of IFRIC 17 since Alpha Services and Holdings continues to control the assets distributed. Under the accounting policy applied by the Bank those distributions are accounted for in the book value of the assets distributed.

Transaction with the parent company

In the Bank's transactions with its parent company, any difference between the transaction price and the fair value at the initial recognition of the assets and liabilities is recognized directly in the equity of the Bank.

1.2.22 Interest income and expense

Interest income and expense is recognized in the income statement for all interest bearing financial assets and liabilities.

Interest income and expense is recognised on an accrual basis and measured using the effective interest method with the exception of derivatives as described in detail in note 1.2.4. Especially for POCI assets, interest income is calculated using credit-adjusted effective interest rate.

Effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Bank estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate.

For financial assets, in particular, the following apply:

- For those financial assets classified within Stage 1 or Stage 2 for the purpose of expected credit losses measurement, interest income is calculated by applying effective interest rate to the gross carrying amount of the asset.
- For those financial assets classified within Stage 3 for the purpose of expected credit losses measurement, interest income is calculated by applying the effective interest rate to the amortised cost of the asset.
- For purchased or originated credit impaired financial assets interest income is calculated by applying the credit-adjusted effective interest rate to the amortised cost of the asset.

In case of negative interest rates, interest is presented within interest income for interest bearing financial liabilities and within interest expense for interest bearing financial assets.

Borrowing costs that are directly attributable to assets that require a substantial period of time to get ready for their intended use or sale are capitalized as part of the cost of the asset. Capitalisation ceases when substantially all the activities necessary to prepare the asset for its intended use are complete.

1.2.23 Fee and commission income

Fees and commission income from contracts with customers are recognized based on the consideration specified in the contract when the Bank satisfies the performance obligation by transferring the service to the customer. With the exception of specific portfolio management fees which are calculated on the basis of the size and performance of the portfolio, the services provided have a fixed price. Variable portfolio management fees are recognized when all related uncertainties are resolved.

For commissions on services provided over time, revenue is recognized as the service is being provided to the customer, such as commissions to provide account management services, fees for administration of syndicated loans, fees for portfolio management and investment services advice.

For transaction-based fees, the execution and completion of the transaction executed signals the point in time, in which the service is transferred to the customer and the revenue is recognized, such as currency transactions, purchases / sales of securities as well as issue and disposal of syndicated loans and bonds.

Transaction revenues relating to the recognition of a financial instrument not measured at fair value through profit or loss are capitalized and amortised in the income statement using the effective interest method over the life of the financial instrument and included in interest income.

1.2.24 Gains less losses on financial transactions

Gains less losses on financial transactions include:

- fair value changes of financial assets and liabilities,
- gains and losses arising from the modification of the contractual terms of financial assets measured at fair value through profit or loss,
- gains and losses arising from the derecognition of financial assets and liabilities due to early repayment, including conversion of loans into shares, disposal or significant modification of the contractual terms, except for gains and losses arising from the derecognition of financial assets measured at amortised cost which are recognized in a separate line item of the Income Statement,
- gains and losses arising from the impairment or disposal of Bank's investments in subsidiaries, associates and joint ventures,
- exchange differences arising from the translation of financial instruments denominated in foreign currencies.

1.2.25 Gains less losses on derecognition of financial assets measured at amortised cost

Gains less losses on derecognition of financial assets measured at amortised cost include:

- Gains and losses from the derecognition of financial assets measured at amortised cost
- The difference, at initial recognition, between the nominal and the fair value of a financial asset measured at amortised cost that is the result of the derecognition of another financial asset due to significant modification of its contractual terms.

1.2.26 Discontinued operations

A discontinued operation is a component of the Bank that either has been disposed of, or has been classified as held for sale and represents:

- a major line of the Bank's business; or
- a geographical area of operations.

The post tax profit or loss from discontinued operations and any losses recognized on the measurement to fair value less costs to sell of the disposal group are presented in a separate line in the face of the income statement after net profit from continuing operations. The comparative financial statements are restated only for the income statement and the cash flow statement.

1.2.27 Related parties definition

According to IAS 24, a related party is a person or entity that is related to the entity that is preparing its financial statements. For the Bank, in particular, related parties are considered:

- a. An entity that constitutes for the Bank:
 - I. its parent company,
 - II. the subsidiaries of its parent company,
 - III. a subsidiary,

- IV. a joint venture and
- V. an associate

b. A person or an entity (other than the parent company of the Bank) that have control, or joint control, or significant influence over the Bank.

This category includes Hellenic Financial Stability Fund and its subsidiaries, because, in the context of the L.3864/2010, the HFSF participates in the Board of Directors and in significant committees of the Bank and as a result is considered to have significant influence over it.

c. A person and his close family members, if that person is a member of the key management personnel.

The Bank considers as key management personnel all the members of the Bank's Board of Directors and of the Bank's Executive Committee while as their close family members it considers their children and spouses or domestic partners and their dependents and the dependents of their spouses or domestic partners.

Related parties are also considered the entities controlled or jointly controlled by the above mentioned persons and more specifically the entities in which the above persons participate with more than 20%.

1.2.28 Comparatives

The current financial statements are the first financial statements of the new credit institution after the hive down of the banking sector. Therefore, according to the accounting policy applied for the transaction, comparative information is not included.

1.3 Significant accounting judgments and key sources of estimation uncertainty

Significant accounting judgments

The Bank, in the context of applying accounting policies, makes judgments and assessments relating to the carrying amount of assets and liabilities at the end of the period that relate to the future. Final amounts in the next year may be significantly different from those recognised in the financial statements. Those judgements relate to the following:

Assessment of whether contractual cash flows of a debt financial instrument represent solely payments of principal and interest on the principal amount outstanding (SPPI) (note 1.2.3)

The Bank, at initial recognition of a debt financial asset, assesses whether cash flows are solely payments of principal and interest on the principal amount outstanding. The assessment requires judgement mainly on:

- Whether contractual terms that affect the performance of the instrument relate solely to credit risk, other basic lending risks and profit margin.
- For loans in special purpose entities, whether there is a non-recourse feature. The assessment is based on specific index thresholds as well as on the evaluation of the adequacy of equity and of the collaterals that are not related to the asset being financed.
- Whether in case of prepayment or extension the compensation received is considered fair.
- Whether loans with ESG (Environmental, Social, Governance) criteria, the change in credit spread based on the satisfaction of those ESG criteria relates to the change in credit risk and/or change in profit margin.

Significant judgements relating to the selection of methodologies and models for expected credit losses calculation (note 39.1)

The Bank, in the context of the application of its accounting policies for the measurement of the expected credit losses makes judgments in order to identify:

- the criteria that indicate a significant increase in credit risk,
- the choice of appropriate methodologies for expected credit loss calculation (expected credit loss calculation on an individual or on a collective basis),

- the choice and development of appropriate models used to calculate the exposure at default by financial instrument category (EAD), the probability of default (PD), the estimated expected credit loss at the time of default (LGD), the probability of forbearance (PF) and the choice of appropriate parameters and economic forecasts used in them,
- the choice of the parameters of the macroeconomic forecasts used in the models to determine the expected life and the date of initial recognition of revolving exposures,
- the grouping of financial assets based on similar credit risk characteristics.

Applying different judgments could significantly affect the number of financial instruments classified in stage 2 or significantly differentiate expected credit loss.

Income Tax (notes 13 and 38)

The recognition of assets and liabilities for current and deferred tax is carried out based on the interpretation of the applicable tax legislation. However, it may be affected by factors such as the practical implementation of the relevant legislation and the settlement of disputes that might exist with tax authorities etc. When assessing the tax treatment of all significant transactions, the Bank takes into account and evaluates all available data (Circulars of the Ministry of Finance, case law, administrative practices, etc.) and / or opinions received from internal and external legal advisers. Future tax audits and changes in tax legislation may result in the adjustment of the amount of assets and liabilities for current and deferred tax and in tax payments other than those recognized in the financial statements of the Bank.

Classification of non-current assets held for sale (note 43, 46)

The Bank classifies non-current assets or disposal groups that are expected to be recovered principally through a sale transaction, along with the related liabilities, as held-for-sale when the asset is available for immediate sale in its present condition and its sale is highly probable to be completed within one year. The assessment of whether the above criteria are met requires judgment mainly as to whether the sale is likely to be completed within one year from the reporting date. In the context of this assessment, the Bank takes into account the receipt of the required approvals (both regulatory and those given by the General Meeting and the Committees of the Bank), the receipt of offers (binding or note) and the signing of agreements as well as of any conditions included in them.

Key sources of estimation uncertainty

Key sources of estimation uncertainty used by the Bank in the context of applying its accounting principles and which have a significant impact on the amounts recognized in the financial statements are presented below:

Fair value of assets and liabilities (notes 22, 23, 26, 39.4, 43)

For assets and liabilities traded in active markets, the determination of their fair value is based on quoted, market prices. In all other cases the determination of fair value is based on valuation techniques that use observable market data to the greatest extent possible. In cases where there is no observable market data, the fair value is determined using data that are based on internal estimates and assumptions i.e. determination of expected cash flows, discount rates, prepayment probabilities or potential counterparty default.

Estimates included in the calculation of expected credit losses (notes 11, 39.1)

The measurement of expected credit losses requires the use of complex models and significant estimates of future economic conditions and credit behavior, taking into account the events that have occurred until reporting date. The significant estimates relate to:

- the determination of the alternative macroeconomic scenarios and the cumulative probabilities associated with these scenarios,
- the probability of default during a specific time period based on historical data, the assumptions and estimates for the future,
- the probability of forbearance for retail portfolios,
- the determination of the expected cash flows and the flows from the liquidation of collaterals,

- the determination of the adjustments to the expected credit loss models and
- the integration of loan portfolio sales scenarios taking into account on the one hand any factors that may hinder the realization of the sale and on the other hand the level of satisfaction of the conditions for the completion of the sale.

Impairment losses on investments in subsidiaries, associates and joint ventures and on non - financial assets (note 23)

The Bank, at each reporting date, assesses for impairment non – financial assets, and in particular, right-of-use assets, goodwill and other intangible assets, as well as its investments in subsidiaries, associates and joint ventures and at least on an annual basis property, plant and equipment and investment property. Internal estimates are used to a significant degree to determine the recoverable amount of the assets, i.e. the higher between the fair value less costs to sell and value in use.

Employee defined benefit obligations (note 31)

Defined benefit obligations are estimated based on actuarial valuations, which are mainly conducted on an annual basis, that incorporate assumptions regarding discount rates, future changes in salaries and pensions, as well as the return on any plan assets. Any change in these assumptions will affect the amount of obligations recognized.

Provisions (note 33)

The amounts recognized by the Bank in its financial statements as provisions are derived from the best estimate of the outflow required to settle the present obligation. This estimate is determined by Management after taking into account experience from relevant transactions and in some cases expert reports. In case the amount recognized as a provision is affected by a variety of factors, its calculation is based on the weighting of all possible results. At each balance sheet date, provisions are revised to reflect current best estimates of the obligation.

Recoverability of deferred tax assets (notes 13 and 25)

The Bank recognizes deferred tax assets to the extent that it is probable that it will have sufficient future taxable profit available, against which, deductible temporary differences and tax losses carried forward can be utilized. The estimation of future taxable profits is based on forecasts for the development of the accounting results, as these are formulated in accordance with the business plan of the Group. In particular, the business plan includes actions aimed at enhancing profitability through:

- the reduction of the amount of non-performing exposures, based on the plan submitted to the Single Supervisory Mechanism (SSM),
- further reduction of operating costs,
- interest income increase through targeted financing of business segments,
- increase in commission income from services and products offered to individuals and corporates and
- the active management of the sources and the financing costs of the Group.

The main categories of deferred tax assets which have been recognized by the Bank relate to losses from the Greek government bonds exchange program (PSI) and the December 2012 Greek government bond buyback program and to deductible temporary differences arising from loans' impairment.

Deferred tax assets associated with tax losses incurred by the PSI and the participation of the Bank in the December 2012 Greek government bond buyback program were recognized as a "debit difference" according to Law 4046/14.2.2012, Law 4110/23.1.2013 and a respective legal opinion. According to Law 4110/23.1.2013 the "debit difference" is deductible for tax purposes, gradually in equal installments, within 30 years, a fact which, according to the Bank's estimation, provides a sufficient time period for its gradual utilization against taxable profits.

Regarding the temporary differences arising from loans' impairment, there are no time constraints concerning their recovery, as is the case for the other deferred tax assets categories. The Bank assessed their recoverability based on estimates for future taxable profits, as these are forecasted on the basis of the aforementioned business plan. In order to assess deferred tax asset recoverability, the Group's business plan was extended for a limited number of years during which estimates were made regarding the production of new loans and the evolution of the operating results.

In addition, tax losses resulting from the write-down of debts and the sale of loans, as specifically mentioned in note 13, are recognized as a debit difference. In this context, during the period a significant amount of this kind of debit difference was

recognized due to the securitization of loans under Cosmos transaction. It is noted that the debit difference is recognized gradually and equally over a period of 20 years, a fact which in accordance with Bank's estimations provides sufficient time for offsetting against taxable profits. In addition, in accordance with the amendment of article 27 of L. 4172/2013 that was enacted during the year, the amount of the annual deduction of the debit difference due to credit risk that is not offset against the taxable profits of the year is transferred in order to be deducted in subsequent tax years within the twenty-year period. If at the end of the twenty-year depreciation period there are balances that have not been offset, they constitute a loss that can be carried forward in order to be offset with future taxable profits within five years.

The Bank, based on the above, estimates that the total deferred tax assets recognized and that relate to temporary differences and to tax losses carried forward is recoverable.

In addition, and regardless of the assessment of the recoverability of deferred tax assets that is carried out based on what is mentioned above, Law 4303/2014 provides that in case that the after tax accounting result for the period is a loss, deferred tax assets arising from the PSI debit difference and from the accumulated provisions and other general losses due to credit risk are eligible to be converted into a final and settled claim against the Greek State, as described in detail in note 13.

The main uncertainties concerning the estimations for the recoverability of the deferred tax assets relate to the achievement of the goals set in the Group's business plan, which is affected by the general macroeconomic environment in Greece and internationally. These goals mainly concern the reduction of non-performing exposures, the production of new loans as well as the evolution of operating results. At each balance sheet date, the Bank reassesses its estimation regarding the recoverability of deferred tax assets in conjunction with the development of the factors that affect it.

The estimates and judgments applied by the Bank in making decisions and in preparing the financial statements are based on historical information and assumptions which at present are considered appropriate. The estimates and judgments are reviewed on an ongoing basis in order to take into account current conditions, and the effect of any changes is recognized in the period in which the estimates are revised.

CORPORATE TRANSFORMATION – HIVE DOWN

The demerger by way of hive-down of the banking business sector resulted in the incorporation of a new company (under the name "Alpha Bank S.A.") which assumed all the activities of the Company prior to demerger relating to the banking sector. It is therefore considered as business combination between entities under common control, Alpha Bank S.A. is the subsidiary of the Company prior to demerger which in turn becomes into a Holding entity under the name Alpha Services and Holdings S.A.

The respective transaction, as business combination between entities under common control, is scoped out of the provisions of IFRS 3 "Business Combinations". In addition, since the Bank is a newly established entity, it cannot be considered as the acquirer in the transaction and therefore the demerger cannot be considered as a business combination but as a reorganization within the Group.

In accordance with the accounting policy of the Group, the transactions between group entities that involve the incorporation of new entities to which the assets and liabilities of a sector of another group entity are transferred at their book values in the books of the transferring entity. Furthermore, information from the date of the intragroup reorganization and onwards will be included in both separate and consolidated financial statements of the Bank.

In this context the accounting treatment of the Demerger involved the following:

- i. Based on the Demerger Deed, Alpha Services and Holdings S.A. maintained the activities relating to the planning, promotion and distribution of insurance products in the capacity of the insurance agent, as well as the provision of accounting and tax services to affiliated companies and third parties, as well as the preparation of studies for strategy and financial management purposes and the issuance of securities for raising regulatory capital. It also maintained certain investments in subsidiaries relating to the above operations and more specifically to: Alpha Group Jersey Ltd, Alpha Insurance Brokerage S.A., Alpha Life AAEZ, Reoco Orion X S.M S.A., Reoco Galaxy II S.M S.A., Reoco Galaxy IV S.M S.A. Finally, it retained the contractual rights and obligations relating to subordinated issues and borrowing funds to Alpha Group Jersey Ltd as well as of the bonds issued under the Galaxy securitization with the exception of the 100% of the senior bonds and the 5% of the mezzanine and junior tranches which were transferred to Alpha Bank S.A. Due to

- the holding of the aforementioned notes and in accordance with IFRS 9, the Alpha Services and Holdings S.A. continued to recognize in its books the Galaxy related securitized loans.
- ii. The assets and liabilities which were not maintained by Alpha Services and Holdings S.A. and which were determined to relate to the banking sector were transferred to the Bank at book values.
 - iii. Given that until the hive-down date the notes issued under Galaxy securitization were held by the Company prior to demerger, the notes and the collateralized borrowing were not recognized in its books. The transfer of part of the notes to the Bank resulted in the recognition by the Bank of the 100% of the senior bonds and the 5% of the Mezzanine and Junior notes at fair values (see Table I column B). Similarly, Alpha Services and Holdings S.A. recognized a liability equal to the amount of the bonds recognized by the Bank, which also included the netting of the assets and liabilities deriving from the securitization and transactions with the special purpose entities. The Bank recognized these notes under Loans and advances to customers, as the intention is to hold the notes until maturity in order to collect principal and interest, the risks associated with these bonds as well as the management of such risks relate to the risks of the underlying loans which were originated by the Company prior to demerger and were subsequently securitized under Galaxy and also the Bank is the successor of the Company prior to demerger as far as the banking sector activities are concerned. In contrast the bonds of the Galaxy securitization, which were not transferred to the Bank, but were held by Alpha Services and Holdings S.A., were classified as Investment securities as the intention of Alpha Services and Holdings S.A. is to sell and distribute them.
 - iv. The Bank recognized on its balance sheet the assets, liabilities and equity reserves transferred based on their carrying amount as at 16.4.2021 and any difference between the carrying amounts of assets and liabilities transferred between 30.6.2020 and 16.4.2021 was recognized directly in retained earnings. Accordingly, Alpha Services and Holdings S.A. , recognized as cost of investment in the Bank, the difference between the book value of the assets, liabilities and equity accounts transferred to the Bank taking into consideration the liability recognized from Galaxy securitization due to the transfer to the Bank of part of the bonds issued for the securitization purposes.
 - v. The equity of the Bank, at the date of the demerger, comprises of the share capital as this was determined based on the Transformation Balance sheet prepared based on Law 2515/1997 and Law 4601/2019 and includes all assets and liabilities of the banking sector as at 30.6.2020, the valuation reserves of bonds and shares, the cash flow hedging reserves and the retained earnings.
- The table below presents the assets, liabilities and equity reserves transferred to the Bank, at the hive-down date, the required adjustments in the context of the application of the accounting treatment

	(a)	(b)	(c)=(a)+(b)	(d)	(e)	(f)=(d)+(e)	(g)=(c)-(d)	(h)	(i)	(j)=(g)+(h)+(i)
	Alpha Bank S.A. prior the demerger	Cancellation of Galaxy Securitization off set	Balances excluding Galaxy's securitization off-set	Assets transferred to Alpha Bank S.A.	Initial Recognition of assets transferred to Alpha Bank S.A. and reclassifications	Alpha Bank S.A.	Assets not transferred to Alpha Bank S.A.	Recognition of Alpha Services and Holdings S.A. participation to Alpha Bank S.A.	Initial recognition of assets remained under Alpha Services and Holdings S.A. and reclassifications	Alpha Services and Holdings S.A.
ASSETS										
Cash and balances with Central Banks	7,265,548		7,265,548	7,265,548		7,265,548				
Due from banks	3,877,744		3,877,744	2,384,199	⁽³⁾ 1,493,545	3,877,744	1,493,545			1,493,545
Trading securities	15,725		15,725	15,725		15,725				-
Derivative Financial Instruments	1,098,977		1,098,977	1,098,977		1,098,977				-
Loans and advances to customers	35,058,719	(48,581)	35,010,138	28,987,449	⁽²⁾ 3,841,587	32,829,037	6,022,689			6,022,689
Investment securities										
- Measured at fair value through other comprehensive income	4,846,802	318,628	5,165,430	4,846,802		4,846,802	318,628		⁽¹⁾ (318,628)	
- Measured at amortized cost	3,267,461	3,795,340	7,062,801	7,062,801	⁽²⁾ (3,795,340)	3,267,461				
- Measured at fair value through profit and loss	217,246	2,144,967	2,362,213	324,495	⁽²⁾ (107,248)	217,246	2,037,719		⁽¹⁾ (2,037,719)	
Investments in subsidiaries, associates and joint ventures	2,497,861		2,497,861	2,465,081		2,465,081	32,780	5,007,471	(61,001)	4,979,250
Investment property	45,379		45,379	45,379		45,379				
Property, plant and equipment	630,448		630,448	630,440		630,440	8			8
Goodwill and other intangible assets	420,780		420,780	420,378		420,378	402			402
Deferred tax assets	5,279,400		5,279,400	5,336,251	4,569	5,340,821	(56,851)		56,851	
Other assets	1,380,268		1,380,268	1,337,001	1,192	1,338,193	43,267			43,267
	65,902,358	6,210,354	72,112,712	62,220,526	1,438,305	63,658,832	9,892,187	5,007,471	(2,360,497)	12,539,161
Assets classified as held for sale	79,391		79,391	79,391		79,391				
Total Assets	65,981,749	6,210,354	72,192,103	62,299,917	1,438,305	63,738,223	9,892,187	5,007,471	(2,360,497)	12,539,161
Liabilities										
Due to banks	14,676,759		14,676,759	14,676,759		14,676,759				
Derivative financial liabilities	1,471,483		1,471,483	1,471,483		1,471,483				
Due to customers	39,326,704	238,183	39,564,887	39,564,887	⁽³⁾ 1,493,545	41,058,432				
Debt securities in issue and other borrowed funds	1,521,698	5,975,438	7,497,136	504,879		504,879	⁽⁴⁾ 6,992,257		(2,417,348)	4,574,909
Liabilities for current income tax and other taxes	86,824		86,824	985	4,569	5,555	85,839			85,839
Deferred tax liabilities									56,851	56,851
Employee defined benefit obligations	36,923		36,923	36,912		36,912	11			11
Other Liabilities	910,404	(3,267)	907,137	907,093	1,192	908,285	44			44
Provisions	284,393		284,393	284,366		284,366	27			27
Total Liabilities	58,315,188	6,210,354	64,525,542	57,447,364	1,499,306	58,946,671	7,078,178		(2,360,497)	4,717,681
Total Equity	7,666,561		7,666,561	(154,918)	4,946,470	4,791,552	7,821,480			7,821,480
Total Liabilities and Equity	65,981,749	6,210,354	72,192,103	57,292,446	6,445,776	63,738,223	14,899,658		(2,360,497)	12,539,161

(1) The amount relates to the nominal value of 95% of the Mezzanine and Junior notes and the 100% of the issues from Galaxy III Funding Designated Activity Company of Galaxy securitization held by Alpha Services and Holdings S.A.

(2) The amount relates to the securitization Galaxy bonds, which were held by Alpha Bank S.A. and relate to the 100% of the Senior and 5% of the Mezzanine and Junior securitization notes of Galaxy securitization. The amount in Loans and Advances to customers includes the fair value adjustments at initial recognition of €61,001.

(3) The amount concerns the deposits of Alpha Services and Holdings S.A. with Alpha Bank S.A.

(4) The amount relates to the value of Tier II bonds held by Alpha Services and Holdings S.A. as well as the financial liabilities mainly from the Senior notes transferred to Alpha Bank S.A. at the demerger with the 5% of the Mezzanine and Junior notes of the Galaxy securitization.

INCOME STATEMENT

2. Net Interest Income

	From 17 April to
	31.12.2021
Interest and similar income	
Due from banks	1,359
Loans and advances to customers measured at amortized cost	704,025
Loans and advances to customers measured at fair value through profit or loss	5,396
Trading securities	(71)
Investment securities measured at amortized cost (Note 20)	28,476
Investment securities measured at fair value through other comprehensive income	23,840
Investment securities measured at fair value through profit or loss	499
Derivative financial instruments	131,251
Finance lease receivables (Note 19)	135
Negative interest from interest bearing liabilities	170,479
Other	1,201
Total	1,066,590
Interest expense and similar charges	
Due to banks	(5,611)
Due to customers	(27,022)
Debt securities in issue and other borrowed funds	(50,595)
Derivative financial instruments	(124,815)
Lease liabilities (note 32)	(1,666)
Negative interest from interest bearing assets	(104,686)
Other	(40,263)
Total	(354,658)
Net Interest Income	711,932

“Negative interest from interest bearing liabilities” includes an amount of €98,499 which relates to Targeted Long Term Refinancing Operations III (TLTRO III) of the European Central Bank.

The following table presents interest income and interest expense calculated using the effective interest rate method, by financial asset measurement category:

	From 17 April to
	31.12.2021
Financial assets measured at amortised cost	661,993
Financial assets measured at fair value through other comprehensive income	23,840
Financial assets measured at fair value through profit or loss	5,824
Total	691,657
Financial liabilities measured at amortised cost	19,309

“Negative interest from interest bearing assets” amounting to €32,806 has been included within financial assets measured at amortised cost and Negative interest from interest bearing liabilities amounting to €102,538 has been included within financial liabilities measured at amortised cost.

3. Net fee and commission income and other income

Net fee and commission income

	From 17 April to
	31.12.2021
Loans	40,075
Letters of guarantee	27,354
Imports-exports	4,213
Credit cards	66,321
Transactions	24,078
Mutual funds	32,280
Advisory fees and securities transaction fees	6,308
Brokerage services	116
Foreign exchange fees	14,046
Insurance brokerage	10,876
Other	13,046
Total	238,713

Commission income from for the year 2021, includes an amount of € 40,073 which relates to loans and advances to customers measured at amortized cost.

Commission income contracts within the scope of IFRS 15 is analyzed on the above mentioned table based on their nature except from "Credit cards" item for which income without the relevant commission expense amounts to € 111,241 as well as item "Other" for which income without the relevant commission expense amounts to € 15,585.

Commission income arising from insurance brokerage concerns mainly Bank's fee for insurance brokerage services which have been provided to Alpha Services and Holdings SA.

In addition to Other Income of Income Statement, the following categories fall within the scope of IFRS 15:

- Income from sales of real estate properties amounting to € 3,350
- Income from economic and technical studies amounting to € 807
- Other income amounting to at € 9,617

4. Dividend Income

	From 17 April to
	31.12.2021
Equity securities of investing portfolio measured at fair value through other Comprehensive Income (note 20)	365
Equity securities of trading portfolio	21
Equity securities measured at fair value through profit or loss	169
Total	555

5. Gains less losses on financial transactions

	From 17 April to
	31.12.2021
Foreign exchange differences	26,065
Trading securities:	
- Bonds	917
- Equity securities	51
Financial assets measured at fair value through profit or loss	
- Loans	(37,717)
- Equity securities	3,283
- Other securities	527
- Bonds	52
Financial assets measured at fair value through other comprehensive income	
- Bonds and Greek Treasury Bills	54,189
Impairment losses/ disposals / liquidations of investments in subsidiaries, associates and joint ventures	119,382
Derivative financial instruments	7,586
Other financial instruments	(27,527)
Total	146,808

“Gains less losses on financial transactions” for the year from 17 April up to 31 December 2021 have been mainly affected by:

- Gains of € 54,189 included in “Bonds and Greek Treasury Bills” of financial assets measured at fair value through other comprehensive income relate to gains from sales of Greek Government Bonds and treasury bills amounting to € 51,951 and gains from sales of other corporate bonds amounting to € 1,801.
- Gains of € 7.310 included in “Derivative financial instruments” relate to the valuation of the embedded derivative of call option associated with Subordinated Debt Issues of the Bank (Note 29).
- Losses of € 37,717 included in Loans of “Financial Assets measured at Fair Value Through Profit or Loss” mainly derived from the fair valuation adjustments within the year.
- On 22.2.2021 a binding agreement was entered into with Davidson Kempner Capital Management LP in the context of the Galaxy transaction which comprised the sale of 80% of the share capital of Cepal Holding Single Member S.A., while the remaining 20% was retained by Alpha Bank S.A.. The sale was concluded on 18.06.2021. The total consideration amounted to € 117,672 and the result, after taking into consideration the amount of € 228,453 from the transfer of the Non-Performing Loan Management of the Bank (carve out) before the demerger to its subsidiary Cepal Hellas S.A., and which was not recognized in the Income Statement of 2020 of Alpha Services and Holdings, as it has been considered as part of the overall agreement concluded with the sale of 80% of the share capital of Cepal and transferred to the Bank as part of the Corporate Transformation, after the transaction costs and other liabilities has been determined as gains amounting to €145.399 which are included within caption “Impairment losses/ disposals / liquidations of investments in subsidiaries, associates and joint ventures”. It is noted that for the determination of the transaction price have been taking into consideration: the amount of €62,698 paid by the buyer in cash, the present value of the deferred consideration which is due in 18 months and the fair value of the variable consideration of an amount €8,597, which has been already collected, as well as the provision for the indemnities of the buyer based on the contractual terms. Additionally, the caption “Impairment losses/ disposals / liquidations of investments in subsidiaries, associates and joint ventures” includes mainly impairment losses on subsidiaries, joint ventures and subsidiaries as described in note 21.
- Losses of €22,741 included in “other financial instruments” mainly derive from the estimation of provisions for indemnities included in the share transfer agreement of Cepal Holdings A.E.

6. Gains less losses on derecognition of financial assets measured at amortised cost

The tables below present gains less losses for the year from 17 April up to 31 December 2021 from derecognition of financial assets measured at amortised cost as well as their carrying amount before derecognition.

From 17 April to 31.12.2021				
	Carrying Amount	(Losses) from derecognition	Gains from derecognition	Gains less losses from derecognition
Prepayments				
- Loans and advances to customers	926,380	(728)	3,300	2,572
Sales				
- Loans and advances to customers	14,449	(35)	180	145
- Securities	124,251	-	8,733	8,733
Substantial modifications				
- Loans and advances to customers	999,359	(1,197)	3,680	2,483
- Securities				-
Total	2,064,439	(1,960)	15,893	13,933

«Prepayments» include gains and losses that arise from the recognition in the income statement of the unamortised amounts of capitalized commission and fees from loans and advances to customers that were early repaid.

«Sales» include the following:

a) loans that were sold during the period

b) The amount of € 8,733 derives from within the allowed limits of securities measured at amortized cost and mainly of Greek Government Bonds.

«Substantial modifications» include the carrying amount of loans that were derecognized during the period due to the substantial modification of their contractual terms, as well as related profit or loss resulting from their derecognition and any valuation adjustment in the fair value of the newly recognized loans.

7. Other Income

	From 17 April to 31.12.2021
Rental income	4,493
Sale of Fixed Assets	3,350
Insurance indemnities	659
Income from feasibility studies	807
Other	9,617
Total	18,926

«Rental income» for the year from 17 April up to 31 December 2021 includes an amount of € 1,304 relating to income from subleases of fixed assets.

8. Staff Costs and Expenses

	From 17 April to
	31.12.2021
Wages and salaries	137,062
Social security contributions	38,490
Employee defined benefit obligation (note 31)	132
Employee indemnity provision due to retirement in accordance with Law 2112/1920 (note 31)	4,733
Other charges	17,864
Total	198,281

The total number of Bank's employees as at 31.12.2021 was 5,570 out of which 5,564 are employed in Greece and 6 are employed abroad.

«Wages and salaries» and «Social security contributions» include costs relating to staff incentive schemes as a reward on the Bank's employees' prior to the hive down according to the performance remuneration program.

Based on the Board of Directors decision held before hive down, in December 2020, the terms of the existing incentive programs are as follows:

Award in cash

According to the terms of the programs, this award is paid in a lump sum by the Bank while the relevant expense is recognized at the time the employee has the right to receive this remuneration or, if the remuneration depends on performance targets, at the time of their achievement.

For a part of the staff, the benefit is paid in a lump sum of up to 60% while the payment of at least 40% is deferred for three years from the initial payment subject to the condition that the employee will remain with the Group. The recognition of the expense relates to the amount the payment of which is deferred for three years, is recognized as the related services are provided.

The Bank has recognized in «Wages and Salaries» for the year 2021 an amount of € 8,443 relating to these programs.

Awarding of stock options rights

The Annual General Meeting of shareholders of 31.07.2020 approved a five year Stock Option plan which provides the right to acquire newly – issued shares of the Bank by awarding of stock options rights to management and employees of the Bank and its related entities. The plan concerns the period 2020-2024 and according to that the beneficiaries may exercise their right to acquire each new share with an offer price equal to the nominal value of the share, i.e. 0.30 €. The General Meeting of shareholders also approved the assignment to the Board of Directors of the responsibility to determine the beneficiaries and the term and condition related to the plan.

Within the first year from the date the remuneration is paid, the beneficiaries may exercise 60% of their total rights while for each subsequent year for the next three years they may exercise 13.3% of them provided they remain in service. The exercise of the rights takes place in January or September. Rights that are not exercised cease to apply. Also in case one of the beneficiaries ceases to be an employee or executive of the Group (for reasons other than retirement or inability to work) ceases to have the right to purchase shares.

Following the exercise of the Options Rights, the New Shares are subject to a mandatory twelve (12) months retention period.

The Board of Directors of Alpha Services and Holdings S.A., at its meeting held on 30.12.2020: (a) approved the Plan's Regulation (b) awarded Stock Options Rights under the Performance Incentive Program for the fiscal years 2018 and 2019 to identified employees of the Bank and its related entities. Respectively, the Board of Directors of Alpha Services and

Holdings S.A., during its meeting on 16.12.2021, granted the options, in the framework of the Performance Incentive Program for the year 2020.

It is noted that under the Performance Incentive Program for the year 2020, 3,612,094 options rights were granted to Senior Executives, the exercise of which is subject to the postponement of the amendment or repeal of the provisions for the prohibition of additional remuneration, which were introduced of article 10 par. 3 of the law on the Financial Stability Fund and which should enter into force, within a period of two (2) years, which begins on January 15, 2022 and ends on January 15, 2024.

On 31.12.2020 and 31.12.2021 the beneficiaries were informed about the exact amount of their remuneration for the performance of the years 2018/2019 and 2020 respectively as well as the conditions that govern them.

Variations to the number of existing options during the year are shown in the table below:

	Bank Option Rights	Subsidiaries Option Rights
Balance 17.4.2021	1,369,108	159,618
Options Rights awarded during the year	5,151,590	141,521
Options Rights canceled during the year due to non-registered	(28,235)	
Options Rights exercised during the year		
Options Rights expired during the year		
Balance 31.12.2021	6,492,463	301,139

The Exercise Periods of the stock options in issue as at 31.12.2021 were defined as follows:

Exercise period	Total Maximum number of Options granted to the Bank that may be exercised	Total Maximum number of Options granted to subsidiaries of the Bank that may be exercised
January 2022	3,559,440	140,440
January 2023	1,155,430	74,412
January 2024	1,090,649	67,403
January 2025	686,944	18,884
Total	6,492,463	301,139

The weighted average life of the above rights is 19.5 months.

The Bank recognized in «Wages and salaries» for the year 2021, an expense of € 2,764 against a credit on equity reserves of the Bank.

For the Options rights awarded on 31.12.2021 with an exercise date of January 2022, the fair value was determined as the difference between the share price on 31.12.2021, which is the date of issue, and the exercise price.

For the rest of Options rights the fair value was determined using the Black & Scholes valuation model. The key variables that used in the model, as presented in the table below, are the share price, the exercise price, the volatility of the share price as well as the remaining duration until the expiration. Historical volatility has been used as volatility i.e. the standard deviation of the logarithmic changes of the daily share price for a period equal to the remaining duration of each right.

	Options under the Performance Incentive Program for the years 2018 and 2019	Options under the Performance Incentive Program for the year 2020
Average weighted value	0.7	0.79
Expected volatility	72.23%	58.20%
Expected duration (in years)	2	2
Weighted average share price	0.9702	1.077
Exercise price	0.3	0.3
Expected dividends		
No-risk interest rate	(0.52%)	(0.48%)

The weighted average fair value of the rights granted during the year under the Performance Incentive Program for the year 2020 amounted to € 1,664.

In addition, an amount of € 124 relating to the valuation of the stock option granted by Alpha Services and Holdings S.A. to the Bank's subsidiaries was recognized in the acquisition cost of these subsidiaries as a credit against equity reserves (note 21).

Defined contribution plans

All the employees of the Bank are insured for their main pension plans by the Social Insurance Fund (IKA-ETAM). The Social Insurance Fund (IKA-ETAM) as of 1.1.2017 consists part of the Single Social Security Body (E.F.K.A.), a Public law entity established under the provisions of Law 4387/2016. In addition for the Bank's employees, the following also apply:

- a. Staff from the former Alpha Credit Bank and the former Emporiki Bank are insured for subsidiary insurance at the E.T.E.A.E.P. (Joint Supplementary Insurance Fund and Lump Sum Benefits), as renamed on January 1, 2017 by E.T.E.A. with Law 4387/2016. Pre-retirement pensioners are insured as of 1.1.2017 with the Single Social Security Agency (EFKA) under the same Law.
- b. The supplementary pension plan for employees of the former Ionian and Laiki Bank of Greece is T.A.P.I.L.T.A.T., a multi-employer plan. The Bank has obtained legal opinions that indicate that it has no obligation if this fund does not have sufficient assets to pay employee benefits. Therefore, the Bank considers that the fund is a defined contribution plan and has accounted for it as such.
- c. Employees of former Ionian and Laiki Bank of Greece and former Emporiki Bank are insured for the lump sum benefit in the "Bank Employee and Companies Common Benefit Plan" (T.A.Y.T.E.K.O.) which is a defined contribution plan with contributions paid only by employees. In accordance with article 74 of Law 4387/2016, the Care Sectors of the "Bank Employee and Companies Common Benefit Plan" (T.A.Y.T.E.K.O.) consist part of the E.T.E.A.E.P. (Joint Supplementary Insurance Fund and Lump Sum Benefits). With paragraph 5D, of article 2 of Law 4670 / 28.2.2020 the Sectors of the former T.A.Y.T.E.K.O are included in the Sector lump sum Benefits of E.F.K.A.
- d. All employees of the Bank receive medical benefits from the National Organization of Health Care (EOPYY) and either in the Care Sector of the former T.A.Y.T.E.K.O. or the former E.T.A.A., both of which have been incorporated into Single Social Security Body (E.F.K.A.) since 1.1.2017
- e. Retirement/Savings Insurance Plans

- i) The Bank, in cooperation with insurance company, has created a savings plan. The plan's effective date is January 1, 2011 and its aim is to provide a lump sum monetary benefit to retiring employees.

The plan assets consist of investment for the fixed monthly contributions of the Bank and its employees.

Initially the plan included Bank's personnel that were hired and insured for the first time on 1.1.1993 onwards. After signing the Collective Labor Agreement for the 3-year period of 2016-2019, the personnel of the Bank may be included in the savings plan.

Except from those employees, that were hired by the Bank and were members of the main pension scheme for the period from 1.1.1993 until 31.12.2004 for which a minimum payment guarantee is required (Law 2084/1992), for the remaining employees, the plan is considered to be a defined contribution plan, given that the benefit is paid out from a savings fund that was accumulated up to the date they leave.

- ii) Following the Board of Directors' and General Assembly's decision, the Bank provides to its senior management a group retirement and savings Insurance Plan with effect from 1.1.2018. The plan is a defined contribution plan and aims to provide a lump-sum benefit upon retirement. The savings fund sums up from the investment of defined monthly contributions paid by the senior management and the Bank.

The Bank's "Investment Committee for group insurance employee plans of Alpha Bank" is responsible for determining the appropriate structure of the portfolio of the aforementioned saving plans.

Employee defined benefit obligations

The analysis of Defined Benefit Plan is performed in Note 31.

9. General Administrative Expenses

	From 17 April to
	31.12.2021
Lease expenses	72
Maintenance of EDP equipment	12,994
EDP expenses	14,070
Marketing and advertising expenses	15,620
Telecommunications and postage	9,053
Third party fees	34,339
Consultants fees relating to financial information	5,368
Contribution to the Deposit / Investment Coverage Scheme and to the Resolution Scheme	39,147
Insurance	5,133
Consumables	1,106
Electricity	6,606
Taxes and Duties (VAT, real estate tax etc.)	49,798
Building and equipment maintenance	3,345
Security of buildings-money transfers	7,490
Cleaning	2,051
Commission for the amount of Deferred tax Asset guaranteed by the Greek State (note 13)	3,471
Other	69,893
Total	279,556

General administrative expenses for the year from 17 April up to 31 December 2021 include charges of € 11,032 which concern: a) the transaction relating to non-performing retail and corporate loans ("Cosmos transaction") (note 19), b) the demerger of merchant acquiring business (note 43) and the synthetic securitization transaction (note 11). Also included are expenses of € 10,251 related to the Bank's transformation program, in order to enhance the efficiency of the organization, optimize the business model and further strengthen the systems for measuring and rewarding performance in all operations.

The caption «Contribution to the Deposit / Investment Coverage Scheme and to the Resolution Scheme» includes € 23,373 regarding the regular contribution to the Deposit Guarantee Fund and € 15,774 contribution to the Single Resolution Fund. The caption «Lease expenses» includes expenses for short-term leases, low value leases and variable lease payments which are not included in lease liabilities.

10. Other expenses

	From 17 April to
	31.12.2021
(Gains) / Losses from disposals/write-off/impairment on plant, property and equipment, intangible assets and right-of-use assets	(722)
Provisions	4,738
Other	1,934
Total	5,950

«Losses from sales / write-offs / deductions of tangible and intangible assets and rights of use for fixed assets» for the year 2021 includes a gain of a total amount of € 1,743 that resulted from the reversal of impairment of asset obtained through action due to an increase in their fair value as well as a gain of € 81 relating to the reversal of impairment of right of use assets (ROU). In addition, a loss of € 118 is included that resulted from the recognition of impairment on the value of own properties and assets obtained from action.

In addition, the caption includes losses from the sale / destruction of fixed assets amounting to € 984.

«Provisions» for the year 2021 relate to provisions for legal cases against the Bank. The aforementioned amounts are included in «Other Provisions» of Note 33.

11. Impairment losses, provisions to cover credit risk on loans and advances to customers and related expenses

«Impairment losses, provisions to cover credit risk and related expenses» for the year from 17 April up to 31 December 2021 amounted to € 402,285 and include the total of the captions presented in the table below, along with the impairment losses on other financial instruments, as presented in note 12.

The following table presents the impairment losses and provisions to cover credit risk on loans and advances to customers, financial guarantee contracts, other assets, recoveries, commissions for credit protection as well as servicing fees of non-performing loans, as the Bank considers that their presentation along with impairment losses presents more accurately the nature of these expenses. Servicing fees for loans derived from the service agreement with Cepal for the management of non-performing loans.

	From 17 April to
	31.12.2021
Impairment losses on loans	380,192
Impairment losses on advances to customers	230
Provisions to cover credit risk on letters of guarantee, letters of credit and undrawn loan commitments (note 33)	(58,396)
(Gains) / Losses from modifications of contractual terms of loans and advances to customers	12,709
Recoveries	(7,903)
Loan servicing fees	58,766
Impairment losses on other assets	344
Commission expenses for credit protection	588
Total	386,530

Impairment losses on loans for the year include an amount of € 74 mil. which represents the impact of incorporating probabilities of sale in the estimation of expected credit losses, in order to incorporate the impact of expected sales of loans of the following projects:

- Portfolio of retail loans mainly uncollateralized (project “Orbit”) and
- Portfolio of non-performing corporate loans that is expected to be securitized with the senior note expected to be guaranteed by the Greek Government through the “Hercules II” Guarantee Program (project “Solar”).

The above transactions are included in the NPE Business plan, as detailed in Note 46. The Bank, for the determination of the sale probabilities, evaluated the uncertainties that relate to each project and mainly refer to the stage of preparation and the uncertainty relates to the fulfillment of the prerequisites that are linked with these sales (other capital actions, obtaining approvals etc.).

Orbit loan portfolio was classified as at 31.12.2021 as Assets held for sale. In this context, the expected credit losses were estimated by using 100% probability of sale scenario. As a result, the carrying amount of the loan portfolios reflect the amounts expected to be recovered through sale.

For the Solar portfolio a 20% probability of sale has been calculated.

Additionally, for a portfolio of non-performing corporate loans (project “Hermes” transaction) the Bank has not calculated a sale scenario probability as at 31.12.2021.

For the Solar and Hermes transactions in case the Bank applied a sale scenario with a probability of 100% the estimated impairment loss would amount to approximately €194 mil.

On 17.12.2021, the Bank completed the Aurora synthetic securitization transaction. With this transaction the Bank receives protection against the credit risk of a specific portfolio of performing corporate loans amounted to €1.9 bil. through a credit protection/financial guarantee agreement with a special purpose entity. The total amount of credit protection is € 152 mil. and represents the mezzanine tranche. In the context of the transaction, the guarantee is activated in the event of a default payment, default or loss due to modification of contractual terms in the context of restructuring and given that the respective loss (for all loans in aggregate) has exceeded a certain limit, which is stated in the contractual

terms and it is held by the Bank. The Bank pays a variable commission every quarter to the special purpose entity for the guarantee. The above guarantee is not an integral part of the securitized loans and as a consequence is not taken into account during the calculation of expected credit losses. The claim for compensation is recognized in the income statement when its collection is in substance certain. For disclosure purposes, the commission expense paid by the Bank as well as the income from the recognition of the receivable from the claim are recognized in the caption «Impairment losses, provisions to cover credit risk and related expenses», as in this way, their nature which is related to credit risk is better reflected. The expense for the year that relates to the commission for the guarantee amounts to € 588, whereas until the end of the year no claim for compensation has been made.

Gains/(Losses) on modifications of contractual terms of loans and advances to customers

The Bank, in the context of renegotiation with borrowers or of restructurings, proceeds with the modifications of the contractual cash flows of the loans in order to ensure their repayment.

The following table presents the carrying amount of those loans and advances to customers for which there was gain or loss from the modification of the contractual terms and loss allowance were measured at an amount equal to lifetime expected credit loss i.e. loans categorized in Stage 2 or Stage 3 or loans Purchased or originated credit-impaired (POCI).

	From 17 April to
	31.12.2021
Net carrying amount after impairment and before the modification	3,900,164
Net gain or (loss) due to the modification	(11,477)

The following table presents the carrying amount of loans and advances to customers that modified at a time they had a lifetime expected credit loss and for which the allowance is measured based on 12-month expected credit losses at the end of the year.

	31.12.2021
Carrying amount before allowance for expected credit losses at the end of the year	1,734,775

12. Impairment losses, provisions to cover credit risk and related expenses on other financial instruments

	From 17 April to
	31.12.2021
Impairment losses of debt securities and other securities measured at amortized cost	4,357
Impairment losses of debt securities and other securities measured at fair value through other comprehensive income	10,886
Impairment losses on due from banks	512
Total	15,755

It is noted that Covid-19 pandemic did not lead to a significant increase in credit risk of those debt securities held by the Bank.

13. Income Tax

The Extraordinary General Meeting of the Shareholders of Alpha Bank S.A. held on 2.4.2021, approved the demerger of the société anonyme with the corporate name “Alpha Bank Societe Anonyme” (“Demerged Entity”), by way of hive-down of the banking business sector with the incorporation of a new company – financial institution under the legal name “Alpha Bank Societe Anonyme”. Alpha Bank S.A. resulting from the demerger by the way of the hive-down of the banking business sector, started its operations on 16.04.2021, following the approval of the Ministry of Development and Investments. The first tax year for Alpha Bank S.A. is from 1.7.2020 to 31.12.2021.

In accordance with article 120 of L.4799 "Incorporation of Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 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, Incorporation of Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards the loss-absorbing and recapitalization capacity of credit institutions and investment firms and Directive 98/26/EC (L 150), through the amendment of article 2 of L.4335/2015, and other urgent provisions", the income tax rate for legal entities is reduced by 2% (from 24% as in force today to 22%) for the income of tax year 2021 and afterwards. By explicit reference of the law, this decrease does not apply to the financial institutions for which the income tax rate remains at 29%.

In accordance with article 119 of the same law, the percentage of income tax prepayment for legal entities is reduced to eighty percent (80%) from one hundred per cent (100%) as in force. The above is applicable for income tax prepayment of income tax declaration for the tax year 2021 and the following tax years.

The article 20 of Law 4646 / 12.12.2019 "Tax reform with a growth dimension for Greece of tomorrow", exempts income tax on income derived from the goodwill of the transfer of equity instruments to a legal entity resident in a Member State of the European Union, which a legal entity receives as a tax resident of Greece if the legal entity whose titles are transferred fulfills the conditions prescribed by law. This income shall not be taxable on the distribution or capitalization of these profits. Any impairment losses recognized as at 31.12.2019 are deducted under certain conditions from gross income at the time of transfer. The provision applies to income derived from 1.1.2020 onwards.

Furthermore, the withholding rate is reduced to 5% from 10% in dividends paid from 1.1.2020 onwards.

In accordance with article 65A of Law 4174/2013, from 2011, the statutory auditors and audit firms conducting statutory audits to a Societe Anonyme (S.A.), are obliged to issue an Annual Tax Certificate on the compliance on tax issues. In accordance with article 56 of Law 4410/3.8.2016 for the fiscal years from 1.1.2016 onwards, the issuance of tax certificate is optional. However, the Bank intends to continue to obtain the tax certificate.

The tax audit for the period 1.7.2020 to 31.12.2021 is ongoing.

The income tax in the Income Statement is analysed as follows:

	From 17 April to
	31.12.2021
Current tax	70,066
Deferred tax	(22,634)
Total	47,432

Deferred tax recognized in the income statement is attributable to temporary differences, the effect of which is analyzed in the table below:

	From 17 April to
	31.12.2021
Debit difference of law 4046/2012	33,416
Debit difference of law 4465/2017	(484,741)
Write-offs, depreciation, impairment of plant, property and equipment and leases	(52,596)
Loans	390,560
Valuation of loans due to hedging	(225)
Valuation of derivative financial instruments	6,168
Defined benefit obligation and insurance funds	1,628
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	3,717
Valuation/Impairment of investments	1,363
Valuation/Impairment of debt securities and other securities	(6,583)
Tax losses carried forward	4,569
Other temporary differences	80,090
Total	(22,634)

Other temporary differences includes amount of € 66,251 related to the reversal of the deferred tax asset at the completion of the Cepal transaction, which was recognized by the transfer of the Non-performing Exposure Management

Activity to the Subsidiary of the Cepal Hellas Financial Company and transferred to the Bank during the corporate transformation.

«Debit difference of Law 4465/2017» mainly relates to the deferred tax of € 477,172 which resulted from the securitization of loans (project Cosmos).

«Debit difference of Law 4046/2012» relates to the deferred tax asset on tax losses, due to the Bank's participation in the Greek government bonds exchange program (PSI) and the Greek government bond buyback program on December 2012, which have been recognized as a debit difference in accordance with Law 4046/14.2.2012 and Law 4110/23.1.2013. According to Law 4110/23.1.2013 the «debit difference» is deductible, gradually in equal installments, within 30 years.

Moreover, according to article 5 of Law 4303/17.10.2014 «Ratification of the Legislative Act Emergency legislation to replenish the General Secretary of Revenue upon early termination of office (A' 136) and other provisions», which replaced article 27A of Law 4172/2013, deferred tax assets of legal entities supervised by the Bank of Greece, under article 26 paragraphs 5, 6 and 7 of Law 4172/2013 that have been or will be recognized and are due to the debit difference arising from the PSI and the accumulated provisions and other general losses due to credit risk, with respect to existing amounts up to 31.12.2014, are converted into final and settled claims against the State, if, the accounting result for the period, after taxes, is a loss, according to the audited and approved financial statements by the Ordinary Shareholders' General Assembly.

The inclusion in the Law is implemented with the approval of the General Assembly of the Shareholders and relates to tax assets arising from 2016 onwards, relating to fiscal year 2015 onwards, whereas it is envisaged the end of inclusion in the Law with the same procedure and after obtaining relevant approval from the Regulatory Authority.

According to article 4 of Law 4340/01.11.2015 «Recapitalization of financial institutions and other provisions of the Ministry of Finance» the above were amended regarding the time of the application which is postponed for a year. In addition the amount of the relevant deferred tax asset which is included in the above provisions of article 5 of Law 4303/17.10.2014 and relates to accumulated provisions and other general losses due to credit risk, is limited to the amount related to the provisions for credit risk, which were accounted for on 30.06.2015.

In connection with the amount included in caption «Debit difference of Law 4465/4.4.2017», according to article 43 of Law 4465/04.4.2017 «Integration of Directive 2014/92/EU of the European Parliament and Council held on 23.7.2014 for the comparability of charges related to payment accounts, the change of payment account and the access to payment accounts with basic characteristics and other provisions», the articles 27 and 27A of the Income Tax Code were amended (Law 4172/2013). In particular, par. 3 of article 27, as amended, provides the right to amortise losses registered by the above legal entities, for a period of 20 years, if those losses resulted from debt write-offs from their balance sheet due to loan settlement or restructuring contractually, judicial or extrajudicial or due to the transfer of the loan to companies of loan acquisition or securitization or to credit and financial institutions or other companies and legal entities under the conditions that the management of those loans is carried out by a claims servicing company. The tax benefit of the 20-year depreciation is given only to the realized losses. In case of an accounting write-off of the loan considering that the events for the final debt write-off or transfer of the loan has not yet been completed, the tax result for the year of the accounting write-off is not affected. When these events occur, the amount that was written off will be converted into a debit difference and will be amortised over the estimated 20-year period.

The amended provisions of Article 27A explicitly provide that in addition to the deferred tax assets relating to the amount of accumulated provisions and other general losses due to credit risk and to the remaining (amortized) balance of the PSI, the deferred tax asset relating to accounting write-offs and final losses due to final write-off or transfer of loans, under certain conditions, can be converted to final and settled receivable against the State and therefore to be included in the regulatory capital. It is noted that the right to convert deferred tax asset into final and settled against the State, had already been provided in the legislative framework since 2014 in order to avoid losses in the regulatory capital of credit institutions.

It should be noted that the possibility of finalizing and settling the deferred tax receivables with the Greek State has already been provided in the legislative framework since 2014 in order to avoid losses in the regulatory capital of credit institutions.

Based on the above mentioned Law, the total amount of deferred tax asset from (a) the debit difference of L. 4465/2017, (b) the temporary differences from any accounting write-off of loans and credits and (c) the temporary differences from accumulated provisions and other losses due to credit risk, is limited to the total tax amount related to accumulated provisions and other losses due to credit risk, recognised until 30.06.2015.

This amendment ensures that the loan write-offs and disposals, aiming to decrease the non-performing loans, will not result in the loss of regulatory capital.

The above apply from 01.01.2016.

In accordance with article 125 of L.4831 / 2021 «Legal Council of the State (NSK) and situation of its officials and employees and other provisions», article 27 of L.4172 / 2013 was amended. Pursuant to the new provisions, the debit difference from the exchange of Greek government bonds or corporate bonds guaranteed by the Greek State, in application of a participation program in the redistribution of Greek debt (of par. 2 of article 27 of law 4172/2013), deducts as a priority compared to the debit difference due to credit risk of law 4465/2017 (par. 3 of article 27 of law 4172/2013). The amount of the annual debit difference from credit risk deduction is limited to the amount of gains determined under tax law, before the deduction of these debt differences and after the deduction of the debit difference resulting from the PSI bond exchange. The remaining amount of the annual deduction that has not been offset is carried forward for deduction in subsequent tax years within the twenty-year period, in which the remaining profits will remain after the annual deduction of the debit differences corresponding to those years. The order of deduction of the transferred amounts is preceded by the older debit difference balances compared to the newer ones. If at the end of the twenty-year amortization period there are balances that have not been offset, these are losses subject to the five-year transfer rule.

It is noted that the above provision does not affect the rate of the depreciation for regulatory purposes of the deferred tax asset (DTA), neither retrospectively nor in the future, ie DTA will continue to be depreciated on a straight line basis (1/20 per year), for both previous, as well as for future sales of non-performing loans.

The above are valid from 1.1.2021 and concern debit differences of par. 3 that have arisen from 1.1.2016. Within the context of the above article, the Bank recognized a deferred tax asset of € 119,851, on the unamortised balance of debit difference of the year 2021.

As of 31.12.2021, the amount of deferred tax asset which is in the scope of L.4465 / 2017 and includes the amount of the debit difference of L.4046 / 2012 (PSI), amounts to € 2,891 million.

In accordance with article 82 of Law 4472 / 19.05.2017 "Pension provisions of the State and amendment of provisions of Law 4387/2016, measures for the implementation of fiscal objectives and reforms, measures of social support and employment regulations, Medium-Term Framework of the Fiscal Strategy 2018-2021 and others provisions" provides the obligation of credit institutions and other companies that fall under the provisions of article 27A of Law 4172/2013) to pay an annual fee of 1.5% for the amount of the tax claim guaranteed by the Greek State arising from the difference between the current tax rate (currently 29%) and the tax rate that was valid on 31.12.2014 (26%). The amount of the commission for the year 2021 amounts to € 3,471.

Pursuant to article 24 par. 8 of law 4172/2013, the new established credit institution Alpha Bank Societe Anonyme made use of the beneficial provisions of the law and postponed the depreciation for tax purposes of its fixed assets for the first three tax years. Based on Circular 1073 / 31.3.2015 of AADE, the postponement of tax depreciation does not include the amortization of the debit difference of article 27 par. 2 of law 4172/2013 (loss from the exchange of Greek government bonds) and of the debit difference of article 27 par.3 of Law 4172/2013 (loss from final write-off or transfer of doubtful receivables). From 1.7.2020, which is the date of commencement of the first tax year of Alpha Bank SA, tax depreciation of € 177.4 million and deferred tax of € 51.4 million, which is included in the item «Write-offs, depreciation, impairment of plant, property and equipment and leases» was reversed.

A reconciliation between the effective and nominal tax rate is provided below:

	From 17 April to	
	31.12.2021	
	%	
Profit / (Loss) before income tax		159,397
Income tax (nominal tax rate)	29	46,225
Increase / (Decrease) due to:		
Non-taxable income	(0.45)	(713)
Non-deductible expenses	1.30	2,071
Other tax differences	(0.09)	(151)
Income Tax	29.76	47,432

Income tax of other comprehensive income recognized directly in equity

	From 17 April to		
	31.12.2021		
	Before Income Tax	Income Tax	After Income Tax
Amounts that may be reclassified to the Income Statement			
Net change in the reserve of securities measured at fair value through other comprehensive income	(83,391)	24,182	(59,209)
Net change in cash flow hedge reserve	14,748	(4,277)	10,471
	(68,643)	19,905	(48,738)
Amounts that will not be reclassified to the Income Statement			
Net change in actuarial gains/(losses) of defined benefit obligations	3,448	(1,000)	2,448
Gains/(Losses) from equity securities measured at fair value through other comprehensive income	4,041	(1,172)	2,869
	7,489	(2,172)	5,317
Total	(61,154)	17,733	(43,421)

During the year ended 31 December, credit deferred tax was recorded directly in equity in the retained earnings amounting of € 30,598 relating to the loss from the derecognition of the Cosmos which is mainly related to the derecognition of the loans, as described in note 19. In addition, a debit tax of € 8,397 has been recognized regarding the tax resulting from the valuation at fair value of the Bank's subordinated securities issued by Alpha Services and Holdings Societe Anonyme. It is noted that the above valuation affected the Equity as it constitutes a direct capital increase and therefore the tax was recorded in the Equity.

14. Earnings/(Losses) per share

a. Basic

Basic earnings/(losses) per share are calculated by dividing the net profit/(losses) for the year attributable to ordinary equity holders of the Bank, by the weighted average number of ordinary shares outstanding during the period, excluding the weighted average number of own shares held, during the period.

b. Diluted

Diluted earnings/(losses) per share are calculated by adjusting the weighted average number of ordinary shares outstanding during the period with the dilutive potential ordinary shares. The Bank does not have shares in this category, and therefore there is no reason to differentiate the adjusted from the basic gains / (losses) per share.

	From 17 April to
	31.12.2021
Profit / (Loss) attributable to equity holders of the Bank	111,965
Weighted average number of outstanding ordinary shares	51,454,705,029
Basic earnings /(losses) per share (in €)	0.0022

The weighted average number of outstanding ordinary shares has been affected by the movements that have taken place during the year 2021 and are presented in detail in note 34.

ASSETS

15. Cash and balances with Central Banks

	31.12.2021
Cash	283,223
Cheques receivables	961
Balances with Central Banks	10,036,066
Total	10,320,250
Less: Deposits pledged to Central Banks	-
Total	10,320,250

Cash and cash equivalents (as presented in the Statement in the statement of cash flows)

	31.12.2021
Cash and balances with central banks	10,320,250
Securities purchased under agreements to resell (Reverse Repos)	1,078,075
Short-term placements with other banks	340,198
Total	11,738,523

16. Due from banks

	31.12.2021
Placements with other banks	1,093,389
Guarantees for derivative securities coverage and repurchase agreements (note 38e)	1,077,895
Securities purchased under agreements to resell (Reverse Repos)	1,078,075
Loans to credit institutions	36,965
Less:	
Allowance for expected credit losses (note 39.1)	(73,809)
Total	3,212,515

17. Trading securities

The following table presents an analysis of the carrying amount of trading portfolio per type of security:

	31.12.2021
Bonds:	
Greek Government	3,819
Equity Shares:	
Listed	779
Total	4,598

18. Derivative financial instruments (assets and liabilities)

	31.12.2021		
	Contractual	Contractual	
	Nominal Amount	Assets	Liabilities
Derivatives held for trading purposes			
a. Foreign exchange derivatives			
Foreign exchange forwards	817,701	11,039	6,384
Foreign exchange swaps	1,887,079	7,196	7,535
Cross currency swaps	529,075	20,395	4,180
Currency options	9,361	109	35
Currency options embedded in customer products	2,518	12	
Total non-listed	3,245,734	38,751	18,134
b. Interest rate derivatives			
Interest rate swaps	25,239,936	786,410	1,231,717
Interest rate options (caps and floors)	2,020,212	25,031	24,893
Total non-listed	27,260,148	811,441	1,256,610
c. Commodity derivatives			
Commodity swaps	15,655	301	
Total non-listed	15,655	301	-
d. Index derivatives			
Index swaps	40,668	1,027	1,027
OTC options	29,764		639
Total non-listed	70,432	1,027	1,666
e. Credit derivatives			
Total return swap	124,796	2,337	
Total non-listed	124,796	2,337	-
f. Other derivatives			
GDP linked security	640,987	320	
Total listed	640,987	320	-
Derivatives for fair value hedging			
a. Foreign exchange derivatives			
Foreign exchange swaps	57,344		903
Total non-listed	57,344	-	903
b. Interest rate derivatives			
Interest rate swaps	2,950,100	110,364	11,373
Total non-listed	2,950,100	110,364	11,373
Grand Total	34,365,196	964,541	1,288,686

In the context of the daily process for setting off and providing collateral for derivatives transactions with credit institutions counterparties the Bank has pledged as collateral a net amount of € 1,062,212 on 31.12.2021 which includes a net amount of € 3,960 of guarantees received that relates to transactions with the Group's subsidiaries. The respective fair value of derivatives with credit institutions amounted to € 962,402 on 31.12.2021.

Hedging accounting

a. Fair value hedges

The Bank uses interest rate swaps to hedge its exposure to changes in the fair values due to changes in market rates of fixed interest rate: a) Greek Government Bonds, b) retail loans with fixed interest rate and c) debt securities in issue.

The Bank also uses foreign currency swaps to hedge the currency risk of its net investment in a subsidiary.

For all hedges of interest rate risk, the Bank determines the reference interest rate associated with the hedged risk (Euro rate) at inception of the hedging relationship and calculates the changes in the fair value of the hedging instrument with

respect to euro interest rate curve. For the hedge of the currency risk in the investments in subsidiaries, risk arises from the fluctuation in spot exchange rates between the exchange rate of the investment and the Euro. More specifically, the investments are translated at the current exchange rate and the exchange differences that arise from the inception of the hedging relationship are compared with the exchange differences of the derivative.

The amendments of the related IFRS that address issues arising from the interest rate benchmark reform do not expect to have any impact to the existing fair value hedges considering that the hedging instruments are applied with the corresponding Euribor referenced interest rate and that it is not replaced with any alternative interest rate.

In order to measure hedge effectiveness, the changes in the fair value of the hedged item are compared to the changes in the fair value of the hedging instrument and in order for the hedge to qualify as effective, the ratio of the change in the fair value of the hedging instrument over the change in the fair value of the hedged item is required to be within 80% -125% (dollar offset method).

The Bank has identified the following sources which may lead to hedging ineffectiveness:

- a) Credit risk of the derivative counterparty, which is not offset by the hedged item. The Bank minimizes counterparty credit risk in derivative instruments by entering into transactions with high credit risk rating counterparties.
- b) Difference in timing of cash flows of hedged items and hedging instruments.

During the year, the Bank did not identify any other source of hedging ineffectiveness.

Duration, nominal amount, interest and FX rate of the hedging instruments of 31.12.2021 are summarized as follows:

	Duration
Risk Category	1 - 5 years
Interest rate risk	
Tier II Bonds issued by the Bank	
Nominal amount of the derivative	1,000,000
Average fixed interest rate	(0.21%)
Fixed rate retail loans	
Nominal amount of the derivative	200,000
Average fixed interest	(0.39%)
FX rate risk	
Investment in Alpha Bank London	
Nominal amount of the derivative	57,344
Foreign Exchange rate GBP	0.84

	Duration
Risk Category	>5 years
Interest rate risk	
Greek Government Bond with Nominal amount of € 923 million at amortized cost (AC)	
Nominal amount of the derivative	1,203,800
Average fixed interest rate	(0.05%)
Greek Government Bond with Nominal amount of € 50 million at FVOCI	
Nominal amount of the derivative	46,300
Average fixed interest rate	0.07%
Bond issued by Senior Bank Preferred with nominal amount of € 500 million	
Nominal amount of the derivative	500,000
Average fixed interest rate	(0.27%)

The balance sheet and the income statement amounts relating to fair value hedging instruments and the hedge effectiveness are analyzed as follows:

2021							
Hedging relationship	Derivative Type	Carrying amount of hedging instrument		Line item in the balance sheet where the hedging instrument is included	Change in fair value of hedging instrument used for calculating the hedge effectiveness for 2021	Ineffectiveness recognised in the income statement for 2021	Line item in the Income statement that included hedge ineffectiveness
		Assets	Liabilities				
Interest rate risk							
Greek Government Bonds with Nominal amount of € 923 million at amortized cost (AC)	Interest Rate Swap	109,494		Derivatives	7,748	(1,650)	Gains less losses on financial transactions
Greek Government Bond with Nominal amount of € 50 million at FVOCI	Interest Rate Swap	855		Derivatives	867	(11)	
Bond issues and other loan liabilities	Interest Rate Swap		11,351	Derivatives	(12,623)	(369)	
Fixed rate retail loans	Interest Rate Swap	15	23	Derivatives	780	6	
FX rate risk							
Investment in Alpha Bank London in GBP	FX Swaps		903	Derivatives	(1,903)		Gains less losses on financial transactions

The amounts related to balance sheet items designated as hedged items are analyzed as follows:

2021						
Hedging relationship	Carrying amount of hedging instrument		Carrying amount of hedging instrument		Line item in the balance sheet where the hedging instrument is included	Change in fair value of hedged item used for calculating the hedge effectiveness in the period 17.4-31.12.2021
	Assets	Liabilities	Assets	Liabilities		
Interest rate risk						
Greek Government Bonds with Nominal amount of € 923 million at amortized cost (AC)	1,192,362	-	(111,607)	-	Investment securities measured at amortized cost	(9,398)
Greek Government Bond Nominal amount of € 50 million at FVOCI	47,772	-	(878)	-	Investment securities measured at fair value through other comprehensive income	(878)
Bond issues and other loan liabilities	-	1,498,269	-	(12,254)	Issued bonds and other loan liabilities	12,254
Fixed rate retail loans	200,148	-	148	-	Loans and advances to customers	(775)
FX rate risk						
Participation in Alpha Bank London in GBP	58,314	-	4.991	-	Investment in subsidiaries, associates and joint ventures	1,903

The amounts related to the balance sheet items whose hedging relationship expired within the fiscal year from 17.4.2021 to 31.12.2021

2021						
Hedging Relationship	Carrying Amount		Accumulated amount of fair value hedge adjustments on the hedged item		Line item in the balance sheet where the hedged item is included	Change in fair value of hedged item used for calculating the hedge effectiveness for the period 17.4.-31.12.2021
	Assets	Liabilities	Assets	Liabilities		
Interest rate risk						
Fixed rate retail loans	49,935		(65)		Loans and advances to customers	352

b. Cash flow hedges

In case of cash flow hedge relationships, the Bank determines the referenced interest rate associated with the hedged risk (Euro rate) at inception of the hedging relationship and measures the changes in the fair value of the hedging instrument and a hypothetical derivative relating to Euro interest rate curve changes.

The floating leg of the hypothetical derivative replicates the cash flows of the hedged item, whereas the fixed leg cash flows are determined so that the hypothetical derivative has a value equal to zero at inception.

In order to measure the effectiveness of the hedge, the changes of the hypothetical derivative are compared to the changes of the hedged item, and in order for the hedge to qualify as effective the ratio of the change in the fair value of the hypothetical derivative over the change in the fair values of the hedged item should be between 80% - 125% (dollar offset method).

The Bank has identified the following sources that may lead to ineffective hedging:

- c. Credit risk of the derivative counterparty, which is not offset by the hedged item. The Bank minimizes counterparty credit risk in derivative instruments by entering into transactions with high credit rating counterparties.
- d. Difference in timing of cash flows of hedged items and hedging instruments.

No other sources of ineffectiveness were identified during the year.

As of 31.12.2021 there are no cash flow hedge relationships in force

In the context of the corporate transformation (hive down of the Baking sector), a negative hedge reserve for time deposits amounting to € 308,993 before taxes was transferred to the Bank from terminated hedging relationships. On 31.12.2021, an amount of € 14,748 before taxes was reclassified from the cash flow hedge reserve to interest expense on deposits and therefore the negative cash flow hedge reserve amounted to € 294,245 before taxes.

19. Loans and advances to customers

	31.12.2021
Loans measured at amortised cost	34,756,456
Leasing	6,200
Less: Allowance for expected credit losses	(1,764,405)
Total	32,998,251
Advances to customers measured at amortised cost	231,663
Advances to customers measured at fair value through profit or loss	40,000
Loans measured at fair value through profit or loss	143,283
Loans and advances to customers	33,413,197

As at 31.12.2021, "Advances to customers measured at amortised cost" include accumulated allowance of € 40,832.

Advances to customers measured at amortized cost on 31.12.2021 include the net deferred consideration amounting to € 105,426 from the sale of the non-performing loan portfolio collateralised with real estate property as well as other advances to customers ("Neptune" transaction).

In addition, advances to customers measured at fair value through profit or loss includes the receivable from the variable consideration provided in the aforementioned transaction the fair value of which was estimated at 31.12.2021 to € 40,000.

The following tables, present an analysis of loans per type and category

Loans measured at amortised cost

	31.12.2021
Individuals	
Mortgages:	
- Non-securitized	4,774,753
- Securitized	2,793,295
Consumer:	
- Non-securitized	574,133
- Securitized	886,371
Credit cards:	
- Non-securitized	379,285
- Securitized	533,555
Total loans to individuals	9,941,392
Corporate:	
Corporate loans:	
- Non-securitized	16,851,415
- Securitized	2,481,161
Leasing:	
- Non-securitized	6,200
Senior securitization notes	5,482,488
Total corporate loans	24,821,264
Total	34,762,656
Less: Allowance for expected credit losses	(1,764,405)
Total loans measured at amortised cost	32,998,251

In the context of the reassessment of the hold to collect business model of loans and advances to customers measured at amortised cost, past sales are taken into account.

Given that:

- the majority of the bank's sales are in accordance with the Bank's business model as they concern sales of non-performing loans due to the deterioration of the debtors' credit rating and
- individual sale are not considered material individually or in the aggregate, the Bank has assessed that the «hold to collect» business model is not challenged.

As at 31.12.2021 the Bank did not hold syndicated loans, that grants in order to sell them within six months and are classified under a «hold to sell» business model.

On 28.6.2021 the Bank transferred portfolios of non-performing loans to the special purpose vehicle "Gemini Core Securitization Designated Activity Company" based in Ireland which was established for this purpose and which in turn issued notes. The Bank covered all issues, which resulted in the control of the special purpose vehicle by the Bank and the non-derecognition of these loans from its balance sheet as it retained all risks and rewards arising from the securitized portfolios. The carrying amount after allowance for expected credit losses of the aforementioned transaction measured at amortized cost amounted to € 4,526,627 as at 31.12.2021.

In addition, the Bank holds a portfolio of corporate, consumer loans and credit cards securitized through special purpose companies controlled by the Bank. Examination of the contractual terms and structure of the above transactions (eg provision of guarantees and / or credit or ownership of special purpose entities bonds) proves that the Bank has maintained in all cases the risks and rewards arising from the securitized portfolios. The carrying amount after allowance for expected credit losses of the aforementioned transaction measured at amortized cost amounted to € 1,161,298 as at 31.12.2021.

Mortgage loans on 31.12.2021 include loans amounting to € 3,189,417 that have been used as cover in the Covered Bonds Program I and the Covered Bonds Program II.

On 10.12.2021 the "Cosmos" transaction was completed which included:

- The securitization by the Bank of loans and advances of carrying amount before allowance for expected credit losses €3.4 billion to the special purpose entity Cosmos Securitization Designated Activity Company in accordance with Law 3156/2003. In the context of the securitization, which was conducted on 8.10.2021, the special purpose entity issued

bonds in three tranches, Series A (senior notes), Series B (mezzanine notes) and Series C (junior notes), which were initially acquired by the Bank.

- b) The distribution in kind, through reduction of share capital, by Alpha Bank of 95% of the above bonds of mezzanine and junior notes to the parent company Alpha Services and Holdings SA. in accordance with the decision of 25.10.2021 of the Extraordinary General Meeting of Alpha Bank SA. As a result of this transaction, Alpha Bank S.A. on 10.12.2021 derecognized from its balance sheet the securitized loans, while recognizing the bonds held at their fair value and the difference in total amount after taxes of € 256,417 was recognized in a decrease in its equity. In particular, the reduction in its share capital amounted to € 10,825, represents the fair value of the bonds distributed.

The following were taken into account for the aforementioned impact:

- The carrying amount after allowance for expected credit losses of the securitized portfolio of € 1,977,035
- The fair value of 100% of the senior notes and 5% of the mezzanine and junior notes retained for a total amount of € 1,721,270
- The net book value of € 100,964 of the financial liabilities and receivables to the special purpose company that were recognized after the derecognition
- Total tax impact of € 100,312 (note 13).

As a result of the above the Bank recognized in loans measured at amortized cost the senior notes amounting to €1,720,701 and also recognized in loans measured in fair value through profit or loss the mezzanine and junior notes amounting to €570.

In addition, the Bank in the context of the sale of Non Performing Loans through securitization of Galaxy Trasaction that was completed by Alpha Services and Holdings S.A. (note Corporate transformation-Hive down) recognized in loans measured at amortized cost the senior notes amounting to €3,839,596 and also recognized in loans measured in fair value through profit or loss the mezzanine and junior notes amounting to €1,991.

As at 31.12.2021, the Bank classified the loan portfolio of Orbit under "Assets held for sale", with a carrying amount of € 34,903.

According to a) the Business Plan relating to the management of Non Performing Exposures, that the Bank submitted on 15 April 2021 and has been prepared in accordance with the methodology and models of the supervisory authorities and b) the Strategic Plan of the Bank presented on May 2021, the Bank is obliged to monitor and report to the SSM the level of the achievement of the targets set in the Business Plan on a consolidated basis, until the end of 2023, through relevant supervisory reports. As at 31.12.2021, the balance of the NPE loans included in total loans and advances to customers amounted to € 4.6 billion. It is noted that the Bank is expected to submit an updated Business plan for thee management of Non Performing Exposures on 31.3.2022 with a reference period spanning up to the end of 2024.

The carrying amount of loans guaranteed by the Greek Government that were issued in the context of the Covid-19 pandemic as at 31.12.2021 amounted to € 1,260,369 and is included in the balance of loans measured at amortized cost. For this category of loans an expected credit loss allowance has been formed as at 31.12.2021 amounting to € 918.

The carrying amount of loans with interest rate subsidy from the Entrepreneurship Fund II and the Western Macedonia Development Fund of the Hellenic Development Bank amounts to € 367,947 on 31.12.2021 and is included in the balance of loans measured at amortized cost. For the above loans the expected credit losses recognized as at 31.12.2021 amounts to € 1,393.

The movement of allowance for expected credit losses on loans, that are measured at amortized cost, is presented below:

Allowance for expected credit losses

Balance 17.04.2021	3,087,586
Changes for the year 17.04 - 31.12.2021	
Impairment losses for the year	388,441
Transfer of allowance for expected credit losses from and to Assets held for sale	(239,831)
Derecognition due to substantial modifications in loans' contractual terms	(1,758)
Change in present value of the impairment losses	18,286
Foreign exchange differences	3,404
Disposal of impaired loans	(7,028)
Loans written-off during the year	(173,972)
Derecognition of Cosmos loans portfolio	(1,316,015)
Other movements	5,292
Balance 31.12.2021	1,764,405

«Impairment losses» presented above, does not include impairment loss of € 999 which relates to impairment losses for loans classified as held for sale prior to the demerger and the fair value adjustment for the contractual balance of loans which were impaired at their acquisition or origination (POCI) which is included in the carrying amount of the loans.

In the caption «Transfer of allowance for expected credit losses to Assets held for sale» the amount of € 239,831 mainly concerns Orbit portfolio with allowance for expected credit losses amounting to € 289,798 respectively on 31.12.2021.

Finance lease receivable are analyzed by duration as follows:

	31.12.2021
Up to 1 year	1,470
From 1 year to 5 years	4,099
Over 5 years	1,152
	6,721
Non accrued finance lease income	(521)
Total	6,200

The net amount of finance lease receivables are analyzed as follows, based on their duration:

	31.12.2021
Up to 1 year	1,315
From 1 year to 5 years	3,776
Over 5 years	1,109
Total	6,200

There has been no significant impact from the application of the rent concession measures on the receivable from finance leases.

Loans measured at fair value through profit or loss

	31.12.2021
Individuals	
Consumer:	
- Non-securitized	
Total loans to individuals	-
Corporate:	
Corporate loans:	
- Non-securitized	140,722
- Securitized	
Mezzanine and junior securitization notes	2,561
Total corporate loans	143,283
Total loans to customers measured at fair value through profit or loss	143,283

20. Investment securities

	31.12.2021
Investment Securities measured at fair value through other comprehensive income	5,502,920
Investment Securities measured at fair value through profit or loss	222,130
Investment Securities measured at amortized cost	3,524,453
Total	9,249,503

The investment portfolio is analyzed in the following tables by classification category.

a. Securities measured at fair value through other comprehensive income directly attributed to Equity

	31.12.2021
Greek Government	
- Bonds	1,697,778
- Treasury bills	684,011
Other Sovereign:	
- Bonds	1,191,414
Other issuers:	
- Listed Bonds	1,902,292
- Non listed Bonds	2,805
Equity securities	
- Listed	18,214
- Non listed	6,406
Total	5,502,920

In December 2021, following

- The significant change in the capital base of the Bank as a result of the management actions for the reduction of NPEs,
- The supervisory expectations, as depicted in the decisions for the Supervisory Valuation (SREP) from 2019 onwards with respect to the use of business models that could have an impact on the regulatory capital and the Capital Adequacy ratio of the Bank,
- The new regulatory limits for MREL liabilities, with which the Bank needs to comply from 01.01.2022, and the minimum Capital Adequacy with the supervisory limits of the Pillar II Guidance (P2G) with which the Bank needs to comply from 01.01.2023,

The Executive Committee of the Bank took the decision to minimize the usage of the FVOCI portfolio towards the utmost operational needs of the Bank's Capital Markets, and long term securities to be used to collect interest income which is also consistent with the Strategic decision of the Bank and to reclassify bonds amounting to € 4.4 billion to the hold to collect category.

The above decision was assessed that meets the criteria for a change in the business model in accordance with the provisions of IFRS 9 and therefore from 1.1.2022 the relevant investment portfolio is reclassified to the portfolio of

investment securities measured at amortized cost. The securities will be reclassified at their fair value on 1.1.2022 which however will be adjusted for the cumulative gain of € 8.7 million that have been recognized in equity, and as a result the value of the bonds will be as they had always been measured at amortised cost. Their original interest rate and expected credit losses that have already been recognized are not affected.

Investment portfolio equity securities measured at fair value through other comprehensive income

The Bank has made the irrevocable election on initial recognition to measure at fair value through other comprehensive income equity instruments that have the following characteristics:

- a) Shares in companies of the financial sector (credit institutions and interbank companies)
- b) Investments in private equity (shares of venture capital or private equity)
- c) Equity shares received in exchange for debt forgiveness in the context of debt restructurings and
- d) Shares held in long term investment horizon

The following table presents the equity shares of investment portfolio measured at fair value through other comprehensive income as of 31.12.2021.

	Fair Value 31.12.2021	Dividend income from 17 April up to 31.12.2021
Investments in financial industry entities	692	
Long term equity holdings	23,928	365
Total	24,620	365

During the year, the Bank did not proceed with the divestment of Shares.

b. Securities measured at fair value through profit and loss

	31.12.2021
Other issuers:	
- Listed Bonds	165,693
-Non listed Bonds	2,285
Equity securities	
- Non Listed	28,561
Other variable yield securities	25,591
Total	222,130

Securities measured at fair value through profit or loss include securities for which it was assessed that their contractual cash flows do not meet the solely payments of principal and interest (SPPI) as required by IFRS 9, as well as the equity securities which have been classified in this category.

c. Securities measured at amortized cost

	31.12.2021
Greek Government	
- Bonds	3,088,894
- Treasury bills	
Other Sovereign:	
- Bonds	306,107
Other issuers:	
- Listed Bonds	129,452
-Non listed Bonds	
Total	3,524,453

For the aforementioned securities measured at amortised cost expected credit losses of €15,034 have been recognised. The carrying amount prior to impairment was €3,539,487.

21. Investments in subsidiaries, associates and joint ventures

	31.12.2021
SUBSIDIARIES	
Balance 17.4.2021	2,457,429
Additions	1,124
Decreases	(180,680)
Transfer to associates	(40,628)
Valuation of investments due to fair value hedging* and other movements	1,907
Closing Balance	2,239,152
ASSOCIATES	
Balance 17.4.2021	236
Transfer from subsidiaries	40,628
Decreases	(10,864)
Closing Balance	30,000
JOINT VENTURES	
Balance 17.4.2021	7,416
Additions	46
Reversal of impairment	1,891
Closing Balance	9,353
Total	2,278,505

Additions represent: Amounts paid for the establishment of new entities, share purchases, participation in share capital increases and acquisitions of shares due to mergers and other capital contributions related to stock option rights.

Decreases represent: sales of shares, return of capital, proceeds arising from the liquidation of companies and impairments

The additions in subsidiaries amounting to € 1,124 relate to:

a. Establishment of new entities:

On 11.11.2021, after the Memorandum of Understanding of 3.8.2021, the binding agreement between Alpha Bank and Nexi SpA ("Nexi") was announced for the establishment of a strategic partnership in respect of the Bank's merchant acquiring business unit in Greece through, inter alia: i) the curve-out of the Bank's merchant acquiring business unit, pursuant to a Greek statutory spin-off process, into the newly formed entity "Alpha Payment Services S.A.", established on 15.11.2021 with the corporate name "Alpha Payment Services MAE". («NewCo») with a share capital amounting to €1,000.

b. Granting of stock options

In the context of the implementation of the stock option plan of the parent entity Alpha Services and Holdings S.A. to employees of the Bank and its related entities, as detailed in note 8, the cost of the Bank's participation in the subsidiaries Alpha Holdings MAE, Alpha Supporting Services SA, Alpha Real Estate and Investment Management and Alpha Group Investments LTD, was increased by a total amount of € 124.

Decreases of subsidiaries amounting to € 180,680 relates to:

a. Impairments amounting to € 17,968

- impairment of the subsidiary Alpha Group Investments Ltd amounting to € 17,778 resulting from the fair valuation of the company by taking into consideration the valuations of its assets and its subsidiaries assets that mainly concern real estate assets. The recoverable amount of Alpha Group Investments Ltd amounted to € 795,107.
- impairment of the subsidiary Emporiki Management and Liquidation amounting to € 146. The recoverable amount of Emporiki Management and Liquidation amounted to € 3,062.
- impairment of the subsidiary Alpha International Holdings Company S.A. amounting to € 44. The recoverable amount of Alpha International Holdings Company amounted to € 87.

The impairments of the above subsidiaries occurred by an estimation of fair value. The valuations were classified in Level 3 of the fair value hierarchy, as non-observable prices were used for their estimation.

b. Transfer of entities amounting in total to € 162.510

On 22.2.2021 a binding agreement was signed with the company Davidson Kempner Capital Management LP in the context of the Galaxy transaction for the sale of 80% of the share capital of Cepal Holding Societe Anonyme, while the remaining 20% was maintained by the Bank. The sale of the shares took place on 18.6.2021.

c. Liquidation of entities amounting in total to € 202

On 4.11.2021, the liquidation and removal of the Bank's subsidiary, Alpha Finance Romania Srl, from the Romanian Business Register, which had a book value of € 97, was completed.

On 2.9.2021, the liquidation of the subsidiary, Alpha Credit Group Plc, which had a book value of € 105, was completed.

The Transfer from subsidiaries to associates includes the remaining 20% of the share capital of Cepal Holding Societe Anonyme that held after the sale, as mentioned above. For the remaining 20% of the share capital of Cepal Holding Societe Anonyme held, an impairment of € 10,863 was carried out, which was recorded in the Gains less losses on financial transactions. The recoverable amount of Cepal Holding Societe Anonyme amounted to € 29,764.

In addition, the Bank's associates include the special purpose entity Aurora SME I DAC through which the Bank in December 2021 made a synthetic securitization transaction of small and medium and large business loans. While the activities and returns of the company are predetermined, the Bank reserves the right to make decisions on specific core activities that arise if the special purpose entity suffers a credit event and/or if the collateral of the bond issued to third parties is down-graded. Therefore, the Bank exerts a substantial influence on the special purpose entity. As the Bank does not participate in its share capital, the cost of the investment is zero.

The increases of the joint ventures refer to an increase of the Share Capital of the company Alpha TANEO AKES. amounting to € 46 while an impairment of € 1,891 was also reversed. The Bank participates with 51% in the company and estimates its fair value, based on its Equity, which is directly affected by the value of the individual investments of the company that are valued at fair value through profit or loss. The valuation is classified at Level 3, as its fair value is estimated using significant unobservable data.

* The Bank uses FX swaps and money market loans to hedge the foreign exchange risk of its investments in subsidiaries abroad

Key financial information of investments

a) Subsidiaries

Name	Country	Balance 31.12.2021			1.1 - 31.12.2021		
		Assets	Equity	Liabilities	Turnover	Profit / Loss before income tax	Bank ownership interest% 31.12.2021
Banks							
1. Alpha Bank London Ltd	United Kingdom	631,270	67,125	564,145	17,610	2,276	100.00
Leasing companies							
1. Alpha Leasing Romania IFN S.A.	Romania	39,502	1,501	38,001	1,862	101	99.00
Real Estate and Hotel							
1. APE Fixed Assets A.E.	Greece	39,491	39,340	151	0	(244)	72.20
Special purpose and holding entities							
1. Alpha Group Investments Ltd	Cyprus	657,357	657,257	100	(256,754)	(257.205)	100.00
2. Alpha Real Estate Management and Investments S.A.	Greece	352,774	350,300	2,474	2,230	493	100.00
3. Epihiro Plc	United Kingdom	528,982	35	528,947	13,843	1	
4. Pisti 2010-1 Plc	United Kingdom	1,006,937	59	1,006,878	91,540	4	
5. Alpha Group Ltd	Cyprus						
6. Alpha Shipping Finance Ltd	United Kingdom	128,911	(441)	129,351	1,531	23	
7. AGI-Cypre Ermis Ltd	Cyprus	124,432	(55,111)	179,543	(48,722)	(53.804)	99.00
8. Alpha International Holding Company S.A.	Luxembourg	103	86	16	0	(30)	100.00
9. Alpha International Holdings M.A.E.	Greece	731,287	730,323	965	(2,568)	(520.512)	100.00
10. Alpha Holdings M.A.E.	Greece	439,007	438,835	172	0	(26.517)	51.00
11. GEMINI CORE SECURITISATION DESIGNATED ACTIVITY COMPANY		7,044,710	1	7,044,709	40,898	1	
Other companies							
1. Kafe Alpha S.A.	Greece	307	144	163	135	(264)	99.00
2. Alpha Supporting Services S.A.	Greece	71,253	66,481	4,772	7,318	1.020	99.00
3. Emporiki Management S.A.	Greece	3,235	3,073	162	44	(109)	100.00
4. Alpha Payment Services M.A.E.	Greece	1,000	998	2		(1)	100.00

b) Associates

		Balance 31.12.2021			1.1 - 31.12.2021		
Name	Country	Assets	Equity	Liabilities	Turnover	Profit / Loss before income tax	Bank ownership interest% 31.12.2021
1. AEDEP Thessalias and Stereas Ellados	Greece	479	146	333	660	(0)	50.00
2. Bank Information Systems S.A.	Greece	13,493	1,443	12,050	15,005	208	23.77
3. Olganos S.A.	Greece	8,140	8,100	40	30	(365)	30.44
4. Cepal Holdings A.E.	Greece	339,543	209,245	130,298	168,982	59,169	20.00
5. Aurora SME I DAC	Ireland	152,811		152,811			

c) Joint Ventures

		Balance 31.12.2021			1.1 - 31.12.2021		
Name	Country	Assets	Equity	Liabilities	Turnover	Profit / Loss before income tax	Bank ownership interest% 31.12.2021
1. APE Commercial Property A.E.	Greece	5,628	5,608	20	-	(19)	72.20
2. APE Investment Property A.E.	Greece	109,280	(503)	109,783	-	(2,227)	71.08
3. Alpha TANE0 A.K.E.S.	Greece	8,388	7,641	748	267	149	51.00

22. Investment Property

	Land and Buildings	Right-of-use on Land and Buildings	Total
Balance 17.4.2021			
Cost	64,269	7,826	72,095
Accumulated depreciation and impairment losses	(24,837)	(1,879)	(26,716)
17.4.2021 - 31.12.2021			
Net Book Value 17.4.2021	39,432	5,947	45,379
Additions	9		9
Reclassification to "Assets held for sale"	(3,704)		(3,704)
Depreciation charge	(349)	(581)	(930)
Net Book Value 31.12.2021	35,388	5,366	40,754
Balance 31.12.2021			
Cost	58,769	7,826	66,595
Accumulated depreciation and impairment losses	(23,381)	(2,460)	(25,841)

The fair value of the investment on land and buildings as at 31.12.2021 amounts to € 36,900.

In 2021, no impairment loss recognized.

The fair value of the investment property is calculated in accordance with the methods described in note 1.2.5. and are classified, in terms of fair value hierarchy, in Level 3 since assumptions and inputs relating to properties of relevant characteristics are used for the determination of fair value and therefore encompass a wide range of unobservable market inputs. The capitalization rate used ranges between 6.5% and 8%.

It is noted that further to an updated report obtained by the competent divisions of the Bank relating to the effect of Covid-19 on the values of real estate properties in Greece and based on the assumptions of the basic scenario relating to the evaluation of the pandemic and its effect on the values of the properties, and considering recent data from realized property sales by the Group to third parties, it is estimated that these values have not been affected by the pandemic in order to merit further impairment in the fair values.

In 2021, the bank transferred investment property of € 3,704 to "Assets classified as held for sale" as presented in Note 43.

The Bank, as a lessor of properties owned by third parties, recognizes rental income in the results of the year. The future income from operating leases are as follows:

	31.12.2021
Up to 1 year	5,138
From 1 year to 5 years	9,543
Over 5 years	480
Total	15,161

Future income from operating leases are disclosed in note 19.

The total income from operating leases for the year 2021 amounted of € 4,493 and are included in "Other income".

The decrease in income from operating leases from the implementation of the lease concession measures amounted to € 529.

23. Property, plant and equipment

	Land and Buildings	Equipment	Rights-of-use on fixed assets	Total
Balance 17.4.2021				
Cost	870,396	429,951	112,006	1,412,353
Accumulated depreciation and impairment losses	(373,010)	(362,391)	(46,512)	(781,913)
Balance 17.4.2021				
Net Book Value 17.4.2021	497,386	67,560	65,494	630,440
Additions	5,826	3,086	3,206	12,118
(Impairments)/Reversal of impairments	(94)		81	(13)
Disposals / Write-offs / Terminations / Reassessments	(5,961)	(22)	3,317	(2,666)
Reclassification to "other assets"	(4,068)			(4,068)
Depreciation charge	(9,821)	(10,263)	(13,997)	(34,081)
Net Book Value 31.12.2021	483,268	60,361	58,101	601,730
Balance 31.12.2021				
Cost	857,951	431,958	118,272	1,408,181
Accumulated depreciation and impairment losses	(374,683)	(371,597)	(60,171)	(806,451)

The carrying amount of own used land and buildings included in the above balances as at 31.12.2021 amounts to €471,443.

For the year April 17th to December, 31st 2021, an impairment loss of € 94 was recognized for land and buildings. The recoverable amount of land and buildings which was impaired during the year amounted to € 2,084. During the impairment test of property, plant and equipment, the recoverable amount was calculated as the fair value which incorporates the property value and all the improvements that make it suitable for use by the Bank. The discount rates used range from 6.5% to 8% depending on the characteristics (location, size, use) of each asset.

The fair values of the properties are calculated in accordance with the methods described in note 1.2.5. and are classified, in terms of fair value hierarchy, in Level 3 since assumptions and inputs relating to properties of relevant characteristics are used for the determination of fair value and therefore encompass a wide range of unobservable market inputs.

It is noted that further to the updated reports obtained by the competent divisions of the Bank relating to the effect of Covid-19 on the values of real estate properties in Greece it is estimated that these values have not been affected by the pandemic in order to merit further impairment in the fair values as at 31.12.2021.

In addition, the Bank did not have an impact from the application of the lease concession measures, given that the Bank, as tenants, have not been favored in this regard.

24. Goodwill and other intangible assets

	Goodwill	Banking property rights	Other intangible	Total
Balance 17.04.2021				
Acquisition Cost	835,847	1,785	122,122	959,754
Accumulated depreciation and impairment losses	(415,469)	(1,785)	(122,122)	(539,376)
17.04.2021 - 31.12.2021				
Net book value 17.04.2021	420,378			420,378
Additions	70,124			70,124
Amortisation charge for the year	(50,356)			(50,356)
Net book value 31.12.2021	440,146	-	-	440,146
Balance 31.12.2021				
Acquisition Cost	881,148	1,785	122,122	1,005,055
Accumulated depreciation and impairment losses	(441,002)	(1,785)	(122,122)	(564,909)

The additions of current year mainly concern software implementations and purchases of computer licenses.

Additions in Software during the year April 17th to December 31st 2021, include an amount of € 8,732 relating to development expenditure for software. Related amortization for the year amounted to € 2,545.

During the impairment test of intangible assets, no indications for impairment were noted.

25. Deferred tax assets and liabilities

	31.12.2021
Assets	5,403,389
Total	5,403,389

Deferred tax assets and liabilities are analyzed as follows:

	17.4 - 31.12.2021			
	Balance 17.4.2021	Recognized in		Balance 31.12.2021
		Income Statement	Equity	
Debit difference of Law 4046/2012	924,513	(33,416)		891,097
Debit difference of Law 4465/2017	2,459,652	484,741		2,944,393
Write-offs, depreciation and impairment of fixed assets and leases	4,835	52,596		57,431
Loan portfolio	1,293,377	(390,560)	25,099	927,916
Valuation of loans due to hedging	(249)	225		(24)
Valuation of derivatives	128,254	(6,168)	(6,876)	115,210
Employee defined benefit and insurance funds	10,733	(1,628)	(999)	8,106
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	1,498	(3,717)	(5,798)	(8,017)
Valuation/impairment of investments	274,298	(1,363)		272,935
Valuation/impairment of debt securities and other securities	75,707	6,583	27,059	109,349
Other temporary differences	168,203	(84,659)	1,449	84,993
Total	5,340,821	22,634	39,934	5,403,389

26. Other assets

	31.12.2021
Tax advances and withholding taxes	179,799
Deposit and Investment Guarantee Fund	634,048
Property obtained from auctions	347,074
Prepaid expenses	15,506
Staff advances	4,490
Accrued income	5,626
Other	141,544
Total	1,328,087

“Deposit and Investment Guarantee Fund” relates to the Bank’s participation in the assets of Investment Cover Scheme and Deposit Cover Scheme and comprises the following:

1. the amount of the contribution to the Investment Cover Scheme and
2. the difference on the regular annual contribution of credit institutions deriving from the application of article 6 of Law 3714/2008 “Borrower’s protection and other provisions”, which increase the upper coverage level for the amount of deposits guaranteed by the deposit guarantee scheme from € 20 to € 100 per depositor.

The above difference is considered, according to Law 4370/7.3.2016 in “Deposit Guarantee Scheme (transposition of Directive 2014/49/EU), Deposit and Investment Guarantee Fund and other regulations” a distinct group of assets, which are considered to be assets of the participating depository institutions according to their participation.

“Tax advances and withholding taxes” is presented, net of provisions amounted to € 64,763 in year 2021.

As at 31.12.2021 the Bank measured “Property obtained from auctions and other property held for sale” at the lowest value between the carrying amount and fair value less costs to sell. For the cases where the fair value was lower than the carrying amount, an impairment loss of €24 was recognized in “Other expenses” of the Income Statement. The recoverable amount of the property which was impaired during the current year amounted to € 38.

The fair value of the assets has been estimated based on the methods mentioned in note 1.2.5 and are classified in terms of fair value hierarchy in Level 3, since is based on market research data, assumptions and inputs relating to properties of relevant characteristics and therefore encompass a wide range of unobservable market inputs. The capitalization rate used was between 6.5% and 8%.

It is noted that further to the updated reports obtained by the competent divisions of the Bank relating to the effect of Covid-19 on the values of real estate properties it is estimated that these values have not been affected by the pandemic in order to merit further impairment in the fair values during 31.12.2021.

LIABILITIES

27. Due to Banks

	31.12.2021
Deposits:	
- Current accounts	71,965
- Term deposits:	
Central Banks	12,862,806
Other credit institutions	296,838
Cash collateral for derivative margin account and repurchase agreements	22,022
Securities sold under agreement to resell (Repos)	308,054
Borrowing funds	471,608
Total	14,033,293

In order to cope with the effects of Covid-19 pandemic, ensure adequate liquidity, normalize market's condition and support the credit expansion, European Central Bank gradually announced since March 2020 a series of measures such as amendment on terms of the Targeted Longer Term Refinancing Operations III and a new bunch of non-targeted longer term refinancing operations due to the pandemic (Pandemic Emergency Longer Term Refinancing Operations).

It is noted that the interest rate of TLTRO III can reach -1% for the period from June 2020 to June 2021 and remain to -0.5% for the residual period until maturity, provided that the amount of loans falling under the program remain for the period between March 2020 and March 2021, at March 2020's levels. The ECB announced on 10.12.2020 a further amendment to the terms of the TLTRO III program, according to which if, in addition to the achievement of the target set for the period March 2020 – March 2021, loans for the period October 2020 - December 2021 remain at the levels of October 2020 the interest rate can be set at -1% for the next period from June 2021 to June 2022.

The date of Hive Down the amount of Bank funding through TLTRO III program amounted to € 12.9 billion. The repayments of €1.9 billion and €2.0 billion in September and December 2021 and the concurrent renewals of € 4.0 billion, resulted in total borrowing through the TLTRO III program of € 13 billion as at 31.12.2021. In terms of loans, the target for the period March 2020 – March 2021 has been achieved, while it is also estimated, on the basis of the available data, that the target for the period October 2020 – December 2021 is also being achieved. Following the above, an income of € 98,499 relating to the current fiscal year of which an amount of € 51,965 relates to the additional margin -0.50%.

In particular, given that changes in the interest rate based on the level of the achievement of the objectives are contractually prescribed, the effective interest rate will be adjusted as a conventionally predetermined variable interest rate when the estimates for the achievement of the objectives become reliable and cumulative adjust of the amount recognized in interest income. It is also noted that the interest rate of this loan has not been treated as an off-market interest rate loan as the European Central Bank has provided it to all credit institutions under its supervision.

The caption "Borrowing Funds" includes liabilities of the Bank towards European Investment Bank.

The interest income recognized for the period of 2021 from these transactions is presented in the caption 'Interest and similar income' of the Statement of Income.

28. Due to customers

	31.12.2021
Deposits:	
- Current account	20,002,478
- Saving accounts	14,867,604
- Term deposits	7,879,834
	42,749,916
Cheques payable	147,807
Total	42,897,723

29. Debt securities in issue and other borrowed funds

In the context of the hive down of the Banking Sector on 16.04.2021, all financial liabilities related to the covered bonds and the senior debt securities of Alpha Services and Holdings were contributed to Alpha Bank SA.

i. Covered bonds*

The following table presents covered bonds in detail:

Balance 17.4.2021	503,281
Changes for the year 17.4 - 31.12.2021	
Accrued Interests	8,070
Balance 31.12.2021	511,351

The following table presents detailed information for the covered Bonds issues:

a. Held by the Bank

Issuer	Currency	Interest Rate	Maturity	Nominal value
				31.12.2021
Alpha Bank S.A.	Euro	3m Euribor+0.5% Minimum 0%	23.1.2023	1,000,000
Alpha Bank S.A.	Euro	3m Euribor+0.5% Minimum 0%	23.1.2023	1,000,000
Alpha Bank S.A.	Euro	3m Euribor+0.35% Minimum 0%	23.1.2023	200,000
Alpha Bank S.A.	Euro	2.50%	5.2.2023	1,000
Total				2,201,000

b. Held by third parties

Issuer	Currency	Interest Rate	Maturity	Nominal value
				31.12.2021
Alpha Bank S.A.	Euro	2.5%	5.2.2023	499,000
Total				499,000

ii. Senior debt securities

In the context of the Euro Medium Term Note Program of € 15 billion the Bank has issued on 23.09.2021 a Senior Preferred Note with a nominal value of € 500 million maturing on 23.03.2028, with a call option on 23.03.2027 and with an initially fixed annual interest rate equal to 2.5%, which is adjusted on a new interest rate valid from the call date until its maturity, defined on the basis of the annual swap rate plus a margin of 2.849%.

* Financial disclosures regarding covered bond issues, as determined by the 2620/28.8.2009 Act of the Bank of Greece, have been published on the Bank's website.

On 14.12.2021, in the context of the aforementioned Program, the Bank has proceeded to a new Senior Preferred Note issue with a nominal value of € 400 million maturing on 14.02.2024, with a call option on 14.02.2023 and with an initially fixed annual interest rate equal to 3.0%, which is adjusted on a new interest rate valid from the call date until its maturity, defined on the basis of the annual swap rate plus a margin of 3.468%.

The aforementioned issues aim to meet the Bank's objectives for the Minimum Equity and Eligible Liabilities Requirements as defined by the Single Resolution Board.

Balance 17.4.2021	1,598
Changes for the year 17.4 - 31.12.2021	
New issues	890,021
Maturities / Repayments	(43)
Hedging adjustments	(6,908)
Accrued Interests	4,442
Balance 31.12.2021	889,110

The following table presents additional information for the above mentioned issuance:

Held by third parties

Issuer	Currency	Interest Rate	Maturity	Nominal value
				31.12.2021
Alpha Bank S.A.	Euro	2.50%	20.6.2022	350
Alpha Bank S.A.	Euro	2.50%	20.6.2022	1,345
Alpha Bank S.A.	Euro	2.50%	23.3.2028	500,000
Alpha Bank S.A.	Euro	3.00%	14.2.2024	400,000
Total				901,695

iii. Liabilities from the securitization of other loans

Liabilities arising from the securitization of consumer loans, wholesale loans and credit cards and the respective Notes with nominal value of € 1,666,200 as of 16.04.2021, issued by Special Purpose Vehicles were own-held by Alpha Bank SA prior to the Demerger, were contributed to new Alpha Bank SA. Due to the fact that the Notes of a nominal amount € 967,000 as of 31.12.2021, are being own-held, the related liabilities are not included in the account "Debt securities in issue and other borrowed funds".

iv. Liabilities from NPL securitization

Alpha Bank SA on 28.6.2021 carried out an NPL portfolio securitization transaction managed by Cepal, the amount of which may vary on a continuous basis depending on the satisfaction of specific eligibility criteria. In particular, the loans were transferred to the special purpose company Gemini Core Securitisation Designated Activity Company based in Ireland, which issued a bond with an initial nominal value of € 8,712,547 which was purchased by Alpha Bank Societe Anonyme. The nominal value of the securitization amounts to € 6,914,844 as of 31.12.2021. Due to the fact that the bond is being own-held, the liability from the securitization is not included in the account "Debt securities in issue and other borrowed funds".

v. Subordinated debt (Lower Tier II, Upper Tier II)

On 19.04.2021 the Bank has issued a Subordinated Debt security of a nominal value of € 500 million and maturity date on 13.02.2031, with a call option from 19.4.2026 until 13.02.2027 and with an initially fixed annual interest rate equal to 4.45%, which is adjusted on a new interest rate valid from the call date until its maturity, defined on the basis of the five year swap rate plus a margin of 4.69%.

In addition, on 19.04.2021, the Bank has issued a Subordinated Debt security of a nominal value of € 500 million and maturity date on 11.06.2031, with a call option from 19.4.2026 until 11.06.2026 and with an initially fixed annual interest rate equal to 5.70%, which is adjusted on a new interest rate valid from the call date until its maturity, defined on the basis of the five year swap rate plus a margin of 5.99%.

Both issuances have been fully subscribed by Alpha Services and Holdings S.A.

The aforementioned issuances have been valued at their fair value at the initial recognition and the resulting valuation adjustment has been recognized within equity as indirect capital contribution by the parent entity. It is noted that through these issues the funds raised by Alpha Services and Holdings S.A. were transferred to the Bank with the two subordinated issues by the latter (nominal value € 500 million each with dates of issue 13.2.2020 and 11.3.2021) and held after the demerger of the banking sector. The call option constitutes an embedded derivative which, due to the difference between the amortised cost of the Bond, as it is estimated on the call date, and the call price, has been separated as not closely related to the host contract and is valued as a derivative at fair value through profit and loss.

Balance 17.4.2021	-
Changes for the year 17.4 - 31.12.2021	
New issues	1,000,000
Valuation at initial recognition	(19,995)
Maturities / Repayments	(4,138)
Hedging adjustments	(5,346)
Accrued interest	37,196
Balance 31.12.2021	1,007,717

The following table presents additional information for the above mentioned issues:

Held by third parties

Issuer	Currency	Interest Rate	Maturity	Nominal value
				31.12.2021
Alpha Bank S.A.	Euro	4.45%	13.2.2031	500,000
Alpha Bank S.A.	Euro	5.70%	11.6.2031	500,000
Total				1,000,000

Total of debt securities in issue and other borrowed funds as at 31.12.2021	2,408,178

The following table presents the changes of debt securities and other borrowed funds, separately disclosing the cash and non-cash items:

Cash flows from financing activities	17.4.2021	Cash Flows	Non Cash Flows				31.12.2021
			Accrued interest	Foreign exchange differences	Hedging adjustments and Valuation at initial recognition	Other	
		New issues Maturities Repayments					
Senior debt securities (ii)	1,598	889,978	4,442		(6,908)		889,110
Subordinated debt (vi)	-	995,862	37,196		(25,341)		1,007,717
Covered bonds (i)	503,281		8,070				511,351

The above cash flows are included in the net cash flows from financing activities in the cash flow statement of the year.

30. Liabilities for current income tax and other taxes

	31.12.2021
Income tax	
Other taxes	18,897
Total	18,897

31. Employee defined benefit obligations

The total amounts recognized in the financial statements for defined benefit obligations are presented in the table below:

	Balance Sheet-Liabilities
	31.12.2021
Bank employee's indemnity provision due to retirement in accordance with Law 2112/1920	19,040
Savings program guarantee	512
Plans for Diners (pension and health care)	8,250
Total Liabilities	27,802

	Income Statement Expenses /(Income) From 17 April to
	31.12.2021
Bank employee's indemnity provision due to retirement in accordance with Law 2112/1920 (note 8)	4,733
Savings program guarantee (note 8)	95
Plans for Diners (pension and health care) (note 8)	37
Total	4,865

Balance Sheet and Income Statement amounts are analyzed per fund and type of benefit as follows:

a. Employee indemnity due to retirement in accordance with Law 2112/1920

The contracts of the regular employees of the Bank are indefinite term employee contracts and when terminated, the provisions of Law 2112/1920 and Law 3198/1955 apply, as amended by Law 4093/2012, which provide a lump sum benefit payment.

The defined benefit obligation resulting from the above mentioned lump sum benefit payment is calculated taking into account a decision of the IFRS Interpretations Committee (IFRIC Committee) issued in May 2021. With the implementation of this decision, the attributing of benefits to periods of service will no longer begin from the first day of employment but as per what is defined in article 8 of Law 3198/1955.

The amounts recognized in the balance sheet are as follows:

	31.12.2021
Present value of defined obligations	19,040
Liability	19,040

The amounts recognized in the income statement are as follows:

	From 17 April to
	31.12.2021
Current service cost	1,553
Net interest cost resulted from net asset/liability	17
Settlement/Curtailment/Termination (gain)/loss	3,163
Total (included in staff costs)	4,733

The movement in the present value of defined obligation is as follows:

	2021
Opening Balance 17.4.2021	25,147
Current Service cost	1,553
Interest cost	17
Benefits paid	(10,039)
(Gain)/Loss from Settlement/Curtailment/Termination	3,163
Reclassification to voluntary separation scheme provision	(434)
Actuarial (gain)/loss-financial assumptions	(407)
Actuarial (gain)/loss-experience assumptions	90
Reclassification of employee indemnity to liabilities related to Assets for sale	(50)
Closing Balance	19,040

The amount of € 434 in 2021 corresponds to the provision made for employees who made use of the long-term leave under the voluntary exit scheme of September 2021.

The amount of €50 in 2021 corresponds to the accrued liability concerning Bank's staff transfer in the context of the demerger of merchant acquiring business .

The amounts recognized in equity during the year are analyzed as follows:

	31.12.2021
Change in liability gain/(loss) due to changes in financial and demographic assumptions	407
Change in liability gain/(loss) due to experience adjustments	(90)
Total actuarial gain/(loss) recognized directly in Equity	317

The movement in the defined obligation liability is as follows:

	31.12.2021
Opening balance 17.4.2021	25,147
Benefits paid	(10,039)
Loss/(Gain) recognized in Income Statement	4,733
Loss/(Gain) recognized in equity	(317)
Reclassification to voluntary separation scheme provision	(434)
Reclassification of employee indemnity to liabilities related to Assets for sale	(50)
Closing balance	19,040

b. Savings plan guarantee

For employees hired by the Bank and insured from 1.1.1993 until 31.12.2004 the Bank has guaranteed that the lump sum benefit payment, according to the provisions of the insurance plan, will be at least equal to the benefit as defined in Law 2084/1992 and the Cabinet Act 2/39350/0022/2.3.99.

The amounts included in the balance sheet are analyzed as follows:

	31.12.2021
Present value of defined obligation	512
Liability	512

The amounts included in the income statement are analyzed as follows:

	From 17 April to
	31.12.2021
Current Service Cost	86
Net Interest cost resulted from net asset/liability	9
Total (Included in staff costs)	95

The movement in the present value of defined benefit obligation is as follows:

	2021
Opening Balance 17.4.2021	2,800
Current service cost	86
Interest cost	9
Actuarial (gain)/loss-financial assumptions	(210)
Actuarial (gain)/loss-experience adjustments	(2,173)
Closing Balance	512

The amounts recognized directly in Equity during the year are analyzed as follows:

	31.12.2021
Change in liability due to changes in financial and demographic assumptions - gain/(loss)	210
Change in liability due to experience adjustments - gain/(loss)	2,173
Total actuarial gain/(loss) recognized in equity	2,383

The movement in the obligation is as follows:

	2021
Opening Balance 17.4.2021	2,800
Loss/(gain) recognized in income statement	95
Loss/(gain) recognized in equity	(2,383)
Closing Balance	512

c. Supplementary Pension Fund and Healthcare of Diners

The Bank guarantees from 30.9.2014, date of acquisition of Diners Club Greece A.E., the Supplementary Pension Fund and Health Care Plan of the Company, which is managed by an independent insurance company.

On 2.6.2015, the merger through absorption of the company was completed. These plans cover the pensioners and those who have retired and have the right to receive supplementary pension in the future.

The amounts included in the balance sheet are analyzed as follows:

	31.12.2021
Present value of defined obligation	9,895
Fair value of plan assets	(1,645)
Liability	8,250

The assets of the scheme include only cash.

The amounts included in the income statement are analyzed as follows:

	From 17 April to 31.12.2021
Net interest cost resulted from the net asset/liability	36
Expenses	1
Total (included in staff costs)	37

The movement in the present value of defined benefit obligation is as follows:

	2021
Opening Balance 17.4.2021	10,888
Interest Cost	44
Benefits paid directly by the Bank	(9)
Benefits paid by the Plan	(270)
Actuarial (gain)/loss-financial assumptions	(810)
Actuarial (gain)/loss-experience adjustments	52
Closing balance	9,895

The movement in the fair value of plan assets is as follows:

	2021
Opening Balance 17.04.2021	1,919
Expected return	8
Benefits paid	(270)
Expenses	(1)
Actuarial losses	(11)
Closing Balance	1,645

The amounts recognized directly in Equity during the year are analyzed as follows:

	2021
Change in liability due to financial and demographic assumptions - gains/(loss)	810
Change in liability due to experience adjustments - gain/(loss)	(52)
Return on plan assets excluding amounts included in income statement - gain/(loss)	(11)
Total actuarial gain/(loss) recognized in equity	747

The movement in the liabilities/(asset) is as follows:

	2021
Opening Balance 17.04.2021	8,969
Benefits paid directly by the Bank	(9)
(Gain)/loss recognized in Income Statement	37
(Gain)/loss recognized in Equity	(747)
Closing Balance	8,250

The results of the abovementioned valuations are based on the assumptions of the actuarial studies. The principal actuarial assumptions used for the above mentioned defined benefit plans are as follows:

	31.12.2021
Discount rate	0.61%-1.09%
Inflation rate	2.00%
Return on plan assets	2.00%
Future salary growth	2.00%
Future pension growth	0.00%

The discount rate was based on the iBoxx Euro Corporate AA+ adjusted to the characteristics of the programs.

The average duration per program is depicted in the table below:

	31.12.2021
Bank employee's indemnity provision due to retirement in accordance with Law 2112/1920	8.0
Saving program guarantee	13.9
Plans for Diners (pension and health care)	15.4

The table below presents the sensitivity analysis of the financial assumptions in regards to the obligation of the above programs:

	Percentage variation in liability (%)
Increase in discount rate by 0.5%	(4.9%)
Decrease in discount rate by 0.5%	5.4%
Increase in future salary growth rate by 0.5%	3.4%
Decrease in future salary growth rate by 0.5%	(2.7%)

For all the programs mentioned above, no contributions are expected to be paid during 2022.

32. Other liabilities

	31.12.2021
Suppliers	73,014
Deferred income	6,998
Accrued Expenses	75,474
Liabilities to third parties	52,814
Liabilities to merchants from the use of credit cards	279,068
Lease liabilities	105,105
Other	150,559
Total	743,032

Liabilities to merchants arising from the use of credit cards, despite being related to the card acquiring industry, are not included in the assets and liabilities classified as held for sale, as during the completion of the hive-down, the respective liabilities will be replaced by a liability to Alpha Payment Services which will no longer be a subsidiary company (note 43).

Lease liabilities as at 31.12.2021 amount to €105,105.

Cash flows from financing activities (lease liabilities) are presented in the table below:

Cash flows from financing activities	17.4.2021	Cash flows	Non-cash flows		31.12.2021
			New leases	Other changes	
Lease liabilities	115,746	(16,101)	3,203	2,257	105,105

The Bank's lease liabilities mainly relate to the buildings it uses for the Bank's branches and other business units, premises for ATM's and executives' cars.

The duration of the lease agreement in new branches is set at three years with the possibility of extension by the Bank for an additional period, taking into account current conditions at that respective period. The extensions are performed with the same terms as with the initial leases, retaining the right to terminate the contract at any time within the agreed period. The Bank's policy is to renew these contracts, if needed.

In the case of renewals of existing leases, the new lease is set at three years with the possibility of an extension by the Bank for an additional period, which decides whether to exercise in accordance with current conditions at that respective period. The extensions performed is with the same terms as of the initial lease, retaining the right to terminate the contract at any time within the agreed period. The Bank's policy is to renew these contracts, if needed.

In particular, in the case of branch leases, which the Bank decided that the lease should be extended, the term of the lease is set at one or two years on the basis of the relevant extension right.

Finally, for leases of off-site ATMs, for the majority of them, the lease duration is set at one or two years and if extended, since contractually the extension transposes them to indefinite, the duration of the lease is estimated for ten years.

It is noted that there are no property leases which include a variable lease term while variable leases have been included in the expenses relating to other types of leases. However, variable lease terms, which concern other lease categories, were recorded in expenses.

It is noted that there are initial lease agreements relating to the operation of Off Site ATM that were signed in the last days of 2021 and have been implemented since 1.1.2022, however they do not have a significant impact on the Bank's figures.

33. Provisions

Balance 17.4.2021	284,366
Changes for the year 17.4- 31.12.2021	
Other provisions	25,683
Other provisions used	(24,960)
Provision for separation schemes	31
Use of provision for separation schemes	(63,656)
Provisions to cover credit risk relating to letters of guarantee, letters of credit and undrawn loan commitments (note 11)	(58,396)
Foreign exchange differences	55
Balance 31.12.2021	163,123

Provisions include Provisions to cover credit risk relating to letters of guarantee, letters of credit and undrawn loan commitments, provisions of the Voluntary Separation Scheme and other provisions related to pending legal cases.

The caption “Other provisions” in the table above includes provisions for operational loss events amounting at €20,933 as well as provision for compensation provided in the sale contract of Cepal Holdings AE of amount €4,750. The amounts related to the provisions for operational loss events are presented in “Other expenses” Line in the Statement of Profit or Loss. The reversal of Other provisions of amount €16,195 is included in the same caption of Statement of Profit or Loss.

During the year, the Bank received financial guarantees related to Letters of Guarantees, which led to a reversal of provisions to cover credit risk of Letters of Guarantees, letters of credit and undrawn loan commitments and are included in the “Impairment losses and provisions to cover credit risk” line of Statement of Profit or Loss (note 11).

On 31.12.2021 the balance of provisions to cover credit risk relating to Letters of Guarantee, Letters of Credit and undrawn loan commitments amounts to € 54,686 of which an amount of € 197 relate to undrawn loan commitments and an amount of € 54,489 relates to provisions for Letters of Guarantee and Letters of Credit.

The balance of the provision for the separation schemes as at 31.12.2021 amounts to €47,489. In particular, in the context of hive-down the Bank received a provision for the voluntary separation scheme implemented in 2019 to an amount of € 8,271. On 31.12.2021, the balance amounts to €5,592 to cover the cost of employees who departed using the long-term leave.

In addition, the Bank received a provision for the voluntary exit scheme of amount €97,200 in the context of a transformation plan including Bank’s branches and central units with the aim to rationalize the organizational structure of all Units and reduce operating costs. As at 31.12.2021, the balance was set to € 40,355 and an amount of € 56,845 was used for the departure of 564 employees. Finally, an amount of € 1,542 concerns senior executives.

On 31.12.2021 the balance of other provisions amounts to € 60,948 out of which:

- An amount of € 27,422 relates to pending legal cases,
- An amount of € 2,559 relates to the Bank’s assessment for the year ended 31.12.2021, for the dismissal of the appeals submitted in previous years regarding the obligation to make contributions to an insurance fund.
- An amount of € 4,750 relates to provisions for indemnities included in sale agreement of Cepal Holding S.A..
- The remaining balance of € 26,217 of other provisions relates mainly to other provisions for operational loss events.

EQUITY

34. Share capital

		Movement from 17.4. to 31.12.2021 (number of shares)			
	Open Balance 17.04.2021	Shares from Share Capital Increase with Cash	Share Capital decrease	Balance 31.12.2021	Share Capital Paid on 31.12.2021
Ordinary shares	50,838,244,961	1,160,000,000	108,252,500	51,889,992,461	5,188,999

The Banks share capital on 31.12.2021 amounts to € 5,188,999 divided into 51,889,992,461 ordinary, registered shares with voting rights with a nominal value of € 0.10 each.

The Unsolicited Extraordinary General Meeting of the sole Bank's Shareholder, Alpha Services and Holdings S.A., of 23.07.2021 approved, inter alia, the increase of the Bank's share capital by the amount of € 1 billion. with payment in cash and the issue of 1,000,000,000 new common shares with voting rights with a nominal value of € 0.10 each and Offering Price at € 1.00 per New Share. The above Share Capital Increase was completed on 28.7.2021 and the share capital of the Company increased by € 100,000 while the difference between the offering price and the nominal value of a total amount of € 900,000 increased the Share premium.

In addition, the Unsolicited Extraordinary General Meeting of the sole Shareholder of 25.10.2021 approved, inter alia, the decrease in kind of the Bank's share capital by the amount of € 10,825 with the cancellation of 108,252,500 common shares with voting rights with a nominal value of € 0.10 each, held by the Shareholder, Alpha Services and Holdings S.A.. The above Share Capital Decrease was completed on 10.12.2021, in the context of the Cosmos transaction, as detailed described in note 19.

Finally, the Unsolicited Extraordinary General Meeting of the Shareholders of 23.12.2021 approved the increase of Bank's share capital by the amount of € 160,000 with payment in cash and the issue of 160,000,000 new common shares with voting rights with a nominal value of € 0.10 each and Offering Price at € 1.00 per Share. The above Share Capital Increase was completed on 29.12.2021 and the share capital of the Company increased by € 16,000 while the difference between the offering price and the nominal value of a total amount of € 144,000 increased the Share premium.

Following the above Share Capital during the period from 17.04.2021 to 31.12.2021 increased by € 105,175.

35. Share premium

The share premium on 31.12.2021 amounted to € 1,044,000.

Opening balance 17.4	-
Share premium increase	1,044,000
Balance 31.12	1,044,000

Considering the share capital increase described above the reserve from the share premium has been increased by €1,044,000 as a result between the difference from the nominal value of the shares of € 0.10 and the share issue price of € 1 each.

36. Reserves

Reserves are analyzed as follows:

a. Reserve of investment securities measured at fair value through other comprehensive income

	2021
Opening Balance 17.4	66,282
Changes for the year 17.4 - 31.12	
Net change in fair value of securities measured at fair value through other comprehensive income, after income tax	(23,355)
Fair value of securities measured at fair value through other comprehensive income transferred to profit or loss, after income tax	(35,854)
Total	(59,209)
Balance 31.12	7,073

The movements for the year 17.04 to 31.12.2021 of the reserve for investment securities measured at fair value through other comprehensive income that relate to the revaluation of the investment securities and the transfer of the related reserve to Income Statement, amounts (before income tax) to a credit amount of € 32,894 and a debit amount of € 50,499 respectively.

b. Cash flow hedge reserve recognised directly in equity

	2021
Opening balance 17.4	(219,385)
Changes for the year 17.4 - 31.12	
Change in cash flow hedge reserve after income tax	10,471
Balance 31.12	(208,914)

c. Reserve valuation for stock options rights to employees

	2021
Opening balance 17.4	-
Changes for the year 17.4 - 31.12	
Reserve valuation for stock options right to employees	2,888
Balance 31.12	2,888

At 31.12.2021, in the context of the Stock Options Plan and the stock options granted to key management personnel of the Bank and its connected entities, as detailed described in note 8, a reserve was recognized amounting to € 2,888 from the valuation of the abovementioned options.

d. Other reserves

	2021
Opening balance 17.4	-
Changes for the year 17.4 - 31.12	
Initial bond recognition valuation difference covered by the parent company, after income tax	20,558
Balance 31.12	20,558

On 19.4.2021, the Bank proceeded to two new issues of subordinated securities with a total nominal value of € 1,000,000 which were covered by Alpha Services and Holdings S.A. The securities were disposed of at face value, however the fair value at the date of the transaction was less, therefore the fair value difference from the nominal amount of €28,955 after income tax of €8,397 was recorded in the reserves as it constitutes an indirect capital enhancement.

Total reserves (a+b+c+d)	(178,395)

37. Retained Earnings

Pursuant to article 159 of Law 4548/2018 and since there are no distributable profits for the year 2021, the Board of Directors of the Bank at the Ordinary General Assembly Meeting of Shareholders will propose the non-distribution of dividends to the shareholders of the Company.

ADDITIONAL INFORMATION

38. Contingent liabilities and commitments

a. Legal issues

There are certain legal claims against the Bank, in the ordinary course of business. In the context of managing the operational risk events and based on the applied accounting policies, the Bank has established internal controls and processes to monitor all legal claims and similar actions by third parties in order to assess the probability of a negative outcome and the potential loss.

For cases where there is a significant probability of a negative outcome, and the result may be reliably estimated, the Bank recognizes a provision that is included in the Balance Sheet under the caption "Provisions". On 31.12.2021 the amount of the provision stood at € 27,422.

For those cases, that according to their progress and the assessment of the legal department as at December 31, 2021, a negative outcome is not probable or the potential outflow cannot be estimated reliably due to the complexity of the cases, and their duration the Bank has not recognized a provision. As of 31.12.2021 the legal claims against the Bank for the above cases amount to € 201,395 and € 576,333.

It is noted, however, that in March 2022, the plaintiffs in a lawsuit amounting to € 360,926 withdrew from the lawsuit.

According to the legal department's estimation, the ultimate settlement of the claims and lawsuits is not expected to have a material effect on the financial position or the operations of the Bank.

b. Tax issues

Alpha Bank emerged from the hive-down of the banking sector and started its operation on 16.4.2021, the first tax year is from 1.7.2020 to 31.12.2021. As a universal successor, Alpha Bank enters into the rights and obligations of the banking sector.

The Bank's branch in Luxemburg started its operation on June 2020.

Based on Ministerial Decision 1006/5.1.2016 there is no exemption from tax audit by the tax authorities to those entities that have been tax audited by the independent auditor and they have received an unqualified tax audit certificate. Therefore, the tax authorities may reaudit the tax books for previous years.

Additional taxes, interest on late submission and penalties may be imposed by tax authorities, as a result of tax audits for unaudited tax years, the amount of which cannot be accurately determined.

c. Off balance sheet commitments

The Bank as part of its normal operations, make contractual commitments, that in the future may result in changes in its asset structure. These commitments are monitored in off balance sheet accounts and relate to letters of credit, letters of guarantee and liabilities from undrawn loan commitments as well as guarantees given for bonds issued and other guarantees to subsidiary companies.

Letters of credit are used to facilitate trading activities and relate to the financing of contractual agreements for the transfer of goods locally or abroad, through direct payment to the third party on behalf of the Bank's customers. Letters of credit, as well as letters of guarantee, are commitments under specific terms and are issued by the Bank for the purpose of ensuring that its customers will fulfill the terms of their contractual obligations.

In addition, contingent liabilities for the Group arise from undrawn loan commitments that may be drawn upon if certain requirements are fulfilled by counterparties.

The outstanding balances are as follows:

	31.12.2021
Letters of credit	18,537
Letters of guarantee and other guarantees	3,628,155
Undrawn loan commitments	3,595,673
Guarantees provided for bonds issued by Bank's subsidiaries	15,542

The Bank measures the expected credit losses for all the undrawn loan commitments and letters of credit / letters of guarantee, which are included in the caption "Provisions".

Expected credit losses of the aforementioned exposures as of 31.12.2021 amounts to € 54,686 (note 33).

The Bank has committed to contribute in the share capital of the joint venture Alpha TANEOK AKES up to the amount of € 19.

d. Pledged assets

Pledged assets, as at 31.12.2021 are analyzed as follows:

- **Cash and balances with Central Banks:**
 - i. Pledged cash that the Bank is obliged to maintain in the Central Bank, on average for the period from 22.12.2021 to 8.2.2022, amounted to € 428,210. On 31.12.2021 the amount of pledged cash was € 0.
- **Due from Banks:**
 - i. Placements amounting to € 205,335 relate to guarantees provided, mainly, on behalf of the Greek Government.
 - ii. Placements amounting to € 1,077,895 have been provided as guarantee for derivative and other repurchase agreements (repos).
 - iii. Placements amounting to € 105,070 have been provided for Letter of Credit or Guarantee Letters that the Bank issue for facilitating customer imports.
 - iv. Placements amounting to € 20,012 have been provided to the Resolution Fund as irrevocable payment commitment, as part of the 2016 up to 2021 contribution. This commitment must be fully covered by collateral exclusively in cash, as decided by the Single Resolution Board.
 - v. Placements amounting to € 266,255 have been provided to cover credit risk for issues at foreign subsidiaries
 - vi. Placements amounting to € 33,060 have been used as collateral for the issuance of bonds with nominal value of € 2,700,000 out of which bonds with nominal value of € 2,200,000 held by the Bank, as mentioned below under "Loans and advances to customers".
- **Loans and advances to customers:**
 - i. Loans of € 5,285,333 have been pledged to Central Banks for liquidity purposes.
 - ii. Corporate loans and credit cards with a book value of € 1,009,391 have been securitized for the issuance of Special Purpose Entities' corporate bond of a nominal value of € 967,000 held by the Bank.
 - iii. Shipping loans with a book value of € 151,907, have been securitized for the purpose of financing the Group's Special Purpose Entity. This total nominal amount of the remaining loan that is held amounts to € 129,051 as of 31.12.2021.
 - iv. Corporate loans with a book value of € 3,689 has been pledged as collateral for other loan facilities.
 - v. Mortgage loans with a book value of € 3,189,417 have been used as collateral in the following covered bond issuance programs: Covered Bonds Issuance Program I and Covered Bond Issuance Program II. The nominal value of the aforementioned bonds amounted to € 2,700,000 out of which the Bank holds € 2,200,000 and has been pledged to Central Banks for liquidity purposes.
- **Investment securities:**
 - i. Bonds issued by the Greek Government with a book value of € 4,491,930 have been given to the European Central Bank for liquidity purposes.
 - ii. Treasury Bills issued by the Greek government with a book value of € 681,003 have been given to the European Central Bank for liquidity purposes.

- iii. Bonds issued by Other governments with a book value of € 2,470,461 have been given as a collateral to Central Banks for liquidity purposes
- iv. Securities issued by the European Financial Stability Facility (EFSF) with a book value of € 92,070 have been pledged to Central Banks with the purpose to participate in main refinancing operations.
- v. Bonds issued by the Greek government with a book value of € 253,648 have been given as a collateral in the context of repo agreements.
- vi. Other corporate securities issued with a book value of € 18,869 and other countries securities with book value € 0 have been given as a collateral in the context of repo agreements .

Additionally:

- i. the Bank has Greek Government treasury bills with a nominal value of € 750,000 as collateral for derivatives transactions with the Greek State of which a nominal value of € 100.851 has been given as a collateral in the context of repo agreements.
- ii. the Bank has Bonds with a nominal value of € 1,090,051 and a fair value of € 1,167,677 as collaterals for repurchase agreements which are not recognized in Banks' balance sheet. From these bonds a fair value amount of € 1,081,064 has been pledged to Central Banks for liquidity purposes and a fair value amount of € 52,032 has been pledged as a collateral in the context of repo agreements.

39. Risk Management

The Bank has established a thorough and prudent risk management framework which is being built on best supervisory practices which, based on the common European legislation and banking system rules, principles and standards is evolved over time in order to be implemented in a coherent and effective manner on the Bank's conduct of the day-to-day business to ensure the effectiveness of the corporate governance of the Bank entities.

The bank's critical focus in 2021 was to maintain high standards in corporate governance and compliance with regulatory risk rules and retain confidence in the conduct of its business activities through sound and robust provision of financial services.

The Bank recognized in the balance sheet the financial assets and liabilities transferred during the transfer of the banking sector from Alpha Bank SA. before disintegration. In this context, it is noted that the Bank continued to apply the Credit Risk Policies as well as the Credit and Arrears Regulations of Retail Banking and Wholesale Banking that were in force until the date of separation.

RISK MANAGEMENT FRAMEWORK

Board of Directors (BoD)

The Board of Directors supervises the overall operations of the Risk Management Unit. Regarding Risk Management. The Board of Directors has established a Risk Management Committee (RMC), which convenes on a monthly basis and reports to the BoD. The RMC recommends to the BoD risk undertaking and capital management strategy, checks its implementation and evaluates its effectiveness.

The risk management framework and its effectiveness are re-assessed on a regular basis in order to ensure compliance with the supervisory and regulatory requirements.

For a more comprehensive and effective identification and monitoring of all risk types, Management Committees have been established (Assets and Liabilities Committee, Operational Risk Committee and Credit Risk Committee).

Risk Management Unit

The General Manager - Chief Risk Officer supervise the Risk Management Unit of the Bank and report on a regular basis and ad hoc to the Management Committees, the Risk Management Committee and to the Board of Directors. As far as credit risk is concerned the reporting to the above-mentioned 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 by rating grade, group of clients, etc.
- The trends of basic rating criteria.
- The changes in the rating process, in the criteria or in each specific parameter.
- The concentration risk (by risk type, sector, country, collateral etc.).
- The evolution of Gross Loans, +90 days past due loans, Non-Performing exposures and the monitoring KPIs on a group basis.
- The Cost of Risk.
- The IFRS 9 staging transition of exposures per asset class
- The maximum risk appetite per country, sector, currency, business Units, limit breaches and mitigation plans.

Organizational Structure of Risk Management Divisions

In the Bank, under the supervision of the General Manager - Group Chief Risk Officer, the following Risk Management Divisions operate within the Bank and have been assigned with the responsibility of implementing the risk management framework, according to the principles of the RMC.

- Credit Control Division
 - Credit Risk Policy and Control Division
 - Credit Risk Methodologies Division
 - Credit Risk Cost Assessment Division
- Credit Risk Data and Analysis Division
 - Credit Risk Data Management Division
 - Credit Risk Analysis Division
- Market and Operational Risk Division
- Risk Models Validation Division
- Wholesale Credit Division
- Credit Workout Division
- Retail Credit Division

For credit risk management purposes, facilities are separated into Wholesale and Retail, as described below.

39.1 Credit Risk

WHOLESALE BANKING CREDIT FACILITIES

Wholesale Banking credit facilities fall under one of the below two categories based on characteristics of the facility and the obligor, as shown in the table below:

	Portfolio	Characteristics
Obligors monitored by the Wholesale Banking Divisions	Large Corporates	Companies with turnover > Euro 75 million Includes financing in shipping companies, as well as, obligors under the management of the Investment Banking Division
	SME's	Companies with turnover > Euro 2.5 million and up to Euro 75 million or companies with credit limit > Euro 1 million

1. Credit Risk Approval Process

The Bank, following best international practices and taking into account the prevailing institutional framework set by legislation, regulations, ministerial decrees/decisions, etc, has established a robust credit risk framework, where the key principles and guidelines, the procedures and actions followed and the responsibilities of all related Units and Officers are clearly defined based on the four eyes principle.

Within this context, all credit proposals are prepared by the Business Units, are reviewed by the Credit Units and are subsequently forwarded for assessment and final decision to the respective Credit Committee based on the total credit exposure, the borrower risk rating, the provided collaterals and the environmental and social risk evaluation.

The limits of the Wholesale Banking Credit Committees are determined in accordance to Total Credit Risk, which is defined as the sum of all credit exposures to the obligor (single company or group of connected companies) which can be approved by the Bank and include the following:

- Total credit requested exposure
- Working Capital limits
- Withdrawal limits from unclear deposits
- Letters of Credit and Letters of Guarantee
- Factoring limits
- Derivative transaction limits
- Corporate Cards limits
- Medium and long-term loans (current outstanding/exposure for facilities that have been fully drawn or limit amount of undrawn facilities).
- Leasing Facilities (current outstanding/exposure for leasing facilities that have been fully drawn or limit amount for undrawn/unused facilities).
- Special credit limits or loans, or any form of personal financing to the company's business owners (mortgage loans, consumer loans, shares' purchase, credit cards etc.).

Wholesale Banking Credit Committees

Credit Committees decisions are multidimensional, with the main assessments performed being as following:

- Approval of the terms of new loans, renegotiations or restructuring of existing credit facilities.
- Approval of the loan pricing, considering the overall profitability of a client's relationship based on the Return on Risk Adjusted Capital – RoRAC (historical RoRAC and post – new money RoRAC).
- Credit Limit Expiry/Renewal date (depending on the customer's credit risk zone) and any deviations from the rule.
- Amendment on the collateral structure.
- Decision on actions in case of activation of early warning triggers.
- Financial Difficulty assessment.
- Unlikelihood to Pay (UTP) assessment.
- Credit Risk rating.
- Environmental and Social (E&S) risk assessment.

Credit Committees Structure:

- Wholesale Banking Credit Committee I
- Wholesale Banking Credit Committee II
- Wholesale Banking Credit Committee III
- Wholesale Banking Credit Committee IV
- Wholesale Banking Credit Committee V

Credit Limit Expiry/Renewal date:

The credit limits' expiry/renewal date is determined by the relevant Wholesale Banking Credit Committees. The basic factor for the determination of the credit limit expiry is the credit rating, which is not a standalone approval or rejection criterion, but the basis for determining the minimum amount and quality of collaterals required and the respective pricing. As a rule, for obligors that have been rated in the Low, Medium and Acceptable credit risk zones, reviews are carried out on an **annual basis**, for Watch List clients, on a **semi-annual basis** while obligors that have been rated in the High Risk zone are reviewed on a **quarterly basis**. Deviations from the above rule are allowed when there is a reasoned request by the responsible Business Units approved by the competent Credit Committee.

2. Credit Risk Assessment and Internal Ratings

The assessment of the borrower's creditworthiness and rating in credit risk scales is performed through rating systems.

The rating of the Bank's borrowers with the use of credit risk rating systems constitutes a basic tool for:

- The decision-making process of Credit Committees for the approval/ renewal of credit limits and the implementation of the appropriate pricing policy (interest rate spreads etc.).
- The estimation of the future behavior of borrowers which belong to a group with similar characteristics.
- The early recognition of potential troubled facilities (early alert mechanism) and the prompt, effective action for the minimization of the expected loss for the Bank.
- The assessment of the quality of the Bank's loan portfolio and the credit risk undertaken.

The aim of the credit risk rating systems is the estimation of the probability that the borrowers will not meet their contractual obligations to the Bank as well as the Expected Credit Loss estimation.

The rating systems employed by the Bank are the Alpha Bank Rating System (ABRS) and Moody's Credit Lens which incorporate different credit rating models.

All current and future clients of the Bank are assessed based on the appropriate credit risk rating model and within pre-specified time frames.

For the estimation of the probability of default of the borrowers of the Bank and Group's Entities the credit risk rating models evaluate a series of parameters, which can be grouped as follows:

- Financial Analysis: obligor's Financial Ability (liquidity ratios, debt to income, etc.)
- Peers' Analysis: obligor's comparative position in the market in which it operates mostly compared to its peers.
- Behavioral status and history of the obligor with the Bank and with third parties (debt in arrears, adverse transaction records, etc.).
- Obligor's qualitative characteristics (solid and healthy administration, management succession, appropriate infrastructure and equipment etc.).

The credit rating models which are currently employed by the Bank are differentiated according to:

- The turnover of the company.
- The level of the total credit risk exposure.
- The credit facility's specific characteristics.
- The available information for the obligor's assessment. Specifically, for the financial analysis the differentiation relates to the type of the local accounting standards and the International Financial Reporting Standards (IFRS).

For each of the credit rating models, different parameters may be used, each of which contributes in a specific manner to the relevant assessment.

The statistical validation of the credit risk rating models is reviewed regularly in order to ensure the maximum predictive and discriminatory ability according to the supervisory and regulatory framework for credit risk management.

Obligors Rating Scale

Borrowers are rated in the following rating scales:

AA, A+, A, A-, BB+, BB, BB-, B+, B, B-, CC+, CC, CC-, C, D, D0, D1, D2.

For special purpose financing (Structured and Shipping Financing) special models have been designed (slotting) with the following categorization scale:

Strong (Class 1), Good (Class 2), Satisfactory (Class 3), Weak (Class 4), Default (D, D0, D1, D2).

For presentation purposes of table "Loans by credit quality and IFRS 9 Stage", "strong" includes the rating scales AA, A+, A, A-, BB+ and BB and Categories 1 and 2, "satisfactory" includes the rating scales BB-, B+, B, B-, CC+, CC and Category 3, and "Watchlist" (higher risk) includes the rating scales CC-, C and Category 4. Finally, default category includes the rating scales D, D0, D1, D2.

RETAIL BANKING CREDIT FACILITIES

Retail banking involves the lending facilities offered from the Bank to borrowers covering traditional banking products and services such as:

- Housing loans/Mortgages
- Consumer Loans and Credit Cards
- Small businesses and professionals (SB): Individuals and Legal entities with turnover up to Euro 2.5 million and credit limit up to Euro 1 million.

1. Credit Risk Approval Process

The Bank monitors customer Total Credit Risk Exposure (For Individuals and Small Businesses), which refers to the sum of all revolving limits of an obligor, all the balances of long term facilities and for the case of small businesses the total exposure of facilities given to stakeholders of customer companies. Additionally, facilities for which the borrower is guarantor or co-debtor are also taken into account.

The Bank has developed and implemented a strict framework for the conduct of credit policy (legislative and supervisory / regulatory) and has also formulated and put into effect an internal system of credit principles, procedures and rules clearly applicable to the Bank's lending business, in order to promote sound practices for managing credit risk.

Credit policies establish the framework for lending and guide the credit-granting activities of Retail Banking through:

- Sound lending management.
- Prudent client selection through in-depth assessment of both financial and qualitative data of the borrower
- Assessing the risk/reward relationship with a respective determination of pricing policy and collateral coverage after taking into account the level of credit risk.
- Monitoring and management of the total credit risk, i.e. the consolidated risk from any type of credit facility granted by the Bank and the Group's companies.

The enforcement of the Credit Policy requires certain criteria to be met. These criteria play a significant role in the achievement and maintenance of a healthy portfolio and in the Bank's Capital allocation. In particular:

Individuals

The approval process of credit to individuals (individuals with earnings from salaries, pensions or other sources of income not related with business activities) is performed on the basis of the classification of borrowers into risk groups, which represent a certain level of undertaken risk. The level of risk undertaken by the Bank is adjusted, when deemed necessary, according to its credit policy.

The credit assessment for individuals is based upon the following pillars:

- Application fraud detection;
- Willingness to pay;
- Ability to pay;
- Collateral risk.

Small Businesses

Small Businesses are defined as following:

- Personal businesses with turnover up to € 2.5 million and a credit limit up to € 1 million
- Self-employed professionals with a credit limit up to € 1 million
- Legal entities with turnover up to € 2.5 million and a credit limit up to € 1 million.

The creditworthiness of Small Businesses in the Retail Banking sector is related to the creditworthiness of company's stakeholders / managers of the business and vice versa. Therefore, the evaluation of claims in this category is based on two dimensions:

- The valuation of the creditworthiness of business's stakeholders or business managers.
- The valuation of the creditworthiness of the company.

The creditworthiness of a business's stakeholders or managers is based on the specific pillars:

- Willingness to pay.
- Ability to pay.

Hence, the credit assessment for the small businesses is based on the following:

- Application fraud detection;
- Demographics;
- Financials;
- Behavior;
- Credit Bureau;
- Qualitative data; and
- Collateral risk.

2. Internal Models

The fundamental parameter in assessing Retail Banking Credit Risk is the Credit Scoring Models that are developed and employed throughout the credit cycle at the Bank level. The above models segment the population into homogenous risk groups (pools) and are categorized as follows:

- Behavior Models, which assess the customer's performance and predict the probability of defaulting within the following months;
- Application Credit Scoring Models, which assess application data-mainly demographic that predict the probability of defaulting within the following months; and
- Models for the assessment of regulatory parameters. It is noted that since 1.1.2018, the Bank's credit risk assessment models are in line with International Financial Reporting Standard 9 (IFRS 9).

These models and the probabilities of default that derive from them, contribute a significant role in risk management and decision making throughout the Bank. Specifically, the models are used in the following segments:

- Decision making of credit assessment and credit limit assignment.
- Impairment assessments
- Predicting future performance of customers belonging to the same pool of common characteristics.
- Tracing high risk accounts in time to schedule all necessary actions so as to reduce expected losses for the Bank.
- Assessing the Bank's portfolio quality and credit risk.

The parameters taken into account vary, according to the model's type and product category that it assesses. Indicatively, some factors are:

- Personal/demographic data: the customer's age, profession, marital status, or current address;
- Loan characteristics: product applied for, loan term, loan amount, or financing purpose;
- Behavioral data: payments during latest period of time, maximum delinquency, outstanding loan balance versus loan limit, transaction type;
- Qualitative data: Activity Sector, Number of Employees, Company Type.

Models are reviewed, validated and updated on a yearly basis and are subject to quality control so as to ensure at their predictive power at any point in time.

Furthermore, on a regular basis exercises simulating crisis situations (Stress Tests) are conducted, which explore the potential impact on the financial results of the Bank due to unfavorable developments both in obligors' transactional behavior as well as in the broader financial macroeconomic environment.

For presentation purposes of table "Loans by credit quality and IFRS 9 Stage" for Retail Banking loans, the classification in "Strong", "Satisfactory" and "Watchlist" categories, is based on the twelve-month Probability of Default as well as Staging criteria and EBA status. The range of probabilities that determines this classification, has derived from an analysis aiming at optimizing discriminatory power between categories. Therefore, it may differ for each category as presented below:

Rating Classification	Range of probability of default			
	Mortgages	Consumer	Credit cards	Small Businesses
Strong	up to 5%	up to 5%	up to 3%	up to 5%
Satisfactory	from 5% up to 13%	from 5% up to 13%	from 3% up to 13%	from 5.0% up to 13%
Watchlist	over 13%	over 13%	over 13%	over 13%

Credit Control

According to the risk management and control framework, there are three "lines of defense" with distinctly allocated roles and responsibilities and specifically the Business and Operations Units (first "Line of Defense"), the Risk Management Units (second "Line of Defense") and the Internal Audit Unit (third "Line of Defense").

In the context of operating the second line of defense, for the sectors of Retail Banking, Wholesale Banking and Private and Investment Banking, the Bank has established controls in order to optimise Credit Risk management, to assess the quality of the loan portfolio and to ensure that the first "line of defense" operates within the framework set out for effective Credit Risk management.

This second line of defense is an independent unit and aims, among else, to:

- Design and develop procedures and controls for credit risk management.
- Monitor the adequacy and effectiveness of existing credit risk management procedures.
- Highlight critical issues and deviations from the Bank's Manuals and Policies.
- Provide guidelines and instructions related to procedures for management and control of credit risk
- Provide information to concerned Units about the findings of the controls and any recommendations made.

In order to reinforce the second line of defense the Bank has established, the Risk Models Validation Division, an independent division from model development activities, with direct reporting line to General Manager and CRO. The role of Risk Models Validation Division, in the context of the MRM Framework, encompasses different responsibilities and activities related to the monitoring of the performance of the models undertaken by the first line of defense. Its primary task is to independently challenge and ensure that models are sound, fit-for-purpose as well as aligned with the regulatory guidelines. Risk Models Validation Division responsibility is to develop systematic procedures for the evaluation of models' performance as well as model related processes, on a periodic basis.

The frequency, rigor and sophistication of the validation process followed for each model is determined by the overall use, complexity and materiality of models, as well as the size and complexity of the Bank's operations. The associated level of inherent model risk, as assessed by the Tiering methodology, determines the validation requirements in terms of frequency, extent and intensity.

CREDIT RISK MITIGATION

Collaterals

Collaterals are received in order to mitigate credit risk that may arise from the obligor's inability to fulfill his contractual obligations, at the loan origination or during the loan lifetime, either by consensus or after forced executions, auctions, etc.

Collaterals include all kind of assets and rights which are made available to the Bank either by their debtors or by third parties, in order to be used as complementary liquidity sources of relative loans.

In any case, the necessary legal control of the offered collaterals is carried out, in order to ensure their validity, as well as the possibility to be liquidated or to come into the possession of the Bank. The mitigation tools applied by the Bank include two broad categories: intangible and tangible collaterals.

1. Intangible Collaterals - Guarantees

Intangible collaterals form framework of the obligations and rights that are typically included and described in specific contractual documents that bind the Bank and the borrowers during the lending process with specific commitments. The commitments involve a third party who substitutes for the primary debtor in the event of the latter's default or the primary debtor itself (natural or legal entities) to honor the contractual loan agreements and their prompt repayment to the Bank and on the other hand the Bank has the right to claim them.

The main type of intangible collateral used to protect the Bank against debtor insolvency is the Guarantee.

The guarantee constitutes a legal relationship between the guarantor and the lender (Bank), through which the guarantor assumes the responsibility for the repayment of the debt. It is a written agreement and requires the existence of a basic legal relationship between the Bank and the borrower (principal debt), which forms the relationship of principal to ancillary.

The guarantor can be an individual or a legal entity and the guarantee can be provided for future or conditional debt.

It is noted that the intangible collaterals include the guarantees of the Greek State which are taken into account in the calculation of the expected credit loss, unlike other intangible collaterals which are not counted in the calculation of the allowance of expected credit losses.

2. Tangible Collaterals

Tangible collaterals provide the Bank with the rights over an asset (movable or immovable), owned by the obligor or the guarantor, aimed to provide priority in the satisfaction of the creditor to the liquidation proceeds of the asset.

Tangible collaterals are distinguished between mortgages and prenotation on mortgages which are registered over immovable properties and pledges on movable assets (e.g., commodities, checks, bills of exchange) or on claims and rights.

In order to better secure credit facilities granted, all mortgage and pledged assets are covered by an insurance contract, with assignment of the relevant insurance contract to the Bank.

2.1. Mortgages - Prenotation on Mortgages

Mortgages are registered on real estate or immovable assets which can be liquidated as indicatively reported below:

- Residential Real Estate;
- Commercial Real Estate;
- Industrial Buildings;
- Land;
- Mines;
- Ships or aircraft and engines, whether or not movable
- Machinery or other facilities (engineering, mechanical, electrical, etc.), if they are permanently and consistently connected with the mortgaged estate.

Methods and Frequency of real estate property valuations

According to the Bank's Credit Policy, the existence and the valuation of mortgaged property are closely monitored. The property revaluations should be carried out on a yearly basis for all property types, except for cases where contract foresees something different, in cases of known changes on the property or in the business process, or in cases there are urban planning changes or any other considerable factors. In addition to the review of collateral values, the Group also validates such collateral values on an annual basis.

The initial valuations of a real estate property, provided as collateral, are carried out through on site appraiser visits and internal inspection.

Revaluations of properties which are collaterals to performing exposures, are carried out using the following methodologies:

- Alignment with the property price statistical index of the Bank of Greece, for the residential properties used as collateral on performing exposures of amount up to Euro 3 million.
- Expert input by the authorized engineers, after their visit to the residential property used as collateral or via desktop valuation, if the amount of exposure exceeds Euro 3 million.
- Alignment with the property price statistical index of commercial real estate (CRE), that has been developed by Alpha Astika Akinita S.A., taking into consideration the indices published by Bank of Greece, for certain categories of commercial property, used as collateral on performing exposures up to Euro 1 million.
- Expert input by authorised engineers, after their visit to the professional property used as collateral or by desktop valuation, in cases where the statistical index (CRE), does not cover the type of business property or the amount of exposure exceeds Euro 1 million.

The revaluations for property used as collateral to non-performing exposures, are carried out using the following methodologies:

- Alignment with the property price statistical index of the Bank of Greece, for residential properties and for non-performing exposures up to Euro 300 thousand.
- Alignment with the property price statistical index of commercial real estate (CRE), that has been developed by Alpha Astika Akinita S.A., taking into consideration the indices published by Bank of Greece, for certain categories of commercial property, used as collateral for non-performing exposure of amount up to Euro 300 thousand.
- Expert input by authorised engineers, after their visit to the property serving as collateral or by desktop valuation, provided that either the amount of non-performing exposure that cover the property under valuation exceeds the amount of Euro 300 thousand or in the cases where the indices do not cover the type of the property under revaluation.

The Bank in the context of the credit control process performs on a regular basis and through proper sampling, audits for the procedures of implementation of the Bank Loan Collateral Policy, audits (back-testing) for the verification of property valuations. Audits concern the valuations based either on indices or individual assessments in order to ensure that the proper collateral valuation is captured in the Bank's core systems according to the values mentioned in the relevant Committee approvals.

2.2. Pledges

Pledges provide seniority rights over liquidation proceeds from a movable third party asset.

Pledges can be registered on movable assets, securities, rights or claims that have not been excluded or banned from exchanges and which can be liquidated, including:

- Raw materials, products or commodities;
- Machinery (movable);
- Bill of Lading;
- Bill of exchange;
- Cheques;

- Securities;
- Deposit; and
- Any type of claim that can be pledged.

Frequency of pledges revaluation

Depending on the right or the underlying asset on which a pledge is registered, the periodic revaluation varies from one month to one year.

3. Acceptable Value

During the approval process, the Bank calculates the value of the collaterals received based on the potential proceeds that could arise if and when these are liquidated, in order to reduce potential risk. This estimation is referred to as the acceptable guaranteed value of the collaterals provided to the Bank for the determination of which the quality of the assets as well as their market value are taken into account.

In this way, the ratio of acceptable guaranteed values are determined for each type of collateral, those are expressed as a percentage of their market value, nominal or weighted value, depending on the type of collateral.

CREDIT RISK EARLY WARNING SYSTEM

In order to optimise the management of Lending and, in particular, limit the loans whose status changes from Performing Loans (PLs) to Non-Performing Loans (NPLs), the Bank has developed the Credit Risk Early Warning System, which is defined as the aggregation of actions, processes and reports required to ensure the early identification of events, at borrower (corporate and individuals) and portfolio level, which may possibly lead to either an increase in NPLs due to the debtor's negligence or financial difficulty of a temporary or permanent nature, or an increase in exposures with significant increase in credit risk, as well as the relevant actions that must be taken in order to manage the borrowers concerned.

A comprehensive and effective Credit Risk Early Warning System is composed of the following stages:

- Identification of early warning triggers
- Action (timely and appropriate action taken)
- Monitoring of effectiveness of the procedure
- Quality control for the procedure's implementation

The perimeter to which the Credit Risk Early Warning System is implemented encompasses all performing exposures, as well up to 10 days-past-due for Retail (beyond 11 days-past-due assignments for management) and 30 days delinquent loans (PLs) for Wholesale which have not been forborne.

Additionally to the early identification and management of borrowers or loan portfolio segments with signals of deterioration, the Bank also monitors through the Early Warning System the loan portfolio, regardless of days past due, to ensure that the evolution and performance of the lending portfolio are in accordance with the Bank's and Group's Credit Risk Appetite.

The Bank enhanced its Early Warning (EW) system to introduce COVID-19-specific events and expanded policies to ensure their applicability to the COVID-19 general moratoria perimeter. Specifically:

- Separate monitoring of the COVID-19 general payment moratoria perimeter for Retail and Wholesale portfolio, irrespective of EBA status.
- Enhancement of borrower communication through interviews in order to detect early signs of financial difficulty, provide adequate support measures to viable distressed borrowers and classify exposures appropriately. Customer outreach has prioritised high-risk segments and customers under COVID-19 moratoria ahead of expiration.
- Enhancement of borrower-level EW triggers, such as inclusion in COVID-19 moratoria perimeter, expiration of COVID-19 moratoria.
- Enhancement of portfolio level EW metrics, such as one-month to expiration moratoria population, actual vs. target portfolio under EAT/TEPIX II.

The effectiveness of the Credit Risk Early Warning System is being monitored on a regular basis by three “lines of defense”:

- The first “line of defense” consists of controls within the Units of the Bank that participate in the process.
- The second “line of defense”, i.e. the Risk Management Unit, is responsible for ensuring on an ongoing basis and at least once per year, that the controls of the “first line of defense” are applied effectively, through the Credit Control Mechanism.
- The third “line of defense” is the internal audit function that carries out regular evaluations and proposes potential improvements.

Climate-related, Environmental - Social and Governance (ESG) Risks

The Bank has updated its Risk Inventory to include in the internal risks definitions the dimension of climate-related risks. The main climate risk transmission channels in the area of credit risk include transition risk (e.g. the energy efficiency standards may trigger substantial adaptation costs and therefore lower profitability for counterparties as well as lower collateral values) and physical risk (e.g. a damage to counterparties' physical capital reduces the value of their assets and therefore, collateral valuations). Thus, climate risks may have an impact on Bank's main credit risk parameters (PD, LGD, EAD).

The Bank is currently in the process of identifying the sectors mostly sensitive to climate related risks, through a materiality assessment exercise. In this vein, the Bank is in the process of conducting a transition risk assessment exercise in its corporates portfolio, to identify its exposure per sector and the allocation of portfolio to potentially high transition risk categories. Furthermore, the Bank is in the process of conducting a qualitative analysis on its top 15 clients in terms of transition risk. On physical risk, the Bank is in the process of conducting a materiality assessment for flood risk as regards the allocation of its real estate secured exposures per risk class of the geographical location of exposures, taking also into consideration the collateral assurance against natural disasters for its whole secured building portfolio.

In alignment with the ECB expectations and in the context of the Action Plan submitted to the ECB in May 2021, the Bank has incorporated in its Risk Appetite Framework, the following qualitative statements on climate risks in the context of Credit Risk:

- The Bank is committed to integrate climate risks into its overall risk management framework. In this context, the Bank regularly monitors its exposure concentration in climate-sensitive sectors and areas of its loan portfolio.
- The Bank aims to enhance its due diligence process with respect to the assessment of its clients' ESG/climate risk profile, through the collection of relevant information. In this setting, the Bank will take initiatives to encourage its clients to clearly define and communicate their client related commitments and to develop and execute effective strategies to mitigate climate risks.
- The Bank aims to finance its counterparties' green / sustainable transition both in the short-term and in the long-term.
- The Bank, to the extent possible, will start collecting EPC rating certificates from its clients, in order to monitor the energy performance class of its real estate secured exposures.
- The Bank applies an exclusion list in line with the Environmental and Social Exclusion List developed by the European Bank for Reconstruction and Development (EBRD), for the avoidance of financing, directly or indirectly, specific activities considered as harmful to the environment and society.

It should be also underlined that the Bank has already updated its Credit Policy to expand the exclusion list activities i.e the activities that does not finance. Specifically, the Bank does not finance the following activities: Thermal coal mining or coal-fired electricity generation capacity; Upstream oil exploration; Upstream oil development projects, except in rare and exceptional circumstances where the proceeds of the project exclusively target the reduction of GHG emissions or flaring from existing producing fields.

In 2022, the Bank is participating in the following ECB supervisory initiatives regarding climate related and environmental risks: ECB Climate Risk Stress Test and the Thematic Review on the incorporation of climate-related and environmental risks into Banks' risk strategies, governance and risk management frameworks and processes.

The ECB Climate Risk Stress Test is a learning exercise for banks and supervisors. It aims to identify vulnerabilities, best practices and challenges that banks face when managing climate risk. Importantly, this is not a success or failure exercise, nor does it have a direct impact on banks' capital levels.

The purpose of the 2022 Thematic Review, is to carry out further deepening in institutions' strategies related to climate and environmental risks, governance risks as well as risk management frameworks and procedures. In this way, the ECB will assess and assess the soundness and completeness of its key policies and processes, as well as the ability of institutions to effectively steer their strategies and risk profiles for the climate and the environment.

Regarding the impact of climate risk on the calculation of Expected Credit Risk Loss, detailed information on the location of collateral as well as information on energy performance certificates is being collected. The information will be incorporated into the respective data systems and methodological approaches will be developed in order to adapt the models for calculating expected credit risk loss. More specifically, the following are in progress:

- Perform enhancements or additions to the current set of models used for risk parameter estimation and prediction, in order to integrate ESG risks.
- Identify ESG-related data needs leveraging on the data that will be collected for the borrower's assessment and supplementing with additional information where needed.
- Examine alternative methodological approaches for the quantification and integration of ESG risks in the credit risk parameters.
- Enhance the Credit Risk Model Validation framework so as to review and validate whether environmental risks are captured in the risk parameters, or whether sectoral / geographical segmentations have been addressed during the model development phase.

Credit Risk Concentration Management

Concentration Risk is a specific form of credit risk and arises due to the low degree of diversification between counterparties, products or group of counterparties, sectors, geographic regions, or collaterals. The Bank monitors on a regular basis concentration risk at sector level and at borrower/group of borrowers level as well through detail reporting which informs senior management and Committees of the Board of Directors.

The Bank categorizes the financed companies according to their NACE Rev.2 codes into Industry groups/Sectors, which are rated into risk zones. The Sectors ranking relative to their credit risk is carried out by an independent and certified company and is based on a predictive indicator that, focusing on future estimates rather than solely on past data, captures the risks and prospects of each sector. The Bank determines the Credit Risk Appetite per sector and manages the concentration risk by monitoring the evolution of its portfolio.

Additionally, the Bank manages concentration risk at borrower/group of borrower's level by setting and monitoring compliance with limits set both by regulatory guidelines and by internal policies that have been developed.

Regulatory limits are mandated externally as following:

- Hard Regulatory Limit is determined to 25% of CET 1 and no exception is allowed.
- Soft Regulatory Limit is set to 10% of CET 1, serving as a threshold above which, cases should be reported to the European Central Bank.

Apart from the above limits set by external/ regulatory guidelines, the Bank has developed internal Policies that set limits aiming at managing and monitoring the concentration risk at borrower/group of borrowers level, taking into account the total credit limits as well as the credit rating of Borrowers. It is noted that, the relevant Policy is approved by the Board of Directors through the Risk Management Committee.

In line with the supervisory framework, the Bank applies and complies with the regulatory directives regarding large exposures, while the capital requirements for single name and sector concentration risks are estimated in the context of Pillar 2 of Basel II.

DEFINITIONS

The following definitions are provided as guidance to tables that follow:

Public Sector

The Public Sector includes:

- The Greek Central Government;
- Local Authorities;
- Companies controlled and fully or partially owned by the State (excluding those engaged in commercial activity)

Past Due Exposures

An Exposure is past due if the counterparty's exposure is, materially, more than one day past due (sum of the principal, interests and charges/commissions due more than one day at an account level).

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.
- It is assessed as Unlikely to Pay (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 (Pulling Effect).

Performing Exposures

An exposure is considered as performing when the following criteria are met:

- The exposure is less than 90 days past due;
 - No legal actions have been undertaken against the exposure;
 - No unlikelihood to pay reported on its credit obligation;
 - The exposure is not classified as impaired;
- or
- The exposure is classified as forborne performing exposure, as defined in the aforementioned Implementing Regulation (EU) 2015/227 of 9 January 2015.

Unlikelihood to Pay

An exposure is flagged as "Unlikely To Pay" (UTP) when it is less than 90 days past due and the Bank assesses that the borrower is unlikely to fully meet his credit obligations without the liquidation of collateral, regardless the existence of any past due amount or the number of days past due, with the exception of collaterals that are part of the production and trade chain of the borrower (e.g. properties for Real Estate companies, corporate shares for Holding companies).

For Wholesale Banking, the procedure is the following:

- (a) Identification of events which when occur lead to the transfer of the exposure to Non-Performing status without requiring an assessment by any Credit Committee (Hard UTP Triggers),
- (b) Identification of triggers which when occur, lead to borrower's credit assessment by the relevant Wholesale Banking Credit Committee in order to determine whether borrower's exposures should be classified as Non-Performing or not

(Soft UTP Triggers). This assessment takes place when reviewing borrower's credit limits depending on its credit ratings and in accordance with Wholesale Banking Credit Manual. If a borrower is flagged as UTP, then his credit risk rating should be D (Default) according to Bank's rating system or Default for Borrowers assessed using Slotting Models. If a borrower flagged as UTP belongs to a group of companies, then the group should also be assessed by the competent Credit Committee for the existence or not of UTP trigger.

For Wholesale Banking exposures the following Hard UTP Triggers exist:

- Denouncement of loan agreement
- Liquidation of collaterals and initiation of foreclosure measures by the Bank when the borrower does not have operational cash flows for the repayment of his debt obligations (excluding e.g. checks).
- Legal actions, sale or judicial sale in order to collect the claim (e.g. foreclosure instead of debt collection).
- Withdrawal of a license of particular importance in companies that require public authorisation to carry out their activities such as banks and insurance companies. The same applies for technical and construction companies, telecommunications companies, pharmaceutical, mining, transport, food, chemical, petroleum, recycle, media etc.
- Refinancing/Extensions of loans whose lifetime exceeds the economic lifetime of the funded investment.
- There are strong indications that the borrower is unable to meet his debt obligations (e.g. termination of business).
- Fraud cases
- Excess of the minimum acceptable Loan to Value (LTV), as depicted contractually, for loans collateralised with securities, e.g. bonds, shares etc (Margin Financing).
- Disappearance of an active market for the debtor's financial instruments, hold by the Bank.
- Write-off of debts because of default
- Debt Forgiveness with or without forbearance (conditional or not) at least for the first 12 months since the debt forgiveness.
- The credit institution or the leader of consortium starts bankruptcy/insolvency proceedings (application for insolvency).
- A credit event is declared under the International Swaps and Derivatives Association - ISDA).
- Out-of-court settlement/negotiation between Banks and Borrower for settlement / debt repayment of borrowers that are under bankruptcy proceedings (application for the bankruptcy).
- The borrower has requested to enter into bankruptcy or insolvency status (application for bankruptcy).
- A Bank has initiated bankruptcy or insolvency proceedings (application for bankruptcy).

Additionally, for Wholesale Banking exposures the following Soft UTP Triggers exist:

- Exposures that were modified by providing a "balloon" payment while the initial terms of the loan agreement did not include this repayment method, as well as exposures that the initial terms of the loan agreement included "balloon" payment and were modified by including an increase of the "balloon" amount and simultaneously by reducing the current installment.
- Multiple modifications in the same exposure
- Deterioration of the leverage ratio (Debt to Equity)
- An exposure was purchased or sold with deep discount that reflects the low credit quality of the borrower.
- The debt service coverage ratio indicates that debt is not viable
- 5 Years Credit Default Swaps (CDS) above 1.000 bps in the last 12 months.
- Loss of an important customer or lessee representing a significant percentage of entity's turnover or the total property income, respectively.
- A turnover decrease resulting in a significant reduction of cash flows
- An affiliated customer, who represents a significant percentage of entity's turnover, has applied for bankruptcy.
- An external auditor report with restrictions or reservations that results to significant deterioration of key financial ratios of the borrower and to worsened estimated future cash flows of the borrower.

- It is expected that an exposure with repayment at maturity or a due installment cannot be refinanced under current market conditions.
- Disappearance of an active market for the debtor's financial instruments, not hold by the Bank.
- The borrower has breached the financial terms of the loan agreement
- There is significant deterioration of the borrower's sector activity prospects.
- Adverse changes in the ownership structure or the management of the company or serious administrative problems.
- A third party (excluding Banks) has started bankruptcy or insolvency proceedings (application for Bankruptcy).
- Overdue payments to Tax Authorities and Social Security Funds.

For Retail Banking, the procedure is the following:

- (a) Identification of events which when occur lead to the transfer of the exposure to Non-Performing status without requiring an assessment by any Credit Committee (Hard UTP Triggers),
- (b) Identification of triggers which when occur, lead to borrower's credit assessment by the relevant Retail Banking Credit Committee in order to determine whether borrower's exposures should be classified as Non-Performing or not (Soft UTP Triggers). This assessment takes place at the date of a forbearance request. If an exposure is flagged as UTP, then it should be classified as Non-Performing in Bank's systems.

For Retail Banking exposures the following Hard UTP Triggers exist:

- A trial date has been set for filing for Bankruptcy L.3869/2010
- Fraud has been confirmed at the expense of the Bank.
- The borrower has passed away.
- Multiple forbearances for the same exposure within a 12 months' time period.
- An out-of-court settlement / negotiation is underway between banks and borrower for settlement / repayment of debts of borrowers who are under bankruptcy proceedings (application for bankruptcy).
- Denouncement of loan agreement.
- Collaterals liquidation and foreclosure procedures have been initiated by the Bank in case the borrower cannot repay its debt obligations with the existing operating cash flows (excluding e.g. checks).
- Legal actions, sale or forced sale actions have been initiated in order to collect the debt (e.g. foreclosure measures against debt collection).
- Debt Forgiveness with or without forbearance (conditional or not), at least for the first 12 months since the debt forgiveness.

Additionally, for Retail Banking exposures the following Soft UTP Triggers exist:

- Multiple forbearances in the same exposure
- The borrower has other exposures in the Bank in default.
- The borrower is unemployed.
- The borrower has applied for bankruptcy or insolvency (application for bankruptcy).
- The borrower is the sole owner of a company with exposures in default and for which he has provided personal guarantees.

It is noted that the Bank has adopted the new Definition of Default, according to the EBA guideline (Article 178 of Regulation (EU) No 575/2013), adjusting its Policies and updating the Hard and Soft UTP triggers by implementing new ones (see par. New Definition of Default), for both the Retail and Wholesale Banking Portfolios.

DEFINITION OF DEFAULT

In order to support a more harmonised approach with regard to the definition of default, the European Banking Authority (EBA) has adopted the following, that guide the application of the definition of default: the Guidelines for the application of the default definition, EBA/GL/2016/07 and the Regulatory Technical Standards (RTS) on the materiality threshold for credit obligations in arrears; EBA/RTS/2016/06.

The Bank adopts the new Definition of Default of credit exposures that applies from 1.1.2021.

The main changes introduced by the new Definition of Default are presented as follows:

- Additional “Unlikelihood To Pay” trigger events such as Diminished Financial obligations (NPV Loss)>1%, Sale of Credit Obligations, Default to Subsidiaries.
- Change on the way of counting of Days Past Due meaning that hereafter the counting will be based on the existence of consecutive days of material past due.
- An additional three-month probation period from the moment the obligor is no longer materially past due and no indication of Unlikelihood To Pay occurs.

The Group has decided since 2018 to align Default, NPE and IFRS 9 “Credit Impaired” perimeter.

Definition

A Default event is considered to have occurred, regarding a particular Borrower, when at least one of the following criteria has taken place:

1. Past Due Criterion

The Borrower is past due more than 90 consecutive days on any material amount of the credit obligation(s).

Particularly, for Alpha Bank Greece, exposures at Alpha Leasing and ABC Factors are taken into consideration at the calculation of the Past Due Criterion.

2. Unlikelihood to Pay (UTP) Criterion

The Bank considers that the Borrower is unlikely to pay its credit obligations without recourse by the Bank to actions such as realizing security.

Additionally, the Default classification and the EBA classification should be aligned and thus any FNPL or NPL exposure is considered as Defaulted.

For Retail exposures, the above specified definition of Default is applied at the level of an individual credit facility.

For Non-Retail exposures, the definition of Default is applied at the obligor level meaning that when at least one of the above specified criteria are met, the Obligor is considered as Defaulted. The Past Due Criterion is applied both at facility and at obligor level for exposures classified as Non-Retail, in order to be able to identify exposures for which the Past Due Criterion is satisfied at facility level, but not at obligor level.

Credit impaired exposures

An exposure is considered as Credit Impaired when the criteria specified by the definition of Non-Performing Exposures are met.

Default exposures

An exposure is considered as Default when the criteria specified by the definition of Non-Performing Exposures are met.

Allowance for expected credit losses

For credit risk reporting purposes, the allowance for expected credit losses of loans measured at amortised cost includes also the fair value adjustment for the contractual balance of loans which were impaired at their acquisition or origination (POCI) since the Bank, from credit risk perspective, monitors the respective adjustment as part of the provisions. These loans were recognized 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. Relevant adjustment has been performed to the carrying amount of the loans before allowance for expected credit losses.

Collateral value

The collateral value taken into account is the latest market value available. In the case of immovable properties, collateral value is considered the lower amount between the prenotation amount and the market value of the real estate. Value of guarantees only includes the amount that exceeds the value of collaterals. All collateral values are capped at 100% of the outstanding amount of the loan.

EXPECTED CREDIT LOSS ESTIMATION METHODOLOGY

The Bank, at each reporting date, recognizes a provision for expected credit losses on loans and advances to customers not measured at fair value through profit or loss as well as for letters of guarantee, letters of credit and undrawn loan commitments.

The Loan Impairment Methodology is common and applicable for both the Wholesale and Retail Banking Portfolios.

Default definition

The Bank has fully aligned the perimeters of the portfolios characterized as "EBA Non-performing Exposures", "Exposures in Default" and "IFRS 9 Impaired Exposures".

The definition of Non-Performing Exposures is consistently used to develop models for estimating credit risk parameters (Probability of Default, Loss Given Default, Exposure at Default).

In addition, the definition of default is consistent with the one used for internal credit risk management purposes, as well as capital adequacy measuring objectives.

Portfolio Classification in Stages based on the Credit Risk (Staging)

Following an exposure's initial recognition, exposure is classified into stages based on its credit risk characteristics. The classification of loans in stages is based on the changes of the credit quality compared to its initial recognition.

Upon initial recognition of an exposure, the Bank must determine whether this exposure is considered as credit impaired (Credit Impaired at Initial Recognition).

The POCI category (Purchased or Originated Credit Impaired, POCI) includes the following:

- Exposures that at the time of purchase (Purchased) meet the criteria of non-performing exposures.
- Exposures that as per accounting rules are derecognized and a new exposure is recognized and for which the following apply (Originated): if the exposure was classified as impaired (hence NPE) prior to derecognition, the new exposure will continue to maintain this classification and it will be classified as POCI.

For exposures not classified as POCI, the classification in stages is performed as follows:

- **The Stage 1** includes performing credit exposures that have no significant increase in credit risk since the initial recognition date. The expected credit losses calculated are based on the probability of default within the next 12 months, and the assessment is carried out on a collective basis with the exception of borrowers assessed on an individual basis
- **The Stage 2** includes credit exposures with significant increase in credit risk since the initial recognition date but which are not non-performing. The expected credit losses calculated are lifetime credit losses and the assessment is carried out on a collective basis with the exception of borrowers assessed on an individual basis
- **The Stage 3** includes the non-performing / default exposures. The expected credit losses calculated are the lifetime losses and the assessment is performed on a collective or individual basis.

With regards to the POCI exposures, the expected credit losses calculated are the lifetime losses.

All possible movements between Stages of credit risk are presented below:

- An exposure which has been classified in Stage 1 in previous quarter of reference could be classified either in Stage 1 in the next reporting quarter, if the credit risk has not deteriorated and the exposure is still performing, or in Stage 2, if the exposure is still performing but the credit risk has deteriorated, or in Stage 3 if the exposure is non-performing/default.
- An exposure which has been classified in Stage 2 in previous quarter of reference could be classified either in Stage 1 in the next reporting quarter, if the exposure is performing and does not meet any of the criteria of “Significant increase in credit risk” and in particular, for case of Forborne Performing exposure, if the exit criteria from the 2-years probation period are met. It could also remain in Stage 2, if the credit risk has not substantially changed, or be transferred to Stage 3, if the exposure is non-performing/default.
- An exposure which has been classified in Stage 3 in previous quarter of reference could be classified either in Stage 1 in the next reporting quarter, if the exposure is performing and does not meet any of the criteria of “Significant increase in credit risk”, or transferred in Stage 2, if it is no longer considered as non-performing, or remain in Stage 3, if it is still non-performing/default

All exposures in default status (Stage 3), except from those related to distressed restructuring, in order to be reclassified as non-default, a probation period of at least 3 months is needed from the time when the conditions leading to default status are not applied. Exposures with distressed restructuring, regardless of whether the restructuring took place before or after the default, should have a minimum probation period of 12 months from the most recent event of the following:

4. the time of restructuring
5. the time when the exposure has been classified as default
6. the end of the grace period provided by the restructuring terms

The Bank does not make use of the exemption provided by the standard for low credit risk exposures.

For classification purposes, for wholesale banking loan agreements, initial recognition date is the date of the most recent credit assessment reflecting the annual thorough credit risk review practice of the Bank.

Significant Increase in Credit Risk

For the timely identification of significant increase in credit risk for an Exposure after the initial recognition (SICR) leading to the calculation of lifetime credit losses of the exposure instead of twelve months credit losses, the risk of default at the reference date is compared to the risk of default at the initial recognition date for all Performing Exposures, including those with no days past due (Delinquencies).

The assessment to determine whether an exposure shows significant increase in credit risk or not is based on the following three types of Indicators:

- **Quantitative Indicators:** They refer to the use of quantitative information and specifically to the comparison between the probability of default (PD) at the reference date and the probability of default at the initial recognition date. The assessment of significant increase in credit risk is based either on a relative or on an absolute increase of PD between the reporting date and the initial recognition date. The relative increase can range between 125% and 200% depending on the asset class of the loans. For Wholesale exposures, the relative increase can range between 50% and 200% as Obligor rating is taken into consideration. The absolute threshold, when used, can range between 3 and 5 percentage points depending on the asset class of the loans and acts as a backstop to the relative (i.e., just one of the two triggers needs to be hit in order to trigger stage 2). Also, the threefold increase in annualized PD as backstop is ensured.

The SICR thresholds are derived based on portfolio level analyses. The assessment of the exposures for significant increase in credit risk is applied on account level. Absolute and relative thresholds determining the significant increase between reporting and initial recognition date are validated on an annual basis, in order to ensure the correct application of stage 1 and stage 2 along with the verification that the criteria capture the credit risk deterioration.

- **Qualitative Indicators:** They refer to use of qualitative information which is not necessarily depicted in the probability of default, such as the assessment of an exposure as performing forborne (“FPL” within 2 years probation period according to EBA ITS) or as exposure with Financial Difficulty. Additional qualitative indicators for the Wholesale Banking portfolios and the Retail Banking portfolios are included in Early Warning Policy. According to the abovementioned policy and as per the assessment performed, an exposure may be considered to show significant increase in credit risk. Especially for Specialized Lending portfolios additional qualitative indicators are identified.

- **Backstop Indicators:** In addition to the above, and with a view to addressing cases where there is no evidence of significant credit risk deterioration based on the quantitative and qualitative indicators, exposures over 30 days past due are considered by definition to show a significant increase in credit risk.

Allowance for expected credit losses estimation

Exposures assessed on individual basis (Individual Assessment)

The Expected Credit Losses calculation is carried out either on an individual basis, taking into account the significance of the exposure, the fact that certain exposures do not share common credit risk characteristics and the existence or not of sufficient historical data, or on a collective basis.

For companies where the corporate guarantee from the parent company represents 100% of the exposure of the companies, or for other important interdependencies between group of companies, the assessment may be performed at a group level.

Exposures to Companies assessed on an individual basis are the following:

- Borrowers with at least one Non-Performing Exposure whose Customer overall credit Limit in the Bank exceeds the amount of Euro 2 million.
- Borrowers of the Shipping Division and the Structured Finance Division, regardless the overall credit limit with at least one Non-Performing Exposure.
- Exposures that do not share common risk characteristics or for which no relevant historical data that enables a collective analysis is available.

Any remaining Exposure to Companies is assessed collectively.

Exposures to Individuals are assessed individually, if they are Non-Performing Exposures (NPE), and if the following threshold, per portfolio, applies:

- Consumer Loans: Accounts of Consumer Credit Borrowers with total on balance exposures over € 500 thousand.
- Mortgage Loans: Accounts of Mortgage Credit Borrowers with on balance exposures over € 2 million.

Any remaining exposures to Individuals are assessed collectively.

Exposures assessed on collective basis (Collective Assessment)

Collective Assessment applies to credit exposures which are not assessed individually, i.e. exposures classified in Stage 1 and Stage 2 as well as non-performing exposures that do not meet the above criteria for individual assessment, after having been categorised based on similar credit risk characteristics by portfolio. For the classification of credit facilities into groups with similar credit risk characteristics, the followings are considered:

- Staging according to Credit Risk
- Type of Product
- Days Past Due
- Time in default
- Indication of unlikelihood to pay
- Modification of contractual terms for borrowers showing financial difficulty (Forbearance Measures)
- Modification Type
- Existence of Collateral taking into account the type and Loan to Value ratio
- Existence of Greek State Guarantee
- Partial Write-Off
- Credit Risk Rating
- Activity Sector

The groupings are reviewed on a regular basis to ensure that each group is comprised of homogenous exposures. Expected Credit Loss is calculated on account level.

Calculation of allowance for expected credit losses

Allowance for expected credit losses is updated at each reporting date to reflect the changes in the credit risk since initial recognition and thus provide timely information on evolution of expected credit losses.

The measurement of Expected Credit Losses is performed as follows:

- For financial assets, a credit loss is the present value of the difference between:
 - (a) the contractual cash flows and
 - (b) the cash flows that the Bank expects to receive
- For undrawn loan commitments, Expected Credit Losses are equal to the present value of the difference between:
 - (a) the contractual cash flows that will be due if the loan commitment is drawn down; and
 - (b) the cash flows that the Bank expects to receive if this amount is disbursed.
- For letters of guarantee and letters of credit, the loss is equal to the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Bank expects to receive from the holder.

Credit risk parameters

Calculation of Expected Credit Loss is based on the following credit risk parameters which are developed through internal statistical models based on historical data.

Specifically, regarding 2021, in the context of the annual update of Credit Risk parameters, the following adjustments have been performed:

- New DoD: credit Risk parameters have been updated, taking into account the new default definition (DoD).
- Covid-19 Moratoria: Moratorium period due to Covid-19 effect has been excluded from the updated measurements under a rolling window approach according to which the duration of the moratorium is excluded from the measurement and an equivalent time window after the end of the moratorium is used.

• Probability of Default (PD):

Wholesale portfolio

It is an estimate of the probability of a borrower to default over a specific time horizon.

For assessing the probability of default, the credit risk rating models assess a series of parameters that can be grouped as follows:

- Financial Analysis: The Borrower's Financial Capacity (Liquidity Indicators, Debt to Revenue etc.)
- Competitor's analysis: the borrower's comparative position in the market in which operates, mainly in relation to its competitors (mainly applicable to debtors of Wholesale Banking)
- Current and historical debtor's behavioral data either towards the Bank or towards third parties (delinquencies, repayment behavior, etc.), and
- Qualitative characteristics of the debtor (strong and sound management, management succession, appropriate facilities and equipment, etc.).

Regarding Specialized Lending the Probability to Default is estimated on facility level based on dedicated expert based models.

Retail portfolio

It is an estimate of the probability of an account to default over a specific time horizon.

For assessing the probability of default, credit risk behavioural models have been developed which assess a series of parameters that can be grouped as follows:

- Qualitative data: Activity Sector, Number of Employees, Company Type
- Loan characteristics: product applied for, loan term, loan amount, or financing purpose;
- Behavioral data: payments during latest period of time, delinquencies (i.e. overdue amount, bucket etc), exposure, transaction type, credit limit usage.

Credit Risk models/Ratings models constitute the main input in order to determine the probability of default. The Bank uses statistical models in order to analyze the collected data and make estimates of the remaining probability of default over the life of the exposures and how they will evolve over time based, among other things, on macroeconomic variables. Specifically, based on historical time series of observations, specialized models have been developed per portfolio and portfolio type, which evaluate separately the twelve-month probability of default (12-month PD models) as well as the probability of default throughout the lifetime of exposures (Lifetime PD models). The twelve-month default models basically evaluate the behavioural models of the loan, while the Lifetime models evaluate two types of factors: the endogenous such as the maturity of the loan and the exogenous ones such as the macroeconomic environment (indicatively unemployment, annual percentage change in GDP, change in property prices). The final estimate of the probability of default is derived from the combination of the two components (12-month PD & Lifetime PDs).

- **Exposure at default (EAD):** Exposure at Default is an estimate of the amount of the exposure at the time of the default taking into account: (a) expected changes in the exposure after the reporting date, including principal and interest payments; (b) the expected use of credit limits and (c) accrued interest. The approved credit limits that have not been fully disbursed represent a potential credit exposure and are converted into a credit exposure equal to the approved undrawn loan commitments multiplied by a Credit Conversion Factor (CCF). The Credit Conversion factor of credit exposure is calculated based on statistical models. The maximum period for which credit losses are calculated is the remaining contractual maturity of a financial instrument unless the Bank has the legal right to recall the financial instrument earlier. In particular, for Credit Cards and loan agreements to individuals, the maximum period is set at three years, while for revolving loans to Small Businesses, the corresponding maturity is set at four years. Regarding Wholesale Banking loan agreements, the period is set to one year, given the thorough credit review performed at least once a year. If the residual maturity of the loan agreements classified in Stage 2 was increased by one year, Expected Credit Losses would increase by € 2.9 million as at 31.12.2021.

The Bank uses EAD models that reflect the characteristics of the portfolios.

- **Loss given default (LGD):** Loss given default is an estimate of the loss that will occur if the default occurs at a given time. It is based on the difference between the contractual cash flows due and those expected to be received, including the liquidation of collaterals, probability of cure and probability to modify which are both based on historical data.

For unsecured loans, the Estimated Expected loss at the time of the default, takes into account expected recovery rates which vary throughout the recovery period as well as the probability of curing and probability to modify.

Expected recoveries from tangible collaterals are based on the following inputs: the most recent (updated within the year) market value of the collateral, the time required for the liquidation or sale of the collateral (ranging between 1 to 4 years depending on the legal action status of the loan), the expected market value at liquidation /sale date based on the evolution of RRE/ CRE indices for the next 4 years, the expected recoveries through foreclosure process or sale as derived from historical data obtained for foreclosures and sales of collateral. the recovery rate is adjusted at the end to reflect value of preferential claims. Expected cash flows are discounted using the original effective interest rate.

Last, it is noted that for exposures secured with tangible collaterals and with cash recoveries, the LGD may vary following changes of macroeconomic scenarios.

The estimates for expected recovery through payments are adjusted by incorporating macroeconomic indicators (indicatively unemployment, annual percentage change in GDP, change in property prices) through the development of corresponding statistical models. More specifically, based on historical time series of observations, specialized models (regression) have been developed per portfolio, which assess the expected recovery combined with the impact of macroeconomic indicators.

Regarding the cure rate estimates, statistical models (regression) per portfolio have been developed on the basis of historical time series of observations, which incorporate the impact of the macroeconomic environment through relevant indicators (indicatively unemployment, annual percentage change in GDP, change in property prices).

•**Management overlays:** Management overlays refer to temporary adjustments applied to allowance for expected credit losses, in the context of the preparation of financial statements, in order to incorporate recent developments and information that cannot be captured by the internal models used for the estimation of the expected credit losses. The Bank implements a robust governance framework to review and support the management, calculation and application of these adjustments. The Bank's governance framework requires such adjustments to be well documented, controlled and appropriately approved.

More specifically, the adjustments performed by the Bank relate to the incorporation of alternative recovery scenarios in relation to the objectives of reducing the stock of outstanding non-performing loans, included in its business plans.

Where the business plan of the Group includes objectives and recovery strategies through portfolio disposals, then for the portfolio of non-performing loans that may be disposed of, the recoverable amount is quantified by weighting

- (iii) the value in the event of sale (fair value) and
- (iv) the amount expected to be recovered according to the internal methods adopted by the Bank for the impairment of non-performing loans, i.e. based on the individual assessment for the exposures exceeding a defined threshold and based on collective assessment for the others.

The weighting is based on the probability assigned to each non-performing loan portfolio by assessing the stage of preparation of the underlying portfolios, the significance of the conditions precedent for materialization of the sale as well as the recovery time.

For 2021, the portfolios where a sale scenario was considered include the Solar portfolio for which the probability of sale was estimated at 20%.

For the Orbit portfolios the probability of sales was estimated at 100%.

The effect of the incorporation of the sale scenario in the ECL calculation for 2021 amounted to €74 mil.(note 11).

In addition, the Bank performed an overlay in the output of the ECL for specific non performing residential and non residential loan portfolios, in order to incorporate the effect of ad hoc management actions (i.e. conditional write downs) on these portfolios determined on the basis of the time in default.

The effect of the incorporation of the sale scenario in the ECL calculation for 2021 amounted to €88 mil..

Incorporation of forward-looking information

The Bank calculates allowance for expected credit losses based on the weighted probability of three alternative scenarios. More specifically, the Economic Research Division produces forecasts for the possible evolution of macroeconomic variables that affect the level of allowance for expected credit losses of loan portfolios under a baseline and under two alternative macroeconomic scenarios (an upside and a downside one) and also produces the cumulative probabilities associated with these scenarios.

The macroeconomic variables affecting the level of expected credit losses are the Gross Domestic product (hereinafter "GDP"), the unemployment rate and forward-looking prices of residential and commercial real estates.

The Bank updated the existing scenarios on 31.12.2020, which for 31.12.2021 provide growth rates for 2021, ranging from 9.1% (upside scenario) of quasi-V shape to return to pre-Covid-19 and strong growth rates in the coming years, up to 7.6% (unfavorable scenario) of quasi-shape (incomplete) with relatively lower growth rates in the medium term.

The above approach is due to the gradual weakening of the pandemic phenomenon, the scale and effectiveness of its containment efforts, combined with the scope and speed of fiscal and monetary policy measures. In this context, an important negative factor was the maintenance of a degree of uncertainty and supply chain disruptions.

The main features of these scenarios can be described as follows:

Baseline Scenario

The baseline scenario predicts a strong recovery in comparison to the initial shock. This positive impact on domestic economic activity is estimated to come from:

- first, the better than expected performance of exports of services, due to the remarkable recovery of tourism in the summer of 2021,
- secondly, the strong increase in private consumption, which was supported by the rapid growth of savings and the improvement of employment; and
- third, to increase investment.

Fiscal support remained in place in 2021, weakening the negative impact on economic activity and confidence, as the government adopted additional fiscal measures of Euro 17 billion, while the Budget for 2022 provides for additional budgetary interventions for of the consequences of the pandemic, amounting to Euro 3.3 billion.

The dynamics of the baseline scenario in 2022 is based on the formation of conditions for a change in the composition of economic growth, which is expected to come to a greater extent from investment expenditure. The conditions for the increase of investments, in the next period, will be determined

- (c) from the course of the debt of the Greek economy to the investment grade, and
- (d) the inflow of funds from the Recovery and Resilience Fund (TFA) - which is the central element of the European Union (Next Generation EU) recovery plan to address the negative effects of the pandemic, as well as the implementation of structural reforms that create an entrepreneurial environment.

Regarding real estate prices, their growth rate was revised to improve over the forecasts of December 2020 for both 2021 and cumulatively for the period 2021-23, due to the strong recovery of economic activity. The above revision on the improvement of the Group's estimates for real estate prices for 2021 and beyond (eg from 3.2% to 6.3% on an annual basis for the current year) is significantly linked to enrichment of the analysis with the historical data of the second quarter (+ 6.1% on an annual basis) and the third quarter (+ 7.9% on an annual basis) of the BoG index, a development that shows a strong dynamics of housing prices real estate.

Upside Scenario

In the upside scenario the development of the pandemic crisis is more favorable than originally expected. It is believed that the economy will recover at a stronger pace, achieving a rapid and complete return to normalcy before the pandemic.

Real estate prices exceed their pre-Covid-19 potential, assisted by other structural factors besides the rise of construction activity

Downside Scenario

The downside scenario shows a partial restoration of losses in terms of GDP in 2020, predicting a relatively limited increase in 2021 and the next two years. The scenario reflects inflationary pressures, but also geopolitical tensions, as well as a possible deterioration of epidemiological data, which are the main factors of uncertainty in the short term, slowing down the recovery of the Greek economy.

Specifically in the Bank, the macroeconomic variables per year for the period 2022-2025, which affect both the estimation of the probability of default and the estimation of the expected Loss in case of default when calculating the expected credit loss are the following:

Downside scenario	2022	2023	2024	2025
Real GDP growth (% change)	3.00%	2.00%	0.90%	0.40%
Unemployment (% change)	13.90%	13.60%	12.30%	11.70%
RRE prices (% change)	3.30%	0.40%	1.00%	1.70%
CRE Price Index (% change)	3.50%	2.90%	2.50%	3.00%

Baseline scenario	2022	2023	2024	2025
Real GDP growth (% change)	5.20%	4.10%	2.80%	2.20%
Unemployment (% change)	13.20%	11.90%	10.50%	9.70%
RRE prices (% change)	5.40%	2.20%	2.20%	2.60%
CRE Price Index (% change)	4.50%	4.20%	4.40%	3.90%
Upside scenario	2022	2023	2024	2025
Real GDP growth (% change)	7.40%	6.30%	4.70%	4.10%
Unemployment (% change)	12.40%	10.20%	8.60%	7.70%
RRE prices (% change)	7.60%	4.00%	3.50%	3.50%
CRE Price Index (% change)	5.70%	5.70%	6.60%	5.00%

The production of baseline scenario, supported by a consistent economic description, constitutes the most likely scenario according to the current economic conditions and the Bank's basic assessment of the course of the economy.

The cumulative probabilities of the macroeconomic scenarios for the Greek economy indicate that the economy performs better or worse than forecasts of the baseline scenario and the alternative scenarios, i.e. the upside and downside scenario. For each one of the alternative scenarios, the allowance for expected credit loss is calculated and weighted against the probability of each scenario in order to calculate the weighted expected credit loss.

The cumulative probability assigned to the baseline scenario remained 60%, while cumulative probability assigned to the downside and upside scenario remained 20% for each of the scenario.

If the assigned cumulative probability of the downside scenario has a weight of 100%, Expected Credit Losses would increase by € 68.6 million as at 31.12.2021

If the assigned cumulative probability of the upside scenario has a weight of 100%, Expected Credit Losses would decrease by € 62.9 million as at 31.12.2021.

The effect due to the change in weighting, is listed below, for each of the three scenarios.

The following table shows in more detail this impact per Classification Step.

	Baseline Scenario	Adverse Scenario	Upside Scenario
	31.12.2021	31.12.2021	31.12.2021
Retail Exposures	(0.7)	52.4	(50.9)
Stage 1	(0.1)	2.5	(5.1)
Stage 2	(0.7)	33.1	(28.7)
Stage 3	0.1	16.8	(17.1)
Wholesale Exposures	(0.4)	16.2	(12.0)
Stage 1	(0.1)	1.9	(2.0)
Stage 2	(0.2)	6.3	(2.3)
Stage 3	(0.1)	8.0	(7.7)
Total	(1.1)	68.6	(62.9)

Undrawn loan commitments

According to IFRS 9, these contracts fall within the scope for expected credit losses recognition.

In estimating the allowance for expected credit losses over the life of an undrawn loan commitment, the Bank assesses the expected part of the loan commitment that will be used throughout its expected life.

Inherent Model Risk

The Bank recognizing the inherent model risk, derived from the model complexity and aggregated model risk, has adopted a Model Risk management framework which includes the principles of credit risk models development policy and risk models validation framework. In this context, the independent Risk Models Validation division validates all credit risk models used for the calculation of IFRS 9 allowance for expected credit losses.

Governance

The Credit Risk Committee is responsible for approving the Expected Credit Losses as well as the methodologies developed by the Bank for calculating the expected credit losses (ECL Methodology) for loan portfolio.

The Board of Directors approves the Bank's Loan Impairment Policy through the Risk Management Committee.

Effect from the Covid-19 Pandemic

Perimeter affected by the Covid-19 pandemic

The Bank, in order to support its customers who are affected by the crisis due to the Covid-19 pandemic, has taken a series of measures in order to support businesses as well as individuals facing temporary payment difficulties and liquidity shortages. Initially, the Bank provided its customers with "installment suspension payment" programs until 31.3.2021, according to the relevant EBA guidelines (EBA / GL / 2020/02, EBA / GL / 2020/08 and EBA / GL / 2020/15). It is noted that on the 31st of December 2021, there were no active exposures that have received payment suspension scheme. Since 01/04/2021, for those customers whose ability to pay has not been restored to the pre-Crisis levels, by the "installment suspension payment" programs, the Bank proceeded to the following actions:

- For retail banking exposures, the Bank has individually assessed any financial difficulty, in order to return to the repayment levels applicable prior to the installment suspension schemes, by providing step up scheduling programs, which have been flagged as per the EBA Guidelines (EBA/ITS/2017/01, EBA/GL/2016/07).
- For business exposures, an individual analysis has been performed with the most updated financial data, as to the existence of financial difficulty. Based on this individual assessment, customers have been granted with personalized solutions, which have been flagged as per EBA Guidelines (EBA/ITS/2017/01, EBA/GL/2016/07)

Moreover, it is noted that the Bank closely monitors and actively participates in Business as well as Individual Financing Support Programs running either by the Greek Government or by the competent European Institutions (Program "Gefyra" I & II, EAT, TEPIX, European Investment Fund, COSME, EIF e.t.c.).

Amendments in the loan impairment policy due to Covid-19 pandemic

During the second quarter of 2021, the Bank Loan Impairment Policy has been amended, as the EBA guidelines on legislative and non-legislative loan payment moratoria, applied due to the Covid-19 crisis (EBA / GL / 2020/02, EBA / GL / 2020/08) cease to be valid from 1.4.2021 and no further payment suspensions are granted due to Covid-19. In addition, Post model adjustments (PMAs) are no longer applicable to exposures affected by the Covid-19 pandemic. More specifically, the following are no longer applicable:

- Performing retail credit exposures, under payment moratoria that are classified in high Credit risk zones, were classified in Stage 2 and Lifetime ECL is calculated for the remaining maturity of the exposure, as a result of respective qualitative evaluation for possible credit risk deterioration.
- Temporary short term modifications granted to Retail Credit exposures, that are no longer under payment moratoria and as per the individual assessment performed, are viable customers who are facing temporary liquidity problems with no indication of permanent financial difficulty, were classified in Stage 2 and Lifetime ECL is calculated for the remaining maturity of the exposures.

Adjustments in the calculation of allowance for expected credit losses

During 2020 the Bank adopted sound staging and provisioning policies and procedures, in line with established IFRS 9 best practices, in order to ensure appropriate credit risk management and coverage during the COVID-19 crisis. To that direction, the following post model adjustments were performed both in terms of risk parameters and Stage Classification criteria.

More specifically, in order to address the delays anticipated in the liquidation of the collaterals, the expected time to sale increased by one year compared to 31.12.2019, both for the collectively assessed exposures and for the individually assessed exposures for which the recovery is not based on the operating cash flows (gone concern).

Additionally, the Bank has enhanced its credit rating assessment and risk parameter quantification processes to ensure they remain appropriate in the COVID-19 environment. More specifically, the Bank conducted an extensive sectoral analysis in order to inform its COVID-19-adjusted segmentation framework. The segmentation was used to identify high-risk segments for prioritisation in terms of the customer outreach. The feedback from the borrower campaign fed the Bank's:

- Rating assessments: Rating downgrades informed the SICR triggers and Stage 2 classification as well as the frequency of review based on the Risk Zone.
- Mitigating actions: Following customer feedback, the Bank offered appropriate credit mitigation strategies to viable borrowers, where necessary. In turn, this informed the Forbearance classification and eventual Stage 2 migration.

Moreover, necessary adjustments were applied to the results of the models used to calculate the expected credit loss. These adjustments reflect the risks and other uncertainties that are not included in the underlying credit risk models. The adjustments to the results of the existing models are approved by the credit risk committee. More specifically:

- Performing retail exposures under payment moratoria that are classified in high and satisfactory risk zones (average PD 6.9%), transferred from Stage 1 to Stage 2 and Lifetime ECL is calculated for the remaining maturity of the exposures as a result of respective qualitative evaluation for possible increase of credit risk.
- Temporary short-term modifications granted to Retail exposures that are no longer under payment moratoria and according to individual evaluation that has been performed are viable customers who are facing temporary liquidity problems with no indication of permanent financial difficulty, were classified in Stage 2 and Lifetime ECL is calculated for the remaining maturity of the exposures.
- For all loans that were already under modification terms and for which a Covid modification has been provided, based on the above mentioned measures that the Bank applied, the cure rate remained unchanged for the period of the Covid modification.
- In order to assess the impact of the pandemic on the cash flows of the borrowers for which the exposures are assessed on an individual basis for the estimation of expected credit losses, adjustments were made to the estimated credit losses depending on the sector of activity of the borrower.

The aforementioned adjustments continued in 2021 until the expiration of the supporting measures taken by the Bank.

Considering that the aim of overlays is to reduce any uncertainty that cannot be captured by the existing models, any decision whether these adjustments should be factored in the model is examined during the regular update of the model. To that direction, and in line with Bank's Model Management Policy and ECL methodology framework, all credit risk parameters have been calibrated with 2021 figures in order to account for any post covid effect. In addition, the most recent financial data were used for the calculation of ECL for the individually assessed exposures and for the rating of Wholesale Banking obligors. With this approach, the calculation of Expected Credit Risk Loss was based on the updated Credit Risk parameters and the most recent financial data, without any additional adjustment.

Finally, as the Bank's models assess the evolution of next year's GDP (forward-looking), in order to ensure a strong model estimate and avoid abrupt effects, for the purpose of calculating the expected loss, the estimate of the period 2020-2021 has been used for GDP as more representative. This approach was applied until 30.9.2021. As of 31.12.2021, and given that

the templates were updated incorporating the trading behaviour of 2021, they take into account the evolution of next year's GDP without any specific adjustment.

FORBEARANCE

Maintaining a healthy loan portfolio depends on the constant monitoring and assessment of the borrowers in order to allow early detection of future liquidity problems, which could affect the normal repayment of their obligations to the Bank.

The credit tools which are normally used by the Bank for managing the liquidity problems that borrowers are facing for repaying their obligations are the restructuring of debt through the renegotiation of the original terms and conditions of the loan agreement they have entered into.

The Executive Committee "Act 175/2/29.7.2020 of the Bank of Greece, has determined the supervisory framework for the management of loans in arrears and non-performing loans, over and above the already applicable requirements of Law 4261/2014, the CRR 575/2013, and delegated the decision authority to the Bank of Greece.

Furthermore, in the context of the Commission Implementing Regulation (EU) 2015/227 of the European Commission dated January 9, 2015 and the executive technical standards of the European Banking Authority, the Bank assumes the resulting regulatory obligations for forbore exposures.

Forbearance measures should be applied on the basis of the risk, cooperativeness and viability of each debtor and consist of concessions assessed to be robust and sustainable, through the renegotiation of the initial terms and conditions of the debt contract duly taking into account the causes of the debtor's financial difficulties.

Forbearance measures may be applied a) on the basis of a customer's request, b) in accordance with the Code of Conduct under Law 4224/2013, as currently is in force, which is a State initiative under the supervision of the Bank of Greece.

Apart from the forbearance measures applied to existing Retail lending exposures, which are initiated by the Bank in accordance with the directives of the Executive Committee Acts of the Bank of Greece (No. 175/2/29/07.2020) and Arrears Resolution Process (ARP) of the Code of Conduct under L.4224/2013 as currently is in force, there are restructuring solutions according to the Legislative Framework.

The existence of more favorable terms for renegotiating and modifying the terms and conditions of the bilateral arrangement between the Bank and the debtor (concession), who is facing or is about to face difficulties in meeting his financial commitments ("financial difficulty"), are defined with respect to:

- respective terms existing and applied to customer with no financial difficulty and
- corresponding terms existing in market for debtor with similar credit risk profile.

Financial Difficulty is defined as the situation in which borrowers are unable to meet or are going to face difficulties in meeting their obligations, according to the existing repayment schedule, due to the deterioration of their financial situation.

MONITORING OF FORBORNE EXPOSURES

Following the Executive Committee Act 42 / 30.5.2014, ("Act 42") as subsequently amended by the Act 47/9.2.2015 ("Act 47") and by the Act 102/30.8.2016 ("Act 102") 134/5.3.2018, 136/2.4.2018 and 175/2/29.7.2020 of the Bank of Greece, the Bank has undertaken a series of actions to ensure adherence to the supervisory obligations and requirements arising from the above Acts. These changes cover the following distinct sections:

- Adaptation of Information Systems of the Bank;
- Amendments of the existing processes, such as the customization of new types of forbore exposures according to what is provided in Act 42/47/102/134/136/175.
- Creation of data structures (Data Marts) aiming at:
 - Automation of the processes related to the production of both internal (Risk Management) and external (Supervisory) reports;

- Perform analyses on the portfolio of the Bank; and
- Production of Management Information Reporting (MIS)

WRITE-OFFS AND WRITE-DOWNS OF BAD DEBTS

Bad Debt Write-off is defined as the reduction of the gross carrying amount of a financial asset, when there is no reasonable expectation of recovery. The write-off refers to the accounting write-off of a debt or a portion of it, i.e. the removal of the financial asset or part of it from the balance sheet, which does not necessarily entail the waiver of the legal right to recover the debt. In the event that the Bank decides to waive its legal right to recover the debt, this is called Debt Forgiveness and this waiver may include either on or off-balance sheet items as well.

Bad Debt Write-down is defined as the definitive reduction of a debt or portion of it, as a result of a legally binding decision or agreement (court judgment, contractual agreement etc.), which is not further claimable. It is noted that this category encompasses Definitive write-downs which are unconditional and Conditional Write-Downs (Contingent Write-Down) subject to the achievement by the Customer of a specific performance (usually, upon the successful implementation of a specific repayment program). In the case of Definitive Write-downs, both the accounting and the legal reduction (Debt Forgiveness) take place immediately and simultaneously, whereas in the case of Contingent Write-downs, the accounting reduction takes place when the relevant decision is taken or when the agreement is concluded, while the legal reduction (Debt Forgiveness) takes place either simultaneously with the relevant decision or at a later (future) time, depending on the type of the condition.

Contingent Write-downs of debts are in turn classified into:

- a. **Resolutive Condition**, i.e. the debt is accounting and legal write down at the time of reaching the agreement with the Debtor and is revived only in the event that the debtor does not pay the remaining amount and
- b. **Condition Precedent**, i.e. the debt is legally written down if the Debtor repays the debt in accordance with the relevant agreement.

Indicative conditions for the submission of proposals for writing-off part or total amount of the exposure include, but are not limited to, the following:

- The relevant Agreements with the Customers have been terminated.
- Payment Orders have been issued against all liable parties to such Agreements.
- The actions regarding the investigation of immovable property have been completed without any results.
- The procedure for the registration of encumbrances.
- At least one real estate property has been auctioned, so that the preferential claims (through the final creditor's classification list) and, by extension, the Bank's potential losses, are finalised.
- In cases where the likelihood of further recovery of the debt is considered to be particularly low, due to:
 - the fact that the debtors are placed under special liquidation;
 - the proven existence of preferential claims of a significant amount and the adoption of a decision to cease litigation actions, in order to avoid non-collectable enforcement costs;
 - the fact that further litigation actions seeking collection of the claim is economically unprofitable (e.g. low-value collateral);

The write-off requires the existence of an equal amount of provision for impairment, established no later than the quarter preceding the submission of the proposal.

DUE FROM BANKS

Exposure to credit institutions relates to loans, interbank transactions (which include positions in derivatives), reverse repos transactions and International Trade activities. Following the basic rules of designation, monitoring and revision of corporate lending, boundaries are established by the relevant Credit Committees for the monitoring of credit risk for the overall exposure per credit institution counterparty, excluding positions related to bonds issued by them. The approved

credit limits are monitored on a daily basis. The validity period of the limits is specified in the approval of the limits in accordance with the counterparty credit institutions rating from international credit rating agencies.

In addition to the regular revisions of counterparty credit institutions limits, interim revisions may be carried out either due to circumstances associated with the trading activity of the Bank or due to markets conditions or problems associated with counterparty credit institutions. Trigger events for an extraordinary review are regularly monitored per counterparty in order to review the relevant limits when such trigger events exist.

At each reporting date, a loss allowance for expected credit losses on due from banks is recognized.

The loss allowance is based on expected credit losses related to the probability of default within the next twelve months, unless there has been a significant increase in credit risk from the date of initial recognition in which case expected credit losses are recognized over the life of the instrument. In addition, if the receivable falls under the definition of purchased or originated credit impaired (POCI) financial assets, a loss allowance equal to the lifetime expected credit losses is recognized.

Due from bank's credit risk is assessed based on credit rating of rating agencies or internal credit rating of the counterparty when a loan exposure exists at bank level.

The Bank defines as low credit risk all investment grade counterparties, for which it calculates a credit allowance equal to a 12-month expected credit loss (Stage 1).

For counterparties which do not meet the criteria of investment grade, the assessment of the significant increase in credit risk for which calculation of lifetime expected credit losses is required (Stage 2), is based on the two following conditions (whichever occurs first):

- Downgrade by at least two notches of the counterparty credit rating between the reporting date and the initial recognition date
- The 12-month PD at reporting date is above 5% in absolute terms and has increased more than 50% compared to the respective PD existing at initial recognition date.

INVESTMENTS IN DEBT SECURITIES

Investments in debt securities relate to securities that are classified into investment security portfolio. If there is a loan relationship with the counterparty issuer at the time of classification of the security position as investment, the Corporate Credit Policy procedures apply. These positions are subject to Bank investment limits and issuer's limits and are monitored on a daily basis.

At each reporting date, a loss allowance for expected credit losses on bonds, which are not measured at fair value through profit or loss, is recognized.

The loss allowance is based on expected credit losses related to the probability of default within the next twelve months, unless there has been a significant increase in credit risk from the date of initial recognition in which case expected credit losses are recognized over the life of the instrument. In addition, if the debt securities fall under the definition of purchased or originated credit impaired (POCI) financial assets, a loss allowance equal to the lifetime expected credit losses is recognized.

Credit risk of investment in debt securities is assessed based on credit ratings of rating agencies or internal credit rating in case of Greek corporate issuers for which loan exposure exists.

The Bank defines as low credit risk all investment grade securities, for which it calculates a credit allowance equal to a 12-month expected credit loss (Stage 1).

For debt securities, which do not meet the criteria of investment grade, the assessment of the significant increase in credit risk for which calculation of lifetime expected credit losses is required (Stage 2), is based on the two following conditions:

- Downgrade by at least two notches of the counterparty credit rating between the reporting date and the initial recognition date

- The 12-month PD at reporting date is above 5% in absolute terms and has increased more than 50% compared to the respective PD existing at initial recognition date

In addition, the Bank is monitoring, the change in credit spreads since the initial recognition date. A change in the credit spread of the issue of more than 500bps since the initial recognition date is a trigger for the review of the debt instrument staging.

Depending on the outcome of the above review the debt instrument will remain at Stage 1 or be allocated at Stage 2, regardless of whether the primary staging criteria for allocation to Stage 2 have been triggered or not.

FINANCIAL ASSETS EXPOSURE TO CREDIT RISK

The maximum credit risk exposure per category of financial asset in which the Bank is exposed is depicted in the “Net exposure to credit risk” column in the table below.

	31.12.2021		
	Exposure before impairment	Provision for impairment losses	Net exposure to credit risk
A. Credit risk exposure relating to balance sheet items			
Balances with central banks	10,036,066		10,036,066
Due from banks	3,286,324	73,809	3,212,515
Loans and advances to customers:			
Loans measured at amortised cost	34,856,005	1,857,754	32,998,251
Loans measured at fair value through profit or loss	143,283		143,283
Advances to customers measured at amortised cost	272,495	40,832	231,663
Advances to customers measured at fair value through profit or loss	40,000		40,000
Total	35,311,783	1,898,586	33,413,197
Derivative financial assets	964,541		964,541
Trading securities:			
- Government bonds	3,819		3,819
Total	3,819	-	3,819
Securities measured at amortised cost:			
- Securities measured at amortised cost (Government bonds)	3,404,863	9,862	3,395,001
- Securities measured at amortised cost (other)	134,624	5,172	129,452
Total	3,539,487	15,034	3,524,453
Securities measured at fair value through other comprehensive income:			
- Securities measured at fair value through other comprehensive income (Government bonds)	3,579,166	5,963	3,573,203
- Securities measured at fair value through other comprehensive income (other)	1,920,963	15,866	1,905,097
Total	5,500,129	21,829	5,478,300
Securities measured at fair value through profit or loss:			
- Securities measured at fair value through profit or loss (other)	167,978		167,978
Total	167,978	-	167,978
Assets held for sale - Loans and receivables measured at amortised cost	353,670	311,536	42,134
Assets held for sale - Loans and receivables measured at fair value through profit or loss	52,896	-	52,896
Total	406,566	311,536	95,030
Total amount of balance sheet items exposed to credit risk (a)	59,216,693	2,320,794	56,895,899
Other balance sheet items not exposed to credit risk	12,573,731	2,071,608	10,502,123
Total Assets	71,790,424	4,392,402	67,398,022
B. Credit risk exposure relating to off balance sheet items:			
Letters of guarantee, letters of credit and other guarantees	3,646,692	54,489	3,592,203
Undrawn loan commitments	3,595,558	197	3,595,362
Undrawn loan commitments related to Assets for Sale	115		115
Guarantees of bond loans issued by subsidiaries of the Bank	15,542		15,542
Total amount of off-balance sheet items exposed to credit risk (b)	7,257,907	54,686	7,203,222
Total credit risk exposure (a+b)	66,474,600	2,375,480	64,099,121

LOANS AND ADVANCES TO CUSTOMERS

For credit risk disclosure purposes, the allowance for expected credit losses of loans measured at amortised cost includes also the fair value adjustment for the contractual balance of loans which were impaired at their acquisition or origination (POCI) since the Bank, from credit risk perspective, monitors the respective adjustment as part of the provisions. These loans were recognized 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. Relevant adjustment has also been 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.

Loans per IFRS 9 Stage (past due and not past due)

The following tables present past due and not past due loans, measured at amortised cost, per IFRS 9 Stage as well as loans that are measured at fair value through profit or loss, as at 31.12.2021:

	31.12.2021								
	Loans measured at fair value through profit or loss (FVPL)				Loans measured at amortised cost				
	Not past due	Past due	Net carrying amount	Value of collateral	Stage 1				
					Not past due	Past due	Carrying amount (before allowance for expected credit losses)	Allowance for expected credit losses	Net carrying amount
Retail lending	-	-	-	-	5,558,286	20,848	5,579,134	9,246	5,569,888
Mortgage					3,773,153	582	3,773,735	2,221	3,771,514
Consumer					375,742	8,343	384,085	2,254	381,831
Credit cards					740,618	2,500	743,118	2,524	740,594
Small Businesses					668,773	9,423	678,196	2,247	675,949
Corporate lending	97,972	45,311	143,283	135,582	19,932,948	111,128	20,044,076	61,662	19,982,414
Large corporate	97,972	45,311	143,283	135,582	15,369,152	34,709	15,403,861	59,419	15,344,442
SME's					4,563,796	76,419	4,640,215	2,243	4,637,972
Public sector	-	-	-	-	33,372	-	33,372	40	33,332
Greece					33,372		33,372	40	33,332
Other countries									
Total	97,972	45,311	143,283	135,582	25,524,606	131,976	25,656,582	70,948	25,585,634

31.12.2021										
	Loans measured at amortised cost									
	Stage 2					Stage 3				
	Not past due	Past due	Carrying amount (before allowance for expected credit losses)	Allowance for expected credit losses	Net carrying amount	Not past due	Past due	Carrying amount (before allowance for expected credit losses)	Allowance for expected credit losses	Net carrying amount
Retail lending	2,847,307	348,526	3,195,833	154,517	3,041,316	1,038,276	1,122,080	2,160,356	576,775	1,583,581
Mortgage	1,723,018	187,721	1,910,739	63,674	1,847,065	634,588	480,922	1,115,510	171,599	943,911
Consumer	326,647	78,079	404,726	48,264	356,462	126,061	265,549	391,610	167,840	223,770
Credit cards	83,671	19,321	102,992	12,120	90,872	3,609	59,949	63,558	31,811	31,747
Small Businesses	713,971	63,405	777,376	30,459	746,917	274,018	315,660	589,678	205,525	384,153
Corporate lending	724,126	53,830	777,956	4,007	773,949	540,408	838,832	1,379,240	661,741	717,499
Large corporate	331,937	27,229	359,166	1,566	357,600	338,637	232,377	571,014	215,695	355,319
SME's	392,189	26,601	418,790	2,441	416,349	201,771	606,455	808,226	446,046	362,180
Public sector	362	23	385	51	334	513	595	1,108	464	644
Greece	362	23	385	51	334	513	595	1,108	464	644
Other countries										
Total	3,571,795	402,379	3,974,174	158,575	3,815,599	1,579,197	1,961,507	3,540,704	1,238,980	2,301,724

31.12.2021							
	Loans measured at amortised cost						
	Purchased or originated credit impaired loans (POCI)					Total net carrying amount at amortised cost	Value of collateral
	Not past due	Past due	Carrying amount (before allowance for expected credit losses)	Allowance for expected credit losses	Net carrying amount		
Retail lending	946,057	388,458	1,334,515	243,803	1,090,712	11,285,497	8,612,953
Mortgage	634,145	143,366	777,511	78,155	699,356	7,261,846	6,867,779
Consumer	195,253	97,892	293,145	72,234	220,911	1,182,974	376,455
Credit cards	901	7,621	8,522	5,350	3,172	866,385	2,142
Small Businesses	115,758	139,579	255,337	88,064	167,273	1,974,292	1,366,577
Corporate lending	164,733	185,297	350,030	145,448	204,582	21,678,444	15,361,311
Large corporate	142,994	47,553	190,547	36,554	153,993	16,211,354	11,548,222
SME's	21,739	137,744	159,483	108,894	50,589	5,467,090	3,813,089
Public sector	-	-	-	-	-	34,310	33,979
Greece						34,310	33,979
Other countries							
Total	1,110,790	573,755	1,684,545	389,251	1,295,294	32,998,251	24,008,243

“Purchased or originated credit impaired loans” include loans amounting to € 839,827 as at 31.12.2021 which are not credit impaired/non performing.

Loans by credit quality and IFRS 9 Stage

The following tables present loans measured at amortised cost by IFRS 9 Stage and credit quality, as well as loans that are measured at fair value through profit or loss by credit quality, as at 31.12.2021.

31.12.2021						
	Loans measured at amortised cost					Loans measured at fair value through profit or loss (FVPL)
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total	
MORTGAGE						
Strong credit quality	3,604,936				3,604,936	
Satisfactory credit quality	167,632	604,983		224,882	997,497	
Watch list (higher risk)	1,167	1,305,756		233,084	1,540,007	
Default			1,115,510	319,545	1,435,055	
Carrying amount (before allowance for expected credit losses)	3,773,735	1,910,739	1,115,510	777,511	7,577,495	-
Allowance for expected credit losses	(2,221)	(63,674)	(171,599)	(78,155)	(315,649)	
Net Carrying Amount	3,771,514	1,847,065	943,911	699,356	7,261,846	-
Value of collateral	3,552,588	1,709,747	949,260	656,184	6,867,779	
CONSUMER						
Strong credit quality	295,415				295,415	
Satisfactory credit quality	87,079	164,372		57,522	308,973	
Watch list (higher risk)	1,591	240,354		101,635	343,580	
Default			391,610	133,988	525,598	
Carrying amount (before allowance for expected credit losses)	384,085	404,726	391,610	293,145	1,473,566	-
Allowance for expected credit losses	(2,254)	(48,264)	(167,840)	(72,234)	(290,592)	
Net Carrying Amount	381,831	356,462	223,770	220,911	1,182,974	-
Value of collateral	116,167	83,963	59,260	117,065	376,455	
CREDIT CARDS						
Strong credit quality	689,627				689,627	
Satisfactory credit quality	53,365	52,867		551	106,783	
Watch list (higher risk)	126	50,125		239	50,490	
Default			63,558	7,732	71,290	
Carrying amount (before allowance for expected credit losses)	743,118	102,992	63,558	8,522	918,190	-
Allowance for expected credit losses	(2,524)	(12,120)	(31,811)	(5,350)	(51,805)	
Net Carrying Amount	740,594	90,872	31,747	3,172	866,385	-
Value of collateral	345	1	1,766	30	2,142	
SMALL BUSINESSES	0					
Strong credit quality	535,943				535,943	
Satisfactory credit quality	120,438	413,925		40,096	574,459	
Watch list (higher risk)	21,815	363,451		55,265	440,531	
Default			589,678	159,976	749,654	
Carrying amount (before allowance for expected credit losses)	678,196	777,376	589,678	255,337	2,300,587	-
Allowance for expected credit losses	(2,247)	(30,459)	(205,525)	(88,064)	(326,295)	
Net Carrying Amount	675,949	746,917	384,153	167,273	1,974,292	-
Value of collateral	450,786	497,831	304,130	113,830	1,366,577	
LARGE CORPORATE						
Strong credit quality	12,330,495				12,330,495	56,052
Satisfactory credit quality	3,055,459	145,481		40,436	3,241,376	27,073
Watch list (higher risk)	17,907	213,685		79,519	311,111	
Default			571,014	70,592	641,606	60,158
Carrying amount (before allowance for expected credit losses)	15,403,861	359,166	571,014	190,547	16,524,588	143,283
Allowance for expected credit losses	(59,419)	(1,566)	(215,695)	(36,554)	(313,234)	
Net Carrying Amount	15,344,442	357,600	355,319	153,993	16,211,354	143,283
Value of collateral	10,736,579	250,806	411,461	149,376	11,548,222	135,582

31.12.2021						
	Loans measured at amortised cost					Loans measured at fair value through profit or loss (FVPL)
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total	
SME's						
Strong credit quality	1,896,636				1,896,636	
Satisfactory credit quality	2,743,579	234,010		5,111	2,982,700	
Watch list (higher risk)		184,481		1,487	185,968	
Default		299	808,226	152,885	961,410	
Carrying amount (before allowance for expected credit losses)	4,640,215	418,790	808,226	159,483	6,026,714	-
Allowance for expected credit losses	(2,243)	(2,441)	(446,046)	(108,894)	(559,624)	
Net Carrying Amount	4,637,972	416,349	362,180	50,589	5,467,090	-
Value of collateral	2,936,107	320,158	490,526	66,298	3,813,089	
PUBLIC SECTOR						
Strong credit quality	5,112				5,112	
Satisfactory credit quality	28,260	32			28,292	
Watch list (higher risk)		353			353	
Default			1,108		1,108	
Carrying amount (before allowance for expected credit losses)	33,372	385	1,108	-	34,865	-
Allowance for expected credit losses	(40)	(51)	(464)		(555)	
Net Carrying Amount	33,332	334	644	-	34,310	-
Value of collateral	33,324	23	632		33,979	

Letters of guarantee, letters of credit and undrawn loan commitments by credit quality and IFRS 9 Stage.

31.12.2021					
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Letters of guarantee, letters of credit and other guarantees					
Strong credit quality	2,475,287				2,475,287
Satisfactory credit quality	557,748	101,567			659,315
Watch list (higher risk)	86,307	134,054			220,361
Default			307,271		307,271
Carrying amount (before allowance for expected credit losses)	3,119,342	235,621	307,271	-	3,662,234
Allowance for expected credit losses	(24,791)	(854)	(28,844)		(54,489)
Net Carrying Amount	3,094,551	234,767	278,427	-	3,607,745
Value of collateral of impaired letters of guarantee, letters of credit and other guarantees			43,126		43,126
Undrawn loan commitments					
Strong credit quality	2,841,654				2,841,654
Satisfactory credit quality	623,641	98,359		754	722,754
Watch list (higher risk)	13,076	17,882		193	31,151
Default					
Carrying amount (before allowance for expected credit losses)	3,478,371	116,241	-	947	3,595,559
Allowance for expected credit losses	(117)	(79)		(1)	(197)
Net Carrying Amount	3,478,254	116,162	-	946	3,595,362
Value of collateral of impaired undrawn loan commitments	-	-	-	-	-

The value of the collaterals that relates to impaired exposures, amounts to €€2,704,512 as at 31.12.2021.

Ageing analysis of loans per loan category and IFRS 9 Stage

	31.12.2021							
	Loans measured at fair value through profit or loss (FVPL)			Loans measured at amortised cost				
	Corporate lending		Total	Retail lending				
	Large corporate	SME's		Mortgage Loans				
				Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total
Current	97,971		97,971	3,770,943	1,664,709	561,025	584,130	6,580,807
1-30 days	24,531		24,531	571	117,802	25,749	22,994	167,116
31-60 days					40,687	24,474	13,432	78,593
61-90 days					23,867	21,229	8,997	54,093
91-180 days						81,466	22,006	103,472
181-360 days						103,169	27,408	130,577
> 360 days	20,781		20,781			126,799	20,389	147,188
Total	143,283	-	143,283	3,771,514	1,847,065	943,911	699,356	7,261,846
Value of collaterals	135,582		135,582	3,552,588	1,709,747	949,260	656,184	6,867,779

31.12.2021										
	Loans measured at amortised cost									
	Retail lending									
	Consumer					Credit Cards				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total
Current	373,573	287,727	91,738	166,141	919,179	738,114	74,284	2,290	781	815,469
1-30 days	8,258	30,528	9,115	13,024	60,925	2,480	9,958	646	47	13,131
31-60 days		7,602	6,002	4,989	18,593		4,449	414	18	4,881
61-90 days		30,605	5,198	3,136	38,939		2,181	279	29	2,489
91-180 days			19,830	6,726	26,556			4,119	55	4,174
181-360 days			40,716	12,513	53,229			10,415	311	10,726
> 360 days			51,171	14,382	65,553			13,584	1,931	15,515
Total	381,831	356,462	223,770	220,911	1,182,974	740,594	90,872	31,747	3,172	866,385
Value of collaterals	116,167	83,963	59,260	117,065	376,455	345	1	1,766	30	2,142

31.12.2021										
	Loans measured at amortised cost									
	Retail lending					Corporate lending				
	Small Business					Large corporate				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total
Current	666,703	686,633	226,479	103,176	1,682,991	15,309,754	330,712	238,252	132,655	16,011,373
1-30 days	9,246	42,731	12,584	5,721	70,282	34,688	11,521	66,919		113,128
31-60 days		7,802	12,111	3,404	23,317		1,724			1,724
61-90 days		9,751	8,768	1,857	20,376		13,643	10,066		23,709
91-180 days			22,901	4,822	27,723			1,710		1,710
181-360 days			34,668	8,119	42,787			109		109
> 360 days			66,642	40,174	106,816			38,263	21,338	59,601
Total	675,949	746,917	384,153	167,273	1,974,292	15,344,442	357,600	355,319	153,993	16,211,354
Value of collaterals	450,786	497,831	304,130	113,830	1,366,577	10,736,579	250,806	411,461	149,376	11,548,222

31.12.2021										
	Loans measured at amortised cost									
	Corporate lending					Public Sector				
	SME's					Greece				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total
Current	4,561,638	389,863	141,561	17,098	5,110,160	33,332	311	513		34,156
1-30 days	76,334	14,442	40,403	3,505	134,684					
31-60 days		11,883	4,644	3,142	19,669					
61-90 days		161	4,226		4,387		23			23
91-180 days			10,684		10,684					
181-360 days			6,539	35	6,574					
> 360 days			154,123	26,809	180,932			131		131
Total	4,637,972	416,349	362,180	50,589	5,467,090	33,332	334	644	-	34,310
Value of collaterals	2,936,107	320,158	490,526	66,298	3,813,089	33,324	23	632		33,979

Reconciliation of loans by IFRS 9 Stage

The following tables present the movement of the loans measured at amortised cost by IFRS 9 Stage for the period of 17 April to 31 December 2021 :

31.12.2021															
	Retail lending					Corporate lending and public sector					Total				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total
Balance 17.4.2021	5,606,711	3,814,371	3,904,814	2,226,015	15,551,911	16,633,932	1,146,461	1,865,752	375,567	20,021,712	22,240,643	4,960,832	5,770,566	2,601,582	35,573,623
Changes for the year 17.4 - 31.12.2021															
Transfers to Stage 1 from Stage 2 or 3	1,179,053	(1,123,918)	(55,135)			705,801	(654,458)	(51,343)			1,884,854	(1,778,376)	(106,478)		-
Transfers to Stage 2 from Stage 1 or 3	(1,252,933)	1,662,500	(409,567)			(406,580)	480,169	(73,589)			(1,659,513)	2,142,669	(483,156)		-
Transfers to Stage 3 from Stage 1 or 2	(58,681)	(802,682)	861,363			(25,984)	(26,999)	52,983			(84,665)	(829,681)	914,346		-
New loans originated or purchased	379,993			30	380,023	3,441,773			10,933	3,452,706	3,821,766			10,963	3,832,729
Initial recognition of senior notes						1,720,701				1,720,701	1,720,701				1,720,701
Derecognition of loans	(35,390)	(252,910)	(1,795,858)	(801,902)	(2,886,060)	(918,309)	(86,086)	(423,115)	(37,274)	(1,464,784)	(953,699)	(338,996)	(2,218,973)	(839,176)	(4,350,844)
Changes due to modifications that did not result in derecognition	(426)	(662)	(8,443)	(1,266)	(10,797)	(301)	(385)	(1,220)	(6)	(1,912)	(727)	(1,047)	(9,663)	(1,272)	(12,709)
Write-offs	(38)	(3,101)	(98,096)	(23,233)	(124,468)			(46,393)	(11,214)	(57,607)	(38)	(3,101)	(144,489)	(34,447)	(182,075)
Repayments, foreign exchange and other movements	(233,911)	(87,826)	6,969	3,291	(311,477)	(1,073,585)	(80,361)	(9,278)	3,542	(1,159,682)	(1,307,496)	(168,187)	(2,309)	6,833	(1,471,159)
Reclassification of loans to "Assets held for sale"	(5,244)	(9,939)	(245,691)	(68,420)	(329,294)			66,551	8,482	75,033	(5,244)	(9,939)	(179,140)	(59,938)	(254,261)
Balance 31.12.2021	5,579,134	3,195,833	2,160,356	1,334,515	12,269,838	20,077,448	778,341	1,380,348	350,030	22,586,167	25,656,582	3,974,174	3,540,704	1,684,545	34,856,005
Allowance for expected credit losses	(9,246)	(154,517)	(576,775)	(243,803)	(984,341)	(61,702)	(4,058)	(662,205)	(145,448)	(873,413)	(70,948)	(158,575)	(1,238,980)	(389,251)	(1,857,754)
Balance of loans 31.12.2021	5,569,888	3,041,316	1,583,581	1,090,712	11,285,497	20,015,746	774,283	718,143	204,582	21,712,754	25,585,634	3,815,599	2,301,724	1,295,294	32,998,251

Reconciliation of allowance for expected credit losses of loans by IFRS 9 stage

The following tables include the movement of allowance for expected credit losses of loans measured at amortized cost for the period of 17 April to 31 December 2021 :

31.12.2021															
Allowance for expected credit losses															
	Retail lending					Corporate lending and public sector					Total				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total
Balance 17.4.2021	17,866	219,317	1,435,600	564,116	2,236,899	26,616	28,421	787,505	157,101	999,643	44,482	247,738	2,223,105	721,217	3,236,542
Changes for the year 17.4 - 31.12.2021															
Transfers to stage 1 from stage 2 or 3	48,213	(43,803)	(4,410)	-	-	14,281	(13,034)	(1,247)	-	-	62,494	(56,837)	(5,657)	-	-
Transfers to stage 2 from stage 1 or 3	(6,120)	78,747	(72,627)	-	-	(1,723)	3,685	(1,962)	-	-	(7,843)	82,432	(74,589)	-	-
Transfers to stage 3 from stage 1 or 2	(415)	(58,689)	59,104	-	-	(120)	(872)	992	-	-	(535)	(59,561)	60,096	-	-
Net remeasurement of expected credit losses (a)	(42,737)	(11,076)	56,669	(5,010)	(2,154)	(11,749)	1,281	3,003	4,785	(2,680)	(54,486)	(9,795)	59,672	(225)	(4,834)
Impairment losses on new loans (b)	645	-	-	(423)	222	2,330	-	-	75	2,405	2,975	-	-	(348)	2,627
Impairment losses on senior notes (c)	-	-	-	-	-	894	-	-	-	894	894	-	-	-	894
Change in credit parameters (d)	(7,083)	(16,200)	216,160	72,857	265,734	31,671	(15,508)	91,858	6,743	114,764	24,588	(31,708)	308,018	79,600	380,498
Impairment losses on loans (a)+(b)+(c)+(d)	(49,175)	(27,276)	272,829	67,424	263,802	23,146	(14,227)	94,861	11,603	115,383	(26,029)	(41,503)	367,690	79,027	379,185
Derecognition of loans	(81)	(10,015)	(781,223)	(304,848)	(1,096,167)	(529)	(65)	(237,056)	(28,190)	(265,840)	(610)	(10,080)	(1,018,279)	(333,038)	(1,362,007)
Write offs	(38)	(3,101)	(98,096)	(23,233)	(124,468)	-	-	(46,393)	(11,214)	(57,607)	(38)	(3,101)	(144,489)	(34,447)	(182,075)
Foreign exchange and other movements	(753)	302	(1,722)	(116)	(2,289)	31	150	11,031	8,262	19,474	(722)	452	9,309	8,146	17,185
Change in the present value of the impairment losses	-	-	1,641	310	1,951	-	-	8,094	1,829	9,923	-	-	9,735	2,139	11,874
Reclassification of allowance for expected credit losses to "Assets held for sale"	(251)	(965)	(234,321)	(59,850)	(295,387)	-	-	46,380	6,057	52,437	(251)	(965)	(187,941)	(53,793)	(242,950)
Balance 31.12.2021	9,246	154,517	576,775	243,803	984,341	61,702	4,058	662,205	145,448	873,413	70,948	158,575	1,238,980	389,251	1,857,754

In the above table which presents the movement of allowance for expected credit losses for the year 2021, the amount of € 999 which is related to impairment losses of loans classified to assets held for sale in the previous periods is not included in "Impairment losses on loans".

During 2021, allowance for expected credit losses have been affected by the following movements:

- Transfer to Stage 1 from Stage 2 and Stage 3 of loans amount to € 1,884,854 due to the improvement of the creditworthiness compared to their initial recognition
- The impairment losses of loans classified in Stage 3 were affected by:

- incorporation in the calculation of the allowance for expected credit losses of non performing portfolios for which the Bank contemplates recovery strategies that include a sales scenario affected by a number of variable factors and,
- further deterioration of the portfolio remaining in Stage 3

Finally, loans written off in 2021 amounted to € 182,075, and led to an equal reduction of allowance for expected credit losses. It is noted that loans that have been written off within 2021 but can still be legally claimed amounted to € 261,878 from which an amount equal to € 88,899 concerns receivables which were transferred during the hive down to the Bank on April 17th 2021.

Reconciliation of letters of guarantee, letters of credit and undrawn loan commitments by IFRS 9 Stage

The movement for the period of 17 April to 31 December 2021 of letters of guarantee, letters of credit and undrawn loan commitments is presented in the tables that follow:

31.12.2021					
	Stage 1	Stage2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Balance 17.4.2021	6,720,380	378,288	319,869	1,091	7,419,628
Changes for the year 17.4 - 31.12.2021					
Transfers to Stage 1 from Stage 2 or 3	161,468	(134,375)	(27,093)		
Transfers to Stage 2 from Stage 1 or 3	(194,308)	201,780	(7,473)		(1)
Transfers to Stage 3 from Stage 1 or 2	(6,189)	(250)	6,439		-
New letters of guarantee, letters of credit and undrawn loan commitments	933,789				933,789
Foreign exchange, repayments and other movements	(1,017,428)	(93,580)	15,529	(144)	(1,095,623)
Balance 31.12.2021	6,597,712	351,863	307,271	947	7,257,793
Allowance for expected credit losses	(24,908)	(933)	(28,844)	(1)	(54,686)
Balance 31.12.2021	6,572,804	350,930	278,427	946	7,203,107

Reconciliation of allowance for expected credit losses of letters of guarantee, letters of credit and undrawn loan commitments by IFRS 9 Stage

The Bank has recognized allowance for expected credit losses for the undrawn loan commitments, letters of credit and letters of guarantee, the reconciliation of which is presented in the following tables for the period from 17 April 2021 to 31 December 2021:

31.12.2021					
	Stage 1	Stage2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Balance 17.4.2021	30,940	9,352	72,734	-	113,026
Changes for the year 17.4 - 31.12.2021					
Transfers to stage 1 from stage 2 or 3	2,054	(901)	(1,153)		
Transfers to stage 2 from stage 1 or 3	(85)	435	(350)		
Transfers to stage 3 from stage 1 or 2	(15)	(32)	47		
Net remeasurement of expected credit losses (a)	(1,986)	(73)	419		(1,640)
Impairment losses on new exposures (b)	185				185
Change in risk parameters (c)	(6,186)	(7,847)	(42,908)		(56,941)
Impairment losses (a)+(b)+(c)	(7,987)	(7,920)	(42,489)	-	(58,396)
Foreign exchange and other movements	1	(1)	56		56
Balance 31.12.2021	24,908	933	28,845	-	54,686
Balance 17.4.2021	30,940	9,352	72,734	-	113,026

Advances to customers

Advances to customers derive mainly from Bank's commercial activity other than lending, including mainly receivables from letters of guarantee, receivables from credit cards and other receivables from banking activities. The calculation of allowance for expected credit losses for the receivables that are exposed to credit risk, is being performed using the simplified approach, taking into account their lifetime (without being allocated into stages), as provided by IFRS 9.

The expected credit loss rate applied by the Bank was determined based on the assessment of expected credit losses taking into account the time that the aforementioned receivables, which are mainly short-term, remain due.

Advances to customers as at 31.12.2021 amounted to € 272,495, while allowance for expected credit losses amounted to € 40,832.

The following tables present the reconciliation of advances to customers for tables for the period from 17 April 2021 to 31 December 2021:

Balance 17.4.2021	246,212
Repayments, foreign exchange and other movements	62,846
Reclassification to Assets held for Sale	(36,563)
Balance 31.12.2021	272,495
Allowance for expected credit losses	(40,832)
Balance 31.12.2021	231,663

The reconciliation of the allowance for expected credit losses for the period from 17 April to 31 December 2021 is presented in the following tables:

Balance 17.4.2021	42,216
Impairment losses on advances to customers	230
Foreign exchange, write-offs and other movements	(1,614)
Balance 31.12.2021	40,832

PLEDGED COLLATERALS

Collaterals are received in order to mitigate credit risk that may arise from the borrower's inability to fulfill his contractual obligations.

Collaterals include all kind of assets and rights which are made available to the Bank either by its borrowers or by third parties, in order to be used as complementary liquidation sources of the relative loans.

The breakdown analysis of collaterals and guarantees received to reduce the credit risk exposure is summarized below:

Breakdown of collaterals and guarantees

31.12.2021										
	Value of collaterals									
	Loans measured at fair value through profit or loss (FVPL)					Loans measured at amortised cost				
	Real estate collateral	Financial collateral	Other collateral	Total value of collateral	Value of Guarantees	Real estate collateral	Financial collateral	Other collateral	Total value of collateral	Value of Guarantees
Retail lending						7,731,894	206,351	674,708	8,612,953	1,375,626
Corporate lending	52,887		82,695	135,582		3,521,803	745,892	11,093,616	15,361,311	2,265,455
Public sector						345	45	33,589	33,979	374
Total	52,887	-	82,695	135,582	-	11,254,042	952,288	11,801,913	24,008,243	3,641,455

There are no cases of transfer or reassignment of collaterals received from borrowers for which an obligation to return them has been recognized.

Loan-to-value ratio (LTV)

The loan-to-value ratio of loans reflects the relationship between the loan and the value of the real estate held as collateral.

The table below presents the mortgage loan portfolio by LTV ratio.

	31.12.2021
	Loans measured at amortised cost
< 50%	1,085,705
50% - 70%	1,283,205
71% - 80%	780,646
81% - 90%	743,025
91% - 100%	1,502,172
101% - 120%	720,512
121% - 150%	494,357
> 150%	967,873
Total exposure	7,577,495
SIMPLE AVERAGE OF LTV	68.49%

REPOSSESSED ASSETS

Policy of disposal of repossessed assets

Within 2018 the Group created a uniform management strategy for repossessed assets by setting up two new Committees and assigning to a Group Company the management of all the repossessed properties of the Bank and its Subsidiaries. When the Bank acquires the legal title of properties in the context of the management of non-performing exposures (NPEs), the respective company is in charge of monitoring the repossession procedures (asset on - boarding), determining the best property management strategy and assigning to the appropriate channels, within or outside the Group, the management of the properties.

Depending on the defined strategy, the property is classified for accounting purposes, in the appropriate category. The classification process is repeated periodically so that the classification of each property is updated based on its current status. Finally, there is continuous supervision and co-ordination of collaborating asset management channels on the implementation of the defined strategies as well as of the asset commercialization in accordance with the Group's policy and monitoring of their performance through appropriate Key Performance Indicators (KPIs).

Repossessed assets

	31.12.2021						
	Balance					Disposals during the period from 17.4 to 31.12.2021	
	Value of collaterals repossessed 31.12.2021	Of which: In period from 17.4 to 31.12.2021	Accumulated impairment 31.12.2021	Of which: In period from 17.4 to 31.12.2021	Net carrying amount of collaterals repossessed 31.12.2021	Net disposal value	Net gain/ (loss) on disposal
Real estate collateral	403,425	34,018	(47,134)	(849)	356,291	12,863	1,413
Other collaterals	6,276				6,276		

Loans and Allowance for expected credit losses by IFRS 9 Stage, industry and geographical region

	31.12.2021							
	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 (POCI)	Carrying amount (before allowance for expected credit losses)	Allowance for expected credit losses	Net carrying amount
Retail lending	-	5,525,761	3,181,668	2,147,723	1,323,701	12,178,853	979,649	11,199,204
Mortgage		3,724,234	1,897,859	1,103,379	772,961	7,498,433	313,860	7,184,573
Consumer		383,363	404,336	391,420	286,881	1,466,000	287,871	1,178,129
Credit cards		740,318	102,822	63,286	8,522	914,948	51,657	863,291
Small Businesses		677,846	776,651	589,638	255,337	2,299,472	326,261	1,973,211
Corporate lending	74,842	11,095,761	561,974	1,286,465	304,336	13,248,536	764,655	12,483,881
Financial institutions and other financial services		645,181		24	1,040	646,245	118	646,127
Manufacturing		3,989,583	139,008	341,227	82,107	4,551,925	222,613	4,329,312
Construction and real estate	54,061	1,293,565	77,936	166,976	27,516	1,565,993	108,925	1,457,068
Wholesale and retail trade		1,699,142	133,916	589,147	63,964	2,486,169	332,672	2,153,497
Transportation		586,734	1,350	45,123	6,228	639,435	26,675	612,760
Shipping	20,781	45,855	16,179	3,267	22,966	88,267	538	87,729
Hotels-Tourism		1,947,039	136,385	52,688	7,563	2,143,675	9,490	2,134,185
Services and other sectors		888,662	57,200	88,013	92,952	1,126,827	63,624	1,063,203
Public sector	-	33,372	385	1,108	-	34,865	555	34,310
Total	74,842	16,654,894	3,744,027	3,435,296	1,628,037	25,462,254	1,744,859	23,717,395

	31.12.2021							
	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 (POCI)	Carrying amount (before allowance for expected credit losses)	Allowance for expected credit losses	Net carrying amount
Retail lending	-	53,373	14,165	12,633	10,814	90,985	4,692	86,293
Mortgage		49,501	12,880	12,131	4,550	79,062	1,789	77,273
Consumer		722	390	190	6,264	7,566	2,721	4,845
Credit cards		2,800	170	272		3,242	148	3,094
Small Businesses		350	725	40		1,115	34	1,081
Corporate lending	68,441	8,948,315	215,982	92,775	45,694	9,302,766	108,203	9,194,563
Financial institutions and other financial services	2,561	6,698,304	31,005			6,729,309	55,483	6,673,826
Manufacturing		45,093	26,110		3	71,206	30	71,176
Construction and real estate	3,966	46,266	4,861	10,587	9,434	71,148	6,815	64,333
Wholesale and retail trade		0	0	23,132		23,132		23,132
Transportation		79,170	42,021	2,596		123,787	2,135	121,652
Shipping	61,914	2,073,748	111,984	56,381	2,017	2,244,130	26,415	2,217,715
Hotels-Tourism		2		79	23,426	23,507	11,581	11,926
Services and other sectors		5,732	1		10,814	16,547	5,744	10,803
Public sector	-	-	-	-	-	-	-	-
Total	68,441	9,001,688	230,147	105,408	56,508	9,393,751	112,895	9,280,856

Interest income from loans by loan category and IFRS 9 stage

The following tables present the interest income from loans for the period from 17 April to 31 December 2021 by IFRS 9 Stage.

For loans classified in Stages 1 and 2, interest income is calculated by applying the effective interest rate to the gross carrying amount of the loan.

For loans classified in Stage 3, interest income is calculated by applying the effective interest rate on the amortized cost of the loan (i.e. gross carrying amount after allowance for expected credit losses), while for Purchased or Originated Credit Impaired loans (POCI) interest income is calculated by applying the adjusted effective interest rate to the amortized cost of the loan.

	31.12.2021					
	Loans measured at amortized cost					Loans measured at fair value through profit or loss (FVPL)
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total interest income	
Retail lending	149,453	82,732	64,020	31,981	328,186	19
Corporate lending	319,791	22,727	27,211	5,551	375,280	5,377
Public Sector	525	8	23	3	559	-
Total interest income	469,769	105,467	91,254	37,535	704,025	5,396

FORBORNE LOANS

The restructuring of loans is performed through renegotiation of the original contractual terms and include changes such as:

- Extension of the credit duration
- Write-off of a portion of borrower's amounts due
- Grace period for the principal and/or interest
- Decrease in interest rates

As a rule forbearance measures which are extended include a combination of the above amendments to the contractual terms.

In addition, in the context of renegotiations of the terms of loans granted, the Bank has participated in agreements for the exchange of debt with borrowers' equity shares. As at 31.12.2021, the Bank included in the portfolio measured at fair value through other comprehensive income shares with a fair value of € 4,650 which were acquired from respective transactions.

Analysis of forborne loans by type of forbearance measure

	31.12.2021		
	Loans measured at fair value through profit or loss (FVPL)	Loans measured at amortised cost	Total
Interest only payment		65,454	65,454
Reduced payments scheme	1,027	584,523	585,550
Grace period	34,385	161,559	195,944
Loan term extension	0	1,257,079	1,257,079
Arrears capitalization	20,781	1,811,213	1,831,994
Partial write-off in borrower's obligations		311,288	311,288
Debt for equity transactions		16	16
Other		52,743	52,743
Total net carrying amount	56,193	4,243,875	4,300,068

Forborne loans by product line

	31.12.2021		
	Loans measured at fair value through profit or loss (FVPL)	Loans measured at amortised cost	Total
Retail lending	-	3,309,506	3,309,506
Mortgage		2,196,428	2,196,428
Consumer		445,581	445,581
Credit cards		13,152	13,152
Small Businesses		654,345	654,345
Corporate lending	56,193	933,580	989,773
Large corporate	56,193	580,916	637,109
SME's		352,664	352,664
Public sector	-	789	789
Greece		789	789
Total net carrying amount	56,193	4,243,875	4,300,068

Forborne loans by geographical region

	31.12.2021		
	Loans measured at fair value through profit or loss (FVPL)	Loans measured at amortised cost	Total
Greece	20,782	4,043,141	4,063,923
Other countries	35,411	200,734	236,145
Total net carrying amount	56,193	4,243,875	4,300,068

Forborne loans according to their credit quality

	31.12.2021		
	Total amount of Loans	Total amount of Forborne Loans	Percentage of Forborne Loans (%)
Loans measured at fair value through profit or loss (FVPL)			
Past due	45,311	45,312	100%
Not past due	97,972	10,881	11%
Total net carrying amount	143,283	56,193	39%
Value of collaterals	135,582	56,192	41%
Loans measured at amortised cost			
Stage 1	25,656,582		0%
Stage 2	3,974,174	1,823,505	46%
Stage 3	3,540,704	2,511,930	71%
Purchased or originated credit impaired loans (POCI)	1,684,545	1,047,727	62%
Carrying amount (before allowance for expected credit losses)	34,856,005	5,383,162	15%
Stage 1 - Allowance for expected credit losses	70,948		0%
Stage 2 - Allowance for expected credit losses	158,575	103,613	65%
Stage 3 - Allowance for expected credit losses	1,238,980	782,345	63%
Allowance for expected credit losses for purchased or originated credit impaired loans (POCI)	389,251	253,329	65%
Total net carrying amount	32,998,251	4,243,875	13%
Value of collaterals	24,008,243	3,702,593	15%

Reconciliation of the net value of forborne loans

	31.12.2021		
	Loans measured at fair value through profit or loss (FVPL)	Loans measured at amortised cost	Total
Balance 17.4.2021	100,271	7,019,719	7,119,989
Changes for the year 17.4 - 31.12.2021			
Forbearance measures during the year		451,555	451,555
Interest income	2,925	146,700	149,625
Repayment of loans (partial or total)	(12,587)	(274,728)	(287,315)
Loans that exited forbearance status during the year		(1,237,937)	(1,237,937)
Impairment losses		(274,767)	(274,767)
Disposal of forborne loans		(3,214)	(3,214)
Remeasurment of fair value	(33,969)		(33,969)
Reclassification of loans to "Assets held for sale"	(434)	(1,564,633)	(1,565,067)
Other movements	(12)	(18,820)	(18,832)
Balance 31.12.2021	56,194	4,243,875	4,300,068

ANALYSIS PER RATING

Other financial instruments subject to credit risk

The following table presents the other financial instruments measured at amortised cost and at fair value through other comprehensive income as at 31.12.2021 by IFRS 9 Stage and credit rating.

	31.12.2021				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired securities (POCI)	Total
Balances with central Banks					
AAA					-
AA+ to AA-					-
A+ to A-					-
BBB+ to BBB-					-
Lower than BBB-	10,036,066				10,036,066
Unrated					-
Carrying amount (before allowance for expected credit losses)	10,036,066	-	-	-	10,036,066
Allowance for expected credit losses					-
Net carrying amount	10,036,066	-	-	-	10,036,066
Value of collaterals					-
Due from Banks					
AAA					-
AA+ to AA-	715,755				715,755
A+ to A-	638,682				638,682
BBB+ to BBB-	707,093				707,093
Lower than BBB-	1,057,104				1,057,104
Unrated	97,729		69,961		167,690
Carrying amount (before allowance for expected credit losses)	3,216,363	-	69,961	-	3,286,324
Allowance for expected credit losses	(3,848)		(69,961)		(73,809)
Net carrying amount	3,212,515	-	-	-	3,212,515
Value of collaterals					-
Securities measured at fair value through other comprehensive income					
AAA	22,040				22,040
AA+ to AA-	418,197				418,197
A+ to A-	419,337				419,337
BBB+ to BBB-	1,320,745				1,320,745
Lower than BBB-	3,157,657	2,141			3,159,798
Unrated	149,244	10,768			160,012
Carrying amount (before allowance for expected credit losses)	5,487,220	12,909	-	-	5,500,129
Allowance for expected credit losses	(20,012)	(1,817)			(21,829)
Net carrying amount	5,467,208	11,092	-	-	5,478,300
Value of collaterals					-
Securities measured at amortized cost					
AAA					-
AA+ to AA-	30,618				30,618
A+ to A-					-
BBB+ to BBB-	281,251				281,251
Lower than BBB-	3,225,107				3,225,107
Unrated	2,511				2,511
Carrying amount (before allowance for expected credit losses)	3,539,487	-	-	-	3,539,487
Allowance for expected credit losses	(15,034)				(15,034)
Net carrying amount	3,524,453	-	-	-	3,524,453
Value of collaterals					-

Trading portfolio - Derivative financial assets - Securities measured at fair value through profit or loss

The following table presents the other financial instruments measured through profit or loss per credit rating.

	2021
Trading securities	
AAA	
AA+ to AA-	
A+ to A-	
BBB+ to BBB-	
Lower than BBB-	3,819
Unrated	
Carrying amount (before allowance for expected credit losses)	3,819
Value of collaterals for allowance for expected credit losses	
Derivative financial assets	
AAA	
AA+ to AA-	52,736
A+ to A-	109,695
BBB+ to BBB-	6,827
Lower than BBB-	793,871
Unrated	1,412
Carrying amount (before allowance for expected credit losses)	964,541
Value of collaterals	
Securities measured at fair value through profit or loss	
AAA	
AA+ to AA-	
A+ to A-	
BBB+ to BBB-	
Lower than BBB-	596
Unrated	167,382
Carrying amount (before allowance for expected credit losses)	167,978
Value of collaterals for allowance for expected credit losses	

ANALYSIS OF FINANCIAL ASSETS PER IFRS 9 STAGE

Due from Banks

The following table presents the classification of Due from Banks per IFRS 9 Stage as of 31.12.2021.

	31.12.2021				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired Receivables (POCI)	Total
Balance 31.12.2021					
Carrying amount (before allowance for expected credit losses)	3,216,363		69,961		3,286,324
Allowance for expected credit losses	(3,848)		(69,961)		(73,809)
Net carrying amount 31.12.2021	3,212,515	-	-	-	3,212,515

Investment securities

i. Investment securities measured at fair value through other comprehensive income

The following table presents the classification of securities per IFRS 9 Stage and issuer's category as of 31.12.2021:

	31.12.2021				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired securities (POCI)	Total
Greek Government Bonds:					
Allowance for expected credit losses	(5,685)				(5,685)
Fair Value	2,381,789				2,381,789
Other Government Bonds:					-
Allowance for expected credit losses	(278)				(278)
Fair Value	1,191,414				1,191,414
Other securities:					-
Allowance for expected credit losses	(14,049)	(1,817)			(15,866)
Fair Value	1,894,006	11,092			1,905,098
Total securities measured at fair value through other comprehensive income					-
Allowance for expected credit losses	(20,012)	(1,817)	-	-	(21,829)
Fair Value	5,467,209	11,092	-	-	5,478,301

In addition to the above securities, the portfolio of investment securities measured at fair value through other comprehensive income includes also shares of fair value of € 24,620.

ii. Investment securities measured at amortized cost

The following table presents the classification of securities per IFRS 9 Stage and issuer's category as of 31.12.2021:

	31.12.2021				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired securities (POCI)	Total
Greek Government bonds					
Carrying amount (before allowance for expected credit losses)	3,098,703				3,098,703
Allowance for expected credit losses	(9,809)				(9,809)
Net value	3,088,894	-	-	-	3,088,894
Other Government bonds					-
Carrying amount (before allowance for expected credit losses)	306,160				306,160
Allowance for expected credit losses	(53)				(53)
Net value	306,107	-	-	-	306,107
Other securities					-
Carrying amount (before allowance for expected credit losses)	134,624				134,624
Allowance for expected credit losses	(5,172)				(5,172)
Net value	129,452	-	-	-	129,452
Total securities measured at amortized cost					
Carrying amount (before allowance for expected credit losses)	3,539,487	-	-	-	3,539,487
Allowance for expected credit losses	(15,034)	-	-	-	(15,034)
Net value	3,524,453	-	-	-	3,524,453

Reconciliation of other financial assets (except loans) before allowance for expected credit losses per IFRS 9 Stage

The table below presents the movement of the carrying amount before allowance for expected credit losses of due from banks, the movement of the fair value of investment securities at fair value through other comprehensive income and securities measured at amortized cost including the allowance for expected credit losses by IFRS 9 Stage.

31.12.2021										
	Due from banks					Investment securities measured at fair value through other comprehensive income				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Balance 17.4.2021	3,881,080	-	69,961	-	3,951,041	4,804,214	22,009	-	-	4,826,223
Changes for the year 17.4 - 31.12.2021										
Transfers to Stage 1 from Stage 2 or 3					-					-
Transfers to Stage 2 from Stage 1 or 3					-	(9,168)	9,168			-
Transfers to Stage 3 from Stage 1 or 2					-					-
New financial assets originated	12,138,362				12,138,362	2,613,040				2,613,040
Derecognition of financial assets					-	(807,667)				(807,667)
Interest on carrying amount before impairment					-	23,319	521			23,840
Changes due to modifications that did not result in derecognition					-					-
Write-off					-					-
Held for sale	(14,802)				(14,802)					-
Repayments, foreign exchange differences and other movements	(12,788,277)				(12,788,277)	(1,156,530)	(20,606)			(1,177,136)
Balance 31.12.2021	3,216,363	-	69,961	-	3,286,324	5,467,208	11,092	-	-	5,478,300

31.12.2021					
	Securities measured at amortized cost				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Balance 17.4.2021	3,277,033	1,365	-	-	3,278,398
Changes for the year 17.4 - 31.12.2021					-
Transfers to Stage 1 from Stage 2 or 3					-
Transfers to Stage 2 from Stage 1 or 3					-
Transfers to Stage 3 from Stage 1 or 2					-
New financial assets originated	454,072				454,072
Derecognition of financial assets	(124,525)				(124,525)
Interest on carrying amount before impairment	28,427	49			28,476
Changes due to modifications that did not result in derecognition					-
Write-off					-
Held for sale					-
Repayments, foreign exchange differences and other movements	(95,520)	(1,414)			(96,934)
Balance 31.12.2021	3,539,487	-	-	-	3,539,487

Reconciliation of the allowance for expected credit losses

The tables below present the movement of the allowance for expected credit losses of due from banks, investment securities measured at fair value through other comprehensive income and securities measured at amortized cost per IFRS 9 stage.

31.12.2021										
	Due from banks					Investment securities measured at fair value through other comprehensive income				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Balance 17.4.2021	3,336	-	69,961	-	73,297	15,237	232	-	-	15,469
Changes for the year 17.4 - 31.12.2021										
Transfers to Stage 1 from Stage 2 or 3					-					-
Transfers to Stage 2 from Stage 1 or 3					-	(354)	354			-
Transfers to Stage 3 from Stage 1 or 2					-					-
Remeasurement of expected credit losses (a)					-		1,430			1,430
Expected credit losses on new receivables/securities (b)	(2,294)				(2,294)	9,828				9,828
Change in credit risk parameters (c)	2,817				2,817	(183)	(199)			(382)
Allowance for expected credit losses receivables/securities (a)+(b)+(c)	523	-	-	-	523	9,645	1,231	-	-	10,876
Derecognition of financial assets					-	(4,521)				(4,521)
Foreign exchange and other movements	(11)				(11)	5				5
Balance 31.12.2021	3,848	-	69,961	-	73,809	20,012	1,817	-	-	21,829

An additional income amounted at € 10 has been recognized in the allowance for expected credit losses of 2021 in Stage 1, which corresponds to the change of allowance for expected credit losses between the opening and the closing date resulting from the disposal of securities of FVOCI portfolio which has been agreed but not settled between these two dates. The aforementioned allowance for expected credit losses, depending on the securities valuation, is recognized in “Other assets” or “Other liabilities”.

	31.12.2021				
	Securities measured at amortized cost				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Balance 17.4.2021	10,932	4	-	-	10,936
Changes for the year 17.4 - 31.12.2021					
Transfers to Stage 1 from Stage 2 or 3					-
Transfers to Stage 2 from Stage 1 or 3					-
Transfers to Stage 3 from Stage 1 or 2					-
Remeasurement of expected credit losses (a)					-
Expected credit losses on new receivables/securities (b)	4,963				4,963
Change in credit risk parameters (c)	(601)	(4)			(605)
Allowance for expected credit losses receivables/securities (a)+(b)+(c)	4,362	(4)	-	-	4,358
Derecognition of financial assets	(260)				(260)
Foreign exchange and other movements					-
Balance 31.12.2021	15,034	-	-	-	15,034

The following tables present the financial instruments exposed to credit risk by sectors of the counterparties.

FINANCIAL ASSETS EXPOSED TO CREDIT RISK - ANALYSIS BY INDUSTRY SECTOR

31.12.2021											
	Financial Institutions and other financial services	Manufacturing	Construction & 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	10,036,066										10,036,066
Due from banks	3,286,324										3,286,324
Loans and advances to customers	7,378,115	4,623,131	1,695,168	2,509,301	34,865	763,222	2,415,092	2,167,182	1,390,905	12,334,802	35,311,783
Derivative financial assets	313,617	24,449	68,308	1,308	501,852	52,527	1,077	403	1,000		964,541
Trading securities					3,819						3,819
Securities measured at fair value through profit or loss	167,978										167,978
Securities measured at fair value through other comprehensive income	1,273,436	371,645	22,684	100,228	3,579,165				152,971		5,500,129
Securities measured at amortized cost	122,928	5,987			3,404,864				5,708		3,539,487
Assets held for sale – Loans Portfolio								7,478	15,368	330,824	353,670
Assets held for sale- Other Receivables	14,802									38,094	52,896
Total amount of balance sheet items exposed to credit risk (a)	22,593,266	5,025,212	1,786,160	2,610,837	7,524,565	815,749	2,416,169	2,175,063	1,565,952	12,703,720	59,216,693
Other balance sheet items not exposed to credit risk	4,496,515	2,076	68,096					11,000	7,996,044		12,573,731
Total assets	27,089,781	5,027,288	1,854,256	2,610,837	7,524,565	815,749	2,416,169	2,186,063	9,561,996	12,703,720	71,790,424
Credit risk of exposures relating to off-balance sheet items:											
Letters of guarantee, letters of credit and other guarantees	882,063	805,514	816,090	462,604	190,698	64,840	10,955	55,208	286,180	72,540	3,646,692
Undrawn loan agreements and credit limits that can not be revoked	122,260	751,288	106,910	681,894	51	43,592	4,118	80,070	153,647	1,651,843	3,595,673
Guarantees provided for bonds issued by Bank's subsidiaries	15,542										15,542
Total amount of off-balance sheet items exposed to credit risk (b)	1,019,865	1,556,802	923,000	1,144,498	190,749	108,432	15,073	135,278	439,827	1,724,383	7,257,907
Total credit risk exposures (a+b)	23,613,131	6,582,014	2,709,160	3,755,335	7,715,314	924,181	2,431,242	2,310,341	2,005,779	14,428,103	66,474,600

EXPOSURE IN CREDIT RISK FROM DEBT ISSUED BY THE GREEK STATE

The table below presents the Bank's total exposure in Greek State debt:

	31.12.2021	
Portfolio	Nominal value	Carrying amount
Securities measured at fair value through other comprehensive income	2,270,684	2,381,789
Securities measured at amortized cost	2,588,930	3,088,894
Trading	3,578	3,819
Total	4,863,192	5,474,502

All Greek Government securities are classified in Level 1 or Level 2 based on the quality of inputs used for the estimation of their fair value.

The Bank's exposure to Greek State from other, apart from securities, financial instruments is presented in the table below:

On balance sheet exposure

a. Derivatives

	31.12.2021
	Carrying amount
Derivative financial instruments-assets	501,852
Derivative financial instruments-liabilities	(2,387)

b. The Bank's exposure in loans to public sector entities / organizations on 31.12.2021 amounted to € 34,865. The Bank has recognized allowance for expected credit losses for the above mentioned loans that amounts to € 554 as at 31.12.2021.

c. The balance of the Bank's loans guaranteed by the Greek State on 31.12.2021 amounted to € 7,191,890. The increase is due to the recognition of high repayment bonds (senior notes) of the Galaxy and Cosmos securitization (as mentioned in note 1 "Corporate transformation - Division by branch" and note 14 "Loans and receivables against customers"). Apart from these bonds, the rest also includes loans guaranteed by the Greek State either directly or through Joint Ministerial Decisions, loans guaranteed by Hellenic Development Bank SA. For these loans the Bank has recognized allowance for expected credit losses amounting to € 70,265 as at 31.12.2021. It is noted that the carrying amount of loans with guarantee by the Covid-19 Guarantee Fund of the Hellenic Development Bank amounted to € 1,259,451 as at 31.12.2021.

Off balance sheet exposure

	31.12.2021	
	Nominal value	Carrying amount
Greek Government Treasury Bills received as collateral for derivatives transactions	750,000	750,150

	31.12.2021	
	Nominal value	Carrying amount
Greek government bonds that have been taken as collateral for financing	275,638	307,434

39.2 Market risk

Market risk is the risk of losses arising from unfavorable changes in the value or volatility of interest rates, foreign exchange rates, stock exchange indices, equity prices and commodities. Losses may also occur either from the trading portfolio or from the Assets-Liabilities management.

More specifically:

- Interest rate risk is the risk that results from adverse changes in the value or volatility of interest rates.
- Foreign exchange risk is the risk arising from adverse changes in the value or volatility of foreign exchange rates.
- Equity risk is the risk arising from adverse changes in the value or volatility of equities or equity indices.
- Commodity risk is the risk arising from adverse changes in the value or volatility of commodities. The Bank holds no material portfolio in such instruments.

i. Trading book

The Bank's Market Risk Management Policy elaborates on how market risk is managed within the Bank, i.e. the identification, measurement, monitoring and control of market risk inherent in Treasury assets and liabilities transacted by the Bank and the country local Treasury Management Units, as well as the determination that adequate capital is held against this type of risk. The ultimate objective of the Policy is to provide the framework and principles for the effective management of market risk, in order to:

- maintain market risk within the limits, in line with the Bank's risk appetite;
- reduce the risk of fraud or regulatory non-compliance by prescribing sound methodologies;
- ensure adequate controls to prevent significant losses;
- facilitate efficient decision-making by quantifying where possible the probabilities of failing to achieve earnings or other targets.

All competent Bank units and country local Units apply the Policy by developing and applying corresponding processes.

Market risk of trading portfolio is measured by Value at Risk – VAR, that is the maximum amount of loss with a given probability (confidence level). The method applied for calculating Value at Risk is historical simulation with full revaluation with 99% confidence level. The historical observation period is one year at minimum. Risk factor returns are calculated according to the absolute or relative approach.

The Bank calculates VAR on a daily basis and the data sets are updated daily. 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.

1 day value at risk, 99% confidence interval (2 years historical data)

	2021					
	Foreign currency risk	Interest rate risk	Price risk	Comodity risk	Covariance	Total
31 December	1,611,800	3,408,959	44,742	24	(1,108,784)	3,956,741
Average daily value (annual)	2,090,985	4,212,795	39,290	49	(1,975,827)	4,367,292
Maximum* daily value (annual)	1,621,287	5,405,227		6	(1,636,901)	5,389,619
Minimum* daily value (annual)	2,734,122	3,976,011	72,839		(3,115,837)	3,667,135
* Refers to the total Value at Risk within the year.						

The Value at Risk methodology is based on certain theoretical assumptions, which under extreme market conditions might not capture the maximum loss the Bank may suffer. The limitations of the methodology may be summarized as follows:

- VAR refers to the potential loss at a 99% confidence level, without considering any losses beyond that level

- Risk factor returns are assumed to follow the empirical distribution that was experienced during the historical observation period.

On a daily basis, a perspective and retrospective test of Value at Risk model is carried out, taking into account hypothetical and actual changes in the trading book's profit and loss. According to best practices, the model is validated by an independent unit at the Bank on an annual basis.

The Value at Risk 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 (stress-testing).

Within the scope of market risk control, open position, maximum loss (stop loss) and value at risk limits 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 FX options
- Interest rate risk regarding positions in bonds, Interest Rate Swaps, Interest Futures, Interest Options
- Price risk regarding positions in shares, index Futures and options, Commodity Futures and Swaps
- 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.

ii. The financial risks of the banking portfolio

The Market risk may derive, apart from the trading portfolio, from the structure of assets and liabilities and from the portfolio of loans and deposits of the Bank. This risk is a foreign exchange and interest rate risk.

a. Foreign currency risk

The Bank takes on the risk arising from the fluctuations in foreign exchange rates.

The management of foreign currency position is centralized.

The policy of the Bank is the positions to be closed immediately using spot transactions or currency derivatives. In case that positions remain open, they are daily monitored in the context of the financial risk management policy and they are subject to limits.

The total open position arises from the net balance sheet position from the balance sheet assets and the derivatives forward position as presented in the following tables

31.12.2021									
	USD	GBP	CHF	JPY	RON	RSD	Other FC	Euro	Total
ASSETS									
Cash and Balances with Central Banks	1,768	1,336	278	63			737	10,316,068	10,320,250
Due from Banks	254,752	53,509	1,677	3,607	338	63	9,751	2,888,818	3,212,515
Trading securities								4,598	4,598
Derivative financial assets								964,541	964,541
Loans and advances to customers	2,457,172	33,984	409,233	4,814				30,507,994	33,413,197
Investment securities:									
- Measured at fair value through other comprehensive income								5,502,920	5,502,920
- Measured at fair value through profit or loss								222,130	222,130
- Measured at amortized cost	33,494							3,490,959	3,524,453
Investments in subsidiaries, associates and joint ventures		60,844			3,877			2,213,784	2,278,505
Investment property								40,754	40,754
Property, plant and equipment								601,730	601,730
Goodwill and other intangible assets								440,146	440,146
Deferred tax assets								5,403,389	5,403,389
Other assets and assets held for sale	400	17	11				8	1,468,458	1,468,894
Total Assets	2,747,586	149,690	411,199	8,484	4,215	63	10,496	64,066,289	67,398,022
LIABILITIES									
Due to banks and customers	2,358,199	101,043	56,504	1,299	14,994		186,221	54,212,756	56,931,016
Derivative financial liabilities								1,288,686	1,288,686
Debt securities in issue and other borrowed funds	4,201		21,005					2,382,972	2,408,178
Liabilities for current income tax and other taxes								18,897	18,897
Employee defined benefit obligations								27,802	27,802
Other liabilities and liabilities related to Assets for sale	1,869	1,360	278	64			757	769,728	774,056
Provisions	1,600				533		10	160,980	163,123
Total liabilities	2,365,869	102,403	77,787	1,363	15,527	-	186,988	58,861,821	61,611,758
Net balance sheet position	381,717	47,287	333,412	7,121	(11,312)	63	(176,492)	5,204,468	5,786,264
Derivatives forward foreign exchange position	(365,238)	(49,275)	(166,489)	(5,983)	(143,501)	-	180,735	571,888	22,137
Total foreign exchange position	16,479	(1,988)	166,923	1,138	(154,813)	63	4,243	5,776,356	5,808,401

The open foreign exchange position as at 31.12.2021 presents the following sensitivity analysis:

Currency	Exchange rate variation scenario against Euro (%)	Impact on net income before tax
USD	Appreciation USD 5%	867
	Depreciation USD 5%	(785)
GBP	Appreciation GBP 5%	(105)
	Depreciation GBP 5%	95
CHF	Appreciation CHF 5%	8,785
	Depreciation CHF 5%	(7,949)
RON	Appreciation RON 5%	(8,148)
	Depreciation RON 5%	7,372
ALL	Appreciation ALL 5%	1
	Depreciation ALL 5%	(1)

b. Interest Rate Risk

Interest rate risk in the banking book relates to the volatility on Equity and interest income of the Bank due to the mismatch between the non-negotiable Assets-Liabilities and the measured at fair value through other comprehensive income portfolio. The interest rate risk management framework is determined in accordance with the Asset Liability Risk Management Policy. Based on this framework, the risk analysis of the Banking Portfolio is analyzed through the Interest Rate Gap Analysis. Particularly, assets and liabilities are classified in Gaps depending on their reprising date for floating-rate items, or maturity date for fixed rate items.

For those assets and liabilities with no maturity date, the distribution of flows is based on models of their behavior analysis. These models have been validated by the competent independent Division of the Bank. Interest rate risk management is carried out by ALCO, following proposals by the Asset -Liability Management Committee, treasury division and market risk division. Stress interest rate scenarios are carried out on a monthly basis and their impact on the interest income change through EAR (Earnings at Risk) and Equity Value through EVE (Economic Value of Equity) is calculated. Corresponding limits have been set for both measures (EAR & EVE) which are monitored and presented to ALCO and RMC on a regular basis.

During 2021, the interest rate risk of the banking portfolio has been affected by the sales of Non-Performing Exposures of the Cosmos portfolio and the recognition of high repayment bonds (senior notes) guaranteed by the Greek State from the transactions of sale of Non-performing Exposures through Galaxy and Cosmos securitizations. The use of the limits for interest rate risk purposes did not present any excess during the year for the Bank.

The following table presents the Interest Rate Repricing Analysis of both Assets and Liabilities, financial and non financial.

	31.12.2021							
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	> 5 years	Non- interest bearing	Total
ASSETS								
Cash and balances with Central Banks	10,036,123						284,127	10,320,250
Due from Banks	2,699,705	315,553			294	196,963		3,212,515
Trading securities				726	890	2,982		4,598
Derivative financial assets	964,541							964,541
Loans and advances to customers	9,335,127	9,935,822	3,297,917	811,064	6,131,908	3,901,359		33,413,197
Investment securities:								
- Measured at fair value through other comprehensive income	293,726	206,084	431,704	478,915	2,511,954	1,580,537		5,502,920
- Measured at fair value through profit and loss	204,624	14,484				3,022		222,130
- Measured at amortized cost		82,086		157,947	1,010,013	2,274,407		3,524,453
Investments in subsidiaries, associates and joint ventures							2,278,505	2,278,505
Investment properties							40,754	40,754
Property, plant and equipment							601,730	601,730
Goodwill and other intangible assets							440,146	440,146
Deferred tax assets							5,403,389	5,403,389
Other Assets							1,328,087	1,328,087
Assets held for sale							140,807	140,807
Total Assets	23,533,846	10,554,029	3,729,621	1,448,652	9,655,059	7,959,270	10,517,545	67,398,022
LIABILITIES								
Due to banks	784,844	284,731	3,496		12,960,222			14,033,293
Derivative financial liabilities	1,288,686							1,288,686
Due to customers	10,112,330	3,863,308	2,593,497	3,284,666	15,406,192	7,637,730		42,897,723
Debt securities in issue and other borrowed funds	655		1,675		1,917,384	488,464		2,408,178
Liabilities for current income tax and other taxes							18,897	18,897
Employee defined benefit obligations							27,802	27,802
Other Liabilities							743,032	743,032
Provisions							163,123	163,123
Liabilities associated with Assets held for sale							31,024	31,024
Total Liabilities	12,186,515	4,148,039	2,598,668	3,284,666	30,283,798	8,126,194	983,878	61,611,758
EQUITY								
Share capital							5,188,999	5,188,999
Share premium							1,044,000	1,044,000
Reserves							(178,395)	(178,395)
Retained earnings							(268,340)	(268,340)
Total Equity	-	-	-	-	-	-	5,786,264	5,786,264
Total Liabilities and Equity	12,186,515	4,148,039	2,598,668	3,284,666	30,283,798	8,126,194	6,770,142	67,398,022
Open Exposure	11,347,331	6,405,990	1,130,953	(1,836,014)	(20,628,739)	(166,924)	3,747,403	-
Cumulative Exposure	11,347,331	17,753,321	18,884,274	17,048,260	(3,580,479)	(3,747,403)	-	-

From the Interest Rate Gap Analysis and from the application of alternative scenarios regarding the changes in the market interest rates or the changes in the base interest rates of the Bank, the immediate change in the net interest income and equity relating to securities measured at fair value through other comprehensive income is directly calculated and the respective hedging instruments. In the Interest Rate Gap Analysis, the variance, up to the point it's feasible (interest rate equals to zero), is studied, according to the interest rate curves by currency in force.

Interest rate variation scenario (parallel fall or rise in yield curves)	Sensitivity for net interest income (annual)	Sensitivity of Equity
-200	(44,490)	524,418
+200	98,887	(378,151)

39.3 Liquidity Risk

Liquidity risk relates to Bank's ability to maintain sufficient funds to cover its planned or extraordinary obligations. Liquidity Risk comprises both funding liquidity risk and the risk arising from the Bank's failure to recognize or address changes in market conditions that affect the ability to liquidate assets quickly and with minimal loss in value (market liquidity risk).

For those assets and liabilities with no maturity date, the distribution of flows is based on models of their behavior analysis. These models have been validated by the competent independent Division of the Bank.

According to Bank's Liquidity Risk Management Policy, the Board Risk Management Committee assigns the overall responsibility for overseeing asset and liability management to Asset – Liability Committee (ALCo). ALCo is responsible on one hand to monitor the quantitative and qualitative aspects of liquidity risk and on the other hand to ensure that appropriate policies and procedures are in place to control and limit liquidity risk. In addition to that, ALCo is responsible for approving the guidelines, principles, risk measurement techniques and limits that have been proposed by the Group Market and Operational Risk Division, Financial Markets Division and Asset Liability Management Division.

Bank's executive and senior management is informed on current liquidity risk exposures on a daily basis, ensuring that the Bank's liquidity risk profile stays within approved limits. Moreover, management receives on a daily basis a liquidity report, which presents a detailed analysis of Bank's funding sources and counterbalancing capacity. Among others, for the purpose of proper management of liquidity risk and in line with supervisory requirements, the Bank monitors and manages on a monthly basis, the amount, quality and concentration of counterbalancing capacity, the cash flows arising from assets and liabilities (inflows, outflows – maturity ladder) over time, the concentration and cost of funding, the rollover of funding.

The Bank calculates the Liquidity Coverage Ratio* and Net Stable Funding Ratio on a monthly and quarterly basis respectively as defined by Regulation (EU) 575/2013.

On 31.12.2021 both ratios (LCR and NSFR) exceeded the minimum acceptable supervisory threshold (100%) with Liquidity Coverage Ratio reaching 168% and 109% respectively.

* Liquidity Coverage Ratio will be published under Pillar III.

The main reports which are produced on a periodic basis in order to inform the Group's executive and senior management and the ALCo comprise the Static Liquidity Gap analysis, regulatory liquidity ratios of the Group and the subsidiaries, deposit concentration report per subsidiary per currency, Group's Loans to Deposit ratio, liquidity risk indicators and triggers as defined in Recovery Plan of each subsidiary and the Group, liquidity stress testing according to scenarios that evaluate the impact of systemic and idiosyncratic stress events on each subsidiary's liquidity position.

Stress tests are carried out on a monthly basis and/ or more frequently, for liquidity purposes, in order to assess potential outflows (contractual or contingent) to determine the level of immediate liquidity available to cover the Bank's needs. These tests are carried out according to the approved Liquidity Risk Policy of the Group and evaluate the risk in idiosyncratic extraordinary events (idiosyncratic stress test) in the Bank's liquidity, in systemic (systemic stress test) as well as combined events (combined stress test), while it has to be noted that stress tests are also used in order to determine the Liquidity buffer for recovery purposes. According to the policy and within the context of ILAAP, the Bank also applies a reverse stress test in order to examine its impact on its liquidity.

Taking into account that liquidity risk management seeks to ensure that the respective risk of the Group is measured properly and is maintained within acceptable levels, even under adverse conditions, then the Group must have access to funds in order to cover customer needs, maturing liabilities and other capital needs, while maintaining at the same time the appropriate counterbalancing capacity to ensure the above.

More analytically, the total funding can be divided into two main categories:

A. Customer Deposits

1. Customer deposits on demand for cash flow needs

Deposits that are intended to meet short term needs of customers are the savings accounts and the sight deposits. Although these deposits may be withdrawn on demand, the number of accounts and type of depositors ensure that unexpected significant fluctuations are limited. Therefore, these deposits constitute a significant factor of stability of the deposit base.

2. Customer term deposits and bonds for investment purposes

The customer term deposits and bonds for investment purposes issued by the Group companies usually consist of customer deposits for a certain period and customer repurchase agreements (repos), whereas the bonds issued by the Group companies are disposed through outright sale. Customers have the ability of early withdrawal of deposits or early liquidation of bonds which may result in potential need of finding alternative liquidity in case of extensive outflows.

For this purpose and for the general safety of customer deposits, the Bank takes care for the existence of adequate liquidity surpluses which are calculated based on stress testing exercises due to loss of liquidity or the existence of sufficient credit lines of financial instruments as shown below.

B. Wholesale funding

1. Medium-term borrowing from international capital markets

The Bank's constant aspiration is to cooperate with international investors who may offer medium term financing through purchase of securities issued by the Group companies. For this purpose, the Bank retains special financing programs appealing to international investors and provides adequate coverage of credit needs through international capital markets by planning asset level needs on an annual basis. However, the Bank acknowledges that the demand of these bonds may not be enough to fully meet the needs in specific time intervals as a result of factors which concern the credit assessment in the domestic and international economic environment.

2. Funding by Central Banks

An alternative way of Bank funding is the liquidity from financial instruments of the Central Banks- Euro system and especially from the European Central Bank (ECB). This funding regards loan granted with pledge of assets according to instructions and the eligible assets determined by the ECB. During the last years this additional source funding has become a major financial instrument by hedging the inadequate or loss of basic forms of Bank funding. Furthermore, under the period on which Greece is under the restructuring program of economy and fiscal improvement of financial figures and simultaneously servicing financing needs of the network of institutions that have the supervision of the program, the Bank can use available assets in order to increase liquidity from the Euro system to cover any financing gap. The Bank recognizes the short-term nature of this liquidity source and pursues gradually to release, if circumstances allow. However, for as long as the country is experiencing financial and economic crisis, the Bank ensures the smooth financing from these financial instruments which may be either conventional marginal lending from the ECB (MRO), as financing from the Emergent Liquidity Assistance from Bank of Greece (ELA) has been completely eliminated since February 2019. 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 Euro system.

The announcements of the European Central Bank, on the dates 7.4.2020, 22.4.2020 and 10.12.2020, regarding a broad set of policy measures, in order to mitigate the economic impact of the coronavirus pandemic, are still in force. Among these measures was the waiver to accept Greek sovereign debt instruments as collateral in Eurosystem credit operations. Greek Treasury Bills and Greek Government Bonds, are eligible to be used as collateral for ECB financing, even though they do not meet minimum ECB rating requirements. According to ECB, these measures recognize the recent progress achieved by the Hellenic Republic and the Greek banking system from the economic fallout of the pandemic, and helps funding access across the euro area.

Already from 24.6.2020, the Bank participated in the TLTRO III program which provides long-term financing with a conventional negative interest rate -0.5%. It is noted that the financing rate of this program can be set at -1% for the period from June 2020 to June 2022, provided that specific goals have achieved, regarding the amount of the Bank's loans granted for individual periods. In particular:

- If the amount of loans granted under the program, for the period March 2020 - March 2021, remains at the levels of March 2020, the interest rate will be -1% for the period June 2020 - June 2021 and -0.5% for the remaining duration of the financing.
- In addition, if the loans granted for the period October 2020 - December 2021 remain at the levels of October 2020, the borrowing rate can be set at -1% for the period June 2021 - June 2022.

Moreover, following the announcement of 10.12.2020, three additional dates for participation in this program were added (June, September and December 2021) and the borrowing allowance under TLTRO III was increased from 50% to 55% of eligible loans.

European System funding amounted to € 12.9 billion on 31.12.2021, derived exclusively from the Targeted longer-term refinancing operations (TLTRO-III). Through the financing of this program, the Bank managed to extend the time horizon of its financing into long-term loans as well as to improve the pricing conditions in relation to the repurchase agreements, which in 2021 decreased by €0.3 billion

According to the Liquidity Gap Analysis, the cash flows arising from balance sheet items are calculated and classified into time periods in accordance with the contractual maturity date or an estimated date based on a statistical analysis (convention). An exception to the above, are the securities portfolios, which can contribute directly to raise liquidity, and they are allocated in the first period under the condition they have not been used to raise liquidity either by the Central Bank or through interbank repos.

	31.12.2021					
	< 1 month	1 to 3 months	3 to 6 months	6 to 12 months	> 1 year	Total
Assets						
Cash and balances with central banks	10,320,250					10,320,250
Due from banks	2,527,119	37,119	36,077	416	611,784	3,212,515
Trading securities	4,598					4,598
Derivative financial assets	964,541					964,541
Loans and advances to customers	762,870	1,117,114	1,104,435	2,510,846	27,917,932	33,413,197
Investment securities						-
- Measured at fair value through other comprehensive income	5,502,920					5,502,920
- Measured at fair value through profit or loss	222,130					222,130
- Measured at amortized cost				122,683	3,401,770	3,524,453
Investment in subsidiaries, associates and joint ventures					2,278,505	2,278,505
Investment properties					40,754	40,754
Property, plant and equipment					601,730	601,730
Goodwill and other intangible assets					440,146	440,146
Deferred tax assets		497,494		57,431	4,848,464	5,403,389
Other Assets					1,328,087	1,328,087
Assets held for sale		42,134	52,895	45,778		140,807
Total Assets	20,304,428	1,693,861	1,193,407	2,737,154	41,469,172	67,398,022
Liabilities						
Due to banks	596,533	5,225	11,439	76,432	13,343,664	14,033,293
Derivative financial liabilities	1,288,686				-	1,288,686
Due to customers	6,951,719	4,017,511	2,824,803	3,747,277	25,356,413	42,897,723
Debt securities in issue held by institutional investors and other borrowed funds			1,675		2,406,503	2,408,178
Liabilities for current income tax and other taxes				18,897	-	18,897
Employee defined benefit obligations					27,802	27,802
Other Liabilities					743,032	743,032
Provisions					163,123	163,123
Liabilities related to assets held for sale			31,024			31,024
Total Liabilities	8,836,938	4,022,736	2,868,941	3,842,606	42,040,537	61,611,758
Equity						
Share capital					5,188,999	5,188,999
Share premium					1,044,000	1,044,000
Reserves					(178,395)	(178,395)
Retained earnings					(268,340)	(268,340)
Total Equity	-	-	-	-	5,786,264	5,786,264
Total Liabilities and Equity	8,836,938	4,022,736	2,868,941	3,842,606	47,826,801	67,398,022
OPEN LIQUIDITY GAP	11,467,490	(2,328,875)	(1,675,534)	(1,105,452)	(6,357,629)	
CUMULATIVE LIQUIDITY GAP	11,467,490	9,138,615	7,463,081	6,357,629		

Trading and Investment portfolios measured at fair value through profit or loss and through other comprehensive income are listed based on their liquidity potential and not according to their maturity.

Cash flows arising from financial liabilities including derivative financial liabilities, are allocated into time bands according to their maturity date. Estimated interest payments are also included. Liabilities in foreign currency have been converted into Euro. Outflows and inflows relating to derivatives are estimated according to their contractual terms.

	31.12.2021						
	Total Balance Sheet	Nominal inflows / (outflows)					Total
		to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	More than 1 year	
Liabilities- non-derivative							
Due to banks	14,033,293	(590,899)	5,702	4,623	(44,235)	(13,218,045)	(13,842,856)
Due to customers	42,897,723	(6,952,863)	(4,019,932)	(2,829,071)	(3,757,728)	(25,438,848)	(42,998,442)
Debt securities in issue and other borrowed funds	2,408,178	(7,285)	(13,859)	(23,040)	(43,183)	(2,567,459)	(2,654,826)
Other liabilities	743,032	(2,427)	(4,826)	(6,960)	(12,877)	(723,242)	(750,332)
Derivative held for assets fair value hedge	926						
- Outflows			(19,256)	(138)	(135)		(19,529)
- Inflows			18,721		597		19,318
Derivatives held for liabilities fair value hedge	11,351						
- Outflows			(2,452)			(13,889)	(16,341)
- Inflows			2,162	1,999	3,444	9,962	17,567
Derivatives held for trading	1,276,411						
- Outflows		(284,335)	(650,633)	(144,403)	(183,858)	(1,429,994)	(2,693,223)
- Inflows		280,532	583,177	89,148	175,203	991,950	2,120,010
Total	61.370.914	(7.557.278)	(4.101.196)	(2.907.842)	(3.862.772)	(42.389.566)	(60.818.654)
Off Balance sheet items							
Financial guarantees		(115,085)	(68,142)	(112,447)	(334,620)	(1,819,367)	(2,449,661)
Total off Balance sheet items	-	(115,085)	(68.142)	(112.447)	(334.620)	(1.819.367)	(2.449.661)

39.4 Fair value of financial assets and liabilities

Hierarchy of financial instruments that are not measured at fair value

	31.12.2021				
	Level 1	Level 2	Level 3	Total fair value	Total Carrying amount
Financial Assets					
Loans and advances to customers			32,716,864	32,716,864	33,229,914
Investment securities					
- Measured at amortized cost	2,041,471	1,447,110		3,488,581	3,524,453
Financial liabilities					
Due to customers			42,880,161	42,880,161	42,897,723
Debt securities in issue	1,402,339	1,009,377		2,411,716	2,408,178

The above table sets out the fair values, classified by fair value hierarchy, and carrying amounts of those financial assets that are not measured at fair.

The fair value of loans measured at amortised cost is estimated using the discounting cash flow model for the contractual cash flows to maturity. The components of the discount rate are the interbank market yield curve, the liquidity premium, operational cost, capital requirement and the expected loss rate. For the loans that for credit risk purposes would be classified as impaired and are individually assessed for impairment, the model uses the expected future cash flows after the allowance of expected credit losses. For the fair value of the impaired loans which are individually assessed for impairment, estimates are made for principal repayment after taking into account the allowance for expected credit losses.

The interbank market yield curve, the liquidity premium, the operational cost and the capital requirement serve as the discount rate for the impaired loans.

The fair value of the bonds that are classified as Loans and advances to customers is measured at amortised cost using the discounting cash flow model for the contractual cash flows to maturity taking into account their credit risk.

The fair value of deposits is estimated based on the interbank market yield curve, the operational cost and the liquidity premium until their maturity.

Level 1 includes securities and debt securities in issue that are traded in active markets.

Level 2 includes debt securities in issue, the fair value of which, is determined based on non-binding market prices provided by dealers-brokers or securities the fair value of which is determined through the use of discounted cash flow methodologies such (income approach) using interest rates and credit spreads that are observable in the market.

The fair value of other financial assets and liabilities that are measured at amortised cost and include mainly dues from credit institutions and central banks as well as dues to credit institutions does not materially differ from their carrying amount.

Fair Value hierarchy - financial assets and liabilities measured at fair value

	31.12.2021			Total fair value
	Level 1	Level 2	Level 3	
Derivative financial assets	320	964,221		964,541
Trading securities				
- Bonds and Treasury bills	3,819			3,819
- Shares	779			779
Securities measured at fair value through other comprehensive income				
- Bonds and Treasury bills	5,205,573	271,841	886	5,478,300
- Shares	18,214		6,406	24,620
Securities measured at fair value through profit or loss				
- Bonds and Treasury bills			167,978	167,978
- Other variable yield securities	6,741	18,853		25,594
- Shares		19,708	8,853	28,561
Loans measured at fair value through profit or loss			143,283	143,283
Receivables measured at fair value through profit or loss			40,000	40,000
Derivative financial liabilities		1,288,686		1,288,686

The above table presents the fair value hierarchy of financial instruments measured at fair value by the level of the fair value hierarchy.

Level 1 includes securities which are traded in an active market and exchange-traded derivatives.

Level 2 includes securities whose fair value is calculated based on non-binding market prices provided by dealers-brokers or securities whose fair value is estimated based on the income approach methodology with the use of interest rates and credit spreads which are observable in the market.

Level 3 includes securities whose fair value is estimated using significant unobservable inputs.

The valuation methodology of securities is subject to approval by the Assets Liabilities Management Committee. It is noted that specifically for securities whose fair value is calculated based on market prices, bid prices are considered and daily checks are performed with regards to their change in fair value.

The fair value of loans measured at fair value through profit or loss, is estimated based on the valuation methodology as described above regarding the disclosure of the fair value of loans measured at amortized cost.

Shares whose fair value is estimated are classified to Level 2 or Level 3, depending on the extent of the contribution of unobservable data to the calculation of the final fair value. The fair value of non-listed shares, as well as of shares not traded in an active market is determined either based on the Bank's shareholding on the issuer's equity or by the multiples valuation method or the estimations made by the Bank regarding the future profitability of the issuer taking into account the expected growth rate of its operations, as well as the weighted average rate of capital return which is used as discount rate.

For the valuation of over the counter derivatives income approach methodologies are used: discounted cash flow models, option-pricing models or other widely accepted financial valuation models.

The valuation methodology of derivatives is subject to approval by Assets Liabilities Management Committee. Mid prices are considered as both long and short positions may be open. Valuations are checked on a daily basis with the respective prices of

the counterparty banks in the context of the daily process of provision of collaterals and settlement of derivatives. If the non-observable inputs are significant, the fair value that arises is classified as Level 3 or otherwise as Level 2. We note that the Euro reference rate in interest rate swaps, changed from Euro overnight index average (EONIA) to Euro short term rate (€ STR). Due to the change in valuation methodology the fair value of the derivatives was changed and at the same time a compensation amounting to €2,933 was collected and recognized in gains less losses on financial transactions for the period, so that there is no transfer of value between the two parties.

In addition, the Bank calculates the credit valuation adjustment (CVA) in order to take into account the counterparty credit risk for the OTC derivatives. In particular, taking into consideration its own credit risk, the Bank calculates the bilateral credit valuation adjustment (Bilateral CVA/BCVA) for the OTC derivatives held on a counterparty level according to netting and collateral agreements in force. BCVA is calculated across all counterparties with a material effect on the respective derivative fair values taking into consideration the default probability of both the counterparty and Bank, the impact of the first to default, the expected OTC derivative exposure, the loss given default of the counterparty and of Bank and the specific characteristics of netting and collateral agreements in force.

Collaterals are simulated along with the derivative portfolio exposure over the life of the related instruments. Calculations performed depend largely on observable market data. Market quoted counterparty and Bank's CDS spreads are used in order to derive the respective probability of default, a market standard recovery rate is assumed for developed market counterparties, correlations between market data are taken into account and subsequently a series of simulations is performed to model the portfolio exposure over the life of the related instruments. In the absence of observable market data, the counterparty probability of default and loss given default are determined using the Group's internal models for credit rating and collateral valuation. BCVA model is validated from an independent division of the.

A breakdown of BCVA per counterparty sector and credit quality, as defined for the presentation purposes of the table "Loans by credit quality and IFRS 9 Stage" is given below:

	31.12.2021
Category of counterparty	
Corporates	(904)
Governments	(11,144)

	31.12.2021
Hierarchy of counterparty by credit quality	
Strong	(246)
Satisfactory	(11,802)

The table below presents the valuation methods used for the measurement of Level 3 fair value:

	31.12.2021			
	Total Fair Value	Fair Value	Valuation Method	Significant Non-observable Inputs
Derivative Financial Assets			Cash flow discount at subject interest rates	Assessment of the adequacy of reserves for the payment of dividends on hybrid securities
Bonds measured at fair value through other comprehensive income	886	886	Based on issuer price / Cash flow discount with an estimate of the bond yield	Issuer price
Shares measured at fair value through other comprehensive income	6,406	6,406	Discounted cash flows / Multiples valuation)/WACC	Future profitability of the issuer, expected growth / Valuation ratios / Weighted average cost of capital
Bonds measured at fair value through profit or loss	167,978	167,978	Based on issuer price / Discounted cash flows with estimation of credit risk	Issuer price / Credit spread - Future Cashflows/Assessment of the adequacy of reserves for the payment of dividends on hybrid securities
Shares measured at fair value through profit or loss	8,853	8,853	Discounted cash flows / Multiples valuation method / Expected transaction price	Future profitability of the issuer, expected growth/ Valuation ratios
Loans measured at fair value through profit or loss	143,283	143,283	Discounted cash flows with interest being the underlying instruments, taking into account the counterparty's credit risk	Expected loss and cash flows from counterparty' credit risk
Other receivables measured at fair value through profit or loss	40,000	40,000	Discounted cash flows of the underlying receivables portfolio	Cash Flows from the management of the underlying receivables portfolio

The Bank recognizes the transfer between fair value hierarchy Levels at the end of each reporting period.

During the year, corporate bonds which were included in the bonds measured at fair value through other comprehensive income were transferred from Level 2 to Level 1 in the total amount of € 22,155 due to the formation of the liquidity margin (bid-ask spread) within the limit set for the classification of the market as active.

A reconciliation for the movement of financial assets measured at fair value and classified as Level 3 is depicted below:

	31.12.2021			
	Assets			
	Securities measured at fair value through other comprehensive income	Securities measured at fair value through profit or loss	Loans measured at fair value through profit or loss	Other receivables measured at fair value
Balance 17.4.2021	8,427	176,532	245,962	40,321
Total gain or loss recognized in Income Statement	1	423	(28,907)	(321)
- Net Interest Income	-	499	5,396	
- Results of financial transactions	1	(76)	(34,303)	(321)
- Impairment losses				
Total gain/ (loss) recognized in Equity-Reserves	6			
Total gain or loss recognized in Equity-Retained Earnings	(1,072)			
Purchases / Issues/ Disbursements		35	5,756	8,599
Sales			(9,279)	
Repayments	(70)	(159)	(70,249)	(8,599)
Settlements				
Transfer in Level 3 from Level 1				
Transfer in Level 3 from Level 2				
Transfer out of Level 3 due to acquisition of control				
Transfer to "Assets held for sale"				
Balance 31.12.2021	7.292	176,831	143,283	40,000
Gain/(loss) included in the income statement and relate to financial instruments included in the balance sheet at the end of the reporting period 17.4 - 31.12.2021	1	551	(39,874)	
- Net Interest Income		499	4,224	
- Results of financial transactions	1	52	(44,098)	
- Impairment losses				

Other receivables measured at fair value through profit or loss relate to a receivable from a variable consideration of €40,000.

In the item "Purchases / Issues / Disbursements" of the category "Other receivables valued at fair value includes a contingent consideration of € 8,599 in Cepal's sale transaction received in August 2021 and a contingent consideration connected to Cepal Holdings' estimated Earnings before Depreciation ,Taxes and Interest (EBITDA) of the next six years and which on 31.12.2021 was estimated at zero value.

A sensitivity analysis of financial instruments classified at Level 3 whose valuation was based on significant unobservable data as at 31.12.2021:

31.12.2021							
	Significant Non-observable inputs	Quantitative information of non-observable inputs	Change in non-observable inputs	Total effect in income statement		Total effect in Equity	
				Favourable variation	Unfavourable variation	Favourable variation	Unfavourable variation
Derivative Financial Assets	Assessment of the adequacy of reserves for the payment of dividends on hybrid securities	From 2024 until the end, probability 100%	Increase the chance of paying dividends to 100%		(504)		
Bonds measured at fair value through other comprehensive income	Issuer price	Issuer price equal to 98.25%	Variation +/-10% in issuer price			89	(89)
Shares measured at fair value through other comprehensive income	Future profitability of issuer, expected growth / Valuation indexes/ Weighted average cost of capital	Valuation indexes P/BV 0,43x,	Variation +/-10% in P/B and EV/Sales multiples valuation method. Wacc +/-1%			269	(269)
Bonds measured at fair value through profit or loss	Issuer price/ credit spread	Issuer price equal to 92% / Average credit spread equal to 983 bps, From 2024 until the end, probability 100%	Variation +/- 10% in issuer Price, -/+ 10% in adjustment of estimated / Credit Risk, - / + 1 year on the date of commencement of dividend payment	5,184	(5,097)		
Shares measured at fair value through profit or loss	Valuation indexes	Adjustment of cash flows discount based on the Buyer's business plan (expected average percentage of completion 90%)	Business plan percentage of completion: application of scenarios of change of the expected cash flows of BP by +/-35%	1,700	(2,600)		
Loans measured at fair value through profit or loss	Expected credit loss and cash flows from credit risk of the counterparty	Average credit spread and liquidity premium equal to 31.68%	Decrease of the expected cash flows by 10% on individually assessed loans	3,016	(3,016)		
	Future cash flows*	Recoverability of cash flows	Change in cash flow recoverability ratio, Cost of capital discount rate	517	(1,298)		
Other receivables measured at fair value through profit or loss	Cash flows from management of subject receivables portfolio	Value of property collateral € 607.6 mil. And third party receivables € 42.4 mil.	Variation +/-4% to property collateral valuation. Variation +/- 33% to third party receivables	9,000	(7,000)		
Total				19,417	(19,515)	358	(358)

* Relates specifically to the Galaxy and Cosmos bonds which are included in the caption "Loans measured in fair value through profit and loss".

Regarding the contingent consideration for the Cepal transaction, conducting a sensitivity analysis with a change of +/- 10% in the estimated profits of the company, the value ranges between zero and € 9.1 million.

There are no correlations between the non-observable data that significantly affect the fair value.

39.5 Transfers of financial assets

The Bank in its ordinary course of business, transfers financial assets. In cases that, despite the transfer of the contractual right to receive cash flows, the risks and rewards remain with the Bank, these assets continue to be recognized on the balance sheet.

As at 31.12.2021 the financial assets that have not been derecognized, despite the contractual transfer of their cash flows, derive from the following two categories:

a) Securitization of financial assets

The Bank has securitized corporate, shipping and retail loans and credit card loans in order to draw liquidity. In the context of these securitization transactions, these assets have been transferred to special purpose entities fully consolidated by the Group which have issued bonds. The securitized financial assets continue to be recognized in loans and advances to customers as the Bank retains all risks and rewards associated with them. This is justified by several factors, which include the full consolidation of the special purpose entities, retention of the notes issued and the right to receive the deferred consideration from the transfer. As a result of the holding of the notes by the Bank, there is substantially no liability associated with the transfer. The book value of the securitized receivables at 31.12.2021 amounts to € 1,161,298.

In addition, on 28.6.2021 the Bank securitized non performing loans which were transferred to the fully consolidated special purpose entity "Gemini Core Securitisation DAC" based in Ireland and established for this purpose, which in turn issued notes. The Bank continues to recognize the loans since the Bank retains all risks and rewards due to the ownership of the notes issued by the special purpose entity. The book value of these securitized loans as at 31.12.2021 amounts to € 4,526,627, and there is practically no liability from the transfer.

b) Sale and repurchase agreements of debt securities

The Bank as at 31.12.2021, has transferred certain Greek Government Bonds and Treasury Bills, bonds of other issuers and other sovereign bonds under agreements to repurchase. These securities continue to be recognized in the investment and trading portfolios of the Bank and the related amounts are listed below.

	31.12.2021			
	Securities measured at fair value through other comprehensive income		Securities Measured at Amortised Cost	Trading Portfolio
	Greek Government Bonds and Treasury Bills	Other Issuers' Bonds	Greek Government Bonds and Treasury Bills	Greek Government Bonds and Treasury Bills
Carrying amount of the securities transferred	11,400	18,869	241,064	1,184
Carrying amount of the related liability	(10,963)	(15,178)	(231,790)	(1,138)
Fair value of securities transferred	11,400	18,869	243,333	1,184
Fair value of the related liability	(10,963)	(15,178)	(231,790)	(1,138)
Equity	437	3,691	11,543	46

39.6 Offsetting financial assets – liabilities

The following tables present derivative transactions under International Swaps and Derivatives Association (ISDA) contracts, which are signed with credit institutions as counterparties, as well as repurchase agreements for which a global master repurchase agreement is in force. In accordance with these contracts, the Bank is able to offset its assets and liabilities relating to a counterparty in case of a credit default.

Financial assets subject to offsetting

31.12.2021						
	Gross amount of recognized financial assets	Gross amount of recognized financial liabilities offset	Net amount of financial assets presented in the balance sheet	Related amounts not offset		Net Amount
				Financial instruments	Cash collateral received	
Derivatives	796,424	-	796,424	(230,602)	(12,514)	553,308
Reverse repos	1,178,903	100,828	1,078,075	(292,907)	(3,347)	781,821

Financial liabilities subject to offsetting

31.12.2021						
	Gross amount of recognized financial liabilities	Gross amount of recognized financial assets offset	Net amount of financial liabilities presented in the balance sheet	Related amounts not offset		Net Amount
				Financial instruments	Cash collateral Paid	
Derivatives	1,259,361	-	1,259,361	(230,602)	(1,026,197)	2,562
Repos	408,881	100,828	308,054	(292,912)	(40)	15,102

Reconciliation of the net amount of financial assets and liabilities presented in the balance sheet

31.12.2021				
	Note	Net amount presented in the balance sheet	Carrying amount of financial assets in the balance sheet	Financial assets not in scope of offsetting disclosures
Type of financial asset				
Derivative financial instruments	18	796,424	964,541	168,117
Reverse repos	16	1,078,075	1,078,075	-

31.12.2021				
	Note	Net amount presented in the balance sheet	Carrying amount of financial liabilities in the balance sheet	Financial liabilities not in scope of offsetting disclosures
Type of financial liability				
Derivative financial instruments	18	1,259,361	1,288,686	29,326
Repos	27	308,054	308,054	-

In addition, it is disclosed that within the framework of the abovementioned contracts, apart from the cash collateral received, securities of nominal amount of € 750,000 have been used as collateral.

39.7 Disclosures on interest rate benchmark reform

As of January 2022, the London Interbank Interest Rate (LIBOR), one of the main and most important interest rate benchmarks used in global financial markets, has been abolished or ceased to be representative. Specific LIBORs indexes in English pounds (GBP) and Japanese Yen (JPY) benchmarks, following instructions from the UK Financial Conduct Authority, will continue to be published using a different calculation methodology known as "Synthetic", for a limited period of time, in order to facilitate the transition. In addition, the continuation of some specific durations of LIBORs benchmarks in US Dollar (USD) until June 30, 2023 has the sole purpose of supporting the transition of existing products (legacy products).

The Bank took all the necessary measures for the timely preparation of the transition to the new alternative reference rates. More specifically, it proceeded with the following actions:

- Creation of a detailed road map with all the necessary actions that the Bank had to implement to prepare for the transition.
- Establishment of an Internal Working Group with the participation of several Divisions which covered all the involved work areas under the coordination of a PMO.
- Establishment of a Steering Committee with members the Directors of core Divisions whose work was considered crucial for the completion of the project, which closely monitored the transition to the new alternative reference rates, informing the Assets Liabilities Management Committee of the Bank about the progress and the challenges of the transition.
- Continuous monitoring of developments resulting from the National Working Groups to address structural and legal challenges.
- Cooperation with supervisory authorities and bodies of the sector, aiming to ensure a smooth transition for the Bank and its customers.

Indicatively, the main actions that took place are mentioned:

- The Bank's exposure to financial products inside and outside the Balance Sheet that are related to these reference interest rates and had maturities after 1/1/2022 was quantified.
- A transition strategy was created for contracts brought by LIBORs which expired or ceased to be representative on 1/1/2022, based on guidelines from the National Working Groups and the supervisory authorities
- The Legal Services made the necessary amendments to the relevant contracts to be compatible with the new reference rates and local law by forming fallback clauses.
- The Bank proceeded to a new configuration of all IT systems, depending on the needs, in collaboration with the vendors and in accordance with the operational requirements of the units involved to support the new reference interest rate.
- The Bank informed in advance its clientele about the transition from LIBOR by uploading on its website all the relevant information updating their content on an ongoing basis. In addition, personalized information was provided to customers with contracts that were directly affected by the transition to the new alternative interest rates.

On August 27, 2020, the International Accounting Standards Board amended IFRS 9, IAS 39 and IFRS 7 in the context of the 2nd phase of the project to address the accounting issues that arise due to the interest rate reform. These amendments are effective from 1.1.2021 and the basic powers they provide are as follows:

- Changes in contractual cash flows: When changing the basis for calculating the cash flows of financial receivables and liabilities, the changes required by the interest rate reform do not lead to a recognition of a gain or loss on income statement but to a recalculation of interest rate.
- Hedge accounting: changes in the hedging documentation resulting from interest rate reform do not result in termination of the hedging relationship or the commencement of a new relationship provided that they relate to changes permitted by the 2nd phase of amendments.

The adoption of the above amendments did not have an impact on the Bank's financial statements as on the one hand the Bank makes use of the option provided regarding changes in contractual cash flows, and on the other hand the hedging instruments used in hedging relationships have Euribor as the reference interest rate which remains in force and is not replaced by any alternative interest rate.

The table below presents the exposure of the Bank per significant reference rate in derivatives and non-derivative financial assets and liabilities, which, as at a 31.12.2021, have not been transferred to alternative reference rates.

	Financial assets	Derivative financial instruments-receivables
	Loans	
USD Libor	2,537,231	529,556
CHF Libor	434,511	
GBP Libor	34,028	
JPN Libor	5,314	
Total	3,011,084	529,556

The amounts of the financial assets that are disclosed are the customer balances, while the derivatives are disclosed in nominal values.

39.8 Assessment of the impact of the conflict between Russia and Ukraine and the ensuing sanctions

The Bank closely monitors the effects of the conflict and the ensuing sanctions to assess the medium-term effects on the country, its customers and its financial system. At household level, disposable income is expected to be affected by inflationary pressures due to the overall increase in energy prices which will consequently lead to an increase in the cost of producing consumer goods.

Regarding the readiness and ability of the Bank to apply sanctions, the terms of the restrictive measures vary in terms of their classification depending on the type of transaction / range, currency, country, Banks, customers, and Organization that imposes them. The responsible Divisions of the Bank are to proceed with the adjustment of the operating procedures in a short period of time, for the Bank to fully comply with the relevant obligations and instructions. In addition, after examining the list of suppliers and the active contracts of the Bank, there is no dependence on the part of the supplier with any company from the countries directly involved in the conflict.

Regarding cybersecurity, the Bank has intensified the monitoring and analysis of alarms both internally and through the receipt of analysis and reaction with increased sensitivity to data related to the Russian-Ukraine conflict. The Bank is in regular communication with the national authorities as well as with the commercial threat intelligence services and their members (FS-ISAC and Forum of Incident Response and Security Teams). The relevant information is disclosed to the Group companies as well as to the other Greek Banks for mutual information and coordinated activity if required.

As the Russia / Ukraine conflict continues to evolve, any impact assessment is premature. However, the Bank has an established and robust "Unlikeliness to Pay (UTP)" process for assessing borrowers' viability and long-term ability to repay. The UTP process takes place during the periodic review of the existing limits, upon request for new lending, upon extraordinary requests, upon notification of the Wholesale Banking Credit Board or when considering a request for modification and the corresponding implementation for Retail Banking. The UTP process in combination with the mechanism of the Early Warning System that exists, ensure the timely detection of events by the Bank, at the level of the borrower (legal entities and individuals) and the portfolio, as well as the relevant actions to be taken for the management of these borrowers.

40. Capital adequacy

The policy of the Bank is to maintain strong capital ratios and ample buffers over requirements in order to ensure the achievement of the Bank's business plan and the development and trust of depositors, shareholders, markets and business partners.

Share capital increases are conducted following resolutions of the General Meeting of Shareholders of Board of Directors, in accordance with articles of incorporation or relevant laws.

For the period that the Hellenic Financial Stability Fund (HFSF) participates in the Share Capital of the Bank, the purchase of own shares is not permitted without its consent, based on the relevant provisions of the Relationship Framework Agreement (RFA) signed between the Bank and the HFSF.

The Capital Adequacy ratio compares the Bank's regulatory capital with the risks that it undertakes (Risk Weighted Assets - RWAs). Regulatory capital includes Common Equity Tier 1 (CET1) capital (share capital, reserves, minority interests), Additional Tier 1 capital (hybrid securities) and Tier 2 capital (subordinated debt). RWAs include the credit risk of the investment portfolio (including also counterparty credit risk and CVA risk), the market risk of the trading book and the operational risk.

Alpha Bank S.A., as a systemic bank, is supervised by the Single Supervisory Mechanism (SSM) of the European Central Bank (ECB), to which reports are submitted every quarter. The supervision is conducted in accordance with the European Regulation 575/2013 (CRR) as amended, inter alia, by Regulation (EU) 876/2019 (CRR 2) and the relevant European Directive 2013/36 (CRD IV), as incorporated into the Greek Law through the Law 4261/2014 as amended, inter alia, by Directive (EU) 2019/878 (CRD V) and incorporated by Law 4799/2021.

For the calculation of capital adequacy ratio the above regulatory framework is followed. In addition:

- Besides the 8% capital adequacy limit, there are applicable limits of 4.5% for CET 1 ratio and 6% for Tier 1 ratio, respectively
- The maintenance of capital buffers additional to the CET1 capital are required. In particular the Combined Buffer Requirement (CBR) consisting of:
- the Capital conservation buffer stands at 2.5%.
- the following capital buffers set by the Bank of Greece through Executive Committee Acts:
 - Countercyclical capital buffer equal to “zero percent” (0%) for 2021

These limits should be met on a standalone basis.

The table below presents the Capital Adequacy Ratios for the Bank:

	31.12.2021	31.12.2021 (pro forma)*
Common Equity Tier I Ratio	13.4%	13.8%
Tier I Ratio	13.4%	13.8%
Capital Adequacy Ratio*	16.5%	16.9%

* The above ratios include year end results

As part of the strategic capital management during 2021, Alpha Bank S.A. has completed:

- On 19 April 2021 the placement of a Euro 500 million Tier 2 bond with institutional investors, maturing on 13.2.2031, with a coupon of 4.45%, callable on 13.2.2027 and the placement of a Euro 500 million Tier 2 bond with institutional investors, maturing on 11.6.2031, with a coupon of 5.7%, callable at 13.6.2026. After the call date, both issuances have a coupon reset which is based on the 5 years swap rate plus a spread of 4.69% and 5.99%, respectively. Both placements were covered by Alpha Services & Holdings
- On 28 July 2021 the share capital increase of € 1,0 billion in cash
- On 29 December 2021 the share capital increase of € 0,16 billion in cash.

Measures taken for the banks in order to tackle Covid-19 pandemic

As the economic effects of the coronavirus (COVID-19) started becoming apparent, the ECB, the European Banking Authority (EBA) and the European Commission (EC), announced a number of measures to ensure that the banks they supervise will continue to fulfil their role in funding the real economy.

Specifically, starting from March 2020, the ECB and the EBA announced the following relaxation measures for the minimum capital requirements for Banks in the Eurozone:

- Banks are temporarily allowed to operate below the level of capital defined 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.
- Furthermore, the change expected in January 2021 under CRD V regarding the composition of the Pillar 2 requirement (P2R) buffer was brought forward allowing the (P2R) to be covered by Additional Tier 1 (AT1) capital by 18.75% and Tier 2 (T2) capital by 25% and not only by CET 1.
- In parallel ECB issued a recommendation to banks to limit the payment of dividends and share buy-backs. According to a press release issued by the ECB on 23 July 2021 this recommendation remains applicable until 30 September 2021. In addition, on 23 July 2021, the ECB announced that it expects that banks will adopt a prudent and forward-looking approach when deciding on remuneration policies.

The European Commission decided to revise the existing regulatory framework by bringing forward regulations that would normally come with the CRR2/CRDV framework as well as provide a greater flexibility to the phase-in of the impact of the IFRS 9 on capital. The revised framework was published in the Official Journal of the European Union as at June 22, 2020.

On 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 22 December 2020, the Commission Delegated Regulation (EU) 2020/2176 of the Council of 12 November 2020, amending Delegated Regulation (EU) 241/2014 concerning the deduction of software assets from CET1 items, was published in the Official Journal of the European Union.

EU-Wide 2021 Stress test

Following the postponement of the 2020 Stress Test due to the outbreak of COVID – 19 (Coronavirus) and its global spread, the European Banking Authority (EBA) launched the 2021 EU-wide Stress Test on 29 January 2021.

The Stress Test was conducted based on a static balance sheet approach under a baseline and an adverse macro scenario with a 3-year forecasting horizon (2020-2023). The exercise will be used as an input in the Supervisory Evaluation Process (SREP).

The results of the exercise were published on 30 July 2021. According to the results Alpha Services and Holdings (Group) successfully concluded the 2021 EU-wide Stress Test under both scenarios. More specifically:

- Under the baseline scenario, the capital generation for the 3-year period was 2.8% fully absorbing 2.4% IFRS 9 phase-in, resulting in 2023 to a CET1 fully loaded ratio of 17.3% while the 2023 Leverage ratio (fully loaded) came to 13.0%.
- Under the adverse scenario, the 2023 CET1 fully loaded ratio stood at 8.3%, largely driven by the negative impact of Credit Risk, with the lowest point of CET1 fully loaded at 8.1%, in 2022. The 2023 Leverage ratio (fully loaded) resulted in 6.1%.
- The Stress Test methodology does not take into account capital strengthening (i.e. Tier II issuance, Share Capital Increase) and balance sheet de-risking (i.e. Galaxy transaction), events post December 31st, 2020. Pro-forma¹ with the Share Capital Increase for the baseline scenario, the 2023 CET1 fully loaded ratio reached 19.1%, while the 2023 Leverage ratio (fully loaded) came to 14.4%. Under the adverse scenario, the 2023 CET1 fully loaded ratio stood at 10.2%, while the 2023 Leverage ratio (fully loaded) came to 7.6%.

41. Related-party transactions

The Bank entered in 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 Bank's transactions with key management personnel consisting of members of the Bank's Board of Directors and the Executive Committee, their close family members and the entities controlled by them, as well as, the results related to these transactions are as follows:

	31.12.2021
Assets	
Loans and advances to customers	1,858
Liabilities	
Due to customers	2,377
Employee defined benefit obligations	207
Provisions	-
Total	2,584
Letters of guarantee and approved limits	306

	From 17 April to
	31.12.2021
Income	
Interest and similar income	22
Fee and commission income	1
Total	23
Expenses	
Interest expense and similar charges	1
Remuneration paid to key management and close family members	5,242
Total	5,243

Remuneration of key executives and their closest relatives is analyzed as follows:

	From 17 April to
	31.12.2021
Remuneration of Board members, salaries and wages	3,592
Bonus incentive programs	1,217
Benefits fees	12
Employer contributions	297
Other	124
Total	5,242

In addition, according to the decision of the General Meeting of Shareholders of the Bank before the demerger, held at 29.6.2018, a compensation scheme is operating for the Bank's Senior Management, the terms of which were specified through a Regulation issued subsequently. The payment of the benefit is voluntary, does not constitute business practice and the program may be terminated in the future by a decision of the General Meeting of the Shareholders. It provides incentives for the eligible personnel to comply with the terms of departure, proposed by the Bank, thus ensuring the smooth (only during the period and under the terms and conditions approved by the Bank) departure and succession of the Beneficiaries of Senior Management.

It is noted that, due to the fact that the composition of the Board of Directors of Alpha Services and Holdings is the same with the composition of the Board of Directors of the 100% subsidiary Alpha Bank SA, the remunerations of the Members of the Board of Directors will be paid, according to the above, only by one company, and specifically by the Bank.

b. The outstanding balances of the Bank with the parent, its subsidiaries, associates and joint ventures and other subsidiary companies of the parent as well as the results related to these transactions are as follows:

i. Parent Company- Alpha Services and Holdings S.A.

	31.12.2021
Assets	
Derivative financial assets	16,270
Loans and advances to customers	4,513
Total	20,783
Due to customers	25,705
Debt securities in issue and other borrowed funds	1,013,063
Total	1,038,768
Letters of guarantee and others guarantees	

	From 17 April to
	31.12.2021
Income	
Fee and commission income	12,695
Gains less losses on financial transactions	7,310
Other income	1,053
Total	21,058
Expenses	
Interest expense and similar charges	37,170
Total	37,170

ii. Subsidiaries of the Bank

	31.12.2021
Assets	
Due from banks	767,305
Derivative financial assets	4,325
Loans and advances to customers	1,726,487
Investment securities measured at fair value through other comprehensive income	243,189
Investment securities measured at fair value through profit or loss	154,740
Loans and advances to customers measured at fair value through profit or loss	18,508
Right-of-use assets	4,717
Other assets	4,363
Total	2,923,634
Liabilities	
Due to banks	298,982
Due to customers	1,279,973
Derivative financial liabilities	282
Debt securities in issue and other borrowed funds	88
Lease liabilities	4,903
Other liabilities	9,641
Total	1,593,869
Letters of guarantee and others guarantees	306,881

For the above outstanding balance of letters of guarantee the Bank has recorded as at 31.12.2021 a provision amounting to € 25,298.

	From 17 April to 31.12.2021
Income	
Interest and similar income	33,257
Fee and commission income	11,329
Gains less losses on financial transactions	210
Gains less losses on derecognition of financial assets measured at amortized cost	62
Other income	3,769
Total	48,627
Expenses	
Interest expense and similar charges	899
Amortization of right issues	1,819
Commission expense	1,313
Gains less losses on financial transactions	5,268
General administrative expenses	5,487
Impairment losses and provisions to cover credit risk	11,281
Total	26,067

iii. Joint ventures

	31.12.2021
Asset	
Loans and advances to customers	3,966
Other Assets	127
Total	4,093
Liabilities	
Due to customers	13,772
Total	13,772

	From 1 April to 31.12.2021
Income	
Interest and similar income	3
Other income	80
Total	83
Expenses	

Interest expense and similar charges	5,752
Total	5,752

iv. Associates

	31.12.2021
Asset	
Loans and advances to customers	106,043
Other Assets	630
Total	106,673
Liabilities	
Due to customers	62,709
Other Liabilities	20,735
Total	83,444

	From 17 April to 31.12.2021
Income	
Interest and similar income	709
Fee and commission income	4
Other income	1.137
Total	1,850
Expenses	
Impairment losses and provisions to cover credit risk	19,408
Total	19,408

v. Subsidiaries owned by Parent Company Alpha Services and Holdings SA

	31.12.2021
Assets	
Derivative financial assets	2,337
Investment securities measured at fair value through profit or loss	595
Other Assets	2,512
Total	5,444
Liabilities	
Due to customers	22,686
Other Liabilities	4,975
Total	27,661
Letters of guarantee and others guarantees	15,542

In addition, guarantees have been given for the issuance of these bond loans amounting of € 15,542 as at 31.12.2021.

	From 17 April to 31.12.2021
Income	
Interest and similar income	3,595
Fee and commission income	4,738
Gains less losses on financial transactions	2,405
Other income	475
Total	11,213
Expenses	
Interest and similar expenses	1,345
Gains less losses on financial transactions	2,476
Total	3,821

For the impairments of investment in subsidiaries, associates and joint ventures there are references in note 21.

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.

The outstanding balances and the results related to these transactions are analyzed as follows:

	From 17 April to
	31.12.2021
Income	
Fee and commission income	6

42. Auditors' fees

The total fees of the statutory auditor of the Bank "Deloitte Certified Public Accountants S.A.", a member of Deloitte Touche Tohmatsu Limited ("DTTL"), as well as of the other companies of DTTL and their respective associates, are analyzed below, in accordance with the provisions of paragraph 2 and 32, article 29, of Law 4308/2014.

	From 1 January to
	31.12.2021
Statutory audit of the annual accounts*	1,168
Other audit services	
Issuance of tax certificate	200
Other non-audit services	161
Total	1,529

* In the fee concerning the statutory audit of the annual accounts, are included other expenses that are up to 2% of the approved amount.

The auditor's fees concerning the statutory audit of the annual accounts with respect to Alpha Bank amounts to € 1,555 out of which fees amounting to € 387, which related to the period prior to the hive down, have been recognized in Alpha Services and Holdings, before the hive down.

The auditor's fees concerning the issuance of tax certificate with respect to Alpha Bank amounts to € 250 out of which fees amounting to € 50, which related to the period prior to the hive down, have been recognized in Alpha Services and Holdings, before the hive down.

The other fees concerning non audit services with respect to Alpha Bank amounts to € 246 out of which fees amounting to € 85, which related to the period prior to the hive down, have been recognized in Alpha Services and Holdings, before the hive down.

43. Assets held for sale

	31.12.2021
Investments in joint ventures	42,300
Fixed Assets	3,478
Loans	42,134
Merchant acquiring business	52,895
Total of assets held for sale	140,807

The Bank has initiated the process for the sale of a joint-ventures, loan portfolios, real estate, and other fixed assets of the Bank. In addition, the Bank has entered into a memorandum of understanding for the demerger of Alpha Bank's merchant acquiring business unit. The assets and the liabilities mentioned above, for which the criteria to be classified under IFRS 5 as "Assets Held for Sale" are met, are presented in tables below.

In accordance with IFRS 5 non-current assets held for sale or disposal groups held for sale are valued at the lower between their carrying amount and fair value less costs to sell and are presented in the balance sheet separately from the other assets and liabilities.

The fair values of the assets held for sale at each reporting period are determined according to the methods described in note 1.2.5 of the financial statements and are classified as level 3 in the Fair value hierarchy since they make use of data from market research, estimates and data which refer to financial assets of similar characteristics and therefore make use of significant non-observable market input.

Investments in joint ventures

The Bank is in advanced stage of the process of selling its participation in the joint venture APE Investment Property S.A. with a carrying amount of € 42,300 at 31.12.2021. On 2.2.2021 the Bank signed a binding agreement for the transfer of the share. The parties are committed to the completion of the transfer and significant progress has been made in fulfilling conditions precedent for the sale. There was not impact from the fair valuation of the investment for year 2021.

Loan portfolio – Orbit project

Within 2021 the Bank commenced the process for the sale, through a single phased competitive process of a retail unsecured portfolio, which consists of:

- a) Loan exposures securitized into Galaxy III Funding Designated Activity Company DAC of Alpha Services and Holdings S.A.
- b) Loan exposures not securitized of the Bank.

In December 2021 the Bank received binding offers from interested investors which were evaluated. With the resolution of the Executive Committee of 20.12.2021 a preferred investor was selected and the Board of Directors on 22.12.2021 approved the signing of the sale agreement between the Bank and the investor.

On 28.12.2021 the Bank entered into a binding agreement with the investor for the sale of the portfolio. It is noted that for the implementation of the sale the securitized loan portfolio of Galaxy III is to be transferred to the Bank. Considering the above and as the Board estimates that the transaction is expected to be completed within the year 2022, the Bank classified the total portfolio of € 34,903 as “Assets held for sale”. It is noted that the fair value, taking into account the costs of selling this loan portfolio on 31.12.2021 does not differ from its carrying amount, as for the calculation of the expected credit risk losses a 100% probability of completion of the above transaction has been taken into account.

Other Loan portfolios

Other loan portfolios of non-performing loans had been classified as held for sale in the balances transferred during the Hive-down of the Banking sector as at 17.4.2021 amounting to €33,789. Out of these loans an amount of €2,402 as at 30.09.2021 was transferred to the Cosmos perimeter. The remaining loans in the portfolio were reclassified during the year 2021 in “Loans and advances to customers” as they did not longer met the criteria to be classified as “Assets held for sale”.

In addition the Bank has classified as “Assets held for sale” at 31.12.2021 individual loan exposures of € 7,231 for which the Bank is in an advanced stage for their sale, which is expected to be completed within 2022, and therefore the criteria to be classified as “Assets held for sale” were met, in accordance with IFRS 5.

Taking into consideration the above, the balance of the non performing loan portfolios classified as held for sale as at 31.12.2021 amount to € 42,134.

Fixed Assets

During the third quarter of 2021, the Bank has initiated the process for the sale of a portfolio of investment properties owned by the Bank, which have been classified as “Assets Held for Sale” with a carrying amount of € 3,704. Within 2021 the sale of properties was concluded for a total consideration of € 710 and a gain of € 48 was recognized in Other income of the Income Statement. There was not an impact from the fair valuation of the fixed assets for 2021. In addition, in the “Assets held for Sale” it is included a property valued at € 435, for which an agreement has been signed.

Merchant acquiring business

On 10.11.2021 the Bank and Nexi S.p.A. entered a binding agreement for the establishment of a strategic partnership in respect of the Bank's merchant acquiring business unit in Greece, through:

- The curve-out of Alpha Bank's merchant acquiring business unit, pursuant to demerger process, into the newly formed entity "Alpha Payment Services S.A.", established on 15.11.2021
- The sale of a 51% stake of this entity to Nexi S.p.A subject to the fulfilment of certain conditions precedent and
- entering into a long-term distribution agreement, providing Alpha Payment Services S.A. with access to Alpha Bank's Network in order to distribute payment acceptance products and services to business Customers of Alpha Bank in Greece.

The Board of Directors with its resolution on 24.11.2021 set the transformation balance sheet date at 30.9.2021.

On 29.11.2021 the Board of Directors approved the relevant demerger deed. The completion of the aforementioned transaction, which is subject to the fulfilment of certain conditions precedent, is expected to take place within 2022.

The assets and liabilities of the merchant acquiring business in Greece of the Bank meet the criteria to be classified as "Assets held for sale" in accordance with IFRS 5.

The assets and liabilities classified as held for sale are, as at 31.12.2021, as follows:

Assets Held for Sale	31.12.2021
Receivables from payment systems	33,374
Receivables from merchants	4,720
Receivables from credit institutions	14,801
Total	52,895

Liabilities Held for Sale	31.12.2021
Due to merchants from use of credit cards	16,914
Liabilities from merchants	14,801
Defined benefit obligations	49
Liabilities from current tax and other taxes	(740)
Total	31,024

The table above does not include receivables and payables of the business unit to the Bank, amounting to €154,015 and €169,888 respectively, which although relate to the merchant acquiring business, are eliminated with the respective assets and liabilities of the Bank as the curve-out has not been completed on 31.12.2021.

More specifically, liabilities do not include a. the liability to merchants from installments and prepaid installments of credit cards issued by the Bank, although this liability will be assumed by Alpha Payment Services, as the company following the completion of the hive-down, will recognize an equal receivable from the Bank and b. the funding gap of the business unit which will be funded by the Bank when the curve-out is completed.

It is noted that from the fair valuation of the above there was no gain or loss since the carrying amounts are lower than the fair value less cost to sell.

44. Disclosures of Law 4151/2013

The purpose of the provisions of chapter B of Law 4151/2013 is the funds from dormant deposit accounts to be used by the Greek State to cover government needs, after the write off of rights of depositors or their legal heirs. According to the aforementioned the provisions of Law 4151/2013:

- Dormant deposit account to credit Institution, according to the provisions of Law 4261/2014, is an account on which no transaction by depositors has been recorded for a period of 20 years from the day following the last transaction

(the crediting or capitalizing of interest to an account will not constitute a transaction and not interrupt the prescription),

- ii. Following the expiry of the 20-year period, the credit institutions in Greece are obliged to transfer to the Greek State the aggregate balance of dormant deposit accounts, including any interest, by the end of April of each year by making a deposit of the relevant amount in a special account held in Bank of Greece, notify the General Accounting Office (GAO) and the General Directorate of Public Property to fulfill the obligations arising from the Law 4151/2013 and to provide information to beneficiaries and heirs after the lapse of 20 years for the transfer of the respective amounts, if requested (the abovementioned amounts, in total, will be recorded as income in the Annual State Budget)

For the fiscal year 2021, the amount of inactive deposit accounts that will be given from the Bank to the Greek State, according to article 8 par. 2 of Law 4151/2013, until 31.12.2021, is estimated in the amount of € 4,050.

45. Corporate Events

- On 22.6.2021, the Bank sold the 80% of the subsidiary that operates in the area of loan management, Cepal Holdings S.A. ("New Cepal").
- On 2.9.2021 the liquidation process of the subsidiary, Alpha Credit Group Plc was completed.
- On 30.09.2021, the liquidation and removal of the Bank's associate company, Famar SA, located in Luxemburg, was completed.
- On 4.11.2021 the liquidation and the removal of the Romanian Company Register of the Bank's subsidiary Alpha Finance Romania Srl.
- On 11.11.2021, following the Memorandum of Understanding on 3.8.2021, the binding agreement between Alpha Bank and Nexi SpA ("Nexi") was announced for the establishment of a strategic partnership in respect of the Bank's merchant acquiring business unit in Greece (Merchant Acquiring Business) through, inter alia: i) the curve-out of Alpha Bank's merchant acquiring business unit, pursuant to a demerger process, into the newly formed entity "Alpha Payment Services S.A.", established on 15.11.2021 with the corporate name "Alpha Payment Services S.M.S.A.". («NewCo») with a share capital amounting to €1,000 ii) the sale of a 51% stake of this entity to Nexi S.p.A subject to the fulfilment of certain conditions precedent and iii) entering into a long-term distribution agreement, providing Alpha Payment Services S.A. with access to Alpha Bank's Network in order to distribute payment acceptance products and services to business Customers of Alpha Bank in Greece. On 24.11.2021 Alpha Bank and NewCo started the spin off process of merchant acquiring business unit from Alpha Bank to NewCo, while on 29.11.2021 the respective demerger deed was approved by the both companies' Board of Directors, which was signed and published the same day according to the law. Based on the valuation of the merchant acquiring business unit which was performed for the purpose of the spin-off, its fair value amounts to € 306.8 mil. which is significantly higher than its carrying amount.
On 22.3.2022, at a meeting of the Plenary Session of the Competition Commission, it was decided, unanimously (Decision 773/2022), the approval of the notified concentration concerning the acquisition of exclusive control of NEXI SpA., On the payment card acceptance branch of Alpha Bank SA. , according to article 8 par.3 of L.3959 / 11, as it applies.
- On 1.3.2022, the Bank proceeded to the share capital increase in cash of its subsidiary AGI-Cypre Ermis Ltd for an amount of € 60,000.
- On 8.3.2022, the sale of Bank's and Group's investment in Kefalonia Fisheries S.A. to Grupo Profand S.L was completed.

46. Strategic plan

In May 2021 the Strategic Plan of Alpha Services and Holdings Group was presented, which includes a number of strategic initiatives which are expected to affect the future financial results of the Group until 2024 and which include specific financial targets. These initiatives aim to the participation in the expected credit expansion of the Greek banking sector which is expected to be achieved through the financing of the Recovery and Resilience Facility as well.

The initiatives included in the above mentioned the Strategic Plan of Alpha Services and Holdings Group that relates to the Bank are as follows:

- Targeted reduction of non-performing exposures through a series of transactions of mainly non-performing exposures of a total book value up to € 4.8 billion for the Bank with the intend to decrease the exposure of the Bank in non-performing exposures by € 6.4 billion until 2024 and to allow the Bank to achieve a single digit NPE ratio in the first semester of 2022.

For the majority of the above transactions the sale process has either completed or relevant binding agreements are signed. More specifically the transactions completed or with binding agreements signed are:

- Distribution in kind transaction by the Bank of 95% of mezzanine and junior Notes issued through securitization of loans and credits of book value before allowance for expected credit losses of € 3.4 billion to the special purpose entity under the name Cosmos Securitization Designated Activity Company which had as a consequence the derecognition from the Bank's balance sheet of the securitized loans. It concerns the Cosmos securitization transaction for which an application had been submitted in the context of the extension of the Greek public guarantee program ("HAPS 2") and for which the relevant ministerial decision to provide a guarantee under the above program has been issued (note 19).
- Sale of a Non performing unsecured loan portfolio in Greece of a total book value before allowance for expected credit losses of € 0.4 billion (Orbit transaction) (note 43).

Impact on the provisions for impairment of loans of the above transactions for the Bank amounted to € 66 million and derived from the Orbit transaction. For transactions with a total value before allowance for expected credit losses of € 0.4 billion relating to transactions for the sale of non-performing wholesale loan exposures for which the Bank has initiated the sale procedures, additional provisions of € 8 million were recognized through the incorporation of a sales scenario in the calculation of expected credit loss losses (note 11).

For the remaining sale transactions included in the Strategic Plan with a total value before allowance for expected credit losses of approximately € 0.6 billion, the Bank did not use the probability of a sale scenario in the calculation of the expected credit losses as the Management does not have reasonable and sound assumptions to base their realization.

For the loan portfolios that on 31.12.2021 a sale scenario has been taken into account with a probability of less than 100% as well as for those portfolios for which a sale scenario has not been incorporated as the Management does not have reasonable and valid assumptions to base this assessment, the total impact from the calculation of the expected credit risk losses based on the estimated selling prices is estimated at approximately € 194 million.

It is noted that on 31.12.2021 these portfolios were not classified as held for sale as the relevant sale transactions are still at an early stage and therefore at this stage can not be reliably estimated the possibility of their completion within the next 12 months.

- A series of capital measures to support the Bank's NPE initiatives by providing additional capital buffers. These measures include the following transactions, including the ones for which a binding agreement with the investors exists so have been categorized as held for sale.
 - the curve-out of the merchant acquiring business unit of the Bank into a newly formed entity and sale of the 51% stake of this entity to the strategic partner, Nexi (a binding agreement exists which is subject to certain conditions precedent. Subject to regulatory approvals the finalization of the sale is expected in the next 12 months). (notes 43 and 45)
 - The synthetic securitization transaction which was completed on 17.12.2021 through which the Bank received credit protection for a specific wholesale loan portfolio that it holds through a credit protection / financial guarantee agreement with an SPV (note 11).

In addition to the above the Strategic plan also includes the following projects:

- The sale of Alpha Bank London, for which the Board has approved the initiation of the bidding process from selected investors which will be then subject to evaluation for their business rational and prospects. As no binding offers have been received yet and a preferred investor has not been selected, the value of the investment in the subsidiary has not been classified as held for sale on 31.12.2021.

- d) d) the establishment of a joint venture with an international partner in the real estate market and the transformation of the Group's subsidiaries in order to better manage the properties. The transaction is subject to internal and regulatory approvals which are out of the control of the Group and therefore an impact cannot be estimated. As binding offers have not yet been received for this transaction and a preferred investor has not been selected, these properties have not been classified as held for sale on 31.12.2021.

The successful completion of the above capital initiatives will contribute to the increase of the capital adequacy of the Bank.

- Measures for the decrease of the operating expenses and the improvement of the efficiency of the operations, focusing on the basic banking operations, decreasing operating cross across the organization, improving and enhancing the digital platform and by applying policies for sustainable banking with the integration of environment, social and governance (ESG) criteria.
- Initiatives for the increase of income from commissions, mainly through wealth management and bancassurance products.

During 2021 the following have been completed:

- The share capital increase in the Bank for a total amount of € 1,160 million.
- The decrease of the Bank's non performing exposures by € 3.1 billion
- The transformation program of the Bank, which started in 2020, continues with the aim of enhancing the efficiency of the organization, optimizing the business model and further strengthening the systems for measuring and rewarding performance in all operations of the Bank.

47. Events after the reporting period

- Russia's invasion in Ukraine on 24 February 2022 has created uncertainties in the markets and in the evolution of macroeconomic conditions, while the subsequent sanctions imposed by United States, the European Union, the United Kingdom and others has affected the transactions with the parties involved in the sanctions.

Considering the Bank's direct exposure to Russia/Ukraine and the transfer of funds from/to Russia and Ukraine, the exposure is insignificant.

It is noted that the Bank has direct exposure to Russia and Ukraine relating to loans to customers of circa € 0.4 million.

The Bank is monitoring the unfolding crisis and assesses the impact on its business activities, financial position and profitability. Due to the high uncertainty of the situation, it is not possible to assess the broader implications. Additional information for the evaluation of the impact is included in note 39.8 "Assessment of the impact of the conflict between Russia and Ukraine and the ensuing sanctions".

- In the context of the strategic plan, Project Tomorrow, the Bank announced on 30.07.2021 the initiation process for the selection of strategic investor in order to form a Joint Venture in the Greek real estate market (Skyline Transaction), which according to the press release dated on 15.3.2022 is expected to be completed in the second half of 2022 and in turn the transaction to be completed by the end of 2022. Based on current information, there are no adequate data in order to calculate the impact on the Bank's figures.
- On 24.3.2022 the sale of the Portfolio of Retail Unsecured NonPerforming Loans of Project Orbit was completed (note 43).

Athens, 31 March 2022

CHAIRMAN OF THE BOARD OF
DIRECTORS

VASILEIOS T. RAPANOS
ID No AI 666242

CHIEF EXECUTIVE OFFICER

VASILEIOS E. PSALTIS
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GENERAL MANAGER
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LAZAROS A. PAPAGARYFALLOU
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TAX MANAGER

MARIANA D. ANTONIOU
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Appendix of the Board of Directors' Annual Management Report

According to European Securities and Markets Authority (ESMA) guidelines in relation Alternative Performance Measures (APMs), not-defined under IFRS, which published in October 2015 and were applicable from 3 July 2016, on the following tables the definitions and the calculations of the related (APMs) which are included in the Board of Directors' Annual Management Report as at 31.12.2021 are disclosed.

As described in the accounting policies section, the financial statements for the year 17.4 - 31.12.2021 have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union, in accordance with Regulation 1606/2002 of the European Parliament and the Council of the European Union on 19 July 2002.

Alternative Performance Measures, include or exclude amounts which are not defined under IFRS, aiming at consistency and comparability among financial periods or years and provision of information regarding non recurring events. However, the not defined under IFRS measures presented are not a substitute for IFRS measures.

(Amounts in millions of Euro)

Indicator	Definition	Calculation			31.12.2021
Loans to deposits ratio	The measure reflects the relationship of loans and advances to customers with amounts due to customers	Numerator	+	Loans and advances to customers	36.865
		Denominator	+	Due to customers	47.018
		Ratio	=		78%

Availability of Annual Financial Report

The Annual Financial Report as at 31.12.2021, which includes:

- The Statement by the Members of Board of Directors
- The Board of Directors' Annual Management Report
- The Corporate Governance Statement
- The Independent Auditors' Report
- The Annual Financial Statements of the Group and the Bank

Is available on the following website address:

<https://www.alpha.gr/el/omilos/enimerosi-ependuton/oikonomika-stoixeia/oikonomikes-katastaseis-trapezis-kai-omilou>

The Annual Financial Statements, the Independent Auditors' report and the Board of Directors' Report of consolidated companies are available on the website:

<https://www.alphaholdings.gr/el/enimerosi-ependuton/oikonomika-stoixeia-omilou/oikonomikes-katastaseis-thigatrikon-alpha-services-and-holdings?listfilter=C8B2FEC7E58944619BDD360219104002>