Alpha Services and Holdings S.A

Pillar III Disclosures

Report for December 31, 2022

Contents

List of Abbreviations

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

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

Introduction

1.1 General Information

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

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

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

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

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

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

2 Pillar III Disclosures Overview

2.1 Background and Structure of Pillar III Disclosures

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

The present Report is structured under 17 chapters and 6 Appendices. Chapter 2 describes the Pillar III Disclosures background, an overview of regulatory framework and significant developments within 2022 as well as an overview of the Group's Corporate Governance. The 3rd chapter provides information on the scope of application of the regulatory framework and the relevant differences with accounting scope of consolidation.

Chapters 4 and 5 provide full information on capital and leverage, including quantitative information on Alpha Bank Group capital base and capital requirements.

Chapters 6 - 15 describe the Group's risk management framework, and provide detailed information on credit risk, counterparty credit risk, exposure to securitization positions, market risk, operational risk, IRRBB, liquidity risk, as well as asset encumbrance.

Chapter 16 provides information on Environmental, Social and Governance (ESG) Risks

The appendices include a listing of BoD Committees' composition and terms of reference, the CVs of the Members of the Board of Directors as well as the difference of scope of consolidation per entity of the Group, the Terms and conditions of Tier 2 Instruments, Analysis of Own funds structure and Group organisational chart.

The purpose of Pillar 3 report is:

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

2.1.1 Disclosures' enhancements

Following the outbreak of the COVID-19 pandemic and the response of governments across the globe and in the EU states by implementing measures to support borrowers, additional reporting and disclosures requirements were introduced on 2 June 2020 for the purposes of market discipline and transparency. The specific requirements take into account the Guidelines on legislative and non-legislative moratoria on loan repayments applied in the light of the COVID-19 crisis (date of publication 2 April 2020).

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

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

The new disclosures requirements introduce the following updates:

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

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

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

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

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

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

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

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

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

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

In this report, besides the quantitative information the bank provides qualitative disclosures on Environmental, Social, and Governance (ESG) risks at the group level to explain how these risks, including climate change risks, are integrated into its business strategies and processes, governance, and risk management.

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

2.1.2 Approval and publication

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

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

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

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

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

2.2 Supervision and Regulatory Framework

Single Supervisory Mechanism (SSM)

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

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

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

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

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

        - countercyclical capital buffer, equal to "zero percent" (0%) for the year 2022

        - other systemically important institutions (O-SII) buffer, which will gradually rise to "one percent" (1%) from 1.1.2019 to 1.1.2023. For 2022, the O-SII buffer stands at 0.75%.

These limits should be met on a consolidated basis.

Supervisory Review and Evaluation Process (SREP)

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

This process evaluates the:

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

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

According to the 2021 Supervisory Review and Evaluation Process (SREP) decision communicated by the ECB, in 2022 Alpha Services and Holdings SA. is required to meet on a consolidated basis an Overall Capital Requirement (OCR) on Total Capital ratio of at least 14.31% [OCR for Q4 2022 includes the Capital Conservation Buffer (CCB) of 2.50%, the Other Systemically Important Institution buffer (OSII) of 0.75% and the applicable Countercyclical Capital Buffer (CCyB) of 0.06% which mainly stemming from the contribution of the subsidiaries].

The OCR consists of the minimum threshold of the Total Equity Ratio (8%), in accordance with Article 92 (1) of the CRR, the additional supervisory requirements for Pillar II (P2R) in accordance with Article 16 (2) (a) of Regulation 1024/2013 / EU, which amount to 3.0%, as well as the combined security requirements (i.e. CCB, OSII, CCyB), in accordance with Article 128 (6) of Directive 2013/36 / EU. The minimum ratio should be kept on an ongoing basis, considering the CRR / CRD IV Transitional Provisions.

Measures taken for the banks to tackle Covid-19 pandemic

In the light of the impact of Covid-19 pandemic, European Central Bank (ECB), European Banking Authority (EBA) and European Commission (EC), announced a series of measures to ensure that the supervised banks will be able to continue financing the economy.

Specifically, on 12 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 up to the end of 2022.
- Furthermore, the change that was expected in January 2021 under CRD V regarding the P2R buffer was brought forward allowing the Pillar 2 requirement (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 addition, the European Commission decided to revise the existing regulatory framework by bringing forward regulations that would normally come in effect with the CRR2/CRDV framework as well as to mitigate the Covid-19 impact on economy and encourage banks to grant new loans. As a result, in June 2020 the EU published the Regulation (EU) 2020/873, in its Official Journal which included amendments in relation to capital requirements set by 575/2013 and 876/2019.

Finally, on 22 December 2020, Commission Delegated Regulation (EU) 2020/2176 of 12 November 2020 amending Delegated Regulation (EU) No 241/2014 was published in the Official Journal of the European Union. The regulation includes certain provisions for the deduction of software assets from CET1.

Single Resolution Mechanism (SRM)

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

Recovery and Resolution

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

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

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

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

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

Minimum Requirement for Own Funds and Eligible Liabilities (MREL)

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

As per the latest official SRB decision, as of January 1, 2026, the consolidated "fully loaded" MREL will be set at 23.60% of the TREA and 5.91% of the LRE. The MREL, expressed as a percentage of risk-weighted assets, does not include the Combined Buffer Requirement (CBR), which stands at 3.56% effective 01 January 2023. The interim binding MREL target to be met on 1 January 2022 was set at 17.27 % of total RWAs, including a CBR of 3.25%.

In the context of complying with its interim MREL target the Bank successfully completed the following issuances in 2022, listed on the Luxembourg Stock Exchange–EuroMTF Market:

- On 21.10.2022 a € 400mn senior preferred bond, with a 3-year maturity, callable in year 2, with a coupon of 7% and yield of 7.25%.
- On 07.12.2022 a €450mn fixed rate senior preferred note, callable at 3.5 years, with a coupon of 7.5% and yield of 7.75%.

In February 2023, the Bank successfully completed an issuance of € 400 million AT1, with 11.875% coupon. The transactions are fully aligned with the communicated Alpha Bank's MREL strategy and significantly enhanced the Bank's presence in the international capital markets, diversified its investor base and improved its funding profile.

On December 31, 2022, the Bank's MREL ratio on a consolidated basis stood at 20.79%. The said ratio includes the profit of the financial reporting period that ended on December 31, 2022 as well as the recently completed Additional Tier 1 issuance ("AT1 Notes").

Other Regulatory Restrictions

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

2.3 Significant Developments

2.3.1 NPE Plan/ NPE Initiatives

NPE Plan (Update)

Significant NPE reduction of c. €2bn was recorded in 2022, out of which €1.6bn was the result of NPE from transactions and €0.4bn was due to negative organic formation. The Group's total NPE portfolio as of Q4 2022 amounted to c. €3.1bn with a corresponding NPE ratio of 7.8%.

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

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

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

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

NPE initiatives

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

Despite the difficulties faced due to the persistence of the COVID-19 pandemic, Alpha Bank achieved the completion of securitization transactions of Euro c. 14.2 billion GBV, of both retail and wholesale NPEs, namely project Galaxy, the largest NPE securitization in Greece and second largest in Europe, and project Cosmos, making use of the Hellenic Asset Protection Scheme for the retained senior tranche , which as of 31.12.2022 amounted to Euro 5.4 billion.

Along with the securitization transaction, Alpha Bank also concluded the sale of its servicing platform, supporting Project Galaxy and enhancing business model efficiency. The servicer, new CEPAL, has undertaken the management of the remaining NPEs of Alpha Bank through an exclusivity agreement.

Following the delivery of the Galaxy and Cosmos securitisations, Alpha Bank, proceeded with the implementation of its accelerated NPE deleveraging plan through the following transactions which were successfully completed within 2022:

- Project Orbit – sale of a domestic retail unsecured portfolio of Euro 1.2 billion GBV
- Project Light - sale of a domestic retail unsecured portfolio of Euro 0.2 billion GBV
- Project Shipping – sale of 2 single ticket NPE shipping exposures of Euro 0.1 billion GBV

Moreover, NPE Deleveraging Plan entails the completion of the following transactions which have been reclassified to Held for Sale:

- Project Sky – sale of a mixed portfolio of residential mortgages and corporate/SME exposures in Cyprus, of a total GBV of Euro 2.2 billion
- Project Solar – common securitization by the 4 Greek systemic banks of an SME portfolio of Euro 1.2 billion GBV (Alpha Bank's share of GBV at Euro 0.4 billion) that has been assigned by all systemic banks for management to DoValue
- Project Hermes – sale of a domestic wholesale portfolio of Euro 0.7 billion GBV (completed on 25.05.2023)
- Project Andros – disposal of NPE Leasing portfolio of Euro 0.4 billion GBV

As of 2022 year end the Group NPE ratio stands at 7.8% pro forma for the completion of the above transactions and it is expected to be reduced further mainly as a result of organic actions.

2.3.2 Transactions (Update)

On July 4th 2022, Alpha Services and Holdings S.A., announced the completion of transaction between Alpha Bank and Nexi S.A. (Prometheus Transaction) marking the initiation of Nexi Payments Greece further enhancing the digitalization of businesses and promoting a cashless payments culture.

2.3.3 Capital Issuances

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

2.3.4 EU-Wide 2023 Stress test

The EU-wide Stress Test is a biannual exercise and is conducted by EBA for the largest European banks and by ECB for the banks which are not included in the first group. The EU-wide Stress Test 2023 includes additional 26 banks that have been added to the stress test sample compared to the 2021 exercise and further proportionality has been introduced into the methodology. Alpha Bank is part of the EBA sample for the 2023 Stress Test exercise. This exercise will assess EU banks' resilience to an adverse economic shock and inform the 2023 Supervisory Review and Evaluation Process (SREP).

On 04.11.2022 the European Banking Authority (EBA) published the final methodology, templates and template guidance for the 2023 EU-wide stress test along with the milestone dates for the exercise. The methodology and templates cover all relevant risk areas and have considered the feedback received from industry. The results will be published by the end of July 2023.

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

2.4 Overview of Alpha Bank Group Corporate Governance

The Board of Directors is responsible for managing the affairs of Alpha Services and Holdings S.A. (the "Company") and representing it vis-à-vis third parties. Further, it has the ultimate and overall responsibility for the Company and defines, oversees and is accountable for the implementation of the governance arrangements within the Company that ensure effective and prudent management of the Company. The overall Corporate Governance framework is included in the Board of Directors Annual Report as at 31.12.2022.

The Board of Directors regularly examines corporate governance issues and during 2022 it revised the Articles of Incorporation, the Charter of the Board of Directors, the Charters of the Committees of the Board of Directors (i.e. Audit Committee, Risk Management Committee, Remuneration Committee, Corporate Governance, Sustainability and Nominations Committee), as well as policies pertaining to corporate governance i.e. the Suitability and Nomination Policy for the Members of the Board of Directors, the Suitability and Nomination Process for the Members of the Board of Directors, the Policy for the Succession Planning of Senior Executives and Key Function Holders, the Remuneration Policy for Alpha Services and Holdings and its Group, along with its Annexes in order for them to be fully aligned with the current regulatory framework and with the most recent best practices of corporate governance.

Further to the above, the Company drafted the Policy and Process for the Succession Planning of Non-Executive and Independent Non-Executive Members of the Board of Directors, which was discussed and approved by the Board of Directors of the Company at the meeting of January 2023.

During 2022, the Company conducted a review of Corporate Governance documents adopted by Subsidiaries. This analysis ensured that the Charters of the Board of Directors' Committees and the Policies of the Subsidiaries which are relevant to the Corporate Governance practices are fully aligned with the legal and the regulatory requirements and best practices as well as with the Group's corporate governance principles, while taking into consideration the local regulatory framework.

Suitability and Nomination Policy for the Members of the Board of Directors

Alpha Services and Holdings S.A. has adopted the Suitability and Nomination Policy for the Members of the Board of Directors (the "Policy") that sets out the principles and the framework for the selection, appointment, re-appointment and replacement of Members of the Board of Directors as well as the criteria to be used in the assessment.

The Policy is supplemented by the "Suitability and Nomination Process for the Members of the Board of Directors", which provides for the specific process to be followed mainly by the CGSNC to which accountability is attributed in this Policy.

The Policy complies with the legislative and regulatory framework in force, including the Joint ESMA/EBA "Guidelines on the assessment of the suitability of members of the management body and key function holders" and the ECB Guide to fit and proper assessments as well as with European best practices in corporate governance. It also meets the requirements stipulated in the Relationship Framework Agreement (RFA) with the Hellenic Financial Stability Fund (HFSF) taking into account Law 3864/2010, as in force.

The objectives of the Policy are to:

- Set general principles that provide guidance to the Corporate Governance, Sustainability and Nominations Committee (the "CGSNC") and its Chair on selecting, vetting and proposing candidates to the Board of Directors as well as on the replacement and renewal of the Members of the Board of Directors.
- Set criteria, including diversity criteria, for the selection and suitability assessment of Board of Directors candidates.
- Set criteria for the assessment of the ongoing individual suitability of the Members of the Board of Directors as well as the collective suitability of the Board of Directors.
- Establish a transparent, effective and time-efficient suitability and nomination process.

The Policy and its implementation are monitored and reviewed annually by the CGSNC, approved by the Board of Directors and submitted for approval to the General Meeting of Shareholders. Any amendments thereto are approved by the Board of Directors and, in case they are material, they are submitted for approval to the General Meeting of Shareholders. The Policy and every material amendment thereto enters into force from the approval thereof by the General Meeting of Shareholders. Material are the amendments that provide for derogations or significantly change the content of the Suitability and Nomination Policy, in particular as to the applied general principles and criteria.

In preparing, amending or reviewing the Policy, the CGSNC and the Board of Directors shall take into account recommendations or findings of other Board Committees and competent Departments, especially the internal control functions. Internal control functions should provide effective input to the review of the Suitability and Nomination Policy in accordance with their roles. Notably, the Compliance Division should analyze how the Suitability and Nomination Policy affects the Company's compliance with legislation, regulations, internal policies and procedures and should report all identified compliance risks and issues of non-compliance to the CGSNC.

The CGSNC will propose candidates which it deems suitable to become Members of the Board of Directors according to the criteria set out in the applicable regulatory framework and this Policy. Suitability is determined in relation to the Policy's criteria for candidates (fit and proper and general suitability) and current composition needs. For the purposes of this Policy, it is defined as the degree to which an individual is deemed to have good repute and to have, individually and collectively with the other Directors/Members, adequate knowledge, skills and experience to perform his/her duties and a clear understanding of the Company's culture, values and overall strategy. Suitability also covers the honesty, integrity and independence of mind of each individual and his/her ability to commit sufficient time to perform his/her duties.

Further to the above, where any Members of the Board of Directors do not fulfil the requirements set out, the European Central Bank in the framework of the Single Supervisory Mechanism (hereinafter the "competent authority"), shall have the power to remove such Members from the Board of Directors. The CGSNC, within the aforementioned context, shall consider the suitability of the Members of the Board of Directors on a periodic basis, utilizing Board Review assessments and any other pertinent information available. In order to be considered as a suitable candidate by the Board of Directors and its CGSNC, the prospective nominee must: meet the fit and proper requirements, meet individual and collective suitability requirements, have no systematic conflict of interests with the Company, have no impediments according to the relevant legislation and be able to devote sufficient time to the Board of Directors. All nominees must submit a declaration that they meet the relevant requirements.

The Suitability and Nomination Policy for the Members of the Board of Directors is posted on the Company's website https://www.alphaholdings.gr/en/corporate-governance.

Board of Directors

On 31.12.2022 the Board of Directors of the Company was consisted of thirteen Members with the following breakdown:

- Two Executive Members
- Three Non-Executive Members
- Eight Independent Non-Executive Members

The Board of Directors, at its meeting of December 2021, proceeded with the election of Ms. E.M. Andriopoulou, in replacement of Mr. A.Ch. Theodoridis, who resigned on 17.6.2021, as Non-Executive Member of the Board of Directors, with effect as of 1.1.2022. The tenure of the elected Member has been set from 1.1.2022 until the expiration of the remainder of the tenure of the Member whom she replaces.

The Board of Directors at its meeting of January 2022 approved the selection of Egon Zehnder as the recruitment firm to carry out the project for its succession planning.

The Board of Directors at its meeting of April 2022 approved the new Organizational Structure and Chart of Alpha Services and Holdings S.A., in line with the new strategy, as well as the new composition of the Executive Committee, effective as of 20.5.2022.

The Ordinary General Meeting of 22.7.2022, following a relevant proposal by the Board of Directors and a respective recommendation by the Corporate Governance, Sustainability and Nominations Committee, resolved to elect the following thirteen Members of the Board of Directors with a four-year tenure.

1	Vasileios T. Rapanos
2	Vassilios E. Psaltis
3	Spyros N. Filaretos
4	Efthimios O. Vidalis
5	Elli M. Andriopoulou
6	Aspasia F. Palimeri
7	Dimitris C. Tsitsiragos
8	Jean L. Cheval
9	Carolyn G. Dittmeier
10	Richard R. Gildea
11	Elanor R. Hardwick
12	Shahzad A. Shahbaz
13	Johannes Herman Frederik G. Umbgrove, in accordance with Law 3864/2010 (as representative and upon instruction of the HFSF)

The above proposal comprised the re-election of twelve Members of the Board of Directors as well as the election of one new Member (Ms. Aspasia F. Palimeri), all on an individual basis (itemized ballot).

The proposal of the above Board Members has been assessed and reviewed by the Corporate Governance, Sustainability and Nominations Committee, in line with the current applicable regulatory and legislative framework, the Hellenic Corporate Governance Code, which the Company has adopted and implements, the Suitability and Nomination Policy for the Members of the Board of Directors of the Company, the Diversity Policy of the Company, high standards of corporate governance and best practices, so that the Board of Directors can establish that the proposed nominees are suitable both on an individual basis and collectively.

Independent Non-Executive Members

The Board of Directors, following a relevant recommendation by the Corporate Governance, Sustainability and Nominations Committee and a respective evaluation, proposed the appointment by the General Meeting of the following Members, who fulfill the independence criteria set by the regulatory and legislative framework, and, particularly, article 9 of Law 4706/2020:

Elli M. Andriopoulou
Aspasia F. Palimeri
Dimitris C. Tsitsiragos
Jean L. Cheval
Carolyn G. Dittmeier
Richard R. Gildea
Elanor R. Hardwick
Shahzad A. Shahbaz

It is noted that, apart from the above eight Members that were appointed as Independent Non-Executive Members, Mr. V.T. Rapanos also fulfills the independence criteria set by the regulatory and legislative framework, and, particularly, article 9 of Law 4706/2020.

Following the resolution of the Ordinary General Meeting of Shareholders dated 22.7.2022, the new Board of Directors was constituted into a body as per the provisions of article 77(3) of Law 4548/2018 and article 9 of the Company's Articles of Incorporation and decided on the delegation of its authorities.

Further to the above, following the resolution of the Ordinary General Meeting of Shareholders dated 22.7.2022, the Board of Directors took cognizance of the determination of the type of the Audit Committee, its term of office, the number and the qualifications of its Members as per article 44 par. 1 case b) of Law 4449/2017 and in particular of the following:

- the Audit Committee remained a Committee of the Board of Directors, consisting of five of its Members and, in particular, of three Independent Non-Executive Members, according to the provisions of article 9 par. 1 and 2 of Law 4706/2020, and two Non-Executive Members;
- the term of office of the Committee Members appointed by the Board of Directors in accordance with article 44 par. 1 case c) of Law 4449/2017 shall follow their term of office as Members of the Board of Directors, i.e. their tenure shall be quadrennial and may be extended until the termination of the deadline for the convocation of the next Ordinary General Meeting and until the respective resolution has been adopted;

  the Members of the Committee were appointed by the Board of Directors, in accordance with article 44 par. 1 case c) of Law 4449/2017, as in force, and the Audit Committee Charter and satisfy the criteria/qualifications set out in article 44 of Law 4449/2017 as well as in the Audit Committee Charter.

The Board of Directors, at its meeting dated 22.7.2022, taking into consideration the recommendation of the Corporate Governance, Sustainability and Nominations Committee in respect of the composition of the Audit Committee and confirming that the persons hereinafter meet all the criteria of the respective legal and regulatory framework, including those of article 44 (1) of Law 4449/2017, and have a proven excellent track record of knowledge of the banking and financial sector in general and sufficient knowledge in the field in which the Company operates, and that their participation in the Audit Committee shall ensure the proper exercise of the responsibilities of the said Committee, stipulated by the law and by the regulatory framework, appointed the Members of the Audit Committee. In accordance with the provisions of article 44 (1e) of Law 4449/2017, as in force, the Chair of the Audit Committee was appointed by its Members at the meeting of the Committee. Further to the above, the Board of Directors resolved on the composition of the remainder of the Committees of the Board of Directors and appointed the Chairs and the Members thereof, following the respective recommendation of the Corporate Governance, Sustainability and Nominations Committee.

The Members of the Board of Directors comply with the stipulations of article 83 of Law 4261/2014 on the combination of directorships, as they do not hold more than one of the following combinations of directorships at the same time: (a) One Executive directorship and two Non-Executive directorships; (b) Four Non-Executive directorships, excluding directorships in organizations which do not pursue predominantly commercial objectives (e.g. non-profit, charities). It is noted that directorships held within the same group are regarded as one directorship (see table below in “3. Professional commitments of the Members of the Board of Directors”).

Professional commitments of the Members of the Board of Directors

Professional commitments of the Members of the Board of Directors	
Position	**Principal external activities**
Chair-Non-Executive Member	
Vasileios T. Rapanos	• Chairman of the BoD of the Hellenic Bank Association • Member of the BoD and the Executive Committee of the Foundation for Economic and Industrial Research (IOBE) • Chairman of the BoD of the Alpha Bank Cultural Foundation • Vice Chairman of the BoD of Biomedical Sciences and Technologies S.A. (BMS TECH S.A.) • Vice Chairman of the BoD of the Company for the Management and Development of the Academy's Property • Member of the BoD of the Citizens Movement for an Open Society (Non-profit organization)
Executive Members	
Vassilios E. Psaltis – CEO	• Member of the BoD and of the Executive Committee of the Hellenic Federation of Enterprises (SEV) • Member of the BoD of the Hellenic Bank Association
Spyros N. Filaretos – General Manager Growth and Innovation	• Member of the BoD of Alpha Bank London Ltd • Chair of the BoD of the Efstathia J. Costopoulos Foundation • Member of the BoD of the Alpha Bank Cultural Foundation
Non-Executive Member	
Efthimios O. Vidalis	• Non-Executive Member of the BoD of Titan Cement Company S.A. • Non-Executive Member of the BoD of Fairfield-Maxwell Ltd • Independent Non-Executive Member of the BoD of Eurolife FFH Insurance Group Holdings S.A. • President of the Executive Committee and Member of the BoD of the Hellenic Federation of Enterprises (SEV) • Member of the BoD of the ALBA Graduate School of Business Administration in Athens • Vice Chair of the BoD of Solidarity Now (NGO)
Independent Non-Executive Members	
Elli M. Andriopoulou	Chairwoman and Managing Director of the Stavros Niarchos Foundation Cultural Center (SNFCC)
Aspasia F. Palimeri	Member of the BoD of the Foundation for Economic & Industrial Research (IOBE)
Dimitris C. Tsitsiragos	Member of the BoD of Titan Cement International, Cyprus
Jean L. Cheval	• Member of the BoD of EFG-Hermès, Egypt • Chairman of the Steering Committee of Natixis Algérie • Chairman of the Natixis Foundation for Research and Innovation • Senior Advisor of Natixis
Carolyn G. Dittmeier	• Chair of the Board of Statutory Auditors of Assicurazioni Generali SpA • Member of the BoD of Illycaffè SpA • Member of the Board of Statutory Auditors of Moncler SpA • Member of the Board of Statutory Auditors of the University of Bologna Foundation • Consultant at Ferrero SA

Professional commitments of the Members of the Board of Directors

Professional commitments of the Members of the Board of Directors	
Position	**Principal external activities**
Richard R. Gildea	• Member of the Board of Advisors at the Johns Hopkins University School of Advanced International Studies • Member of Chatham House-Royal Institute of International Affairs, London • Member of Alumni Association-Robert Bosch
Elanor R. Hardwick	• Member of the BoD of Axis Capital Holdings Ltd, Axis Specialty Europe, Axis Re Europe, Axis Managing Agency Ltd • Member of the Advisory Board of Concirrus • Member of the Supervisory Council of Luminor Group • External Member of the Audit Committee of the University of Cambridge
Shahzad A. Shahbaz	• Group Chief Investment Officer of Al Mirqab Holding Co • Member of the BoD of El Corte Inglés S.A. • Member of the BoD of Seafox
Non-Executive Member (pursuant to the provisions of Law 3864/2010)	
Johannes Herman Frederik G. Umbgrove	• Chairman of the Supervisory Board of Demir Halk Bank N.V., The Netherlands • Member of the Supervisory Board of Lloyds Bank GmbH, Germany • Member of the Management Committee of the Aston Martin Owners Club • Director of the Parel van Baarn Foundation

External Evaluation of the Board of Directors

The Board of Directors, with the support of the CGSNC, annually assesses its effectiveness and that of its Committees.

From time to time and at least once every three years, the Board of Directors may appoint external consultants to facilitate a more in-depth review of its effectiveness.

The collective evaluation of the Members of the Board of Directors and its Committees, for the year 2021, was conducted by Nestor Advisors Limited, a London-based corporate governance consulting firm, with the assistance of the CGSNC. The Individual Evaluation of the Members of the Board of Directors for the year 2021 was conducted by the Chair of the Board of Directors.

The main highlights of the collective evaluation for the year 2021 are the following:

– As Nestor Advisors has undertaken this collective evaluation, they were able to ascertain that the overall collective score confirms a continuous improvement of the effectiveness of the Board since the commencement of the governance reform in 2019.
– Most areas covered showed a higher average score than that of the previous external evaluation undertaken in 2021.

The key recommendation was that the time devoted to strategic discussions at the Board level should be further enhanced.

As regards the Individual Evaluation of the Members of the Board of Directors for the year 2021, the main highlights were the following:

- The Board performed its functions effectively.

- The Board worked with the Management in a productive and constructive manner to deal with challenging events, such as the pandemic and its consequences as well as the ambitious strategic plans of the Company and their implementation.

Assessment of the Board Members' collective suitability based on the ESMA/EBA Guidelines

Further to the aforementioned evaluation of the Board of Directors, an assessment of the Board Members' collective suitability in terms of knowledge, skills and experience based on the ESMA/EBA "Guidelines on the assessment of the suitability of members of the management body and key function holders'' (the "ESMA/EBA Guidelines"), was conducted with the support of the CGSNC.

In this context and for the purposes of preparing the assessment of the collective suitability, each Member of the Board of Directors conducted an Individual Self-Assessment based on the criteria listed in the ESMA/EBA Guidelines. The Chair of the Board of Directors completed the Collective Suitability Matrix of the ESMA/EBA Guidelines based on the Individual Self Assessments and examining, among others, the areas of governance, risk management, compliance, audit, management, strategy, decision-making, basic knowledge and past experience, as suggested by the said Guidelines.

Based on the Collective Suitability Matrix, the Board of Directors would benefit from diverse candidates, further Greek market expertise, experience in IT, Digital and accounting/auditing as well as Human Resources and ESG skills and knowledge and/or experience.

An overview of the CVs of the Members of the Board of Directors is presented in Appendix 2.

Committees of the Board of Directors

The Board of Directors may establish permanent or ad hoc Committees to assist it in the discharge of its responsibilities, facilitate its operations and effectively support its decision-making. The Committees have an advisory role, including making recommendations to the Board of Directors, but may also assume delegated authorities, as determined by the Board. Each Committee has its dedicated Charter prescribing its composition, tenure, functioning and responsibilities.

Four Committees operate at Board level, namely:

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

A more detailed analysis of the Committees and Charters as well as description of the Diversity Policy applied to management, administration and supervision bodies are presented in Appendix 1.

3 Accounting and Regulatory consolidation

3.1 Consolidation for financial reporting purposes

The consolidated financial statements include the parent company Alpha Services and Holdings S.A, its subsidiaries, associates and joint ventures. The financial statements of the entities that are used to prepare the consolidated financial statements have been prepared as at 31.12.2022 and the accounting policies applied in their preparation, when necessary, were adjusted to ensure consistency with the Group accounting policies.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group considers the following factors, in assessing control:

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

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,
- Indication 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.

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 by the equity method of accounting consolidation.

Joint Ventures

The Group applies IFRS 11 for 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 more detailed description of the financial principles applied for consolidation is mentioned in the Group Annual Financial Reports, whereas 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 of the Group Annual Financial Report as of 31.12.2022.

3.2 Consolidation for regulatory purposes

Consolidation for regulatory purposes follows the principles set by the law 4261/2014 and the regulatory framework (CRR 575/2013).

The regulatory consolidation is conducted in accordance with the accounting consolidation, with the exception of the following cases:

- Companies that do not belong to the financial sector are consolidated through the equity method;
- Insurance and reinsurance companies that are not deducted from CET 1 are risk weighted at 250% and
- Significant investments in financial sector entities where participation does not exceed the 10% threshold are not deducted from CET 1 and are risk weighted at 250%.

A full list of Alpha Bank Group's subsidiaries and associates is included in Appendix III.

3.3 Reconciliation between accounting and regulatory consolidation

The following table provides a reconciliation of the consolidated balance sheet as at 31 December 2022 on an accounting basis (as presented on p. 100 of the Group's Annual Report 31 December 2022) to the consolidated balance sheet under the regulatory scope of consolidation.

Template 1a: EU LI1 - Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories as of 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g
				Carrying values of items				
		Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Subject to the credit risk framework	Subject to the CCR framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to own funds requirements or subject to deduction from own funds
	Breakdown by asset classes according to the balance sheet in the published financial statements							
1	Cash and balances with central banks	12,895	12,895	12,895				
2	Due from banks	1,368	1,368	1,011	357			
3	Trading securities	4	4	0			4	
4	Derivative financial assets	2,142	2,142	0	2,142			
5	Loans and advances to customers	38,748	38,746	30,959		7,744		43
6	Investment securities							
	- Measured at fair value through other comprehensive income	1,806	1,323	1,323		0		
	- Measured at amortised cost	11,336	11,309	11,188		121		
	- Measured at fair value through profit or loss	328	78	65		9	4	
7	Investments in associates and joint ventures	99	194	194				
8	Investment property	245	245	245				
9	Property, plant and equipment	529	528	528				
10	Goodwill and other intangible assets	475	447	40				407
11	Deferred tax assets	5,232	5,239	3,531				1,707
12	Other assets	1,295	1,274	1,274				
13	Assets classified as held for sale	1,517	1,517	1,517				
	Total assets	**78,019**	**77,307**	**64,770**	**2,499**	**7,874**	**9**	**2,157**
	Breakdown by liability classes according to the balance sheet in the published financial statements							
1	Due to banks	14,345	14,345		32			
2	Derivative financial liabilities	2,305	2,305		1,476			
3	Due to customers	50,246	50,264		205			
4	Debt securities in issue and other borrowed funds	2,923	2,958					
5	Liabilities for current income tax and other taxes	23	18					
6	Deferred tax liabilities	23	35					
7	Employee defined benefit obligations	24	24					
8	Other liabilities	920	921					
9	Provisions	921	168					
10	Liabilities related to assets classified as held for sale	11	11					
	Total liabilities	**71,741**	**71,047**	**0**	**1,713**	**0**	**0**	**0**

Template 1b: EU LI1 - Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories as of 31.12.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f	g
				Carrying values of items				
		Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Subject to the credit risk framework	Subject to the CCR framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to own funds requirements or subject to deduction from own funds
	Breakdown by asset classes according to the balance sheet in the published financial statements							
1	Cash and balances with central banks	11,803	11,803	11,803				
2	Due from banks	2,964	2,964	1,103	1,861			
3	Trading securities	5	5	0			5	
4	Derivative financial assets	942	944	0	944			
5	Loans and advances to customers	36,860	36,861	29,501		7,326		34
6	Investment securities							
	- Measured at fair value through other comprehensive income	6,634	6,050	6,049		1		
	- Measured at amortised cost	3,753	3,753	3,753				
	- Measured at fair value through profit or loss	253	101	85		10	5	
7	Investments in associates and joint ventures	68	171	171				
8	Investment property	425	425	425				
9	Property, plant and equipment	738	736	736				
10	Goodwill and other intangible assets	478	449	112				337
11	Deferred tax assets	5,428	5,425	3,713				1,714
12	Other assets	1,573	1,552	1,552				
13	Assets classified as held for sale	1,431	1,431	1,431				
	Total assets	**73,356**	**72,671**	60,436	2,805	7,337	10	2,085
	Breakdown by liability classes according to the balance sheet in the published financial statements							
1	Due to banks	13,984	13,984		409			
2	Derivative financial liabilities	1,288	1,288		1,087			
3	Due to customers	46,970	46,990		38			
4	Debt securities in issue and other borrowed funds	2,593	2,623					
5	Liabilities for current income tax and other taxes	60	56					
6	Deferred tax liabilities	23	16					
7	Employee defined benefit obligations	29	29					
8	Other liabilities	888	893					
9	Provisions	834	162					
10	Liabilities related to assets classified as held for sale	608	608					
	Total liabilities	**67,276**	**66,648**	0	1,534	0	0	0

The following table provides a reconciliation between the consolidated regulatory balance sheet to the Exposure at Default (EAD) for items subject to the frameworks for credit risk, CCR, securitisation and market risk. The assets carrying value does not include the amount of the intangible assets.

Template 2a: EU LI2 - Main sources of differences between regulatory exposure amounts and carrying values in financial statements as of 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d	e
		Total	Items subject to			
			Credit risk framework	Securitisation framework	CCR framework	Market risk framework
1	**Assets carrying value amount under the scope of regulatory consolidation (as per template LI1)**	75,151	64,770	7,874	2,499	9
2	**Liabilities carrying value amount under the regulatory scope of consolidation (as per template LI1)**	1,713			1,713	
3	**Total net amount under the regulatory scope of consolidation**	73,438	64,770	7,874	786	9
4	**Off-balance-sheet amounts**	9,500	1,225			
5	*Differences in valuations*					
6	*Differences due to different netting rules, other than those already included in row 2*	1,713			1,713	
7	*Differences due to consideration of provisions*					
8	*Differences due to the use of credit risk mitigation techniques (CRMs)*					
9	*Differences due to credit conversion factors*					
10	*Differences due to Securitisation with risk transfer*					
11	*Other differences*					
12	**Exposure amounts considered for regulatory purposes**		65,995		518	

Template 2b: EU LI2 - Main sources of differences between regulatory exposure amounts and carrying values in financial statements as of 31.12.2021

(Amounts in millions of Euro)

		a	b	c	d	e
		Total	Items subject to			
			Credit risk framework	Securitisation framework	CCR framework	Market risk framework
1	**Assets carrying value amount under the scope of regulatory consolidation (as per template LI1)**	70,588	60,436	7,337	2,805	10
2	**Liabilities carrying value amount under the regulatory scope of consolidation (as per template LI1)**	1,534			1,534	
3	**Total net amount under the regulatory scope of consolidation**	69,054	60,436	7,337	1,271	10
4	**Off-balance-sheet amounts**	7,551	841			
5	*Differences in valuations*					
6	*Differences due to different netting rules, other than those already included in row 2*	1,534			1,534	
7	*Differences due to consideration of provisions*					
8	*Differences due to the use of credit risk mitigation techniques (CRMs)*					
9	*Differences due to credit conversion factors*					
10	*Differences due to Securitisation with risk transfer*					
11	*Other differences*					
12	**Exposure amounts considered for regulatory purposes**		61,277		634	

4 Capital Management

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

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

The Group remains committed to the implementation of its strategy, re-calibrating its approach in order to reflect changes in the market environment. The Bank has consistently delivered on its targets to clean-up its balance sheet and is on track with the execution of its NPE plan. It also has successfully addressed the challenges and risks that the outbreak of COVID-19 posed to banks. Towards its transition to the post Covid-19 era, the Bank remains committed in the active management and reduction of NPEs over the Business Plan period through additional NPE transactions as scheduled and incorporated in the revised NPE Business Plan submitted to the SSM in March 2023.

Main elements impacting Asset Quality, Capital and Liquidity

- As of Q4, the NPE ratio at a Group level declined further to 7.8% from 13.1% a year ago, down -20bps from Q3. The NPE stock in Greece declined by €0.1bn q/q to €3.0bn as slightly lower organic inflows were more than offset by robust curing activity and repayments, leading to a €0.4bn organic reduction during 2022.
- The Group's NPE cash coverage increased by 20bps to 41% at the end of Q4 while total coverage including collateral reached 108%. The Group NPL coverage ratio reached 77%, while total coverage including collateral reached 136%.
- On a yearly basis, performing loans expanded by 10% off the back of 17% growth in Greek Business loans and 9% in International, while loans to Greek Individuals were down -5%. Despite the strong performance of loan originations, the Group's performing loan book (excluding the Galaxy and Cosmos senior notes) was largely flat in Q4 at €31.4bn (+0.1% q/q), affected by a negative FX impact mainly on the shipping book and a sizeable uptick in repayments from businesses.
- The Group's net Loan to Deposit ratio stood at 77%. The deposit base increased by €0.1 bn in the last quarter to €50.2bn, On an annual basis, the Group's deposit base expanded by Euro 3.3 billion (+7%), funding the growth in the loan book.
- ECB funding remained stable at €13 bn, unchanged versus the previous quarter, while €2bn has been repaid in February 2023 and further €2 billion in March 2023, earlier than their contractual maturities.
- Two Senior Preferred Bonds of total size €850mn were issued in Q4 2022 contributed to the improvement of the Group's funding mix.
- The Group's Fully Loaded CET 1 Capital base stood at €4.0bn, enhanced by the organic capital generation, while the Fully Loaded CET1 stands at 11.9%.

4.1 Capital Ratios

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

As shown in the following table, on 31.12.2022, Alpha Bank's CET1 stood at €4.5 billion and the total Regulatory Capital at €5.5 billion, while the total RWAs amounted to €34.3billion resulting in a CET1 ratio of 13.2%, and total Capital Adequacy Ratio of 16.2% increased by c.18 bps versus 30.09.2022.

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

This legislation allows Greek credit institutions to treat such eligible DTAs as not "relying on future profitability" according to the CRD Directive, and as a result such DTAs are not deducted from Common Equity Tier I capital but rather risk weighted. As of 31 December 2022, as not "relying on future profitability" according to the CRD Directive stood at €2.74 billion.

Template 3: Capital Adequacy Ratios (%)

(Amounts in millions of Euro)

	a	b
	31.12.2022	**30.9.2022**
Capital Type		
CET1	4.540	4.546
Tier 1 Capital	4.540	4.546
Tier 2 Capital	1.000	1.000
Total Regulatory Capital for C.A.R. calculation	5.540	5.546
Risk Weighted Assets	34.286	34.736
Capital Ratios		
CET1 Ratio	**13.2%**	**13.1%**
Tier 1 Ratio	**13.2%**	**13.1%**
Capital Adequacy Ratio (Tier 1 + Tier 2)	**16.2%**	**16.0%**

4.1.1 Key metrics

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

Template 4: EU KM1 - Key metrics template as of 31.12.2022[(*)]

(Amounts in millions of Euro)

		a	b	c	d	e
		31.12.2022	30.9.2022	30.6.2022	31.3.2022	31.12.2021
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	4,540	4,546	4,445	4,328	4,662
2	Tier 1 capital	4,540	4,546	4,445	4,328	4,663
3	Total capital	5,540	5,546	5,445	5,328	5,676
	Risk-weighted exposure amounts					
4	Total risk-weighted exposure amount	34,286	34,736	36,030	35,566	35,396
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	13.2%	13.1%	12.3%	12.2%	13.2%
6	Tier 1 ratio (%)	13.2%	13.1%	12.3%	12.2%	13.2%
7	Total capital ratio (%)	16.2%	16.0%	15.1%	15.0%	16.0%
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	3.00%	3.00%	3.00%	3.00%	3.00%
EU 7b	of which: to be made up of CET1 capital (percentage points)	1.69%	1.69%	1.69%	1.69%	1.69%
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	2.25%	2.25%	2.25%	2.25%	2.25%
EU 7d	Total SREP own funds requirements (%)	11.00%	11.00%	11.00%	11.00%	11.00%
	Combined buffer requirement (as a percentage of risk-weighted exposure amount)					
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Institution specific countercyclical capital buffer (%)	0.06%	0.00%	0.00%	0.00%	0.00%
10	Global Systemically Important Institution buffer (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 10a	Other Systemically Important Institution buffer	0.75%	0.75%	0.75%	0.75%	0.50%
11	Combined buffer requirement (%)	3.31%	3.25%	3.25%	3.25%	3.00%
EU 11a	Overall capital requirements (%)	14.31%	14.25%	14.25%	14.25%	14.00%
12	CET1 available after meeting the total SREP own funds requirements (%)	4.99%	4.84%			
	Leverage ratio					
13	Leverage ratio total exposure measure	76,625	76,164	74,340	61,196	60,619
14	Leverage ratio	5.9%	6.0%	6.0%	7.1%	7.7%
	Additional own funds requirements to address risks of excessive leverage (as a percentage of leverage ratio total exposure amount)					
EU 14c	Total SREP leverage ratio requirements (%)	3.00%	3.00%			
EU 14e	Overall leverage ratio requirements (%)	3.00%	3.00%			

		a	b	c	d	e
		31.12.2022	30.9.2022	30.6.2022	31.3.2022	31.12.2021
EU 14f	Overall leverage ratio requirements (%)	3.00%	3.00%			
	Liquidity Coverage Ratio					
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	11,810	11,535	11,398	10,887	
EU 16a	Cash outflows - Total weighted value	8,457	8,092	7,738	7,331	
EU 16b	Cash inflows - Total weighted value	1,308	1,326	1,331	917	
16	Total net cash outflows (adjusted value)	7,149	6,766	6,407	6,066	
17	Liquidity coverage ratio (%) (adjusted values) (**)	166.0%	171.0%	178.0%	179.0%	
17a	Liquidity coverage ratio (%)	161.3%(***)	161.0%			
	Net Stable Funding Ratio					
18	Total available stable funding	54,218	57,334			
19	Total required stable funding	45,110	48,772			
20	NSFR ratio (%)	120.0%(***)	117.6%			

(*) The above figures include the period results

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

(***) Following implementation of methodological adjustments performed in the context of the regulatory supervisory dialogue, LCR and NSFR as of 31.12.2022 were revised to 149% and 124% respectively. With reference period end of March 2023, the Group LCR stood at 163.3%.

4.2 Transitional Arrangements

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

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

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

- To mitigate the negative impact on the regulatory capital of the Bank from the increase in the expected credit loss as a result from the Covid-19 pandemic. This article extents to another two-year period the ability to add-back to the regulatory capital the expected credit losses recognized in 2020 and afterwards relating to performing financial instruments. This transition period is effective until the end of 2024. More specific, the weighting factors were set at 1.00 for the first two years (2020 and 2021), 0.75 in 2022, 0.5 in 2023 and 0.25 in 2024.

- Introduces a temporary prudential filter to neutralize debt market volatility deriving from the effects of the Covid-19 pandemic. The filter is effective from 1 January 2020 to 31 December 2022. As a result of the application of the filter, Banking Institutions will be able to add -back a percentage of the unrealized gains and losses in the sovereign debt securities placements that affected CET1. For 2022 the applied percentage is 40%.

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

Template 5: EU IFRS9-FL - Comparison of own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS

(Amounts in millions of Euro)

	a	b	c	d	e
	31.12.2022	30.9.2022	30.6.2022	31.3.2022	31.12.2021
Available capital (amounts)					
Common Equity Tier 1 (CET1) capital	4,540	4,546	4,445	4,328	4,662
CET1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	4,043	4,046	3,948	3,840	3,747
CET1 capital as if the temporary treatment of unrealized gains and losses measured at fair value through OCI (other comprehensive income)I in accordance with Article 468 of the CRR had not been applied	4,520	4,523	4,425	4,317	
Tier 1 capital	4,540	4,546	4,445	4,328	4,663
Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	4,043	4,046	3,948	3,840	3,747
Tier 1 capital as if the temporary treatment of unrealized gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied	4,520	4,523	4,425	4,317	
Total capital	5,540	5,546	5,445	5,328	5,676
Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	5,043	5,046	4,948	4,840	4,761
Total capital as if the temporary treatment of unrealized gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied	5,520	5,523	5,425	5,317	
Risk-weighted assets (amounts)					
Total Risk-weighted assets	34,286	34,736	36,030	35,566	35,396
Total Risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	33,887	34,337	35,631	35,168	34,600
Capital ratios					
Common Equity Tier 1 ratio (%)	13.2%	13.1%	12.3%	12.2%	13.2%

	a	b	c	d	e
	31.12.2022	30.9.2022	30.6.2022	31.3.2022	31.12.2021
CET1 ratio (%) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	11.9%	11.8%	11.1%	10.9%	10.8%
CET1 ratio (%) as if the temporary treatment of unrealized gains and losses measured at fair value through OCI (other comprehensive income)I in accordance with Article 468 of the CRR had not been applied	13.2%	13.0%	12.3%	12.1%	
Tier 1 ratio (%)	13.2%	13.1%	12.3%	12.2%	13.2%
Tier 1 ratio (%) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	11.9%	11.8%	11.1%	10.9%	10.8%
Tier 1 ratio (%) as if the temporary treatment of unrealized gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied	13.2%	13.0%	12.3%	12.1%	
Total ratio (%)	16.2%	16.0%	15.1%	15.0%	16.0%
Total ratio (%) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	14.9%	14.7%	13.9%	13.8%	13.8%
Total ratio (%) as if the temporary treatment of unrealized gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied	16.1%	15.9%	15.1%	15.0%	
Leverage ratio					
Leverage ratio total exposure measure	76,625	76,164	74,340	61,196	60,619
Leverage ratio	5.9%	6.0%	6.0%	7.1%	7.7%
Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	5.3%	5.4%	5.3%	6.3%	6.3%
Leverage ratio as if the temporary treatment of unrealized gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied	5.9%	5.9%	6.0%	7.1%	

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

Template 6: Own Funds Structure

(Amounts in millions of Euro)

	31.12.2022	30.9.2022
Share capital	681	681
Share premium	5,259	5,259
Own Shares	(1)	-
Retained Earnings and Other Reserves	160	162
o/w FVOCI reserves	(23)	(23)
Period results	358	297
Minority interest (transitional)	0	0
Common equity tier 1 capital before regulatory adjustments	**6,458**	**6,399**
PVA	(6)	(6)
Intangible assets	(407)	(385)
Adjustments due to IFRS 9 transitional adjustments	398	398
DTA amortization	(1,807)	(1,815)
Irrevocable payment commitment	(24)	(24)
Other Adjustments	(73)	(21)
Total regulatory adjustments to common equity tier 1	**(1,918)**	**(1,853)**
Common equity tier 1 capital (CET1) (1)	**4,540**	**4,546**
Hybrid instruments	-	-
Additional Tier I before regulatory adjustments	**-**	**-**
Hybrid instruments transitional	-	-
Total regulatory adjustments to additional Tier I	-	-
Additional Tier I	**-**	**-**
Tier I Capital (CET1 + AT1)	**4,540**	**4,546**
Subordinated loan	1,000	1,000
Hybrid instruments (transitional)	-	-
Tier II capital before regulatory adjustments	**1,000**	**1,000**
Total regulatory adjustments to Tier II	-	-
Tier II capital	**1,000**	**1,000**
Total Capital (TC = Tier I + Tier II)	**5,540**	**5,546**
Total RWA	**34,286**	**34,736**
Common equity tier 1 Ratio	**13.2%**	**13.1%**
Tier I Ratio	**13.2%**	**13.1%**
Capital Adequacy Ratio (Tier I + Tier II)	**16.2%**	**16.0%**

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

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

Template 7a: EU CC2 - reconciliation of regulatory own funds to balance sheet in the audited financial statements as of 31.12.2022

(Amounts in millions of Euro)

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

		a	b	c
		Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
		31.12.2022		
3	Due to customers	50,246	50,264	
4	Debt securities in issue and other borrowed funds	2,923	2,958	(f)
5	Liabilities for current income tax and other taxes	23	18	
6	Deferred tax liabilities	23	35	
7	Employee defined benefit obligations	24	24	
8	Other liabilities	920	921	
9	Provisions	921	168	
10	Liabilities related to assets classified as held for sale	11	11	
11	**Total liabilities**	**71,741**	**71,047**	
Equity				
1	Share Capital	681	681	(a)
2	Share premium	5,259	5,259	(a)
3	Special Reserve from Share Capital Decrease	296	296	(c)
4	Reserves	-273	-228	(c)
5	Amounts directly recognized in equity and associated with assets classified as held for sale			
6	Retained earnings	297	235	(b)
7	Treasury shares	-1	-1	(a)
8	Non-controlling interests	18	18	
9	Hybrid securities			
	Total equity	**6,277**	**6,260**	

Template 7b: EU CC2 - reconciliation of regulatory own funds to balance sheet in the audited financial statements as of 30.6.2022

(Amounts in millions of Euro)

		a	b	c
		Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
		30.06.2022		
Assets - *Breakdown by asset classes according to the balance sheet in the published financial statements*				
1	Cash and balances with central banks	11,611	11,611	
2	Due from banks	1,512	1,512	
3	Trading securities	11	11	
4	Derivative financial assets	1,647	1,648	
5	Loans and advances to customers	38,098	38,097	
6	Investment securities	-	-	
	- Measured at fair value through other comprehensive income	1,923	1,409	
	- Measured at fair value through profit or loss	260	99	
	- Measured at amortised cost	10,201	10,202	
7	Investments in associates and joint ventures	100	197	(g)
8	Investment property	410	410	
9	Property, plant and equipment	700	700	
10	Goodwill and other intangible assets	467	436	(d)
11	Deferred tax assets	5,363	5,362	(e)
12	Other assets	1,619	1,596	
13	Assets classified as held for sale	1,860	1,860	
14	**Total assets**	**75,782**	**75,150**	
Liabilities - *Breakdown by liability classes according to the balance sheet in the published financial statements*				
1	Due to banks	14,370	14,370	
2	Derivative financial liabilities	1,778	1,778	
3	Due to customers	48,496	48,515	
4	Debt securities in issue and other borrowed funds	2,478	2,506	(f)
5	Liabilities for current income tax and other taxes	31	20	
6	Deferred tax liabilities	1	19	
7	Employee defined benefit obligations	29	29	
8	Other liabilities	1,053	1,056	

		a	b	c
		Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
		30.06.2022		
9	Provisions	834	147	
10	Liabilities related to assets classified as held for sale	553	553	
11	**Total liabilities**	**69,622**	**68,992**	
Equity				
1	Share Capital	704	704	(a)
2	Share premium	5,259	5,259	(a)
3	Special Reserve from Share Capital Decrease	6,105	6,105	(c)
4	Reserves	184	239	(c)
5	Amounts directly recognized in equity and associated with assets classified as held for sale	11	11	
6	Retained earnings	(6,125)	(6,182)	(b)
7	Non-controlling interests	21	21	
8	Hybrid securities	-	-	
	Total equity	**6,160**	**6,157**	

4.4 Capital requirements under Pillar I

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

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

Capital Requirements are calculated using the following approaches:

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

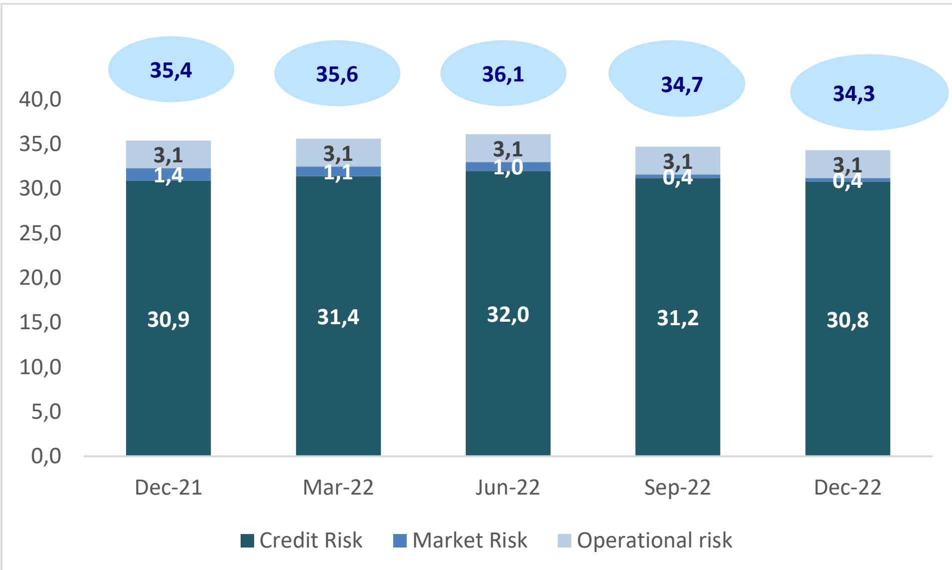
The following template summarizes RWA and minimum capital requirements by risk type. Minimum capital requirement is calculated at 8% of RWA.

Template 8: EU OV1 – Overview of risk weighted exposure amounts as of 31.12.2022

(Amounts in millions of Euro)

		Risk weighted exposure amounts (RWEAs)		Total own funds requirements
		a	b	c
		31.12.2022	30.9.2022	31.12.2022
1	**Credit risk (excluding CCR)**	**30,234**	**30,492**	**2,419**
2	Of which the standardised approach	30,234	30,492	2,419
3	Of which the foundation IRB (FIRB) approach			
4	Of which slotting approach			-
EU 4a	Of which equities under the simple riskweighted approach			-
5	Of which the advanced IRB (AIRB) approach	-	-	-
6	**Counterparty credit risk - CCR**	**255**	**203**	**20**
7	Of which the standardised approach	139	116	11
8	Of which internal model method (IMM)	-	-	-
EU 8a	Of which exposures to a CCP	4	4	0
EU 8b	Of which credit valuation adjustment - CVA	112	83	9
9	Of which other CCR	0	0	0
15	**Settlement risk**	**-**	**-**	**-**
16	**Securitisation exposures in the non-trading book (after the cap)**	**408**	**608**	**33**
17	Of which SEC-IRBA approach	-	-	-
18	Of which SEC-ERBA (including IAA)	132	118	11
19	Of which SEC-SA approach	276	490	22
EU 19a	Of which 1250%/ deduction	-	-	-
20	**Position, foreign exchange and commodities risks (Market risk)**	**263**	**364**	**21**
21	Of which the standardised approach	17	16	1
22	Of which IMA	246	348	20
EU 22a	**Large exposures**	**-**	**-**	**-**
23	**Operational risk**	**3,126**	**3,068**	**250**
EU 23a	Of which basic indicator approach	-	-	-
EU 23b	Of which standardised approach	3,126	3,068	250
EU 23c	Of which advanced measurement approach	-	-	-
24	**Amounts below the thresholds for deduction (subject to 250% risk weight)** (for information)	**1,545**	**1,527**	**124**
29	**Total**	**34,286**	**34,736**	**2,743**

The figures above are calculated according to the reporting submissions to the regulator.



The table for participations in insurance undertakings which are not deducted from CET1, is not applicable for the 31.12.2022 reference date.

4.5 Capital Buffers

The countercyclical capital buffer (CCyB) is a CRD IV instrument, designed to help counter pro-cyclicality in the financial system. Credit institutions are required to set aside additional CET 1 capital during periods of excessive credit growth. This will help maintain the supply of credit and dampen the downswing of the financial cycle. The main purpose of the CCyB is to increase the banks' resilience in good times to absorb potential losses that could arise in a downturn and to support the continued supply of credit to the real economy. For 2022 Bank of Greece, as National Competent Authority, set the countercyclical buffer at 0%.

Key drivers of the raise of the CCyB requirements at year end, is the increase of the respective rates in Romania (0,5%) and the United Kingdom (1%), where the Group has exposures due to its subsidiaries.

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

Template 9a: EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer as of 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m
		General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures Exposure value for non-trading book	Total exposure value	Own fund requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
		Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
010	**Breakdown by country:**													
10	Bulgaria	66					66	4			4	48	0%	1.0%
11	Denmark	2					2	0			0	1	0%	2.0%
12	Luxembourg	70					70	5			5	63	0%	0.5%
13	Norway	2					2	0			0	1	0%	2.0%
14	Romania	3,054					3,054	127			127	1,590	6%	0.5%
15	Sweden	15					15	0			0	2	0%	1.0%
16	United Kingdom	833					833	43			43	539	2%	1%
17	other	30,353		10	29,964	2,334	62,660	1,805	30	33	1,868	23,351	91%	
18	Total	34,395		10	29,964	2,334	66,703	1,985	30	33	2,048	25,596	100%	

Template 9b: EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer as of 30.6.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m
		General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures Exposure value for non-trading book	Total exposure value	Own fund requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
		Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
010	**Breakdown by country:**													
10	Bulgaria	73					73	4			4	53	0%	0.5%
11	Czech Republic	0					0	0			0	0	0%	0.5%
12	Hong Kong	0					0	0			0	0	0%	1.0%
13	Luxembourg	27					27	1			1	18	0%	0.5%
14	Norway	**2**					**2**	**0**			**0**	**1**	0%	1.5%
15	Slovakia	0					0	0			0	0	0%	1.0%
16	other	35,157		15	28,645	1,800	65,617	2,048	78	43	2,168	27,105	100%	
17	Total	35,259		15	28,645	1,800	65,719	2,053	78	43	2,174	27,176	100%	

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

Template 10a: EU CCyB2 - Amount of institution-specific countercyclical capital buffer as of 31.12.2022

(Amounts in millions of Euro)

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

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

Template 10b: EU CCyB2 - Amount of institution-specific countercyclical capital buffer as of 30.6.2022

(Amounts in millions of Euro)

		a
		30.6.2022
1	Total risk exposure amount	36,030
2	Institution specific countercyclical capital buffer rate	0.00%
3	Institution specific countercyclical capital buffer requirement	0.5

4.6 Internal Capital Adequacy Assessment Process (ICAAP)

The ICAAP process is an integral part of the Internal Control System (ICS) of the Group. It is aligned with the best practices and the general principles and requirements set by the regulatory Framework, including the guidelines provided by SSM and/ or EBA, which allows for:

- The identification, analysis, monitoring and the overall assessment of risks
- The improvement of various systems/ procedures/ policies related to the assessment and management of risks
- The estimation of the necessary level of Internal Capital required for the coverage of all risks and
- Capital planning taking also into consideration the Group's Risk appetite and business/strategic plan in a forward looking assessment.

As a process, ICAAP is a constant, ongoing and recurring set of actions / streams that are carried out as part of the day to day operation of the Group. The related report is updated at least annually, or at a more frequent basis, whenever there is a change considered material.

The Group identifies the following key components of the ICAAP process:

1. Risk Identification and Materiality Assessment Process, which consists of:

   a. An annual review of the Risk Inventory comprising of an extensive list of risks within supervisory and Alpha Bank perspective.

   b. Materiality assessment of the identified risk types, after having carved out the non-relevant to the Group risks, based on quantitative / qualitative criteria.

   c. A display of all material risks in the Group's Risk Registry, presenting their severity before and after controlling and mitigating actions.

2. Capital Adequacy Assessment, that involves the quantification of internal capital for the risk types that are identified as material. For the determination of the internal capital requirements, the Group uses the Pillar I regulatory capital as a starting point taking also into account additional capital where required by using more sophisticated methodologies and definitions. Internal capital requirements under Pillar II represent more accurately the risk profile of Alpha Bank Group, since it covers a wider range of risks and utilizes more sophisticated and risk sensitive approaches. In addition to the above process which coincides with the calendarization of the annual submission of the ICAAP to the supervisory authorities, Pillar II calculations are performed on a quarterly basis according to supervisory expectations.

3. Capital Planning and Stress Testing, that involves the forward-looking view and assessment of risks, evolution of available capital and capital requirements, under baseline and alternative adverse scenarios, as well as considering a reverse stress scenario.

4. Monitoring and reporting of ICAAP results that involves the on-going and regular monitoring of key ICAAP metrics and relevant reporting to appropriate committees, in line with the ICAAP governance framework.

Considering the multi-year plan on ICAAP and the relevant ECB guidelines in particular, the following overarching principles are defined with respect to the ICAAP setup and implementation by the Group:

- The Board of Directors has the overall responsibility of the ICAAP implementation with a clear and transparent assignment of responsibilities to the Risk Management Committee and Senior Management members.
- ICAAP is an integral part of the management framework of the Bank. The ICAAP is integrated into the business, decision-making and risk management processes of the Group, and is consistent and coherent throughout the Group.
- The ICAAP contributes to the continuity of the Bank by ensuring its capital adequacy from different but complementary perspectives (e.g. the economic perspective and the normative perspective).
  - Under the economic perspective, the Group ensures that any risks that may affect its capital position are adequately covered by internal capital in line with its internal capital adequacy concept. Under this perspective, the institution's assessment covers the full universe of risks that may have a material impact on its capital position, taking into account fair value considerations for its current assets, liabilities and risks.

  - The normative perspective is an assessment of the institution's ability to fulfil all of its capital-related regulatory and supervisory requirements and demands, and to cope with other external financial constraints on an ongoing basis. The capital plan is comprised of baseline and adverse scenarios and covers a forward-looking horizon of at least three years. The Group also conducts reverse stress testing, as per regulatory requirements, leveraging on the outcome of the adverse scenario.
  - Both perspectives mutually inform each other and are integrated into all material business activities and decisions.
- ICAAP assumptions and risk quantification methodologies are proportionate, consistent and thoroughly validated.
- Regular stress testing ensures capital adequacy in adverse circumstances.

4.7 Internal Liquidity Adequacy Assessment Process (ILAAP)

The ILAAP is an integral part of the Group's Internal Control System (ICS) and is aligned with the general principles and requirements set by the relevant Regulatory Framework (2013/36/EU, article 86 and EBA/GL/2016/10, Guidelines on ICAAP and ILAAP information collected for SREP purposes).

Following the aforementioned guidelines, the ILAAP report analyses the following areas:

- Key elements of liquidity risk management and ILAAP Framework: Description of the risk appetite framework for liquidity and funding risks is presented, and its integration with ILAAP. Moreover, a comprehensive description of the Group's policies regarding funds transfers pricing, liquidity stress testing, asset encumbrance and intraday liquidity is provided.
- Alpha Bank's Group Background Overview: The Group's key balance sheet figures and liquidity profile is presented.
- The Group's forward looking liquidity & funding position under the normative perspective is presented under baseline and adverse scenarios (3-year projection of balance sheet figures and key liquidity risk metrics).
- The Group's forward looking liquidity & funding position under the economic perspective is presented (liquidity buffer evolution under a short term systemic, idiosyncratic and combined shock)
- Quality assurance and validation of liquidity stress testing
- A statement of the level of appropriateness of the liquidity risk management mechanisms and the results of ILAAP, with comprehensive description of the liquidity and funding risks that the Group faces taking into account the current macro-economic environment as well as country-specific and idiosyncratic factors, are included as part of the Internal Liquidity Adequacy Assessment Process (ILAAP) approved by the Board of Directors in March 2022.

5 Leverage

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

The level of the leverage ratio with reference date 31.12.2022 on consolidated basis was 5.9%, according to the transitional definition of Tier 1 capital, exceeding by 1.9x the 3% minimum threshold applied by the competent authorities, implying that the Bank is not taking on excessive leverage risk.

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

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

Template 11a: EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures as of 31.12.2022

(Amounts in millions of Euro)

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

Template 11b: EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures as of 30.06.2022

(Amounts in millions of Euro)

		a
		Applicable amount
1	Total assets as per published financial statements	75,782
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	(632)
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-
4	(Adjustment for temporary exemption of exposures to central bank (if applicable))	-
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of point (i) of Article 429a(1) CRR)	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustment for eligible cash pooling transactions	-
8	Adjustments for derivative financial instruments	(329)
9	Adjustment for securities financing transactions (SFTs)	0
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	1,561
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-
12	Other adjustments	(2,041)
13	**Total exposure measure**	**74,340**

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

Template 12: EU LR2 - LRCom: Leverage ratio common disclosure as of 31.12.2022

(Amounts in millions of Euro)

		CRR leverage ratio exposures	
		a	b
		31.12.2022	**30.6.2022**
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	75,221	73,605
2	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	10	10
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(318)	(410)

		CRR leverage ratio exposures	
		a	b
		31.12.2022	30.6.2022
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
5	(General credit risk adjustments to on-balance sheet items)	-	-
6	(Asset amounts deducted in determining Tier 1 capital)	(1,816)	(1,754)
7	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	**73,097**	**71,451**
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	1,456	1,215
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	163	114
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	-	-
EU-9b	Exposure determined under Original Exposure Method	-	-
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original exposure method)	-	-
11	Adjusted effective notional amount of written credit derivatives	-	-
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
13	**Total derivatives exposures**	**1,760**	**1,328**
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	0	0
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)		
16	Counterparty credit risk exposure for SFT assets	1	0
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	-	-
17	Agent transaction exposures	-	-
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	-	-
18	**Total securities financing transaction exposures**	**1**	**0**
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	9,534	8,466
20	(Adjustments for conversion to credit equivalent amounts)	(7,768)	(6,906)
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)		
22	**Off-balance sheet exposures**	**1,766**	**1,561**
Excluded exposures			
EU-22a	(Exposures excluded from the leverage ratio total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-	
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a (1) CRR (on and off balance sheet))	-	-
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)	-	-

		CRR leverage ratio exposures	
		a	b
		31.12.2022	30.6.2022
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans): - Promotional loans granted by a public development credit institution - Promotional loans granted by an entity directly set up by the central government, regional governments or local authorities of a Member State - Promotional loans granted by an entity set up by the central government, regional governments or local authorities of a Member State through an intermediate credit institution)	-	-
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units): - Promotional loans granted by a public development credit institution - Promotional loans granted by an entity directly set up by the central government, regional governments or local authorities of a Member State - Promotional loans granted by an entity set up by the central government, regional governments or local authorities of a Member State through an intermediate credit institution)	-	-
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	-	-
EU-22g	(Excluded excess collateral deposited at triparty agents)	-	-
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	-	-
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	-	-
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	-	-
EU-22k	**(Total exempted exposures)**	**-**	**-**
	Capital and total exposure measure		
23	**Tier 1 capital**	4,540	4,445
24	**Total exposure measure**	**76,625**	**74,340**
	Leverage ratio		
25	Leverage ratio	5.93%	5.98%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	5.93%	5.98%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	5.93%	5.98%
26	Regulatory minimum leverage ratio requirement (%)	3.00%	3.00%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	0.00%	0.00%
EU-26b	of which: to be made up of CET1 capital (percentage points)	0.00%	0.00%
27	Leverage ratio buffer requirement (%)	0.00%	0.00%
EU-27a	Overall leverage ratio requirement (%)	3.00%	3.00%
Choice on transitional arrangements and relevant exposures			
EU-27	Choice on transitional arrangements for the definition of the capital measure	Transitional	Transitional
Disclosure of mean values			
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	4	347

		CRR leverage ratio exposures	
		a	b
		31.12.2022	30.6.2022
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	0	0
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	76,629	74,687
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	76,629	74,687
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	5.93%	5.95%
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	5.93%	5.95%

Template 13a: EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures) as of 31.12.2022

(Amounts in millions of Euro)

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

Template 13b: EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures) as of 30.06.2022

(Amounts in millions of Euro)

		a
		CRR leverage ratio exposures
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	73,205
EU-2	Trading book exposures	-
EU-3	Banking book exposures, of which:	73,205
EU-4	Covered bonds	13
EU-5	Exposures treated as sovereigns	26,149
EU-6	Exposures to regional governments, MDB, international organisations and PSE **not** treated as sovereigns	644
EU-7	Institutions	2,104
EU-8	Secured by mortgages of immovable properties	13,143
EU-9	Retail exposures	3,611
EU-10	Corporate	12,733
EU-11	Exposures in default	2,242
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	12,565

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

6 General Information on Risk Management

The Group is fully committed to applying the best practices and achieving the highest standards of corporate governance in every aspect of its business, including risk management.

Risk management is essential to promoting the Group's strategic, business and financial objectives and forms an integral part of the business strategy-setting process, including the business planning process and the risk appetite policy, as it defines the maximum acceptable risk appetite regarding each type of risk.

The key risk categories for Alpha Bank include credit risk, market risk, liquidity risk, counterparty risk, country risk and operational risk. In order to ensure that the impact of the said risks on the Bank's and the Group's financial results, long-term strategic goals and reputation are minimized, the Group applies identification, forecasting, measurement, monitoring, control and mitigation practices for the highest as well as for emerging risks, through an internal governance process based on the use of credit tools and risk management processes.

The Group's strategy for risk management and risk undertaking, applied in all of the Bank Units' and Group Companies' activities, is strictly aligned with the best international practices, as well as with the current legislation and the regulatory and supervisory rules, while it evolves continuously through the development of a single risk management culture, which is shared across the Bank and the Group.

6.1 Risk Management Framework and Principles

The Group has established a comprehensive risk management framework, which is improving continuously over time and takes into account the common European legislation and banking system rules, the regulatory principles and supervisory guidance and the best international practices. This risk management framework is implemented in the course of day-to-day business enabling corporate governance to remain effective.

The main objective of the Group during 2022 was to maintain the high quality internal corporate governance and compliance, within the regulatory and supervisory provisions on risk management, in order to ensure confidence in the conduct of its business activities through sound provision of financial services.

The Group Risk Management Framework, as a structural part of the Group's corporate and risk governance framework, is based upon the following guiding principles:

- Development of a sound Group risk culture that incorporates risk awareness, risk taking and risk management and control in the decisions of management and employees during the day-to-day activities considering their impact on the risks they assume.
- Definition of the Group's risk appetite framework (RAF), which is articulated via the risk appetite statement (RAS) and establishes the individual and aggregate levels and types of risk that the Bank is willing to assume in advance of and in order to achieve its strategic business activities within its risk capacity.
- Definition of the Group risk policy that is adherent to the RAS and is supported by appropriate control procedures and processes.
- Development of the processes to ensure that all material risks and associated risk concentrations are identified, measured, limited, controlled, mitigated and reported on a timely and comprehensive basis.
- Monitoring of risk limits with alignment with the Group's business goals.

- Transparency promoted through clear communication lines.
- Active role of contributing staff in Risk Management. The staff is equipped with all the necessary skills and means which are necessary for effective Risk Management and understands its roles and responsibilities related to the Group Risk Management Framework.
- Full documentation of all processes related to risk identification, measurement, monitoring, reporting and control/mitigation.
- Providing adequate information to Group and Business Unit Management.

6.1.1 Risk Appetite Framework (RAF)

The RAF constitutes a major component in the Bank's overall approach to the risk and capital strategy, including policies, processes, controls and systems through which risk appetite is established, communicated throughout the Bank and monitored. The RAF includes the risk appetite statement (RAS), risk limits and an outline of the roles and responsibilities of those overseeing the implementation and monitoring of the RAF, ensuring the alignment of the Bank's corporate and business strategy, the financial and capital planning and the risk management framework. The Risk Appetite is the core tool for better aligning overall corporate strategy, capital allocation, and risk. The Senior Management of the Bank defines and recommends the Risk Appetite at Group level, taking into consideration the business strategy, business plan, risk management framework/_culture and internal capital adequacy assessment. At this stage, strategic objectives are translated into risk appetite qualitative statements and risk appetite quantitative measures (Key Risk Indicators-KRIs). The Risk Management Committee reviews and recommends annually to the Board of Directors for approval the Group's RAF and statement, considering also ESG risks, i.e. the risks of any negative financial impact to the Company stemming from the current or prospective impacts of ESG factors on its counterparties, such as climate-related risks and ensuring alignment with the Group's strategic objectives and capital allocation. Overall, Risk Appetite sets out the level of risk that the BoD is willing to take in pursuit of its business objectives.

The effective expression of Risk Appetite aids the Group in running its business by providing guidance on acceptable levels of risk while pursuing strategic objectives, thus providing a significant link in achieving the most efficient balance between risk and return.

Successful implementation of RAF depends upon effective interactions between the Board, Senior Management, CFO and CRO, risk management and operating business.

6.1.2 Risk Governance Structure

The Group has set a robust internal governance framework, which includes a transparent organizational structure, a management body that is responsible for proper risk management processes and for strong internal control system and ensures that the Group holds sufficient capital to meet both its own funds requirements and its internal capital targets.

The Group's risk strategy and risk management framework are organized according to the principles of three lines of defense, which have a decisive role in the Group's effective operation. They provide a clear set of rules and standards to be applied to a cohesive operating model, one that provides a framework for the articulation of accountabilities and responsibilities for managing risk across the Group.

In particular:

- The 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. This includes assessing and reporting of their exposures for identifying the relevant risks, taking into account the Bank's approved risk appetite, as well as its policies, procedures, controls and limits.
- The second line of defense consists of the Risk Management function and other relevant functions, independent from the first line of defense. These functions complement the business lines' risk activities through monitoring and reporting responsibilities. They are responsible for overseeing the Bank's and the Group's risk-taking activities for the individual risk assessment and the aggregation of risk. The second line of defense, also, includes the independent Compliance function. The Compliance function, among other things, monitors compliance with laws, corporate governance rules, regulations, codes and policies of the Bank and the Group. The BoD approves the compliance policies. The function ensures compliance with the policies and reports to the senior management and the BoD on how the Bank and the Group manage their compliance risk.
- 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.

The Board of Directors and the Risk Management Committee of the Company, presented in chapter 2.4 and in the Appendix I of the Pillar III report, as well as the Management Committees of the Bank have separate and distinct roles in providing the final and ultimate levels of defense, ensuring the effective implementation of the group-wide risk management Framework and policies within the Group.

Management Committees

1. Executive Committee

In accordance with Law 4548/2018, the Board of Directors has established as of 2.12.2019 an Executive Committee.

The Executive Committee acts as a collective corporate body of the Company. The Committee's powers and authorities are determined by way of a CEO act, delegating powers and authorities to the Committee.

The indicative main responsibilities of the Committee include, but are not limited, to the following:

The Committee:

- Prepares the strategy, the business plan and the annual Budget of the Company and the Group for submission to and approval by the Board of Directors as well as the annual and interim Financial Statements.
- Decides on and manages the capital allocation to the Business Units.
- Prepares the Internal Capital Adequacy Assessment Process (ICAAP) Report and the Internal Liquidity Adequacy Assessment Process (ILAAP) Report.
- Monitors the performance of each Business Unit and Subsidiary of the Company versus the Budget and ensures that corrective measures are taken.
- Reviews and approves the policies of the Company, informing the Board of Directors accordingly.

- Approves and manages any collective program proposed by the Human Resources Unit for the Employees and ensures the adequacy of Resolution Planning governance, process and systems.
- Is responsible for the implementation of: (i) the overall risk strategy, including the Company's risk appetite and its risk management framework, (ii) an adequate and effective internal governance and internal control framework, (iii) the selection and suitability assessment process for Key Function Holders, (iv) the amounts, types and distribution of both internal capital and regulatory capital and (v) the targets for the liquidity management.

Group Risk Management Unit

The Group Risk Management Unit is assigned with the responsibility of implementing the Group Risk Management Framework, according to the directions of the Risk Management Committee and operates independently from any executing processes.

Furthermore, the risk management functions that provide an overarching risk control framework for a more comprehensive and effective identification and handling of all risk types linked to the Group's risk appetite are supported by the following Committees: the Assets-Liabilities Management Committee, the Credit Risk Committee and the Operational Risk and Internal Control Committee.

Under the supervision of the General Manager – Group Chief Risk Officer, the following Risk Management Divisions operate within the Group and are assigned with the responsibility of implementing the risk management framework:

- Chief Risk Control Officer
  - Credit Risk Policy and Control Division
  - Credit Risk Modeling Division
  - Credit Risk Cost Assessment Division
  - Market and Operational Risk Division
  - Climate and ESG Risk Management Functional Area
- Chief Credit Officer
  - Wholesale Credit Division
  - Credit Workout Division
  - Retail Credit Division
- Credit Risk Data and Analysis Division
  - Credit Risk Data Management Division
  - Credit Risk Analysis Division
- Risk Models Validation Division

The General Manager - Chief Risk Officer reports on a regular and ad hoc basis to the Assets-Liabilities Management Committee (ALCo), the Credit Risk Committee, the Operational Risk and Internal Control Committee, the Risk Management Committee and the Board of Directors of the Bank.

6.1.3 Firm-wide Risk Management Framework

The Bank's and the Group's business model and operations are regulated and supervised by the relevant authorities in each of the countries where they conduct business. The ECB and the Bank of Greece, as the competent authority that participates in the SSM, act as the Bank's and the Group's primary supervisor to monitor their compliance with the Greek and the European banking legislations, within the supervisory regulations as well as with the Basel III (CRR/CRD) framework.

The risk management programmes of the Group subsidiaries conform in all material respects to the Bank's risk management Framework.

Within this firm-wide risk governance and management Framework, each Risk and Credit Unit of the International Network adapts its risk management Framework and policy to the local regulatory and legal requirements while, at the same time, being coherent with those of the Bank, as established in the risk governance framework.

The Group Credit Policies and Procedures take into account the prevailing institutional framework set by legislation, regulations, ministerial decrees/decisions, etc. and along with the internally defined and established key risk principles and guidelines, they ensure that credit facilities are granted soundly and managed properly and that promote a unified approach on how business financing should be conducted.

To this end, dedicated regional Risk and Credit Division Managers of the International Network have been appointed to establish the enterprise risk management coverage and have a direct reporting line into the Group Chief Risk Officer.

The Group Risk Governance ensures its independency from the front office/business units as depicted in the organisational chart of Alpha Bank, shown in the Appendix IV.

6.1.4 Risk Management Policies

The Group Risk Strategy has a structured and documented Group Risk and Capital Strategy in place that is perceived within the organization as an integrated business model that incorporates all the risk management processes, policies, procedures and methodologies adopted and implemented throughout the institution. The Group Risk Strategy objective is to provide a coherent and structured approach towards identifying, assessing and managing risk. It is based on the Risk Policies & Procedures defined by the Risk Management Committee and approved by the Board of Directors. These Policies & Procedures are applied by all members of the Group, taking into account the local regulatory requirements.

- Risk Policies & Procedures include all central rules of conduct for handling risks and are set out in specific Manuals for each risk. These are reviewed regularly and adapted whenever necessary by the RMU of the Group and approved by the Group Risk Management Committee. The approved Policies are the following:
  - Credit Risk Management Policy
  - Market Risk Management Policy
  - Operational Risk Management Policy and
  - Assets-Liability Risk Management Policy
- The guiding principles are effectively communicated to all organizational levels in order to build a uniform understanding of risk management objectives.
- Internal Audit is responsible for providing an independent review of the integrity of the overall risk management processes and ensuring the appropriateness and effectiveness of the controls applied.

In the pursuit of the Group's strategic business goals, the risk management framework and the relevant policies, procedure and systems are reviewed on a regular basis, to ensure that risk management and regulatory risk reporting are always compliant with the relevant regulatory guidelines as well as with the principles of corporate governance.

6.2 Stress Testing

Performing stress tests constitutes a key risk management tool, fully integrated into core risk reporting and capital and liquidity planning at the Bank and Group level, which provides indications of the capital required to absorb losses under the assumption of specific extreme hypothetical scenarios. Stress tests are conducted according to the requirements of the regulatory framework and constitute a fundamental parameter of the Group's Enterprise Risk Management strategy, with the aim of assessing the impact of business decisions on the Group's capital position. Furthermore, the Bank's and the Group's Regulatory Credit Framework and the Credit Risk Management Framework include the institutional and regulatory requirements related to the effective management of loans in arrears and of Non-Performing Loans, including the new requirements and the definitions set out in the supervisory framework.

6.3 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, presenting how the climate risk assessment will be incorporated in its operations and in the risk management process. The action plan was submitted to the ECB on May 2021. Its implementation began in 2021 and will continue throughout 2022-2023.

In this context, the Group established an ESG governance structure, to proactively manage all ESG topics, ensure internal alignment and enable effective dispersal of expertise into its 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 banks 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.

7 Credit Risk

7.1 General information

Credit risk arises from the potential weakness of borrowers' or counterparties' to repay their debts as they arise from their loan obligations to the Group. The primary objective of the Group's strategy for the credit risk management in order to achieve the maximization of the adjusted to risk performance risk is the continuous, timely and systematic monitoring of the loan portfolio and the maintenance of the credit risks within the framework of acceptable overall risk limits. 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. This happens in order to ensure full compliance with the current institutional and regulatory framework as well as the international best practices and their adaptation to the requirements of respective economic conditions and to the nature and extent of the Group's business.

The Credit Risk Appetite expresses the level of credit risk that the Bank is willing to assume in order to achieve the business objectives and the expected risk-adjusted return, as defined by a set of minimum quantitative metrics and qualitative standards.

The Credit Risk Appetite is amongst the key contributors in the business planning process, promoting the appropriate alignment of corporate strategy, capital allocation and risk. Top-down risk appetite serves as the limit for risk-taking for the bottom-up planning from the business functions. Risk Limits and policies are calibrated to the credit risk appetite.

The Group identifies and assesses existing and potential risks inherent in any product or activity as the basis for effective credit risk management. The identification, analysis and control of credit risk are achieved through a safety net of internal procedures, policies and controls. The Group uses internal rating/ scoring systems for its portfolios, in order to evaluate and classify both performing and non-performing relationships. Internal rating/scoring systems and the resulting parameters are validated by the Risk Models Validation Division and the countries' local respective Unit on a regular basis, as part of the Group's internal assessment process. Furthermore there are in place sets of reporting tools and frameworks which are used on regular intervals (daily, weekly, fortnight, monthly, quarterly and yearly), assisting the network and the management to identify early in some cases, or in due time in some other potential threats, risky portfolio sections and problematic relationships. These are employed on solo and group wide basis. The results of risk identification and assessment are reported by the countries' local Risk Management Units to the Group Risk Management Units which consolidate the results and submit them to the Credit Risk Committee. The results are incorporated in the overall credit risk policy, procedures and limit setting process. The overall process is further aided by the implementation of an appropriate organizational structure with clearly defined roles and responsibilities for its Personnel and Business Units, in order to manage all kinds of credit risk-bearing activities.

Alpha Bank has prepared its operational and system infrastructure in line with the requirements of the Internal Ratings Based approach for credit risk and the International Financial Reporting Standard (IFRS) 9. Alpha Bank's current credit risk management framework consists of a set of governance rules, policies and procedures, as well as rating/scoring systems, covering the whole range of the Bank's portfolio, and is under continuous review and enhancement so as to:

- Include any updates issued by the regulatory authorities

- Take into consideration the macroeconomic and political environment
- Facilitate the portfolio management and the decision making processes
- Contribute to preventing any potential negative effects in the Bank's and Group's financial results.

With main scope to further strengthen and improve the credit risk management framework, the following actions have been implemented during 2022:

Actions and Programs

- Continuous strengthening of the second line of defense control mechanisms, in order to ensure compliance with Credit Risks Policies at Bank and Group level.
- 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.
- Update of the Concentration Risk and Credit Threshold Policy by increasing the maximum Large Exposure Cap for Groups of Obligors and the credit limits thresholds per Credit Risk Rating Zone as well as amending the override list by the Risk Management Committee for Name Concentration Risk.
- Integration of the digitalization of retail credit decisioning project, through all retail banking product distribution channels for Consumer Loans, Credit Cards and Housing Loans portfolios.
- Implementation of the Business Specifications in the context of the project for the digitalization and automation of retail credit decisioning process, for Small Business Loans portfolios.
- Update of the Credit Risk Early Warning Policy by enriching triggers related to energy crisis assessment and monitoring leveraged transactions.
- Update of the Group's Loan Collateral Policy regarding the enrichment of the re-evaluation process through indices.
- Development of a new Policy in the context of the Bank's participation in the Hellenic Recovery and Resilience Facility (RRF).
- Update of the Group credit risk models development Framework to align with the current regulatory expectations and international practices.
- Development, re-development and calibration of the credit risk models in order to ensure the accuracy of the estimations and the alignment with the current regulatory requirements.
- 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.
- Validation of the Credit Risk Models, based on the approved time plan and the principles described in the "Credit Risk Models Validation Framework". Additionally, the reliability of the models used in the approval process (Customer Scores) was evaluated.

- Development of alternative methodologies (challenger models) for models used in the estimation of expected loss.
- Development of a methodology for validating criteria for a significant increase in credit risk (Significant Increase in Credit Risk).
- In the context of continuous research and development, the methodologies for validating environmental risk models were studied. The research team used agile methodology.
- Ongoing validation of the risk models in order to ensure their accuracy, reliability, stability and predictive capacity. More specifically:
- Validation of the market risk internal model.
- In line with the Liquidity Validation Policy, a regular internal review has been performed on risk quantitative models and stress testing assumptions used for internal liquidity risk management, in the framework of the Internal Liquidity Adequacy Assessment Process (ILAAP) and Recovery Plan.
- Validation of ALM Behavioral models on non-maturing items applied for interest-rate risk measurement.
- Operational risk model validation, used in the framework of the Pillar II Internal Capital Adequacy Assessment Process (ICAAP).
- Validation of models assessing environmental, governance, and social risks, in line with a developed validation methodology.
- Development of new infrastructure for calculating expected credit loss to optimize operational processes.

Additionally, the following actions are in progress in order to enhance and develop the internal system of credit risk management:

- Development of a dedicated reporting Datamart (R1) that will service OSI requirements such as Credit Risk Loan Tapes and other granular level datasets.
- Continuous upgrade of Credit Risk Datamarts in terms of data quality, bug fixing, new fields and algorithms enhancement.
- Continuous strengthening of the control and monitoring mechanism of new financing for the entire Retail Banking and Wholesale Banking portfolios and in particular the automatic decision-making mechanism for Retail Banking (THALIS).
- 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 Alpha Bank Rating System to the new Moody's CreditLens Rating Platform.
- Development of new scorecards, simplified and advanced (full-blown), for environmental risks, with differentiation by industry and depending on the size of the company, but also scorecards for governance and social risks.

7.2 Credit Risk Management Function

The management of credit risk is organized under the supervision of the General Manager - Chief Risk Officer of the Group by multiple Divisions that are responsible for:

- setting the Group-wide credit risk appetite and policies,
- reviewing the approval and follow-up processes in the Business Units,
- facilitating the quarterly process of calculating the impairment of credit exposures and
- monitoring and submitting regulatory and internal reports on the Group's consolidated credit portfolio, including the determination of portfolio limits for specific industries and countries.

Dedicated departments develop credit rating and evaluation models and ensure that they are available for day-to-day credit processing at the Business Units and meet regulatory and institutional requirements. A separate Division is responsible for validating the credit risk rating systems and models and has direct reporting line to the General Manager - Chief Risk Officer of the Group.

In addition, the Group has appointed Risk and Credit Managers in the countries of operation, who are responsible for ensuring compliance with the local supervisory rules and regulations.

The Credit Risk Committee assesses the adequacy and efficiency of the credit risk management policy and procedures of the Bank and the Group and plans the required corrective action

The responsibilities of the Committee are:

- Monitoring the Bank's and Group's Credit Risk Appetite and ensuring that the Bank's credit policies and processes are aligned with the credit risk appetite of the Bank.
- Regular review and update of the Group credit risk policies as per the Bank's Credit Risk Appetite.
- Periodical review of the development of credit risk by sector and geographic area and concentration risk where the Group operates.
- Overview of the reports of the Risk Management Units submitted to the Board of Directors and the Risk Management Committee.
- Overview of the Troubled Assets Committee's reports.
- Overview of the progress against annual targets submitted through the Business Plan to the Single Supervisory Mechanism (SSM), in the framework of the management of NPEs and NPLs.
- Approval of Wholesale and Retail Credit Policy Manuals
- Review and approval of the Group Credit Risk Policies as well as the Group Credit Monitoring Framework

- Initial approval of the Group Loan Impairment Policy and the Group Write-off Policy, which is then approved by the Risk Management Committee.
- Approval of the Group's Write-offs
- Approval of the development and update of the Credit Risk Models and the relevant Governance Framework for the Credit Risk Model Management policy. Notification of the validation results for the credit risk measurement models.
- Approval of the ECL Methodology
- Approval of the quarterly impairment provisions.
- Notification of the most important findings resulting from the conduct of credit reviews by the Credit Control Division. The Committee may request from the competent Units or Group Companies specific timetable of compliance with the relevant recommendations.
- Evaluation of the Expected Losses audits, carried out by the Supervisory Authorities of the countries where the Group operates
- Notification on the strategy for management of arrears, arrears regulations and the Group's arrears Committees, approved by the Troubled Assets Committee. In any case, the Committee may recommend adjustments to the arrears management strategy taking into account the Bank's Business Plan for the reduction of non-performing exposures as well as the current macroeconomic conditions in the Greek economy.
- Review of the results derived by the Stress Tests
- Evaluation of important findings included in the reviews that are performed by internal or external auditors related to the credit policy and credit risk management.
- Review of the results and decision on required actions on issues stemming from external evaluation processes including SREP, SSM Audits, EBA Stress Tests.
- Review of financial and Risk monitoring and reporting issues (e.g. Pillar III disclosures, IFRS9 reports, Impairment and other relevant issues).
- Notification and review of 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.

The members of the Credit Risk Committee are the following:

- Chief Executive Officer (Chairman of the Committee)
- General Manager–Chief Risk Officer
- General Manager–Chief Financial Officer
- General Manager – Wholesale Banking
- General Manager – Retail Banking

For credit risk issues concerning the Countries where the Group operates, the General Manager - International Network also participates in the Committee.
In the Committee also participate as Members without voting rights:

- The Chief Risk Control Officer
- The Credit Risk Data and Analysis Division Manager
- The Capital Management and Banking Supervision Division Manager
- The Accounting and Tax Division Manager;
- The Analysis and Performance Management Division Manager

Credit 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.

Wholesale Banking Credit Committees

The Wholesale Credit Committees with escalating credit approval levels, mainly review and evaluate credit requests for companies/ group of companies under the competence of Wholesale Banking Units with performing exposures or/and for companies with non-performing exposures, provided that the relevant approval has been given by the Unlikeliness to pay Review Committee and based on specific criteria and conditions set out in the Wholesale Banking Credit Policy.

The Credit Committees according to their approval authority level are divided into the following categories:

Wholesale Banking Credit Committee I

Wholesale Banking Credit Committee II

Wholesale Banking Credit Committee III

Wholesale Banking Credit Committee IV

Wholesale Banking Credit Committees V

Wholesale Banking Arrears Committees

The Wholesale Banking Arrears Committees review and evaluate requests of debtors with non-performing exposures under the competence of the NPEs Strategy, Recovery and Monitoring Division.

The Arrears Committees are divided into the following categories:

Wholesale Banking Arrears Committee I

Wholesale Banking Arrears Committee II

Wholesale Banking Arrears Committee III

7.3 Credit Quality of Exposures

Definitions

The following definitions of exposures are provided:

1. 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 unlikeliness 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 commission Implementing Regulation (EU) 2015/227 of 9 January 2015.

2. Past Due Exposures

An Exposure is past due if the counterparty's credit obligation is materially more than one day past due (the amount due is considered as the sum of the principal, interests and charges / commissions at the account level).

3. 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 Euro 100 for Retail Exposures or Euro 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).

4. Forborne Exposures

An exposure is considered as Forborne if there is a significant modification of initial contractual terms by granting more favorable terms (Concession) or partial or total refinancing of current outstanding debts (Refinancing) to Borrowers with Financial Difficulty.

Financial Difficulty is defined as the situation where the borrowers are unable to comply or are about to face difficulties in servicing their credit obligations as per the current loan repayment schedule due to the worsening of their financial status. Forborne exposures incorporate denounced loans and advances amounting to €0.5bn as at 31.12.2022, that were forborne prior to denouncement.

5. Unlikeliness 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 the cases 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 distinguished in two pillars:

(a) Events are determined which when occur the exposure is identified as Non-Performing (Hard UTP Triggers) without any assessment needed by any Credit Committee,

(b) Triggers are determined which when occur, the borrower should be assessed by the relative Wholesale Banking Credit Committee to decide if the borrower's exposures should be identified as Non-Performing or not (Soft UTP Triggers). This assessment takes place when reviewing borrower's credit limits as defined Wholesale Banking Credit Manual.

If a borrower is flagged as UTP, then he is considered as Defaulted and his credit risk rating should be D (Default) in the Bank systems . If a borrower flagged as UTP belongs to a group of companies, then the group should also be assessed as a whole by the competent Credit Committee for the existence or not of UTP.

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 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).
- Sale of Credit Obligation.
- Diminished Financial obligations with NPV Loss exceeding 1%.
- Cured FPL exposure where Days past Due exceed 30 days (30+dpd) (at facility level).
- Cured FPL exposures where new forbearance measure is granted (at facility level).
- An exposure was purchased or originated with deep discount that reflects the low credit quality of the borrower (at facility Level).

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 originated 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, which 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 as well as a deterioration in the 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 distinguished in two pillars:

a. Events are determined which when occur the exposure is identified as Non-Performing (Hard UTP Triggers) without any assessment needed by any Retail Banking Credit Committee,
b. Triggers are determined which when occur, they should affect the decision making on whether any related Hard UTP trigger occurs (Soft UTP Triggers).

This assessment takes place at the date of a forbearance request by the competent Retail Arrears Committee.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 indicative Hard UTP Triggers exist:

- Fraud has been confirmed at the expense of the Bank.
- The borrower has passed away.
- 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.
- Debt forgiveness /Write-off amount.
- Diminished Financial obligations with NPV Loss exceeding 1%.
- Obligor has filed for bankruptcy or insolvency (application for bankruptcy code through Law 3869/2010 or any new upcoming Law).
- A financial asset was purchased or originated at a material discount that reflects the deteriorated credit quality of the debtor (POCI).
- Cured FPL exposure where Days past Due exceed 30 days (30+dpd).
- Cured FPL exposures where new forbearance measure is granted.

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.
- License Withdrawn.
- Inadequate Borrower's financials.

6. Curing of Non – Performing Exposures

For the Curing of a Non-Performing Exposure and reclassification as Performing Exposure, any concerns for the ability of the borrower to meet its contractual obligations should have been eliminated (Absence of Concern).
In general, all the exit criteria are met according to the aforementioned European Commission Implementing Regulation 2015/227 of January 9, 2015 amending Implementing Regulation (EU) No. 680/2014 of the Commission and Executive Committee Acts of Bank of Greece E.C.A. 42 / 30.5.2014 and the Executive Committee Act of Bank of Greece 175/2/29.7.2020.

7. Default Exposures

An exposure is considered as Default when the criteria specified by the definition of Non – Performing Exposures are met.

8. Credit Impaired Exposures

An exposure is considered as Credit Impaired when the criteria specified by the definition of Non-Performing Exposures are met.

Expected Credit Loss Estimation Methodology for Wholesale and Retail Banking

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 off-balance sheet exposures (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, classification to Stages based on its credit risk characteristics. The classification of loans in stages is based on the changes of the credit quality compared to the 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 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 derecognised and a new exposure is recognised 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.
- Concerning the POCI exposures, the expected credit losses calculated are the lifetime losses.

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.
- 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.
- 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.

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 nonperforming/ default.

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 Bank.

Significant Increase in Credit Risk

For the timely identification of significant increase in credit risk (SICR) for an Exposure after the initial recognition 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 for deciding if 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. In the context of the annual update of Credit Risk parameters, the relative increase can range between 75% and 200% depending on the asset class of the loans. 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). Additionally, in the case of wholesale exposures, the Credit Risk Rating is taken into account separately as a criterion for determining the significant increase in credit risk. Finally, the threefold increase in annualized PD as backstop is ensured. Threshold determination derives based on portfolio level analyses. The assessment of the exposures for significant increase in credit risk is applied on account level. It is noted that the critical points - both for the absolute increase and for the relative increase of PD between the reference date and initial recognition - are validated on an annual basis, in order to confirm their correct application and to confirm that the established criteria have sufficient identified the significant increase in credit risk.

- 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 through rating (slotting category) additional qualitative indicators are identified.
- Backstop Indicators: In addition to the above, and with a view to address 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.

As part of the annual update of the credit risk parameters for 2022, the following adjustment was applied to the determination of Significant Increase in Credit Risk (SICR):

- in the case of wholesale loans, the Credit Risk Rating is taken into account separately as a criterion for determining the significant increase in Credit Risk.

This adjustment did not have a material impact on the calculation of Expected Credit Loss (ECL).

Expected Credit Loss 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 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 General Limit in the Bank exceeds the amount of Euro 2million.
- Borrowers of the Shipping Division and the Structured Finance Division with at least one Non-Performing Exposure, regardless the Customer General Limit in the Bank.
- 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 (NPEs) to Individuals are individually assessed, if the exposures of retail banking customers exceed the defined limits according to 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 debit outstanding balances over Euro 500 thousand.
- Mortgage Loans: Accounts of Mortgage Credit Borrowers with total debit outstanding balances over Euro 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
- Credit Risk Rating
- Classification in Sales portfolios
- Time on Probation

The groupings are reviewed on a regular basis to ensure that each group is comprised of homogenous exposures in terms of credit risk. Expected Credit Loss is calculated on account level.

Calculation of expected credit losses

Expected Credit Losses are updated at each reporting date to reflect the changes in the credit risk since initial recognition and thus provide timely information on expected credit losses.

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, Expected Credit Losses are equal to the present value of the difference between:
  a. the contractual cash flows that will be due if the holder of 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.**

Incorporation of forward-looking information

The Group calculates 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 Expected Credit Losses of loan portfolios under a baseline and under two alternative macroeconomic scenarios (an upside and an adverse 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, the inflation and forward-looking prices of residential and commercial real estates. Regarding 2022, inflation was considered that may affect the estimates of Credit Risk parameters and therefore was incorporated into the macroeconomic variables.

The scenarios forecast growth rates for 2022 ranges from 6.2% (upside scenario) and strong growth rates in the coming years, up to 4.7% (downside scenario) with relatively lower growth rates in the medium term (about 0%).

Regarding Alpha Bank Cyprus, the growth rate for 2022 ranges from 6.3% (upside scenario) to 5.1% (downside scenario), while for Alpha Bank Romania it ranges from 4.9% (upside scenario) to 3.4% (downside scenario).

The main features of these scenarios can be described as follows:

Baseline Scenario

Despite the estimations for recession in the EU, the increase of energy and food prices, the tightening monetary policy in response to persistent inflationary pressures and geopolitical uncertainty, the baseline scenario provides for a strong recovery in 2022, followed by positive, although relatively low magnitude rates during the time of forecasts. The upward trend of domestic economic activity in 2022 is expected to rely on:

- first, the better than expected performance of exports of services, due to the remarkable recovery of tourism,
- secondly, the increase in private consumption, due to the continued increase in emploment and fiscal measures adopted to protect households against increasing energy costs,

- third, the increase in investments due to the remarkable increase in FDI (Foreign Direct Investments), and
- forth, the continued decrease in unemployment.

The resilience of the Greek economy in adverse external developments following the war in Ukraine, the disorders in the supply chain and inflationary pressures is based on three pillars:

First, to the fiscal policy measures applied to mitigate the impact of high energy prices,

Secondly, to the particular features of the Greek economy in relation to its energy sources and needs (less energy -intensive industry, a low share of gas consumption as % of total energy consumption, a gradual reduction of Greece's dependence on Russian gas in the previous year), and

Thirdly, in the significant inflow of investments through the Public Investment Program and the Recovery and Resilience Fund, which is expected to be the main growth lever in the coming years.

The dynamics of the baseline scenario for 2023 will be mainly based on boosting investment spending compared to consumption. The rate of change in domestic and external consumer demand is expected to weaken due to the adverse effects of the energy crisis on household purchasing power but will continue to support economic growth in 2023, although to a lower extent, compared to previous years. The expected shift to a growth which will be based more on investments is not limited to 2023, but is expected to continue in the medium term, as Greece is one of the countries benefited more from the RRF (Recovery and Resilience Facility). In addition, there are more factors that support the expectation of increasing the contribution of investment in the future development mix, such as:

- The notable improvement of the business environment over the last three years
- The strong upward of FDI, which are expected to perform a new record in 2022
- Gradual adaptation of work costs to current inflationary environment, and
- The improvement of public debt viability and optimism to achieve the investment grade within 2023, compressing the risk of sovereign debt and increasing business confidence, since the inflationary pressures and fiscal tighting compress the debt to GDP ratio.

The residential real estate prices are expected to continue to move up in 2022, and their growth rate is expected to be revised up to 31.12.2022 compared to December 2021. This review is linked to the enrichment of the analysis with Historical data of the first 9-month of 2022 - with housing prices increasing by 10.4% compared to the increase of housing investment and net capital inflows from abroad for real estate purchases. The upward trend is expected to continue during the period of forecasts, although at a slower rate, supported by the strong dynamics of development.

Inflation stood at 9.3% in 2022, due to increase in food and energy prices. Inflationary pressures are expected to remain in the short term. However, inflation is expected to decline from 2023 onwards, as further increases in energy prices will gradually weaken, approaching the ECB's target for 2% in 2025.

Upside Scenario

In the upside scenario the real GDP is to grow throughout the time period, supported by:

- Intense increase in investment due to the complete absorption of MAA funds, the improvement of business confidence and the large FDI input

- Lower increases in energy and food prices, leading to restrained inflationary pressures in 2023, followed by inflation rates below the 2% target of the ECB from 2024 onwards
- Stronger performance in the sector of tourism, as milder inflationary pressures at European level and reduced geopolitical uncertainty are expected to support the disposable income of households from the countries of origin of tourist arrivals.

The unemployment rate is expected to be further reduced, reaching 7.2% in 2026, while residential real estate prices are expected to record high growth rates throughout the period.

Downside scenario

The downside scenario forecasts stability, with growth rates of real GDP to be around 0% and strong inflationary pressures to prevail during the projection horizon. The characteristics of the downside scenario reflect the adverse geopolitical developments and, in particular, the highest duration of the war in Ukraine and its impact on economic activity, specifically by the increase in energy prices.

The high degree of uncertainty remains increased due to persistent inflationary pressures due to the increasing and volatile prices of energy and foods that burden the purchasing power of domestic households as well as that of Greece’s main commercial partners, with adverse effects on tourism and exporting sectors. Finally, the strengthening of monetary policy is expected to prevent some investment plans due to the increase in interest rates. As a result, the unemployment rate is expected to remain generally stable at 2022 levels, while housing prices are expected to record negative growth rates from 2024 onwards, reflecting compressed housing investments and lower demand for real estate properties.

Specifically in Greece, macroeconomic variables per year for the period 2023-2026 which impact both the Probability of Default and the Loss Given Default in the estimation of expected credit losses at 31.12.2022 are the following:

Downside Scenario	**2023**	**2024**	**2025**	**2026**
Real GDP growth (% change)	(0.6)%	0.4%	0.3%	(0.2)%
Unemployment (% change)	13.1%	13.3%	12.8%	12.8%
Inflation (% change)	6.2%	3.7%	3.2%	2.9%
RRE prices (% change)	4.6%	(0.1)%	(1.0)%	(1.1)%
CRE Price Index (% change)	2.4%	0.9%	0.6%	0.9%

Baseline Scenario	**2023**	**2024**	**2025**	**2026**
Real GDP growth (% change)	1.5%	2.3%	2.0%	1.3%
Unemployment (% change)	12.1%	11.3%	10.3%	10.0%
Inflation (% change)	5.3%	2.7%	2.2%	2.1%
RRE prices (% change)	7.2%	2.9%	1.6%	1.1%
CRE Price Index (% change)	3.4%	2.5%	2.7%	2.6%

Upside Scenario	**2023**	**2024**	**2025**	**2026**
Real GDP growth (% change)	3.5%	4.1%	3.5%	3.0%
Unemployment (% change)	11.1%	9.3%	7.9%	7.2%
Inflation (% change)	4.4%	1.6%	1.4%	1.3%
RRE prices (% change)	9.9%	6.0%	4.1%	3.0%
CRE Price Index (% change)	4.5%	4.4%	5.2%	4.9%

The development of baseline scenario which is supported by a consistent economic description, operates as the starting point and is the most possible scenario based on the current economic circumstances and the Group’s main forecasts for the economic development.

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 base scenario is 60%, while cumulative probability assigned to the adverse and upside scenario is 20% for each of the scenario.

If the assigned cumulative probability of the downside scenario was weighted at 100%, Expected Credit Losses would increase by € 87.5 mil. at 31.12.2022 (31.12.2021: € 88.0 mil.).

If the assigned cumulative probability of the upside scenario was weighted at 100%, Expected Credit Losses would decrease by € 85.8 mil. at 31.12.2022 (31.12.2021: € 87.2 mil.).

Credit risk parameters

Calculation of Expected Credit Loss is based on the following credit risk parameters which are developed parameters, through internal statistical models based on historical data:

Probability of Default (PD):

Wholesale portfolio

It is an estimate of the probability of a debtor 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 behavioural 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: Indicatively Activity Sector, Company Type
- Loan characteristics: Indicatively product applied for, month on book , or financing purpose;

- Behavioral data: Indicatively payments during latest period of time, delinquencies (i.e. overdue amount, bucket etc), exposure, transaction type, credit limit usage.

Credit Risk Models/ Ratings 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.

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 credit limit 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 revolving exposures 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 revolving exposures, 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 €4.5 mil. as at 31.12.2022.

The Group 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, cure rate and cash recoveries 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 cure rate.
- 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/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 real estate prices within 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.
- As part of the annual update of the credit risk parameters for the period that ended in 31.12.2022, the required adjustments were made to the Time to Sale, without any substantial impact on the estimate of the Expected Credit Risk Loss (ECL). More specifically, the expected time to Liquidation was increased by 1 year, for exposures that are in a specific stage of management actions.
- Finally, it is noted that the LGD varies based on each macroeconomic scenario since it differentiates the value of collateral, cash recoveries and the cure rate.

- Estimates of expected cash recoveries are adjusted by incorporating macroeconomic indexes (i.e. unemployment, annual percentage change in GDP, change in real estate prices, inflation) 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 evaluate the expected recoveries combined with the impact of macroeconomic indicators.
- In respect of cure rate estimates, statistical models (regression) per portfolio have been developed based on historical time series of observations which incorporate the effect of the macroeconomic environment through relevant indicators (indicative unemployment, annual percentage change in GDP, change in property prices, inflation).

Last, for exposures secured with tangible collaterals, the LGD may vary following changes of macroeconomic scenarios.

- **Management overlays**:

Sale scenarios

In case the Group's business plan includes targets and strategies for recovery through sale, then for the loans and advances to customers included in the portfolio that may be sold, the recoverable amount is calculated by weighting:

(i) the value in case of sale (sale price) and
(ii) the amount expected to be recovered according to the internal methods applied by the Group for the impairment of non-performing loans, i.e. based on the individual assessment for exposures exceeding a specified limit and based on the collective assessment for the rest.

The weighting is based on the probability of sale attributed to each non-performing loan portfolio, assessing the stage of preparation of the underlying portfolios, the importance of the conditions preceding the realization of the sale as well as the recovery time.

Taking into account the developments regarding the sale transactions of NPL portfolios which are included in the Business plan for the management of non-performing exposures (NPE Business Plan), such as thesedescribed in note 49 "Items of Assets Held for Sale", the calculation of expected credit losses risk has been adjusted, incorporating a sell scenario with 100% probability, for the following portfolios:

- Portfolio of non-performing wholesale loans ("Solar" and "Hermes" transactions).
- Portfolio of non-performing leases of Alpha Leasing A.E. ("Leasing" transaction).
- Portfolio of non-performing shipping loans ("Shipping"), the sale transaction of which was completed within July 2022.
- Portfolio of non-performing retail loans ("Light" transaction) where the sale transaction was completed within November 2022 and
- Portfolio of non-performing exposures in Cyprus (Sky transaction).

The adjustments made by the Group concern the integration of alternative recovery scenarios in relation to the objectives of reducing non-performing loans, included in the Group's strategic plan.

The impact of the above incorporation of a 100% probability of sale scenario on expected credit losses in the current period amounted to € 273 mil.

Post model adjustments (PMA)

Moreover, Management proceeds, when deemed necessary, to additional adjustments which can not be captured by the expected credit losses internal models. These adjustments are recognized by the Group after detailed review of the results that the expected credit losses internal models calculated, market and/or data from the Group Strategy that can not be incorporated in the internal models due their nature.

The Group implements a robust internal process and governance framework to timely recognize any required adjustment as well support the management, the calculation and application of these adjustments.

The Group's governance framework requires such adjustments to be adequately documented and approved by the Groups' appropriate authorization levels.

On a regular basis and at least on each reporting period, the Group examines whether the PMA have a more permanent impact and access the incorporation or not in the expected credit losses internal models.

In the context of inflationary pressures and the increase in borrowing costs for households and businesses, as well as the general uncertainty that exists in the economic environment, the Group has calculated as of 31.12.2022 additional PMA provisions for non-performing retail loans allocated to Stage 3 totaling to 154.7m.

Undrawn commitments

According to IFRS 9, these contracts fall within the scope for expected credit losses recognition.

In estimating the 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 IFRS9 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.

Energy and Inflationary crisis

The Group is closely monitoring the energy crisis and its impact on inflation due to the war conflict of Russia - Ukraine as well as the increase in interest rates and assess on an on-going basis the effect on its business operation, financial position and profitability.

On 31.12.2022, the impact due to the Russia-Ukraine conflict is mainly due to the update of the macroeconomic outlook and amounts for the year 2022 to € 28 million at Group level.

As long as the crisis is persisting and the facts are changing, the Group may proceed to the appropriate changes in its strategy as well as in its business and funding plans. If considered necessary, it may also examine the implementation of new measures, over and above those analyzed below, in order to mitigate the effect of the energy and inflationary crisis.

To this end, the Group took the following actions:

i. In an effort to identify the sectors affected, an assessment was made of how each sector of the economy is affected, based on an expert judgement, taking into account (a) the cost of raw materials, (b) the cost of production, (c) the cost of transport and (d) the possibility of passing on the increase in costs to the final consumer.

ii. Impact analysis on credit risk parameters was performed.

   In the context of inflationary pressures and the increase in borrowing costs for households and businesses, as well as the general uncertainty that exists in the economic environment, the Group proceeded to receive additional provisions as of 31.12.2022 - for exposures classified in Stage 3 - totaling EUR 154.7 mn.

iii. Adaptation to the policy and procedures for granting credits: Special instructions were given to the Business and Credit Units as follows:

   - Competent Credit Committees are informed timely, regardless of the next review date of the customer, in order to review the credit standing of our customers, based on the sectorial assessment. Sensitivity analysis is carried out, at the discretion of the competent Committee, for the evolution of the basic financial data of companies.
   - Regarding the Households, their disposable income is stressed, in order to address the high inflation rates, the interest rate increases and the energy cost, considering the Government supportive measures.

iv. Interest rates were stressed in order to better evaluate Wholesale Banking and Retail Banking requests, considering the medium swaps rate ~ 3.5%.

The Group has in place a robust Early Warning Mechanism, which has been activated in the early beginning of the war between Russia and Ukraine by developing a methodological approach for identifying potentially impacted sectors. The assessment is dynamic considering, on the one hand, the Bank's clientele reaction to the crisis and, on the other hand, how the trajectory of the Greek economy evolves. The process of assessing Borrowers with UTP indications in combination with the existing Early Warning Mechanism of Credit Risk, ensure the timely recognition by the Group of the events, at borrower level (businesses and individuals) and portfolio level, as well as the relevant management's actions to be taken for these specific borrowers.

Credit risk measurement systems

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

Definition of Default

In the context of alignment with the regulatory guidelines, the Group adopts the new Definition of Default that applies from 1 January 2021.

The main changes introduced by the new Definition of Default are presented as follows:

- Additional "Unlikeliness to Pay" trigger events such as Diminished Financial obligations with NPV Loss exceeding 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 Unlikeliness to Pay occurs.

The Group has decided since 2018 to align Default, NPE and IFRS9 "Credit Impaired" perimeter. Additionally, the adoption of the new Definition of Default as at the time of the first implementation, namely at 1.1.2021, did not induce any impact on the Bank's financial figures.

Definition

A Default event is considered to have occurred, regarding a particular Borrower, when at least one of the following criteria has taken place:

- 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.

- Unlikeliness to Pay (UTP) Criterion

The Group 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.

Template 14a: EU CR1-A: Maturity of exposures 31.12.2022

(Amounts in millions of Euro)

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

Template 14b: EU CR1-A: Maturity of exposures 30.6.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f
		Net exposure value					
		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	182	6,749	16,515	14,652	-	38,098
2	Debt securities	-	1,645	5,239	4,715	-	11,599
3	**Total**	**182**	**8,394**	**21,755**	**19,367**	**-**	**49,697**

Template 15a: EU CQ5: Credit quality of loans and advances to non-financial corporations by industry as of 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f
		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing	Of which defaulted	Of which loans and advances subject to impairment		
010	Agriculture, forestry and fishing	401	24	24	401	(8)	-
020	Mining and quarrying	46	4	4	46	(2)	-
030	Manufacturing	4,020	234	234	4,006	(110)	-
040	Electricity, gas, steam and air conditioning supply	2,161	2	2	2,006	(3)	-
050	Water supply	30	1	1	30	(1)	-
060	Construction	1,145	73	73	1,145	(33)	-
070	Wholesale and retail trade	3,701	373	373	3,701	(175)	-
080	Transport and storage	4,317	59	59	4,229	(34)	(0)
090	Accommodation and food service activities	2,667	89	89	2,667	(32)	-
100	Information and communication	193	9	9	193	(4)	-
110	Financial and insurance activities	0	-	-	0	(0)	-
120	Real estate activities	1,700	31	31	1,645	(15)	-
130	Professional, scientific and technical activities	254	17	17	254	(8)	-
140	Administrative and support service activities	333	24	24	333	(10)	-
150	Public administration and defense, compulsory social security	3	0	0	3	(0)	-
160	Education	80	3	3	80	(1)	-
170	Human health services and social work activities	221	7	7	221	(5)	-
180	Arts, entertainment and recreation	182	12	12	182	(5)	-
190	Other services	407	35	35	224	(56)	-
200	**Total**	**21,860**	**997**	**997**	**21,365**	**(503)**	**(0)**

Template 15b: EU CQ5: Credit quality of loans and advances to non-financial corporations by industry as of 30.6.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f
		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing	Of which defaulted	Of which loans and advances subject to impairment		
010	Agriculture, forestry and fishing	261	23	23	261	(9)	-
020	Mining and quarrying	50	4	4	50	(1)	-
030	Manufacturing	3,692	243	243	3,678	(114)	-
040	Electricity, gas, steam and air conditioning supply	2,083	2	2	2,083	(2)	-
050	Water supply	30	1	1	30	(1)	-
060	Construction	1,144	78	78	1,144	(42)	-
070	Wholesale and retail trade	4,091	388	388	4,091	(177)	-
080	Transport and storage	4,081	89	89	4,049	(44)	(0)
090	Accommodation and food service activities	2,654	112	112	2,654	(34)	-
100	Information and communication	179	8	8	179	(4)	-
110	Financial and insurance activities	0	-	-	0	(0)	-
120	Real estate activities	1,654	50	50	1,594	(20)	(2)
130	Professional, scientific and technical activities	273	16	16	273	(9)	-
140	Administrative and support service activities	373	25	25	373	(10)	-
150	Public administration and defense, compulsory social security	9	-	-	9	(0)	-
160	Education	72	3	3	72	(1)	-
170	Human health services and social work activities	216	8	8	216	(4)	-
180	Arts, entertainment and recreation	183	11	11	183	(6)	-
190	Other services	361	33	33	310	(56)	-
200	**Total**	**21,407**	**1,094**	**1,094**	**21,250**	**(534)**	**(2)**

The tables below present the credit quality of the Group's exposures broken down by significant geographical area as of 31.12.2022 and 30.06.2022

Template 16a: EU CQ4: Quality of non-performing exposures by geography as of 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g
		Gross carrying/nominal amount				Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing		Of which subject to impairment			
				Of which defaulted				
010	***On-balance-sheet exposures***	***52,847***	***3,188***	***3,188***	***52,339***	***(1,276)***		***(3)***
020	*Greece*	33,666	2,959	2,959	33,197	(1,130)		(1)
030	*United Kingdom*	804	22	22	795	(7)		-
040	*Romania*	3,613	86	86	3,613	(76)		(2)
050	*Cyprus*	1,376	63	63	1,376	(22)		-
070	*Other countries*	13,389	59	59	13,358	(41)		(0)
080	***Off-balance-sheet exposures***	***9,538***	***281***	***281***			***41***	
090	*Greece*	8,665	267	267			25	
100	*United Kingdom*	25	0	0			0	
110	*Romania*	611	7	7			9	
120	*Cyprus*	181	6	6			6	
140	*Other countries*	56	0	0			0	
150	**Total**	**62,385**	**3,469**	**3,469**	**52,339**	**(1,276)**	**41**	**(3)**

Template 16b: EU CQ4: Quality of non-performing exposures by geography as of 30.6.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g
		Gross carrying/nominal amount				Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing	Of which defaulted	Of which subject to impairment			
010	***On-balance-sheet exposures***	***50,951***	***3,233***	***3,233***	***50,757***	***(1,261)***		***(2)***
020	*Greece*	32,550	2,939	2,939	32,405	(1,089)		(1)
030	*United Kingdom*	870	19	19	861	(6)		-
040	*Romania*	3,232	130	130	3,227	(109)		(2)
050	*Cyprus*	1,310	60	60	1,310	(18)		-
070	*Other countries*	12,988	85	85	12,954	(39)		(0)
080	***Off-balance-sheet exposures***	***8,477***	***319***	***319***			***44***	
090	*Greece*	7,606	293	293			28	
100	*United Kingdom*	35	0	0			0	
110	*Romania*	581	14	14			10	
120	*Cyprus*	216	12	12			5	
140	*Other countries*	38	0	0			0	
150	**Total**	**59,428**	**3,552**	**3,552**	**50,757**	**(1,261)**	**44**	**(2)**

Template 17a: EU CQ2: Quality of forbearance as of 31.12.2022

(Amounts in millions of Euro)

		a
		Gross carrying amount of forborne exposures
010	Loans and advances that have been forborne more than twice	3,339
020	Non-performing forborne loans and advances that failed to meet the non-performing exit criteria	789

Template 17b: EU CQ2: Quality of forbearance as of 31.12.2021

(Amounts in millions of Euro)

		a
		Gross carrying amount of forborne exposures
010	Loans and advances that have been forborne more than twice	3,897
020	Non-performing forborne loans and advances that failed to meet the non-performing exit criteria	1,672

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

Template 18a: EU CQ1: Credit quality of forborne exposures as of 31.12.2022

(Amounts in millions of Euro)

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

Template 18b: EU CQ1: Credit quality of forborne exposures as of 30.6.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
				Of which defaulted	Of which impaired				
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
010	Loans and advances	2,467	2,269	2,269	2,266	(132)	(553)	3,413	1,421
020	*Central banks*	-	-	-	-	-	-	-	-
030	*General governments*	0	1	1	1	(0)	(0)	0	0
040	*Credit institutions*	-	-	-	-	-	-	-	-
050	*Other financial corporations*	1	1	1	1	(0)	(0)	1	0
060	*Non-financial corporations*	940	663	663	660	(29)	(195)	1,142	376
070	*Households*	1,525	1,605	1,605	1,605	(102)	(357)	2,270	1,045
080	Debt Securities	-	-	-	-	-	-	-	-
090	Loan commitments given	1	1	1	1	0	0	0	0
100	**Total**	**2,468**	**2,270**	**2,270**	**2,267**	**(132)**	**(553)**	**3,414**	**1,421**

Template 19a: EU CQ3: Credit quality of performing and non-performing exposures by past due days as of 31.12.2022

(Amounts in millions of Euro)

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

Template 19b: EU CQ3: Credit quality of performing and non-performing exposures by past due days as of 30.6.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l
		Gross carrying amount/nominal amount											
		Performing exposures			Non-performing exposures								
			Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted
005	Cash balances at central banks and other demand deposits	12,659	12,659	-	70	-	-	-	-	-	-	70	70
010	Loans and advances	36,099	35,870	230	3,233	1,562	289	362	350	236	68	366	3,233
020	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-
030	*General governments*	33	33	-	1	0	-	0	0	-	-	0	1
040	*Credit institutions*	-	-	-	-	-	-	-	-	-	-	-	-
050	*Other financial corporations*	5,758	5,758	0.098	1	1	0	0	0	0	0	0	1
060	*Non-financial corporations*	20,312	20,264	48	1,094	480	78	89	67	96	27	258	1,094
070	*Of which SMEs*	7,887	7,839	48	910	349	76	84	65	60	24	253	910
080	*Households*	9,996	9,815	181	2,136	1,081	210	273	284	140	41	107	2,136
090	Debt securities	11,618	11,618	-	-	-	-	-	-	-	-	-	-
100	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-
110	*General governments*	9,387	9,387	-	-	-	-	-	-	-	-	-	-
120	*Credit institutions*	1,093	1,093	-	-	-	-	-	-	-	-	-	-
130	*Other financial corporations*	39	39	-	-	-	-	-	-	-	-	-	-
140	*Non-financial corporations*	1,099	1,099	-	-	-	-	-	-	-	-	-	-
150	Off-balance-sheet exposures	8,158			319								319
160	*Central banks*	-			-								-
170	*General governments*	192			-								-
180	*Credit institutions*	689			-								-
190	*Other financial corporations*	130			4								4
200	*Non-financial corporations*	5,417			314								314
210	*Households*	1,729			1								1
220	**Total**	**68,535**	**60,148**	**230**	**3,622**	**1,562**	**289**	**362**	**350**	**236**	**68**	**436**	**3,622**

ALPHA SERVICES AND HOLDINGS

Template 20a: EU CR1: Performing and non-performing exposures and related provisions as of 31.12.2022

(Amounts in millions of Euro)

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

Template 20b: EU CR1: Performing and non-performing exposures and related provisions as of 30.6.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
005	Cash balances at central banks and other demand deposits	12,659	12,659	-	70	-	70	(1)	(1)	-	(70)	-	(70)		-	-
010	Loans and advances	36,099	30,283	4,839	3,233	-	2,562	(303)	(81)	(179)	(932)	-	(729)	(1,916)	28,112	1,924
020	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	*General governments*	33	32	1	1	-	1	(0)	(0)	(0)	(1)	-	(1)	(0)	32	0
040	*Credit institutions*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
050	*Other financial corporations*	5,758	5,713	42	1	-	1	(2)	(2)	(0)	(1)	-	(1)	(4)	5,543	0
060	*Non-financial corporations*	20,312	17,820	2,135	1,094	-	874	(124)	(68)	(49)	(412)	-	(312)	(1,215)	14,713	557
070	*Of which SMEs*	7,887	6,498	1,296	910	-	731	(47)	(6)	(35)	(334)	-	(246)	(1,045)	5,648	455
080	*Households*	9,996	6,718	2,662	2,136	-	1,685	(177)	(11)	(130)	(519)	-	(417)	(695)	7,824	1,366
090	Debt securities	11,618	11,569	16	-	-	-	(29)	(27)	(2)	-	-	-	-	-	-
100	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	*General governments*	9,387	9,387	-	-	-	-	(17)	(17)	-	-	-	-	-	-	-
120	*Credit institutions*	1,093	1,091	-	-	-	-	(7)	(7)	-	-	-	-	-	-	-
130	*Other financial corporations*	39	7	-	-	-	-	(0)	(0)	-	-	-	-	-	-	-
140	*Non-financial corporations*	1,099	1,083	16	-	-	-	(5)	(3)	(2)	-	-	-	-	-	-
150	Off-balance-sheet exposures	8,158	7,762	394	319	-	319	(7)	(5)	(3)	(37)	-	(37)		1,029	45
160	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-		-	-
170	*General governments*	192	191	1	-	-	-	(0)	(0)	(0)	-	-	-		0	-
180	*Credit institutions*	689	607	83	-	-	-	(0)	(0)	(0)	-	-	-		-	-
190	*Other financial corporations*	130	129	1	4	-	4	(0)	(0)	(0)	(0)	-	(0)		10	-
200	*Non-financial corporations*	5,417	5,173	244	314	-	314	(6)	(4)	(2)	(37)	-	(37)		978	45
210	*Households*	1,729	1,663	65	1	-	1	(0)	(0)	(0)	(0)	-	(0)		40	0
220	**Total**	**68,535**	**62,273**	**5,249**	**3,622**	**-**	**2,951**	**(340)**	**(112)**	**(184)**	**(1039)**	**-**	**(836)**	**(1,916)**	**29,140**	**1,969**

Template 21a: EU CR2a: Changes in the stock of non-performing loans and advances and related net accumulated recoveries as of 31.12.2022

(Amounts in millions of Euro)

		a	b
		Gross carrying amount	Related net accumulated recoveries
010	**Initial stock of non-performing loans and advances**	5,190	
020	Inflows to non-performing portfolios	1,324	
030	Outflows from non-performing portfolios	(3,328)	
040	Outflow to performing portfolio	(912)	
050	Outflow due to loan repayment, partial or total	(268)	
060	Outflow due to collateral liquidations	(4)	1
070	Outflow due to taking possession of collateral	(5)	2
080	Outflow due to sale of instruments	(5)	3
090	Outflow due to risk transfers	-	-
100	Outflows due to write-offs	(297)	
110	Outflow due to other situations	(35)	
120	Outflow due to reclassification as held for sale	(1,803)	
130	**Final stock of non-performing loans and advances**	3,186	

Template 21b: EU CR2a: Changes in the stock of non-performing loans and advances and related net accumulated recoveries as of 31.12.2021

(Amounts in millions of Euro)

		a	b
		Gross carrying amount	Related net accumulated recoveries
010	**Initial stock of non-performing loans and advances**	20,901	
020	Inflows to non-performing portfolios	4,131	
030	Outflows from non-performing portfolios	(19,912)	
040	Outflow to performing portfolio	(1,264)	
050	Outflow due to loan repayment, partial or total	(429)	
060	Outflow due to collateral liquidations	(16)	12
070	Outflow due to taking possession of collateral	(104)	39
080	Outflow due to sale of instruments	(12)	0
090	Outflow due to risk transfers	(9,993)	3,672
100	Outflows due to write-offs	(431)	
110	Outflow due to other situations	(1,379)	
120	Outflow due to reclassification as held for sale	(6,283)	
130	**Final stock of non-performing loans and advances**	5,120	

7.4 Banks’ use of external credit ratings under the standardised approach

Alpha Bank Group uses the available credit ratings from Moody’s Investors Service, Standard & Poor’s Ratings Services and Fitch Ratings, which have been approved from Bank of Greece as eligible External Credit Assessment Institutions (ECAIs) for the use of their credit ratings in regulatory capital calculation (Decision 250/25.9.2007). Credit ratings of the above rating agencies are used, where available, for all Group portfolios.

The asset classes for which ECAIs ratings are used are the following:

- Exposures to Central Governments and Central Banks
- Exposures to Financial Institutions
- Exposures to Multilateral Development Banks
- Exposures to International Organizations
- Exposures to Corporates
- Exposures in the form of covered bonds

For all other asset classes, credit quality bands are assigned to the corresponding risk weights per exposure type, as described in detail in CRR 575/2013.

Credit ratings are assigned to credit quality bands. Then, credit quality bands are assigned to the corresponding risk weights per portfolio type, as described in detail in CRR 575/2013.

Table 25: Assignment of the credit ratings of the eligible ECAI’s to credit quality steps

Credit Quality Band	Standard & Poor's Ratings Service	Moody's Investor Services	Fitch Ratings
1	AAA to AA-	Aaa to Aa3	AAA to AA-
2	A+ to A-	A1 to A3	A+ to A-
3	BBB+ to BBB-	Baa1 to Baa3	BBB+ to BBB-
4	BB+ to BB-	Ba1 to Ba3	BB+ to BB-
5	B+ to B-	B1 to B3	B+ to B-
6	CCC+ and below	Caa1 and below	CCC+ and below
6	CCC+ and below	Caa1 and below	CCC+ and below

If for a specific exposure there are two available ratings then the rating leading to the higher risk weight is selected. In case, that there are more than two available ratings, initially the two ratings leading to the lower risk weights are chosen and then from the aforesaid two choices is selected the one corresponding to the higher risk weight.

Exposures to counterparties, for which a credit assessment by a nominated ECAI is not available, shall be assigned a risk weight according to the procedure described to the respective articles of the CRR 575/2013.

Under Standardised approach, credit risk is measured by applying risk weights outlined in CRD IV based on the exposure class to which the exposure is allocated. The following tables outline the Standardised exposure classes by CRD IV prescribed risk weight. Exposures subject to Counterparty Credit Risk are not included in the table.

Template 22a EU CR5 – standardised approach as of 31.12.2022

(Amounts in millions of Euro)

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

ALPHA
SERVICES AND HOLDINGS

Template 22b EU CR5 – standardised approach as of 30.06.2022

(Amounts in millions of Euro)

	Exposure classes	Risk weight															Total	Of which unrated
		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others		
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
1	Central governments or central banks	26,403	-	-	-	5	-	-	-	-	2,816	-	562	-	-	-	29,786	
2	Regional government or local authorities	-	-	-	-	9	-	-	-	-	-	-	-	-	-	-	9	
3	Public sector entities	920	-	-	-	0	-	-	-	-	635	-	-	-	-	-	1,556	
4	Multilateral development banks	501	-	-	-	-	-	-	-	-	-	-	-	-	-	-	501	
5	International organisations	367	-	-	-	-	-	-	-	-	-	-	-	-	-	-	367	
6	Institutions	0	-	-	-	1,053	-	460	-	-	390	-	-	-	-	-	1,903	
7	Corporates	-	-	-	-	21	-	171	-	-	11,822	52	-	-	-	-	12,065	
8	Retail exposures	-	-	-	-	-	-	-	-	2,913	-	-	-	-	-	-	2,913	
9	Exposures secured by mortgages on immovable property	-	-	-	-	-	6,921	4,001	-	789	1,237	-	-	-	-	-	12,949	
10	Exposures in default	-	-	-	-	-	-	-	-	-	1,845	309	-	-	-	-	2,154	
11	Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	88	-	-	-	-	88	
12	Covered bonds	-	-	-	13	-	-	-	-	-	-	-	-	-	-	-	13	
13	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
14	Units or shares in collective investment undertakings	0	-	-	-	-	-	-	-	-	9	-	-	-	-	-	9	
15	Equity exposures	-	-	-	-	-	-	-	-	-	457	-	34	-	-	-	491	
16	Other items	502	-	-	-	-	-	-	-	-	4,007	-	-	-	-	-	4,509	
17	**TOTAL**	**28,693**	**-**	**-**	**13**	**1,087**	**6,921**	**4,633**	**-**	**3,702**	**23,217**	**448**	**596**	**-**	**-**	**-**	**69,312**	

7.5 Credit risk mitigation

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

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

7.5.1 Collateral valuation and management policies and procedures

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

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

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

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

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

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

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

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

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

7.5.2 Description of the main collateral types

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

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

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

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

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

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

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

Template 23a: EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques as of 31.12.2022

(Amounts in millions of Euro)

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

Template 23b: EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques as of 30.6.2022

(Amounts in millions of Euro)

		Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
		a	b	c	d	e
1	Loans and advances	20,720	30,035	21,730	8,305	-
2	Debt securities	11,618	-	-	-	
3	**Total**	**32,339**	**30,035**	**21,730**	**8,305**	**-**
4	*Of which non-performing exposures*	377	1,924	1,772	151	-
EU-5	*Of which defaulted*	377	1,924			

Template 24a: EU CR4 – standardised approach – Credit risk exposure and CRM effects as of 31.12.2022

(Amounts in millions of Euro)

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

Template 24b: EU CR4 – standardised approach – Credit risk exposure and CRM effects as of 30.06.2022

(Amounts in millions of Euro)

	Exposure classes	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWAs density (%)
		a	b	c	d	e	f
1	Central governments or central banks	23,916	189	29,786	0	4,223	14.18%
2	Regional government or local authorities	9	1	9	0	2	20.00%
3	Public sector entities	635	3	1,555	1	635	40.85%
4	Multilateral development banks	78	-	501	-	-	0.00%
5	International organisations	367	-	367	-	-	0.00%
6	Institutions	2,104	601	1,902	1	830	43.63%
7	Corporates	12,733	4,160	11,275	790	10,808	89.58%
8	Retail	3,611	3,128	2,710	203	2,022	69.44%
9	Secured by mortgages on immovable property	13,143	71	12,927	23	5,777	44.61%
10	Exposures in default	2,242	275	2,113	40	2,308	107.18%
11	Exposures associated with particularly high risk	110	-	88	-	131	150.00%
12	Covered bonds	13	-	13	-	1	10.00%
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	0.00%
14	Collective investment undertakings	9	-	9	-	9	98.62%
15	Equity	491	-	491	-	541	110.25%
16	Other items	4,509	2	4,509	-	4,007	88.87%
17	**TOTAL**	**63,970**	**8,429**	**68,253**	**1,059**	**31,296**	**45.15%**

7.6 Concentration Risk on Collateral

Collaterals are received both for Wholesale and Retail lending in order to mitigate credit risk that may arise from the obligor's inability to fulfill his contractual obligations. 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. The mitigation tools applied by the Bank include two broad categories: intangible and tangible collaterals.

For credit exposures, the most commonly accepted collaterals for credit risk mitigation purposes are real estate assets. Usually, consumer loans are not collateralised, except for car loans where the Bank retains ownership until full loan repayment and some cash collateralized loans. Mortgage loans are fully collateralised with residential real estate properties. Business loans are mainly collateralized with commercial and residential real estate properties.

For treasury transactions the risk due to collaterals is immaterial. For derivative interbank transactions the Bank signed CSA agreements with exchange of cash collateral. For Repo / Reverse Repo transactions the Bank signed GMRA agreements.

Template 25a: EU CQ6: Collateral valuation - loans and advances as of 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l
		Loans and advances											
			Performing		Non-performing								
						Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days						
				Of which past due > 30 days ≤ 90 days				Of which past due > 90 days ≤ 180 days	Of which: past due > 180 days ≤ 1 year	Of which: past due > 1 years ≤ 2 years	Of which: past due > 2 years ≤ 5 years	Of which: past due > 5 years ≤ 7 years	Of which: past due > 7 years
010	Gross carrying amount	40,208	37,022	152	3,186	1,460	1,726	192	339	441	261	69	423
020	*Of which secured*	33,411	30,972	118	2,438	1,248	1,190	146	247	324	167	52	254
030	*Of which secured with immovable property*	17,093	14,866	109	2,227	1,194	1,033	139	233	308	137	35	182
040	*Of which instruments with LTV higher than 60% and lower or equal to 80%*	4,042	3,709		333	213	120						
050	*Of which instruments with LTV higher than 80% and lower or equal to 100%*	4,164	3,525		639	363	276						
060	*Of which instruments with LTV higher than 100%*	4,948	3,928		1,019	493	526						

		a	b	c	d	e	f	g	h	i	j	k	l
		Loans and advances											
			Performing		**Non-performing**								
						Unlikely to pay that are not past due or are past due ≤ 90 days	**Past due > 90 days**						
				Of which past due > 30 days ≤ 90 days				**Of which past due > 90 days ≤ 180 days**	**Of which: past due > 180 days ≤ 1 year**	**Of which: past due > 1 years ≤ 2 years**	**Of which: past due > 2 years ≤ 5 years**	**Of which: past due > 5 years ≤ 7 years**	**Of which: past due > 7 years**
070	Accumulated impairment for secured assets	(716)	(136)	(5)	(581)	(180)	(401)	(17)	(43)	(69)	(45)	(20)	(206)
080	Collateral												
090	*Of which value capped at the value of exposure*	*22,180*	*20,492*	*102*	*1,687*	*965*	*722*	*113*	*180*	*236*	*98*	*21*	*75*
100	*Of which immovable property*	*14,342*	*12,717*	*97*	*1,626*	*939*	*687*	*110*	*175*	*227*	*94*	*20*	*61*
110	*Of which value above the cap*	*21,499*	*20,426*	*81*	*1,074*	*496*	*578*	*68*	*106*	*115*	*108*	*40*	*139*
120	*Of which immovable property*	*11,352*	*10,434*	*69*	*917*	*445*	*472*	*64*	*91*	*104*	*86*	*32*	*95*
130	Financial guarantees received	*8,393*	*8,254*	*4*	*139*	*41*	*97*	*7*	*9*	*6*	*22*	*10*	*43*
140	Accumulated partial write-off	*(1,973)*	*(537)*	*(5)*	*(1,436)*	*(550)*	*(886)*	*(46)*	*(80)*	*(131)*	*(160)*	*(42)*	*(427)*

Template 25b: EU CQ6: Collateral valuation - loans and advances as of 31.12.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l
		Loans and advances											
			Performing		Non-performing								
						Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days						
				Of which past due > 30 days ≤ 90 days				Of which past due > 90 days ≤ 180 days	Of which: past due > 180 days ≤ 1 year	Of which: past due > 1 years ≤ 2 years	Of which: past due > 2 years ≤ 5 years	Of which: past due > 5 years ≤ 7 years	Of which: past due > 7 years
010	Gross carrying amount	39,202	34,082	205	5,120	2,709	2,412	251	419	272	552	149	768
020	*Of which secured*	32,635	28,597	138	4,038	2,319	1,719	186	268	168	437	126	533
030	*Of which secured with immovable property*	17,825	14,554	115	3,270	1,978	1,292	176	257	138	282	78	361
040	*Of which instruments with LTV higher than 60% and lower or equal to 80%*	3,697	3,403		294	188	105						
050	*Of which instruments with LTV higher than 80% and lower or equal to 100%*	4,341	3,635		706	452	254						

		a	b	c	d	e	f	g	h	i	j	k	l
		Loans and advances											
			Performing		Non-performing								
							Past due > 90 days						
				Of which past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days		Of which past due > 90 days ≤ 180 days	Of which: past due > 180 days ≤ 1 year	Of which: past due > 1 years ≤ 2 years	Of which: past due > 2 years ≤ 5 years	Of which: past due > 5 years ≤ 7 years	Of which: past due > 7 years
060	*Of which instruments with LTV higher than 100%*	6,109	4,083		2,026	1,200	826						
070	Accumulated impairment for secured assets	(1,457)	(130)	(4)	(1,328)	(564)	(763)	(37)	(52)	(45)	(231)	(56)	(341)
080	Collateral												
090	*Of which value capped at the value of exposure*	*20,948*	*18,615*	*122*	*2,333*	*1,576*	*757*	*135*	*199*	*99*	*152*	*38*	*132*
100	*Of which immovable property*	*14,372*	*12,380*	*104*	*1,992*	*1,335*	*657*	*129*	*194*	*92*	*112*	*32*	*97*
110	*Of which value above the cap*	*19,277*	*17,806*	*79*	*1,471*	*699*	*771*	*67*	*101*	*95*	*189*	*72*	*247*
120	*Of which immovable property*	*10,927*	*9,863*	*65*	*1,065*	*525*	*539*	*61*	*94*	*67*	*122*	*46*	*150*
130	Financial guarantees received	*8,117*	*7,857*	*6*	*260*	*92*	*168*	*6*	*4*	*18*	*51*	*32*	*56*
140	Accumulated partial write-off	*(2,589)*	*(552)*	*(3)*	*(2,037)*	*(677)*	*(1,360)*	*(44)*	*(101)*	*(82)*	*(414)*	*(135)*	*(584)*

Template 26a: EU CQ7: Collateral obtained by taking possession and execution processes as of 31.12.2022

(Amounts in millions of Euro)

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

Template 26b: EU CQ7: Collateral obtained by taking possession and execution processes as of 30.6.2022

(Amounts in millions of Euro)

		a	b
		Collateral obtained by taking possession	
		Value at initial recognition	Accumulated negative changes
010	Property, plant and equipment (PP&E)	47	(13)
020	Other than PP&E	1,090	(240)
030	*Residential immovable property*	370	(67)
040	*Commercial Immovable property*	709	(167)
050	*Movable property (auto, shipping, etc.)*	0	-
060	*Equity and debt instruments*	11	(7)
070	*Other collateral*	-	-
080	**Total**	**1,137**	**(253)**

ALPHA SERVICES AND HOLDINGS

Template 27a: EU CQ8: Collateral obtained by taking possession and execution processes – vintage breakdown as of 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l
		Debt balance reduction		Total collateral obtained by taking possession									
						Foreclosed ≤ 2 years		Foreclosed > 2 years ≤ 5 years		Foreclosed > 5 years		Of which non-current assets held-for-sale	
		Gross carrying amount	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes
010	Collateral obtained by taking possession classified as PP&E	9	-	45	(12)								
020	Collateral obtained by taking possession other than that classified as PP&E	774	(74)	1,086	(287)	204	(19)	384	(96)	499	(172)	577	(202)
030	*Residential immovable property*	246	-	369	(74)	92	(7)	188	(49)	88	(17)	184	(60)
040	*Commercial immovable property*	452	-	702	(206)	107	(11)	189	(44)	406	(150)	393	(143)
050	*Movable property (auto, shipping, etc.)*	-	-	0	-	-	-	-	-	0	-	-	-
060	*Equity and debt instruments*	76	(74)	15	(7)	5	(0)	6	(3)	4	(4)	-	-
070	*Other collateral*	-	-	-	-	-	-	-	-	-	-	-	-
080	***Total***	783	(74)	1,131	(299)	204	(19)	384	(96)	499	(172)	577	(202)

Template 27b: EU CQ8: Collateral obtained by taking possession and execution processes – vintage breakdown as of 31.12.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l
		Debt balance reduction		Total collateral obtained by taking possession									
						Foreclosed ≤ 2 years		Foreclosed > 2 years ≤ 5 years		Foreclosed > 5 years		Of which non-current assets held-for-sale	
		Gross carrying amount	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes
010	Collateral obtained by taking possession classified as PP&E	9	-	47	(12)								
020	Collateral obtained by taking possession other than that classified as PP&E	748	(74)	1,059	(243)	273	(32)	301	(73)	485	(138)	227	(93)
030	*Residential immovable property*	234	-	358	(67)	142	(17)	136	(35)	80	(16)	113	(50)
040	*Commercial immovable property*	438	-	691	(170)	131	(15)	155	(32)	404	(122)	114	(43)
050	*Movable property (auto, shipping, etc.)*	-	-	0	-	-	-	-	-	0	-	-	-
060	*Equity and debt instruments*	76	(74)	11	(6)	-	-	11	(6)	-	-	-	-
070	*Other collateral*	-	-	-	-	-	-	-	-	-	-	-	-
080	***Total***	757	(74)	1,106	(255)	273	(32)	301	(73)	485	(138)	227	(93)

7.7 Additional Credit Risk reporting due to COVID-19

The EBA compliant moratoria on loan repayments that were applied in light of the COVID-19 crisis, in accordance with EBA/GL/2020/02, have all been expired as of 31.12.2020. To this end and in accordance with the provisions of the EBA/GL/2020/07 (Background and Rationale, par. 16) the Bank does not disclose information in Template 1 “Information on loans and advances subject to legislative and non-legislative moratoria from the 31.12.2020 reference date.

The following table provides an overview of the volume of loans and advances subject to legislative and non-legislative moratoria in accordance with EBA/GL/2020/02 by residual maturity of these moratoria:

Template 28a: COVID2: Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria as of 31.12.2022

(Amounts in millions of Euro)

	a	b	c	d	e	f	g	h	i
	Number of obligors	Gross carrying amount							
			Of which: legislative moratoria	Of which: expired	Residual maturity of moratoria				
					<= 3 months	> 3 months <= 6 months	> 6 months <= 9 months	> 9 months <= 12 months	> 1 year
Loans and advances for which moratorium was offered	163,671	8,839							
Loans and advances subject to moratorium (granted)	105,608	6,583	687	6,583					
of which: Households		3,594	364	3,594					
of which: Collateralised by residential immovable property		3,027	327	3,027					
of which: Non-financial corporations		2,965	310	2,965					
of which: Small and Medium-sized Enterprises		1,723	28	1,723					
of which: Collateralised by commercial immovable property		1,734	266	1,734					

Template 28b: COVID2: Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria as of 30.6.2022

(Amounts in millions of Euro)

	a	b	c	d	e	f	g	h	i
	Number of obligors	Gross carrying amount							
			Of which: legislative moratoria	Of which: expired	Residual maturity of moratoria				
					<= 3 months	> 3 months <= 6 months	> 6 months <= 9 months	> 9 months <= 12 months	> 1 year
Loans and advances for which moratorium was offered	164,199	8,938							
Loans and advances subject to moratorium (granted)	108,484	6,924	732	6,924					
of which: Households		3,705	384	3,705					
of which: Collateralised by residential immovable property		3,094	343	3,094					
of which: Non-financial corporations		3,193	334	3,193					
of which: Small and Medium-sized Enterprises		1,861	33	1,861					
of which: Collateralised by commercial immovable property		1,979	281	1,979					

The table provides an overview of the stock of newly originated loans and advances subject to public guarantee schemes introduced in response to COVID-19 crisis:

Template 29a: COVID3: Information on newly originated loans and advances provided under newly applicable public guarantee schemes introduced in response to COVID-19 crisis as of 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d
		Gross carrying amount		Maximum amount of the guarantee that can be considered	Gross carrying amount
			of which: forborne	Public guarantees received	Inflows to non-performing exposures
1	Newly originated loans and advances subject to public guarantee schemes	1,060	1	856	3
2	of which: Households				
3	of which: Collateralised by residential immovable property				
4	of which: Non-financial corporations	1,060	1	856	3
5	of which: Small and Medium-sized Enterprises	836			3
6	of which: Collateralised by commercial immovable property	10			

Template 29b: COVID3: Information on newly originated loans and advances provided under newly applicable public guarantee schemes introduced in response to COVID-19 crisis as of 30.6.2022

(Amounts in millions of Euro)

		a	b	c	d
		Gross carrying amount		Maximum amount of the guarantee that can be considered	Gross carrying amount
			of which: forborne	Public guarantees received	Inflows to non-performing exposures
1	Newly originated loans and advances subject to public guarantee schemes	1,250	1	1,005	5
2	of which: Households				
3	of which: Collateralised by residential immovable property				
4	of which: Non-financial corporations	1,250	1	1,005	5
5	of which: Small and Medium-sized Enterprises	956			4
6	of which: Collateralised by commercial immovable property	10			

8 Counterparty credit risk (CCR)

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

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

Alpha Bank Group has the first two types of transactions.

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

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

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

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

Template 30a: EU CCR1 – Analysis of CCR by approach as of 31.12.2022

(Amounts in millions of Euro)

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

ALPHA
SERVICES AND HOLDINGS

Template 30b: EU CCR1 – Analysis of CCR by approach as of 30.06.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h
		Replacement cost (RC)	**Potential future exposure (PFE)**	**EEPE**	**Alpha used for computing regulatory exposure value**	**Exposure value pre-CRM**	**Exposure value post-CRM**	**Exposure value**	**RWEA**
EU1	EU - Original Exposure Method (for derivatives)	-	-		1.4	-	-	-	-
EU2	EU - Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
1	SA-CCR (for derivatives)	94	81		1.4	1,026	245	245	154
2	IMM (for derivatives and SFTs)			-		-	-	-	-
2a	*Of which securities financing transactions netting sets*			-		-	-	-	-
2b	*Of which derivatives and long settlement transactions netting sets*			-		-	-	-	-
2c	*Of which from contractual cross-product netting sets*			-		-	-	-	-
3	Financial collateral simple method (for SFTs)					-	-	-	-
4	Financial collateral comprehensive method (for SFTs)					-	-	-	-
5	VaR for SFTs					-	-	-	-
6	**Total**					**1,026**	**245**	**245**	**154**

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

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

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

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

The following tables present the CVA calculation of the Group:

Template 31a: EU CCR2 – Transactions subject to own funds requirements for CVA risk as of 31.12.2022

(Amounts in millions of Euro)

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

Template 31b: EU CCR2 – Transactions subject to own funds requirements for CVA risk as of 30.06.2022

(Amounts in millions of Euro)

		a	b
		Exposure value	**RWEA**
1	Total transactions subject to the Advanced method	-	-
2	(i) VaR component (including the 3× multiplier)		-
3	(ii) stressed VaR component (including the 3× multiplier)		-
4	Transactions subject to the Standardised method	122	68
EU4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)	-	-
5	**Total transactions subject to own funds requirements for CVA risk**	**122**	**68**

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

Template 32a: EU CCR8 – Exposures to CCPs as of 31.12.2022

(Amounts in millions of Euro)

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

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

Template 32b: EU CCR8 – Exposures to CCPs as of 30.06.2022

(Amounts in millions of Euro)

		a	b
		Exposure value	**RWEA**
1	**Exposures to QCCPs (total)**		**3**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	142	3
3	(i) OTC derivatives	142	3
4	(ii) Exchange-traded derivatives	-	
5	(iii) SFTs	-	-
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	-	
8	Non-segregated initial margin	23	-
9	Prefunded default fund contributions	-	-
10	Unfunded default fund contributions	-	-
11	**Exposures to non-QCCPs (total)**		-
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	-	-
13	(i) OTC derivatives	-	-
14	(ii) Exchange-traded derivatives	-	-
15	(iii) SFTs	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	
18	Non-segregated initial margin	-	-
19	Prefunded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

The tables below show the CCR exposures by regulatory portfolio and risk as of 31.12.2022 and 30.06.2022.

ALPHA
SERVICES AND HOLDINGS

Template 33a: EU CCR3 – Standardized approach – CCR exposures by regulatory portfolio and risk as of 31.12.2022

(Amounts in millions of Euro)

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

ALPHA SERVICES AND HOLDINGS

Template 33b: EU CCR3 – Standardized approach – CCR exposures by regulatory portfolio and risk as of 30.06.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l
	Exposure classes	**Risk weight**											**Total exposure value**
		0%	**2%**	**4%**	**10%**	**20%**	**50%**	**70%**	**75%**	**100%**	**150%**	**Others**	
1	Central governments or central banks	23	-	-	-	-	-	-	-	-	-	-	23
2	Regional government or local authorities	-	-	-	-	-	-	-	-	-	-	-	-
3	Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-
4	Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
5	International organisations	-	-	-	-	-	-	-	-	-	-	-	-
6	Institutions	56	142	-	-	17	33	-	-	72	-	-	320
7	Corporates	-	-	-	-	-	-	-	-	61	-	-	61
8	Retail	-	-	-	-	-	-	-	8	-	-	-	8
9	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
10	Other items	-	-	-	-	-	-	-	-	0	-	-	0
11	**Total exposure value**	**79**	**142**		**-**	**17**	**33**		**8**	**133**	**-**	**-**	**411**

The following tables provide a breakdown of all types of collateral posted or received to support or reduce CCR exposures related to derivative transactions or to securities financing transaction (SFTs) as of 31.12.2022 and 30.06.2022.

Template 34a: EU CCR5 – Composition of collateral for CCR exposures 31.12.2022

(Amounts in millions of Euro)

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

Template 34b: EU CCR5 – Composition of collateral for CCR exposures 30.06.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h
		Collateral used in derivative transactions				Collateral used in SFTs			
	Collateral type	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
		Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
1	Cash – domestic currency	190	446	187	327	-	-	-	-
2	Cash – other currencies	3	-	1	-	-	-	-	-
3	Domestic sovereign debt	-	165	-	-	-	-	-	-
4	Other sovereign debt	-	-	-	-	-	-	-	-
5	Government agency debt	-	-	-	-	-	-	-	-
6	Corporate bonds	-	-	-	-	-	-	-	-
7	Equity securities	-	-	-	-	-	-	-	-
8	Other collateral	-	-	-	-	-	1,828	-	202
9	**Total**	**193**	**611**	**188**	**327**	**-**	**1,828**	**-**	**202**

9 Exposure to Securitisation positions

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

9.1 Non-STS traditional Securitisations

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

Project "Galaxy"

On 22 June 2021, Alpha Bank completed the Galaxy transaction, which involved the securitization of a portfolio of Non-Performing Exposures (NPEs) with a total gross book value of c. €10.8bn as of cut-off date, following fulfillment of all conditions' precedent, as per the securitization framework. The portfolio was segmented to three distinct securitization SPVs based on the underlying assets' type:

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

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

c) Galaxy IV Funding DAC, consists of wholesale exposures to SMEs and Large corporates of total gross book value c. €3.2bn as of 30.06.2019, and

Following the implementation of Alpha Bank SA's demerger by way of hive down of the banking sector with the incorporation of a new banking entity under the name Alpha Bank, the said entity retained 100% of the Senior Notes, which are guaranteed from the State under the Hellenic Asset Protection Scheme ("HAPS" – refer below). The holding entity resulted from the aforementioned corporate action, namely Alpha Services & Holdings, sold the 51% of the Mezzanine and Junior Notes of the securitisation SPVs (Galaxy subordinated Notes) to an entity managed and advised by Davidson Kempner Capital Management LP ("Davidson Kempner"), in accordance with the definitive agreement entered on 22.2.2021. Alpha Bank also retains 5% of Galaxy subordinated Notes, pursuant to the provisions of the securitization law. As part of the overall Galaxy transaction, an entity managed by Davidson Kempner acquired 80% of Cepal Services & Holdings SMSA, whose subsidiary, Cepal Hellas Financial Services Single Member, was assigned as the long term servicer of Galaxy portfolio.

Project "Cosmos"

Following the completion of Galaxy transaction, Alpha Bank expedited the deleveraging opportunities of its remaining NPE pool through inorganic actions in accordance to its NPE Business Plan, initiating within 2021 the disposal of an additional portfolio of Greek NPEs, in the form of a rated securitization named Project Cosmos, which alike Project Galaxy, utilized the provisions of HAPS. The Cosmos portfolio consisted of predominantly secured Residential Mortgage loans, Large Corporate, Small and Medium Enterprises ("SMEs"), Small Business Lending ("SBL") of c.€3.4bn, in terms of gross book value, as of 30.6.2020, which were securitized under a single securitization special purpose entity. The transaction was completed on 17 December 2021 and consisted on the sale of 51% of Mezzanine and Junior Notes (subordinated Cosmos Notes) to an entity managed and advised by Davidson Kempner, while Alpha Bank retained 100% of the Senior Notes along with 5% of the subordinated Cosmos Notes, pursuant to the risk retention requirements of article 6 of the Securitisation Regulation.

In 2022, the 44% of Galaxy & Cosmos Class B (Mezzanine) Notes as well as the 44% of Galaxy & Cosmos Class C (Junior) Notes, were retained by the Alpha Services & Holdings, contributed to Galaxy Cosmos Mezz Plc, consequently, Alpha Bank Group retains the 5% of Galaxy & Cosmos Mezzanine and Junior Notes.

In accordance with Art. 247 of the CRR, and given that Galaxy and Cosmos transactions are traditional non-STS securitizations and SRT requirements are fulfilled, Alpha Bank can exclude the underlying exposures from its calculation of risk-weighted exposure amounts, and calculate the risk-weighted exposure amounts for the positions it holds in the securitizations. Specifically, Alpha Bank uses the SECSA method for the calculation of risk-weighted exposure amounts for mezzanine and junior securitisation notes according to EU 2017/2401 Art. 261. However, it must be noted that, as per EU 2017/2401 Art. 254 (2):

For rated positions or positions in respect of which an inferred rating may be used, an institution shall use the SEC-ERBA instead of the SEC-SA in each of the following cases:

(a) where the application of the SEC-SA would result in a risk weight higher than 25 % for positions qualifying as positions in an STS securitisation;

(b) where the application of the SEC-SA would result in a risk weight higher than 25 % or the application of the SEC-ERBA would result in a risk weight higher than 75 % for positions not qualifying as positions in an STS securitisation;

(c) for securitisation transactions backed by pools of auto loans, auto leases and equipment leases.

Since the SEC-SA application results in a risk-weight for a senior securitisation position (prior to any adjustment) above the thresholds of 25% and 75% respectively, the risk-weight of a senior securitisation position shall be calculated with the SEC-ERBA methodology upon the availability of a rating report from one recognized ECAI.

In the context of their application under Hercules "Asset Protection Scheme ("HAPS"), Galaxy and Cosmos senior securitisation positions received a rating from a recognized ECAI.

Hellenic Republic Asset Protection Scheme

In December 2019, the Greek parliament voted for the creation of an Asset Protection Scheme ("APS") (Greek Law 4649/2019) also known as the "Hercules Scheme". The Hercules Scheme was an HFSF strategic initiative, implemented by the Ministry of Finance, designed to support banks on deleveraging NPEs through securitisation, with the aim of obtaining greater market stability. Under the Hercules Scheme, an individually managed, private securitization vehicle buys NPEs from the bank and dispose notes to investors. The State then provides a guarantee for the senior, less risky notes of the securitization vehicle. In exchange for such guarantee, the State receives a commission at market terms. The Hercules Scheme becomes effective only when the originator has sold at least 50% plus one of junior tranches (and mezzanine if any) and the notes are of such amount that allows the derecognition and the Significant Risk Transfer ("SRT") of the securitized receivables. The Hercules Scheme was extended in April 2021 under the "Hercules II" programme, which is expected to run for 18 months, until October 2022. Greek banks are expected to continue to reap the benefits of the Hercules Scheme while, as in the case of "Hercules I", the Greek State will provide guarantees up to €12bn on the senior tranches of securitisations.

Investment in securitisation positions

On December 31th, 2022, the Group held investments in collateralized loan obligations ("CLOs") with a total carrying amount of € 121 mn.

9.2 Synthetic Securitisation

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

Project "Aurora"

Securitisation of SME/Corporate portfolio

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

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

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

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

Project "Tokyo"

Securitisation of SME/Corporate portfolio

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

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

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

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

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

Template 35a: EU-SEC1 - Securitisation exposures in the non-trading book as of 31.12.2022

(Amounts in millions of Euro)

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

Template 35b: EU-SEC1 - Securitisation exposures in the non-trading book as of 30.06.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
		Traditional				Synthetic		Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
		STS		Non-STS					STS	Non-STS			STS	Non-STS		
			of which SRT		of which SRT		of which SRT									
1	**Total exposures**	**-**	**-**	**8,262**	**25**	**1,765**	**1,765**	**10,027**	**-**	**-**	**-**	**-**	**-**	**10**	**-**	**10**
2	Retail (total)	-	-	7,182	19	-	-	7,182	-	-	-	-	-	10	-	10
3	residential mortgage	-	-	6,452	19	-	-	6,452	-	-	-	-	-	10	-	10
4	credit card	-	-	730	-	-	-	730	-	-	-	-	-	-	-	-
5	other retail exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Wholesale (total)	-	-	1,080	6	1,765	1,765	2,845	-	-	-	-	-	-	-	-
8	loans to corporates	-	-	506	6	1,765	1,765	2,271	-	-	-	-	-	-	-	-
9	commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	lease and receivables	-	-	475	-	-	-	475	-	-	-	-	-	-	-	-
11	other wholesale	-	-	99	-	-	-	99	-	-	-	-	-	-	-	-
12	re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

ALPHA SERVICES AND HOLDINGS

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

Template 36a: EU-SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor as of 31.12.2022

(Amounts in millions of Euro)

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

Template 36b: EU-SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor as of 30.6.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	EU-p	EU-q
		Exposure values (by RW bands/deductions)					**Exposure values (by regulatory approach)**				**RWEA (by regulatory approach)**				**Capital charge after cap**			
		≤20% RW	**>20% to 50% RW**	**>50% to 100% RW**	**>100% to <1250% RW**	**1250% RW/ deductions**	**SEC-IRBA**	**SEC-ERBA (including IAA)**	**SEC-SA**	**1250%/ deductions**	**SEC-IRBA**	**SEC-ERBA (including IAA)**	**SEC-SA**	**1250%/ deductions**	**SEC-IRBA**	**SEC-ERBA (including IAA)**	**SEC-SA**	**1250% RW/ deductions**
1	**Total exposures**	**1,720**	**-**	**-**	**26**	**44**	**-**	**-**	**1,790**	**-**	**-**	**-**	**417**	**-**	**-**	**-**	**33**	**-**
2	Traditional transactions	-	-	-	25	-	-	-	25	-	-	-	235	-	-	-	19	-
3	Securitisation	-	-	-	25	-	-	-	25	-	-	-	235	-	-	-	19	-
4	Retail underlying	-	-	-	19	-	-	-	19	-	-	-	198	-	-	-	16	-
5	Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Wholesale	-	-	-	6	-	-	-	6	-	-	-	37	-	-	-	3	-
7	Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Synthetic transactions	1,720	-	-	1	44	-	-	1,765	-	-	-	183	-	-	-	15	-
10	Securitisation	1,720	-	-	1	44	-	-	1,765	-	-	-	183	-	-	-	15	-
11	Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Wholesale	1,720	-	-	1	44	-	-	1,765	-	-	-	183	-	-	-	15	-
13	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

ALPHA
SERVICES AND HOLDINGS

Template 37a: EU-SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor as of 31.12.2022

(Amounts in millions of Euro)

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

ALPHA
SERVICES AND HOLDINGS

Template 37b: EU-SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor as of 30.6.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Exposure values (by RW bands/deductions)					**Exposure values (by regulatory approach)**				**RWEA (by regulatory approach)**				**Capital charge after cap**			
		≤20% RW	**>20% to 50% RW**	**>50% to 100% RW**	**>100% to <1250% RW**	**1250% RW/ deductions**	**SEC-IRBA**	**SEC-ERBA (including IAA)**	**SEC-SA**	**1250%/ deductions**	**SEC-IRBA**	**SEC-ERBA (including IAA)**	**SEC-SA**	**1250%/ deductions**	**SEC-IRBA**	**SEC-ERBA (including IAA)**	**SEC-SA**	**1250%/ deductions**
1	**Total exposures**			**0.5**	**9.5**			**10**				**119**				**10**		
2	Traditional securitisation			0.5	9.5			10				119				10		
3	Securitisation			0.5	9.5			10				119				10		
4	Retail underlying			0.5	9.5			10				119				10		
5	Of which STS																	
6	Wholesale																	
7	Of which STS																	
8	Re-securitisation																	
9	Synthetic securitisation																	
10	Securitisation																	
11	Retail underlying																	
12	Wholesale																	
13	Re-securitisation																	

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

Template 38a: EU-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments 31.12.2022

(Amounts in millions of Euro)

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

Template 38b: EU-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments 30.6.2022

(Amounts in millions of Euro)

		a	b	c
		Exposures securitised by the institution - Institution acts as originator or as sponsor		
		Total outstanding nominal amount		Total amount of specific credit risk adjustments made during the period
			Of which exposures in default	
1	**Total exposures**	**23,937**	**15,855**	(325)
2	Retail (total)	17,822	12,931	(378)
3	residential mortgage	17,092	12,924	(380)
4	credit card	730	7	1
5	other retail exposures			
6	re-securitisation			
7	Wholesale (total)	6,115	2,923	53
8	loans to corporates	5,541	2,914	67
9	commercial mortgage			
10	lease and receivables	475	9	(14)
11	other wholesale	99		(0)
12	re-securitisation	-	-	-

10 Market Risk

10.1 Market Risk Management Framework

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

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

The Group Risk Management Committee is responsible for supporting and supervising the Market Risk management framework and ensuring the application of all the necessary measures to identify, estimate, monitor and control this type of risk. Group ALCO is responsible for approving the guidelines and the strategy as far as Market Risk is concerned. The Treasury and Balance Sheet Management Committee is responsible for structuring proposals for decisions on Treasury and Asset Liability Management issues to be made by the Group ALCO, or exceptionally by the Group Executive Committee, if immediate decision-making is required.

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

Alpha Bank calculates Value at Risk (VaR) for internal risk management purposes since 1999. In 2008, the Bank of Greece validated the Bank's internal model for VaR and approved its application for the calculation of capital requirements for general market risk on a solo level in accordance to the Bank of Greece Governor's Acts 2577/2006 and 2591/2007. From the end of 2011 and in accordance to the Bank of Greece Governor's Act 2646/093093.2011, the Bank became compliant with Basel 2.5 and Stressed VaR was estimated together with VaR for the calculation of capital. After the acquisition of Emporiki Bank in 2013, and following the approval of the Bank of Greece, Alpha Bank applied the internal model on a consolidated basis for the combined trading books for general market risk.

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

10.2 IMA approach for market risk

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

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

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

The own fund requirements under the IMA at 31.12.2022 are displayed in the following table:

Template 39a: EU MR2-A - Market risk under the internal Model Approach (IMA) as of 31.12.2022

(Amounts in millions of Euro)

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

Template 39b: EU MR2-A - Market risk under the internal Model Approach (IMA) as of 30.6.2022

(Amounts in millions of Euro)

		a	b
		RWAs	**Own funds requirements**
1	**VaR** (higher of values a and b)	295	24
(a)	Previous day's VaR (VaRt-1)		6
(b)	Multiplication factor (mc) x average of previous 60 working days (VaRavg)		24
2	**SVaR** (higher of values a and b)	599	48
(a)	Latest available SVaR (SVaRt-1))		11
(b)	Multiplication factor (ms) x average of previous 60 working days (sVaRavg)		48
3	**IRC** (higher of values a and b)		
(a)	Most recent IRC measure		
(b)	12 weeks average IRC measure		
4	**Comprehensive risk measure** (higher of values a, b and c)		
(a)	Most recent risk measure of comprehensive risk measure		
(b)	12 weeks average of comprehensive risk measure		
(c)	Comprehensive risk measure Floor		
5	Other		
6	**Total**	**894**	**71**

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

Template 40a: EU MR2-B - RWA flow statements of market risk exposures under the IMA as of 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g
		VaR	**SVaR**	**IRC**	**Comprehensive risk measure**	**Other**	**Total RWAs**	**Total own funds requirements**
1	**RWAs at previous period end**	122	226	-	-	-	348	28
1a	*Regulatory adjustment (1)*	*108*	*202*	-	-	-	*310*	*25*
1b	*RWAs at the previous quarter-end (end of the day)*	*13*	*24*	-	-	-	*37*	*3*
2	Movement in risk levels	8	48	-	-	-	56	5
3	Model updates/changes	-	-	-	-	-	-	-
4	Methodology and policy	-	-	-	-	-	-	-
5	Acquisitions and disposals	-	-	-	-	-	-	-
6	Foreign exchange movements	-	-	-	-	-	-	-
7	Other	7	-	-	-	-	7	1
8a	*RWAs at the end of the disclosure period (end of the day)*	28	72	-	-	-	100	8
8b	*Regulatory adjustment (1)*	91	55	-	-	-	146	12
8	**RWAs at the end of the disclosure period**	119	127	-	-	-	246	20

Template 40b: EU MR2-B - RWA flow statements of market risk exposures under the IMA as of 30.9.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g
		VaR	SVaR	IRC	Comprehensive risk measure	Other	Total RWAs	Total own funds requirements
1	**RWAs at previous period end**	295	599	-	-	-	894	71
1a	*Regulatory adjustment* [(1)]	*216*	*456*	-	-	-	*673*	*54*
1b	*RWAs at the previous quarter-end (end of the day)*	*78*	*143*	-	-	-	*221*	*18*
2	Movement in risk levels	(62)	(119)	-	-	-	(181)	(14)
3	Model updates/changes	-	-	-	-	-	-	-
4	Methodology and policy	-	-	-	-	-	-	-
5	Acquisitions and disposals	-	-	-	-	-	-	-
6	Foreign exchange movements	-	-	-	-	-	-	-
7	Other	(3)	-	-	-	-	(3)	(0)
8a	*RWAs at the end of the disclosure period (end of the day)*	13	24	-	-	-	37	3
8b	*Regulatory adjustment* [(1)]	108	202	-	-	-	310	25
8	**RWAs at the end of the disclosure period**	122	226	-	-	-	348	28

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

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

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

Typical stress scenarios consider the following changes in risk factors:

Interest rates:

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

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

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

FX rates:

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

Prices (e.g. equities and indices):

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

Volatilities:

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

VaR and SVaR values as estimated during 2022 for the Bank trading portfolio, including the FX position due to participations, are given in the following table:

Template 41a: EU MR3 - IMA values for trading portfolios as of 31.12.2022

(Amounts in millions of Euro)

		a
		31.12.2022
VaR (10 day 99%)		
1	Maximum value	7
2	Average value	3
3	Minimum value	1
4	Period end	2
SVaR (10 day 99%)		
5	Maximum value	11
6	Average value	4
7	Minimum value	1
8	Period end	6
IRC (99.9%)		
9	Maximum value	-
10	Average value	-
11	Minimum value	-
12	Period end	-
Comprehensive risk measure (99.9%)		
13	Maximum value	-
14	Average value	-
15	Minimum value	-
16	Period end	-

Template 41b: EU MR3 - IMA values for trading portfolios as of 30.6.2022

(Amounts in millions of Euro)

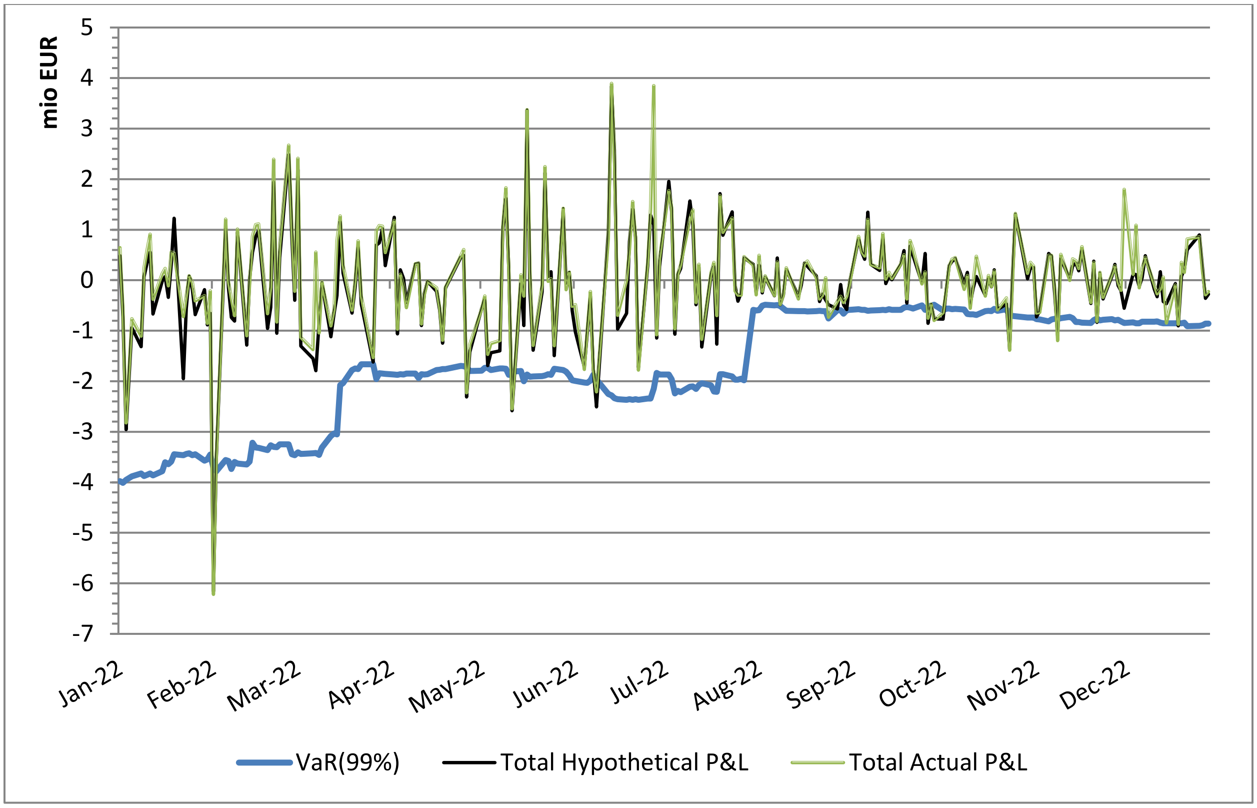
		a
		30.6.2022
VaR (10 day 99%)		
1	Maximum value	10
2	Average value	8
3	Minimum value	6
4	Period end	6
SVaR (10 day 99%)		
5	Maximum value	18
6	Average value	16
7	Minimum value	11
8	Period end	11
IRC (99.9%)		
9	Maximum value	-
10	Average value	-
11	Minimum value	-
12	Period end	-
Comprehensive risk measure (99.9%)		
13	Maximum value	-
14	Average value	-
15	Minimum value	-
16	Period end	-

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

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

Template 42: EU MR4 - Comparison of VaR estimates with gains/losses

(Amounts in millions of Euro)



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

During 2022 eleven overshootings were observed on both actual and hypothetical Backtesting and the Competent Authorities were notified accordingly.

10.3 Standardized approach for market risk

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

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

Template 43a: EU MR1 - Market risk under the standardised approach as of 31.12.2022

(Amounts in millions of Euro)

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

Template 43b: EU MR1 - Market risk under the standardised approach as of 30.6.2022

(Amounts in millions of Euro)

		a
		RWEAs
	Outright products	
1	Interest rate risk (general and specific)	0
2	Equity risk (general and specific)	6
3	Foreign exchange risk	5
4	Commodity risk	-
	Options	
5	Simplified approach	-
6	Delta-plus approach	-
7	Scenario approach	-
8	Securitisation (specific risk)	-
9	**Total**	**11**

11 Operational Risk

11.1 Definition and objectives

The Group acknowledges the need for managing the operational risk that stems from its business activities, as well as the need for holding adequate capital, in order to absorb potential losses related with this type of risk.

According to the Group's Policy which is based on both industry practices and regulatory requirements, Operational Risk is defined as the risk of financial and qualitative impacts resulting from inadequate or failed internal processes, IT systems, people (intentionally or unintentionally) and external events. The definition includes Legal Risk.

The calculation of capital requirements for operational risk is performed in accordance with the Standardized Approach of the Capital Requirements Regulation 575/2013. Specifically, the Group's gross operating income for 2020, 2021 and 2022 is split into eight business lines.

The Gross Income for operational risk capital requirements is defined as the sum of the following elements:

- Interest receivable and similar income (used as one of the components for the calculation of Net Interest Income)
- Interest payable and similar charges (used as one of the components for the calculation of Net Interest Income)
- Income from shares and other variable or fixed yield securities (used as one of the components for the calculation of Net Interest Income)
- Commissions/ Fees receivable
- Commissions/ Fees payable
- Net profit or loss on financial operations
- Other operating income

It is e noted that elements 1, 2 and 3 mentioned above comprise the main inputs for the calculation of Net Interest Income (NII) which is one of the main profit drivers related to core banking activities.

Therefore, the Gross Income definition is as follows:

Gross Income = NII + Net Commissions + Net profit or loss on financial operations + Other operating income.

The capital requirements for operational risk are the average, over these three years, of the risk-weighted gross income. According to Regulation (EU) No 575/2013, the risk weighted gross income is calculated each year across the eight (8) business lines by using specific beta factors.

In particular, the respective capital charges on a Group basis at 31.12.2022 are presented in the following table:

Template 44a: EU OR1 - Operational risk own funds requirements and risk-weighted exposure amounts as of 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d	e
Banking activities		Relevant indicator			Own funds requirements	Risk weighted exposure amount
		Year-3	Year-2	Last year		
1	Banking activities subject to basic indicator approach (BIA)	0	0	0	0	0
2	Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches	1,855	1,715	1,913	250	3,126
3	*Subject to TSA:*	1,855	1,715	1,913		
4	*Subject to ASA:*	0	0	0		
5	Banking activities subject to advanced measurement approaches AMA	0	0	0	0	0

Template 44b: EU OR1 - Operational risk own funds requirements and risk-weighted exposure amounts as of 31.12.2021

(Amounts in millions of Euro)

		a	b	c	d	e
Banking activities		Relevant indicator			Own funds requirements	Risk weighted exposure amount
		Year-3	Year-2	Last year		
1	Banking activities subject to basic indicator approach (BIA)	0	0	0	0	0
2	Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches	1,947	1,855	1,715	245	3,068
3	*Subject to TSA:*	1,947	1,855	1,715		
4	*Subject to ASA:*	0	0	0		
5	Banking activities subject to advanced measurement approaches AMA	0	0	0	0	0

11.2 Operational Risk Framework

The Group complies with the qualitative criteria required for this approach. Within this context and in order to achieve effective operational risk management, the Group has adopted and implemented an Operational Risk Framework which focuses on the following areas:

- Operational risk events management and collection, including management of Lawsuits filed against the Group
- Operational risk identification and assessment, through a risk and control self-assessment process as well as other assessment techniques such as Model Risk Assessments, Outsourcing Assessments, etc.
- Definition and monitoring of Key Risk Indicators
- Operational Risk Reporting
- Operational risk mitigation approaches, including both the implementation of Action Plans that improve the existing internal control environment as well as Insurance Policies covering specific types of events and impacts.
- The calculation of capital requirements for operational risk

The Framework is continuously reviewed and various initiatives have been introduced in order to improve it. It is supported by an appropriate organizational structure with clear roles and responsibilities under the core assumption that the prime responsibility for operational risk management remains with the organizational units throughout the Group. The operational risk organizational structure complies with all regulatory requirements and is aligned with the Group's risk culture. This structure includes three lines of defense and interaction with corporate governance, ensuring the coverage of all operational risks and the involvement of the Group's senior management in managing operational risk. Below are described the roles and responsibilities of the Group's committees and units that ensure proper implementation of the operational risk framework:

- Operational Risk and Internal Control Committee, which is delegated by the Risk Management Committee to supervise operational risk management activities. Operational Risk and Internal Control Committees are also established in the Group Companies.
- Group Operational Risk Unit and Operational Risk Units in the Group Companies. The Group Operational Risk Unit develops the appropriate tools, processes, procedures and techniques relevant to operational risk management, monitors the implementation of appropriate action plans for its mitigation at Group level and submits reports to the relevant Committees and Senior Management of the Group. The Group Companies' Operational Risk Units implement the operational risk framework at the Company and local level and ensure its compliance with the national laws and regulations. In addition to the above, the Risk Units of the Banking Entities have the responsibility to co-ordinate and support the implementation of the operational risk framework by the other Group Companies of the same jurisdiction, in accordance with the guidelines provided by the Group Operational Risk Unit.

- Bank Units and Group Company Units, which manage their operational risks and are responsible for the implementation of the Operational Risk Policy. In addition to their own operational risks, some Units may be delegated to manage or have an oversight role in specific areas of operational risk (e.g. Compliance Units, Cybersecurity and Information Security Units, Physical Security Units, and Business Continuity Plan Units). All Units appoint an Operational Risk Coordinator i.e. an Officer with experience and knowledge of the Unit's operations and activities and has the seniority to work closely with other Officers of the Unit. The coordinator is appointed by the Manager and is mainly responsible for providing information and support, raising awareness among the Delegates of the Unit on operational risk issues and participating actively in the implementation of the operational risk management processes/actions within the Unit.
- Internal Audit Unit, which provides an independent review of the integrity, appropriateness and effectiveness of the overall risk management process. In addition, it provides assurance that the internal controls and operational risk mitigation practices implemented by the Units are sufficient and appropriate for the type and complexity of risk-taking activities.

Additionally, the Group's Operational Risk Management Policy adheres to the following principles:

- Applicability: The Operational Risk Management Policy is applied to all levels within the Group. Certain modifications may be required at country level in compliance with the local regulatory environment.
- Accountability: The Bank and Group Company Units are responsible for managing their operational risk in line with the operational risk management policy. To this extent, they are the owners of the operational risks associated with their activities and they are supported by the Operational Risk Units in the identification, assessment, monitoring and mitigation of their risks.
- Compliance: The Group Operational Risk Unit ensures that the Group adheres to the regulatory requirements set by the Group's Regulators. The Operational Risk Units of the Group Companies ensure compliance with the regulatory requirements applicable in their jurisdiction.
- Transparency and Information Dissemination: Operational Risk Management is an integral part of the Group's activities. Identification and management of operational risk are performed so as to maintain a constant flow of information and enhance the decision-making process. Transparency and information dissemination is supported by appropriate tools so that Operational Risk Units can generate and provide adequate reports.
- Risk Mitigation and Transfer: The Group's primary defenses against operational risk are its policies, procedures and internal controls. The Group provides its employees with training on operational risk issues, in order to increase their awareness and understanding of operational risks. In addition, insurance policies are used for the partial transfer of certain types of operational risk.

11.3 Operational risk measurement and assessment

The Group has implemented an internal methodology based on the Advanced Measurement Approach (AMA) for Operational Risk Management as well as for Pillar II purposes. This entailed the development of a robust internal calculation model as well as the enhancement of existing policies, procedures and systems for operational risk management through specific Operational Risk Management Initiatives:

The following initiatives have been completed during 2022:

- Implementation of the KRIs Framework across the Bank and setting of KRIs to a significant number of Bank Units (risk thresholds have been defined)
- The update of the Vendor Risk Management (VRM) questionnaire
- Issuance of the Control Validation Framework.
- The implementation of the new operational risk platform to support all operational risk components.
- Implementation of an Entity Risk Assessment Methodology based on the new Operational Risk Taxonomy.

The Group will continue its initiatives towards the reinforcement of its Operational Risk Management Framework, the main objectives of which, for 2022 – 2023, are as follows:

- Setting of Control Validation points across Bank Units including the introduction of thresholds.
- The revision of all Operational Risk Management Policies.
- Development of a Group Reputational Risk Policy.
- Enhancement of ESG Risk requirements related to Operational Risk.

Finally, the Group has established a Business Continuity Management System (BCMS) Framework, which ensures that the business processes continue in the event of a disaster or serious incident. BCMS was certified in 2012 with BS25999 at the Bank level, and in 2013 with ISO22301, expanding also the certification scope to specific Group Companies. During 2021 Business Continuity Management System has been upgraded to the latest version of ISO22301:2019. Currently the following Group Companies are certified with ISO22301:

- Alpha Bank SA (Parent Company)
- Alpha Bank Romania
- Alpha Leasing
- Alpha Finance
- Alpha Supporting Services

Apart from the procedures that have been developed, which require the system to be internally audited at least twice per year, the BCMS is subject to regular external audits by the several delegated authorities and bodies. Additionally, annual exercises and testing (functional tests, disaster tests, etc.) are conducted in order to ensure that the Business Continuity Plan will be effective in case the need arises.

12 Equity exposures not included in the trading book

Alpha Bank Group equity exposures that are not included in the trading book are equity exposures measured either at fair value through profit or loss or at fair value through other comprehensive income.

Equity exposures measured at fair value through profit or loss

This category is measured at fair value. Changes in fair value are recognized directly in profit or loss.

Equity exposures measured at fair value through other comprehensive income

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

Fair value measurement

The fair value of shares measured both at fair value through other comprehensive income and at fair value through profit or loss and which are quoted in active markets is determined on the basis of the quoted prices. For those not quoted in an active market, fair value is determined, where possible, using valuation techniques and taking into consideration the particular facts and circumstances of the shares' issuers.

Template 45: Equity exposures not included in the trading book

(Amounts in millions of Euro)

	a	b
	31.12.2022	**31.12.2021**
Type	**Book value**	**Book value**
Listed	13	23
Non-listed	66	68
Total	**79**	**91**

The net amount of unrealized losses in the Group's equity as at 31 December 2022 is Euro 21.4 million.

13 Interest Rate Risk in the Banking Book

13.1 Definition

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

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

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

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

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

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

The main components of IRRBB are the following:

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

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

13.2 Interest Rate Risk Framework

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

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

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

13.3 Interest Rate Risk Identification and Assessment

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

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

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

Template: 46a Interest Rate Gap Analysis as of 31.12.2022

(Amounts in millions of Euro)

	<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	28,653	14,234	5,060	1,353	10,638	8,278	9,802	78,019
Liabilities	29,536	4,237	3,172	4,679	19,553	8,642	1,922	71,741
Equity	0	0	0	0	0	0	6,277	6,277
Total Liabilities and Equity	29,536	4,237	3,172	4,679	19,553	8,642	8,200	78,019
Gap	-884	9,997	1,888	-3,325	-8,915	-364	1,602	0
Cumulative Gap	-884	9,114	11,002	7,677	-1,238	-1,602	0	0

Template 46b Interest Rate Gap Analysis as of 31.12.2021

(Amounts in millions of Euro)

	<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	26,981	10,914	3,913	1,696	10,778	8,614	10,459	73,356
Liabilities	12,856	4,573	3,020	3,623	31,929	8,834	2,442	67,276
Equity	0	0	0	0	0	0	6,080	6,080
Total Liabilities and Equity	12,856	4,573	3,020	3,623	31,929	8,834	8,521	73,356
Gap	14,126	6,342	893	-1,927	-21,151	-220	1,938	0
Cumulative Gap	14,126	20,467	21,360	19,433	-1,718	-1,938	0	0

13.4 Interest Rate Risk Statement

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

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

- Changes in expected earnings (ΔNII):

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

- Changes in economic value of equity (ΔEVE).

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

- DV01 by time tenor

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

Interest Rate Risk Stress Scenarios

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

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

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

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

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

- Parallel shock up (+200bp);
- Parallel shock down (-200bp);
- Short rates shock up;

- Short rates shock down;
- Steepener shock (short rates down and long rates up); and
- Flattener shock (short rates up and long rates down).

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

13.5 Interest Rate Risk Monitoring

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

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

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

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

13.6 Interest Rate Risk management and mitigation strategies

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

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

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

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

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

13.7 Interest Rate Risk Key modelling and parametric assumptions

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

As of 31.12.2022, the average repricing maturity of the total NMDs (including non-core) is c. 2.9 years and for the core part is c. 3.6 years . The NMDs longest repricing maturity is 9 years (average repricing maturity 4.5 years). The NMDs passthrough is on average at the level of 26%.

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

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

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

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

During 2022, the war in Ukraine and the energy crisis created an extremely uncertain global outlook which led the economy to higher inflation. In order to face inflationary pressures, the Federal Reserve raised its key interest rate from 0.25% to 4.5%, while the ECB raised its key lending rate to 2.5% from 0% and the deposit rate to 2% from negative -0.50%. The higher interest rate environment is expected to lead to an increase in interest income, resulting in an improvement in the Net Interest Margin. It is estimated that a 200 basis point interest rate increase could increase net interest income by 15-20%, depending on the adjustment of customer deposit rates.

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

Template 47a: EU-IRRBB1 - Interest rate risks of non-trading book activities as of 31.12.2022

(Amounts in millions of Euro)

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

Template 47b: EU-IRRBB1 - Interest rate risks of non-trading book activities as of 30.06.2022

(Amounts in millions of Euro)

		a	b	c	d
Supervisory shock scenarios		Changes of the economic value of equity		Changes of the net interest income	
		Current period	Last period	Current period	Last period
1	Parallel up	640	632	207	130
2	Parallel down	(483)	154	(158)	(16)
3	Steepener	(188)	(285)		
4	Flattener	440	782		
5	Short rates up	625	581		
6	Short rates down	(503)	(94)		

14 Liquidity Risk

14.1 Liquidity risk management strategies and processes

Alpha Bank's liquidity risk management principles are documented in the "Liquidity Risk Policy" which provides a reference document to guide the Bank's Units when implementing actions for liquidity risk management, measurement, and control. The individual roles and responsibilities within the Liquidity Risk Management Framework Governance have been laid out in ILAAP, designed to provide clarity and transparency across all involved stakeholders. Furthermore, ILAAP allows for liquidity planning taking into consideration the Group's risk appetite (RAF) and Business Plan. The ILAAP constitutes one of the pillars supporting the Group in the implementation of its overall business strategy and continuous operation under normal and adverse economic conditions. It aims to ensure that sufficient levels of liquidity are maintained on an ongoing basis by identifying the key liquidity and funding risks to which the Bank is exposed, by monitoring and measuring these risks, and by maintaining tools and resources to manage and mitigate these risks.

Furthermore, the Bank through its Funds Transfer Pricing methodology (FTP Policy Manual) allocates among Business Units the financial result associated with raising or using liquidity and applies a commercial policy on the sources of funding.

14.2 Liquidity risk management structure and organization

The Board of Directors (BOD) approves the liquidity risk strategy for the Bank through the ILAAP process and the Risk Capital Strategy (RCS) monitors the quantitative and qualitative aspects of liquidity risk, based on recommendations made by the Asset and Liability Committee (ALCO) and Risk Management Committee (RMC).

The liquidity managing functions are organized in alignment with the three lines of defense structure ". Asset Liability Management Division (ALM) and Treasury Division comprise the first line of defense responsible for executing the steps needed to manage the Bank's liquidity position and liquidity strategy.

The second line of defense consists of the risk management function and other relevant functions, independent from the first line of defense. They are responsible for measuring, monitoring, controlling and reporting the bank's risk-taking activities related to liquidity risk.

14.3 Centralized group liquidity management and individual legal entity Liquidity management

Alpha Bank ensures at the level of the parent bank and of each subsidiary that all liquidity metrics are managed in compliance with the defined risk appetite and comply with the liquidity thresholds set by the regulators. Foreign subsidiaries address their liquidity needs in their local currencies by accessing local Central Bank facilities or interbank market. Nevertheless, the parent company remains the main liquidity provider in cases of liquidity restrain, while a frequent monitoring of the subsidiaries' liquidity position is applicable through relevant suitable reporting and communication, both on a regular and ad hoc basis.

14.4 Scope and nature of liquidity risk measurement and reporting system

The Bank's liquidity risk measurement systems support regulatory reporting, as well as internal liquidity risk management reporting for discussion or decision-making purposes. In particular, the provision of risk information to senior management enables the relevant governing bodies to monitor, steer and control the Bank's liquidity risk-taking activities effectively. The risk infrastructure incorporates also the material legal entities and provides the basis for reporting on liquidity risk positions and limit utilization to the relevant functions on a regular and ad-hoc basis.

14.5 Liquidity stress testing and scenario analysis

The Bank performs stress testing to estimate losses that could result from short term extreme, yet plausible, stress events, to identify, better understand and manage its potential vulnerabilities and risk concentrations. The short stress scenarios that are conducted, are idiosyncratic, systemic and combined, encompassing both bank-specific and market-wide stress events that are calibrated to different levels of severity. The stress testing has a key role in the Bank's risk appetite, limits' framework and business planning processes. In particular, through the scenario analysis the Bank monitors the nature and amount of embedded liquidity risk exposure and limits liquidity risk to acceptable levels, thus supporting a number of decision-making processes. Model validation Division performs the independent validation of liquidity risk models estimates.

Furthermore a long-term Stress Test is performed under 3 macroeconomic systemic scenarios of varying severity (the assumptions of the scenarios concern the macroeconomic environment, as well as the evolution of key business and risk metrics) over a 3 year horizon. These scenarios are conducted annually in line with Business Plan and the forward-looking assessment performed under the normative perspective of ILAAP/ICAAP. The key role of long term stress testing is to ensure that sufficient levels of liquidity are maintained on an ongoing basis by identifying the key liquidity and funding risks to which the Group is exposed, by monitoring and measuring these risks, and by maintaining tools and resources to manage and mitigate these risks.

14.6 An outline of the bank's contingency funding plans

The Contingency Funding Plan (CFP) is a dedicated document of the Bank, aiming to ensure confidence and continuation of the Bank's operations, including the following aspects for appropriately addressing liquidity shortfalls in emergency situations:

- Establishment of clear lines of responsibility, including clear escalation procedures. It has pre-defined escalation levels aimed at maximizing the likelihood that the Bank is able to take certain measures to address liquidity or funding shortfalls
- Set up of key liquidity indicators and triggers
- Identification of market-wide and bank-specific liquidity threats and risk factors, assessment of alternative funding sources and contingency procedures.

14.7 Legal, regulatory and operational limitations on the transferability of liquidity between individual legal entities, foreign branches and subsidiaries

Risk measures are prepared at the level of individual entities/branches. The Bank takes into account legal and regulatory issues that may affect the transferability of liquidity between individual entities (including the timing of availability of liquidity/release of funding lines).

14.8 Liquidity Coverage Ratio (LCR)

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

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

As of December 2022, the HQLA buffer stood at EUR 12.4 billion, and the Group LCR stood at 161% as reported in the yearly financial statements*.

* Following implementation of methodological adjustments performed in the context of the regulatory supervision or supervisory dialogue, LCR as of 31.12.2022 was revised to 149%. With reference period end of March 2023, the Group LCR stood at 163.3%.

The following table provides a breakdown of the LCR as of 31 December 2022, in accordance with Article 435 of the Regulation (EU) No 575/2013 and the respective guidelines on LCR disclosure (EBA/GL/2017/01).

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

Template 48: EU LIQ1 - Quantitative information of LCR as of 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h
		Total unweighted value (average)				**Total weighted value (average)**			
EU 1a	Quarter ending on (DD Month YYY)	**31.12.2022**	**30.9.2022**	**30.6.2022**	**31.3.2022**	**31.12.2022**	**30.9.2022**	**30.6.2022**	**31.3.2022**
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
HIGH-QUALITY LIQUID ASSETS									
1	**Total high-quality liquid assets (HQLA)**					**11,810**	**11,535**	**11,398**	**10,887**
CASH - OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	37,174	36,827	36,437	36,057	2,402	2,337	2,266	2,189
3	*Stable deposits*	21,156	20,936	20,656	20,316	1,058	1,047	1,033	1,016
4	*Less stable deposits*	11,721	11,379	10,913	10,416	1,343	1,289	1,232	1,173
5	Unsecured wholesale funding	10,165	9,708	9,262	8,722	4,450	4,289	4,155	3,961
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	322	305	287	271	80	76	72	68
7	*Non-operational deposits (all counterparties)*	9,836	9,397	8,971	8,449	4,362	4,206	4,079	3,891
8	*Unsecured debt*	7	6	4	2	7	6	4	2
9	*Secured wholesale funding*					11	10	11	10
10	Additional requirements	1,115	867	659	509	449	376	308	260
11	*Outflows related to derivative exposures and other collateral requirements*	386	331	278	239	386	331	278	239
12	*Outflows related to loss of funding on debt products*	-	-	-	-	-	-	-	-
13	*Credit and liquidity facilities*	729	535	381	270	63	45	30	21
14	Other contractual funding obligations	735	712	645	570	701	680	613	538
15	Other contingent funding obligations	7,957	7,648	7,452	7,296	444	400	385	372
16	**TOTAL CASH OUTFLOWS**					**8,457**	**8,092**	**7,738**	**7,331**
CASH - INFLOWS									
17	Secured lending (e.g. reverse repos)	-	-	-	-	-	-	-	-
18	Inflows from fully performing exposures	1,185	1,109	1,089	649	617	578	563	328
19	Other cash inflows	894	1,097	1,314	1,220	691	748	768	589
20	**TOTAL CASH INFLOWS**	**2,079**	**2,206**	**2,402**	**1,869**	**1,308**	**1,326**	**1,331**	**917**
EU-20c	*Inflows subject to 75% cap*	2,079	2,206	2,402	1,869	1,308	1,326	1,331	917
TOTAL ADJUSTED VALUE									
EU-21	LIQUIDITY BUFFER					11,810	11,535	11,398	10,887
22	**TOTAL NET CASH OUTFLOWS**					**7,149**	**6,766**	**6,407**	**6,066**
23	LIQUIDITY COVERAGE RATIO					166%	171%	178%	179%

14.9 Net Stable Funding Ratio

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

Template 49a: EU LIQ2: Net Stable Funding Ratio as of 31.12.2022

(Amounts in millions of Euro)

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

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		208	169	6,021	-
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		94	186	7,104	6,179
25	Interdependent assets		**-**	**-**	**-**	**-**
26	Other assets:		**3,712**	**67**	**10,273**	**11,447**
27	*Physical traded commodities*				-	-
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		-	-	151	128
29	*NSFR derivative assets*		-			-
30	*NSFR derivative liabilities before deduction of variation margin posted*		1,074			54
31	*All other assets not included in the above categories*		2,638	67	10,122	11,265
32	Off-balance sheet items		**493**	**1,340**	**3,750**	**709**
33	**Total RSF**					**44,301**
34	**Net Stable Funding Ratio (%)**					**124%**

Template 49b: EU LIQ2: Net Stable Funding Ratio as of 30.6.2022

(Amounts in millions of Euro)

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	**4,445**	**-**	**-**	**1,000**	**5,445**
2	*Own funds*	4,445	-	-	1,000	5,445
3	*Other capital instruments*		-	-	-	-
4	Retail deposits		36,112	1,118	**2**	**34,672**
5	*Stable deposits*		22,711	543	0	22,091
6	*Less stable deposits*		13,402	575	1	12,581
7	Wholesale funding:		**26,602**	**7,907**	**7,614**	**16,241**
8	*Operational deposits*		322	-	-	161
9	*Other wholesale funding*		26,281	7,907	7,614	16,081
10	Interdependent liabilities		**-**	**-**	**-**	**-**
11	Other liabilities:	**193**	**-**	**-**	**-**	**-**
12	*NSFR derivative liabilities*	193				
13	*All other liabilities and capital instruments not included in the above categories*		-	-	-	-

		a	b	c	d	e
		Unweighted value by residual maturity				**Weighted value**
		No maturity	**< 6 months**	**6 months to < 1yr**	**≥ 1yr**	
14	**Total available stable funding (ASF)**					**56,520**
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					**4,920**
16	Deposits held at other financial institutions for operational purposes		**-**	**-**	**-**	**-**
17	Performing loans and securities:		**6,461**	**2,035**	**24,149**	**25,838**
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		-	-	-	-
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		877	4	177	266
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		5,271	1,726	14,956	24,293
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		168	137	1,177	5,867
22	*Performing residential mortgages, of which:*		292	260	7,559	-
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		226	216	6,006	-
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		20	45	1,456	1,278
25	Interdependent assets		**-**	**-**	**-**	**-**
26	Other assets:		**5,255**	**880**	**16,601**	**17,384**
27	*Physical traded commodities*				-	-
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		-	-	105	-
29	*NSFR derivative assets*		-			-
30	*NSFR derivative liabilities before deduction of variation margin posted*		804			40
31	*All other assets not included in the above categories*		4,451	76	15,798	17,344
32	Off-balance sheet items					
33	**Total RSF**					**48,810**
34	**Net Stable Funding Ratio (%)**					**116%**

15 Encumbered and Unencumbered Assets

Information on Group Asset Encumbrance

The Group is funded through unsecured and secured funding lines. Secured funding lines may involve encumbrance of (a) the assets of the Group, (b) any collateral received by the Group and (c) own debt instruments issued and held by the Group.

The Group adopts and applies the following definition for asset encumbrance, in line with EBA regulatory guidelines:

"An asset is encumbered if it has been pledged or subject to any form of arrangement to secure, collateralise or credit enhance any on-Balance Sheet or off-Balance Sheet transactions from which they cannot be freely withdrawn.

Assets pledged that are subject to any restrictions in withdrawal, such as assets that require prior approval before withdrawal or replacement by other assets, should be considered encumbered".

Asset encumbrance is an integral part of Group's liquidity, funding and collateral management process. In this context, asset encumbrance risk management framework incorporates and adopts the overarching principles of the Group's Risk Management Framework as well as the Group's Risk Appetite Framework.

The overall Group's encumbrance through 2022 has decreased, mainly attributable to the overall significant decrease of interbank repo deals.

Given the nature and source of funding or transaction that require Group's assets to be encumbered, the Group utilises collateral agreements with the respective counterparties, where the terms and conditions clearly stipulate the Group's and the counterparty's rights and obligations on collateral posted. Where relevant, widely accepted market standardised agreements are utilized, such as GMRAs, ISDAs and CSAs in the relevant transactions that these apply.

Throughout 2022, Central Bank funding has slightly increased and so have derivative transactions, while interbank repos funding has kept the downward trend started in 2020. In accordance with the Group's business model and the nature and scale of activities it undertakes, the Group mainly identifies the following sources of asset encumbrance, prioritized by matching liability amount throughout 2022:

- **Funding from Central Bank:** This source of secured funding comprises ECB lending facilities and requires the Group to provide eligible collateral to Central Bank
- **Derivative transactions directly with counterparties or through clearing systems:** Collateral is placed by the Group for the market value of derivative transactions or as margin to the clearing system
- **Covered Bonds issuances:** This source of secured funding involves the segregation of the cover pool under Greek Covered Bond Law
- **Lending through repurchase contracts/agreements in the interbank market:** This source of secured funding involves repo transactions in the interbank market
- **Funding from Supranational Organisations:** This source of funding refers to collateralized funding from supranational organisationsFor each source of funding that generates asset encumbrance, the Group identifies the assets that are encumbered.

The main asset categories that were encumbered throughout 2022, prioritized by the median of their carrying amount, are the following:

- Debt securities issued by general governments (Marketable Assets)
- Wholesale Loan Portfolio (Non marketable assets)
- Retail Loan Portfolio (Non marketable assets)
- Debt securities issued by credit institutions (Marketable Assets)
- Debt securities issued by non-financial corporations (Marketable Assets)
- Loans on demand (Marketable Assets)

The majority of asset encumbrance is coming from the assets of the Bank. The main secured funding transaction on a subsidiary level is the Covered Bond issued by Alpha Bank Romania.

The median of assets that were not considered encumberable throughout 2022 amounted to 13.0% of the Group Assets and mainly include tangible assets, such as investment property, intangibles, tax assets, non-current assets and disposal groups classified as held for sale. The relevant percentage for 2021 was 13.2%.

At a Group level, no collateral received was utilized for ECB funding, repo transactions or other types of encumbrance for 2022 (based on median calculations). Similarly, the Group did not use as collateral any own securities issued and held by the Group (other than Covered Bonds).

For 2022, the overall overcollateralization of secured liabilities of the Group (including collateral received) was at the level of 22.2%, with an average haircut of c. 18.2%. The respective percentages for 2021 were 25.4% and 20.3% respectively.

Further details regarding asset pledged can be found in note 39 "*Contingent Liabilities and Commitments*" par. d "*Assets Pledged*" of the published annual report of the Group for the period from 01.01. - 31.12.2022.

.

Template 50a: EU AE1 – Encumbered and unencumbered assets as of 31.12.2022

(Amounts in millions of Euro)

		Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
			of which notionally eligible EHQLA and HQLA		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA		of which EHQLA and HQLA
		010	030	040	050	060	080	090	100
010	**Assets of the reporting institution**	18,346	9,778			14,261	991		
030	Equity instruments	-		-		-	-	119	-
040	Debt securities	9,856	9,360	8,783	8,318	2,078	991	1,910	918
050	of which: covered bonds	-	-	-	-	-	-	-	-
060	of which: securitisations	-	-	-	-	31	-	32	-
070	of which: issued by general governments	8,836	8,836	7,837	7,837	847	847	785	785
080	of which: issued by financial corporations	503	83	470	73	680	57	636	57
090	of which: issued by non-financial corporations	513	441	470	404	557	73	522	70
120	Other assets	8,490	418			12,183	-		

Template 50b: EU AE1 – Encumbered and unencumbered assets as of 31.12.2021

(Amounts in millions of Euro)

		Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
			of which notionally eligible EHQLA and HQLA		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA		of which EHQLA and HQLA
		010	030	040	050	060	080	090	100
010	**Assets of the reporting institution**	17,637	8,634			53,765	13,002		
030	Equity instruments	-		-		113	-	113	-
040	Debt securities	7,928	7,438	7,942	7,452	1,762	967	1,771	947
050	of which: covered bonds	-	-	-	-	-	-	-	-
060	of which: securitisations	-	-	-	-	11	-	11	-
070	of which: issued by general governments	7,105	7,105	7,119	7,119	850	792	822	794
080	of which: issued by financial corporations	427	-	427	-	489	59	503	59
090	of which: issued by non-financial corporations	371	314	371	314	473	84	474	84
120	Other assets	9,709	1,196			51,890	12,035		

ALPHA SERVICES AND HOLDINGS

Template 51a: EU AE2 - Collateral received and own debt securities issued as of 31.12.2022

(Amounts in millions of Euro)

		Fair value of encumbered collateral received or own debt securities issued		Unencumbered: Fair value of collateral received or own debt securities issued available for encumbrance	
			of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA
		010	030	040	060
130	**Collateral received by the reporting institution**	-	-	278	5
140	Loans on demand				
150	Equity instruments				
160	Debt securities	-	-	278	5
170	of which: covered bonds	-	-	-	-
180	of which: securitisations	-	-	-	-
190	of which: issued by general governments	-	-	278	5
200	of which: issued by financial corporations	-	-	-	-
210	of which: issued by non-financial corporations	-	-	-	-
220	Loans and advances other than loans on demand				
230	Other collateral received				
240	**Own debt securities issued other than own covered bonds or securitisations**	-			
241	**Own covered bonds and asset-backed securities issued and not yet pledged**			1,225	-
250	**TOTAL ASSETS, COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED**	18,346	9,778		

Template 51b: EU AE2 - Collateral received and own debt securities issued as of 31.12.2021

(Amounts in millions of Euro)

		Fair value of encumbered collateral received or own debt securities issued		Unencumbered: Fair value of collateral received or own debt securities issued available for encumbrance	
			of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA
		010	030	040	060
130	**Collateral received by the reporting institution**	1,788	1,788	438	438
140	Loans on demand				
150	Equity instruments				
160	Debt securities	1,788	1,788	438	438
170	of which: covered bonds	-	-	-	-
180	of which: securitisations	-	-	-	-
190	of which: issued by general governments	1,788	1,788	438	438
200	of which: issued by financial corporations	-	-	-	-
210	of which: issued by non-financial corporations	-	-	-	-
220	Loans and advances other than loans on demand				
230	Other collateral received				
240	**Own debt securities issued other than own covered bonds or securitisations**	-			
241	**Own covered bonds and asset-backed securities issued and not yet pledged**			1,357	-
250	**TOTAL ASSETS, COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED**	19,425	10,422		

Template 52a: EU AE3 - Sources of encumbrance as of 31.12.2022

(Amounts in millions of Euro)

		Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered
		010	030
010	**Carrying amount of selected financial liabilities**	**14,918**	**18,525**

Template 52b: EU AE3 - Sources of encumbrance as of 31.12.2021

(Amounts in millions of Euro)

		Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered
		010	030
010	**Carrying amount of selected financial liabilities**	**15,542**	**19,495**

16 Environmental, Social and Governance (ESG) Risks

16.1 ESG Strategy and Governance

16.1.1 Environmental Risk

Business Strategy and Processes

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- **Climate Stability** (impacts through specific financial products/services that address climate change, and through energy reduction and efficiency initiatives in the Bank's supply chain and operations)
- **Circularity** (Impacts created through operational activities that affect the efficient use of limited, non-renewable natural and renewable natural resources and/or are focused on waste management and the ability to manage waste)
- **Biodiversity** (air, soil, waterbodies, species and habitats) (Impacts created through financial products/services to certain sectors and operational activities that create air pollutants (e.g. NOx, SOx, PM, VOCs), that affect the composition of soil and its ability to deliver ecosystem services, the quality and quantity of surface water and groundwater, the ability to maintain species and/or the ability to protect, restore and promote sustainable ecosystems and habitats)

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

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

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

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

The relevant targets to meet the Bank's environmental and climate commitments consider both financing and own operations described below:

Financing Operations	Own Operations
• Increase allocation to new sustainable financings between 2023-2025 with a focus on renewable energy investments • Increase allocation of green loans to small businesses • Launch new sustainability-based Mortgage, Credit Cards & Consumer Loan products • Zero financing to new investments in thermal coal mining and coal-fired electricity generation • Zero financing to upstream oil exploration • Zero financing to targeted activities harming species diversity, habitats and waterbodies • Facilitate customers' decarbonization with simplified solutions, financial advice, and a partner ecosystem	• Reduction of carbon footprint at the operating level and setting net-zero targets within 2023 • Reduction of Scope 1 and Scope 2 GHG emissions by 20% until 2025 • Continue to procure 100% renewable electricity for all buildings and branches • Upgrading lighting to LED throughout the network • Reduction of annual paper usage rate by 50% by end of 2025

To obtain a holistic view of the ESG impact including both materiality directions, the Bank ran also an internal exercise and determined environmental risks that are related to the matters that have been defined by the Greek Law 4548/2018 on Sociétés Anonymes and could negatively affect the organization's operations (e.g. physical damage and disruption risk).

It should be stressed that the non-financial matters identified in Law 4548/2018 and GEMI Circular 62784/2017 are a subset of the issues assessed by the Bank and its stakeholders. A mapping with regards to environmental issues is presented in the following table.

Matters according to Law 4548/2018 and GEMI Circular 62784/2017	*Sustainability Themes* ***as in Alpha Services and Holdings' S.A. materiality analysis***	*Key Metrics*
Environment	Climate Stability Biodiversity Circularity Physical Damage & Disruption	• New financing arrangements for renewable energy projects throughout the year (total amount in Euro) • Amount of paper recycled throughout the year (total amount in tons) • Electricity consumption throughout the year (in kWh)
		• New financing arrangements for renewable energy projects throughout the year (total amount in Euro) • Amount of paper recycled throughout the year (total amount in tons) • Electricity consumption throughout the year (in kWh)

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

Additionally, through its Environmental Management System, the Bank aims to reduce its environmental and carbon footprint by promoting the rational use of lighting, heating and cooling installations in its buildings, the use of environment-friendly class A++ or higher energy efficiency equipment, by implementing initiatives for the efficient use of raw and other materials and by applying the "reduce, reuse, recycle" principles of circular economy in the waste management. Indicatively, the Bank recycles paper, batteries, light bulbs, printer consumables, electric and electronic equipment, and donates old office equipment. The Group has implemented adequate Environmental Policy and procedures according to the requirements of ISO 14001 Environmental Management System, aiming to improve the management of these issues. The certifications of ISO14001 and ISO45001 apply to all its activities and employees, along with the monitoring and reporting of its GHG emissions following ISO14064 requirements, verified by TUV AUSTRIA. Through these procedures, the Bank identifies and assesses known and potential environmental risks and opportunities in a more formal and detailed manner. Furthermore, the Bank has established a holistic ESG training program, as well as organizes, supports, and participates in environmental actions to cultivate the ecological conscience of its Employees and their families and to improve the quality of the environment.

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

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

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

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

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

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

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

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

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

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

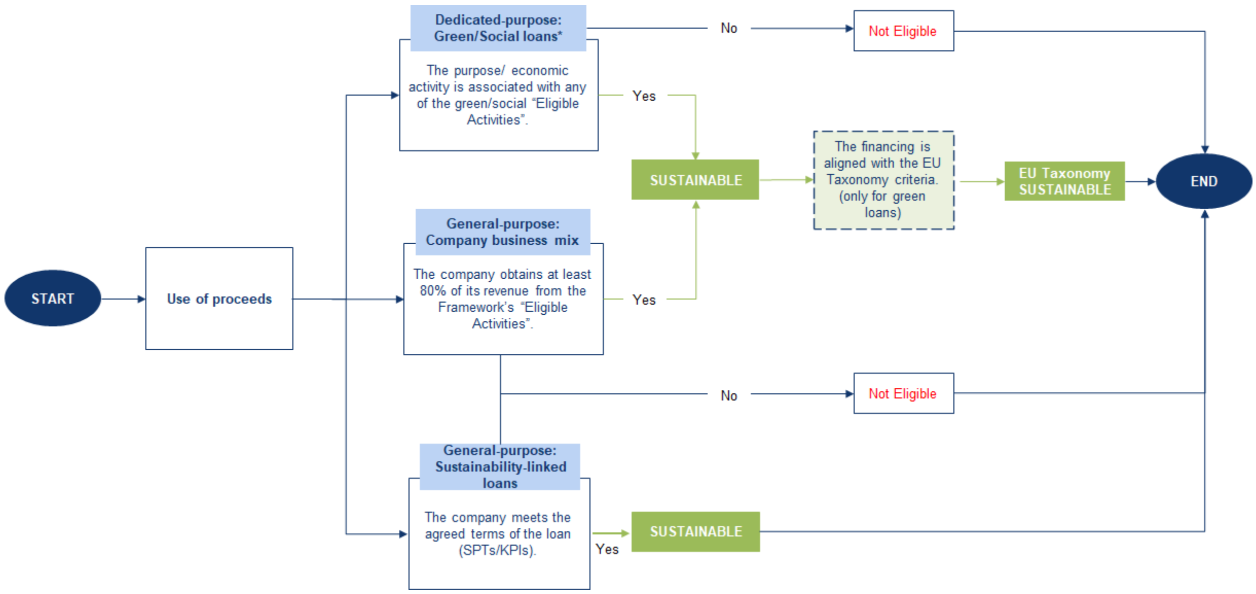
A. Dedicated Purpose Financing

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

B. General Purpose Financing

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

Sustainable Finance Framework Decision Process diagram:



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

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

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

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

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

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

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

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

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

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

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

Performance in 2021 and 2022

Indicators	Alpha Bank S.A.		Alpha Services and Holdings Group	
Year	2021	2022	2021	2022
New financing arrangements for renewable energy projects[1] throughout the year (total amount in Euro)	161,265,146€	613,387,000€	161,265,146€	635,659,000€

- [1]This KPI includes only corporate loans monitored by the following Divisions: Structured Finance Division, Corporate Banking Division and Business Centres Division. In addition, the amount of loans for renewable energy projects represents the amounts of loans approved during the year and not necessarily the amounts disbursed. This KPI is applicable only to Alpha Bank S.A., Alpha Bank Romania, Alpha Bank Cyprus and Alpha Bank London.

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

Alpha Services and Holdings actively participates in the global effort to build a sustainable future for the economy and the planet. In 2019, the Bank signed the Principles for Responsible Banking, which were developed as an international initiative of the United Nations – Environment Programme Finance Initiative (UNEP FI). A year earlier, in 2018, and Alpha Asset Management M.F.M.C. became a signatory of the Principles for Responsible Investment (PRI) Initiative.

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

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

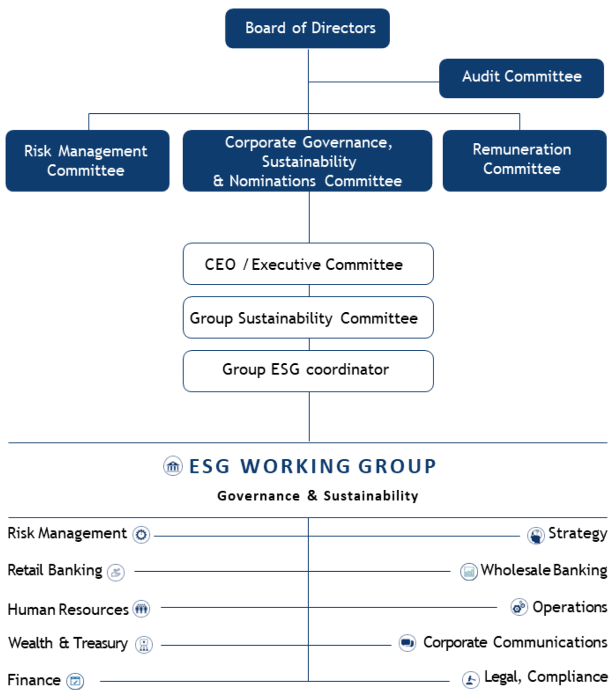
In 2022 the Bank promoted impact Investing to Private Banking Customers by creating an environmental “bonus” scheme linked to Structured Notes. Through this action, sustainable investing is impacting reforestation. Through the “Reforest Action”, which is highly relevant for Greece due to the wildfire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

[2] More details are presented in Environmental Risk section, Sustainability and TCFD reports of 2022.

Governance

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

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



Board level oversight

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

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

Four Committees operate at Board level, namely the:

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

The responsibilities of the above committees are as follows:

- The Corporate Governance, Sustainability and Nominations Committee has central oversight of Sustainability, ensures availability of ESG skills in BoD composition and oversees disclosures production.
- The Risk Management Committee has oversight of the identification, monitoring, and management of Climate & Environmental risks
- The Remuneration Committee is responsible for ensuring ESG metrics are incorporated in Remuneration
- The Audit Committee ensures adherence to ESG related policies and approves external disclosures

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

- **Lines of reporting and frequency of reporting relating to environmental risk**

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

Executive level decision making

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

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

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

Operational level implementation

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

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

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

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

Remuneration policy

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

16.1.2 Social risk

Business Strategy and Processes

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

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

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

Based on these impact areas, the Bank is about to set concrete targets to:

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

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

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

The following non-financial matters were identified according to Law 4548/2018 and GEMI Circular 62784/2017:

- Social and employee matters
- Respect of human rights
- Anti-corruption and bribery
- Supply chain.

A mapping of the above-mentioned matters is presented in the following table:

Matters according to Law 4548/2018 and GEMI Circular 62784/2017	*Sustainability Themes* ***as in Alpha Services and Holdings' S.A. materiality analysis***	*Key Metrics*	*Reference*
Social and employee matters	Gender Equality Age Discrimination Finance Health, Safety and Well- being Employment Conduct Risk ICT & Information Security	• Women Employees as of 31 December (%) • Percentage of women in the Board of Directors as of 31 December (%) • Employee training (hours of training throughout the year per Employee) • Number of fatalities throughout the year (number of Employees) • Number of injuries throughout the year (number of Employees) • Percentage of branches accessible (ramp or easily accessible) by people with disabilities (PwD) as of 31 December (%) • Percentage of monetary transactions made through digital networks throughout the year (%) • Social Contribution throughout the year (in Euro)	Section Social and employee matters - Performance in 2021 and 2022 of this Non Financial Report
Respect of human rights	Conduct Risk ICT & Information Security	• Convictions against the Senior Management for any incidents of human rights violations throughout the year (number of incidents) • Personal Data breach incidents (number of incidents notified to the Personal Data Protection Authorities)	Section Human rights - Performance in 2021 and 2022 of this Non Financial Report
Anti-corruption and bribery	Financial Crime Risk Fraud Risk	• Convictions against the Senior Management for any corruption offences throughout the year (number of incidents).	Section Anti-corruption and bribery - Performance in 2021 and 2022 of this Non Financial Report
Supply chain	Execution, Delivery & Process Management	• Percentage of payments to domestic suppliers (%)	Section Supply chain

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

In this context, a framework of interventions has been developed in the past two years, not only with respect to providing equal opportunities for professional development, equal performance evaluation and rewards, but most importantly, a framework for personal development for women throughout their life cycle. A key part of these interventions has been the practice of mentoring, placing women in the drivers' seat, through the role of mentor for new joiners and young colleagues, both male and female. Examples of the empowerment initiatives are three mentoring programs that evolved during 2021-22, namely "Trading Alpha Brains" (TAB), "SheForHe", "Bankers and Daughters" and the "Grow Aware Academy". These actions are addressed not only to Alpha Bank employees and their families, but also to women who have left the Bank.

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

As a means to promote collaboration and networking, employee groups with common interests or characteristics, the "Communities of Change", were inaugurated in 2021 to facilitate:

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

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

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

- Horizontal Awareness:
    - Understanding of the ESG components and their impact on the Banking Sector while inspiring behavioral change inside and outside of work
- Fundamentals towards ESG integration:
    - ESG Governance & Operating Model

  - Risk Management Framework
  - Sustainable Finance Framework
  - Business & Strategic Planning around ESG
  - Data Governance and Processes
  - Disclosures and Reporting
  - ESG Stakeholders' requirements
- . Technical capabilities for ESG:
  - Sustainable Finance Framework Operationalization
  - Loan Origination Process
  - ESG scoring & modeling
  - Data Governance and Processes
  - Diversity, Equity & Inclusion

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

Health and safety at the workplace are significant for the Group and its Human Resources, as any illnesses, injuries or other health issues may affect the work environment and the Employees' performance. The Group complies with the laws in force and ensures the provision of additional benefits and programs such as training programs related to robbery incidents, hostage-taking, fire safety, earthquake and building evacuation etc.

The development of a comprehensive and effective Business Continuity Management (BCM) Framework ensures, to the maximum extent possible, the protection of the health and safety of Employees, the uninterrupted provision of services to Customers and other Stakeholders (Shareholders, business partners, suppliers, Regulatory and State Authorities etc.) and the minimization of the consequences (in terms of operation, finances, legal issues and reputation) in case of an unforeseen event which can affect its operation. The BCM framework of the Alpha Bank Group is certified with ISO22301. The ISO22301 certification includes more than 2000 employees from the following companies:

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

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

Alpha Services and Holdings continues to invest in activities and initiatives that support education, culture, healthcare and the environment and promotes the concept of voluntarism by raising the awareness of Employees and by increasing the number of the relevant programs and initiatives.

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

Performance on Social Targets 2021 - 2022

Indicators	Alpha Bank S.A.		Alpha Services and Holdings Group	
Year	**2021**	**2022**	**2021**	**2022**
Women Employees as of 31 December (%)	56%	56%	62%	61%
Percentage of women in the Board of Directors as of 31 December (%)	17%	31%	17%	22%
Employee Training (hours of training throughout the year per Employee)	24	26	28	33
Number of fatalities throughout the year[1] (number of Employees)	-	-	-	-
Number of injuries throughout the year[1] (number of Employees)	4	4	6	4
Percentage of branches accessible (ramp or easily accessible) by people with disabilities (PwD) as of 31 December[2] (%)	67%	74%	76%	81%
Percentage of monetary transactions made through digital networks[3] throughout the year[3] (%)	94%	95%	93%	95%
Social Contribution throughout the year[4] (in Euro)	2,653,650	2,173,757	2,819,758	2,308,486

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

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

Governance

Financial institutions bear the responsibility to support the societies they operate in and foster healthy economies. Alpha Services and Holdings identified the issues which could potentially have a significant impact on society. Hence, the Group has been taking action to improve its products and services as well as its operation, to minimize its negative and maximize its positive impacts towards people and society. Employees and clients are two of the most important stakeholder categories for the Group, and for this reason it has adopted the respective policies, practices, and initiatives that promote an inclusive and safe environment for all.

Caring for our employees and developing their skills is at the core of the people strategy and an essential component for fostering a work environment that enables sustainable growth, supports the principles of meritocracy and transparency and helps Employees maximize their performance and potential.

Alpha Bank implements fair labor practices and policies with regards to its Employees, following well established international guidelines. It ensures high-quality work conditions and opportunities for professional development on the basis of merit and equitable treatment, offers fair remuneration and provides Employees with continuous education and training.

Alpha Services and Holdings Group is committed to fostering and promoting an inclusive culture that embraces human difference and unlocks potential for all. The Bank is committed to creating an environment that respects the diversity of Employees and treats them with respect, without any discrimination on the grounds of age, gender, race, nationality, religion, family status, physical or mobility impairments or any other characteristics. In Q1 2022, a new Policy document relevant to the prevention of workplace harassment, bulling and discrimination was circulated to the Group, while a Diversity Equity and Inclusion Strategy was approved in Q1 of 2023, setting the key pillars and the respective Governance mechanisms. It is noted, that in 2022, no cases of discrimination existed

Further details regarding activities towards the community and society are presented in the Sustainability Report 2022.

Theoretically potential "Social Risks"

Alpha Services and Holdings' identified social and employee risks include:

- Insufficient human resources management (e.g. resulting in high Employee turnover, insufficient incentives for new Employees, unsatisfied and insecure Employees / trade unions, Employees without a common vision / culture, limited cooperation between Employees etc.).
- Existence of unfair or discriminatory labor practices (e.g. resulting in incidents of racial, religious and political racism in the workplace, unequal treatment of men and women, lack of job opportunities for people with disabilities, inefficient complaint handling mechanisms for labor practices etc.).
- Insufficient health and safety management at the workplace (e.g. resulting in injuries of Employees / contractors at work, lost days of work, breaches of regulations governing workplace health and safety, lack of Emergency Plans in the Bank's buildings and branches etc.).
- Unable to serve Customers through digital networks. Physical presence in Branches is required. Failure to foster financial inclusion.

- Failure to manage impacts on society and local communities (e.g. failure to support local economy, reduce awareness of local communities' needs and dynamics, failure to monitor and reporting Bank's indirect impacts to society etc.).
- Unable to provide social contribution, promote and support Employee efforts to improve environmental and social practices.
- Inability to integrate social criteria into the design of new products and services, to offer socially responsible investments, to participate in the financing of projects with positive impacts on society.
- Failure to assess social risks in customer and project finance.
- Violation of social and employee standards by the Bank leading to increased reputational risk exposure

Alpha Services and Holdings' identified human rights risks include:

- Violations of human rights (e.g. freedom of association, collective bargaining, forced or compulsory labor, child labor etc.).
- Inefficient complaint handling mechanisms for human rights issues.
- Incidents of discrimination against Customers.
- Violation of human rights by the Bank leading to increased reputational risk exposure

Alpha Services and Holdings respects and promotes human rights through the business policies it applies, its responsible supply chain and the relations it develops with its Customers. Alpha Bank's Corporate Responsibility Policy and its Code of Ethics describe its approach and commitment to the management of human rights. At the same time, it applies the law and follows internationally acclaimed directives, principles and initiatives to protect human rights, such as the Core Labour Conventions of the International LabourOrganization (ILO) and the Universal Declaration of HumanRights (UDHR).The Bank recognizes the right to union membership and collective bargaining (see section "Social and employee matters of NFR Report 2022) and opposes all forms of child, forced or compulsory labor.

Corporate information is classified and protected, according to the Group Cybersecurity and Information Security Framework, which sets out the information security principles, rules and procedures. The Framework is regularly updated to meet the increased requirements arising from the regulatory framework, the operational and technological environment, as well as extraordinary conditions such as those imposed by the Covid-19 pandemic on Bank operations and Customer service. The Cybersecurity and Information Security Division, under the supervision of the Group Information Security Officer, manages all Cybersecurity issues at Group level.

Alpha Bank applies the General Data Protection Regulation(Regulation (EU) 2016/679 of the European Parliament and of the Council), more commonly known as GDPR, which concerns the protection of Individuals with regard to the processing of Personal Data. Fully respecting the rights and freedoms of Data Subjects, the Bank collects, records, uses, notifies and, in general, processes personal data of Individuals in the context of its business activity, in full compliance with applicable laws, to guarantee their protection. It has also appointed a Group Data Protection who informs the Management and the Audit Committee of the Board of Directors about the Group's level of compliance with the applicable legislation. Key Risk Indicators (KRIs) have been set also for monitoring the Organization's level of compliance with the GDPR and definition of Key Performance Indicators (KPIs) for assessing the effectiveness of the Personal Data Protection Framework.

For Integration of measures to manage social factors and risks in internal governance arrangements, including the role of committees, the allocation of tasks and responsibilities, and the feedback loop from risk management to the management body":
see "GOVERNANCE" section in "ENVIRONMENTAL RISK"

16.1.3 Governance risk

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

Alpha Bank offers access to financial services through a wide range of high-quality financial products and services, including retail banking, banking for medium and large enterprises, asset management and private banking, insurance products, investment banking, brokerage, and real estate management. More information about the business sectors, products, and services of the Bank is included in the annual Business Review and the website www.alpha.gr.

The Bank develops and offers products and services, carefully designed to meet the needs of the contemporary economic environment, taking economic, social and environmental factors into consideration.

With respect to counterparties, the Group has incorporated the "Environmental and Social Risk Management Policy on Legal Entities Lending" in the Group's existing Credit Risk Management Framework and the Group's Credit Policy, thereby enhancing the effective management of the environmental and social dimension of financing. The Policy presents the responsibilities and the approach followed in managing environmental and social risk at every stage of the lending process and also provides an industry-specific Exclusion List (i.e. a list of sectors that the Group does not finance), as well as a list of crucial industry sectors/activities associated with environmental and social risk. All obligors-legal entities are evaluated, assessed and reviewed against the possible environmental or social risks in each stage of the Group's corporate credit procedure. When specific criteria are met, an environmental and social due diligence, i.e. on-site visit at customer's premises, is conducted by environmental and social specialists in order to assess customer's compliance with the respective legislation. Similarly, in order to assess the investments, the Project Finance team collaborates with specialized technical advisors on the projects' environmental licensing and environmental due diligence. Following the disbursement of credit, adherence to environmental terms and commitments is obligatory, throughout the long duration of the said financings.

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

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

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

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

16.2 ESG Risk Management Framework

16.2.1 Environmental risk

Risk Management

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

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

C&E risks: Definition, Identification and Materiality Assessment

In alignment with the relevant external guidance across different sources[3], Alpha Bank considers C&E risks as a theme, i.e. as a transversal, cross-cutting risk and has incorporated such factors as drivers of existing financial and non-financial risk categories (e.g., credit risk, operational risk, market risk, liquidity risk etc.) in its risk management framework. The table below provides an indicative illustration of the way existing risk types could be affected by ESG drivers:

[3] Some indicative regulatory and other references are:

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

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

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

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

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

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

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

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

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

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

- Credit Risk – Transition Risk: The Bank conducted a transition risk assessment exercise in its Non-Financial Corporations (NFC) portfolio based on the Climate Policy Relevant Sectors (CPRS) perimeter corporate portfolio, to identify its exposure per sector and the allocation of the portfolio to potentially high transition risk categories. Furthermore, the NFC portfolio has been examined in relation to the underlying residual maturity (<= 5 years, > 5 year <= 10 years, > 10 year <= 20 years, > 20 years), since the sensitivity of the exposures of this portfolio to environmental risks is expected to materialize in long-term horizons.

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

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

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

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

- Credit Risk – Physical Risk: Regarding physical risk, the Bank conducted a materiality assessment for physical risks in the loan portfolio. The Bank has laid down a methodology based on sensitivity and exposure analysis to derive vulnerability to physical risk factors. The vulnerability assessment aims to identify potential significant hazards and related risks and forms the basis for the decision to continue the risk assessment, while it is aligned with the Invest EU methodology ("Technical guidance on the climate proofing of infrastructure in the period 2021-2027") and with the "ECB: Good practices for climate related and environmental risk management: Observations from the 2022 thematic review"). The analysis is applied to the Corporate portfolio per NACE sector (22 NACE codes) at a country level, while for exposures covered by real estate collateral the analysis is applied per climate zone at a regional level, based on the location of the real estate property. The vulnerability analysis (either by NACE sector, or climatic zone) combines the outcome of the sensitivity analysis and the exposure analysis, categorizing physical climate risk as High, Medium or Low. In the context of further future actions, the Bank intends to perform detailed analyses ("deep dives") regarding its exposure to specific areas with high physical risk vulnerabilities. Alpha Bank offers solutions for mortgage insurance through a full range of products including benefits associated with risks related with natural disasters as flood and storm. Moreover, the level of total insured amount is based on the real replacement cost of the building, based on the square meters of the household and the average construction value per square meter and not link only with the loan amount. Alpha Bank's property portfolio is insured by 90% for the basic risks while regarding flood risks is insured by ca. 40%, which is currently reviewed, with aim to further enhance the Bank's insurance level, especially in the high and medium risk areas.

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

  - Risk Taxonomy: The Bank has updated its Risk Taxonomy to include the E, S and G flags which will be used to capture and monitor environmental, social and governance factors.
  - Loss Events Management: Loss events are mapped to respective risks and flags of the Risk Taxonomy. Existing and prospective loss events are mapped to the newly introduced ESG flag as required. This allows the Bank to swiftly define the perimeter of environmental, social and governance events within the loss dataset.
  - Risk and Control Self-Assessment (RCSA): The update of the Risk Taxonomy has an impact on the RCSA exercise as each risk and control is mapped to respective risks and flags of the Risk Taxonomy. Therefore, RCSA risks, and controls related to environmental, social and governance risks are mapped to the ESG flag as applicable and the results of the RCSA can be used to measure the impact of environmental, social and governance factors the Bank faces.
  - Scenario analysis: The bank has incorporated ESG-related scenarios into its scenario analysis exercise to assess the impact of extreme events that may significantly harm the bank's profitability and reputation. These scenarios are evaluated within a specific perimeter and mapped to the bank's risk taxonomy, which now includes the newly introduced ESG flag.
  - Key Risk Indicators (KRIs): Through the regular monitoring of success ratios/indicators (KPIs) the Bank demonstrates the effectiveness of the underlying safeguards against climate-related, environmental and social risk events. These KPIs have been included in the ISO22301 (Business Continuity Management System) of the Group and are subject to annual audits by the certification body (TUV AUSTRIA), and the internal audit function of the Bank. Moreover, the Bank is in the process of introducing new KRIs for monitoring ESG risk exposures.

- Outsourcing Risk Assessment: The Bank's Vendor Risk Assessment Questionnaire has been enhanced to incorporate questions regarding climate risk drivers that might affect vendors' operations and consequently the services offered to the Bank. Also, considerations taking into account the new Operational Resilience Framework have been incorporated in the Questionnaire. Further to this, the Bank plans to incorporate the results of the vendor risk assessment in the materiality assessment of reputational risk.

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

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

- Market risk: Based on the materiality assessment of the Bank's bond portfolio, there seems to be limited potential effect from climate related and other ESG factors. The corporate perimeter that is potentially most vulnerable to ESG risks is quite low in volume. The analysis performed is based on ESG risk sensitive perimeter of debt securities that impact both market and liquidity risk profile (ESG sensitive perimeter including CPRS, plus corporates in the Tobacco & Gambling Sectors). Portfolio analysis performed focusing on climate transition risks based on type of issuer (Governments, Financial, Corporates) considering time horizon for the impact from those risk areas. The Bank has performed, also, a materiality assessment of the Physical Risk for the Corporate Portfolio of Greek Issuers, leveraging the analysis used also in the case of credit risk per NACE sector. The assessment also covered the sovereign bonds portfolio, which is material in size. The materiality of ESG factors on the prices of EU members' issuances is considered particularly limited, considering that coordinated actions at the EU level (e.g., through recovery packages, state of emergency frameworks etc.) will be taken, in case any of these countries was severely impacted by environmental factors, primarily concerning physical risk. Materiality is perceived as limited also for non-EU issuers with "strong" currencies (e.g. USA, Switzerland etc.). The Bank's equity & funds' portfolio is particularly immaterial as of 31/12/2021 compared to the portfolio's total size thus was not considered in the current analysis.

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

- Reputational risk: is generally considered to arise as a result of the manifestation of other risk types (i.e. a second-order impact), while it could also give rise to other risk types subsequently (e.g. liquidity outflows, following a reputational impact). In that sense, a separate evaluation of the materiality of ESG-related drivers is not required. The materiality assessment for other risk types suffices to cover potential one-off (acute) events with reputational repercussions (e.g. within operational risk) as well as longer-term brand value impacts that could arise in the context of Strategic Risk. The Bank has outlined several measures to mitigate reputational risk and ensure the long-term viability of the Group. These include adopting a conservative approach and strong governance practices, as well as implementing a focused strategy to protect the Group's reputation. Additionally, the Bank has developed a dedicated Crisis Management Manual to provide top-level guidance and support in the event of a crisis. To stay ahead of potential issues, the Bank actively monitors media and social networks, and maintains relationships with institutional investors. If necessary, proactive legal and remedial actions are taken to protect the Group's reputation and interests. Furthermore, the Bank plans to launch public relations campaigns to promote its charitable programs and social responsibility initiatives. In addition, and in order to effectively and efficiently monitor Reputational Risk, the Bank plans to formalize and consolidate in one document its overall Reputational Risk Management Framework. This Framework will include all aspects and drivers of reputational risk, including ESG-related drivers. This particular project is planned to be completed by the end of the first half of 2023.

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

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

Based on the outcome of the materiality assessment exercise, for obligors falling within the ESG – sensitive perimeter, obligor – level assessment questionnaires have been developed, aiming at collecting data and assessing the borrowers in terms of ESG criteria. Regarding the non – ESG sensitive perimeter, a sector – agnostic assessment is applied, considering fundamental aspects of ESG criteria that are common across all sectors. The relevant questionnaires serve also as ESG rating models and are expected to be finalized following a pilot exercise planned for early 2023. For the development of these questionnaires, as a 1st step there has been identified the ESG sensitive perimeter of the Bank portfolio, then the identification of material E & S topics per sector level has been performed, and, finally, the questions and KPIs used to appropriately evaluate material topics and management of E&S aspects were selected[4]. Questionnaires comprise 3 independent sections (Environmental / Social / Governance), whereas each of the E & S sections is further segmented to Management approach subsection which aims to captures obligor's ability to manage the E & S factors, the Evaluation of the Management Approach subsection which aims at capturing the ability of obligor to evaluate the management approach of E & S and the Performance Assessment subsection, which is the selection of indicators based on internationally available standards. This area assesses the efficiency of the obligor regarding E & S factors and whether the obligor keeps a track of quantitative sector-specific information.

In parallel, the Bank participates in an interbank project with Tiresias (the Greek Credit Bureau) for the deployment of common ESG questionnaires and a common data repository for the information provided through these questionnaires. The purpose of the project is inter alia to facilitate businesses as well as to educate them with a common platform.

In addition to the data that will be collected during the obligor assessment questionnaires, the Bank uses the support of third parties to access external climate related data not already available in the systems, due to newly implemented methodologies (i.e. GHG Financed emissions' measurement following the PCAF methodology, model development for the estimation of EPCs, vulnerability to physical hazards, etc.).

Furthermore, criteria have been developed to evaluate each requested transaction, on top of the assessment at obligor level, including the alignment with specific criteria, as defined on the Bank's Sustainable Finance Framework, in order to identify and capture sustainable activities as well as transaction-specific characteristics.

In addition, as part of its action plan to incorporate Climate & Environmental Risk Management in its operations, the bank is currently designing the incorporation of new ESG related data into its systems, taking into account related business needs and processes. In this context, the Bank has integrated the Energy Performance Certificate (EPC) in its credit decision process, in order to start collecting the EPCs from its Customers to monitor the energy performance class of its Real Estate Collaterals (financed or not). Further developments made or to be made by the Bank in terms of the collection, quality, and accuracy of ESG Risk data for monitoring and reporting purposes, have been described in detail in the accompanying narrative of the quantitative tables of Pillar 3. The holistic data flow is assessed from the data capturing until the data usage, considering both the front lines' needs and the monitoring or reporting requirements. The introduction of the new data follows the principles of Bank's Data Governance Framework for ensuring that the data governance procedures are effectively applied. The objective is to ensure high quality data is available, to support decision making both in terms of new credit approvals as well as to ensure clear visibility of the loan and investments portfolios' ESG related characteristics, enabling prudent and effective risk management of Climate & Environmental Risk.

---

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

Incorporation of C&E risk in Risk Management Framework

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

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

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

- Transaction Screening: Group-wide Policy Prohibitions, through the application of the Exclusion List.
- E&S Risk Categorization and Managing Portfolio Risk, through the application of an E&S risk specific obligor/sector categorization (High, Medium and Low Risk).
- E&S Due Diligence (ESDD), through the review of the obligor's/project's performance in specific areas that represent E&S risks associated with the business activities; the ESDD is based on the best international practice, the national and international laws and regulations, and the European Bank for Reconstruction and Development (EBRD) Performance Standards (PSs) and is conducted through the implementation of predefined E&S Evaluation Criteria and their respective record keeping in specifically developed Forms and Checklists.
- Action plan development in cooperation with obligors, setting a timeframe and the appropriate mitigation measures in order obligors comply with its E&S requirements.
- Incorporation of E&S terms and conditions in loan agreements, along with the corrective actions agreed with the obligors, if applicable. The E&S assessment process regarding legal entities falling under Retail Banking lending is applied only in transaction screening and E&S categorization.

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

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

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

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

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

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

In subsequent submissions, the Group will enhance the above approach for the incorporation of climate risk in its economic and normative perspective, taking into consideration the progress that has already been performed.

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

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

Environmental and Social Risk Management Policy on Legal Entities Lending

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

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

Key principles and requirements:

- Definition of critical sectors that are especially connected with potential E&S risks.

- Industry specific Exclusion List, i.e., a list of industries that the Group does not finance.
- Industry sectors connected with E&S risks considered as critical, albeit at different levels and therefore classified accordingly to High, Medium and Low risk categories.
- Compliance to the applicable national environmental and social regulations and international standards.
- Environmental and Social Due Diligence Process conducted by E&S consultants, in order to identify the potential E&S risks and impacts and specify the appropriate measures for their management.
- Monitor the ongoing Obligor's/ Project's E&S performance.
- Integrate E&S Risk Assessment and Monitoring Procedures into the existing Risk Management Procedures.
- Managing Obligor's/Project's Non-Compliance with the Environmental and Social Risk Policy Rules and Standards.
- Annual Environmental and Social Performance Report to stakeholders (EBRD).

16.2.2 Social risk

Risk Management

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

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

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

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

16.2.3 Governance risk

Risk Management

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

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

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

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

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

1. Overview

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

2. Approach, applicable standards and key assumptions

Exposures towards sectors that highly contribute to climate change

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

Exposures towards companies excluded from EU Paris-aligned Benchmarks

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

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

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

3.Limitations

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

4.Plans for enhanced disclosure

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

The Bank plans to disclose its estimated financed emissions for specific obligor sectors in its Sustainability Report and to work towards setting science-based emission targets for specific sectors in the forthcoming months. The Bank is already in the process of extending its financed emissions obligor perimeter aligning its methodology with the relevant Pillar 3 definitions and requirements, with the aim to be providing counterparty emissions per Sector for the entire portfolio by end 2023.

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

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

Template 53: Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity 31.12.2022

(Amounts in millions of Euro)

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

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)**			**<= 5 years**	**> 5 year <= 10 years**	**> 10 year <= 20 years**	**> 20 years**	**Average weighted maturity**
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	**Of which environmentally sustainable (CCM)**	**Of which stage 2 exposures**	**Of which non-performing exposures**		**Of which Stage 2 exposures**	**Of which non-performing exposures**					
3	B - Mining and quarrying	55	0	-	6	4	(2)	(0)	(1)	35	16	1	3	5
4	*B.05 - Mining of coal and lignite*	*0*	*0*	-	-	*0*	*(0)*	-	*(0)*	0	-	-	-	1
5	*B.06 - Extraction of crude petroleum and natural gas*	*0*	*0*	-	*0*	*0*	*(0)*	-	*(0)*	0	-	-	-	1
6	*B.07 - Mining of metal ores*	*11*	-	-	*0*	*0*	*(0)*	*(0)*	*(0)*	2	10	0	-	6
7	*B.08 - Other mining and quarrying*	*39*	-	-	*5*	*3*	*(1)*	*(0)*	*(1)*	32	3	1	3	5
8	*B.09 - Mining support service activities*	*5*	*0*	-	*0*	*0*	*(0)*	*(0)*	*(0)*	1	3	0	-	6
9	C - Manufacturing	4,482	683	-	305	234	(114)	(12)	(98)	3,433	792	148	109	4
10	*C.10 - Manufacture of food products*	1,149	0	-	72	58	(26)	(2)	(23)	949	160	20	21	4

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)**							
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	**Of which environmentally sustainable (CCM)**	**Of which stage 2 exposures**	**Of which non-performing exposures**		**Of which Stage 2 exposures**	**Of which non-performing exposures**	**<= 5 years**	**> 5 year <= 10 years**	**> 10 year <= 20 years**	**> 20 years**	**Average weighted maturity**
11	*C.11 - Manufacture of beverages*	152	-	-	12	5	(3)	(0)	(2)	136	12	1	3	4
12	*C.12 - Manufacture of tobacco products*	23	-	-	1	0	(0)	(0)	(0)	22	1	1	-	3
13	*C.13 - Manufacture of textiles*	63	-	-	8	10	(5)	(0)	(5)	42	3	13	4	6
14	*C.14 - Manufacture of wearing apparel*	81	-	-	20	37	(17)	(0)	(16)	61	7	5	9	6
15	*C.15 - Manufacture of leather and related products*	17	-	-	6	4	(1)	(0)	(1)	12	1	2	2	6

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)**							
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	**Of which environmentally sustainable (CCM)**	**Of which stage 2 exposures**	**Of which non-performing exposures**		**Of which Stage 2 exposures**	**Of which non-performing exposures**	**<= 5 years**	**> 5 year <= 10 years**	**> 10 year <= 20 years**	**> 20 years**	**Average weighted maturity**
16	*C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials*	33	-	-	8	14	(7)	(0)	(6)	19	1	4	8	10
17	*C.17 - Manufacture of pulp, paper and paperboard*	*173*	*0*	-	*22*	*15*	*(8)*	*(0)*	*(7)*	122	37	10	4	4
18	*C.18 - Printing and service activities related to printing*	*49*	-	-	*8*	*3*	*(1)*	*(0)*	*(1)*	43	2	1	2	4
19	*C.19 - Manufacture of coke oven products*	*683*	*682*	-	*0*	*0*	*(0)*	*(0)*	*(0)*	594	88	0	0	3

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)**							
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	**Of which environmentally sustainable (CCM)**	**Of which stage 2 exposures**	**Of which non-performing exposures**		**Of which Stage 2 exposures**	**Of which non-performing exposures**	**<= 5 years**	**> 5 year <= 10 years**	**> 10 year <= 20 years**	**> 20 years**	**Average weighted maturity**
20	*C.20 - Production of chemicals*	*230*	*0*	-	*8*	*7*	*(3)*	*(0)*	*(3)*	159	37	33	1	5
21	*C.21 - Manufacture of pharmaceutical preparations*	*159*	-	-	*0*	*1*	*(1)*	*(0)*	*(0)*	125	34	0	-	3
22	*C.22 - Manufacture of rubber products*	*184*	-	-	*23*	*8*	*(4)*	*(0)*	*(3)*	128	49	2	4	4
23	*C.23 - Manufacture of other non-metallic mineral products*	*143*	-	-	*17*	*17*	*(8)*	*(1)*	*(7)*	118	7	6	12	5
24	*C.24 - Manufacture of basic metals*	*511*	-	-	*3*	*3*	*(2)*	*(0)*	*(1)*	221	271	17	3	5

ALPHA SERVICES AND HOLDINGS

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)**			**<= 5 years**	**> 5 year <= 10 years**	**> 10 year <= 20 years**	**> 20 years**	**Average weighted maturity**
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	**Of which environmentally sustainable (CCM)**	**Of which stage 2 exposures**	**Of which non-performing exposures**		**Of which Stage 2 exposures**	**Of which non-performing exposures**					
25	*C.25 - Manufacture of fabricated metal products, except machinery and equipment*	*196*	*1*	-	*19*	*21*	*(8)*	*(1)*	*(7)*	140	29	12	15	5
26	*C.26 - Manufacture of computer, electronic and optical products*	*32*	-	-	*1*	*1*	*(1)*	*(0)*	*(0)*	28	3	1	0	3
27	*C.27 - Manufacture of electrical equipment*	*299*	*0*	-	*6*	*4*	*(2)*	*(0)*	*(2)*	261	30	5	3	3
28	*C.28 - Manufacture of machinery and equipment n.e.c.*	*80*	-	-	*42*	*3*	*(5)*	*(4)*	*(1)*	71	2	3	4	5

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)**							
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	**Of which environmentally sustainable (CCM)**	**Of which stage 2 exposures**	**Of which non-performing exposures**		**Of which Stage 2 exposures**	**Of which non-performing exposures**	**<= 5 years**	**> 5 year <= 10 years**	**> 10 year <= 20 years**	**> 20 years**	**Average weighted maturity**
29	*C.29 - Manufacture of motor vehicles, trailers and semi-trailers*	*98*	-	-	*1*	*2*	*(1)*	*(0)*	*(1)*	94	1	1	1	2
30	*C.30 - Manufacture of other transport equipment*	*33*	-	-	*6*	*3*	*(2)*	*(2)*	*(1)*	21	9	1	3	5
31	*C.31 - Manufacture of furniture*	*46*	-	-	*15*	*13*	*(8)*	*(0)*	*(7)*	34	3	4	5	7
32	*C.32 - Other manufacturing*	*25*	-	-	*6*	*6*	*(2)*	*(0)*	*(2)*	16	3	4	3	8
33	*C.33 - Repair and installation of machinery and equipment*	*23*	-	-	*2*	*0*	*(0)*	*(0)*	*(0)*	17	2	3	1	5
34	D - Electricity, gas, steam and air conditioning supply	2,368	731	-	23	2	(4)	(1)	(1)	1,055	971	340	2	6

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

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)							
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
39	E - Water supply; sewerage, waste management and remediation activities	40	-	-	3	1	(1)	(0)	(0)	35	4	1	1	3
40	F - Construction	1,159	0	-	374	73	(34)	(7)	(25)	671	207	241	40	6
41	*F.41 - Construction of buildings*	*629*	-	-	*320*	*18*	*(11)*	*(5)*	*(5)*	392	176	52	8	5
42	*F.42 - Civil engineering*	*410*	*0*	-	*25*	*31*	*(13)*	*(1)*	*(12)*	202	17	175	16	8
43	*F.43 - Specialised construction activities*	*121*	-	-	*30*	*24*	*(10)*	*(1)*	*(9)*	78	14	14	16	8
44	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	3,703	351	-	528	376	(178)	(17)	(154)	2,577	555	338	234	6

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)**							
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	**Of which environmentally sustainable (CCM)**	**Of which stage 2 exposures**	**Of which non-performing exposures**		**Of which Stage 2 exposures**	**Of which non-performing exposures**	**<= 5 years**	**> 5 year <= 10 years**	**> 10 year <= 20 years**	**> 20 years**	**Average weighted maturity**
45	H - Transportation and storage	4,352	-	-	144	59	(34)	(1)	(31)	2,863	710	340	440	7
46	*H.49 - Land transport and transport via pipelines*	*124*	-	-	*16*	*14*	*(6)*	*(1)*	*(5)*	71	29	16	8	7
47	*H.50 - Water transport*	*3,015*	-	-	*94*	*20*	*(15)*	*(0)*	*(14)*	2,453	561	1	0	4
48	*H.51 - Air transport*	*195*	-	-	*0*	*0*	*(1)*	*(0)*	*(0)*	18	-	177	-	14
49	*H.52 - Warehousing and support activities for transportation*	*1,013*	-	-	*33*	*25*	*(13)*	*(0)*	*(11)*	319	117	146	431	13
50	*H.53 - Postal and courier activities*	*5*	-	-	*1*	*1*	*(0)*	*(0)*	*(0)*	2	2	0	1	10
51	I - Accommodation and food service activities	2,676	-	-	303	89	(32)	(7)	(22)	957	1,213	422	84	8

	Sector/subsector	a	b	c	d	e	f	g	h	l	m	n	o	p
		Gross carrying amount (Mln EUR)					**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)**							
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	**Of which environmentally sustainable (CCM)**	**Of which stage 2 exposures**	**Of which non-performing exposures**		**Of which Stage 2 exposures**	**Of which non-performing exposures**	**<= 5 years**	**> 5 year <= 10 years**	**> 10 year <= 20 years**	**> 20 years**	**Average weighted maturity**
52	L - Real estate activities	1,752	-	-	276	31	(15)	(4)	(10)	1,193	466	74	19	5
53	**Exposures towards sectors other than those that highly contribute to climate change***	1,964	-	-	191	107	(89)	(6)	(40)	*1,497*	*280*	*110*	*76*	*5*
54	K - Financial and insurance activities	0	-	-	-	-	(0)	-	-	0	-	-	-	1
55	Exposures to other sectors (NACE codes J, M - U)	1,964	-	-	191	107	(89)	(6)	(40)	1,497	280	110	76	5
56	TOTAL	22,952	1,765	-	2,184	999	(511)	(57)	(390)	14,608	5,294	2,029	1,021	6

References

1. European Central Bank (ECB) 'Financial Stability Review, May 2019 - Climate change and financial stability'

2. ECB/ESRB Project Team Report 'Climate related risk and financial stability'

3. The European Insurance and Occupational Pensions Authority (EIOPA) 2019 Financial Stability Report

4. EIOPA 2020 report 'Sensitivity analysis of climate-change related transition risk'

5. European Banking Authority (EBA) report 'Risk Assessment of European Banking System', December 2020

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

7. The Swiss Financial Authority FINMA, 2021 Annual Report

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

1. Overview

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

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

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

2. Approach, applicable standards and key assumptions

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

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

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

3. Limitations

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

4. Plans for enhanced disclosure

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

Template 54: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral 31.12.2022

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Counterparty sector	**Total gross carrying amount amount (in MEUR)**															
			Level of energy efficiency (EP score in kWh/m² of collateral)						**Level of energy efficiency (EPC label of collateral)**							**Without EPC label of collateral**	
			0; <= 100	**> 100; <= 200**	**> 200; <= 300**	**> 300; <= 400**	**> 400; <= 500**	**> 500**	**A**	**B**	**C**	**D**	**E**	**F**	**G**		**Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated**
1	**Total EU area**	12,879	692	5,945	2,646	2,290	348	537	475	459	117	41	64	16	29	11,679	96%
2	Of which Loans collateralised by commercial immovable property	4,338	213	710	664	1,926	277	486	154	83	12	4	5	1	3	4,075	99%
3	Of which Loans collateralised by	8,351	473	5,166	1,937	331	57	28	321	374	100	18	46	6	10	7,476	95%

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Counterparty sector	**Total gross carrying amount amount (in MEUR)**															
			Level of energy efficiency (EP score in kWh/m² of collateral)						**Level of energy efficiency (EPC label of collateral)**							**Without EPC label of collateral**	
			0; <= 100	**> 100; <= 200**	**> 200; <= 300**	**> 300; <= 400**	**> 400; <= 500**	**> 500**	**A**	**B**	**C**	**D**	**E**	**F**	**G**		**Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated**
	residential immovable property																
4	Of which Collateral obtained by taking possession: residential and commercial immovable properties	190	6	68	45	33	14	23	0	1	4	18	13	8	16	129	100%
5	Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	11,739	588	5,514	2,558	2,258	323	498								11,259	100%
6	**Total non-EU area**	383	-	361	-	-	-	-	-	-	-	-	361	-	-	22	0%
7	Of which Loans collateralised by commercial immovable property	126	-	110	-	-	-	-	-	-	-	-	110	-	-	16	0%
8	Of which Loans collateralised by residential immovable property	257	-	251	-	-	-	-	-	-	-	-	251	-	-	6	0%
9	Of which Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
10	Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	-	-	-	-	-	-	-								-	0%

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

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

For the identification process the Bank relied on reputable and accurate sources, in line with the guidelines provided in the Annex of ESG Pillar III Disclosures/Template 4. The Climate Accountability Institute's list which was released in December 2020, was the base for Alpha Bank's assessment.

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

1. Overview

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

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

2. Approach, applicable standards and key assumptions

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

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

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

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

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

3.Limitations

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

4.Plans for enhanced disclosure

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

Template 55: Banking book - Climate change physical risk: Exposures subject to physical risk 31.12.2022

(Amounts in millions of Euro)

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Variable: Geographical area subject to climate change physical risk - acute and chronic events	Gross carrying amount (Mln EUR)													
			of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity							of which Stage 2 exposures	Of which non-performing exposures
1	A - Agriculture, forestry and fishing	401	288	80	14	14	4	-	9	387	32	23	(8)	(1)	(6)
2	B - Mining and quarrying	55	35	16	1	3	5	-	52	3	6	4	(2)	(0)	(1)
3	C - Manufacturing	4,482	39	12	-	-	0	-	51	-	3	2	(2)	(0)	(1)
4	D - Electricity, gas, steam and air conditioning supply	2,368	242	612	27	0	6	-	881	-	2	0	(1)	(0)	(0)
5	E - Water supply; sewerage, waste management and remediation activities	40	32	3	1	1	3	-	34	3	2	1	(1)	(0)	(0)
6	F - Construction	1,159	306	65	0	-	1	-	371	-	287	9	(11)	(5)	(6)
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	3,703	-	-	-	-	-	-	-	-	1	0	(0)	(0)	(0)
8	H - Transportation and storage	4,352	4	0	-	-	0	-	4	-	2	0	(0)	(0)	(0)

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

References

1. Commission Notice — Technical guidance on the climate proofing of infrastructure in the period 2021-2027 – link

2. ECB 2022 - Good practices for climate related and environmental risk management: Observations from the 2022 thematic review – link

3.Bank of Greece,The environmental,economic and social effects of climate change in Greece, 2011 – link

4. Ministry of Environment and Energy,National Strategy for Adaptation to Climate Change, 2016 – link

5. 2021 EY Global Climate Risk Disclosure Barometer – link

6. EEA, Climate change, impacts and vulnerability in Europe 2016 - An indicator-based report, 2017 – link

7. IPCC, Managing the Risks of Extreme Events and Disasters to Advance Climate Change Adaptation– link

8. EIB, European firms and climate change 2020/2021. Evidence from the EIB Investment Survey – link

9. ClimateAdapt, Greece - National circumstances relevant to adaptation actions – link

10. EEA, Climate change adaptation and disaster risk reduction in Europe – link

11. Coastadapt, What are RCPs – link

12. IPCC, Future Climate Changes, Risks and Impacts (Box 2.2 The Representative Concentration Pathways (RCPs)) - link

13. Moody's Investor service - Heat map: Sectors with $3.4 trillion in debt face heightened environmental credit risk – link

14. I4CE – ClimInvest 2021, Addressing challenges of physical climate risk analysis in financial institutions – link

15. Climate change projections for Greece in the 21st century from high-resolution EURO-CORDEX RCM simulations, 2022 – link

16. RCP 8.5—A scenario of comparatively high greenhouse gas emissions – link

17. RCP8.5 tracks cumulative CO2 emissions – link

18.Climatic data,Ministry of Environment and Energy climate maps and statistical analysis to support the analysis of climate change impacts and the planning of adaptation policies and measures for each sector – link

19. I4CE – ClimInvest 2021, Addressing challenges of physical climate risk analysis in financial institutions – link

20. World Bank Group. Climate Projections CMIP5 Data - link

21. WWF, Water Risk Filter - link

22. World Resources Institute, Water Risk Atlas - link

23. Projections of soil loss by water erosion in Europe by 2050 - link

24. Climate change impacts in Europe – Projected changes in the frequency of meteorological droughts for two emissions scenarios - link

25. Climate Central, Coastal Risk Screening Tool - link

26. Eurostat, Agri-environmental indicator - soil erosion - link

27. Assessing climate change impacts on wind characteristics in Greece through high resolution regional climate modelling – link

28. JRC / ESDAC, European Commission, Landslides - link

29. Swiss Re, The hidden risks of climate change: An increase in property damage from soil subsidence in Europe. - link

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

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

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

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

1. Overview

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

2. Approach, applicable standards and key assumptions

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

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

Template 56: Other climate change mitigating actions that are not covered in the EU Taxonomy 31.12.2022

(Amounts in millions of Euro)

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

17 Remuneration Policy

A Remuneration Policy has been established which sets the relative framework at Alpha Services and Holdings S.A. and the other Companies of its Group and is in accordance with the Corporate Governance principles.

The Remuneration Policy:

- Complies with the values, the business strategy and targets and with the long-term best interests of the Alpha Services and Holdings S.A. and the other Companies of its Group .
- Motivates personnel for exceptional results within the framework of the performance management system, and at the same time discourages excessive assumption of risk and minimizes situations that do not comply with the sound and consistent risk management
- Seeks to align remuneration with sound performance criteria and existing market dynamics

In order to comply with the regulatory requirements as far as the disclosures regarding the Remuneration Policy are concerned, a separate Remuneration report will be circulated, which will include the basic principles of the Remuneration Policy for all staff, the composition of remuneration, the principles of variable remuneration as well as relevant information for the Identified Staff.

The Remuneration report is posted on the Company's website (Financial Statements of Bank and Group | ALPHA HOLDINGS).

18 Appendix

18.1 Appendix I – Analysis of the Board Committees

1. Analysis of the Board Committees

The Board of Directors may establish permanent or ad hoc Committees to assist it in the discharge of its responsibilities, facilitate its operations and effectively support its decision-making. The Committees have an advisory role, including making recommendations to the Board of Directors, but may also assume delegated authorities, as determined by the Board. Each Committee has its dedicated Charter prescribing its composition, tenure, functioning and responsibilities.
Four Committees operate at Board level, namely:

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

Each Committee consists of no fewer than three Members.

The composition of each Committee is proposed to the Board of Directors by the Corporate Governance, Sustainability and Nominations Committee taking into account the "Suitability and Nomination Policy for the Members of the Board of Directors" as well as the respective legal and regulatory framework.

The major focus of the Committees is placed on the oversight and diligence of policies, practices and procedures within their specific area of mandate, on the preparation of draft resolutions to be approved by the Board of Directors and on the submission of relevant briefings, reports, key information and recommendations to the Board. The Committees report regularly to the Board of Directors about their work.

1.1. Audit Committee

The Committee has been established and operates in accordance with all applicable laws and regulations. The determination of the type of the Audit Committee, its term of office, the number and the qualifications of its Members as per article 44 par. 1 case b) of Law 4449/2017 were resolved upon by the Ordinary General Meeting of 22.7.2022.

The Audit Committee currently constitutes a Committee of the Board of Directors and its Members were appointed by a resolution of the Board of Directors of 22.7.2022.

The Audit Committee comprises five Members, out of whom three are Independent Non-Executive Members. The Chair of the Committee is appointed by its Members and is an Independent Non-Executive Member of the Board of Directors who has the required expertise and experience to oversee the audit, accounting and financial policies and processes within the remit of the Committee. The Chair cannot simultaneously act as Chair of the Board of Directors or Chair of the Risk Management Committee.

The Members of the Committee, based on a self-assessment process, collectively possess adequate knowledge of the financial sector and, in general, the required knowledge, skills and experience to adequately discharge the Committee's responsibilities. At least one Member, who is Independent from the audited entity, has accounting/auditing knowledge and experience and should always be present at the meetings regarding the approval of the Financial Statements.The main responsibilities of the Audit Committee include but are not limited to those presented below.

The Audit Committee:

- Performs the oversight of the financial reporting processes and procedures for drawing up the Annual and the Interim Financial Statements of the Company and the Group, in accordance with the applicable accounting standards.
- Reviews the quarterly, semi-annual and annual Financial Statements of the Company and of the Group, together with the Statutory Certified Auditors' Report, where applicable, and the Board of Directors' Annual Management Report, prior to their submission to the Board of Directors for approval.
- Informs the Board of Directors of the outcome of the statutory audit and explains how the statutory audit contributed to the integrity of financial reporting and what the role of the Audit Committee was in that process.
- Is informed of the evolution of significant accounting standards and oversees the impact on accounting policies.
- Monitors and assesses the adequacy, effectiveness and efficiency of the Internal Control System (including ESG procedures) of the Company and the Group, based on reports by the Internal Audit Unit, on findings of the external auditors, the supervisors and the tax authorities as well as management information, as appropriate.
- Assists the Board of Directors in ensuring the independent, objective and effective conduct of internal and external audits.
- Assists the Board of Directors in overseeing the effectiveness and performance of the Internal Audit Unit and of the Compliance Unit of the Company and of the respective Units across the Group.
- Is responsible for the procedure followed for the selection of the Statutory Certified Auditors of the Company and makes recommendations to the Board of Directors on the appointment or dismissal, rotation, tenure and remuneration of the Statutory Certified Auditors, according to the relevant regulatory and legal provisions.
- Monitors the independence and performance of the Statutory Certified Auditors in accordance with the applicable laws, a responsibility which includes reviewing, *inter alia*, the provision by them of Non-Audit Services to the Company and the Group. In relation to this, the Committee examines and approves all proposals regarding the provision by the Statutory Certified Auditor of Non-Audit Services to the Company and the Group, based on the relevant policy that the Audit Committee oversees and recommends to the Board of Directors for approval.
- Performs the oversight of the Sustainability Report and Non-Financial information reporting, including sustainability and ESG disclosures.

The Chair of the Audit Committee regularly informs the Board of Directors of the work of the Committee. The Chair also submits to the Board of Directors and to the General Meeting of Shareholders a formal annual activity report on the work of the Committee conducted during the previous year, parts of which are included in the annual Company's Corporate Governance Statement.

The Committee convenes generally on a monthly basis, adding meetings on an as-needed basis. It may invite any Member of the Management or Executive as well as external auditors to attend its meetings. The Head of Internal Audit and the Head of Compliance are regular attendees of the Committee meetings and have unhindered access to the Chair and to the Members.

In 2022, the Committee convened sixteen times and the Members' participation rate in the meetings stood at 99% (based on the composition of the Audit Committee on 31.12.2022).

The specific duties and responsibilities of the Audit Committee are set out in its Charter, which is posted on the Company's website (https://www.alphaholdings.gr/en/group/corporate-governance/commitees).

1.2. Risk Management Committee

The Risk Management 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 a resolution of the Board of Directors of 22.7.2022.

The Risk Management Committee comprises six Members, out of whom five are Independent Non-Executive Members. The Chair of the Committee is an Independent Non-Executive Member of the Board of Directors with significant experience in the financial sector. The Chair of the Committee cannot simultaneously act as Chair of the Board of Directors or of any other Board Committee.

All the Members of the Committee should have prior experience in the financial services sector and, individually and collectively, appropriate knowledge, skills and expertise concerning risk management and control practices. One Member is in charge of overseeing ESG issues.

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

The Risk Management Committee:

- Assists the Board of Directors in promoting a sound risk culture at all levels throughout the Company and its Subsidiaries (the "Group"), fostering risk awareness and encouraging open communication and challenge across the Organization.
- Reviews regularly and recommends to the Board of Directors for approval the risk and capital management strategy, ensuring alignment with the business objectives of the Company and the Group. In this context, the Committee considers the adequacy of the technical (e.g. modelling tools, IT systems, etc.) and human resources available to implement the risk and capital strategy and ensures the communication of key aspects of the risk strategy throughout the Group.

- Reviews and recommends annually to the Board of Directors for approval the Group's Risk Appetite Framework (RAF) and statement, considering also ESG risks, i.e. the risks of any negative financial impact to the Company stemming from the current or prospective impacts of ESG factors on its counterparties, such as climate-related risks, and ensuring alignment with the Group's strategic objectives and capital allocation. The RAF should be clearly communicated throughout the Group and articulated/monitored via a set of metrics.
- Determines the principles which govern risk management across the Company and the Group in terms of the identification, measurement, monitoring, control, and mitigation of risks.
- Evaluates on an annual basis or more frequently, if necessary, the appropriateness of risk identification and measurement systems, methodologies and models, including the capacity of the Company's IT infrastructure to record, report, aggregate and process risk-related information.
- Reviews regularly, at least annually, the Group's Internal Capital Adequacy Assessment Process (ICAAP) and the Internal Liquidity Adequacy Assessment Process (ILAAP) and related target ratios and recommends their approval to the Board of Directors.
- Assesses the overall effectiveness of capital planning, allocation processes and systems, and the allocation of capital requirements to risk types.
- Keeps itself informed of recent regulatory developments, emerging supervisory expectations, the results of supervisory requests and the Supervisory Review and Evaluation Process (SREP) conclusions.
- Recommends to the Board of Directors for approval high-level policies on the management of risks.
- Collaborates with other Board Committees in relation to ESG issues.

The Chair of the Risk Management Committee regularly informs the Board of Directors of the work of the Committee. The Chair also submits to the Board of Directors a formal annual report on the work of the Committee conducted during the previous year, parts of which are included in the Company's annual Corporate Governance Statement.

The Committee convenes at least once a month and may invite any Member of the Group's Management or Executive to attend its meetings. The Chief Risk Officer (CRO) is a regular attendee of the Committee meetings and has unhindered access to the Chair and the Members.

In 2022, the Committee convened twelve times and the Members' participation rate in the meetings stood at 99% (based on the composition of the Risk Management Committee on 31.12.2022).

The specific duties and responsibilities of the Risk Management Committee are set out in its Charter, which is posted on the Company's website (https://www.alphaholdings.gr/en/group/corporate-governance/commitees).

1.3. 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 a resolution of the Board of Directors of 22.7.2022.

The Remuneration Committee comprises four Members, out of whom three are Independent Non-Executive Members. The Chair of the Committee is an Independent Non-Executive Member of the Board of Directors.

The Members of the Committee should have collectively appropriate knowledge, skills and professional experience concerning remuneration policies and practices, risk management and control activities as well as concerning the incentives and risks that can arise therefrom. At least one Member must have sufficient professional experience in risk management.

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

The Remuneration Committee:

- Assists the Board of Directors in ensuring that the Group Remuneration Policy as well as the "Remuneration Policy of the Members of the Board of Directors as per the provisions of Law 4548/2018" are consistent with the values, culture, business strategy, risk appetite and strategic objectives of the Company and its Subsidiaries (the "Group"), taking into account Environmental, Social and Governance (ESG) risks that affect the business environment in the short, medium or long term.
- Provides its support and advice to the Non-Executive Members of the Board of Directors on the design of the Remuneration Policies for the Company and the Group, including that such remuneration policies are gender-neutral according to the relevant legislative and regulatory provisions, support the equal treatment of Staff, promote inclusiveness and respect diversity in general.
- Recommends to the Non-Executive Members the remuneration of the Members of the Board of Directors.
- Is responsible for the preparation of decisions on remuneration to be taken by the Non-Executive Members, in particular regarding the remuneration of the Executive Members of the Board of Directors as well as of other identified Staff (i.e. Staff whose professional activities have a material impact on the Institution's risk profile).
- Reviews and advises on fixed salaries, benefits and the total compensation within the Company.
- Reviews the variable remuneration framework. Recommends to the Board of Directors for approval variable remuneration schemes for Employees across the Company and the Group and proposes the total envelope for variable remuneration across the Company and the Group.
- Oversees the evaluation process for Senior Executives and Key Function Holders, ensuring that it is implemented adequately and in accordance with the provisions of the respective Policy.

The Chair of the Remuneration Committee regularly informs the Board of Directors of the work of the Committee. The Chair also submits to the Board of Directors a formal annual report on the work of the Committee conducted during the previous year, parts of which are included in the Company's annual Corporate Governance Statement.

The Committee convenes at least quarterly per year and may invite any Member of the Management or Executive to attend its meetings. The Head of Human Resources is a regular attendee of the Committee meetings.

In 2022, the Committee convened eleven times and the Members' participation rate in the meetings stood at 100% (based on the composition of the Remuneration Committee on 31.12.2022).

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

1.4. Corporate Governance, Sustainability 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 a resolution of the Board of Directors of 22.7.2022.

The Corporate Governance, Sustainability and Nominations Committee comprises six Members, out of whom four are Independent Non-Executive Members. The Chair of the Committee is an Independent Non-Executive Member of the Board of Directors. At least one Member is in charge of overseeing ESG issues.

The Committee ensures and regularly evaluates that its Members collectively possess the required knowledge, skills and experience relating to sustainability and ESG issues as well as to the business of the Company to assess the appropriate composition of the Board of Directors and, among others, the selection process and the suitability requirements to adequately discharge the Committee's responsibilities.

The main responsibilities of the Corporate Governance, Sustainability and Nominations Committee include but are not limited to those presented below.

The Corporate Governance, Sustainability and Nominations Committee:

- Monitors the compliance of the Company and the Group with the pertinent Hellenic Corporate Governance Code to which the Company adheres, ensuring appropriate application of the "comply or explain" principle required; provides oversight that the implementation of this principle aligns with the legislation in force, the regulatory expectations and the international corporate governance best practice.
- Facilitates the regular review of the Charters of the Board Committees, in consultation with the relevant Committees, by providing input to each Committee in order to ensure that the Charters remain fit-for-purpose and align with the Hellenic Corporate Governance Code as well as with corporate governance best practices.
- Assists the Board of Directors in establishing the conditions required for effective succession and continuity in the Board of Directors.
- Develops and regularly reviews the selection criteria and the appointment process for the Members of the Board of Directors.
- Identifies and recommends for the approval of the Board of Directors candidates to fill vacancies, according to the Suitability and Nomination Policy for the Members of the Board of Directors, evaluates the balance of knowledge, skills, diversity and experience of the Board of Directors, prepares a description of the roles and capabilities for a particular appointment and assesses the time commitment expected.
- Assesses periodically, and at least annually, the structure, size, composition and performance of the Board of Directors and makes recommendations to the Board of Directors with regard to any changes.

- Assesses periodically, and at least annually, the knowledge, skills and experience of each Member of the Board of Directors and of the Board of Directors collectively and reports to the Board of Directors accordingly.
- Oversees the design and implementation of the induction program for the new Members of the Board of Directors as well as the ongoing knowledge and skills development for the Members, which support the effective discharge of their responsibilities.
- Reviews, at least semi-annually current and emerging trends and regulatory developments in ESG issues that may significantly affect the Company's activities, highlighting to the Board of Directors areas that may require actions.
- Oversees the implementation of the Company's policies on ESG issues.
- Oversees the sustainability reporting to Stakeholders, in coordination with the Audit Committee.

The Chair of the Corporate Governance, Sustainability and Nominations Committee regularly informs the Board of Directors of the work of the Committee. The Chair also submits to the Board of Directors a formal annual report on the work of the Committee conducted during the previous year, parts of which are included in the Company's annual Corporate Governance Statement.

The Committee convenes at least quarterly per year and may invite any Member of the Management or Executive to attend its meetings.

In 2022, the Committee convened twelve times and the Members' participation rate in the meetings stood at 95% (based on the composition of the Corporate Governance, Sustainability and Nominations Committee on 31.12.2022).

The specific duties and responsibilities of the Corporate Governance, Sustainability and Nominations Committee are set out in its Charter, which is posted on the Company's website (https://www.alphaholdings.gr/en/corporate-governance/commitees).

2. Composition of the Board of Directors and the Committee Membership for the year 2022

Composition of the Board of Directors and Committee Membership for the year 2022				
	Audit Committee	Risk Management Committee	Remuneration Committee	Corporate Governance, Sustainability and Nominations Committee
Chair (Non-Executive Member)				
Vasileios T. Rapanos				
Executive Members				
Vassilios E. Psaltis - CEO				
Spyros N. Filaretos - General Manager-Growth and Innovation				
Non-Executive Member				
Efthimios O. Vidalis	**M**			**M**
Independent Non-Executive Members				
Elli M. Andriopoulou	**M** (as of 22.7.2022)			**M** (as of 22.7.2022)
Aspasia F. Palimeri (as of 22.7.2022)		**M** (as of 22.7.2022)	**M** (as of 22.7.2022)	
Dimitris C. Tsitsiragos		**M**	**M**	
Jean L. Cheval	**M** (as of 22.7.2022)	**C** (as of 22.7.2022) **M** (until 22.7.2022)	**M** (until 22.7.2022)	
Carolyn G. Dittmeier	**C**			**M**
Richard R. Gildea		**M**	**C**	
Elanor R. Hardwick	**M** (until 22.7.2022)	**M** (as of 22.7.2022)		**C**
Shahzad A. Shahbaz				**M**
Jan A. Vanhevel (until 21.7.2022)	**M** (until 21.7.2022)	**C** (until 21.7.2022)		
Non-Executive Member pursuant to the provisions of Law 3864/2010				
Johannes Herman Frederik G. Umbgrove	**M**	**M**	**M**	**M**
C: Chair M: Member				

3. Description of the Diversity Policy applied to the Members of the Board of Directors and Employees

The Diversity Policy is a document of Alpha Services and Holdings S.A. which sets out the principles and the approach for the achievement of diversity in both the Board of Directors and the Employees, in accordance with the legislative and regulatory framework in force, including the relevant Joint ESMA/EBA "Guidelines on the assessment of the suitability of members of the management body and key function holders", as well as with European best practices in corporate governance.

Diversity is defined as the situation in which the characteristics of the Members of the Board of Directors and of the Employees, including age, gender, geographical provenance and educational and professional background, are sufficiently different to an extent that allows a variety of views within the Board of Directors and among the Employees.
While the diversity of the Board of Directors is not a criterion for the assessment of the Members' individual suitability, diversity should be taken into account when selecting and assessing Members of the Board of Directors. Diversity within the Board of Directors leads to a broader range of experience, knowledge, skills and values and is one of the factors that enhance its functioning and address the phenomenon of "groupthink". Thus, a more diverse Board of Directors, in its supervisory and management functions, can reduce the phenomenon of "groupthink" and facilitate independent opinions and constructive challenging in the process of decision-making.
The Policy applies to the selection procedure followed for the Members of the Board of Directors and is also taken into consideration for the appointment of the Company's Senior Management and Employees.

The objectives of the Policy are to:

- Support and promote diversity in the Board of Directors and the Employees.
- Engage a broad set of qualities and competences when recruiting Members of the Board of Directors and Employees, to achieve a variety of views and experiences and to facilitate independent opinions and sound decision-making within the Board of Directors.
- Ensure that there is an appropriate representation of all genders within the Board of Directors.
- Ensure that the principle of equal opportunities is respected when selecting Members of the Board of Directors.
- Ensure equal treatment and opportunities for Employees of different genders.
- Ensure that, when setting diversity objectives, the Company considers diversity benchmarking results published by competent authorities, the European Banking Authority (EBA) or other relevant international bodies or organizations.

The Policy is approved by the Board of Directors and is reviewed every two years by the Corporate Governance, Sustainability and Nominations Committee, which may propose relevant amendments to the Board of Directors.

3.1. Board of Directors

The Company, taking into account the existing framework, embraces the benefits of having a diverse Board of Directors. It recognizes that diversity can help achieve maximum team performance and effectiveness, enhance innovation and creativity and promote critical thinking and team cooperation within the Board. In this context, a diversified Board of Directors fosters constructive challenge and discussion on the basis of different points of view. It can help improve decision-making regarding strategies and risk-taking by encompassing a broader range of views, opinions, experience, perception, values and backgrounds. It reduces the phenomena of "group think" and "herd behavior".

A truly diverse Board of Directors allows and makes good use of differences in skills, regional and industry experience, background, abilities, qualifications, professional training, gender and other distinctions between the Members. Pursuant to the Suitability and Nomination Policy for the Members of the Board of Directors of the Company, all Board appointments are made on merit in the context of the skills, experience, knowledge and independence which the Board as a whole requires in order to be effective.

The above differentiation parameters should be taken into consideration in determining the best possible composition of the Board of Directors and, when possible, should be balanced appropriately.

At least the following diversity aspects shall be taken into consideration for all Board appointments, without prejudice to the legislative and regulatory framework and to the Suitability and Nomination Policy for the Members of the Board of Directors of the Company:

- **Educational and professional background, skills and knowledge as well as experience in order to facilitate productive challenge and independent thinking** in accordance with the "Suitability and Nomination Policy for the Members of the Board of Directors".
- **Gender**: the Company strives to enhance gender diversity in its Board of Directors and Senior Management.
- **Age**: the same applies to age, as the time period in which a person has grown up influences his/her values and risk culture.
- **Geographical provenance**: the region where a person has gained a cultural, educational or professional background. Diversity regarding geographical provenance improves the experience of the Board of Directors with regard to the business activities pursued in a business area and enables the Board of Directors to better take into account the cultural values and the legal and market specificities relevant to those areas.

In reviewing the composition of the Board of Directors and in identifying suitable candidates for appointment, the Corporate Governance, Sustainability and Nominations Committee (the "CGSNC"), without prejudice to the provisions of Law 3864/2010, as in force, concerning the representative of the Hellenic Financial Stability Fund (HFSF), will:

a. Consider the benefits of all aspects of diversity including, but not limited to, those described above, in order to enable the Board of Directors to discharge its duties and responsibilities effectively.

b. Consider candidates on merit against objective criteria pursuant to the strategic objectives of the Company, the legislative and regulatory requirements and with due consideration of diversity in the Board of Directors.

As part of the annual evaluation of the effectiveness of the Board of Directors and its Committees, the CGSNC will consider the balance of values, skills, experience, independence and knowledge of the Board of Directors, the diversity representation in the Board, including gender, and other factors relevant to its effectiveness.

The CGSNC will discuss and agree annually upon all measurable objectives for achieving diversity in the Board of Directors. In the event that any diversity objectives or targets have not been met, the CGSNC shall explain the relevant reasons and the measures to be taken, in order to ensure that the diversity objectives and targets will be met.

The CGSNC shall review and monitor regularly the effectiveness of the Policy and make relevant recommendations to the Board of Directors. Furthermore, it will review regularly the proportion of women who are employed by the Company as a whole, in senior management positions and in the Board of Directors.

All the candidates for the Board of Directors shall be assessed on the basis of the same criteria, irrespective of gender, since the eligible Members for the Board of Directors must fulfil all the conditions set in relation to their qualifications. In this context, men and women shall have equal opportunities to be nominated under the condition that they fulfil all the other prerequisites in accordance with the Suitability and Nomination Policy for the Members of the Board of Directors of the Company. The Company shall not nominate Members to the Board of Directors with the sole purpose of increasing diversity to the detriment of the functioning and suitability of the Board of Directors collectively or at the expense of the suitability of individual Members of the Board of Directors.

3.2. Employees

The provision of equal opportunities for employment and advancement to all its Employees is not merely a legal obligation of the Company but rather a cornerstone of its Human Resources Strategy. It is thus incorporated in the Human Resources management procedures and practices and the Company ensures the implementation thereof in every country where it is present.

When setting diversity objectives, the Company considers diversity benchmarking results, published by competent authorities, the EBA or other relevant international bodies or organizations.

Seeking to implement gender equality in action and to address the issue of the low percentage of women in positions of responsibility, issues which are typical of the Greek labor market, the Company takes a number of measures which help its Employees balance their professional and family life, while also promoting equitable treatment and merit-based Employees' advancement, with equal advancement opportunities for female Employees. In addition, a multitude of training, coaching and mentoring initiatives are in place to support gender equality. The Company also aims to reflect the gender diversification evidenced in the Employees in the Senior Management.

The Company applies uniform, gender-neutral Remuneration and Benefits and Corporate Expenses Policies to all categories of Employees. It respects and defends the diversity of all Employees in general, promoting inclusiveness and equal treatment.

The Company provides a work environment free of discrimination and harassment and values the work and worth of each and every Employee. It ensures top-quality work conditions and opportunities for advancement that are based on merit and equitable treatment. It offers fair remuneration, based on contracts which are in agreement with the conditions of the corresponding national labor market and ensures compliance with the respective national regulations, *inter alia*, on minimum pay, working hours and the granting of leave.

The Company defends human rights and opposes all forms of child, forced or compulsory labor. The Company respects employee rights and is committed to safeguarding them fully, in accordance with the national and the European Union Law and the Conventions of the International Labor Organization.

The Company, in order to monitor and minimize diversity gaps, reviews relevant data on an annual basis and implements corrective measures to narrow gaps, where these exist.

Employees in Management positions * as of 31.12.2022 (data for Alpha Services and Holdings S.A. and Alpha Bank S.A.).

	Age Breakdown as of 31.12.2022				
Gender	**26-40**	**41-50**	**51+**	**Total**	**Percentage**
Male	**23**	**160**	**155**	**338**	**61.68%**
Female	**11**	**97**	**102**	**210**	**38.32%**
Total	**34**	**257**	**257**	**548**	**100.00%**
Percentage	**6%**	**47%**	**47%**	**100%**	

Educational level	Breakdown as of 31.12.2022	Percentage
Postgraduate Studies (Master's, PhD)	**296**	**54.01%**
Tertiary Education (graduates of Universities or Technological Education Institutes)	**140**	**25.55%**
High School (Lyceum) graduates	**112**	**20.44%**
Total	**548**	**100.00%**

*Management positions are defined as the positions from the level of Branch Manager and above.

The percentage and number of Employees in managerial positions per educational level point out that Employees in managerial positions holding postgraduate degrees represent in 2022 the highest percentage, i.e. 54%.

18.2 Appendix II - CVs of the Members of the Board of Directors

The CVs of the Members of the Board of Directors are presented below and are also available on the Company's website (https://www.alphaholdings.gr/en/corporate-governance/administrative-structure/board-of-directors/members-cvs).

Chair
Vasileios T. Rapanos (Non-Executive Member)
Member of the Board of Directors since May 2014

Nationality: Hellenic
Born in Kos, Greece, in 1947.

Experience: He was Deputy Governor and Governor of the Mortgage Bank (1995-1998), Chairman of the Board of Directors of the Hellenic Telecommunications Organization (1998-2000), Chairman of the Council of Economic Advisors at the Ministry of Economy and Finance (2000-2004), member of the Board of Directors of the Public Debt Management Agency (PDMA) (2000-2004) as well as Chairman of the Board of Directors of the National Bank of Greece and of the Hellenic Bank Association (2009-2012).

Other positions of note: He is Professor Emeritus at the Faculty of Economics of the University of Athens and has been an Ordinary Member of the Academy of Athens since 2016. In October 2021 he was re-elected as Chairman of the Board of Directors of the Hellenic Bank Association.

Education: B.A., Athens School of Economics and Business (1975), Master's in Economics, Lakehead University, Canada (1977), PhD, Queen's University, Canada

Executive Members

CEO
Vassilios E. Psaltis
Member of the Board of Directors since November 2018 and Chief Executive Officer since January 2019

Nationality: Hellenic
Born in Athens, Greece, in 1968.

Experience: He held various senior management positions at ABN AMRO Bank's Financial Institutions Group in London and at Emporiki Bank wherein he worked as Deputy (acting) Chief Financial Officer. He joined Alpha Bank in 2007. In 2010 he was appointed Group Chief Financial Officer (CFO) and in 2012 he was appointed General Manager. Through these posts, he spearheaded capital raisings of several billions from foreign institutional shareholders, diversifying the Bank's shareholder base, as well as significant mergers and acquisitions that contributed to the consolidation of the Greek banking market, reinforcing the position of the Bank.

Other positions of note: In 2019 he was elected member of the Institut International d' Études Bancaires (IIEB). He has been a Member of the Board of Directors and of the Executive Committee of the Hellenic Federation of Enterprises (SEV) since July 2021.

Education: PhD in Banking, MA in Business and Banking, University of St. Gallen, Switzerland

Spyros N. Filaretos
Member of the Board of Directors since 2005

Nationality: Hellenic
Born in Athens, Greece, in 1958.

Experience: He joined Alpha Bank in 1985. He was appointed Executive General Manager in 1997 and General Manager in 2005. From October 2009 to November 2020, he served as Chief Operating Officer (COO). In December 2020 he was appointed General Manager – Growth and Innovation.

Education: BA in Economics, University of Manchester, and MPhil in Development Economics and International Development, University of Sussex

Non-Executive Member

Efthimios O. Vidalis
Member of the Board of Directors since May 2014

Membership of Board Committees: Member of the Audit Committee and of the Corporate Governance, Sustainability and Nominations Committee

Nationality: Hellenic
Born in Washington, U.S.A., in 1954.

Experience: He held several leadership positions for almost 20 years at Owens Corning, where he served as President of the Global Composites and Insulation Business Units. He joined S&B Industrial Minerals S.A. in 1998 as Chief Operating Officer (1998-2001), became the first non-family Chief Executive Officer (2001-2011) and served on the Board of Directors for 15 years. He was a member of the Board of Directors of Future Pipe Industries (Dubai, U.A.E.) from 2008 to 2019, Chairman of the Board of Directors of the Greek Mining Enterprises Association (2005-2009) and member of the Board of Directors of the Hellenic Federation of Enterprises (SEV) from 2006 to 2016, where he served as Vice Chairman (2010-2014) and as Secretary General (2014-2016). Furthermore, he is the founder of the SEV Business Council for Sustainable Development, where he served as Chairman from 2008 to 2016.

Other positions of note: He was elected President of the Executive Committee of SEV during the Annual General Meeting held in June 2020. He is a non-executive member of the Board of Directors of TITAN CEMENT COMPANY S.A. and of Fairfield-Maxwell Ltd (U.S.A.) as well as a non-executive independent member of Eurolife FFH Insurance Group Holdings S.A.

Education: BA in Government, Harvard University, MBA, Harvard Graduate School of Business Administration

Independent Non-Executive Members

Elli M. Andriopoulou
Member of the Board of Directors since January 2022

Membership of Board Committees: Member of the Audit Committee and of the Corporate Governance, Sustainability and Nominations Committee

Nationality: Hellenic
Born in Athens, Greece, in 1975.

Experience: She commenced her career at Citibank NA, Athens, Greece (1997-1999) and then worked as a consultant (2000-2003) at Mercer Management Consulting (currently Oliver Wyman), U.S.A. Afterwards, she re-joined Citibank International Plc, Athens, Greece (2004-2012), where she held various positions, including those of Sales Development Manager, Branch Expansion Project Manager, Strategy and Development Manager, Customer Interaction Unit Head, Customer Advocacy and Segment Management Head as well as Marketing Director. Subsequently, she served as Co-Chief Operating Officer (2013) at the Stavros Niarchos Foundation, as Chief Operating Officer (2014-2015) of the Stavros Niarchos Foundation Cultural Center (SNFCC) and as SNFCC Grant Manager (2016-2020).

Other positions of note: Since 2020, she has been Chairwoman and Managing Director of the SNFCC.

Education: BA in Psychology, American College of Greece (Deree College), MBA, Kellogg School of Management, Northwestern University, U.S.A.

Aspasia F. Palimeri
Member of the Board of Directors since July 2022

Membership of Board Committees: Member of the Risk Management Committee and of the Remuneration Committee

Nationality: Hellenic
Born in Athens, Greece, in 1973.

Experience: She commenced her career at Citibank NA, Athens, Greece (1995-1996) and Eurobank Cards S.A., Athens, Greece (1996-1998). After acquiring her MBA, she joined McKinsey & Company, Athens, Greece, where she worked as an Associate Consultant (2000-2001) and as a Junior Engagement Manager (2001-2002), supporting strategic projects for leading Greek banks and corporates. Subsequently, she re-joined Eurobank Cards S.A. as the Group Product Manager for Loans (2002-2005) and as the company's Marketing Manager (2005-2010). She also served as the Cards Business Manager at Marfin Egnatia Bank, Athens, Greece (2010-2013) and as the Deposit and Investment Products Senior Director at Piraeus Bank, Athens, Greece (2013-2016). From 2016 to May 2022, she was the Country Manager for Greece, Cyprus and Malta at Mastercard, being responsible for the market share growth and the strategic development of these markets.

Other positions of note: Since 2021, she has been a member of the Board of Directors of the Foundation for Economic & Industrial Research (IOBE).

Education: BA in Accounting and Finance, American College of Greece (Deree College) (1995), MBA in Finance and Marketing, Columbia Business School, New York, U.S.A. (2000)

Dimitris C. Tsitsiragos
Member of the Board of Directors since July 2020

Membership of Board Committees: Member of the Risk Management Committee and of the Remuneration Committee

Nationality: Hellenic
Born in Athens, Greece, in 1963.

Experience: He spent 28 years at the International Finance Corporation (IFC) – World Bank Group. He held progressive positions in the Oil, Gas and Mining and in the Central and Eastern Europe Departments, including the positions of Manager, Oil and Gas and Manager, Manufacturing and Services, based in Washington, D.C., U.S.A. (1989-2002). Furthermore, he held director positions for South Asia (India), Global Manufacturing and Services (Washington, D.C.) and Middle East, North Africa and Southern Europe (Cairo, Egypt), overseeing IFC's global and regional investment operations (2002-2011). In 2011, he was promoted to Vice President, EMENA region (Istanbul, Turkey) and in 2014 he was appointed Vice President Investments/Operations (Istanbul/Washington). He served as a Senior Advisor, Emerging Markets at Pacific Investment Management Company (PIMCO) in London, UK (2018-2022). He previously served as a non-executive independent Board Member at the Infrastructure Development Finance Company (IDFC), India and at the Commercial Bank of Ceylon (CBC), Sri Lanka.

Other positions of note: He currently sits on the Board of Directors of Titan Cement International.

Education: BA in Economics, Rutgers University, MBA, George Washington University, World Bank Group Executive Development Program, Harvard Business School

Jean L. Cheval
Member of the Board of Directors since June 2018

Membership of Board Committees: Chair of the Risk Management Committee and Member of the Audit Committee

Nationality: French
Born in Vannes, France, in 1949.

Experience: After starting his career at BIPE (Bureau d'Information et de Prévisions Économiques), he served in the French public sector (1978-1983) and then worked at Banque Indosuez-Crédit Agricole (1983-2001), wherein he held various senior management positions, including the positions of Chief Economist, Head of Corporate Planning and Head of Asset-based Finance and subsequently he became General Manager. He served as Chairman and CEO of the Banque Audi France (2002-2005). Furthermore he served as Head of France at the Bank of Scotland (2005-2009). As of 2009 he has been working at Natixis in various senior management positions such as Head of the Structured Asset Finance Department and Head of Finance and Risk, second "Dirigeant effectif" of Natixis, alongside the CEO.

Other positions of note: He is currently a member of the Board of Directors of EFG-Hermes, Egypt, Chairman of the Steering Committee of Natixis Algérie and Chairman of the Natixis Foundation for Research and Innovation.

Education: Engineering, École Centrale des Arts et Manufactures, DES (Diplôme d'Études Spécialisées) in Economics (1974), University of Paris I, DEA (Diplôme d' Études Approfondies) in Statistics and in Applied Mathematics, University of Paris VI

Carolyn G. Dittmeier

Member of the Board of Directors since January 2017

Membership of Board Committees: Chair of the Audit Committee and Member of the Corporate Governance, Sustainability and Nominations Committee

Nationality: Italian and US
Born in Salem, Massachusetts, U.S.A., in 1956.

Experience: She commenced her career in the US at the auditing and consulting firm Peat Marwick & Mitchell (now KPMG), where she reached the position of Audit Manager, and subsequently assumed managerial responsibilities in the Montedison Group as Financial Controller and later as Head of Internal Audit. In 1999, she launched the practice of corporate governance services in KPMG Italy. Subsequently, she took on the role of Chief Internal Audit Executive of the Poste Italiane Group (2002-2014). She has carried out various professional and academic activities focusing on risk and control governance and has written two books. She was Vice Chair (2013-2014) and Director of the Institute of Internal Auditors (2007-2014), Chair of the European Confederation of Institutes of Internal Auditing (2011-2012) and Chair of the Italian Association of Internal Auditors (2004-2010). Furthermore, she served as Independent Director and Chair of the Risk and Control Committee of Autogrill SpA (2012-2017) as well as of Italmobiliare SpA (2014-2017).

Other positions of note: Since 2014 she has been Chair of the Board of Statutory Auditors of Assicurazioni Generali SpA and a member of the Boards and/or the Audit Committees of some non-financial companies (Moncler, Illycaffè).

Education: BSc in Economics, Wharton School, University of Pennsylvania. She is a Statutory Auditor, a Certified Public Accountant (CPA), a Certified Internal Auditor (CIA) and a Certified Risk Management Assurance (CRMA) professional, focusing on the audit and risk management sectors. Additionally, she has obtained a Qualification in Internal Audit Leadership (QIAL).

Richard R. Gildea

Member of the Board of Directors since July 2016

Membership of Board Committees: Chair of the Remuneration Committee and Member of the Risk Management Committee

Nationality: British
Born in Winthrop, Massachusetts, U.S.A., in 1952.

Experience: He served in JP Morgan Chase, in New York and London, from 1986 to 2015, wherein he held various senior management positions throughout his career. He was Emerging Markets Regional Manager for the Central and Eastern Europe Corporate Finance Group, London (1993-1997) and Head of Europe, Middle East and Africa (EMEA) Restructuring, London (1997-2003). He also served as Senior Credit Officer in EMEA Emerging Markets, London (2003-2007) and Senior Credit Officer for JP Morgan's Investment Bank Corporate Credit in EMEA Developed Markets, London (2007-2015), wherein, among others, he was Senior Risk Representative to senior committees.

Other positions of note: He is currently a member of the Board of Advisors at the Johns Hopkins University School of Advanced International Studies, Washington D.C., where he chairs the Finance Committee, as well as a member of Chatham House (the Royal Institute of International Affairs), London.

Education: BA in History, University of Massachusetts (1974), MA in International Economics, European Affairs, Johns Hopkins University School of Advanced International Studies (1984)

Elanor R. Hardwick
Member of the Board of Directors since July 2020

Membership of Board Committees: Chair of the Corporate Governance, Sustainability and Nominations Committee and Member of the Risk Management Committee

Nationality: British
Born in the UK, in 1973.

Experience: She commenced her career in 1995 at the UK Government's Department of Trade and Industry, focusing on the Communications and Information Industries policy, and subsequently held roles as a strategy consultant with Booz Allen Hamilton's Tech, Media and Telco practice and with the Institutional Equity Division of Morgan Stanley. Since 2005, she has held various roles, including Global Head of Professional Publishing and Global Head of Strategy, Investment Advisory at Thomson Reuters (now Refinitiv). Afterwards, she joined the team founding FinTech startup Credit Benchmark, becoming its CEO (2012-2016). Then, she served as Head of Innovation at Deutsche Bank (2016-2018) and as Chief Digital Officer at UBS (2019-2020). She served as a non-executive member of the Board of Directors of Itiviti Group AB (July 2020-May 2021).

Other positions of note: Since 2018 she has served as a non-executive member of the Board of Directors of specialty (re)insurer Axis Capital, while she is also a member of the Risk Committee, the Compensation Committee and the Corporate Governance and Nominating Committee. She is an external member of the Audit Committee of the University of Cambridge as of January 2021, a member of the Advisory Board of Concirrus as of May 2021 and a member of the Supervisory Council of Luminor Group as of April 2022.

Education: MA (Cantab), University of Cambridge, MBA, Harvard Business School

Shahzad A. Shahbaz
Member of the Board of Directors since May 2014

Membership of Board Committees: Member of the Corporate Governance, Sustainability and Nominations Committee

Nationality: British
Born in Lahore, Pakistan, in 1960.

Experience: He has worked at various banks and investments firms, since 1981, including the Bank of America (1981-2006), from which he left as Regional Head (Corporate and Investment Banking, Continental Europe, Emerging Europe, Middle East and Africa). He served as Chief Executive Officer (CEO) of NBD Investment Bank/Emirates NBD Investment Bank (2006-2008) and of QInvest (2008-2012).

Other positions of note: He is currently the Group CIO of Al Mirqab Holding Co. He is also a member of the Board of Directors of El Corte Inglés and of Seafox.

Education: BA in Economics, Oberlin College, Ohio, U.S.A.

Jan A. Vanhevel
Member of the Board of Directors from April 2016 to July 2022

Nationality: Belgian
Born in Belgium, in 1948.

Membership of Board Committees: Chair of the Risk Management Committee and Member of the Audit Committee until 21.7.2022

Experience: He joined Kredietbank in 1971, which became KBC Bank and Insurance Holding Company in 1998. He acquired a Senior Management position in 1991 and joined the Executive Committee in 1996. In 2003 he was in charge of the non-Central European branches and subsidiaries, while in 2005 he became responsible for the KBC subsidiaries in Central Europe and Russia. In 2009 he was appointed CEO and implemented the Restructuring Plan of the group until 2012, when he retired. From 2008 to 2011 he was President of the Fédération belge du secteur financier (Belgian Financial Sector Federation) and a member of the Verbond van Belgische Ondernemingen (Federation of Enterprises in Belgium), while he has been the Secretary General of the Institut International d'Études Bancaires (International Institute of Banking Studies) since May 2013. He was also a member of the Liikanen Group on reforming the structure of the EU banking sector.

Other positions of note: Board member of a private industrial multinational company and of a private equity company.

Education: Law, University of Leuven (1971), Financial Management, Vlekho (Flemish School of Higher Education in Economics), Brussels (1978), Advanced Management, INSEAD (The Business School for the World), Fontainebleau

Non-Executive Member (Pursuant to the provisions of Law 3864/2010)

Johannes Herman Frederik G. Umbgrove
Member of the Board of Directors since April 2018

Membership of Board Committees: Member of the Audit Committee, of the Risk Management Committee, of the Remuneration Committee and of the Corporate Governance, Sustainability and Nominations Committee

Nationality: Dutch
Born in Vught, the Netherlands, in 1961.

Experience: He worked at ABN AMRO Bank N.V. (1986-2008), wherein he held various senior management positions throughout his career. He served as Chief Credit Officer Central and Eastern Europe, Middle East and Africa (CEEMEA) of the Global Markets Division at The Royal Bank of Scotland Group (2008-2010) and as Chief Risk Officer and member of the Management Board at Amsterdam Trade Bank N.V. (2010-2013). From 2011 until 2013 he was Group Risk Officer at Alfa Bank Group Holding.

Other positions of note: As of 2014 he has been a Risk Advisor at Sparrenwoude B.V. He has been a member of the Supervisory Board of Demir Halk Bank (Nederland) N.V. since 2016 and in 2018 he became the Chairman of the Supervisory Board thereof. He is currently the Chair of the Supervisory Board, of the Nomination and Remuneration Committee as well as a member of the Risk and Audit Committee, and of the Related Party Transactions Committee of Demir Halk Bank N.V. Furthermore, since December 2019 he has been an independent member of the Supervisory Board and as of 1.1.2022 he has been the Chairman of the Audit Committee of Lloyds Bank GmbH. Additionally, he is a director of the Parel van Baarn Foundation and a member of the Management Committee of the Aston Martin Owners Club.

Education: LL.M. in Trade Law (1985), Leiden University, MBA, INSEAD (The Business School for the World), Fontainebleau (1991), IN-BOARD Non-Executive Directors Program, INSEAD

18.3 Appendix III – Group's subsidiaries and associates

The following tables list Alpha Bank Group's subsidiaries and associates, according to the consolidation method followed for regulatory purposes.

Template 57: EU LI3 - Outline of the differences in the scopes of consolidation (entity by entity) as of 31.12.2022

(Amounts in millions of Euro)

a	b	c	d	e	f	g	h
Name of the entity	Method of accounting consolidation	Method of regulatory consolidation					Description of the entity
		Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted	Deducted	
Alpha Bank S.A.	*Full consolidation*	*x*					*Credit Institutions*
ALPHA BANK LONDON LTD	*Full consolidation*	*x*					*Credit Institutions*
ALPHA LEASING A.E.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA FINANCE A.E.P.E.Y.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA ASSET MANAGEMENT A.E.D.A.K	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA VENTURES A.E.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA ASTIKA AKINITA A.E.	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC FACTORS A.E.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA REAL ESTATES MANAGEMENT AND	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA INSURANCE AGENTS A.E.	*Full consolidation*			*x*			*Non-Financial Corporations*

a	b	c	d	e	f	g	h
Name of the entity	Method of accounting consolidation	Method of regulatory consolidation					Description of the entity
		Full consolidatio n	Proportional consolidation	Equity method	Neither consolidated nor deducted	Deducted	
ALPHA BANK LONDON NOMINEES LTD	*Full consolidation*				*x*		*Other Financial corporations other than Credit Institutions*
ABL INDEPENDENT FINANCIAL ADVISERS LTD	*Full consolidation*				*x*		*Other Financial corporations other than Credit Institutions*
APE FIXED ASSETS A.E.	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA BANK ROMANIA S.A.	*Full consolidation*	*x*					*Credit Institutions*
ALPHA GROUP INVESTMENTS LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
KAFE ALPHA A.E.	*Full consolidation*			*x*			*Non-Financial Corporations*
ALPHA REAL ESTATE BULGARIA E.O.O.D	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA SUPPORTING SERVICES A.E	*Full consolidation*			*x*			*Non-Financial Corporations*
IONIAN EQUITY PARTICIPATIONS LTD.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHALIFE A.A.E.Z.	*Full consolidation*				*x*		*Other Financial corporations other than Credit Institutions*
ALPHA BANK CYPRUS LTD	*Full consolidation*	*x*					*Credit Institutions*
ALPHA TRUSTEES LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA INSURANCE BROKERS S.R.L.(ROMANIA)	*Full consolidation*			*x*			*Non-Financial Corporations*
ALPHA VENTURES CAPITAL MANAGEMENT -	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*

a	b	c	d	e	f	g	h
Name of the entity	**Method of accounting consolidation**	**Method of regulatory consolidation**					**Description of the entity**
		Full consolidation	**Proportional consolidation**	**Equity method**	**Neither consolidated nor deducted**	**Deducted**	
KATANALOTIKA PLC	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
REAL CAR RENTAL A.E.	*Full consolidation*			*x*			*Non-Financial Corporations*
EPIXIRO PLC	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
GEMINI CORE SECURITISATION DESIGNATED ACTIVITY	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA LEASING ROMANIA IFN S.A.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
CHARDASH TRADING E.O.O.D.	*Full consolidation*	*x*					*Non-Financial Corporations*
IRIDA PLC	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
PISTI 2010-1 PLC	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI-BRE PARTICIPATIONS 1 L.T.D.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI-RRE PARTICIPATIONS 1 L.T.D.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA REAL ESTATE SERVICES S.R.L.	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI - RRE PARTICIPATIONS 1 S.R.L.	*Full consolidation*	*x*					*Non-Financial Corporations*
STOCKFORT LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*

a	b	c	d	e	f	g	h
Name of the entity	Method of accounting consolidation	Method of regulatory consolidation					Description of the entity
		Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted	Deducted	
ZERELDA LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA INVESTMENT PROPERTY ATTIKIS A.E.	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI - RRE POSEIDON LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI - RRE HERA LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
S.C. ROMFELT REAL ESTATE S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
EMPORIKI VENTURE CAPITAL DEVELOPED	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
EMPORIKI VENTURE CAPITAL EMERGING	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
EMPORIKI MANAGEMENT A.E.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
EMPORIKI DEVELOPMENT & REAL ESTATE MANAGEMENT	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI - RRE POSEIDON SRL	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI - BRE PARTICIPATIONS 2 L.T.D.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI - BRE PARTICIPATIONS 3 L.T.D.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI - BRE PARTICIPATIONS 4 L.T.D.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*

a	b	c	d	e	f	g	h
Name of the entity	Method of accounting consolidation	Method of regulatory consolidation					Description of the entity
		Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted	Deducted	
ALPHA REAL ESTATE SERVICES LLC	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI - RRE ARES LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI - BRE PARTICIPATIONS 2 E.O.O.D.	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI - BRE PARTICIPATIONS 2BG E.O.O.D.	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI - BRE PARTICIPATIONS 4 E.O.O.D.	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI - RRE ARTEMIS LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI - BRE PARTICIPATIONS 5 L.T.D.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI - RRE CLEOPATRA LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI - RRE HERMES LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI - RRE ARSINOE LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI - SRE ARIADNI LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
SC CARMEL RESIDENTIAL SRL	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA INVESTMENT PROPERTY NEAS KIFISSIAS S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*

a	b	c	d	e	f	g	h
Name of the entity	**Method of accounting consolidation**	**Method of regulatory consolidation**					**Description of the entity**
		Full consolidation	**Proportional consolidation**	**Equity method**	**Neither consolidated nor deducted**	**Deducted**	
ALPHA INVESTMENT PROPERTY KALLIROIS S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE TOCHINI LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE EVAGORAS LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI-CYPRE TERSEFANOU LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI-CYPRE MAZOTOS LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE ERMIS LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA INVESTMENT PROPERTY LEVADIAS S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA SHIPPING FINANCE LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ASMITA GARDENS SRL	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA BANK DEBT NOTIFICATION SERVICES S.A.	*Full consolidation*			*x*			*Non-Financial Corporations*
CUBIC CENTER DEVELOPMENT S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA INVESTMENT PROPERTY NEAS ERYTHRAIAS S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI SRE PARTICIPATIONS 1 LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*

a	b	c	d	e	f	g	h
Name of the entity	Method of accounting consolidation	Method of regulatory consolidation					Description of the entity
		Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted	Deducted	
AGI SRE PARTICIPATIONS 1 DOO	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA INVESTMENTS PROPERTY SPATON S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA INVESTMENTS PROPERTY KALLITHEAS S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
KESTREL ENTERPRISE EOOD	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA INVESTMENTS PROPERTY IRAKLEIOU S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 2 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 4 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 5 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 6 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 8 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 7 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 9 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 12 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*

a	b	c	d	e	f	g	h
Name of the entity	**Method of accounting consolidation**	**Method of regulatory consolidation**					**Description of the entity**
		Full consolidation	**Proportional consolidation**	**Equity method**	**Neither consolidated nor deducted**	**Deducted**	
AGI-CYPRE PROPERTY 13 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 14 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 15 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 16 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 17 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 18 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 19 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 20 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE RES PAFOS LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE P&F NICOSIA LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE P2 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE P3 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE L2 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*

a	b	c	d	e	f	g	h
Name of the entity	Method of accounting consolidation	Method of regulatory consolidation					Description of the entity
		Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted	Deducted	
AGI-CYPRE RES NICOSIA LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE P&F LIMASSOL LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 21 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 22 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 23 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 24 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE L3 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE P&F LIMASSOL LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 25 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 26 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE COM PAFOS LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE RES LARNACA LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE P&F PAFOS LTD	*Full consolidation*	*x*					*Non-Financial Corporations*

a	b	c	d	e	f	g	h
Name of the entity	**Method of accounting consolidation**	**Method of regulatory consolidation**					**Description of the entity**
		Full consolidatio n	**Proportional consolidation**	**Equity method**	**Neither consolidated nor deducted**	**Deducted**	
AGI-CYPRE PROPERTY 27 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE L4 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE L5 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 28 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 29 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 30 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE COM PAFOS LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA QUANTUM DAC	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AEP INDUSTRIAL PROPERTY M. AE	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 31 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 32 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 33 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 34 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*

a	b	c	d	e	f	g	h
Name of the entity	**Method of accounting consolidation**	**Method of regulatory consolidation**					**Description of the entity**
		Full consolidation	**Proportional consolidation**	**Equity method**	**Neither consolidated nor deducted**	**Deducted**	
ALPHA GROUP REAL ESTATE LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ABC RE P&F PAFOS LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE P&F NICOSIA LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE RES NICOSIA LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP INDUSTRIAL ASSETS ROG S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP ATTICA RESIDENTIAL ASSETS I S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP THESSALONIKI RESIDENTIAL ASSETS S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP CRETAN RESIDENTIAL ASSETS S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP AEGEAN RESIDENTIAL S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP IONIAN RESIDENTIAL ASSETS S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP ATTICA COMMERCIAL ASSETS S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP THESSALONIKI COMMERCIAL ASSETS S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP COMMERCIAL ASSETS ROG S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*

a	b	c	d	e	f	g	h
Name of the entity	**Method of accounting consolidation**	**Method of regulatory consolidation**					**Description of the entity**
		Full consolidation	**Proportional consolidation**	**Equity method**	**Neither consolidated nor deducted**	**Deducted**	
AIP ATTICA RETAIL ASSETS I S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP ATTICA RETAIL ASSETS II S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP ATTICA RESIDENTIAL ASSETS II S.M.S.A	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP RETAIL ASSETS ROG S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP LAND II S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE P6 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 35 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE P&F LARNACA LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 37 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE RES AMMOCHOSTOS LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 38 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE RES LARNACA LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE P7 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*

a	b	c	d	e	f	g	h
Name of the entity	**Method of accounting consolidation**	**Method of regulatory consolidation**					**Description of the entity**
		Full consolidation	**Proportional consolidation**	**Equity method**	**Neither consolidated nor deducted**	**Deducted**	
AGI-CYPRE PROPERTY 42 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE P&F LARNACA LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
KRIGEO HOLDINGS LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA CREDIT ACQUISITION COMPANY LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI-CYPRE PROPERTY 43 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 44 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 45 LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI-CYPRE PROPERTY 40 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA INTERNATIONAL HOLDINGS S.M.S.A	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ABC RE RES AMMOCHOSTOS LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE RES PAPHOS LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
SAPAVA LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 46 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*

a	b	c	d	e	f	g	h
Name of the entity	**Method of accounting consolidation**	**Method of regulatory consolidation**					**Description of the entity**
		Full consolidation	**Proportional consolidation**	**Equity method**	**Neither consolidated nor deducted**	**Deducted**	
AGI-CYPRE PROPERTY 47 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 48 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA CREDIT PROPERTY 1 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
OFFICE PARK I SRL	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE COM NICOSIA LIMITED	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI-CYPRE PROPERTY 49 LIMITED	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI-CYPRE PROPERTY 50 LIMITED	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI-CYPRE COM LARNACA LIMITED	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ACARTA CONSTRUCT SRL	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 51 LIMITED	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI-CYPRE PROPERTY 52 LIMITED	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI-CYPRE PROPERTY 53 LIMITED	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA CREDIT PROPERTIES LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*

a	b	c	d	e	f	g	h
Name of the entity	**Method of accounting consolidation**	**Method of regulatory consolidation**					**Description of the entity**
		Full consolidatio n	**Proportional consolidation**	**Equity method**	**Neither consolidated nor deducted**	**Deducted**	
AGI-CYPRE PROPERTY 55 LIMITED	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI-CYPRE PROPERTY 54 LIMITED	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
SKY CAC LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
Engromest	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA CYP PR 56	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AIP ATTICA RESIDENTIAL ASSETS IV	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
STARTREK S.M.S.A.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AIP COMMERCIAL ASSETS II .M.S.A.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
NIGRINUS LIMITED	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
SKYLINE ASSETS SINGLE MEMBER A.E.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ATHENS COMMERCIAL ASSETS I	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ATHENS COMMERCIAL ASSETS II	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
APE COMMERCIAL PROPERTY A.E.	*Equity method*			*x*			*Other Financial corporations other than Credit Institutions*

a	b	c	d	e	f	g	h
Name of the entity	**Method of accounting consolidation**	**Method of regulatory consolidation**					**Description of the entity**
		Full consolidatio n	**Proportional consolidation**	**Equity method**	**Neither consolidated nor deducted**	**Deducted**	
APE INVESTMENT PROPERTY A.E	*Equity method*			*x*			*Other Financial corporations other than Credit Institutions*
ALPHA TANEO A.K.E.S.	*Equity method*			*x*			*Other Financial corporations other than Credit Institutions*
Rosequeens Properties Ltd.	*Equity method*			*x*			*Other Financial corporations other than Credit Institutions*
Panarae Saturn LP	*Equity method*			*x*			*Other Financial corporations other than Credit Institutions*
ALPHA INVESTMENT PROPERTY COMMERCIAL	*Equity method*			*x*			*Non-Financial Corporations*
ALPHA INVESTMENT PROPERTY ELEONA A.E.	*Equity method*			*x*			*Non-Financial Corporations*
OLGANOS A.E.	*Equity method*			*x*			*Non-Financial Corporations*
AEDEP Thessalias and Steras Ellados	*Equity method*			*x*			*Non-Financial Corporations*
A.L.C. Novelle Investments Ltd	*Equity method*				*x*		*Other Financial corporations other than Credit Institutions*
Banking Information Systems A.E.	*Equity method*			*x*			*Non-Financial Corporations*
Propindex A.E.D.A.	*Equity method*			*x*			*Non-Financial Corporations*
Perigenis Business Properties Societe Anonyme	*Equity method*			*x*			*Non-Financial Corporations*
CEPAL HELLAS HOLDINGS S.A.	*Equity method*			*x*			*Other Financial corporations other than Credit Institutions*

a	b	c	d	e	f	g	h
Name of the entity	**Method of accounting consolidation**	**Method of regulatory consolidation**					**Description of the entity**
		Full consolidation	**Proportional consolidation**	**Equity method**	**Neither consolidated nor deducted**	**Deducted**	
NEXI S.A.	*Equity method*			*x*			*Non-Financial Corporations*

ALPHA
SERVICES AND HOLDINGS

18.4 Appendix IV – Terms and conditions of Tier 2 instruments

Template 58a: EU CCA: Main features of regulatory own funds instruments and eligible liabilities instruments

		a
		Qualitative or quantitative information - Free format
1	Issuer	Alpha Services and Holdings S.A.
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS2111230285
2a	Public or private placement	public
3	Governing law(s) of the instrument	English law, except for status, subordination, waiver of set-off, acknowledgement of Statutory Loss Absorption Powers and provisions, relating to Noteholders Agent (Greek law)
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A
	Regulatory treatment	
4	Current treatment taking into account, where applicable, transitional CRR rules	Tier 2 Capital
5	Post-transitional CRR rules	Tier 2 Capital
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo & Consolidated
7	Instrument type (types to be specified by each jurisdiction)	Debt instrument - Art.62 CRR
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	EUR 500,000,000
9	Nominal amount of instrument	EUR 500,000,000
EU-9a	Issue price	100 per cent. of the Aggregate Nominal Amount
EU-9b	Redemption price	100 per cent. of their nominal amount
10	Accounting classification	Liability
11	Original date of issuance	13 February 2020
12	Perpetual or dated	dated
13	Original maturity date	13 February 2030
14	Issuer call subject to prior supervisory approval	applicable
15	Optional call date, contingent call dates and redemption amount	13 February 2025 - One time call option. The Issuer may elect to redeem all, but not some only, of the Notes on 13 February 2025 (Year 5) at par together with any accrued and unpaid interest thereon, subject to certain conditions including (but not limited to) prior regulatory approval.
16	Subsequent call dates, if applicable	N/A
	Coupons / dividends	
17	Fixed or floating dividend/coupon	Fixed coupon
18	Coupon rate and any related index	From (and including) the Issue Date to (but excluding) 13 February 2025 (Year 5): Fixed rate of 4.250% p.a. The Reset Date is 13 February 2025. From (and including) the Reset Date to (but excluding) the Maturity Date at the rate per annum equal to the Reset Rate of Interest (Resert Reference Rate plus reset margin). Reset Reference Rate is the then prevailing 5-year mid-swap rate (Reuters screen "ICESWAP2") and reset margin is 4.504%. Coupon is payable annually in arrear on 13 February in each year, commencing on 13 February 2021, up to and including the Maturity Date.
19	Existence of a dividend stopper	N/A
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory
21	Existence of step up or other incentive to redeem	No step up or other incentive to redeem
22	Noncumulative or cumulative	Noncumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down features	No
31	If write-down, write-down trigger(s)	N/A
32	If write-down, full or partial	N/A
33	If write-down, permanent or temporary	N/A
34	If temporary write-down, description of write-up mechanism	N/A
34a	Type of subordination (only for eligible liabilities)	N/A
EU-34b	Ranking of the instrument in normal insolvency proceedings	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Direct, unsecured, subordinated obligations ranking pari passu without any preference among themselves. Subordinated to Senior Creditors of the Issuer (including subordinated creditors whose claims rank, or are expressed to rank, in priority to claims of holders of the Notes).
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A
37a	Link to the full term and conditions of the intrument (signposting)	https://www.bourse.lu/security/XS2111230285/301952

(1) Insert 'N/A' if the question is not applicable

Template 58b: EU CCA: Main features of regulatory own funds instruments and eligible liabilities instruments

		a
		Qualitative or quantitative information - Free format
1	Issuer	Alpha Services and Holdings S.A.
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS2307437629
2a	Public or private placement	public
3	Governing law(s) of the instrument	English law, except for status, subordination, waiver of set-off, acknowledgement of Statutory Loss Absorption Powers and provisions, relating to Noteholders Agent (Greek law)
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A
	Regulatory treatment	
4	Current treatment taking into account, where applicable, transitional CRR rules	Tier 2 Capital
5	Post-transitional CRR rules	Tier 2 Capital
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo & Consolidated
7	Instrument type (types to be specified by each jurisdiction)	Debt instrument - Art.62 CRR
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	EUR 500,000,000
9	Nominal amount of instrument	EUR 500,000,000
EU-9a	Issue price	100 per cent. of the Aggregate Nominal Amount
EU-9b	Redemption price	100 per cent. of their nominal amount
10	Accounting classification	Liability - amortised cost
11	Original date of issuance	11 March 2021
12	Perpetual or dated	dated
13	Original maturity date	11 June 2031
14	Issuer call subject to prior supervisory approval	applicable
15	Optional call date, contingent call dates and redemption amount	11 March 2026 - One time call option. The Issuer may elect to redeem all, but not some only, of the Notes on (and including) 11 March 2026 (Year 5) at par together with any accrued and unpaid interest thereon, subject to certain conditions including (but not limited to) prior regulatory approval.
16	Subsequent call dates, if applicable	N/A
	Coupons / dividends	
17	Fixed or floating dividend/coupon	Fixed coupon
18	Coupon rate and any related index	From (and including) the Issue Date to (but excluding) 11 June 2026 (Year 5,25): Fixed rate of 5.500% p.a. The Reset Date is 11 June 2026. From (and including) the Reset Date to (but excluding) the Maturity Date at the rate per annum equal to the Reset Rate of Interest (Reset Reference Rate plus reset margin). Reset Reference Rate is the then prevailing 5-year mid-swap rate (Reuters screen “ICESWAP2/EURSFIXA”) and reset margin is 5.823%. Coupon is payable annually in each case, in arrear on 11 June in each year from (and including) 11 June 2021 (short first interest period) to (and including) the Maturity Date.
19	Existence of a dividend stopper	N/A
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory
21	Existence of step up or other incentive to redeem	No step up or other incentive to redeem
22	Noncumulative or cumulative	Noncumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down features	No
31	If write-down, write-down trigger(s)	N/A
32	If write-down, full or partial	N/A
33	If write-down, permanent or temporary	N/A
34	If temporary write-down, description of write-up mechanism	N/A
34a	Type of subordination (only for eligible liabilities)	N/A
EU-34b	Ranking of the instrument in normal insolvency proceedings	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Direct, unsecured, subordinated obligations ranking pari passu without any preference among themselves. Subordinated to Senior Creditors of the Issuer (including subordinated creditors whose claims rank, or are expressed to rank, in priority to claims of holders of the Notes).
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A
37a	Link to the full term and conditions of the intrument (signposting)	https://www.bourse.lu/security/XS2307437629/332689

(1) Insert ‘N/A’ if the question is not applicable

18.5 Appendix V – Own Funds structure

Template 59: EU CC1 - Composition of regulatory own funds as of 31.12.2022

(Amounts in millions of Euro)

		a	a	b
		31.12.2022	30.6.2022	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Common Equity Tier 1 (CET1) capital: instruments and reserves				
1	Capital instruments and the related share premium accounts	5,940	5,963	(a)
2	Retained earnings	(133)	(6,300)	(b)
3	Accumulated other comprehensive income (and other reserves)	75	6,258	(c)
EU-3a	Funds for general banking risk	-	-	
4	Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1			
5	Minority interests (amount allowed in consolidated CET1)	0	0	
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	358	214	(b)
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**6,241**	**6,136**	
Common Equity Tier 1 (CET1) capital: regulatory adjustments				
7	Additional value adjustments (negative amount)	(6)	(5)	
8	Intangible assets (net of related tax liability) (negative amount)	(407)	(364)	(d)
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	(7)	(7)	(e)
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	219	217	(c)
12	Negative amounts resulting from the calculation of expected loss amounts	-	-	
13	Any increase in equity that results from securitised assets (negative amount)	-	-	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-	-	
15	Defined-benefit pension fund assets (negative amount)			
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	(1)		(a)

		a	a	b
		31.12.2022	30.6.2022	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
17	Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-	
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-	
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-	
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	(41)	(44)	
EU-20b	of which: qualifying holdings outside the financial sector (negative amount)	-	-	
EU-20c	of which: securitisation positions (negative amount)	(41)	(44)	
EU-20d	of which: free deliveries (negative amount)	-	-	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	(1,858)	(1,927)	(e)
22	Amount exceeding the 17,65% threshold (negative amount)	(20)	(33)	(e),(g)
23	of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	(1)	(2)	(g)
25	of which: deferred tax assets arising from temporary differences	(18)	(31)	(e)
EU-25a	Losses for the current financial year (negative amount)	-	-	
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	-	-	
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	-	
27a	Other regulatory adjustments	420	473	

		a	a	b
		31.12.2022	30.6.2022	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**(1,701)**	**(1,691)**	
29	**Common Equity Tier 1 (CET1) capital**	**4,540**	**4,445**	
Additional Tier 1 (AT1) capital: instruments				
30	Capital instruments and the related share premium accounts			
31	of which: classified as equity under applicable accounting standards			
32	of which: classified as liabilities under applicable accounting standards			
33	Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1 as described in Article 486(3) CRR	-	-	
EU-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1			
EU-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1			
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties			
35	of which: instruments issued by subsidiaries subject to phase out			
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**-**	**-**	
Additional Tier 1 (AT1) capital: regulatory adjustments				
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)			
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-	
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-	
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	-	
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)			

		a	a	b
		31.12.2022	**30.6.2022**	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation**
42a	Other regulatory adjustments to AT1 capital			
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	**-**	**-**	
44	**Additional Tier 1 (AT1) capital**	**-**	**-**	
45	**Tier 1 capital (T1 = CET1 + AT1)**	**4,540**	**4,445**	
Tier 2 (T2) capital: instruments				
46	Capital instruments and the related share premium accounts	1,000	1,000	(f)
47	Amount of qualifying items referred to in Article 484 (5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR	-	-	
EU-47a	Amount of qualifying items referred to in Article 494a (2) CRR subject to phase out from T2	-	-	
EU-47b	Amount of qualifying items referred to in Article 494b (2) CRR subject to phase out from T2	-	-	
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties			
49	of which: instruments issued by subsidiaries subject to phase out			
50	Credit risk adjustments	-	-	
51	**Tier 2 (T2) capital before regulatory adjustments**	**1,000**	**1,000**	
Tier 2 (T2) capital: regulatory adjustments				
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)			
53	Direct, indirect and synthetic goldings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-	
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-	
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	-	

		a	a	b
		31.12.2022	**30.6.2022**	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation**
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-	-	
EU-56b	Other regulatory adjustments to T2 capital			
57	Total regulatory adjustments to Tier 2 (T2) capital	-	-	
58	Tier 2 (T2) capital	1,000	1,000	
59	**Total capital (TC = T1 + T2)**	**5,540**	**5,445**	
60	**Total Risk exposure amount**	**34,286**	**36,030**	
Capital ratios and buffers				
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	13.2%	12.3%	
62	Tier 1 (as a percentage of total risk exposure amount)	13.2%	12.3%	
63	Total capital (as a percentage of total risk exposure amount)	16.2%	15.1%	
64	Institution CET1 overall capital requirement (CET1 requirement in accordance with Article 92 (1) CRR, plus additional CET1 requirement which the institution is required to hold in accordance with point (a) of Article 104(1) CRD, plus combined buffer requirement in accordance with Article 128(6) CRD) expressed as a percentage of risk exposure amount)	9.49%	9.44%	
65	of which: capital conservation buffer requirement	2.50%	2.50%	
66	of which: countercyclical buffer requirement	0.06%	0.00%	
67	of which: systemic risk buffer requirement	0.00%	0.00%	
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	0.75%	0.75%	
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	1.69%	1.69%	
68	**Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)**	4.99%	4.09%	
Amounts below the thresholds for deduction (before risk weighting)				
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	24	24	

		a	a	b
		31.12.2022	30.6.2022	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	37	34	
75	Deferred tax assets arising from temporary differences (amount below 17,65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	581	562	
Applicable caps on the inclusion of provisions in Tier 2				
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	-	-	
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	-	-	
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)			
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	-	-	
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)				
80	Current cap on CET1 instruments subject to phase out arrangements	-	-	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	-	
82	Current cap on AT1 instruments subject to phase out arrangements	-	-	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	-	
84	Current cap on T2 instruments subject to phase out arrangements	-	-	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	-	

18.6 Appendix VI – Organizational Chart