



ALPHA
SERVICES AND HOLDINGS

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 30.9.2021

(In accordance with International Accounting Standard 34)



Athens, 30 November 2021

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Interim Consolidated Income Statement

(Amounts in thousands of Euro)

	Note	From 1 January to		From 1 July to	
		30.9.2021	30.9.2020*	30.9.2021	30.9.2020*
Interest and similar income		1,468,156	1,565,434	445,923	515,092
Interest expense and similar charges		(379,060)	(411,795)	(127,464)	(133,336)
Net interest income	2	1,089,096	1,153,639	318,459	381,756
Fee and commission income		348,577	292,506	133,336	99,933
Commission expense		(49,122)	(40,997)	(23,572)	(15,085)
Net fee and commission income	3	299,455	251,509	109,764	84,848
Dividend income		972	2,525	175	1,731
Gains/(losses) on derecognition of financial assets measured at amortised cost	14	(2,234,934)	4,200	1,145	2,325
Gains less losses from financial transactions	4	205,064	256,026	5,370	40,190
Other income		24,861	17,513	4,935	5,082
Total other income/ (loss)		(2,004,037)	280,264	11,625	49,328
Total income /(loss)		(615,486)	1,685,412	439,848	515,932
Staff costs	5	(307,264)	(321,754)	(89,737)	(107,998)
Provision for employees separation schemes	5	(97,701)	-	(31)	-
General administrative expenses	6	(346,090)	(340,185)	(109,249)	(117,033)
Depreciation and amortization		(118,644)	(115,132)	(38,079)	(39,238)
Other expenses	7	(59,161)	(11,298)	(2,631)	(4,321)
Total expenses before impairment losses and provisions to cover credit risk		(928,860)	(788,369)	(239,727)	(268,590)
Impairment losses and provisions to cover credit risk	8, 9	(972,997)	(751,321)	(439,361)	(170,535)
Share of profit/(loss) of associates and joint ventures		1,507	(563)	746	187
Profit/(loss) before income tax		(2,515,836)	145,159	(238,494)	76,994
Income tax	10	18,001	(11,602)	67,237	(32,686)
Net profit/(loss) for the period after income tax		(2,497,835)	133,557	(171,257)	44,308
Net profit/(loss) attributable to:					
Equity holders of the Company		(2,497,885)	133,427	(171,258)	44,252
Non-controlling interests		50	130	1	56
Earnings/(Losses) per share					
Basic (€ per share)	11	(1.394)	0.086	(0.075)	0.029
Diluted (€ per share)	11	(1.394)	0.086	(0.075)	0.029

* Certain figures of the previous period have been restated in order to be comparable, as described in detail in note 31.

3 The attached notes (pages 9 - 102) form an integral part of these interim consolidated financial statements.

Interim Consolidated Statement of Comprehensive Income

(Amounts in thousands of Euro)

	Note	From 1 January to 30.9.2021	30.9.2020*	From 1 July to 30.9.2021	30.9.2020*
Net profit/(loss), after income tax, recognized in the Income Statement		(2,497,835)	133,557	(171,257)	44,308
Other comprehensive income					
Items that may be reclassified subsequently to the Income Statement					
Net change in investment securities' reserve measured at fair value through other comprehensive income		(113,167)	(215,508)	(28,867)	13,498
Net change in cash flow hedge reserve		15,545	15,603	5,238	5,239
Foreign currency translation net of investment hedges of foreign operations		(478)	(4,062)	222	(799)
Income tax related to the above	10	27,233	54,037	5,884	(5,022)
Items that may be reclassified subsequently to the Income Statement		(70,867)	(149,930)	(17,523)	12,916
Items that will not be reclassified to the Income Statement					
Remeasurement of defined benefit liability/ (asset)		1	166		168
Gains/(losses) from investments in equity securities measured at fair value through other comprehensive income		4,690	(181)	807	794
Income tax	10	(2,044)	(631)	1,868	(495)
Items that will not be reclassified to the Income Statement		2,647	(646)	2,675	467
Other comprehensive income for the period after income tax		(68,220)	(150,576)	(14,848)	13,383
Total comprehensive income for the period		(2,566,055)	(17,019)	(186,105)	57,691
Total comprehensive income for the period attributable to:					
Equity holders of the Company		(2,566,105)	(17,143)	(186,110)	57,636
Non-controlling interests		50	124	5	55

* Certain figures of the previous period have been restated in order to be comparable, as described in detail in note 31.

Interim Consolidated Balance Sheet

(Amounts in thousands of Euro)

	Note	30.9.2021	31.12.2020
ASSETS			
Cash and balances with central banks	12	11,401,203	7,467,316
Due from banks	13	3,189,991	2,741,547
Trading securities	15	26,719	30,014
Derivative financial assets		983,974	1,267,083
Loans and advances to customers	14	35,969,872	39,380,002
Investment securities	15		
- Measured at fair value through other comprehensive income		6,917,675	6,577,698
- Measured at amortised cost		3,770,638	3,335,733
- Measured at fair value through profit or loss		217,720	137,675
Investments in associates and joint ventures		61,670	30,716
Investment property		548,142	569,876
Property, plant and equipment		758,671	796,331
Goodwill and other intangible assets		465,790	601,818
Deferred tax assets		5,383,684	5,292,612
Other assets		1,636,192	1,587,943
		71,331,941	69,816,364
Assets classified as held for sale	29	1,743,305	240,343
Total Assets		73,075,246	70,056,707
Liabilities			
Due to banks	16	14,379,718	13,106,681
Derivative financial liabilities		1,333,175	1,768,357
Due to customers		46,522,341	43,830,940
Debt securities in issue and other borrowed funds	17	2,186,910	1,222,869
Liabilities for current income tax and other taxes		54,393	70,141
Deferred tax liabilities		30,479	34,679
Employee defined benefit obligations		88,758	94,386
Other liabilities		1,083,479	891,580
Provisions	18	852,112	703,630
		66,531,365	61,723,263
Liabilities related to assets classified as held for sale	29	90	251
Total Liabilities		66,531,455	61,723,514
EQUITY			
Equity attributable to holders of the Company			
Share capital	19	703,794	463,110
Share premium	19	11,362,512	10,801,029
Other reserves		420,899	492,791
Retained earnings	19	(5,987,270)	(3,467,818)
		6,499,935	8,289,112
Non-controlling interests		29,395	29,382
Hybrid securities	20	14,461	14,699
Total Equity		6,543,791	8,333,193
Total Liabilities and Equity		73,075,246	70,056,707

Interim Consolidated Statement of Changes in Equity

(Amounts in thousands of Euro)

	Share capital	Share premium	Other reserves	Amounts directly recognized in equity and are associated with assets classified as held for sale	Retained Earnings*	Total	Non-controlling interests	Hybrid securities	Total
Balance 1.1.2020	463,110	10,801,029	739,676	(122)	(3,572,126)	8,431,567	28,951	15,072	8,475,590
Changes for the period 1.1 - 30.9.2020									
Profit/(loss) for the period, after income tax					133,427	133,427	130		133,557
Other comprehensive income for the period, after income tax			(149,924)		(646)	(150,570)	(6)		(150,576)
Total comprehensive income for the period, after income tax			(149,924)		132,781	(17,143)	124	-	(17,019)
Transfer of reserves related to the valuation of equity securities measured at fair value through other comprehensive income			(122)	(3,373)	3,495	-			-
(Acquisitions), Disposals / Share capital increase and other changes of ownership interests in subsidiaries							229		229
(Purchases), (Redemption)/ Disposals of hybrid securities, after income tax						-		(288)	(288)
Appropriation of reserves			570		(570)	-			-
Other			(2)		92	90			90
Balance 30.9.2020	463,110	10,801,029	590,198	(3,495)	(3,436,328)	8,414,514	29,304	14,784	8,458,602
Changes for the period 1.10 - 31.12.2020									
Profit/(loss) for the period, after income tax					(29,690)	(29,690)	78		(29,612)
Other comprehensive income for the period, after income tax			(100,571)		2,137	(98,434)	(4)		(98,438)
Total comprehensive income for the period, after income tax			(100,571)		(27,553)	(128,124)	74	-	(128,050)
Transfer of reserves related to the valuation of equity securities measured at fair value through other comprehensive income				3,495	(3,495)	-			-
(Acquisitions), Disposals / Share capital increase and other changes of ownership interests in subsidiaries						-	(6)		(6)
Valuation reserve for employee stock option program			1,667			1,667			1,667
Appropriation of reserves			1,497		(1,497)	-	10		10
(Purchases), (Redemption)/ Disposals of hybrid securities, after income tax						-		(85)	(85)
Expenses for share capital increase					74	74			74
Other					981	981			981
Balance 31.12.2020	463,110	10,801,029	492,791	-	(3,467,818)	8,289,112	29,382	14,699	8,333,193

* Certain figures of the previous period have been restated in order to be comparable, as described in detail in note 31.

(Amounts in thousands of Euro)

	Share capital	Share premium	Other reserves	Amounts directly recognized in equity and are associated with assets classified as held for sale	Retained earnings*	Total	Non-controlling interests	Hybrid securities	Total
Balance 1.1.2021	463,110	10,801,029	492,791	-	(3,467,818)	8,289,112	29,382	14,699	8,333,193
Changes for the period 1.1 - 30.9.2021									
Profit/(loss) for the period, after income tax					(2,497,885)	(2,497,885)	50		(2,497,835)
Other comprehensive income for the period, after income tax			(70,867)		2,647	(68,220)			(68,220)
Total comprehensive income for the period, after income tax	-	-	(70,867)	-	(2,495,238)	(2,566,105)	50	-	(2,566,055)
Share Capital Increase	240,000	560,000				800,000			800,000
Share Capital Increase through the exercise of call option rights	684	1,483	(1,666)		183	684			684
Valuation reserve for employee stock option program			488			488			488
(Acquisitions), Disposals / Share capital increase and other changes of ownership interests in subsidiaries			(8)			(8)	(37)		(45)
Appropriation of reserves			179		(179)	-			-
(Purchases), (Redemption)/ Disposals of hybrid securities, after income tax						-		(238)	(238)
Share Capital Increase expenses, after tax					(24,158)	(24,158)			(24,158)
Other			(18)		(60)	(78)			(78)
Balance 30.9.2021	703,794	11,362,512	420,899	-	(5,987,270)	6,499,935	29,395	14,461	6,543,791

Interim Consolidated Statement of Cash Flows

(Amounts in thousands of Euro)

	From 1 January to	
	30.9.2021	30.9.2020*
Cash flows from operating activities		
Profit/(loss) before income tax	(2,515,836)	145,159
Adjustments of profit/(loss) before income tax for:		
Depreciation, impairment, write-offs and net result from disposal of property, plant and equipment	60,090	62,027
Amortization, impairment, write-offs of intangible assets	101,687	54,508
Impairment losses on financial assets and other provisions	1,204,536	782,475
Gains less losses on derecognition of financial assets measured at amortised cost	2,234,934	(4,200)
Fair value (gains)/losses on financial assets measured at fair value through profit or loss	(85,012)	68,448
(Gains)/losses from investing activities	(203,527)	(391,237)
(Gains)/losses from financing activities	38,728	22,930
Share of (profit)/loss of associates and joint ventures	(1,507)	(563)
	834,093	739,547
Net (increase)/decrease in assets relating to operating activities:		
Due from banks	362,323	(441,572)
Trading securities and derivative financial instruments	(7,711)	(54,948)
Loans and advances to customers	(1,361,597)	(1,492,503)
Other assets	(58,406)	371,265
Net increase/(decrease) in liabilities relating to operating activities:		
Due to banks	1,273,037	2,980,668
Due to customers	2,691,401	1,293,137
Other liabilities	189,147	11,206
Net cash flows from operating activities before income tax	3,922,287	3,406,800
Income tax paid	(67,795)	(1,620)
Net cash flows from operating activities	3,854,492	3,405,180
Cash flows from investing activities		
Acquisition of subsidiaries		(41,963)
Investments in associates and joint ventures		(21,601)
Proceeds from disposals of subsidiaries	100,312	16,155
Dividends received	972	2,525
Acquisitions of investment property, property, plant and equipment and intangible assets	(60,373)	(136,263)
Disposals of investment property, property, plant and equipment and intangible assets	22,339	30,824
Interest received from investment securities	185,067	164,511
Purchases of Greek Government Treasury Bills	(1,019,397)	(434,708)
Proceeds from disposal and redemption of Greek Government Treasury Bills	1,017,997	256,065
Purchases of investment securities (excluding Greek Government Treasury Bills)	(3,221,430)	(3,335,271)
Disposals/maturities of investment securities (excluding Greek Government Treasury Bills)	2,175,088	1,766,467
Net cash flows from investing activities	(799,425)	(1,733,259)
Cash flows from financing activities		
Share capital increase	800,684	
Expenses for share capital increase	(24,158)	
Proceeds from issue of debt securities and other borrowed funds	989,965	495,863
Interest paid on debt securities in issue and other borrowed funds	(20,877)	(111,173)
Repayments of debt securities in issue and other borrowed funds	(40,969)	(12,592)
Payment of lease liabilities	(18,814)	(37,050)
Net cash flows from financing activities	1,685,831	335,048
Effect of foreign exchange changes on cash and cash equivalents	3,755	8,181
Net increase/(decrease) in cash flows	4,744,653	2,015,150
Cash and cash equivalents at the beginning of the year	7,990,900	3,402,328
Cash and cash equivalents at the end of the year	12,735,553	5,417,478

* Certain figures of the previous period have been restated in order to be comparable, as described in detail in note 31.

Notes to the Condensed Interim Consolidated Financial Statements

GENERAL INFORMATION

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

On 16.4.2021, the core banking operations of the former Alpha Bank S.A. (hereinafter "Demerged") were demerged by way of hive –down and were contributed into a newly-formed credit institution under the same corporate name, i.e. Alpha Bank S.A. which is 100% subsidiary of the Demerged. The Demerged changed its corporate name to "Alpha Services and Holding S.A." under the distinctive title "Alpha Services and Holding" on 19.4.2021 and ceased to be a credit institution, whereas its shares remain listed in the Main Market of the Athens Stock Exchange.

Alpha Services and Holdings S.A. (hereinafter the "Company") is the ultimate parent company of the Group, has its registered office at 40 Stadiou Street, Athens and is listed in the General Commercial Register with registration number 223701000 (ex societe anonym registration number 6066/06/B/86/05). Its duration has been set until 2100 and can be extended following a decision of the General Meeting.

In accordance with article 4 of the Articles of Association, the Company's business scope is:

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

The Company is managed by the Board of Directors, which represents the Company and is qualified to resolve on every action concerning its management, the administration of its property and the promotion of its scope of business in general. The tenure of the Board of Directors which was elected by the Ordinary General Meeting of Shareholders on 29.6.2018 expires with the Ordinary General Meeting of Shareholders that will take place in 2022.

According to the decision of the Board of Directors of 16.4.2021, as Alpha Services and Holdings S.A. ceased to be a credit institution and the new assessment of the Board of Directors into body was deemed necessary.

The Board of Directors as at September 30, 2021, consisted of:

CHAIRMAN (Non-Executive Member)

Vasileios T. Rapanos

EXECUTIVE MEMBERS

Vassilios E. Psaltis, Chief Executive Officer (CEO)

Spyros N. Filaretos, General Manager - Growth and Innovation

NON-EXECUTIVE MEMBER

Efthimios O. Vidalis */****

NON-EXECUTIVE INDEPENDENT MEMBERS

Dimitris K. Tsitsiragkos **/**

Jean L. Cheval **/**

Carolyn Adele G. Dittmeier */****

Richard R. Gildea **/**

Elanor R. Hardwick */****

Shahzad A. Shahbaz ****

Jan Oscar A. Vanhevel */**

NON-EXECUTIVE MEMBER

(pursuant to the provisions of Law 3864/2010)

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

SECRETARY

George P. Triantafyllides

* Member of the Audit Committee

** Member of the Risk Management Committee

*** Member of the Remuneration Committee

**** Member of the Corporate Governance, Sustainability and Nominations Committee

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

Indicatively, the main responsibilities of the Committee include, but are not limited to, the preparation of the strategy, business plan and annual budget of the Company and the Group for submission to and approval by the Board of Directors, as well as the preparation of the annual and quarterly financial statements; the preparation of the Internal Capital Adequacy Assessment Process (ICAAP) Report and the Internal Liquidity Adequacy Assessment Process (ILAAP) Report; review and approval of the Company's policies; processes and systems relating to the Recovery Plan. Furthermore, the Committee is responsible for the implementation of the overall risk strategy – including the institution's risk appetite and its risk management framework, an adequate and effective internal governance and internal control framework, the selection and suitability assessment process for Key Function Holders, the amounts, types and distribution of both internal capital and regulatory capital, and the targets for the liquidity management of the Company.

The composition of the Executive Committee as of 30.9.2021 is as follows:

CHAIRMAN

Vassilios E. Psaltis, Chief Executive Officer

EXECUTIVE MEMBERS

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

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

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

Sergiu-Bogdan A. Opreescu, General Manager International Network

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

Ioannis M. Emiris, General Manager Wholesale Banking

Isidoros S. Passas, General Manager Retail Banking

Anastasia X. Sakellariou, General Manager - Chief Transformation Officer

Stefanos N. Mytilinaios, General Manager - Chief Operating Officer

Alpha Bank Services and Holding S.A. (ex "Alpha Bank S.A.") is listed on the Athens Stock Exchange since 1925 and is included among the companies with the higher market capitalization. The Company's shares are included in international indices, such as the MSCI Emerging Markets, MSCI Greece, FTSE All World and FTSE4 Good Emerging Index.

Apart from the Greek stock exchange, the Company is also traded over the counter in New York (ADRs).

On 2 July 2021, Alpha Services and Holding, announced the completion of offering 800,000,000 new common, registered shares, with nominal value of Euro 0.30 each to institutional investors through private placement outside Greece and through public offering to retail and qualified investors in Greece, with an exercise price of Euro 1.00 per new share. As a result on 30.9.2021 the new number of common shares, incorporating the offering, is 2,345,981,097 out of which 2,134,842,798 common, registered, voting, paperless shares, with nominal value of Euro 0,30 each are held by Private Investors and 211,138,299 shares are held by the Hellenic Financial Stability Fund (i.e. 9% of the share capital). The number of 169,174,167 shares held by the Hellenic Financial Stability Fund are under the provisions of Law 3864/2010.

During the nine month period of 2021, the average daily volume shares traded session was € 11,214,134.

Following the demerger of "Alpha Bank S.A." by way of hive down of the banking business sector and contribution into a newly formed credit institution on 16.4.2021, and the change of the corporate name and the distinctive title of the demerged from "Alpha Bank S.A." to "Alpha Services and Holding S.A." with the distinctive title "Alpha Services and Holding" on 19.4.2021, the credit ratings of the Group as at 30.9.2021 is as follows:

Credit Rating of Alpha Services and Holding S.A.:

- Standard & Poor's: B-
- Moody's: Caa1
- Fitch Ratings: CCC+

These condensed interim consolidated financial statements have been approved by the Board of Directors on 30th November 2021.

ACCOUNTING POLICIES APPLIED

1.1 Basis of presentation

The Group has prepared the condensed interim financial statements for the current period ending at 30.9.2021 in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting, as it has been adopted by the European Union. Interim financial statements should be read in conjunction with the annual financial statements of the Group for the year ended 31.12.2020.

The accounting policies applied by the Group in preparing the condensed interim financial statements are the same as those stated in the published financial statements for the year ended on 31.12.2020, after taking into account the amendments to standards which were issued by the International Accounting Standards Board (IASB), adopted by the European Union and applied on 1.1.2021, for which further analysis is provided in note 1.1.2.

It is noted that as a result of transferring the unit that manages overdue loans to Cepal and the sale of 80% of the shares of Cepal during the second quarter of 2021, the Group chose to present loans servicing fees arising from the agreement with Cepal in the "Impairment losses and provisions to cover credit risk" caption in the Income Statement. This presentation reflects more accurately the nature of these fees taking into account the new model for the servicing of overdue loans as well as the fact that impairment losses on these loans and the impact from the modification of their contractual terms is also presented in the same line item (note 8).

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

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

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

1.1.1 Going concern

The financial statements as at 30.9.2021 have been prepared based on the going concern principle. For the application of this principle, the Board of Directors took into account current economic developments and made estimates for the formation, in the near future, of the economic environment in which it operates. In this context, the Board of Directors assessed the following areas which are considered important during its assessment:

Developments in the macroeconomic environment

The emergence and rapid spread of the Covid-19 pandemic in early 2020 dealt a severe blow to the global and Greek economies. Governments, in an effort to strengthen the resilience of their national economies, have taken unprecedented fiscal measures to support national health systems, ensure employment and entrepreneurship. The Greek Government's counter-cyclical fiscal policy partially offset the negative effects of the recession (GDP: -9%, on an annual basis) in 2020, as the Greek economy, despite the heavy losses, showed remarkable resilience and ability to adapt to the new conditions. It is noted that the recession in 2020 could have reached 17.5% without fiscal intervention. The global vaccination campaign has helped the economic recovery to gradually accelerate, but the pace of vaccination implementation is asymmetric between economies.

In Greece, the strong recovery of GDP in the second quarter of 2021, by 16.2% on an annual basis and 3.4% on a quarterly basis, demonstrates the faster than expected recovery of losses in economic activity due to the pandemic. The impressive annual growth in the second quarter, relied mainly on private consumption and which was "financed" by the accumulation

of savings last year, mainly due to the mandatory abstinence from services, contributed greatly to the corresponding high performance of the semester by 6.3%. However, the much smaller-than-expected recession of the first quarter - only -2.3% on an annual basis - also played an important role in this.

Some particularly encouraging signs that the recovery of the Greek economy in 2021 will be strong are the following: First, estimates for the return of arrivals and revenue from tourism to a level of more than 50% of the record performance in 2019. Second, the decline of the unemployment rate to 13.9% in August this year, from 16.9% for the same month last year. Third, the significant increase of the retail sales volume index (+ 10.5%, on an annual basis in the first seven months of 2021) and the manufacturing production index (+ 7.8%, on an annual basis during the period January-August 2021). Fourth, the significant recovery of business turnover and finally, the return of the Economic Climate Index to pre-pandemic levels.

Given the projected dynamic recovery in the third quarter of 2021, the crucial factors that will determine the growth rate of the last quarter, at a level such that the growth rate for the whole year to be around 7%, is a possible expansion of tourism period in the autumn months, the course of the pandemic, which is greatly affected by the expanding vaccination coverage and the absorption of funds of the European Union Recovery Fund (Next Generation EU, NGEU).

Challenges and uncertainties remain regarding the evolution of the Covid-19 disease and its mutations, but also from possible effects of a more permanent nature on productivity, employment, household behavior, business resilience and risks regarding financing of economically weak economies. In addition, from the summer of 2021 onwards, there are global inflationary pressures, which are particularly visible in the prices of energy, as well as in the prices of commodities, raw materials and foodstuffs. According to current estimates, the rise in inflation is associated with a sharp decline in the price level in the previous year (base effects), the dynamic recovery of economies after the lifting of restrictive measures, but also the imbalance between supply and demand in some sectors and are therefore expected to be temporary. However, they may also create a climate of uncertainty about the estimated impact they will have on household purchasing power and, consequently, on consumer spending. In view of the winter, it is crucial to take measures to protect the disposable income of households, due to the high burden on family budgets. The Greek Government has already adopted measures to support society against the negative effects of the energy crisis, such as increasing the heating allowance, broadening the eligibility criteria, in order to cover a larger percentage of households, and also state providing subsidies to electricity bills.

In addition to income support, in order for the effects of the energy crisis on private consumption to be as mild as possible for as long as it lasts, an additional factor that will determine the dynamics of the Greek economy recovery is the ability of businesses to adapt. The increased cost of raw materials and transportation costs will squeeze the profit margins of companies. However, the possibility of passing on the increased costs to the prices of final products - which will be determined, among other things, by the elasticity of demand for them - is expected to offset, to varying degrees by industry and activity, the effects of the energy crisis on production.

The Greek Government significantly revised upwards its forecast for the growth rate in 2021, to 6.1% (Preliminary Draft State Budget 2022) from 3.6% (Medium Term Fiscal Strategy Framework) while the IMF in its recent report (World Economic Outlook, October 2021) includes an estimate for a growth of Greek GDP by 6.5% in 2021, from 3.8% which was the forecast provided by the organization in April. The prospect of access to the funds of the European Recovery Fund (Next Generation EU) and in particular of the Recovery and Resilience Facility (RRF), from the second half of 2021, can significantly enhance the growth potential of the economy. The investments that are expected to be made will be mainly focused on green and digital development. In total, during the period 2021-2026, the Greek economy is expected to benefit by Euro 30.5 billion, of which € 17.8 billion relate to grants and € 12.7 billion relate to loans on favorable terms. The National Recovery and Sustainability Plan "Greece 2.0", approved by the European Commission, is the vehicle for absorbing the resources of the Recovery Fund and includes a series of investments and structural reforms aimed at strengthening the business environment, the green economy and the digital transformation, of the public and private sector.

At the same time, in the first nine months of 2021, Greece successfully proceeded to issue new and reissue of existing bonds, 5-year, 10-year and 30-year, drawing a total of € 11.5 billion from international financial markets. The upgrade of the credit rating of Greece's debt at the end of April 2021 by one notch from the credit rating agency Standard and Poor's Global Ratings, to BB from BB- and the improvement of the prospects of the Greek economy from "stable" to "positive" confirms the enhanced confidence of international investors in the development prospects of the Greek economy. According to the rating agency, the Greek economy now presents strong growth prospects, with rates that are expected to exceed the European average in the next three years.

Liquidity

Regarding the liquidity levels of the Group, it is noted that there was no adverse change due to Covid-19 in terms of the ability to draw liquidity from the Eurosystem Mechanisms and from money markets (with or without collaterals). The Bank made use of the TLTRO III program of the European Central Bank and ensured long-term liquidity with significantly low interest rates. In this context, the total financing from the European Central Bank on 30.9.2021 amounts to € 13 billion (note 16). In addition, in order to enhance its liquidity, the Bank issued on 16.9.2021 a senior preferred bond, amounting to € 500 million, with a 6.5-year maturity and callable in year 5.5, with a coupon of 2.5% and yield of 2.625%. It is also important that the European Central Bank, in its decisions in March, April and December 2020, accepted the securities of the Hellenic Republic as collateral for liquidity operations. It is noted that the available eligible collaterals through which the drawing of liquidity from the Eurosystem Mechanisms and/or from third sources is ensured, to the extent required, amounts to € 12.1 billion. It is noted that the Bank has no liabilities from bond maturities in 2021, other than the financing from the European Central Bank. Additionally, in the first nine months of 2021 there was an increase in Group deposits by € 3.2 billion. As a result of the above, the liquidity ratios (liquidity coverage ratio and net stable funding ratio) exceed the supervisory limits that have been set.

Capital Adequacy

On 30.9.2021, the Common Equity Tier I of the Group was 13.9% and the Total Capital Adequacy Ratio was 16.5%. These levels are significantly higher than the levels set by the European Central Bank as further described in note 27. It is also important that due to the spread of Covid-19, the European Central Bank decided to temporarily deviate from the minimum limits of regulatory capital for European Banks at least until the end of 2022. In order to strengthen its capital, the Bank issued on 4.3.2021 a new Tier 2 bond, amounting to € 500 million, with a 10.25-year maturity callable anytime between year 5 and year 5.25 and a fixed interest rate 5.5% till 11.6.2026 which is adjusted to a new interest rate from the reset date to the maturity date. This new interest rate is defined based on the five-year swap rate and 5.823% spread for the remaining period from the reset date till the maturity date. It is also noted that within the first nine months of 2021 the Group recognized significant losses as a result of the finalization of the Galaxy transaction and due to the increased impairment losses, which relate to the imminent sales of portfolios of overdue loans. However, given the relief of risk weighted assets as a result of the Galaxy transaction the Group capital adequacy stood at a level higher than the capital requirement thresholds. In addition, within the first half of 2021 the share capital increase of the parent company was completed resulting in raising funds of € 800 million. Finally, the Group successfully concluded the 2021 EU-wide Stress Test. The Stress Test was conducted based on a static balance sheet approach under a baseline and an adverse macro scenario with a 3-year forecasting horizon (2020-2023). In this context, it is estimated that for the next 12 months the Total Capital Adequacy Ratio will be higher than the limits that have been set (note 27).

Updated Strategic Plan 2021-2024

In May 2021 the Bank announced the Updated Strategic Plan for the return of the Group to sustainable profitability. The updated Strategic Plan is based on the following initiatives:

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

In order to support the implementation of the updated Strategic Plan regarding the asset growth, Alpha Services and Holdings S.A. completed successfully a share capital increase, raising new funds of euro 800 million. The Group estimates that the share capital increase ensures, in principle, the growth capital expected to be deployed for this purpose until the end of 2024.

The Updated Strategic Plan aims overall at the full remediation of the Group's balance sheet and the achievement in the medium term of return on equity of 10%, while maintaining satisfactory capital position, higher than the applicable minimum capital requirements in force.

As a result of the activities and initiatives included in the Updated Strategic Plan for 2021, total CAD at group level is foreseen to be at levels much higher than the minimum capital requirements, remaining above 16% of risk weighted assets.

Based on the above and taking into account:

- the Group's high capital adequacy through which it can implement the actions provided in the Updated Strategic Plan,
- the satisfactory liquidity of the Group,
- the actions taken by the Group for the management and decrease of the amount of non-performing loans,
- the measures taken by the Group to protect its employees from coronavirus, the implementation of actions under the Business Continuity Plan and the activation of the ability for teleworking at a large scale whilst ensuring that critical operations are performed,
- the actions taken to enhance efficiency and profitability,
- the decisions of the eurozone countries to adopt a series of fiscal and other measures to stimulate the economy, of which Greece is expected to receive € 30.5 billion from the recovery package for Europe "Next Generation EU"

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

1.1.2 Adoption of new standards and of amendments to standards

The following are the amendments to standards applied from 1.1.2021:

► **Amendment to International Financial Reporting Standard 4 "Insurance Contracts"**: Extension of the temporary exception from applying IFRS 9 (Regulation 2020/2097/15.12.2020)

On 25.6.2020 the International Accounting Standards Board issued an amendment to IFRS 4 with which extended the temporary exception from applying IFRS 9 by two years. In this context, companies that have used the temporary exception from applying IFRS 9 shall apply the standard by 1.1.2023.

The adoption of the above amendment had no impact on the financial statements of the Group.

► **Amendment to International Financial Reporting Standard 9 "Financial Instruments"**, to the **International Accounting Standard 39 "Financial Instruments: Recognition and measurement"**, to **International Financial Reporting Standard 7 "Financial Instruments: Disclosures"**, to **International Financial Reporting Standard 4 "Insurance Contracts"** and **International Financial Reporting Standard 16 "Leases"**: Interest rate benchmark reform – phase 2 (Regulation 2021/25/13.1.2021)

On 27.10.2020 the International Accounting Standard Board issued amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 in the context of Phase 2 of the IBOR project that address issues that arise following the reform of an interest rate benchmark rate, including the replacement of one benchmark rate with an alternative one. The key reliefs provided by the Phase 2 amendments are as follows:

- Changes to contractual cash flows: When changing the basis for determining contractual cash flows for financial assets and liabilities (including lease liabilities), the reliefs have the effect that the changes that are required by an interest rate benchmark reform will not result in an immediate gain or loss in the income statement but in the recalculation of the interest rate. The same practical expedient applies for insurers that are applying the temporary exemption from IFRS 9.
- Hedge accounting: The hedge accounting reliefs ensure that changes to the hedge documentation do not result in the discontinuation of hedge accounting nor the designation of a new hedge relationship, as long as the only changes are those permitted by the Phase 2 Amendments. Permitted changes include redefining the hedged risk to reference a risk-free rate

and redefining the description of the hedging instruments and/or the hedged items to reflect the risk-free rate. However, additional ineffectiveness might need to be recorded in profit or loss statement.

The adoption of the above amendment does not have an impact on the financial statements because on the one hand changes in the contractual cash flows of the financial instruments are treated through the change of the discount rate and on the other hand because the existing hedging relationships are not affected by the interest rate benchmark reform. It is noted that, in preparation for the transition to the new benchmark interest rates, the Group has launched a Project Team under the supervision of the Asset - Liability Management Committee of the Bank. The purpose of the Project is the identification of the products that are related to those benchmark interest rates as well as the possible adaptation of the contracts and the IT applications.

► **Amendment to International Accounting Standard 16** “Leases”: Covid-19 Related rent concessions beyond 30 June 2021 (Regulation 2021/1421/30.8.2021)

On 31.3.2021 the International Accounting Standards Board issued an amendment to IFRS16 with which it extended by one year the possibility of the lessee to elect (practical expedient) not to assess whether a rent concession is a lease modification. The practical expedient had been provided with the amendment of the standard issued on 28.5.2020.

The adoption of the above amendment had no impact on the financial statements of the Group.

Except for the standards mentioned above, the European Union has adopted the following amendments to standards which are effective for annual periods beginning after 1.1.2021 and have not been early adopted by the Group.

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

Effective for annual periods beginning on or after 1.1.2022

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

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

Effective for annual periods beginning on or after 1.1.2023

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

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

Effective for annual periods beginning on or after 1.1.2022

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

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

Effective for annual periods beginning on or after 1.1.2022

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

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

Effective for annual periods beginning on or after 1.1.2022

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

In addition, the International Accounting Standards Board has issued the following standards and amendments to standards the effective date of which is for annual periods beginning after 1.1.2021, which have not yet been adopted by the European Union and which have not been early applied by the Group.

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

Effective date: To be determined.

► **International Financial Reporting Standard 14** “Regulatory deferral accounts”

Effective for annual periods beginning on or after 1.1.2016

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

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

Effective for annual periods beginning on or after 1.1.2023

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

► **Amendment to the International Accounting Standard 1** “Presentation of Financial Statements”: Disclosure of accounting policies

Effective for annual periods beginning on or after 1.1.2023

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

► **Amendment to the International Accounting Standard 8** “Accounting Policies, Changes in Accounting Estimates and Errors”: Definition of accounting estimates

Effective for annual periods beginning on or after 1.1.2023

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

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

Effective for annual periods beginning on or after 1.1.2023

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

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

Further analysis of the above standards is provided in note 1.1.2 of the annual financial statements as at 31.12.2020.

1.2 Significant accounting judgments and key sources of estimation uncertainty

Significant accounting judgments

The Group, in the context of applying accounting policies, makes judgments that may affect significantly the amounts recognized in the financial statements. Those judgements, which have not changed substantially compared with those applied to the financial statements for the year ended 31.12.2020, relate to the following:

Assessment of whether contractual cash flows of a debt financial instrument represent solely payments of principal and interest on the principal amount outstanding (SPPI)

The Group, at initial recognition of a debt financial asset, assesses whether cash flows are solely payments of principal and interest on the principal amount outstanding. The assessment requires judgement mainly on:

- Whether contractual terms that affect the performance of the instrument relate solely to credit risk, other basic lending risks and profit margin.
- For loans in special purpose entities, whether there is a non-recourse feature. The assessment is based on specific index thresholds as well as on the evaluation of the adequacy of equity and of the collaterals that are not related to the asset being financed.
- Whether in case of prepayment or extension the compensation received is considered fair.

Significant judgements relating to the selection of methodologies and models for expected credit losses calculation

The Group, in the context of the application of its accounting policies for the measurement of the expected credit losses makes judgments in order to identify:

- the criteria that indicate a significant increase in credit risk,
- the choice of appropriate methodologies for expected credit loss calculation (expected credit loss calculation on an individual or on a collective basis),
- the choice and development of appropriate models used to calculate the exposure at default by financial instrument category (EAD), the probability of default (PD), the estimated expected credit loss at the time of default (LGD), the probability of forbearance (PF) and the choice of appropriate parameters and economic forecasts used in them,
- the choice of the parameters of the macroeconomic forecasts used in the models to determine the expected life and the date of initial recognition of revolving exposures,
- the grouping of financial assets based on similar credit risk characteristics.

Applying different judgments could significantly affect the number of financial instruments classified in stage 2 or significantly differentiate expected credit loss.

It is noted that as far as significant judgements relating to moratoria and public guarantee in the context of the pandemic Covid-19 is concerned, what is stated in note 1.3 of the financial statements as at 31.12.2020 is applicable to the comparative period of these financial statements. It is noted, however that, from 1.4.2021, there are no moratoria due to the pandemic as more specifically mentioned in note 8.

Income Tax

The recognition of assets and liabilities for current and deferred tax is affected by factors such as the practical implementation of the relevant legislation and the settlement of disputes that might exist with tax authorities etc. Future tax audits and changes in tax legislation may result in the adjustment of the amount of assets and liabilities for current and deferred tax and in tax payments other than those recognized in the financial statements of the Group. It is noted that in the context of Cosmos transaction, the Group has recognized a deferred tax asset on expected credit losses on the loan portfolio, in the calculation of which a sale scenario of 100% has been included, estimating that the loss that will arise from the distribution of the Bank to the parent company of the Group of 95% of Mezzanine and Junior notes will be tax deductible.

Classification of non-current assets as held for sale

The Group classifies non-current assets or disposal groups that are expected to be recovered principally through a sale transaction, along with the related liabilities, as held-for-sale when the asset is available for immediate sale in its present condition and its sale is highly probable to be completed within one year. The assessment of whether the above criteria are met requires judgment mainly as to whether the sale is likely to be completed within one year from the reporting date. In the context of this assessment, the Group takes into account the receipt of the required approvals (both regulatory and those given by the General Meeting and the Committees of the Group), the receipt of offers (binding or not) and the signing of agreements as well as of any conditions included in them.

Key sources of estimation uncertainty

Key sources of estimation uncertainty used by the Group in the context of applying its accounting principles and which have a significant impact on the amounts recognized in the financial statements are presented below.

Fair value of assets and liabilities

For assets and liabilities traded in active markets, the determination of their fair value is based on quoted, market prices. In all other cases the determination of fair value is based on valuation techniques that use observable market data to the greatest extent possible. In cases where there is no observable market data, the fair value is determined using data that are based on internal estimates and assumptions i.e. determination of expected cash flows, discount rates, prepayment probabilities or potential counterparty default.

Estimates included in the calculation of expected credit losses (notes 8, 26 and 32)

The measurement of expected credit losses requires the use of complex models and significant estimates of future economic conditions and credit behavior, taking into account the events that have occurred until reporting date. The significant estimates relate to:

- the determination of the alternative macroeconomic scenarios and the cumulative probabilities associated with these scenarios,
- the probability of default during a specific time period based on historical data, the assumptions and estimates for the future,
- the probability of forbearance (PF) for retail portfolios,
- the determination of the expected cash flows and the flows from the liquidation of collaterals,
- the determination of the adjustments to the expected credit loss models and
- the integration of loan portfolio sales scenarios taking into account on the one hand any factors that may hinder the realization of the sale and on the other hand the level of satisfaction of the conditions for the completion of the sale.

Finally, it is noted that regarding significant estimates on expected credit losses calculation on loans affected by Covid-19 pandemic what is stated in note 1.3 of the financial statements as at 31.12.2020 is applicable to the comparative period of these financial statements. It is noted, however that, from 1.4.2021, there are no moratoria due to the pandemic as more specifically mentioned in note 8.

Impairment losses on investments in associates and joint ventures and on non - financial assets (note 7)

The Group, at each reporting date, assesses for non – financial assets impairment, and in particular, right-of-use assets, goodwill and other intangible assets, as well as its investments in associates and joint ventures and at least on an annual basis property, plant and equipment and investment property. Internal estimates are used to a significant degree to determine the recoverable amount of the assets, i.e. the higher between the fair value less costs to sell and value in use.

Employee defined benefit obligations

Defined benefit obligations are estimated based on actuarial valuations, which are mainly conducted on an annual basis, that incorporate assumptions regarding discount rates, future changes in salaries and pensions, as well as the return on any plan assets. Any change in these assumptions will affect the amount of obligations recognized. It is noted that, following deliberations, the IFRIC Committee issued an agenda decision according to which, in a defined benefit plan, the attribution of benefit to periods of service is similar to the retirement benefits recognition under article 8 of Law.3198/1955. In this context, the attribution of benefit shall not begin from the first day of employment but at a later stage. The Group will assess the above decision in line with the actual data applicable to the defined benefit plan based on the actuarial valuation as of 31.12.2021 in order to make any necessary adjustments to the defined benefit obligation.

Provisions

The amounts recognized by the Group in its financial statements as provisions are derived from the best estimate of the outflow required to settle the present obligation. This estimate is determined by Management after taking into account past experience from relevant transactions and in some cases expert reports. In case the amount recognized as a provision is affected by a variety of factors, its calculation is based on the weighting of all possible results. At each balance sheet date, provisions are revised to reflect current best estimates of the obligation.

Recoverability of deferred tax assets

The Group recognizes deferred tax assets to the extent that it is probable that it will have sufficient future taxable profit available, against which, deductible temporary differences and tax losses carried forward can be utilized.

The change in the amount of deferred tax assets recognized in the consolidated financial statements as at 30.9.2021 compared to 31.12.2020 has not affected recoverability assessment. Therefore, what is stated in note 1.3 of the annual financial statements of 31.12.2020 regarding the main categories of deferred tax assets recognized is also applicable to these financial statements. In addition, regarding the methodology applied for the recoverability assessment, what is stated in the aforementioned note of the annual financial statements is also applicable, taking also into consideration the amendment of article 27 of L. 4172/2013 regarding the amortization method of the debit difference due to credit risk (note 10) as well as the elements that formed the result of the current period.

The estimates and judgments applied by the Group in making decisions and in preparing the financial statements are based on historical information and assumptions which at present are considered appropriate. The estimates and judgments are reviewed on an ongoing basis in order to take into account current conditions, and the effect of any changes is recognized in the period in which the estimates are revised.

CORPORATE TRANSFORMATION – HIVE DOWN

The Board of Directors decided on 1.6.2020 the initiation of the demerger by way of hive-down of the banking business sector and the incorporation of a new company in accordance with Article 16 of Law 2515/1997 and par. 3 of Article 57 of Law 4601/2019 and article 59 to 74 of Law 4601/2019.

The Extraordinary General Meeting of shareholders of 2.4.2021 resolved a) the demerger of the société anonyme under the name “Alpha Bank S.A.” (the “Demerged”), by way of hive-down of the banking business sector with the incorporation of a new company, pursuant to article 16 of law 2515/1997, par. 3 of article 54, par. 3 of article 57 and articles 59-74 and 140 of law 4601/2019, b) the Draft Demerger Deed dated 15.9.2020, including the Transformation Balance Sheet dated 30.6.2020 and c) the Articles of Incorporation of the Beneficiary.

The demerger was approved pursuant to the decision of the Ministry of Development and Investments no. 45089/16.4.2021 dated April 16, 2021, by way of hive-down of the banking business sector with the incorporation of a new company which was registered in General Commercial Registry on the same day. As a consequence of the Hive-down:

- a. A new credit institution was incorporated under the name “Alpha Bank S.A.” (“the Beneficiary”) which substituted as universal successor, in all the transferred Banking Business Sector (assets and liabilities), as set out in the transformation balance sheet of the transferred banking business sector dated June 30, 2020 and formed up 16.4.2021.

The new credit institution Alpha Bank S.A. was licensed by European Central Bank to operate as a credit institution pursuant to the provisions of L.4601/2014 and Regulation (EU) 1024/2013

- b. The Demerged became the shareholder of the Beneficiary assuming all shares issued by the Beneficiary and in particular 50,838,244,961 common, registered shares with voting rights, of a nominal value of Euro 0.10 each.

On 19.4.2021 the amendment of the Articles of Incorporation of the demerged entity was approved, pursuant to the decision of the Ministry of Development and Investments no. 45898/19.4.2021, and the operating license of the demerged entity as a credit institution was revoked. According to article 1 of the Articles of Association, the corporate name and the trade name of the Demerged changed to “Alpha Services and Holdings S.A.”.

The Stock Exchange was informed about the aforementioned decision on 19.4.2021 and therefore, the date of the change of the corporate name and the trade name of the Company on the Athens Stock Exchange is set at 20.4.2021.

The Demerged became the parent of Alpha Bank S.A. with the following main scope of business: (a) the direct and indirect participation in domestic and/or foreign companies and undertakings that already exist or to be established, of any form and object whatsoever, (b) the design, promotion and distribution of insurance products in the name and on behalf of one or more insurance undertakings in the capacity of insurance agent in accordance with the applicable legislation, (c) the provision of supporting accounting and tax services to affiliated companies and third parties as well as the elaboration of studies on strategic and financial management and (d) the issuance of securities for raising regulatory capital which are expected to take the form of notes or bonds.

The rights of the Hellenic Financial Stability Fund was preserved in full after the completion of the Hive-Down.

Accounting treatment of the Demerger

The Demerger resulted in the incorporation of a new company (under the name Alpha Bank S.A.) which assumed all the activities of the Alpha Bank S.A. before the demerger that related to the banking sector. It is therefore considered a business combination between entities under common control (Alpha Bank S.A. is the subsidiary of former Alpha Bank S.A. which became the holding entity under the name Alpha Services and Holdings S.A.).

This transaction, as a transaction of entities under common control is scoped out of IFRS 3 “Business Combinations”. In addition since Alpha Bank S.A. is a newly established entity, it cannot be considered as the acquirer in the transaction and therefore the demerger cannot be considered as a business combination and is effectively a reorganization within the Group.

The accounting policy of the Group is that the transactions between group entities that involve the incorporation of new entities to which the assets and liabilities of a sector of another group entity are transferred this is accounted at book values. Also, in both the separate and the consolidated financial statements of Alpha Bank S.A., information from the date of the in-house reorganization will be included going forward.

In this context the accounting of the Demerger involved the following:

- i. Based on the Demerger Deed, Alpha Services and Holding maintained the activities relating to the planning, promotion and distribution of insurance products in the capacity of insurance agent, the provision of accounting and tax services to affiliated companies and third parties, the preparation of studies on strategic and financial management and the issuance of securities for raising regulatory capital. It also maintained certain investments relating to above operations and in particular to: Alpha Group Jersey Ltd, Alpha Insurance Brokerage S.A., Alphalife A.A.E.Z, Reoco Orion X Single Member S.A., Reoco Galaxy II Single Member S.A., Reoco Galaxy IV Single Member S.A.

It also retained the contractual rights and obligations of the subordinated and hybrid notes as well as of the bonds issued under the Galaxy securitization except for the 100% of the senior notes and the 5% of the mezzanine and junior notes which were transferred to Alpha Bank S.A. Because of the holding of the aforementioned notes the Company continued to recognize the loans securitized under the Galaxy securitization in accordance with IFRS 9.

- ii. The assets, liabilities and equity reserves which were not maintained by Alpha Services Holding S.A. and which were determined to relate to the banking sector were transferred to Alpha Bank S.A. at book values.
- iii. Given that until the hive-down the notes issued under the Galaxy securitization were held by Alpha Bank S.A. before the demerger these notes and the collateralized borrowings were not recognized. The transfer of part of the notes to the Bank resulted in the recognition by Alpha Bank S.A. of the 100% of the senior notes and 5% of the mezzanine and junior notes at fair values (see table I column B). Similarly, Alpha Services and Holdings S.A. recognized a liability equal to the amount of the bonds recognized by Alpha Bank S.A., which also included the netting of the assets and liabilities derived from the securitization and transactions with the special purpose entities. Alpha Bank S.A. recognized these notes under Loans and advances, as the intention was to hold the notes until maturity in order to collect principal and interest. The risks associated with these bonds, as well as the management of such risks, relate to the risks of the underlying loans. The aforementioned loans were initially originated by Alpha Bank S.A. before the demerger and were subsequently securitized under the Galaxy securitization after the demerger. Since Alpha Bank S.A. in its new form is a continuation of the banking sector activities of the old Alpha Bank S.A. before the demerger, the loans are considered to have been originated as such. In contrast the bonds of the Galaxy securitization held by Alpha Services and Holding were classified as Investment securities as the intention of the Company was to sell or distribute them.
- iv. Alpha Bank S.A. recognized on its balance sheet the assets, liabilities and equity reserves transferred based on their carrying amount as at 16.4.2021 and any difference between the carrying amounts of assets and liabilities transferred between 30.6.2020 and 16.4.2021 was recognized directly in retained earnings. Alpha Services and Holdings S.A. recognized its investment in Alpha Bank S.A. at cost, being the difference between the book value of the assets, liabilities and equity accounts derecognized taking into consideration also the liability recognized as a result of the transfer to Alpha Bank S.A. of part of the notes issued under the Galaxy securitization.
- v. The equity of Alpha Bank S.A. at the date of the demerger comprises of the share capital as this was determined based on the Transformation Balance sheet prepared based on Law 2515/1997 and Law 4601/2019 and includes all assets and liabilities of the banking sector as of 30.6.2020 which were transferred to Alpha Bank S.A., as well as the fair value through other comprehensive income reserve and the cash flow hedging reserves which were transferred to Alpha Bank S.A. at the hive down and the retained earnings.

The following table presents the assets, liabilities and equity accounts transferred to Alpha Bank S.A. on the date of the hive-down, the required adjustments and the statement of financial position of Alpha Bank S.A. and Alpha Services and Holdings S.A. as of the same date.

	(a)	(b)	(c)=(a)+(b)	(d)	(e)	(f)=(d)+(e)	(g)=(c)+(d)	(h)	(i)	(k)=(g)+(h)+(i)
	Alpha Bank prior demerger	Cancellation of Galaxy securitization off-set	Balances excluding Galaxy's securitization off-set	Assets transferred to Alpha Bank S.A.	Initial recognition of assets transferred to Alpha Bank S.A. and reclassifications	Alpha Bank	Assets not transferred to Alpha Bank	Recognition of Alpha Services and Holdings S.A. participation to Alpha Bank S.A.	Initial recognition of assets remained under Alpha Services and Holdings S.A. and reclassifications	Alpha Services and Holdings S.A.
ASSETS										
Cash and balances with central banks	7,265,548		7,265,548	7,265,548		7,265,548				
Due from banks	3,877,744		3,877,744	2,384,199	⁽³⁾ 1,493,545	3,877,744	1,493,545			1,493,545
Trading securities	15,725		15,725	15,725		15,725				
Derivative financial assets	1,098,977		1,098,977	1,098,977		1,098,977				
Loans and advances to customers	35,058,719	(48,581)	35,010,138	28,987,449	⁽²⁾ 3,841,587	32,829,037	6,022,689			6,022,689
Investment securities										
- Measured at fair value through other comprehensive income	4,846,802	318,628	5,165,431	4,846,802		4,846,802	318,628		⁽¹⁾ (318,628)	
- Measured at amortised cost	3,267,461	3,795,340	7,062,802	7,062,802	⁽²⁾ (3,795,340)	3,267,461				
- Measured at fair value through profit or loss	217,246	2,144,967	2,362,213	324,495	⁽²⁾ (107,248)	217,246	2,037,719		⁽¹⁾ (2,037,719)	
Investments in associates and joint ventures	2,497,861		2,497,861	2,465,081		2,465,081	32,780	4,973,087	(61,001)	4,944,866
Investment property	45,401		45,401	45,401		45,401				
Property, plant and equipment	632,646		632,646	632,638		632,638	8			8
Goodwill and other intangible assets	424,365		424,365	423,964		423,964	402			402
Deferred tax assets	5,293,445		5,293,445	5,350,296	4,569	5,354,865	(56,851)		56,851	
Other assets	1,380,268		1,380,268	1,337,001	1,192	1,338,193	43,267			43,267
	65,922,208	6,210,354	72,132,563	62,240,376	1,438,305	63,678,682	9,892,186	4,973,087	(2,360,497)	12,504,776
Assets classified as held for sale	79,391		79,391	79,391		79,391				
Total Assets	66,001,599	6,210,354	72,211,954	62,319,767	1,438,305	63,758,073	9,892,186	4,973,087	(2,360,497)	12,504,776
LIABILITIES										
Due to banks	14,676,759		14,676,759	14,676,759		14,676,759				
Derivative financial liabilities	1,471,483		1,471,483	1,471,483		1,471,483				
Due to customers	39,326,704	238,183	39,564,887	39,564,887	⁽³⁾ 1,493,545	41,058,432				
Debt securities in issue and other borrowed funds	1,521,698	5,975,438	7,497,136	504,879		504,879	⁽⁴⁾ 6,992,257	(2,417,348)		4,574,909
Liabilities for current income tax and other taxes	86,824		86,824	985	4,569	5,555	85,839			85,839
Deferred tax liabilities	-		-	-		-			56,851	56,851
Employee defined benefit obligations	85,430		85,430	85,340		85,340	90			90
Other liabilities	916,209	(3,267)	912,943	912,899	1,192	914,091	44			44
Provisions	284,393		284,393	284,366		284,366	27			27
Total Liabilities	58,369,500	6,210,354	64,579,854	57,501,598	1,499,306	59,000,904	7,078,257	-	(2,360,497)	4,717,760
Total Equity	7,632,099	-	7,632,099	(154,917)	4,912,086	4,757,168	7,787,017	-	-	7,787,017
Total Liabilities and Equity	66,001,599	6,210,354	72,211,954	57,346,680	6,411,392	63,758,073	14,865,274	-	(2,360,497)	12,504,776

⁽¹⁾ The amount relates to the nominal value of 95% of the Mezzanine and Junior notes and the 100% of the issues from Galaxy III Funding Designated Activity Company of Galaxy securitization held by Alpha Services and Holdings S.A.

⁽²⁾ The amount relates to the nominal value of the securitization Galaxy bonds, which were held by Alpha Bank S.A. and relate to the 100% of the Senior and 5% of the Mezzanine and Junior securitization notes of Galaxy securitization. The amount in Loans and Advances to customers includes the fair value adjustment at initial recognition of € 61.001.

⁽³⁾ The amount concerns the deposits of Alpha Services and Holdings S.A. with Alpha Bank S.A.

⁽⁴⁾ The amount relates to the nominal value of Tier II bonds held by Alpha Services and Holdings S.A. and which on 19.4.2021 was transferred to Alpha Bank S.A. through an intragroup transaction with the same terms as well as the financial liabilities mainly from the Senior notes transferred to Alpha Bank S.A. at the demerger with the 5% of the Mezzanine and Junior notes of the Galaxy securitization.

It is noted that as the above is an intragroup transaction there was no accounting impact in the consolidated financial statements of Alpha Services and Holdings S.A.

In the consolidated financial statements of Alpha Bank S.A. the assets, liabilities and equity accounts of the entities that are direct or indirect subsidiaries of Alpha Bank S.A. were also transferred at their book values. The net assets of the consolidated balance sheet of Alpha Bank S.A. at the date of the demerger was determined based on these amounts.

The table below presents the assets, liabilities and equity accounts of the Alpha Bank S.A. Group before the demerger that were transferred to Alpha Bank S.A. Group.

	Alpha Bank Group prior demerger	Movement for the period 1.4 -16.4.2021(1)	Alpha Bank Group prior demerger	Assets not transferred to Alpha Bank Group and other adjustments	Alpha Bank Group
	31.3.2021		16.4.2021		16.4.2021
ASSETS					
Cash and balances with central banks	7,951,827	56,874	8,008,701		8,008,701
Due from banks	3,776,190	248,551	4,024,741	1,009	4,025,840
Trading securities	25,437	(8,385)	17,052		17,052
Derivative financial assets	1,096,568	(6,027)	1,090,541		1,090,541
Loans and advances to customers	39,376,359	(231,902)	39,144,457	⁽²⁾ (2,230,528)	36,913,928
Investment securities					
- Measured at fair value through other comprehensive income	6,384,177	(141,300)	6,242,877	⁽³⁾ (571,484)	5,671,393
- Measured at amortised cost	3,457,504	(5,427)	3,452,077		3,452,077
- Measured at fair value through profit or loss	145,161	(629)	144,532	⁽³⁾ (70,938)	73,594
Investments in associates and joint ventures	30,522		30,522		30,522
Investment property	554,610		554,610		554,610
Property, plant and equipment	785,475	(66)	785,409	(34)	785,375
Goodwill and other intangible assets	550,263		550,263	(402)	549,861
Deferred tax assets	5,306,385	1,512	5,307,897	60,903	5,368,800
Other assets	1,619,097	9,177	1,628,274	(52,270)	1,576,004
	71,059,575	(77,622)	70,981,953	(2,863,653)	68,118,300
Assets classified as held for sale	108,707	49	108,756		108,756
Total Assets	71,168,282	(77,573)	71,090,709	(2,863,653)	68,227,056
Liabilities					
Due to banks	14,475,110	(33,242)	14,441,868	70	14,441,938
Derivative financial liabilities	1,480,170	(13,713)	1,466,457	4,699	1,471,156
Due to customers	43,611,673	23,724	43,635,397	⁽⁴⁾ 1,735,989	45,371,386
Debt securities in issue and other borrowed funds	1,678,698	2,373	1,681,071	⁽⁵⁾ (977,406)	703,665
Liabilities for current income tax and other taxes	82,985	11,571	94,556	(83,095)	11,461
Deferred tax liabilities	33,675		33,675	(12,967)	20,708
Employee defined benefit obligations	94,916	(17)	94,899	(114)	94,784
Other liabilities	879,816	(81,103)	798,713	(3,281)	795,433
Provisions	842,534	(330)	842,204	⁽⁶⁾ (560,980)	281,225
	63,179,577	(90,737)	63,088,840	102,916	63,191,756
Liabilities related to assets classified as held for sale	42		42		42
Total Liabilities	63,179,619	(90,737)	63,088,882	102,916	63,191,798
Total Equity	7,988,663	13,164	8,001,827	(2,966,569)	5,035,258
Total Liabilities and Equity	71,168,282	(77,573)	71,090,709	(2,863,653)	68,227,056

⁽¹⁾ Movement of the period 1.4-16.4 relates to the movement of Alpha Bank S.A. before the demerger

⁽²⁾ Amount mainly relates to the book value of the securitized loans of the Galaxy securitisation which remained at Alpha Services and Holdings S.A. amount to € 6 billion and the book value of the notes of the Galaxy securitisation (100% of the senior notes and 5% of the mezzanine and junior notes) of amount € 3.8 billion which were recognised and classified in "Loans and advances to customers" from Alpha Bank S.A. after the demerger.

⁽³⁾ Amount relates to the securities held by Alpha Life, which remained a direct subsidiary of Alpha Services and Holdings S.A. and is therefore not included in the Alpha Bank S.A. Group.

⁽⁴⁾ Amount mainly comprises the deposits of Alpha Services and Holdings S.A. and the Galaxy special purposes vehicles to Alpha Bank S.A.

⁽⁵⁾ The amount mainly relates to the Tier II bonds remained in Alpha Services and Holdings S.A. and which on 19.4.2021 were transferred to Alpha Bank S.A. through an intragroup transaction under the same terms

⁽⁶⁾ The amount mainly comprises Alpha Life's insurance provisions, which is a direct subsidiary of Alpha Services and Holdings S.A. and is therefore not included in the Alpha Bank S.A. Group.

The table below presents the Income Statement of Alpha Bank S.A. and Alpha Bank S.A. Group for the period from 17.4.2021 to 30.9.2021 on a standalone and on a consolidated basis.

	From 17 April to 30.9.2021	
	Alpha Bank Group	Alpha Bank
Interest and similar income	810,053	694,629
Interest expense and similar charges	(234,088)	(225,071)
Net interest income	575,965	469,558
Fee and commission income	230,774	189,718
Commission expense	(36,930)	(31,909)
Net fee and commission income	193,844	157,809
Dividend income	657	436
Gains less losses on derecognition of financial assets measured at amortized cost	2,319	2,960
Gains less losses on financial transactions	155,027	163,436
Other income	23,415	12,262
Total other income	181,418	179,094
Total income	951,227	806,461
Staff costs	(186,374)	(123,281)
Provision for employee separation schemes	(31)	(31)
General administrative expenses	(213,501)	(162,362)
Depreciation and amortization	(69,618)	(53,325)
Other expenses	(4,480)	(2,540)
Total expenses before impairment losses and provisions to cover credit risk	(474,004)	(341,539)
Impairment losses and provisions to cover credit risk	(172,074)	(173,516)
Share of profit/(loss) of associates and joint ventures	1,717	
Profit/(loss) before income tax	306,867	291,406
Income tax	(100,013)	(87,999)
Net profit/(loss) for the period after income tax	206,854	203,407

On 22.2.2021 a definitive agreement was entered into with Davidson Kempner Capital Management LP in the context of the Galaxy transaction which comprised the sale of 80% of the share capital of Cepal Holding Single Member S.A., while the remaining 20% was retained by Alpha Bank S.A. The sale was concluded on 18.6.2021. The total consideration amounted to € 117,672 and the result, after taking into consideration the amount of € 228,453 from the carve out and the transfer of the Non-Performing Loan Management of Alpha Bank S.A. before the demerger to its subsidiary Cepal Hellas S.A., which was not recognized in the Income Statement in 2020, as there was a significant uncertainty for its conclusion as it was part of an agreement that required the sale of the 80%, was determined as a gain of € 145,399. For the remaining 20% of the share capital of Cepal Holding Single Member S.A. which was retained, Alpha Bank S.A. recognized an impairment loss of € 10,863 in Gains less loss on financial transactions. The gain recognized by the Group for the sale of the subsidiary amounted to € 111,296.

The net loss after income tax of the Group of Alpha Services and Holdings S.A. for the nine month period ended 30.9.2021 amount to € 2.497.835 and include the loss from the sale of 51% of the mezzanine and junior notes of the Galaxy securitization amounting to € 2,190,840. These net losses comprise the results of the Alpha Bank S.A. Group for the period from 17.4.2021 to 30.6.2021 as presented in table above, the results of Alpha Services and Holdings S.A. for the nine month period of 2021 which include the results of the banking sector for the period from 1.1.2021 to 16.4.2021, the results of the direct subsidiaries of Alpha Services and Holdings (besides Alpha Bank S.A.) for the nine month period of 2021 and relevant consolidation adjustments.

The table below presents the Balance Sheet of Alpha Services and Holdings S.A. Group as at 30.9.2021 and the Balance Sheet of Alpha Bank S.A. on a standalone and on a consolidated basis as at 30.9.2021.

	30.9.2021		
	Alpha Services and Holdings Group	Alpha Bank Group	Alpha Bank
ASSETS			
Cash and balances with central banks	11,401,203	11,401,203	10,469,441
Due from banks	3,189,991	3,189,994	3,069,353
Trading securities	26,719	26,719	26,644
Derivative financial assets	983,974	1,015,207	1,015,365
Loans and advances to customers	35,969,872	35,801,117	31,406,296
Investment securities			
- Measured at fair value through other comprehensive income	6,917,675	6,327,370	5,569,674
- Measured at amortised cost	3,770,638	3,770,638	3,554,309
- Measured at fair value through profit or loss	217,720	78,314	207,827
Investments in associates and joint ventures	61,670	61,605	2,292,171
Investment property	548,142	548,142	41,058
Property, plant and equipment	758,671	758,644	613,220
Goodwill and other intangible assets	465,790	465,409	414,200
Deferred tax assets	5,383,684	5,272,848	5,266,050
Other assets	1,636,192	1,599,401	1,361,650
	71,331,941	70,316,611	65,307,258
Assets classified as held for sale	1,743,305	2,074,480	2,044,570
Total Assets	73,075,246	72,391,091	67,351,828
Liabilities			
Due to banks	14,379,718	14,379,730	14,471,686
Derivative financial liabilities	1,333,175	1,333,175	1,337,037
Due to customers	46,522,341	46,798,767	42,313,761
Debt securities in issue and other borrowed funds	2,186,910	2,199,618	2,000,612
Liabilities for current income tax and other taxes	54,393	21,084	17,566
Deferred tax liabilities	30,479	20,134	
Employee defined benefit obligations	88,758	88,643	85,229
Other liabilities	1,083,479	1,068,493	914,373
Provisions	852,112	221,338	223,337
	66,531,365	66,130,982	61,363,601
Liabilities related to assets classified as held for sale	90	90	
Total Liabilities	66,531,455	66,131,072	61,363,601
EQUITY			
Equity attributable to holders			
Share capital	703,794	5,183,824	5,183,824
Share premium	11,362,512	900,000	900,000
Reserves	420,899	(37,110)	(127,962)
Retained earnings	(5,987,270)	183,910	32,365
	6,499,935	6,230,624	5,988,227
Non-controlling interests	29,395	29,395	
Hybrid securities	14,461		
Total Equity	6,543,791	6,260,019	5,988,227
Total Liabilities and Equity	73,075,246	72,391,091	67,351,828

The Total equity of the Group of Alpha Bank S.A. and of Alpha Bank S.A. as of 30.9.2021 compared to 17.4.2021 has been mainly affected by the results of the period from 17.4 to 30.9.2021 and the Share capital increase of € 1 billion pursuant the resolution of the self-convened Extraordinary General Meeting of the shareholders of Alpha Bank S.A. on 23.7.2021.

The total equity of the group of Alpha Services and Holdings S.A. has been affected by the results of the period and the share capital increase of € 0.8 billion as further detailed in note 19.

The Ministry of Development and Investments by virtue of its decision no. 2412301/28.7.2021 approved the amendment of the articles of incorporation of Alpha Bank S.A. for the increase of the Share Capital in cash and the issuance of new, registered, voting shares with nominal value € 0.10 each and issue price of € 1.00 each.

As a result, the share capital of Alpha Bank S.A. increase by € 100 million and amounts to € 5,184 million while the share premium increased to € 900 million.

The € 1.0 billion share capital increase of Alpha Bank S.A. comprises € 0.25 billion excess cash of Alpha Services and Holdings S.A. and € 0.75 billion net proceeds raised via the Share Capital Increase of Alpha Services and Holdings S.A. which was completed on 8 July 2021.

The consolidated capital ratios of Alpha Bank S.A as calculated for 30.9.2021, are presented in the below table:

	30.9.2021*
Common Equity Tier I	5,308
Tier I	5,308
Total Capital	6,308
Total Risk Weighted Assets	38,374
Common Equity Tier I Ratio	13.8%
Tier I Ratio	13.8%
Capital Adequacy Ratio	16.4%

The consolidated CET I and Total Capital Ratios of Alpha Services and Holdings S.A. at 30.9.2021 stand at 13.9% and 16.5%, respectively. The difference between the consolidated ratios of Alpha Bank S.A. and of Alpha Services and Holdings S.A. is mainly due to: i) the cash reserves of the Alpha Services Holdings S.A. which are deposited to the Bank and ii) the accounting value of the uncollateralised non-performing consumer loans that are planned to be part of the upcoming NPE sales transactions as part of the Group business plan. Considering the above, the consolidated ratios of the two companies are expected to converge.

The capital ratios of Alpha Bank S.A as calculated for 30.9.2021, are presented in the below table:

	30.9.2021*	30.9.2021
Common Equity Tier I	4,961	4,725
Tier I	4,961	4,725
Total Capital	5,961	5,725
Total Risk Weighted Assets	35,914	35,835
Common Equity Tier I Ratio	13.8%	13.2%
Tier I Ratio	13.8%	13.2%
Capital Adequacy Ratio	16.6%	16.0%

* Profits for the period are included.

INCOME STATEMENT

2. Net interest income

	From 1 January to		From 1 July to	
	30.9.2021	30.9.2020*	30.9.2021	30.9.2020*
Interest and similar income				
Due from banks	526	2,984	26	713
Loans and advances to customers measured at amortized cost	1,036,239	1,185,400	307,878	386,503
Loans and advances to customers measured at fair value through profit or loss	11,755	9,969	6,832	2,432
Trading securities	(47)	186	(6)	9
Investment securities measured at fair value through other comprehensive income	50,305	88,370	16,062	25,876
Investment securities measured at fair value through profit or loss	397	596	238	79
Investment securities measured at amortized cost	30,001	27,745	10,332	11,705
Derivative financial instruments	131,514	157,386	44,433	49,154
Finance lease receivables	9,997	5,463	3,129	411
Negative interest from interest bearing liabilities	195,345	85,994	56,334	37,483
Other	2,124	1,341	665	727
Total	1,468,156	1,565,434	445,923	515,092
Interest expense and similar charges				
Due to banks	(6,043)	(19,945)	(2,012)	(4,236)
Due to customers	(45,279)	(90,812)	(13,346)	(26,408)
Debt securities in issue and other borrowed funds	(41,458)	(27,116)	(15,837)	(9,453)
Lease liabilities	(2,744)	(3,502)	(931)	(1,192)
Derivative financial instruments	(131,498)	(154,436)	(43,435)	(48,997)
Negative interest from interest bearing assets	(104,013)	(64,457)	(37,802)	(26,012)
Other	(48,025)	(51,527)	(14,101)	(17,038)
Total	(379,060)	(411,795)	(127,464)	(133,336)
Net interest income	1,089,096	1,153,639	318,459	381,756

During the nine month period of 2021, net interest income decreased compared to the nine month period of 2020, which is mainly due to the reduction of interest income from the loan portfolio, following the derecognition of the loans from the Galaxy securitisation loans as well as the reduction of interest rates. The aforementioned decrease was partially offset by the recognition of additional interest income of € 76,785 for the TLTRO III program for the period from 24.6.2020 to 30.9.2021, as described in detail in note 16 and which is included in the caption "Negative interest rates from interest bearing liabilities", as well as from the decrease in the interest expense of due to customers mainly due to lower interest rates.

* Certain figures of the previous period have been restated in order to be comparable, as described in detail in note 31.

3. Net fee and commission income and other income

Net fee and commission income

	From 1 January to		From 1 July to	
	30.9.2021	30.9.2020	30.9.2021	30.9.2020
Loans	46,098	32,322	18,981	11,646
Letters of guarantee	31,121	33,435	10,012	11,431
Imports-exports	4,775	4,505	1,640	1,551
Credit cards	70,641	55,711	30,733	22,732
Transactions	33,840	30,758	12,114	11,114
Mutual funds	43,100	29,402	15,025	9,264
Advisory fees and securities transaction fees	2,629	1,944	1,428	254
Brokerage services	6,313	6,137	1,896	1,776
Foreign exchange fees	13,969	12,189	5,147	4,351
Insurance brokerage	23,556	13,947	4,430	4,224
Other	23,413	31,159	8,358	6,505
Total	299,455	251,509	109,764	84,848

The increase in net fee and commission income in the nine month period of 2021 is mainly due to commission amounting to € 10 mil. received by the Bank from AXA Mediterranean Holding S.A., which is the parent company of AXA Insurance S.A. due to early termination of bankassurance agreement following to the disposal of the latter to Generali, the increase in the commission fee from Mutual Funds and Credit Cards due to the increase in the volume of transactions and the increase in the commission fee from loans mainly deriving from commissions received for the arrangement of bond and syndicated loans.

Net fee and commission income of the comparative period of 2020, includes fee received by the Group for the modification of collateral agreement (CSA agreement) of amount € 11.8 million which is included in caption "Other".

Fee and commissions and other income

The table below presents the income from contracts per operating segment, that fall within the scope of IFRS 15:

	From 1 January to 30.9.2021						
	Retail Banking	Corporate Banking	Asset Management / Insurance	Investment Banking / Treasury	S.E. Europe	Other / Elimination Center	Group
Fee and commission income							
Loans	6,131	24,019	124	15,742	805		46,822
Letters of guarantee	1,581	26,710	1	1,319	1,511		31,121
Imports-exports	954	3,192		1	628		4,775
Credit cards	76,215	28,651	1	268	9,247		114,382
Transactions	16,763	6,190	386	910	9,590		33,840
Mutual funds			43,028	68	5		43,100
Advisory fees and securities transaction fees		589		1,849	191		2,629
Brokerage services				7,536	136		7,672
Foreign exchange fees	9,797	2,945	23	725	479		13,969
Insurance brokerage	21,095				2,461		23,556
Other	4,050	3,039	8,936	68	10,572	46	26,712
Total	136,585	95,337	52,498	28,486	35,625	46	348,577
Other Income							
Gains from disposal of fixed assets		205			625	3,261	4,091
Other	9,995	54		902	2,261	4,429	17,641
Total	9,995	259	-	902	2,886	7,689	21,732

From 1 January to 30.9.2020							
	Retail Banking	Corporate Banking	Asset Management / Insurance	Investment Banking / Treasury	S.E. Europe	Other / Elimination Center	Group
Fee and commission income							
Loans	4,940	21,727	360	5,262	731		33,020
Letters of guarantee	1,619	29,279	1	1,046	1,491		33,436
Imports-exports	864	3,209		1	431		4,505
Credit cards	61,886	21,985		159	7,161		91,191
Transactions	14,625	6,703	264	884	8,282		30,758
Mutual funds			29,328	68	6		29,402
Advisory fees and securities transaction fees		550	92	1,135	167		1,944
Brokerage services				6,979	129		7,108
Foreign exchange fees	8,122	2,970	21	732	344		12,189
Insurance brokerage	11,050				2,895		13,945
Other	4,278	2,519	7,428	11,792	8,991		35,008
Total	107,384	88,942	37,494	28,058	30,628		292,506
Other Income							
Hotel Business					312		312
Gains from disposal of fixed assets		1			782	1,848	2,631
Other	4,351	142	52	664	1,273	3,994	10,476
Total	4,351	143	52	664	2,367	5,842	7,089

From 1 July to 30.9.2021							
	Retail Banking	Corporate Banking	Asset Management / Insurance	Investment Banking / Treasury	S.E. Europe	Other / Elimination Center	Group
Fee and commission income							
Loans	826	9,441	34	8,656	294		19,252
Letters of guarantee	543	8,662		300	507		10,011
Imports-exports	305	1,115		0	219		1,639
Credit cards	35,080	13,926		137	3,553		52,696
Transactions	5,857	2,120	228	384	3,524		12,114
Mutual funds			15,001	23	2		15,025
Advisory fees and securities transaction fees		247		1,119	63		1,429
Brokerage services				2,232	44		2,276
Foreign exchange fees	3,636	1,050	9	266	186		5,147
Insurance brokerage	3,465				965		4,430
Other	1,257	1,173	3,074	49	3,742	21	9,317
Total	50,968	37,736	18,345	13,166	13,099	21	133,336
Other Income							
Gains from disposal of fixed assets		163			34	5	202
Other	814	41		540	385	2,761	4,541
Total	814	204	-	540	419	2,765	13,419

From 1 July to 30.9.2020							
	Retail Banking	Corporate Banking	Asset Management / Insurance	Investment Banking / Treasury	S.E. Europe	Other / Elimination Center	Group
Fee and commission income							
Loans	1,475	8,230	355	1,552	266		11,878
Letters of guarantee	545	9,898	1	480	507		11,431
Imports-exports	288	1,088			175		1,551
Credit cards	24,370	8,705		73	2,804		35,952
Transactions	5,266	2,427	80	286	3,056		11,115
Mutual funds			9,239	22	2		9,263
Advisory fees and securities transaction fees				214	40		254
Brokerage services				2,016	41		2,057
Foreign exchange fees	2,989	986	6	245	125		4,351
Insurance brokerage	3,523				696		4,219
Other	1,722	648	2,453	24	3,015		7,862
Total	40,178	31,981	12,134	4,913	10,728	-	99,933
Other Income							
Hotel Business					(3)		(3)
Gains from disposal of fixed assets		12			321	1,150	1,483
Other	3,026	37	19	509	345	914	4,850
Total	3,026	48	19	509	663	2,064	6,330

The caption "Other income" of the Income Statement, includes additional income from insurance indemnities and activities and operating lease income, which are not presented in the above table since they are not in scope of IFRS 15.

4. Gains less losses on financial transactions

	From 1 January to		From 1 July to	
	30.9.2021	30.9.2020*	30.9.2021	30.9.2020*
Foreign exchange differences	15,759	22,514	9,277	4,728
Trading securities:				
- Bonds	552	1,302	378	467
- Equity securities	327	(1,147)	(474)	(15)
Financial assets measured at fair value through profit or loss				
- Bonds	4,015	(252)	1,849	1,009
- Other Securities	10,516	1,347	618	1,627
- Loans	(40,507)	(15,823)	(9,598)	(10,287)
Financial assets measured at fair value through other comprehensive income				
- Bonds and treasury bills	107,124	254,241	22,624	29,448
- Other Securities				
Impairment/valuations/ disposal of investments	114,818	236	255	318
Derivative financial instruments	12,810	(24,059)	(160)	(1,563)
Other financial instruments	(20,350)	17,667	(19,399)	14,458
Total	205,064	256,026	5,370	40,190

Gains less losses on financial transactions of the nine month period of 2021 was mainly affected by:

- Loss of € 40,507 of loans measured at fair value through profit or loss which is mainly attributed to the change in the fair value during the period.
- Gains of € 107,124 included in the caption "Bonds and treasury bills" of financial assets at fair value through other comprehensive income that relate to gains from sales of Greek Government Bonds and Treasury bills of € 97,943 and other corporate bonds of € 9,181.

* Certain figures of the previous period have been restated in order to be comparable, as described in detail in note 31.

- Gain of € 4,540 included in the caption “Impairment/valuation/disposal of investments” and relates to the sale of the Group’s subsidiary Alpha Investment Property Group Attica II S.A.
- Gain of € 111,296 included in the caption “Impairment/valuation/disposal of investments” and relates to the result from the sale of Cepal Holdings Single Member S.A. (80%) to Davidson Kempner Capital Management LP in the context of the Galaxy transaction. The aforementioned gain was determined based on the consideration received by the buyer in cash as well as the present value of the deferred consideration which is due in 18 months, the fair value of the variable consideration which depends on the funding of the company as well as the results of the company in the next 6 years, the provision for the indemnities of the buyer based on the contractual terms, the fair valuation of the 20% retained by the Group in the share capital of the company as well as the related transaction costs.
- Gains of € 11,688 included in “Derivative financial instruments” representing the variation of the Credit Valuation Adjustment for transactions with the Greek State.
- Loss of € 19,616 included in “Other financial instruments” relates to the re estimation of provisions for indemnities included in the share transfer agreement.

5. Staff costs and provision for employee separation schemes

a. Staff Costs

	From 1 January to		From 1 July to	
	30.9.2021	30.9.2020	30.9.2021	30.9.2020
Wages and salaries	228,985	235,580	68,885	79,268
Social security contributions	51,583	56,273	16,285	18,326
Group employee defined benefit obligation	2,059	2,484	684	828
Other charges	24,637	27,417	3,883	9,576
Total	307,264	321,754	89,737	107,998

During the nine month period of 2021, wages and salaries as well as social security contributions decreased compared to the nine month period of 2020, mainly as a result of the completion of the employee separation scheme of the group subsidiary Alpha Bank Cyprus Ltd in 2020 and also the reduction of social security contributions due to decrease in the respective rates.

b. Provision for employee separation schemes

	From 1 January to	
	30.9.2021	30.9.2020
Provision for employees separation schemes	97,701	-
Total	97,701	-

According to the three year Strategic Plan for the period 2020-2022, as announced in November 2019, a transformation plan in the entire branch network and the central units of the Bank is envisaged, aiming at the rationalization of the organizational structure of all the units and the reduction of operating costs.

As a result of the above, the Bank recognized a provision of € 97,200 for employee separation schemes (note 18).

On 29.6.2018 the General Assembly of Shareholders approved the senior executives’ compensation plan, a benefit which was further specified by a Regulation subsequently issued. It is noted that the payment of the benefit is voluntary, does not constitute a business practice and may be terminated in the future with the decision of the General Assembly of Shareholders. The charge for the nine month period of 2021 for this program amounted to € 501 (30.9.2020: € 0).

6. General administrative expenses

	From 1 January to		From 1 July to	
	30.9.2021	30.9.2020	30.9.2021	30.9.2020
Lease expenses	217	813	63	263
Maintenance of EDP equipment	19,179	16,300	4,820	5,203
EDP expenses	20,837	20,969	5,734	7,489
Marketing and advertising expenses	14,251	12,386	5,677	4,188
Telecommunications and postage	11,998	11,895	3,968	4,395
Third party fees	52,085	46,120	11,840	14,381
Contribution to the Deposit / Investment Guarantee and to the Single Resolution Board	47,057	44,628	13,866	14,102
Consultants fees	6,475	7,232	2,132	2,512
Insurance	8,797	7,550	2,784	2,707
Electricity	6,853	6,318	2,802	2,245
Building and equipment maintenance	5,360	5,431	1,741	1,791
Security of buildings-money transfers	10,759	10,927	3,768	3,734
Cleaning	3,437	4,222	1,130	1,471
Consumables	1,933	3,080	830	1,639
Commission for the amount of Deferred Tax Asset guaranteed by the Greek State	3,787	2,790	2,417	1,388
Taxes and Duties (VAT, real estate tax etc)	66,791	67,536	21,524	24,028
Other	66,274	71,988	24,153	25,497
Total	346,090	340,185	109,249	117,033

General Administrative Expenses of 2021 have increased compared to the comparative period, mainly due to Cepal Holdings S.A., which has been consolidated for the first time during the third quarter of 2020 and deconsolidated in June 2021 upon the sale of 80% of the entity.

7. Other expenses

	From 1 January to		From 1 July to	
	30.9.2021	30.9.2020	30.9.2021	30.9.2020
Loss from disposals/write-off/impairment on plant, property and equipment, intangible assets and rights of use assets	47,843	2,640	166	1,343
Other Provisions for operational risks	7,241	5,057	487	974
Other	4,077	3,601	1,978	2,004
Total	59,161	11,298	2,631	4,321

"Loss from disposals/write-off/impairments on plant, property and equipment, intangible assets and rights of use assets" as at 30.9.2021 includes an amount of € 45,860, regarding the:

- The Bank at the acquisition of the banking activity of Citi and the acquisition of Diners' in 2014, recognized intangible assets relating to customer relations as a result of the acquisition of the Wealth Management sector of Citi and credit card base of Citi/Diners. The fair value of the intangible assets on initial recognition was € 83,073 while as at 31.3.2021 their net book value was € 16,217.

Recently, the occurrence of external events (pandemic Covid-19), the internal initiatives taken, such as the restructuring of the Bank's service and sales channels, the acceleration of rebalancing customer portfolios in the context of coping with the pandemic and the expected business changes of the transformation plan, resulted in a substantial diversification of the customer base management in comparison with previous years. In addition, following initial recognition of the intangible assets, the Bank has established the cooperation with the Citi customer base through new contractual relationships, diversification of products, services and pricing, resulting in the distinction between the two to decrease significantly.

The above triggered a test for impairment as at 31.3.2021, from which it was found that it is no longer possible to distinguish the future economic benefits that are expected to flow from the above intangible assets, which led to their full impairment.

- Impairment of € 10,366 relating to information technology applications whose use was terminated during the period, following a decision to be replaced by other existing systems.
- Impairment of € 19,277 which relate to IT applications that based on the framework of the Transformation Plan were deemed to no longer meet the new business requirements. The amount of the impairment was determined taking into account the decision to discontinue or replace existing with new IT applications as well as the estimated replacement time. For those IT applications that were not fully impaired, their useful life was adjusted based on the expected replacement date.

In addition, "Loss from disposals/write-off/impairments on plant, property and equipment, intangible assets and rights of use assets" include loss from sale/destruction of fixed assets amounting to € 1,569 (30.9.2020: € 1,240).

The aforementioned impairment losses and losses from disposals of plant, property and equipment are included in the operating segment "Other/Elimination Center" in note 23 "Operating segments".

"Other provisions for operational risks" relate to provisions for legal cases against the Bank and its subsidiaries.

8. Impairment losses and provisions to cover credit risk on loans and advances to customers

"Impairment losses and provisions to cover credit risk" of the Interim Consolidated Income Statement amounted to € 972,997 (30.9.2020: € 751,321) and include the total of the captions presented in the table below, along with the impairment losses on other financial instruments, as presented in note 9.

The following table presents the impairment losses and provisions to cover credit risk on loans and advances to customers, financial guarantee contracts, other assets, recoveries as well as loan servicing fees.

Since the current period loans servicing fees arising from the agreement with Cepal, regarding the management for non performing loans, are classified to impairment losses to reflect more accurately the nature of these fees.

	From 1 January to		From 1 July to	
	30.9.2021	30.9.2020	30.9.2021	30.9.2020
Impairment losses on loans	974,556	669,948	415,025	145,945
Impairment losses on advances to customers	5,313	27,021	2,175	4,018
Provisions to cover credit risk on letters of guarantee, letters of credit and undrawn loan commitments (note 18)	(48,484)	4,294	(4,405)	6,844
(Gains)/Losses from modifications of contractual terms of loans and advances to customers	13,340	51,328	4,510	17,334
Recoveries	(16,557)	(16,037)	(4,286)	(5,547)
Loan servicing fees	27,180		23,907	
Impairment losses on other assets	38	82	42	(10)
Total	955,386	736,636	436,968	168,584

Impairment incorporating on loans in the current period include amount of € 706 million which represents the effect from incorporation sale scenarios in the estimation of expected credit losses in order to account for the impact of anticipated sales of loans which are included in the Bank's NPE Business Plan (for the transactions Cosmos, Orbit and Sky), as further analyzed in note 32. The Group, for the determination of the respective scenarios evaluated the uncertainties relating to each transaction and mainly concern the stage of preparation and the uncertainties around the outcome of the required conditions relate to associated with such sales (receipt of required approvals, capital actions, etc).

The loan portfolio of the Cosmos transaction was classified on 30.9.2021 as Assets Held for Sale. As a result of the above transfer and for the purpose of estimating the expected credit losses the probability of sale for the portfolio was set at 100%. Hence, the carrying amount of the portfolio, reflects the recoverable amount through the sale transaction, since the Group anticipates the completion of the transaction.

For Orbit and Sky loan sale transactions, the probability of the sale scenarios used are 50% and 65% respectively, and in case the Group had assigned a probability of 100% for each scenario the estimated additional impairment loss would have been approximately € 303 million.

For the other non-performing exposures (NPEs) transactions referred to in note 32, sale scenarios have not been incorporated into the estimation of expected credit losses due to significant uncertainties that exist as they are still at a very early stage.

Perimeter affected by the Covid-19 pandemic

The Group, in order to support its customers who are affected by the crisis due to the Covid-19 pandemic, has taken a series of measures to support affected businesses and individuals, facing temporary payment difficulties due to liquidity shortages. These measures concern either new loans, in the context of strengthening the liquidity of small, medium and large businesses, as well as the self-employed, or modifications in the repayment schedules of existing loan of both businesses and individuals.

Moreover, the Bank actively participates in every effort planned and coordinated by the Greek Government, either through the competent Ministries or through the Hellenic Development Bank and its Funds (i.e. Entrepreneurship Fund) as well as other European institutions to support the Greek economy (Entrepreneurship Fund, European Investment Fund, COSME etc.).

The modifications granted to existing loans were treated by the Bank in line with the Guidelines issued by the European Banking Authority (hereinafter "EBA") "on legislative and non-legislative moratoria on loan repayments applied in the light of the Covid-19 crisis" (EBA/GL/2020/02, EBA/GL/2020/08 and EBA/GL/2020/15) that aim to provide clarity to the EU banking sector on how to handle in a consistent manner, aspects related to (i) the classification of loans in default and (ii) the identification of forbore exposures.

In this respect, provided that those measures are not borrower-specific, the duration of the deferral of the payments is fixed for every borrower irrespective of the borrowers' specific financial circumstances and the Net Present Value ("NPV") loss is immaterial, modifications in payment schedules are not automatically classified as Distressed Restructuring (Forbearance) both under IFRS 9 and the definition of default.

In accordance with the Bank's accounting policies, such modifications are not considered substantial and therefore no derecognition occurs.

The measure of temporary payment holidays is offered to customers operating or employed in sectors affected by the Covid-19 pandemic, which is assessed by the Bank, through the submission of a relevant request from the customer.

It is noted that this measure, based on relevant guidelines by the EBA as amended on 2.12.2020 (EBA/GL/2020/15), is applicable until 31.3.2021, meaning that approvals of customer requests for payment holidays were accepted until that date and for an overall length of the payment holiday up to 9 months.

These amendments are separately monitored in the systems of the Bank, in order to be effectively monitored.

The loans, for which the Group proceeded to the abovementioned support measures and are active on 30.9.2021, amounted to € 50,500.

In addition, until 30.9.2021, the balance of the loans granted by the Group and included in the perimeter of the loans under the guarantee of the Greek Government (which amounts to 80%) and foreign governments amounted to € 1,341,282.

Adjustments in the loan impairment policy due to Covid-19 pandemic

The Group in the second quarter of 2021 adjusted its impairment policy in line with EBA Guidelines on legislative and non-legislative moratoria on loan repayments applied in the light of the Covid-19 crisis (EBA/GL/2020/02, EBA/GL/2020/08) which ceased on 1.4.2021 and no moratoria were granted due to Covid-19. In addition no post model adjustments have been made to exposures affected by the Covid-19 pandemic. More specifically the following adjustments to the impairment policy were removed:

- Retail performing exposures under payment moratoria that are classified in high risk zones were assigned in Stage 2 and life time expected credit losses were calculated as a result of respective qualitative evaluation for possible increase of credit risk.
- Temporary short-term modifications granted to Retail exposures that are no longer under payment moratoria and according to individual evaluation that has been performed are viable customers who are facing temporary liquidity problems with no indication of permanent financial difficulty, were classified in Stage 2 and Lifetime ECL is calculated for the remaining maturity of the exposures.

Adjustments in the calculation of allowance for expected credit losses

In order to manage the cases of debtors facing temporary liquidity problems from the Covid-19 pandemic, the Group adjusted in 2020 the estimates concerning the calculation of the expected credit losses.

The total expected credit losses due to the adjustments to the Group's models amounted to € 283 million for 31.12.2020, as a result from the global economic crisis caused by the Covid-19 pandemic.

Regarding the impact of the Covid-19 pandemic on the financial statements of 30.9.2021, there has been no further negative impact compared to the financial position of the Group as at 31.12.2020.

Regarding the energy crisis and the implications for further inflationary pressures, the Group has procedures and methodologies in place to measure and recognizes in its financial statements both the potential change of the profit margin of corporate clients and the change in the purchasing power of households. As of 30.9.2021, there was no significant impact, as a result of the energy crisis, taking into account its expected development.

9. Impairment losses and provision to cover credit risk on other financial instruments

	From 1 January to		From 1 July to	
	30.9.2021	30.9.2020	30.9.2021	30.9.2020
Impairment losses of debt securities measured at amortized cost	4,070	11,156	3,208	623
Impairment losses of debt securities measured at fair value through other comprehensive income	13,411	3,512	(264)	1,345
Impairment losses on due from banks	130	17	(551)	(17)
Total	17,611	14,685	2,393	1,951

Impairment losses of debt securities in the nine month period of 2021 mainly reflect the increase in the balance of investments in Greek Government and other Greek issuers bonds within the portfolio of debt securities measured at fair value through other comprehensive income, while the impairment losses of debt securities during the nine month period of 2020 were mainly attributed to the Greek Government and other issuers bonds included in the portfolio of debt securities measured at amortised cost. It is noted that Covid-19 pandemic did not lead to a significant increase in credit risk for debt securities held by the Group.

10. Income tax

The Extraordinary General Meeting of the Shareholders of Alpha Bank S.A. held on 2.4.2021, approved the demerger of the société anonyme with the corporate name "Alpha Bank Societe Anonyme" ("Demerged Entity"), by way of hive-down of the banking business sector with the incorporation of a new company – financial institution under the legal name "Alpha Bank Societe Anonyme". Alpha Bank S.A. resulting from the demerger by the way of the hive-down of the banking business sector, started its operations on 16.4.2021, following the approval of the Ministry of Development and Investments. The first tax year for Alpha Bank S.A. is from 1.7.2020 to 31.12.2021.

The Demerged changed its corporate name to "Alpha Services and Holding Societe Anonyme" and became a listed holding company, and its business scope is the provision of the insurance agency services and accounting supporting services, and has retained the same GEMI and VAT numbers.

In accordance with article 120 of L.4799 "Incorporation of Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures, Incorporation of Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards the loss-absorbing and recapitalization capacity of credit institutions and investment firms and Directive 98/26/EC, through the amendment of article 2 of L.4335/2015, and other urgent provisions", the income tax rate for legal entities is reduced by 2% (from 24% as in force today to 22%) for the income of tax year 2021 and afterwards. By explicit reference of the law, this decrease does not apply to the financial institutions for which the income tax rate remains at 29%.

In accordance with article 119 of the same law, the percentage of income tax prepayment for legal entities is reduced to eighty percent (80%) from one hundred per cent (100%) as in force. The above is applicable for income tax prepayment of income tax declaration for the tax year 2021. Especially for tax year 2020, the tax prepayment percentage of legal entities for tax year 2020, is set up to seventy per cent (70%).

The article 20 of Law 4646 / 12.12.2019 "Tax reform with a growth dimension for tomorrow's Greece", exempts income tax on income derived from the goodwill of the transfer of equity instruments to a legal entity resident in a Member State of the European Union, which a legal entity receives which is a tax resident of Greece if the legal entity whose titles are transferred fulfills the conditions prescribed by law. This income shall not be taxable on the distribution or capitalization of these profits. Any impairment losses recognized as at 31.12.2019 are deducted under certain conditions from gross income at the time of transfer. The provision applies to income derived from 1.7.2020 onwards.

Furthermore, the withholding rate is reduced to 5% from 10% in dividends paid from 1.1.2020 and onwards.

For the subsidiaries and the Bank's branch operating in other countries, the applicable nominal tax rates for the year 2021 are as follows, with no changes compared to the tax rates of year 2020:

Cyprus	12.5	Albania	15
Bulgaria	10	Jersey	10
Serbia	15	United Kingdom	19
Romania	16	Ireland	12.5
Luxembourg	24.94		

In accordance with article 65A of Law 4174/2013, from 2011, the statutory auditors and audit firms conducting statutory audits to a Societe Anonyme (S.A.), are obliged to issue an Annual Tax Certificate on the compliance on tax issues. In accordance with article 56 of Law 4410/3.8.2016 for the fiscal years from 1.1.2016 and onwards, the issuance of tax certificate is optional. However, the Company and the Group's companies intend to continue to obtain the tax certificate.

For the fiscal years 2011 up to 2020, the tax audit based on article 65A of Law 4174/2013 has been completed for Alpha Services and Holdings S.A. and the Company has received the relevant tax certificate without any qualifications on the tax issues covered. The subsidiaries in Greece, have received tax certificate without any qualifications on the tax issues covered for the fiscal years up to 2019. The tax audit for the fiscal year 2020 is in progress.

The income tax in the Income Statement is analyzed as follows:

	From 1 January to		From 1 July to	
	30.9.2021	30.9.2020*	30.9.2021	30.9.2020*
Current tax	52,035	101,318	14,091	11,564
Deferred tax	(70,036)	(89,716)	(81,328)	21,122
Total	(18,001)	11,602	(67,237)	32,686

Deferred tax recognized in the Income Statement is attributable to temporary differences, the effect of which is analyzed in the table below:

	From 1 January to		From 1 July to	
	30.9.2021	30.9.2020*	30.9.2021	30.9.2020*
Debit difference of Law 4046/2012	33,416	33,416	11,139	11,139
Debit difference of Law 4465/2017	2,210	(1,691,634)	27,752	(256,059)
Write-offs, depreciation and impairment of plant, property and equipment	(51,632)	13,626	(51,483)	4,530
Loans	(63,940)	1,628,554	(104,126)	229,565
Valuation of loans due to hedging	(238)	577	(53)	79
Defined benefit obligation and insurance funds	(69)	(392)	2	(185)
Provision for employee separation schemes	(26,925)		1,399	
Valuation of derivative financial instruments	42,445	(23,151)	2,887	1,367
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	2,677	420	869	(14)
Valuation/Impairment of debt securities and other securities	(44,287)	(64,918)	(19,035)	9,101
Tax losses carried forward	(751)	(312)	36,724	(501)
Other temporary differences	37,058	14,098	12,597	22,100
Total	(70,036)	(89,716)	(81,328)	21,122

* Certain figures of the previous period have been restated in order to be comparable, as described in detail in note 31.

"Debit difference L.4465 / 2017" from 1.1.2020 to 30.9.2020 includes the deferred tax amounting to € 1,486,703 which resulted from the securitization of loans (project Galaxy). According to the terms of the transaction, the relevant expected credit losses were considered as definitive losses for tax purposes subject to 20 years' amortization resulting in an increase of the balance with an equal reduction of the deferred tax of the "Loans" category.

"Debit difference of Law 4046/2012" relates to the deferred tax asset on tax losses, due to the Bank's participation in the Greek government bonds exchange program (PSI) and the Greek government bond buyback program on December 2012, which have been recognized as a debit difference in accordance with Law 4046/14.2.2012 and Law 4110/23.1.2013. According to Law 4110/23.1.2013 the "debit difference" is deductible, gradually in equal installments, within 30 years.

Moreover, according to article 5 of Law 4303/17.10.2014 "Ratification of the Legislative Act Emergency legislation to replenish the General Secretary of Revenue upon early termination of office (A' 136) and other provisions", which replaced article 27A of Law 4172/2013, deferred tax assets of legal entities supervised by the Bank of Greece, under article 26 paragraphs 5, 6 and 7 of Law 4172/2013 that have been or will be recognized and are due to the debit difference arising from the PSI and the accumulated provisions and other general losses due to credit risk, with respect to existing amounts up to 31.12.2014, are converted into final and settled claims against the State, if, the accounting result for the period, after taxes, is a loss, according to the audited and approved financial statements by the Ordinary Shareholders' General Meeting.

The inclusion in the Law is implemented with the approval of the General Meeting of Shareholders and relates to tax assets arising from 2016 and onwards, relating to fiscal year 2015 and onwards, whereas it is envisaged the end of inclusion in the Law with the same procedure and after obtaining relevant approval from the Regulatory Authority.

According to article 4 of Law 4340/1.11.2015 "Recapitalization of financial institutions and other provisions of the Ministry of Finance" the above were amended regarding the time of the application which is postponed for a year. In addition the amount of the relevant deferred tax asset which is included in the above provisions of article 5 of Law 4303/17.10.2014 and relates to accumulated provisions and other general losses due to credit risk, is limited to the amount related to the provisions for credit risk, which were accounted for on 30.6.2015.

In connection with the amount included in caption "Debit difference of Law 4465/4.4.2017", according to article 43 of Law 4465/4.4.2017 "Integration of Directive 2014/92/EU of the European Parliament and Council held on 23.7.2014 for the comparability of charges related to payment accounts, the change of payment account and the access to payment accounts with basic characteristics and other provisions", the articles 27 and 27A of the Income Tax Code were amended (Law 4172/2013). In particular, par. 3 of article 27, as amended, provides the right to amortize losses registered by the above legal entities, for a period of 20 years, if those losses resulted from debt write-offs from their balance sheet due to loan settlement or restructuring contractually, judicial or extrajudicial or due to the transfer of the loan to companies of loan acquisition or securitization or to credit and financial institutions or other companies and legal entities under the conditions that the management of those loans is carried out by a claims servicing company. The tax benefit of the 20-year depreciation is given only to the realized losses. In case of an accounting write-off of the loan considering that the events for the final debt write-off or transfer of the loan have not yet completed, the tax result for the year of the accounting write-off is not affected. When these events occur, the amount that was written off will be converted into a debit difference and will be amortised over the estimated 20-year period.

The amended provisions of Article 27A explicitly provide that in addition to the deferred tax assets relating to the amount of accumulated provisions and other general losses due to credit risk and to the remaining (amortized) balance of the PSI, the deferred tax asset relating to accounting write-offs and final losses due to final write-off or transfer of loans, under certain conditions, can be converted to final and settled receivable against the State and therefore to be included in the regulatory capital. It is noted that the right to convert deferred tax asset into final and settled against the State, had already been provided in the legislative framework since 2014 in order to avoid losses in the regulatory capital of credit institutions.

Based on the above mentioned Law, the total amount of deferred tax asset from (a) the debit difference due to the permanent write off of credits and sale of loans, (b) the temporary differences from any accounting write-off of loans and credits and (c) the temporary differences from accumulated provisions and other provisions due to credit risk, is limited to the total tax amount related to accumulated provisions and other losses due to credit risk, recognised until 30.6.2015.

This amendment ensures that the loan write-offs and disposals, aiming to decrease the non-performing loans, will not result in the loss of regulatory capital.

The above apply from 1.1.2016.

In accordance with article 125 of L.4831 / 2021 "Legal Council of the State (NSK) and situation of its officials and employees and other provisions", article 27 of L.4172 / 2013 was amended. Pursuant to the new provisions, the debit difference from the exchange of Greek government bonds or corporate bonds guaranteed by the Greek State, in application of a participation program in the redistribution of Greek debt (of par. 2 of article 27 of law 4172/2013), deducts as a priority compared to the debit difference due to credit risk of law 4465/2017 (par. 3 of article 27 of law 4172/2013). The amount of the annual debit difference from credit risk deduction is limited to the amount of gains determined under tax law, before the deduction of these debt differences and after the deduction of the debit difference resulting from the PSI bond exchange. The remaining amount of the annual deduction that has not been offset is carried forward for deduction in subsequent tax years within the twenty-year period, in which the remaining profits will remain after the annual deduction of the debit differences corresponding to those years. The order of deduction of the transferred amounts is preceded by the older debit difference balances compared to the newer ones. If at the end of the twenty-year amortization period there are balances that have not been offset, these are losses subject to the five-year transfer rule.

It is noted that the above provision does not affect the rate of the depreciation for regulatory purposes of the deferred tax asset (DTA), neither retrospectively nor in the future, ie DTA will continue to be depreciated on a straight line basis (1/20 per year), for both previous, as well as for future sales of non-performing loans. In this context, the purpose of this amendment is to avoid a significant one-off impairment of DTA, as a result of the tax amortization of accumulated loan losses.

The above is valid from 1.1.2021 and concerns debit differences of par. 3 that have arisen from 1.1.2016.

As of 30.9.2021, the amount of deferred tax asset which is in the scope of L.4465 / 2017 and includes the amount of the debit difference of L.4046 / 2012 (PSI), amounts to € 2,939 million (31.12.2020: € 3,030 million).

In accordance with article 82 of Law 4472 / 19.5.2017 "Pension provisions of the State and amendment of provisions of Law 4387/2016, measures for the implementation of fiscal objectives and reforms, measures of social support and employment regulations, Medium-Term Framework of the Fiscal Strategy 2018-2021 and others provisions" provides the obligation of credit institutions and other companies that fall under the provisions of article 27A of Law 4172/2013) to pay an annual fee of 1.5% for the amount of the tax claim guaranteed by the Greek State arising from the difference between the current tax rate (currently 29%) and the tax rate that was valid on 31.12.2014 (26%). The amount of the commission for the nine months of 2021 amounts to € 3,787 (note 6).

Pursuant to article 24 par. 8 of law 4172/2013, the new established credit institution Alpha Bank Societe Anonyme used the beneficial provisions of the law and postponed the depreciation for tax purposes of its fixed assets for the first three tax years. Based on Circular 1073 / 31.3.2015 of IAPR, the postponement of tax depreciation does not include the amortization of the debit difference of article 27 par. 2 of law 4172/2013 (loss from the exchange of Greek government bonds) and of the debit difference of article 27 par.3 of Law 4172/2013 (loss from final write-off or transfer of doubtful receivables). From 1.7.2020, which is the date of commencement of the first fiscal year of Alpha Bank S.A., tax depreciation of € 177.4 million and deferred tax of € 51.4 million, which is included in the item " Write-offs, depreciation and impairment of plant, property and equipment" was reversed.

A reconciliation between the effective and nominal tax rate is provided below:

	From 1 January to			
	30.9.2021		30.9.2020*	
	%		%	
Profit/(Loss) before income tax		(2,515,836)		145,159
Income tax (nominal tax rate)	20.98	(527,776)	33.29	48,323
Increase/(Decrease) due to:				
Tax exempt income	0.25	(6,222)	(1.40)	(2,028)
Non-deductible expenses	(0.97)	24,499	4.30	6,244
Decrease in tax rates	0.42	(10,453)		
Current period losses for which no deferred tax asset is recognized	(11.30)	284,510		
Deductible temporary differences for which no deferred tax asset is recognised	(9.13)	229,812		
Other tax adjustments	0.49	(12,371)	(28.20)	(40,937)
Income tax (effective tax rate)	0.72	(18,001)	7.99	11,602

* Certain figures of the previous period have been restated in order to be comparable, as described in detail in note 31.

	From 1 July to			
	30.9.2021		30.9.2020*	
	%		%	
Profit/(Loss) before income tax		(238,494)		76,994
Income tax (nominal tax rate)	28.70	(68,446)	25.51	19,639
Increase/(Decrease) due to:				
Tax exempt income	1.73	(4,124)	(0.64)	(491)
Non-deductible expenses	(0.73)	1,735	0.86	664
Current period losses for which no deferred tax asset is recognized	(3.03)	7,218		
Deductible temporary differences for which no deferred tax asset is recognised	(4.35)	10,366		
Other tax adjustments	5.86	(13,986)	16.72	12,874
Income tax (effective tax rate)	28.18	(67,237)	42.45	32,686

The nominal tax rate is the average tax rate resulting from the income tax, based on the nominal tax rate, and the pre-tax results, for the parent and for each of the Group's subsidiaries.

As at 30.9.2021, the Group has not recognized deferred tax asset related to tax losses of the nine month period of 2021 amounting to € 284,510, which have resulted mainly from the sale of the 51% of the mezzanine and junior notes of the Galaxy securitisation, as well as deferred tax asset amounting to € 229,812 deriving mainly from the valuation of the 44% of the junior and mezzanine notes held by Alpha Services and Holdings S.A., due to the fact that there it is not expected that there will be sufficient taxable profits against which they can be set off.

In accordance with the provisions of no E.2075/9.4.2021 Circular of Independent Authority for Public Revenue, following the finalization of transformation plan by way of hive-down of the banking business sector with the incorporation of a new legal entity named Alpha Bank S.A., Alpha Services and Holding S.A. will be taxed for the results until the Transformation Balance Sheet date 30.6.2020 with a rate of 29%, whereas for the results from 1.7.2020 to 31.12.2020 with a rate of 24%. In accordance with the article 120 of Law 2799/2021, from 1.1.2021 and afterwards the tax rate for legal entities has been further reduced to 22%. The effect of the change in the tax rate from 29% to 24% and then to 22% used for the taxation of Alpha Services and Holding S.A. is included in the line "Decrease in tax rates".

Income tax recognized in Other Comprehensive Income

	From 1 January to					
	30.9.2021			30.9.2020*		
	Before tax	Tax expense/ (benefit)	After Income tax	Before tax	Tax expense/ (benefit)	After Income tax
Amounts that may be reclassified to the Income Statement						
Net change in the reserve of debt securities measured at fair value through other comprehensive income	(113,167)	32,727	(80,440)	(215,508)	61,764	(153,744)
Net change in cash flow hedge reserve	15,545	(4,508)	11,037	15,603	(4,525)	11,078
Foreign operations – foreign currency translation differences and net investment hedge	(478)	(986)	(1,464)	(4,062)	(3,202)	(7,264)
	(98,100)	27,233	(70,867)	(203,967)	54,037	(149,930)
Amounts that will not be reclassified to the Income Statement						
Net change in actuarial gains/(losses) of defined benefit obligations	1	(19)	(18)	166	(207)	(41)
Gains/(Losses) from equity securities measured at fair value through other comprehensive income	4,690	(2,025)	2,665	(181)	(424)	(605)
	4,691	(2,044)	2,647	(15)	(631)	(646)
Total	(93,409)	25,189	(68,220)	(203,982)	53,406	(150,576)

* Certain figures of the previous period have been restated in order to be comparable, as described in detail in note 31.

	From 1 July to					
	30.9.2021			30.9.2020*		
	Before tax	Tax expense/ (benefit)	After Income tax	Before tax	Tax expense/ (benefit)	After Income tax
Amounts that may be reclassified to the Income Statement						
Net change in the reserve of debt securities measured at fair value through other comprehensive income	(28,867)	7,838	(21,029)	13,498	(2,752)	10,746
Net change in cash flow hedge reserve	5,238	(1,519)	3,719	5,239	(1,520)	3,719
Foreign operations – foreign currency translation differences and net investment hedge	222	(435)	(213)	(799)	(750)	(1,549)
	(23,407)	5,884	(17,523)	17,938	(5,022)	12,916
Amounts that will not be reclassified to the Income Statement						
Net change in actuarial gains/(losses) of defined benefit obligations		(1)	(1)	168	(207)	(39)
Gains/(Losses) from equity securities measured at fair value through other comprehensive income	807	1,869	2,676	794	(288)	506
	807	1,868	2,675	962	(495)	467
Total	(22,600)	7,752	(14,848)	18,900	(5,517)	13,383

Receivables from withholding taxes

In accordance with article 93 of Law 4605/1.4.2019 “Alignment of Greek legislation with the European Parliament and Council Directive (EU) 2016/943 of 8.6.2016 on the protection of undisclosed know-how and business information (trade secrets) against their unlawful acquisition, use and disclosure (EEL 157, 15.6.2016). Measures for accelerating the work of the Ministry of Economy and other provisions” provides that:

- The credit balances of fiscal years 2008 and 2010 up to 2012 that arose from withholding taxes on specially taxed income are transferred and will be offset at the time when income tax is incurred and in proportion to that tax. This set-off procedure also includes any amounts refunded by virtue of court decisions, for which the obligation to return them to the Greek State is borne at the time and proportionally to the amount of the income tax recognized. The Bank’s receivables from the Greek State which were subject to the above mentioned legislation amount to € 85,156.
- The credit balances that arose under Law 4046/2012 and have not been offset after the end of the five-years period from their recognition, will be offset starting from 1.1.2020 in ten equal annual installments with any tax liability of the banks. The Bank’s receivables from the Greek State that were subject to the above mentioned legislation amounted to € 63,114.

Following the abovementioned Law decisions, the Bank’s receivables against the Greek State from withholding taxes will be subject to the offset procedure described in the above provisions. During the first half of 2021, the Bank offset with current tax liabilities an amount of € 6,311 that corresponds to the 1/10th for the year 2021. From the total credit balance of € 63,114, an amount of € 12,622 has been offset as at 30.9.2021.

* Certain figures of the previous period have been restated in order to be comparable, as described in detail in note 31.

11. Earnings/(losses) per share

a. Basic

Basic earnings/(losses) per share are calculated by dividing the net profit/(losses) for the year attributable to ordinary equity holders of the Company, by the weighted average number of ordinary shares outstanding during the period, excluding the weighted average number of own shares held, during the period.

	From 1 January to		From 1 July to	
	30.9.2021	30.9.2020*	30.9.2021	30.9.2020*
Profit/(Loss) attributable to equity holders of the Company	(2,497,885)	133,427	(171,258)	44,252
Weighted average number of outstanding ordinary shares	1,791,783,910	1,543,699,381	2,284,442,635	1,543,699,381
Basic earnings/(losses) per share (in €)	(1.394)	0.086	(0.075)	0.029

It is noted that in January 2021, 2,281,716 options rights were exercised which resulted in the issuance of 2,281,716 ordinary, registered, voting shares with nominal value of Euro 0.30 each. The share capital of the Company increased by € 685 and the share premium increased by € 1,483.

Additionally, as mentioned in note 19, the share capital increase of Alpha Services and Holdings S.A. was completed on 8.7.2021, and the share capital of the Company increased by € 240,000 with the issuance of 800,000,000 common, registered, voting shares with nominal value of € 0.30 each.

b. Diluted

Diluted earnings/(losses) per share are calculated by adjusting the weighted average number of ordinary shares outstanding during the period for the effects of all dilutive potential ordinary shares. The Company holds shares of this category, which arise from share options given to management of the Company and to management of Group entities.

For the calculation of the diluted earnings per share, it is assumed that the option rights are exercised and that the related inflows derive from the issuance of common shares at the average market price of the year during which the options were outstanding. The difference between the number of ordinary shares that will be issued and the number of the ordinary shares that would have been issued at the average market price during the period, is recognized as issuance of ordinary shares without consideration.

	From 1 January to		From 1 July to	
	30.9.2021	30.9.2020*	30.9.2021	30.9.2020*
Profit/(Loss) attributable to equity holders of the Company	(2,497,885)	133,427	(171,258)	44,252
Weighted average number of outstanding ordinary shares	1,791,783,910	1,543,699,381	2,284,442,635	1,543,699,381
Adjustment for options	280,419		153,121	
Weighted average number of outstanding ordinary shares for diluted earnings per share	1,792,064,329	1,543,699,381	2,284,595,756	1,543,699,381
Diluted earnings /(losses) per share (in €)	(1.394)	0.086	(0.075)	0.029

* Certain figures of the previous period have been restated in order to be comparable, as described in detail in note 31.

ASSETS

12. Cash and balances with Central Banks

	30.9.2021	31.12.2020
Cash	397,098	387,224
Cheques receivables	5,118	2,992
Balances with Central Banks	10,998,987	7,077,100
Total	11,401,203	7,467,316
Less: Deposits pledged to Central Banks	(265,852)	(208,375)
Total	11,135,350	7,258,941

As at 30.9.2021 the cash and Balances with Central Banks increased compared to 31.12.2020 mainly due to the share capital increase, as well as from the additional borrowing from the TLTRO III program and the new debt issuances in the period.

Alpha Bank S.A. is required to maintain a current account with the Bank of Greece (Central Bank) in order to facilitate interbank transactions with the Central Bank and other financial institutions through the Trans European – Automated Real Time Gross Settlement Express Transfer System (TARGET).

The Bank of Greece also requires, that all financial institutions established in Greece to maintain reserve deposits with the Central Bank equal to 1% of customer deposits.

These deposits are interest bearing based on the refinancing interest rate set by the European Central Bank which on 30.9.2021, was 0% (31.12.2020: 0%).

The foreign banking subsidiaries, maintain reserve deposits in accordance with the requirements set by the respective Central Banks in their countries.

Cash and cash equivalents (as presented in the Statement of Cash Flows)

	30.9.2021	31.12.2020
Cash and balances with central banks	11,135,350	7,258,941
Securities purchased under agreements to resell (Reverse Repos)	1,112,863	240,049
Short-term placements with other banks	487,340	491,910
Total	12,735,553	7,990,900

13. Due from banks

	30.9.2021	31.12.2020
Placements with other banks	957,933	896,761
Guarantees for derivative securities coverage and repurchase agreements	1,152,419	1,632,298
Securities purchased under agreements to resell (Reverse Repos)	1,112,863	240,049
Loans to credit institutions	36,965	42,527
Less: Allowance for expected credit losses (note 27a)	(70,189)	(70,088)
Total	3,189,991	2,741,547

The increase in “Due from banks” is mainly attributed to the increase in reverse repos through which securities were obtained and used as collateral for financing from ECB.

14. Loans and advances to customers

	30.9.2021	31.12.2020
Loans measured at amortized cost	39,186,924	47,260,897
Leasing	612,288	611,137
Less: Allowance for expected credit losses	(4,368,293)	(9,079,938)
Total	35,430,919	38,792,096
Advances to customers measured at amortized cost	281,735	267,024
Advances to customers measured at fair value through profit or loss	40,321	40,000
Loans to customers measured at fair value through profit or loss	216,897	280,882
Loans and advances to customers	35,969,872	39,380,002

“Advances to customers measured at amortised cost” include allowance for expected credit losses amounting to € 47,729 (31.12.2020: € 47,227).

The advances to customers measured at amortized cost on 30.9.2021 include net deferred consideration amounting to € 105,237 (31.12.2020: € 105,692) from the sale of the non-performing loan portfolio completed on 17.7.2020, which is expected to be settled in cash within 3 years from the closing of the transaction. In addition, advances from customers measured at fair value through profit or loss includes the receivable from the variable consideration provided in the aforementioned transaction the fair value of which was estimated at 30.9.2021 to € 40,321 (31.12.2020: € 40,000).

Finance leases derive mainly from the activities of the subsidiary Alpha Leasing S.A.

The following tables, present an analysis of loans per type and valuation category.

Loans measured at amortised cost

	30.9.2021	31.12.2020
Individuals		
Mortgages:		
- Non-securitized	7,924,073	12,738,458
- Securitized	2,858,654	4,154,487
Consumer:		
- Non-securitized	1,059,942	1,986,207
- Securitized	1,780,567	2,121,090
Credit cards:		
- Non-securitized	425,079	456,239
- Securitized	662,059	717,543
Other	1,613	1,368
Total loans to individuals	14,711,987	22,175,392
Corporate:		
Corporate loans		
- Non-securitized	17,608,666	18,966,318
- Securitized	2,632,280	5,695,755
Leasing:		
- Non-securitized	382,424	366,137
- Securitized	229,864	245,000
Factoring	461,287	423,432
Senior securitization notes (see Corporate Transformation – Hive-Down)	3,772,704	
Total corporate loans	25,087,225	25,696,642
Total	39,799,212	47,872,034
Less: Allowance for expected credit losses	(4,368,293)	(9,079,938)
Total loans measured at amortized cost	35,430,919	38,792,096

On 30.4.2020 the Alpha Bank S.A. before the demerger completed, in accordance with the provisions of article 10 of Law 3156/2003, the securitization of a portfolio of consumer, mortgage and corporate loans and receivables to special purpose entities. In particular, Alpha Bank S.A. before the demerger transferred non-performing loan portfolios to four special purpose entities, Orion Securitization Designated Activity Company, Galaxy II Funding Designated Activity Company, Galaxy IV Funding Designated Activity Company and Galaxy III Funding Designated Activity Company, set up for this purpose, which in turn issued notes. The three securitizations follow a three-tranche structure and have issued senior, mezzanine and junior notes. As at 31.12.2020 the book value of the loans securitized in the Galaxy securitization entities amounted to € 6.148.332.

Alpha Bank S.A. before the demerger acquired the total of the notes and maintained in all cases the risks and rewards deriving from the securitized portfolios, which resulted to not derecognizing the loans as it retained in all cases the risks and rewards of securitized portfolios.

In February 2021, a binding agreement was concluded with Davidson Kempner Capital Management LP, which provided for the sale of 51% of the mezzanine and junior notes of the Non-performing Exposure portfolio issued by Orion Securitization Designated Activity Company, Galaxy II Funding Designated Activity Company and Galaxy IV Funding Designated Activity Company.

The sale was concluded on 18.6.2021 for a consideration of € 5,778. Following the sale of the mezzanine and junior notes, the Group ceased to have the control over the securitized loans, given that the special purpose entities have practically the right to transfer them to third party. As a result the Group derecognized the loans and recognised a loss from derecognition of financial assets measured at amortized cost amounting to € 2,238,989.

The calculation of the loss included besides the consideration the following:

- The carrying amount of the securitized loans amounting to € 5,810,559.
- The carrying amount of the 100% of the senior notes and the 49% of the mezzanine and junior notes which were recognized after the sale amounting to € 3,813,580.
- The carrying amount of the financial receivables from the special purpose entities that were derecognized after the sale of Galaxy Bonds amounting to € 228,721.
- The transaction costs amounting to € 19,067.

The book value of securitized loans in the special purpose vehicle, Galaxy III Funding Designated Activity Company measured at amortized cost as of 30.9.2021 amounts to € 172,704.

After the completion of the sale, the Group retained 100% of the senior notes and 49% of the mezzanine and junior notes. The 100% of the senior notes were classified at loans measured at amortized cost, the 5% of the mezzanine and junior notes were classified in loans measured at fair value through profit and loss and the 44% of mezzanine and junior notes were classified in investment securities measured at fair value through profit or loss based on the business model and contractual terms of the aforementioned investment securities.

On 28.6.2021 the Bank transferred portfolios of non-performing loans to the special purpose vehicle "Gemini Core Securitization Designated Activity Company" based in Ireland which was established for this purpose and which in turn issued notes. The Bank covered all issues, which resulted in the control of the special purpose vehicle by the Bank and the non-derecognition of these loans from its balance sheet as it retained all risks and rewards arising from the securitized portfolios. The balance of securitized loans of the aforementioned transaction measured at amortized cost amounted to € 4,730,087 as of 30.9.2021.

Furthermore, in previous years, Alpha Bank S.A. before the demerger has proceeded with the securitization of corporate loans and credit cards loans through special purpose entities which are controlled by the Bank. Based on the contractual terms and structure of the above transactions (e.g. guarantees or/and credit enhancement or due to the Bank owes the notes issued by the special purpose entities), Alpha Bank S.A. before the demerger retained in all cases the risks and rewards deriving from securitized portfolios.

Mortgage loans as at 30.9.2021 include loans amounting to € 3,450,692 (31.12.2020: € 3,370,323) which have been used as collateral in the Covered Bond Issuance Program I and Covered Bond Issuance Program II of the Bank, and in the Covered Bond Issuance Program of Alpha Bank Romania.

According to the NPE Business plan that was submitted to SSM by the Bank on 15 April 2021, prepared in accordance with the methodology of the supervisory authorities, the Group is obliged to monitor and report to the SSM the level of the achievement of the targets set in the NPE Business Plan on a consolidated basis, until the end of 2022, through relevant supervisory reports. As at 30.9.2021, the balance of the NPEs included in total loans and advances to customers amounted to € 8.4 billion (31.12.2020: € 20.9 billion).

The carrying amount of loans guaranteed by the Greek State and foreign states, given in the context of the Covid-19 pandemic, amounts to € 1,341,282 as at 30.9.2021 (31.12.2020: € 1,040,695) and are included in the balance of loans measured at amortized cost. For the above loans the allowance for expected credit losses recognized as at 30.9.2021 amounts to € 3,994 (31.12.2020: € 2,127).

The carrying amount of loans with interest rate subsidy from the Entrepreneurship Fund II and the Development Fund of Western Macedonia of the Hellenic Development Bank amount to € 389,959 on 30.9.2021 (31.12.2020: € 399,422) and is included in the balance of loans measured at amortized cost. For the above loans the allowance for expected credit losses recognized as at 30.9.2021 amounts to € 1,152 (31.12.2020: € 2,083).

The movement of allowance for expected credit losses on loans that are measured at amortized cost, is presented below:

Allowance for expected credit losses

Balance 1.1.2020	8,682,370
Changes for the period 1.1 - 30.9.2020	
Impairment losses for the period	695,540
Derecognition due to substantial modifications in loans contractual terms	(2,935)
Change in present value of the impairment losses	63,698
Foreign exchange differences	(6,424)
Disposal of impaired loans	(76)
Loans written-off during the period	(769,735)
Other movements	1,003
Balance 30.9.2020	8,663,441
Changes for the period 1.10 - 31.12.2020	
Impairment losses for the period	568,448
Derecognition due to substantial modifications in loans contractual terms	(6,103)
Change in present value of the impairment losses	53,797
Foreign exchange differences	(10,017)
Disposal of impaired loans	(1)
Loans written-off during the period	(189,478)
Other movements	(149)
Balance 31.12.2020	9,079,938
Changes for the period 1.1 - 30.9.2021	
Impairment losses for the period	992,003
Transfer of allowance for expected credit losses from/(to) Assets held for sale	(1,291,555)
Derecognition due to substantial modifications in loans contractual terms	(3,672)
Change in present value of the impairment losses	135,819
Foreign exchange differences	3,891
Disposal of impaired loans	(4,131,291)
Loans written-off during the period	(380,766)
Other movements	(36,074)
Balance 30.9.2021	4,368,293

"Transfer of allowance for expected credit losses from/to Assets held for sale" includes an amount of € 1,625,759 which relate to the Cosmos loan portfolio which was classified as Assets Held for Sale in the current period. It also includes an amount of € 327,731, which concerns part of the loan portfolio of non-performing loans with collaterals, which was classified in the category "Assets held for sale". These loans were included in the securitization of non-performing retail and wholesale loans (Galaxy).

"Impairment losses for the period" as of 30.9.2021, does not include impairment loss of € 2,897 (31.12.2020: € 22,209) which relates to impairment losses for loans classified as held for sale and the fair value adjustment for the contractual balance of loans which were impaired at their initial recognition (POCI) which is included in the carrying amount of the loans.

Finance lease receivable are analyzed by duration as follows:

	30.9.2021	31.12.2020
Up to 1 year	349,004	262,970
From 1 year to 5 years	193,194	227,312
Over 5 years	122,500	180,018
	664,698	670,300
Non accrued finance lease income	(52,410)	(59,163)
Total	612,288	611,137

The net amount of finance lease receivables are analyzed as follows, based on their duration:

	30.9.2021	31.12.2020
Up to 1 year	337,967	250,926
From 1 year to 5 years	169,031	200,586
Over 5 years	105,290	159,625
Total	612,288	611,137

There has been no significant impact from the application of the rent concession measures on the receivable from finance leases.

It is noted that during the prior year, the reduction in receivables from finance leases amounts to € 1,531 due to a sublease modification (reduction in duration) which resulted in the discounting of new cash flows at the initial IBR rate and the difference from the carrying amount to be recognized as impairment loss.

Loans measured at fair value through profit or loss

	30.9.2021	31.12.2020
Corporate:		
Corporate loans:		
- Non-securitized	214,906	176,342
- Securitized		104,540
Galaxy securitization bonds	1,991	
Total loans measured at fair value through profit or loss	216,897	280,882

15. Trading and Investment securities

i. Trading Portfolio

An analysis of trading securities' net book value is provided in the following tables per classification category and per type of security.

	30.9.2021	31.12.2020
Bonds:		
- Greek Government	26,644	29,154
- Other Issuers		
Equity securities		
- Listed	75	860
Total	26,719	30,014

ii. Investment Portfolio

	30.9.2021	31.12.2020
Investment Securities measured at fair value through other comprehensive income	6,917,675	6,577,698
Investment Securities measured at fair value through profit or loss	217,720	137,675
Investment Securities measured at amortized cost	3,770,638	3,335,733
Total	10,906,033	10,051,106

An analysis of investment securities is provided in the following tables per classification category, per type of security.

a. Securities measured at fair value through other comprehensive income

	30.9.2021	31.12.2020
Greek Government:		
- Bonds	2,207,976	2,007,494
- Treasury bills	816,943	763,520
Other Governments:		
- Bonds	1,757,756	1,831,950
- Treasury bills	46,193	16,257
Other issuers:		
- Listed	2,027,782	1,902,890
- Non listed	11,081	8,700
Equity securities:		
- Listed	24,281	18,074
- Non listed	25,663	28,813
Total	6,917,675	6,577,698

b. Securities measured at fair value through profit or loss

	30.9.2021	31.12.2020
Other issuers:		
- Listed	28,740	10,870
- Non listed	3,126	2,373
Equity securities:		
- Listed	6,747	6,064
- Non listed	34,708	32,836
Other variable yield securities	144,399	85,532
Total	217,720	137,675

Investment securities measured at fair value through profit or loss include securities for which it was assessed that their contractual cash flows do not meet the solely payments of principal and interest (SPPI) of IFRS 9.

c. Securities measured at amortized cost

	30.9.2021	31.12.2020
Greek Government:		
- Bonds	3,101,028	2,779,179
Other Governments:		
- Bonds	463,974	494,828
Other issuers:		
- Listed	205,636	61,726
Total	3,770,638	3,335,733

For the above investment securities, measured at amortized cost, accumulated expected credit losses of € 14,330 (31.12.2020: € 10,332) have been recognised. The gross carrying before impairment is € 3,784,968 (31.12.2020: € 3,346,065).

LIABILITIES

16. Due to banks

	30.9.2021	31.12.2020
Deposits:		
- Current accounts	207,239	75,787
- Term deposits		
Central Banks	12,865,694	11,868,432
Other credit institutions	128,596	56,559
Cash collateral for derivative margin account and repurchase agreements	9,302	9,688
Securities sold under agreements to resell (Repos)	647,805	526,431
Borrowing funds	516,696	565,959
Deposits on demand:		
- Other credit institutions	4,386	3,825
Total	14,379,718	13,106,681

In order to cope with the effects of the Covid-19 pandemic, to ensure adequate liquidity, normalize the market's condition and support the credit expansion, the European Central Bank has gradually implemented since March 2020 a series of measures such as an amendment on terms of the Targeted Longer Term Refinancing Operations III and a new bunch of non-targeted longer-term refinancing operations due to the pandemic (Pandemic Emergency Longer Term Refinancing Operations). On 24.6.2020, Alpha Bank S.A. before the demerger proceeded to the early termination of the borrowed amount of € 3.1 billion, through the pre-existing program of Targeted Longer Term Refinancing Operations II (TLTRO II) with an interest rate of -0.40% and raised additional of € 11.9 billion through the TLTRO III with an interest rate of -0.50%, while at the same date an amount of € 7.5 billion that was raised during the first half of 2020 through the Long-Term Refinancing Operations (LTRO) matured. It is noted that the interest rate of TLTRO III can reach -1% for the period from June 2020 to June 2021 and remain to -0.5% for the residual period until maturity, provided that the amount of loans falling under the program remain for the period between March 2020 and March 2021, at March 2020's levels. The ECB announced on 10.12.2020 a further amendment to the terms of the TLTRO III program, according to which if, in addition to the achievement of the target set for the period March 2020 – March 2021, loans for the period October 2020 - December 2021 remain at the levels of October 2020 the interest rate can be set at -1% for the next period from June 2021 to June 2022. Alpha Bank S.A. before the demerger recognized interest for the year 2020 based on the interest rate of -0.50%.

The additional funding of € 1.0 billion received in March of 2021, the repayment of € 1,9 billion in September 2021 and the concurrent renewal € 2.0 billion resulted in total borrowing through the TLTRO III program of € 13 billion as at 30.9.2021. In terms of loans, the target for the period March 2020 - March 2021 has been achieved, while it is also estimated, based on the available data, that the target for the period October 2020 - December 2021 will be achieved.

Following the above in the nine month period an income of € 124,563 was recognized, which includes the retrospective recognition of income amounting to € 31,568 with the additional margin of -0.50% for the period 24.6.2020-31.12.2020 and income of € 92,995 which relates to the current period, out of which € 45,217 relates to the additional margin of -0.50%. The interest income from the additional -0.50% margin for the third quarter of 2021 amounts to € 15,181.

In particular, given that changes in the interest rate based on the level of the achievement of the objectives are contractually prescribed, the effective interest rate will be adjusted as a conventionally predetermined variable interest rate when the estimates for the achievement of the objectives become reliable and cumulative adjust of the amount recognized in interest income. It is also noted that the interest rate of this loan has not been treated as an off-market interest rate loan as the European Central Bank has provided it to all credit institutions under its supervision.

The caption "Borrowing Funds" includes mainly liabilities of the Group towards multilateral development banks. The interest income recognized for the nine month period of 2021 and 2020 from these transactions is presented in the caption 'Interest and similar income' of the Statement of Income.

17. Debt securities in issue and other borrowed funds

i. Covered bonds*

Balance 1.1.2021	710,587
Change for the period 1.1 – 30.9.2021	
Maturities/Repayments	(13,482)
Interest	10,492
Foreign exchange differences	(60)
Balance 30.9.2021	707,537

The following tables present additional information for covered bonds issuances:

a. Held by the Group

Issuer	Currency	Interest Rate	Maturity	Nominal value	
				30.9.2021	31.12.2020
Alpha Bank S.A.	Euro	3m Euribor+0.50%, minimum 0%	23.1.2023	1,000,000	1,000,000
Alpha Bank S.A.	Euro	3m Euribor+0.50%, minimum 0%	23.1.2023	1,000,000	1,000,000
Alpha Bank S.A.	Euro	3m Euribor+0.35%, minimum 0%	23.1.2023	200,000	200,000
Alpha Bank S.A.	Euro	2.50%	5.2.2023	1,000	1,000
Total				2,201,000	2,201,000

b. Held by third parties

Issuer	Currency	Interest Rate	Maturity	Nominal value	
				30.9.2021	31.12.2020
Alpha Bank S.A.	Euro	2.50%	5.2.2023	499,000	499,000
Alpha Bank Romania S.A.	Euro	6m Euribor+1.5%	16.5.2024	200,000	200,000
Total				699,000	699,000

ii. Common bond loans

In the context of the Euro Medium Term Note Program of € 15 billion, the Bank issued on 23.9.2021 senior preferred notes with a nominal value of € 500 million maturing after 6.5 years in March 2029, with an issuer call option at 5.5 years and initially a fixed annual interest rate of 2.5% which is adjusted to a new interest rate from the reset date to the maturity date. This new interest rate is defined based on the annual swap rate and 2.849% spread for the remaining period from the reset date till the maturity date. The issue is meant to meet the Bank's target for Minimum Own Funds and Eligible Liabilities set by the European Banking Union's Single Resolution Board.

Balance 1.1.2021	1,553
Change for the period 1.1 - 30.9.2021	
New Issues	494,305
Repurchases	(4,969)
Maturities/Repayments	(43)
Hedging adjustments	(2,274)
Financial (gains)/losses	26
Accrued Interest	406
Balance 30.9.2021	489,004

* Information regarding the publication of information regarding the issuance of covered bonds, based on the Governor of the Bank of Greece Act 2620 / 28.8.2009, have been posted on the Bank's website. Certain figures of the previous period have been restated in order to be comparable, as described in detail in note 31.

The following table presents additional information for common bonds issuances:

a. Held by the Group

Issuer	Currency	Interest Rate	Maturity	Nominal value	
				30.9.2021	31.12.2020
Alpha Bank S.A.	Euro	2.50%	23.3.2028	5,000	

b. Held by third parties

Issuer	Currency	Interest Rate	Maturity	Nominal value	
				30.9.2021	31.12.2020
Alpha Bank S.A.	Euro	2.50%	20.6.2022	350	350
Alpha Bank S.A.	Euro	2.50%	20.6.2022	1,345	1,345
Alpha Bank S.A.	Euro	2.50%	23.3.2028	495,000	
Total				496,695	1,695

iii. Liabilities from the securitization of shipping loans

Alpha Bank S.A. before the demerger has proceeded to the securitization of shipping loans through the fully consolidated special purpose entity, Alpha Shipping Finance Ltd, which in turn raised funding from third parties. On 21.9.2020 Alpha Bank S.A. before the demerger purchased the total liability to third parties and from that date, the Bank, consists the only lender of the special purpose entity Alpha Shipping Finance Ltd.

On 20.1.2021 the loan of Alpha Bank S.A. before the demerger to the special purpose entity Alpha Shipping Finance Ltd was fully repaid.

The following table presents additional information for the above mentioned liabilities:

Held by the Group

Issuer	Currency	Interest Rate	Maturity	Nominal value	
				30.9.2021	31.12.2020
Alpha Shipping Finance Ltd	USD	1m USD Libor+2.25%	20.9.2022		17,327
Alpha Shipping Finance Ltd	USD	3m USD Libor+2.25%	20.9.2022		22,444
Total					39,771

iv. Liabilities from the securitization of loans and receivables

Liabilities arising from the securitization of consumer loans, business loans and credit cards are not included in "Debt securities in issue and other borrowed funds" because the respective notes with nominal amount of 1,441,800 (31.12.2020: 2,433,735) issued by special purpose entities are held by Alpha Bank S.A.

The following table presents additional information for the above mentioned issuance:

Held by the Group

Issuer	Currency	Interest Rate	Maturity	Nominal value	
				30.9.2021	31.12.2020
Katanalotika Plc LDN - Class A	Euro	3m Euribor +1.35%, minimum 0%	17.12.2029		220,000
Katanalotika Plc LDN - Class Z	Euro	3m Euribor +1%, minimum 0%	17.12.2029		360,000
Epihiro Plc LDN - Class A	Euro	6m Euribor +0.3%, minimum 0%	20.1.2035	400,000	400,000
Epihiro Plc LDN - Class B	Euro	6m Euribor, minimum 0%	20.1.2035	100,000	100,000
Pisti 2010-1 Plc LDN - Class A	Euro	2.50%	24.2.2026	294,200	369,300
Pisti 2010-1 Plc LDN - Class B	Euro	1m Euribor, minimum 0%	24.2.2026	172,800	216,900
Irida Plc LDN - Class A	Euro	3m Euribor +0.3%, minimum 0%	3.1.2039	261,100	261,100
Irida Plc LDN - Class B	Euro	3m Euribor, minimum 0%	3.1.2039	213,700	213,700
Alpha Quantum D.A.C.	Euro	6m Euribor+4.5%	15.11.2023		292,735
Total				1,441,800	2,433,735

On 15.1.2021 a nominal amount of € 10,597 from the securitized notes of Alpha Quantum DAC held by third parties was repaid and on 23.3.2021 the remaining balance of the issuance amounting to € 282,138 was cancelled.

On 17.6.2021 class A and class Z notes of the consumer loan securitization transaction were repaid and the respective consumer loans were desecuritized.

On 25.5.2021 class A and class B notes of the credit cards securitization transaction were partially repaid by a nominal value of € 75,100 and € 44,100 respectively.

v. Liabilities from the securitization of non-performing loans

On 30.4.2020, the Bank proceeded with a securitization transaction of a portfolio of non-performing retail and wholesale loans ("Galaxy securitization"), and the terms of the securitization were finalized on 24.6.2020. More specifically, non-performing loans were transferred to the special purpose entities Orion X Securitization Designated Activity Company, Galaxy II Funding Designated Activity Company, Galaxy III Funding Designated Activity Company and Galaxy IV Funding Designated Activity Company, established in Ireland. The carrying amount of these loans at 16.4.2021 was € 6,022,689 (31.12.2020: € 6,148,332).

Until the demerger of the banking business sector on 16.4.2021 the liabilities that arose from the aforementioned securitization, were not included in the caption "Debt securities in issue and other borrowed funds", due to the fact that the respective notes of a total nominal value of € 11,713,951 (31.12.2020 € 11,722,272), issued by the special purpose entities, were held by Alpha Bank S.A. before the demerger at an amount equal to the net book value of the loans that were securitized. It is noted that the change in the total nominal amount in relation to 31.12.2020 is due to the finalization of the perimeter of the transaction.

On 16.4.2021 the Senior notes (Class A) with a nominal value of € 3,763,000 as well as the 5% of the mezzanine and junior notes (Class B and Class C) with a nominal value of € 350,221 were contributed to the new Bank and were recognized in loans measured at amortized cost and loans measured at fair value through profit and loss respectively. The remaining 95% of the mezzanine and junior notes with a nominal value of € 6,654,192 as well as the single tranche note with a nominal value of € 946,538 remained with the parent company Alpha Services & Holdings S.A. Following the sale transaction of the 51% of the mezzanine and junior notes with a nominal value of € 3,572,250 on 18.6.2021, the respective securitized loans were derecognized from the balance sheet.

Liabilities from the securitization of non-performing loans of the special purpose entity Galaxy III Funding Designated Activity Company are not included in the account "Debt securities in issue and other borrowed funds" as the Group is the owner of the issued notes of nominal value € 946,538.

Information on the above versions is presented in the table below:

Held by the Group

Issuer	Rating	Currency	Interest Rate	Maturity	Nominal value	
					30.9.2021	31.12.2020
Orion X Securitisation D.A.C. DUB	High	Euro	0.75%	25.10.2060		879,000
Orion X Securitisation D.A.C. DUB	Medium	Euro	4%	25.10.2060		104,000
Orion X Securitisation D.A.C. DUB	Low	Euro	Available amounts after higher priority payment coverage	25.10.2060		940,688
Galaxy II Funding D.A.C. DUB	High	Euro	0.75%	25.10.2060		2,053,000
Galaxy II Funding D.A.C. DUB	Medium	Euro	4%	25.10.2060		364,000
Galaxy II Funding D.A.C. DUB	Low	Euro	Available amounts after higher priority payment coverage	25.10.2060		3,329,849
Galaxy III Funding D.A.C. DUB	Single priority	Euro	Available amounts	25.4.2030	946,538	946,538
Galaxy IV Funding D.A.C. DUB	High	Euro	0.75%	25.10.2060		670,000
Galaxy IV Funding D.A.C. DUB	Medium	Euro	4%	25.10.2060		263,000
Galaxy IV Funding D.A.C. DUB	Low	Euro	Available amounts after higher priority payment coverage	25.10.2060		2,172,197
Total					946,538	11,722,272

vi. Liabilities from the securitization of loans in arrears

On 28.6.2021, the Bank securitized a past due loan portfolio managed by Cepal, the amount of which may change on a continuous basis depending on the satisfaction of specific eligibility criteria. In particular, the loans were transferred to the special purpose entity "Gemini Core Securitization Designated Activity Company" based in Ireland, which issued a note with of an initial nominal value of € 8,712,547 which was acquired by the Bank. On 30.7.2021 the nominal value of the bond was adjusted to € 10,237,790. As the Bank is the sole owner of the note the liabilities from the aforementioned securitization is not included in the account "Debt securities in issue and other borrowed funds".

Issuer	Currency	Interest Rate	Maturity	Nominal value	
				30.9.2021	31.12.2020
Gemini Core Securitisation DAC	Euro	3m Euribor +0.4%, minimum 0%	27.6.2050	10,237,790	

vii. Subordinated Notes (Lower Tier II, Upper Tier II)

In the context of the Euro Medium Term Note Program of € 15 billion, Alpha Bank S.A. before the demerger issued on 13.2.2020 subordinated Tier II notes of nominal value € 500 million and 10 years maturity, with a call option in five years and initially a fixed annual interest rate of 4.25% till 13.2.2025 which is adjusted to a new interest rate from the reset date to the maturity date. This new interest rate is defined based on the five-year swap rate and 4.504% spread for the remaining period from the reset date till the maturity date.

On 11.3.2021 Alpha Bank S.A. before the demerger issued new subordinated Tier II notes of nominal value € 500 million and 10.25 years maturity, with a call option between year 5 and 5.25 and initially a fixed annual interest rate of 5.5% till 11.6.2026 which is adjusted to a new interest rate from the reset date to the maturity date. This new interest rate is defined based on the five-year swap rate and 5.823% spread for the remaining period from the reset date till the maturity date.

The notes remained at Alpha Services & Holdings S.A after the hive-down of the banking sector.

Balance 1.1.2021	510,729
Change for the period 1.1 - 30.9.2021	
New Issues	495,660
Repurchases	(15,908)
Maturities/Repayments	(27,444)
Hedging adjustments	(3,461)
Financial (gains)/losses	(211)
Accrued interest	31,004
Balance 30.9.2021	990,369

The following tables present additional information for the Subordinated Tier II Notes:

a. Held by the Group

Issuer	Currency	Interest Rate	Maturity	Nominal value	
				30.9.2021	31.12.2020
Alpha Services and Holdings S.A.	Euro	4.25%	13.2.2030	14,200	8,200
Alpha Services and Holdings S.A.	Euro	5.50%	11.6.2031	10,000	
Total				24,200	8,200

b. Held by third parties

Issuer	Currency	Interest Rate	Maturity	Nominal value	
				30.9.2021	31.12.2020
Alpha Services and Holdings S.A.	Euro	3m Euribor+1.5%	Indefinite	650	650
Alpha Services and Holdings S.A.	Euro	4.25%	13.2.2030	485,800	491,800
Alpha Services and Holdings S.A.	Euro	5.50%	11.6.2031	490,000	
Total				976,450	492,450

Total of debt securities in issue and other borrowed funds as at 30.9.2021	2,186,910
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18. Provisions

	30.9.2021	31.12.2020
Insurance provisions	630,214	522,768
Provisions to cover credit risk and other provisions	221,898	180,862
Total	852,112	703,630

a. Insurance provisions

	30.9.2021	31.12.2020
Life insurance		
Mathematical reserves	625,960	517,559
Outstanding claim reserves	4,254	5,209
Total	630,214	522,768

b. Provisions to cover credit risk and other provisions

Balance 1.1.2020	194,129
Changes for the period 1.1. - 30.9.2020	
Provisions to cover credit risk relating to letters of guarantee, letters of credit and undrawn loan commitments (note 8)	4,294
Other provisions for the period	3,134
Other provisions used during the period	(3,798)
Use of provision for separation schemes	(10,698)
Foreign exchange differences	(1,314)
Balance 30.9.2020	185,747
Changes for the period 1.10. - 31.12.2020	
Provisions/(Reversal of Provisions) to cover credit risk relating to letters of guarantee, letters of credit and undrawn loan commitments	(5,035)
Other provisions for the period	7,952
Other provisions used during the period	(5,533)
Use of provision for separation schemes	(1,811)
Foreign exchange differences	(458)
Balance 31.12.2020	180,862
Changes for the period 1.1. - 30.9.2021	
Provisions to cover credit risk relating to letters of guarantee, letters of credit and undrawn loan commitments (note 8)	(48,484)
Other provisions	11,991
Provision for separation schemes	97,701
Other provisions used during the period	(10,549)
Use of provision for separation schemes	(10,542)
Foreign exchange differences	919
Balance 30.9.2021	221,898

During the period the Group received cash collateral for letters of credits given, which led to the reversal of provisions to cover credit risk relating to letters of guarantee, letters of credit and undrawn loan commitments which are recognized in "Impairment losses and provisions to cover credit risk" of the Income Statement (note 8).

"Other provisions for the period" includes provisions for operational risk events amounting to € 7,241 as well as provisions for warrantees amounting to € 4,750 from the share purchase agreement of Cepal Holdings S.A. These amounts are recognized in "Other expenses" in the Income Statement.

Provision for separation schemes" includes the provision of compensation of staff of the voluntary retirement program of 2021.

The balance of the provisions to cover credit risk relating to letters of guarantee, letters of credit and undrawn loan commitments as at 30.9.2021 amounts to € 43,988 (31.12.2020: € 91,482) out of which € 5,454 (31.12.2020: € 6,127) relates to undrawn loan commitments and € 38,534 (31.12.2020: € 85,355) relates to letters of credit and letters of guarantee.

The balance of the provision for separation schemes as at 30.9.2021 amounts to € 102,271 (31.12.2020: € 15,112) which includes provision for the voluntary exit scheme of 2021 amounting to € 92,376, the provision of compensation for staff of the voluntary retirement program 2021, € 7,929 (31.12.2020: € 12,937), the provision relating to the cost of the employees who left on a sabbatical leave, in the context of the exit program that was in force for the period 2016 and onwards amounting € 1,966 (31.12.2020: € 2,175) and the provision for the senior executives' indemnity program.

On 30.9.2021 the balance of other provisions amounts to € 75,639 (31.12.2020: € 74,268) out of which:

- An amount of € 36,817 (31.12.2020: € 31,548) relates to pending legal cases,
- An amount of € 4,097 (31.12.2020: € 11,172) relates to the Bank's assessment for the period ended 30.9.2021, for the dismissal of the appeals submitted in previous years regarding the obligation to make contributions to an insurance fund.
- The remaining balance of other provisions relate mainly to provisions for operational loss events.

EQUITY

19. Share capital, Share premium and Retained earnings

a. Share Capital

The share capital of the company as at 30.9.2021 is as follows:

	Balance as at 1.1.2021	Changes for the period 1.1. - 30.9.2021			
		Shares from the Share Capital increase through the rights issue	Shares from the Share Capital Increase in cash	Balance as at 30.9.2021	Share Capital paid 30.9.2021
Number of Ordinary Shares	1,543,699,381	2,281,716	800,000,000	2,345,981,097	703,794

The Company's share capital on 30.9.2021 amounts to € 703,794 (31.12.2020: € 463,110) divided into 2,345,981,097 (31.12.2020: 1,543,699,381) ordinary, registered shares with voting rights with a nominal value of € 0.30 each.

In the context of Stock Options Plan for the granting of stock options to certain managerial and other employees of the Company and its affiliated entities, as further described in note 8 of the annual consolidated financial statements as of 31.12.2020, within January 2021, 2,281,716 options rights vested and were exercised from the beneficiaries, in accordance with Performance Incentive Program for the fiscal years of 2018 and 2019. As a result of the above, 2,281,716 ordinary, registered, voting shares with nominal value of Euro 0.30 were issued and the Share Capital of the Company increased by € 684 according to the Resolution of the Ordinary General Meeting of the Shareholders of 31.7.2020 and the respective decisions of the Board of Directors of the Alpha Bank S.A. before the demerger of 31.12.2020 and 9.2.2021.

The trading of 2,281,716 new common, registered, ordinary shares of the Company on the Athens Stock Exchange commenced on 22.2.2021.

In addition, the Extraordinary General Meeting of Shareholders of 15.6.2021 approved, inter alia, the issue of common share capital up to the amount of € 0.8 billion in cash, the abolition of pre-emptive rights of existing shareholders and the issuance of new common shares with voting with a nominal value of € 0.30 each, while the Board of Directors of 30.6.2021 decided to set the Offering Price at € 1.00 per New Share. The above Share Capital Increase was completed on 8.7.2021 and the share capital of the Company increased by € 240,000 with the issuance of 800,000,000 common, registered, voting shares, with a nominal value of € 0.30 each.

Following the above Share Capital during the nine month period increased by € 240,684.

b. Share premium

Balance as at 1.1.2021	10,801,029
Increase in share premium from the rights issue	1,483
Increase in share premium from the issuance of share capital	560,000
Balance as at 30.9.2021	11,362,512

Considering the share capital increase described above from the exercise of the options rights of the Company's shares, the share premium increased by € 1,483 resulting from the fair valuation, on the date of awarding to the employees, of the option right, which were exercised from the beneficiaries during the exercise period.

The share capital increase in cash on 8.7.2021 resulted to the increase of the share premium reserve by € 560,000 resulting from the difference of the nominal value of the shares of € 0.3 and the issue price of € 1.

c. Retained earnings

Given that in the financial year 2020 there were no distributable profits, in accordance with the provisions of article 159 of Codified Law 4548/2018, the Ordinary General Meeting of Shareholders resolved on the non-distribution of dividend to the ordinary shareholders of the Company.

20. Hybrid Securities

	30.9.2021	31.12.2020
Perpetual with 1st call option on 18.2.2015 and per year	15,231	15,232
Securities held by Group companies	(770)	(533)
Total	14,461	14,699

ADDITIONAL INFORMATION

21. Contingent liabilities and commitments

a. Legal issues

There are certain legal claims against the Group, in the ordinary course of business. In the context of managing the operational risk events and based on the applied accounting policies, the Group has established internal controls and processes to monitor all legal claims and similar actions by third parties in order to assess the probability of a negative outcome and the potential loss.

For cases where there is a significant probability of a negative outcome, and the result may be reliably estimated, the Group recognizes a provision that is included in the Balance Sheet under the caption "Provisions". On 30.9.2021 the amount of the provision stood at € 36,817 (31.12.2020: € 31,548).

For those cases, that according to their progress and the assessment of the legal department as at 30.9.2021, a negative outcome is not probable or the potential outflow cannot be estimated reliably due to the complexity of the cases, and their duration, the Group has not recognized a provision. As of 30.9.2021 the legal claims against the Group for the above cases amount to € 256,187 (31.12.2020: € 60,745) and € 220,009 (31.12.2020: € 214,764) respectively.

According to the legal department's estimation, the ultimate settlement of the claims and lawsuits is not expected to have a material effect on the financial position or the operations of the Group.

b. Tax issues

Alpha Services and Holdings S.A. has been audited by the tax authorities until 2010. Years 2011, 2012 and 2013 are considered as closed, in accordance with the Ministerial Decision 1208/20.12.2017 of the Independent Public Revenue Authority. On 13.7.2020 a regular audit order was issued for the year 2014, which was completed in December 2020. For the years 2011 up to 2020, the Company has obtained a tax certificate with no qualifications according to the article 82 of Law 2238/1994 and the article 65A of Law 4174/2013. Alpha Bank S.A. was incorporated from the hive-down of the banking sector and started its operation on 16.4.2021, and the first fiscal year is from 1.7.2020 to 31.12.2021.

Emporiki Bank has been audited by the tax authorities for the years up to and including 2008. Years 2009-2013 are considered as closed, in accordance with the Ministerial Decision 1208/20.12.2017 of the Independent Public Revenue Authority. For the years 2011 up to 2013 Emporiki Bank has obtained a tax certificate with no qualifications.

The branch of Alpha Bank S.A. in London has been audited by the tax authorities up to and including 2016 and the closure of its operations was registered with the Companies' Registry on 23.12.2020.

The Alpha Bank S.A. branch in Luxemburg started its operation on June 2020.

On 2.6.2015, the merger by absorption of Diners Club of Greece A.E.P.P. was completed. Diners Club of Greece A.E.P.P. has been audited by the tax authorities for the years up to and including 2010. Years 2011 until 2014 are considered as closed, in accordance with the Ministerial Decision 1208/20.12.2017 of the Independent Public Revenue Authority. For the years 2011 up to 2013 Diners Club of Greece A.E.P.P. has obtained a tax certificate with no qualifications.

Based on Ministerial Decision 1006/5.1.2016 there is no exemption from tax audit by the tax authorities to those entities that have been tax audited by the independent auditor and they have received an unqualified tax audit certificate. It is therefore possible for tax authorities to carry out their own tax audit.

Additional taxes, interest on late submission and penalties may be imposed by tax authorities, as a result of tax audits for unaudited tax years, the amount of which cannot be reasonably determined.

The Group's subsidiaries have been audited by the tax authorities up to and including the year indicated in the table below:

Name	Year
Banks	
1. Alpha Bank S.A.**	2014
2. Alpha Bank London Ltd (voluntary settlement of tax obligation)	2018
3. Alpha Bank Cyprus Ltd	2017
4. Alpha Bank Romania S.A. (tax audit is in progress for financial years 2014-2019)	2006
5. Alpha Bank Albania SH.A. (tax audit for Financial year 2019 completed)	2015
Leasing Companies	
1. Alpha Leasing S.A.**	2014
2. Alpha Leasing Romania IFN S.A.	2014
3. ABC Factors S.A.**	2014
Investment Banking	
1. Alpha Finance A.E.P.E.Y.**/**	2014
2. SSIF Alpha Finance Romania S.A.	2002
3. Alpha Ventures S.A. **/**	2014
4. Alpha S.A. Ventures Capital Management - AKES **/**	2014
5. Emporiki Ventures Capital Developed Markets Ltd	2017
6. Emporiki Ventures Capital Emerging Markets Ltd	2011
Asset Management	
1. Alpha Asset Management A.E.D.A.K.**/**	2014
2. ABL Independent Financial Advisers Ltd (voluntary settlement of tax obligation)	2018
Insurance	
1. Alpha Insurance Agents S.A.**/**	2014
2. Alpha Insurance Brokers Srl	2006
3. Alphalife A.A.E.Z.**/**	2014
Real estate and hotel	
1. Alpha Astika Akinita S.A.**	2014
2. Alpha Real Estate Management and Investments S.A. (former Ioniki Ventures)	2014
3. Alpha Real Estate Bulgaria E.O.O.D. (commencement of operation 2007)	*
4. Chardash Trading E.O.O.D. (commencement of operation 2006)	*
5. Alpha Real Estate Services Srl (commencement of operation 1998)	*
6. Alpha Investment Property Attikis S.A. (commencement of operation 2012) **	2014
7. Alpha Investment Property Attikis II A.E. (commencement of operation 2012 – the company was transferred on 12.2.2021) **	2014
8. AGI-RRE Participations 1 Srl (commencement of operation 2010)	*
9. Stockfort Ltd (commencement of operation 2010)	2011
10. Romfelt Real Estate S.A.	2015
11. AGI-RRE Zeus Srl (commencement of operation 2012)	*
12. AGI-RRE Poseidon Srl (commencement of operation 2012)	*
13. AGI-RRE Hera Srl (commencement of operation 2012)	*
14. Alpha Real Estate Services LLC (commencement of operation 2010)	2011
15. AGI-BRE Participations 2 E.O.O.D. (commencement of operation 2012)	*
16. AGI-BRE Participations 2BG E.O.O.D. (commencement of operation 2012)	*
17. AGI-BRE Participations 4 E.O.O.D. (commencement of operation 2012) (tax audit is in progress for 2018-2019)	*
18. APE Fixed Assets S.A.**/**	2014
19. AGI-RRE Cleopatra Srl (commencement of operation 2014 – the company was transferred on 17.3.2021)	*
20. SC Carmel Residential Srl (commencement of operation 2013)	*

* Companies that have not been audited by the tax authorities since the commencement of their operations.

** These companies received tax certificate for the years 2011 to 2019 without any qualification whereas the years up to and including 2014 are considered as closed in accordance with the Circular of the Ministry of Finance 1208/2017 (note 10).

*** These companies have been audited by the tax authorities up to and including 2009 in accordance with Law 3888/2010 which relates to voluntary settlement for the unaudited tax years.

Name	Year
21. Alpha Investment Property Neas Kifissias A.E. (commencement of operation 2014)	*
22. Alpha Investment Property Kallirois A.E. (commencement of operation 2014)	*
23. AGI-Cypré Tochni Ltd (commencement of operation 2014)	*
24. AGI-Cypré Mazotos Ltd (commencement of operation 2014)	*
25. Alpha Investment Property Livadias S.A. (commencement of operation 2014)	*
26. Asmita Gardens Srl	2015
27. Alpha Investment Property Kefalariou S.A. (commencement of operation 2015)	*
28. Cubic Center Development S.A. (commencement of operation 2010)	2015
29. Alpha Investment Property Neas Erythreas S.A. (commencement of operation 2015)	*
30. AGI-SRE Participations 1 DOO (commencement of operation 2016)	*
31. Alpha Investment Property Spaton A.E (commencement of operation 2017)	*
32. TH Top Hotels Srl (commencement of operation 2009 – the company was transferred on 17.3.2021)	*
33. Alpha Investment Property Kallitheas S.A. (commencement of operation 2017)	*
34. Kestrel Enterprise E.O.O.D. (commencement of operation 2013)	*****
35. Alpha Investment Property Irakleiou S.A. (commencement of operation 2018)	*
36. AGI-Cypré Property 2 Ltd (commencement of operation 2018)	*
37. AGI-Cypré Property 4 Ltd (commencement of operation 2018)	*
38. AGI-Cypré Property 5 Ltd (commencement of operation 2018)	*
39. AGI-Cypré Property 6 Ltd (commencement of operation 2018)	*
40. AGI-Cypré Property 7 Ltd (commencement of operation 2018)	*
41. AGI-Cypré Property 8 Ltd (commencement of operation 2018)	*
42. AGI-Cypré Property 9 Ltd (commencement of operation 2018)	*
43. AGI-Cypré Property 10 Ltd (commencement of operation 2018 – the company was transferred on 31.1.2021)	*
44. AGI-Cypré Property 11 Ltd (commencement of operation 2018)	*
45. AGI-Cypré Property 12 Ltd (commencement of operation 2018)	*
46. AGI-Cypré Property 13 Ltd (commencement of operation 2018)	*
47. AGI-Cypré Property 14 Ltd (commencement of operation 2018)	*
48. AGI-Cypré Property 15 Ltd (commencement of operation 2018)	*
49. AGI-Cypré Property 16 Ltd (commencement of operation 2018)	*
50. AGI-Cypré Property 17 Ltd (commencement of operation 2018)	*
51. AGI-Cypré Property 18 Ltd (commencement of operation 2018)	*
52. AGI-Cypré Property 19 Ltd (commencement of operation 2018)	*
53. AGI-Cypré Property 20 Ltd (commencement of operation 2018)	*
54. AGI-Cypré RES Pafos Ltd (commencement of operation 2018)	*
55. AGI-Cypré P&F Nicosia Ltd (commencement of operation 2018)	*
56. ABC RE P1 Ltd (commencement of operation 2018 – the company was transferred on 26.2.2021)	*
57. ABC RE P2 Ltd (commencement of operation 2018)	*
58. ABC RE P3 Ltd (commencement of operation 2018)	*
59. ABC RE L2 Ltd (commencement of operation 2018)	*
60. ABC RE P4 Ltd (commencement of operation 2018)	*
61. AGI-Cypré RES Nicosia Ltd (commencement of operation 2018)	*
62. AGI-Cypré P&F Limassol Ltd (commencement of operation 2018)	*
63. AGI-Cypré Property 21 Ltd (commencement of operation 2018)	*
64. AGI-Cypré Property 22 Ltd (commencement of operation 2018)	*
65. AGI-Cypré Property 23 Ltd (commencement of operation 2018)	*
66. AGI-Cypré Property 24 Ltd (commencement of operation 2018)	*
67. ABC RE L3 Ltd (commencement of operation 2018)	*
68. ABC RE P&F Limassol Ltd (commencement of operation 2018)	*
69. AGI-Cypré Property 25 Ltd (commencement of operation 2019)	*

* Companies that have not been audited by the tax authorities since the commencement of their operations.

***** These companies entered the Group in 2017 through bankruptcy and have not been audited by the tax authorities since then.

Name	Year
70. AGI-Cypré Property 26 Ltd (commencement of operation 2019)	*
71. ABC RE COM Pafos Ltd (commencement of operation 2019)	*
72. ABC RE RES Larnaca Ltd (commencement of operation 2019)	*
73. AGI-Cypré P&F Pafos Ltd (commencement of operation 2019)	*
74. AGI-Cypré Property 27 Ltd (commencement of operation 2019)	*
75. ABC RE L4 Ltd (commencement of operation 2019)	*
76. ABC RE L5 Ltd (commencement of operation 2019)	*
77. AGI-Cypré Property 28 Ltd (commencement of operation 2019)	*
78. AGI-Cypré Property 29 Ltd (commencement of operation 2019)	*
79. AGI-Cypré Property 30 Ltd (commencement of operation 2019)	*
80. AGI-Cypré COM Pafos Ltd (commencement of operation 2019)	*
81. AIP Industrial Assets S.M.S.A. (commencement of operation 2019)	*
82. AGI-Cypré Property 31 Ltd (commencement of operation 2019)	*
83. AGI-Cypré Property 32 Ltd (commencement of operation 2019)	*
84. AGI-Cypré Property 33 Ltd (commencement of operation 2019)	*
85. AGI-Cypré Property 34 Ltd (commencement of operation 2019)	*
86. Alpha Group Real Estate Ltd (commencement of operation 2019)	*
87. ABC RE P&F Pafos Ltd (commencement of operation 2019)	*
88. ABC RE P&F Nicosia Ltd (commencement of operation 2019)	*
89. ABC RE RES Nicosia Ltd (commencement of operation 2019)	*
90. Fierton Ltd (commencement of operation 2019)	*
91. AIP Residential Assets Rog S.M.S.A. (commencement of operation 2019)	*
92. AIP Attica Residential Assets I S.M.S.A. (commencement of operation 2019)	*
93. AIP Thessaloniki Residential Assets S.M.S.A. (commencement of operation 2019)	*
94. AIP Cretan Residential Assets S.M.S.A. (commencement of operation 2019)	*
95. AIP Aegean Residential Assets S.M.S.A. (commencement of operation 2019)	*
96. AIP Ionian Residential Assets S.M.S.A. (commencement of operation 2019)	*
97. AIP Urban Centres Commercial Assets S.M.S.A. (commencement of operation 2019)	*
98. AIP Thessaloniki Commercial Assets S.M.S.A. (commencement of operation 2019)	*
99. AIP Commercial Assets Rog S.M.S.A. (commencement of operation 2019)	*
100. AIP Attica Retail Assets I S.M.S.A. (commencement of operation 2019)	*
101. AIP Attica Retail Assets II S.M.S.A. (commencement of operation 2019)	*
102. AIP Attica Residential Assets II S.M.S.A. (commencement of operation 2019)	*
103. AIP Retail Assets Rog S.M.S.A. (commencement of operation 2019)	*
104. AIP Land II S.M.S.A. (commencement of operation 2019)	*
105. ABC RE P6 Ltd (commencement of operation 2019)	*
106. AGI-Cypré Property 35 Ltd (commencement of operation 2019)	*
107. AGI-Cypré P&F Larnaca Ltd (commencement of operation 2019)	*
108. AGI-Cypré Property 37 Ltd (commencement of operation 2019)	*
109. AGI-Cypré RES Ammochostos Ltd (commencement of operation 2019)	*
110. AGI-Cypré Property 36 Ltd (commencement of operation 2019 – the company was transferred on 15.2.2021)	*
111. AGI-Cypré Property 38 Ltd (commencement of operation 2019)	*
112. AGI-Cypré RES Larnaca Ltd (commencement of operation 2019)	*
113. ABC RE P7 Ltd (commencement of operation 2019)	*
114. AGI-Cypré Property 42 Ltd (commencement of operation 2019)	*
115. ABC RE P&F Larnaca Ltd (commencement of operation 2019)	*
116. Krigeo Holdings Ltd (commencement of operation 2019)	*
117. AGI-Cypré Property 43 Ltd (commencement of operation 2019)	*
118. AGI-Cypré Property 44 Ltd (commencement of operation 2019)	*
119. AGI-Cypré Property 45 Ltd (commencement of operation 2020)	*

* Companies that have not been audited by the tax authorities since the commencement of their operations.

Name	Year
120. Reoco Orion X S.M.S.A. (commencement of operation 2020)	*
121. Reoco Galaxy II S.M.S.A. (commencement of operation 2020)	*
122. Reoco Galaxy IV S.M.S.A. (commencement of operation 2020)	*
123. AGI-Cypre Property 40 Ltd (commencement of operation 2020)	*
124. ABC RE RES Ammochostos Ltd (commencement of operation 2020)	*
125. ABC RE RES Paphos Ltd (commencement of operation 2020)	*
126. Sapava Ltd (commencement of operation 2020)	*
127. AGI-Cypre Property 46 Ltd (commencement of operation 2020)	*
128. AGI-Cypre Proprety 47 Ltd (commencement of operation 2020)	*
129. AGI-Cypre Proprety 48 Ltd (commencement of operation 2020)	*
130. Alpha Credit Property 1 Ltd (commencement of operation 2020)	*
131. Office Park 1 Srl (commencement of operation 2020)	*
132. AGI-Cypre COM Nicosia Ltd (commencement of operation 2020)	*
133. AGI-Cypre Property 49 Ltd (commencement of operation 2020)	*
134. AGI-Cypre Property 50 Ltd (commencement of operation 2020)	*
135. AGI-Cypre COM Larnaca Ltd (commencement of operation 2020)	*
136. Acarta Construct Srl	2014
137. AGI-Cypre Property 51 Ltd (commencement of operation 2021)	*
138. AGI-Cypre Property 52 Ltd (commencement of operation 2021)	*
139. AGI-Cypre Property 53 Ltd (commencement of operation 2021)	*
140. Alpha Credit Properties Ltd (commencement of operation 2021)	*
141. AGI-Cypre Property 55 Ltd (commencement of operation 2021)	*
142. AGI-Cypre Property 54 Ltd (commencement of operation 2021)	*
143. Reoco Cosmos S.M.S.A. (commencement of operation 2021)	*
Special purpose and holding entities	
1. Alpha Credit Group Plc (voluntary settlement of tax obligation)	2018
2. Alpha Group Jersey Ltd	****
3. Alpha Group Investments Ltd (commencement of operation 2006)	2017
4. Ionian Equity Participations Ltd (commencement of operation 2006)	2011
5. AGI-BRE Participations 1 Ltd (commencement of operation 2009)	*
6. AGI-RRE Participations 1 Ltd ((commencement of operation 2009)	*
7. Alpha Group Ltd (commencement of operation 2012)	2017
8. Katanalotika Plc (voluntary settlement of tax obligation)	2018
9. Epihiro Plc (voluntary settlement of tax obligation)	2018
10. Irida Plc (voluntary settlement of tax obligation)	2018
11. Pisti 2010 - 1 Plc (voluntary settlement of tax obligation)	2018
12. Alpha Shipping Finance Ltd (voluntary settlement of tax obligation)	2018
13. Alpha Quantum DAC (commencement of operation 2019)	*
14. AGI-RRE Athena Ltd (commencement of operation 2011)	2011
15. AGI-RRE Poseidon Ltd (commencement of operation 2012)	*
16. AGI-RRE Hera Ltd (commencement of operation 2012)	*
17. Umera Ltd (commencement of operation 2012)	2017
18. Alpha Holdings S.M.S.A. (former Emporiki Development and Real Estate Management)	2014
19. AGI-BRE Participations 2 Ltd (commencement of operation 2011)	2011
20. AGI-BRE Participations 3 Ltd (commencement of operation 2011)	2011
21. AGI-BRE Participations 4 Ltd (commencement of operation 2010)	2011
22. AGI-RRE Ares Ltd (commencement of operation 2010)	2011
23. AGI-RRE Venus Ltd (commencement of operation 2012)	*
24. AGI-RRE Artemis Ltd (commencement of operation 2012)	*

* Companies that have not been audited by the tax authorities since the commencement of their operations.

**** These companies are not subject to tax audit.

61 The amounts are presented in thousands of Euro unless otherwise indicated.

Name	Year
25. AGI-BRE Participations 5 Ltd (commencement of operation 2012)	*
26. AGI-RRE Cleopatra Ltd (commencement of operation 2013)	*
27. AGI-RRE Hermes Ltd (commencement of operation 2013)	*
28. AGI-RRE Arsinoe Ltd (commencement of operation 2013)	*
29. AGI-SRE Ariadni Ltd (commencement of operation 2013)	*
30. Zerelda Ltd (commencement of operation 2012)	*
31. AGI-Cypre Evagoras Ltd (commencement of operation 2014)	*
32. AGI-Cypre Tersefanou Ltd (commencement of operation 2014)	*
33. AGI-Cypre Ermis Ltd (commencement of operation 2014)	*
34. AGI-SRE Participations 1 Ltd (commencement of operation 2016)	*
35. Alpha Credit Acquisition Company Ltd (commencement of operation 2019)	*
36. Alpha International Holding Company S.A. (commencement of operation 2019)	*
37. Orion X Securitisation D.A.C. (commencement of operation 2020 – the company was transferred on 18.6.2021)	*
38. Galaxy II Funding D.A.C. (commencement of operation 2020 – the company was transferred on 18.6.2021)	*
39. Galaxy III Funding D.A.C. (commencement of operation 2020)	*
40. Galaxy IV Funding D.A.C. (commencement of operation 2020 – the company was transferred on 18.6.2021)	*
41. Alpha International Holding S.M.S.A. (commencement of operation 2020)	*
42. Gemini Core Securitisation D.A.C.	*
Other companies	
1. Alpha Bank London Nominees Ltd	****
2. Alpha Trustees Ltd (commencement of operation 2002)	2011
3. Kafe Alpha S.A.**/**	2014
4. Alpha Supporting Services A.E.**/**	2014
5. Real Car Rental S.A.**/**	2014
6. Emporiki Management A.E.**	2014
7. Alpha Bank Notification Services A.E. (commencement of operation 2015)	*

c. Off balance sheet commitments

The Group as part of its normal operations, makes contractual commitments, that in the future may result in changes in its asset structure. These commitments are monitored in off balance sheet accounts and relate to letters of credit, letters of guarantee and liabilities from undrawn loan commitments as well as guarantees given for bonds issued and other guarantees to subsidiary companies.

Letters of credit are used to facilitate trading activities and relate to the financing of contractual agreements for the transfer of goods locally or abroad, through direct payment to the third party on behalf of the Group's customers. Letters of credit, as well as letters of guarantee, are commitments under specific terms and are issued by the Group for the purpose of ensuring that its customers will fulfill the terms of their contractual obligations.

In addition, contingent liabilities for the Group arise from undrawn loan commitments that may be drawn upon if certain requirements are fulfilled by counterparties.

The outstanding balances are as follows:

	30.9.2021	31.12.2020
Letters of credit	33,435	33,908
Letters of guarantee and other guarantees	3,343,502	3,463,297
Undrawn loan commitments	4,121,563	4,472,897

* Companies that have not been audited by the tax authorities since the commencement of their operations.

** These companies received tax certificate for the years 2011 to 2019 without any qualification whereas the years up to and including 2014 are considered as closed in accordance with the Circular of the Ministry of Finance 1208/2017 (note 10).

*** These companies have been audited by the tax authorities up to and including 2009 in accordance with Law 3888/2010 which relates to voluntary settlement for the unaudited tax years.

**** These companies are not subject to tax audit.

The Group measures the expected credit losses for all the undrawn loan commitments and letters of credit/letters of guarantee, which are included in the caption "Provisions".

Expected credit losses of the aforementioned exposures as of 30.9.2021 amounts to € 43,988 (31.12.2020: € 91,482) (note 8).

The Bank has committed to contribute in the share capital of the joint venture Alpha Taneo AKES up to the amount of € 65 (31.12.2020: € 23).

d. Encumbered assets

Encumbered assets, as at 30.9.2021 and 31.12.2020 are analyzed as follows:

- **Cash and balances with Central Banks:**

As at 30.9.2021 Cash and balances with Central Banks amounting to € 265,852 (31.12.2020: € 208,375) relate to the Group's obligation to maintain deposits in Central Banks according to percentages determined in the respective country. The amount of pledge cash that the Bank has to maintain with Bank of Greece on average for the period from 5.9.2021 to 2.11.2021, amounts to € 422,990 (31.12.2020: € 382,442). As at 30.9.2021 the pledged cash of the Bank amounts to € 0 (31.12.2020: € 0).

- **Due from Banks:**

- i. Placements amounting to € 205,620 (31.12.2020: € 190,871) relate to guarantees provided, mainly, on behalf of the Greek Government.
- ii. Placements amounting to € 1,152,419 (31.12.2020: € 1,632,348) have been provided as guarantee for derivative and other repurchase agreements (repos).
- iii. Placements amounting to € 101,826 (31.12.2020: € 64,125) have been provided for Letter of Credit or Guarantee Letters that the Bank issue for facilitating customer imports.
- iv. Placements amounting to € 20,012 (31.12.2020: € 16,066) have been provided to the Resolution Fund as irrevocable payment commitment, as part of the 2016 up to 2021 contribution. This commitment must be fully covered by collateral exclusively in cash, as decided by the Single Resolution Board.
- v. Placements amounting to € 29,467 (31.12.2020: € 14,472) have been used as collateral for the issuance of bonds with nominal value of € 2,900,000 (31.12.2020: € 2,900,000), out of which bonds with nominal value of € 2,200,000 (31.12.2020: € 2,200,000) held by the Bank, as mentioned below under "Loans and advances to customers"

- **Loans and advances to customers:**

- i. Loans of € 5,272,791 (31.12.2020: € 5,256,013) have been pledged to central banks for liquidity purposes.
- ii. Corporate loans and credit cards of carrying amount of € 1,242,889 (31.12.2020: € 1,577,200) have been securitized for the issuance of Special Purpose Entities' corporate bond of a nominal value of € 1,441,800 (31.12.2020: € 1,853,735) held by the Bank, of which a nominal amount of € 166,000 has been given as collateral for repos transactions.
- iii. Shipping loan of carrying amount of € 155,344 (31.12.2020: € 206,787) has been securitized for the issuance of debt by the Special Purpose Entity of the Group. The debt held by third parties, amounting to € 39,711 at 31.12.2020, was repurchased by the Bank in September 2020 and was fully repaid in January 2021. The total nominal value of the remaining debt held by the Bank at 30.9.2021 amounts to € 163,818 (31.12.2020: € 154,793).
- iv. Consumer loans of a carrying amount of € 493,145 have been securitized for the issuance of Special Purpose Entities' corporate bond of a nominal value as at 31.12.2020 € 580,000 which was held by the Bank. During the second quarter of 2021 the loans of the specific securitization have been bought back/desecuritized and the notes have been canceled.
- v. An amount of book value € 4,646 (31.12.2020: € 6,236) which relates to corporate loans, has been given as collateral for other loan facilities.
- vi. An amount of mortgage loans of a book value of € 3,450,692 (31.12.2020: € 3,370,323) has been used as collateral in Covered Bonds Issuance Program I and Covered Bond Issuance Program II of the Bank, as well as in Covered Bond Issuance Program of Alpha Bank Romania. On 30.9.2021 the nominal value of the above bonds amounted to € 2,900,000 (31.12.2020: € 2,900,000) of which the Bank owns € 2,200,000 (31.12.2020: € 2,200,000) and has been pledged to Central Banks for liquidity purposes.

• Investment and Trading Securities Portfolio:

- i. Bonds issued by the Greek Government with a carrying amount of € 4,537,402 (31.12.2020: € 4,118,026), have been given to the European Central Bank for liquidity purposes.
- ii. Treasury Bills issued by the Greek government with a carrying amount of € 805,292 (31.12.2020: € 708,784), have been given to the European Central Bank for liquidity purposes.
- iii. Bonds issued by other governments and other issuers with a carrying amount of € 2,466,061 (31.12.2020: € 2,489,904), have been given to the Central Banks for liquidity purposes.
- iv. Securities issued by the European Financial Stability Facility (EFSF) with a carrying amount of € 92,767 (31.12.2020: € 224,201), which have been pledged to Central Banks with the purpose of participating in the main refinancing operations.
- v. Bonds issued by the Greek government with a carrying amount of € 525,196 (31.12.2020: € 361,694), which have been given as a collateral in the context of repo agreements.
- vi. Other corporate securities with a carrying amount of € 9,239 (31.12.2020: € 47,937) have been given as a collateral in the context of a repo agreement and a carrying amount of € 14,783 (31.12.2020: € 0) relates to securities issued by other countries, given as collateral in the context of repo agreements.

Additionally, the Bank has obtained:

- i. Greek government treasury bills with a nominal value of € 750,000 (31.12.2020: € 900,000) as collateral for derivative transactions with the Greek State of which a nominal value of € 99,000 (31.12.20: € 20,000) has been given as a collateral in the context of a repo agreements.
- ii. Bonds with a nominal value of € 1,047,449 (31.12.2020: € 219,582) and fair value of € 1,102,918 (31.12.2020: € 240,081), as collateral in the context of reverse repo agreements and which are not recognized in Bank's balance sheet. From these bonds, bonds with fair value of € 975,315 (31.12.2020: € 215.206) have been pledged to Central Banks for liquidity purposes and bonds with fair value € 1,128 (31.12.2020: € 5,698) have been given as collateral in the context of repo agreements.

22. Group Consolidated Companies

The consolidated financial statements, apart from the parent company Alpha Services and Holdings S.A. include the following entities:

a. Subsidiaries

Name	Country	Group's ownership interest %	
		30.9.2021	31.12.2020
Banks			
1 Alpha Bank S.A.	Greece	100.00	
2 Alpha Bank London Ltd	United Kingdom	100.00	100.00
3 Alpha Bank Cyprus Ltd	Cyprus	100.00	100.00
4 Alpha Bank Romania S.A.	Romania	99.92	99.92
5 Alpha Bank Albania SH.A.	Albania	100.00	100.00
Financing companies			
1 Alpha Leasing S.A.	Greece	100.00	100.00
2 Alpha Leasing Romania IFN S.A.	Romania	100.00	100.00
3 ABC Factors S.A.	Greece	100.00	100.00
4 Cepal Holdings S.A.	Greece		100.00
Investment Banking			
1 Alpha Finance A.E.P.E.Y.	Greece	100.00	100.00
2 SSIF Alpha Finance Romania S.A.	Romania	99.98	99.98
3 Alpha Ventures S.A.	Greece	100.00	100.00

Name	Country	Group's ownership interest %	
		30.9.2021	31.12.2020
4 Alpha S.A. Ventures Capital Management - AKES	Greece	100.00	100.00
5 Emporiki Ventures Capital Developed Markets Ltd	Cyprus	100.00	100.00
6 Emporiki Ventures Capital Emerging Markets Ltd	Cyprus	100.00	100.00
Asset Management			
1 Alpha Asset Management A.E.D.A.K.	Greece	100.00	100.00
2 ABL Independent Financial Advisers Ltd	United Kingdom	100.00	100.00
Insurance			
1 Alpha Insurance Agents S.A.	Greece	100.00	100.00
2 Alpha Insurance Brokers Srl	Romania	100.00	100.00
3 Alphalife A.A.E.Z.	Greece	100.00	100.00
Real Estate and Hotel			
1 Alpha Astika Akinita S.A.	Greece	93.17	93.17
2 Alpha Real Estate Management and Investments S.A.	Greece	100.00	100.00
3 Alpha Real Estate Bulgaria E.O.O.D.	Bulgaria	93.17	93.17
4 Chardash Trading E.O.O.D.	Bulgaria	93.17	93.17
5 Alpha Real Estate Services Srl	Romania	93.17	93.17
6 Alpha Investment Property Attikis S.A.	Greece	100.00	100.00
7 Alpha Investment Property Attikis II S.A.	Greece		100.00
8 AGI-RRE Participations 1 Srl	Romania	100.00	100.00
9 Stockfort Ltd	Cyprus	100.00	100.00
10 Romfelt Real Estate S.A.	Romania	99.99	99.99
11 AGI-RRE Zeus Srl	Romania	100.00	100.00
12 AGI-RRE Poseidon Srl	Romania	100.00	100.00
13 AGI-RRE Hera Srl	Romania	100.00	100.00
14 Alpha Real Estate Services LLC	Cyprus	93.17	93.17
15 AGI-BRE Participations 2 E.O.O.D.	Bulgaria	100.00	100.00
16 AGI-BRE Participations 2BG E.O.O.D.	Bulgaria	100.00	100.00
17 AGI-BRE Participations 4 E.O.O.D.	Bulgaria	100.00	100.00
18 APE Fixed Assets S.A.	Greece	72.20	72.20
19 AGI-RRE Cleopatra Srl	Romania		100.00
20 SC Carmel Residential Srl	Romania	100.00	100.00
21 Alpha Investment Property Neas Kifissias S.A.	Greece	100.00	100.00
22 Alpha Investment Property Kallirois S.A.	Greece	100.00	100.00
23 AGI-Cypre Tochni Ltd	Cyprus	100.00	100.00
24 AGI-Cypre Mazotos Ltd	Cyprus	100.00	100.00
25 Alpha Investment Property Livadias S.A.	Greece	100.00	100.00
26 Asmita Gardens Srl	Romania	100.00	100.00
27 Alpha Investment Property Kefalariou S.A.	Greece	54.17	54.17
28 Cubic Center Development S.A.	Romania	100.00	100.00
29 Alpha Investment Property Neas Erythreas S.A.	Greece	100.00	100.00
30 AGI-SRE Participations 1 D.O.O.	Serbia	100.00	100.00
31 Alpha Investment Property Spaton A.E	Greece	100.00	100.00
32 TH Top Hotels Srl	Romania		97.50
33 Alpha Investment Property Kallitheas S.A.	Greece	100.00	100.00
34 Kestrel Enterprise E.O.O.D.	Bulgaria	100.00	100.00
35 Alpha Investment Property Irakleiou S.A.	Greece	100.00	100.00
36 AGI-Cypre Property 2 Ltd	Cyprus	100.00	100.00
37 AGI-Cypre Property 4 Ltd	Cyprus	100.00	100.00
38 AGI-Cypre Property 5 Ltd	Cyprus	100.00	100.00
39 AGI-Cypre Property 6 Ltd	Cyprus	100.00	100.00
40 AGI-Cypre Property 8 Ltd	Cyprus	100.00	100.00

Name	Country	Group's ownership interest %	
		30.9.2021	31.12.2020
41 AGI-Cypre Property 7 Ltd	Cyprus	100.00	100.00
42 AGI-Cypre Property 9 Ltd	Cyprus	100.00	100.00
43 AGI-Cypre Property 10 Ltd	Cyprus		100.00
44 AGI-Cypre Property 11 Ltd	Cyprus	100.00	100.00
45 AGI-Cypre Property 12 Ltd	Cyprus	100.00	100.00
46 AGI-Cypre Property 13 Ltd	Cyprus	100.00	100.00
47 AGI-Cypre Property 14 Ltd	Cyprus	100.00	100.00
48 AGI-Cypre Property 15 Ltd	Cyprus	100.00	100.00
49 AGI-Cypre Property 16 Ltd	Cyprus	100.00	100.00
50 AGI-Cypre Property 17 Ltd	Cyprus	100.00	100.00
51 AGI-Cypre Property 18 Ltd	Cyprus	100.00	100.00
52 AGI-Cypre Property 19 Ltd	Cyprus	100.00	100.00
53 AGI-Cypre Property 20 Ltd	Cyprus	100.00	100.00
54 AGI-Cypre RES Pafos Ltd	Cyprus	100.00	100.00
55 AGI-Cypre P&F Nicosia Ltd	Cyprus	100.00	100.00
56 ABC RE P1 Ltd	Cyprus		100.00
57 ABC RE P2 Ltd	Cyprus	100.00	100.00
58 ABC RE P3 Ltd	Cyprus	100.00	100.00
59 ABC RE L2 Ltd	Cyprus	100.00	100.00
60 ABC RE P4 Ltd	Cyprus	100.00	100.00
61 AGI-Cypre RES Nicosia Ltd	Cyprus	100.00	100.00
62 AGI-Cypre P&F Limassol Ltd	Cyprus	100.00	100.00
63 AGI-Cypre Property 21 Ltd	Cyprus	100.00	100.00
64 AGI-Cypre Property 22 Ltd	Cyprus	100.00	100.00
65 AGI-Cypre Property 23 Ltd	Cyprus	100.00	100.00
66 AGI-Cypre Property 24 Ltd	Cyprus	100.00	100.00
67 ABC RE L3 Ltd	Cyprus	100.00	100.00
68 ABC RE P&F Limassol Ltd	Cyprus	100.00	100.00
69 AGI-Cypre Property 25 Ltd	Cyprus	100.00	100.00
70 AGI-Cypre Property 26 Ltd	Cyprus	100.00	100.00
71 ABC RE COM Pafos Ltd	Cyprus	100.00	100.00
72 ABC RE RES Larnaca Ltd	Cyprus	100.00	100.00
73 AGI-Cypre P&F Pafos Ltd	Cyprus	100.00	100.00
74 AGI Cypre Property 27 Ltd	Cyprus	100.00	100.00
75 ABC RE L4 Ltd	Cyprus	100.00	100.00
76 ABC RE L5 Ltd	Cyprus	100.00	100.00
77 AGI-Cypre Property 28 Ltd	Cyprus	100.00	100.00
78 AGI-Cypre Property 29 Ltd	Cyprus	100.00	100.00
79 AGI-Cypre Property 30 Ltd	Cyprus	100.00	100.00
80 AGI-Cypre COM Pafos Ltd	Cyprus	100.00	100.00
81 AIP Industrial Assets Athens S.M.S.A.	Greece	100.00	100.00
82 AGI-Cypre Property 31 Ltd	Cyprus	100.00	100.00
83 AGI-Cypre Property 32 Ltd	Cyprus	100.00	100.00
84 AGI-Cypre Property 33 Ltd	Cyprus	100.00	100.00
85 AGI-Cypre Property 34 Ltd	Cyprus	100.00	100.00
86 Alpha Group Real Estate Ltd	Cyprus	100.00	100.00
87 ABC RE P&F Pafos Ltd	Cyprus	100.00	100.00
88 ABC RE P&F Nicosia Ltd	Cyprus	100.00	100.00
89 ABC RE RES Nicosia Ltd	Cyprus	100.00	100.00
90 Fierton Ltd	Cyprus	100.00	100.00
91 AIP Residential Assets Rog S.M.S.A.	Greece	100.00	100.00

Name	Country	Group's ownership interest %	
		30.9.2021	31.12.2020
92 AIP Attica Residential Assets I S.M.S.A.	Greece	100.00	100.00
93 AIP Thessaloniki Residential Assets S.M.S.A.	Greece	100.00	100.00
94 AIP Cretan Residential Assets S.M.S.A.	Greece	100.00	100.00
95 AIP Aegean Residential Assets S.M.S.A.	Greece	100.00	100.00
96 AIP Ionian Residential Assets S.M.S.A.	Greece	100.00	100.00
97 AIP Commercial Assets City Centres S.M.S.A.	Greece	100.00	100.00
98 AIP Thessaloniki Commercial Assets S.M.S.A.	Greece	100.00	100.00
99 AIP Commercial Assets Rog S.M.S.A.	Greece	100.00	100.00
100 AIP Attica Retail Assets I S.M.S.A.	Greece	100.00	100.00
101 AIP Attica Retail Assets II S.M.S.A.	Greece	100.00	100.00
102 AIP Attica Residential Assets II S.M.S.A.	Greece	100.00	100.00
103 AIP Retail Assets Rog S.M.S.A.	Greece	100.00	100.00
104 AIP Land II S.M.S.A.	Greece	100.00	100.00
105 ABC RE P6 Ltd	Cyprus	100.00	100.00
106 AGI-Cypre Property 35 Ltd	Cyprus	100.00	100.00
107 AGI-Cypre P&F Larnaca Ltd	Cyprus	100.00	100.00
108 AGI-Cypre Property 37 Ltd	Cyprus	100.00	100.00
109 AGI-Cypre RES Ammochostos Ltd	Cyprus	100.00	100.00
110 AGI-Cypre Property 36 Ltd	Cyprus		100.00
111 AGI-Cypre Property 38 Ltd	Cyprus	100.00	100.00
112 AGI-Cypre RES Larnaca Ltd	Cyprus	100.00	100.00
113 ABC RE P7 Ltd	Cyprus	100.00	100.00
114 AGI-Cypre Property 42 Ltd	Cyprus	100.00	100.00
115 ABC RE P&F Larnaca Ltd	Cyprus	100.00	100.00
116 Krigeo Holdings Ltd	Cyprus	100.00	100.00
117 AGI-Cypre Property 43 Ltd	Cyprus	100.00	100.00
118 AGI-Cypre Property 44 Ltd	Cyprus	100.00	100.00
119 AGI-Cypre Property 45 Ltd	Cyprus		100.00
120 Reoco Orion X S.M.S.A. (note 30)	Greece		100.00
121 Reoco Galaxy II S.M.S.A. (note 30)	Greece		100.00
122 Reoco Galaxy IV S.M.S.A. (note 30)	Greece	100.00	100.00
123 AGI-Cypre Property 40 Ltd	Cyprus	100.00	100.00
124 ABC RE RES Ammochostos Ltd	Cyprus	100.00	100.00
125 ABC RE RES Paphos Ltd	Cyprus	100.00	100.00
126 Sapava Ltd	Cyprus	100.00	100.00
127 AGI-Cypre Property 46 Ltd	Cyprus	100.00	100.00
128 AGI-Cypre Property 47 Ltd	Cyprus	100.00	100.00
129 AGI-Cypre Property 48 Ltd	Cyprus	100.00	100.00
130 Alpha Credit Property 1 Ltd	Cyprus	100.00	100.00
131 Office PARK I Srl	Cyprus	100.00	100.00
132 AGI-Cypre Com Nicosia Ltd	Cyprus	100.00	100.00
133 AGI-Cypre Property 49 Ltd	Cyprus	100.00	100.00
134 AGI-Cypre Com Larnaca Ltd	Cyprus	100.00	100.00
135 Acarta Construct Srl	Romania	100.00	100.00
136 AGI-Cypre Property 51 Ltd	Cyprus	100.00	
137 AGI-Cypre Property 52 Ltd	Cyprus	100.00	
138 AGI-Cypre Property 53 Ltd	Cyprus	100.00	
139 Alpha Credit Properties Ltd	Cyprus	100.00	
140 AGI-Cypre Property 54 Ltd	Cyprus	100.00	
141 AGI-Cypre Property 55 Ltd	Cyprus	100.00	
142 Reoco Cosmos S.M.S.A.	Greece	100.00	

Name	Country	Group's ownership interest %	
		30.9.2021	31.12.2020
Special purpose and holding entities			
1 Alpha Credit Group Plc	United Kingdom		100.00
2 Alpha Group Jersey Ltd	Jersey	100.00	100.00
3 Alpha Group Investments Ltd	Cyprus	100.00	100.00
4 Ionian Equity Participations Ltd	Cyprus	100.00	100.00
5 AGI-BRE Participations 1 Ltd	Cyprus	100.00	100.00
6 AGI-RRE Participations 1 Ltd	Cyprus	100.00	100.00
7 Alpha Group Ltd	Cyprus	100.00	100.00
8 Katanalotika Plc	United Kingdom		
9 Epihiro Plc	United Kingdom		
10 Irida Plc	United Kingdom		
11 Pisti 2010-1 Plc	United Kingdom		
12 Alpha Shipping Finance Ltd	United Kingdom		
13 Alpha Quantum DAC	Ireland		
14 AGI-RRE Athena Ltd	Cyprus		100.00
15 AGI-RRE Poseidon Ltd	Cyprus	100.00	100.00
16 AGI-RRE Hera Ltd	Cyprus	100.00	100.00
17 Umera Ltd	Cyprus	100.00	100.00
18 Alpha Holdings S.M.S.A	Greece	100.00	100.00
19 AGI-BRE Participations 2 Ltd	Cyprus	100.00	100.00
20 AGI-BRE Participations 3 Ltd	Cyprus	100.00	100.00
21 AGI-BRE Participations 4 Ltd	Cyprus	100.00	100.00
22 AGI-RRE Ares Ltd	Cyprus	100.00	100.00
23 AGI-RRE Venus Ltd	Cyprus		100.00
24 AGI-RRE Artemis Ltd	Cyprus	100.00	100.00
25 AGI-BRE Participations 5 Ltd	Cyprus	100.00	100.00
26 AGI-RRE Cleopatra Ltd	Cyprus	100.00	100.00
27 AGI-RRE Hermes Ltd	Cyprus	100.00	100.00
28 AGI-RRE Arsinoe Ltd	Cyprus	100.00	100.00
29 AGI-SRE Ariadni Ltd	Cyprus	100.00	100.00
30 Zerelda Ltd	Cyprus	100.00	100.00
31 AGI-Cypre Evagoras Ltd	Cyprus	100.00	100.00
32 AGI-Cypre Tersefanou Ltd	Cyprus	100.00	100.00
33 AGI-Cypre Ermis Ltd	Cyprus	100.00	100.00
34 AGI-SRE Participations 1 Ltd	Cyprus	100.00	100.00
35 Alpha Credit Acquisition Company Ltd	Cyprus	100.00	100.00
36 Alpha International Holding Company S.A.	Luxembourg	100.00	100.00
37 Galaxy III Funding Designated Activity Company	Ireland		
38 Alpha International Holding S.M.S.A.	Greece	100.00	100.00
39 Krigeo Holdings Ltd	Cyprus	100.00	100.00
40 SPV Gemini Core Securitization Designated Activity Company	Ireland		
41 Orion X Securitization Designated Activity Company	Ireland		
42 Galaxy II Funding Designated Activity Company	Ireland		
43 Galaxy IV Funding Designated Activity Company	Ireland		
Other companies			
1 Alpha Bank London Nominees Ltd	United Kingdom	100.00	100.00
2 Alpha Trustees Ltd	Cyprus	100.00	100.00
3 Kafe Alpha S.A.	Greece	100.00	100.00
4 Alpha Supporting Services S.A.	Greece	100.00	100.00
5 Real Car Rental S.A.	Greece	100.00	100.00
6 Emporiki Management S.A.	Greece	100.00	100.00
7 Alpha Bank Notification Services S.A.	Greece	100.00	100.00

As a result of the Galaxy transaction completion and the sale of the 51% of Class B and C notes, the Group ceased to control the special purpose vehicles Reoco Orion X S.M.S.A., Reoco Galaxy II S.M.S.A. Reoco Galaxy IV S.M.S.A., Orion X Securitisation Designated Activity Company, Galaxy II Funding D.A.C. DUB and Galaxy IV Funding D.A.C. DUB. The participation in the special purpose vehicle companies Reoco Orion X S.M.S.A, Reoco Galaxy II S.M.S.A. and Reoco Galaxy IV S.M.S.A reclassified to the securities measured at fair value through other comprehensive income.

b. Joint ventures

Name	Country	Group's ownership interest %	
		30.9.2021	31.12.2020
1 APE Commercial Property S.A.	Greece	72.20	72.20
2 APE Investment Property S.A.	Greece	71.08	71.08
3 Alpha Taneo AKES	Greece	51.00	51.00
4 Rosequeens Properties Ltd	Cyprus	33.33	33.33
5 Panarae Saturn LP	Jersey	61.58	61.58
6 Alpha Investment Property Commercial Stores S.A.	Greece	70.00	70.00

c. Associates

Name	Country	Group's ownership interest %	
		30.9.2021	31.12.2020
1 AEDEP Thessalias and Stereas Ellados	Greece	50.00	50.00
2 ALC Novelle Investments Ltd	Cyprus	33.33	33.33
3 Banking Information Systems A.E	Greece	23.77	23.77
4 Propindex AEDA	Greece	35.58	35.58
5 Olganos S.A.	Greece	30.44	30.44
6 Alpha Investment Property Elaiona A.E	Greece	50.00	50.00
7 Famar S.A.	Luxemburg		47.04
8 Perigenis Commercial Assets S.A.	Greece	31.97	31.97
9 Cepal Ventures S.A	Greece	20.00	

Detailed information on corporate events for the companies included in the consolidated financial statements is set out in note 30. The following are noted with respect to subsidiaries:

- The subsidiary Stockfort Ltd is a group of companies that includes the company Pernik Logistics Park E.O.O.D.
- The Group hedges the foreign exchange risk arising from the net investment in subsidiaries through the use of derivatives in their functional currency.
- In 2020 the Group acquired the control of Acarta Construction Srl. During the nine month period 2021 there was no adjustment to the temporary fair values recognized for the acquisition of the company compared to the acquisition date as further detailed in note 40 of the annual consolidated financial statements of 2020 as the valuation of the assets, liabilities as well as the assessment of the related contingent liabilities is still in progress.
- In 2020, the Group acquired the control of the companies Cepal Holdings Single Member as further detailed in note 40 of the annual consolidated financial statements of 2020 and on 18.6.2021 disposed the 80% of the above participation as further analyzed in note 4.

The following are noted with respect to Associates and Joint Ventures:

- APE Investment Property S.A. is the parent company of a group that includes Symet S.A., Astakos Terminal S.A., Akarport S.A. and NA.VI.PE S.A. Furthermore, Rosequeens Properties Ltd is the parent company of Rosequeens Properties Srl.
- The Group's investment in Rosequeens Properties Ltd is accounted using the equity method, while the group of APE Investment Property S.A. has been classified as asset held for sale and is measured in accordance with IFRS 5.

23. Operating segments

The evaluation of the operating segments performed by the Executive Committee is based on gain/(loss) before income tax, as these are measured in accordance with IFRS.

(Amounts in million Euros)

1.1 - 30.9.2021							
	Retail Banking	Corporate Banking	Asset Management / Insurance	Investment Banking / Treasury	South-Eastern Europe	Other / Elimination Center	Group
Net interest income	398.4	360.3	9.9	173.0	143.2	4.2	1,089.1
Net fee and commission income	108.6	82.0	51.8	27.0	30.0		299.5
Other income/(expenses)	15.2	(32.5)	8.7	128.3	6.8	(2,129.0)	(2,002.5)
Total income	522.2	409.9	70.5	328.2	180.1	(2,124.8)	(614.0)
Total expenses	(412.3)	(121.8)	(29.2)	(23.8)	(155.6)	(88.4)	(831.2)
Impairment losses and provisions to cover credit risk	(554.7)	(70.2)	(0.1)	(1.6)	(328.3)	(0.5)	(955.4)
Impairment losses on other financial instruments			(1.3)	(16.0)	(0.3)		(17.6)
Provision for separation schemes						(97.7)	(97.7)
Profit/(losses) before income tax	(444.9)	217.8	39.9	268.8	(304.1)	(2,311.4)	(2,515.8)
Income tax							18.0
Profit/(losses) after income tax							(2,497.8)
Assets 30.9.2021	17,271.8	14,909.6	1,615.0	22,671.0	8,043.6	8,564.4	73,075.2
Liabilities 30.9.2021	30,816.9	8,299.0	2,642.9	18,297.1	6,079.1	396.5	66,531.5
Depreciation and Amortization	(62.3)	(22.6)	(3.7)	(3.3)	(20.0)	(6.8)	(118.6)
Investments in associates and joint ventures						61.7	61.7

Losses before income tax of the operating segment "Other/Elimination center" amounting to € 2,311.4 million include intersegment eliminations of € 1.1 million and unallocated expenses of € 182.6 million, loss from derecognition of financial assets following the sale of the 51% of the Junior and Mezzanine notes of the Galaxy securitization of € 2,239 million and the net profit from the sale of Cepal of € 111.3 million. These unallocated amounts represent a) non-recurring amounts that are not related to specific operating segment and can therefore not be allocated and b) results that do not present reportable operating segments.

(Amounts in million Euros)

1.1 - 30.9.2020							
	Retail Banking	Corporate Banking	Asset Management / Insurance	Investment Banking / Treasury	South-Eastern Europe	Other / Elimination Center	Group
Net interest income	486.8	388.3	11.0	115.2	151.6	0.7	1,153.6
Net fee and commission income	82.8	79.2	37.1	27.0	25.5	(0.1)	251.5
Other income	12.2	(6.5)	(2.2)	247.5	13.6	15.1	279.7
Total income	581.8	461.0	45.9	389.7	190.7	15.7	1,684.8
Total expenses	(415.1)	(122.0)	(27.3)	(22.4)	(163.9)	(37.7)	(788.4)
Impairment losses and provisions to cover credit risk	(416.5)	(263.4)	(0.3)	(2.2)	(54.3)		(736.7)
Impairment losses on other financial instruments			(0.8)	(13.4)	(0.5)		(14.7)
Profit/(losses) before income tax	(249.8)	75.6	17.5	351.7	(28.0)	(22.0)	145.0
Income tax							(11.6)
Profit/(losses) after income tax							133.4
Assets 31.12.2020	22,512.2	15,891.6	1,505.5	18,590.0	7,820.0	3,737.4	70,056.7
Liabilities 31.12.2020	28,664.2	8,379.2	2,504.3	16,071.1	5,915.3	189.4	61,723.5
Depreciation and Amortization	(61.3)	(22.2)	(3.1)	(2.8)	(18.8)	(6.9)	(115.1)
Investments in associates and joint ventures						30.7	30.7

Losses before income tax of the "Other/Elimination Centre" operating segment, amounting to € 22 million, include the eliminations of expenses between operating segments amounting to € 1 million and unallocated expenses amounting to € 21 million. These unallocated figures refer to a) non-recurring items that do not relate to a specific operating segment and therefore cannot be allocated and b) results from activities that do not represent reportable operating segments.

i. Retail Banking

It includes all individuals (retail banking customers), self-employed professionals, small and very small companies operating in Greece and abroad, except for South-Eastern Europe countries, including the securitized loans of under Galaxy III Funding Designated Activity Company which are recognised by Alpha Services and Holdings S.A. as well as the specialized entity Cepal Hellas Financial Services Single Member S.A. - Servicing of Receivables from Loans and Credits until 18.6.2021.

The Group, through its extended branch network, offers all types of deposit products (deposits/ savings accounts, working capital/ current accounts, investment facilities/ term deposits, Repos, Swaps), loan facilities (mortgages, consumer, corporate loans, letters of guarantee), debit and credit cards of the above customers as well as bank assurance products which are provided through cooperating companies.

ii. Corporate Banking

It includes all medium-sized and large companies, corporates with international business activities, enterprises which cooperate with the Corporate Banking Division, as well as shipping corporations operating in Greece and abroad except for South Eastern European countries. This operating segment offers working capital facilities, corporate loans, and letters of guarantee to the abovementioned corporations. This segment offers also leasing products through the Group's subsidiary named Alpha Leasing S.A. as well as factoring services provided by the Group's subsidiary named ABC Factors S.A.

iii. Asset Management/Insurance

It includes a wide range of asset management services offered through Group's private banking units, its subsidiary Alpha Asset Management A.E.D.A.K. as well as the proceeds from the sale and the management of mutual funds. In addition, it includes income received from the sale of a wide range of insurance products through the Group's subsidiary Alphalife A.A.E.Z.

iv. Investment Banking/Treasury

It includes stock exchange, advisory and brokerage services related to capital markets, and also investment banking facilities, which are offered either by the Bank or specialized subsidiaries (Alpha Finance A.E.P.E.Y., Alpha Ventures S.A.). It also includes the activities of the Dealing Room in the interbank market (FX Swaps, Bonds, Futures, IRS, Interbank placements Loans etc.) as well as operations related to securitization transactions.

v. South-Eastern Europe

It consists of the Group's subsidiaries, which operate in South Eastern Europe, as also in Cyprus.

vi. Other/Elimination Center

This segment includes the non-financial operations of the Group, as well as unallocated/non-recurring income and expenses and intersegment transactions. In addition, this segment includes a) the result of the Galaxy transaction, b) the notes from the Galaxy securitization and c) the balances with the special purpose entities of the Galaxy securitisation, which are no longer consolidated.

Revenue and expenses per segment also include transactions between operating segments. All transactions are conducted on market terms while transactions within the segments are eliminated.

The assets of the operating segments "Retail Banking" and "Corporate Banking" include the following balances of loans of the Bank, ABC Factors, Alpha Leasing, which are monitored by the NPE Strategy, Recovery and Monitoring Division following their full assignment to Non Performing Loan Management Servicers since 1.12.2020.

	30.9.2021			31.12.2020		
	Balance before impairments	Accumulated impairments	Balance after impairments	Balance before impairments	Accumulated impairments	Balance after impairments
Mortgages	1,404,714	230,197	1,174,517	6,840,339	1,920,069	4,920,270
Consumer Loans	1,628,314	1,118,836	509,478	2,844,517	1,650,657	1,193,861
Corporate Loans	2,838,053	1,182,377	1,655,676	8,121,832	3,965,965	4,155,867
Total	5,871,081	2,531,410	3,339,671	17,806,688	7,536,691	10,269,999

24. Exposure in credit risk from debt issued by the Greek State

The following table presents the Group's total exposure in Greek Government securities:

Portfolio	30.9.2021		31.12.2020	
	Nominal value	Carrying amount	Nominal value	Carrying amount
Securities measured at fair value through other comprehensive income	2,779,784	3,024,919	2,421,736	2,771,014
Securities measured at amortized cost	2,589,842	3,101,028	2,118,842	2,779,179
Trading securities	23,470	26,644	21,762	29,154
Total	5,393,096	6,152,591	4,562,340	5,579,347

All Greek Government securities are classified in level 1 or level 2 of the fair value hierarchy based on the quality of inputs used for the estimation of their fair value.

The Group's exposure to Greek Government from other financial instruments, excluding securities, is depicted below:

On balance sheet exposures

a. Derivatives

	Carrying amount	
	30.9.2021	31.12.2020
Derivative financial instruments-assets	566,034	860,878
Derivative financial instruments-liabilities	(12,215)	(11,965)

b. The Group's exposure in loans to public sector entities/organizations on 30.9.2021 amounted to € 38,121 (31.12.2020: € 45,052). The Group has recognized an allowance for expected credit losses for the above-mentioned loans amounting to € 543 as at 30.9.2021 (31.12.2020: € 1,054).

c. The balance of the Group's loans guaranteed by the Greek State on 30.9.2021 amounted to € 5,501,339 (31.12.2020: € 1,479,206). The increase is due to the recognition of the Galaxy securitization senior notes (as mentioned in the note 1 "Corporate transformation - Hive down" and the note 14 "Loans and advances to customers"). Except for the aforementioned notes, the balance also includes loans guaranteed either directly by Greek Government or by Common Ministerial Decisions, loans guaranteed by ETEAN and loans guaranteed from the Hellenic Development Bank. For these loans the Group has recognized allowance for expected credit losses amounting to € 69,254 as at 30.9.2021 (31.12.2020: € 75,517). It is noted that the carrying amount of loans guaranteed by the Covid-19 Guarantee Fund of the Hellenic Development Bank on 30.9.2021 amounted to € 1,271,234 (31.12.2020: € 997,259).

Off balance sheet exposures

	30.9.2021		31.12.2020	
	Nominal value	Fair value	Nominal value	Fair value
Greek Government Treasury Bills received as collateral for derivatives transactions	750,000	750,450	900,000	900,000
Greek Government Bonds received as collateral for providing financing	448,943	479,267	335,407	402,695

25. Disclosures of fair values of financial instruments

Fair value of financial instruments measured at amortized cost

	30.9.2021		31.12.2020	
	Nominal value	Fair value	Nominal value	Fair value
Financial Assets				
Loans and advances to customers	34,942,447	35,712,654	38,730,111	39,059,560
Securities measured at amortized cost	3,894,780	3,770,638	3,426,193	3,335,733
Financial liabilities				
Due to customers	46,499,776	46,522,341	43,824,360	43,830,940
Debt securities in issue	2,226,919	2,186,910	1,211,590	1,222,869

The above table presents the fair values and carrying amounts of the financial assets that are not measured at fair value.

The fair value of loans measured at amortised cost is calculated using discounting cash flow models for the discounting of the contractual cash flows to maturity. The components of the discount rate are the interbank market yield curve, the liquidity premium, the operational cost, the capital requirement and the expected loss rate. For the loans that for credit risk purposes are classified as impaired and are individually assessed for impairment, the model uses the expected future cash flows excluding expected credit losses. For the fair valuation of the impaired loans which are collectively assessed for impairment, estimates are made for principal repayment after taking into account the allowance for expected credit losses. The discount rate used for the impaired loans is the interbank market yield curve, the liquidity premium, the operational cost and the capital requirement. In addition, the fair value of Orbit and Sky loan portfolios has been calculated based on the expected sale price. The fair value of deposits is estimated based on the interbank market yield curve, the operational cost and the liquidity premium until their maturity.

The fair value of debt securities in issue is calculated by using market prices, given that the market is active. In all other cases, the discounted cash flows method is used and all significant variables are based either on observable market data or on a combination of observable and unobservable market data. The fair value of other financial assets and liabilities which are valued at amortized cost does not differ significantly from the respective carrying amount.

Fair value hierarchy of financial instruments measured at fair value

	30.9.2021			
	Level 1	Level 2	Level 3	Total fair value
Derivative financial assets	2,435	981,539		983,974
Trading securities				
- Bonds and Treasury bills	26,644			26,644
- Shares	75			75
Securities measured at fair value through other comprehensive income				
- Bonds and Treasury bills	6,683,710	183,135	886	6,867,731
- Shares	21,770		28,174	49,944
Securities measured at fair value through profit or loss				
- Bonds and Treasury bills	836		31,030	31,866
- Other variable yield securities	121,420	22,979		144,399
- Shares	6,747	24,481	10,227	41,455
Loans measured at fair value through profit or loss			216,897	216,897
Other Receivables measured at fair value through profit or loss			40,321	40,321
Derivative financial liabilities		1,333,175		1,333,175

	31.12.2020			
	Level 1	Level 2	Level 3	Total fair value
Derivative financial assets	2,420	1,264,663		1,267,083
Trading securities				
- Bonds and Treasury bills	29,154			29,154
- Shares	860			860
Securities measured at fair value through other comprehensive income				
- Bonds and Treasury bills	6,335,594	194,199	1,018	6,530,811
- Shares	14,592		32,295	46,887
Securities measured at fair value through profit or loss				
- Bonds and Treasury bills	835		12,408	13,243
- Other variable yield securities	65,317	20,215		85,532
- Shares	6,064	22,690	10,146	38,900
Loans measured at fair value through profit or loss			280,882	280,882
Other Receivables measured at fair value through profit or loss			40,000	40,000
Derivative financial liabilities	40	1,768,317		1,768,357

The above tables present the fair value hierarchy of financial instruments measured at fair value based on the significance of the inputs used in making their measurement.

Level 1 includes securities and derivatives which are traded in active markets.

Level 2 includes securities whose fair value measurement uses inputs that are non-binding market prices provided by dealers-brokers or market observable interest rates and credit spreads used for income approach methodologies.

Level 3 includes securities for which the valuation technique includes unobservable inputs that have a significant effect on their valuation.

Relating to the impact of Covid-19 pandemic, the Group determined that following the respective measures adopted by the Central banks and the governments and consequently the normalization of the financial and capital markets, there was no need for any change in the measurement method of fair value for investment securities and derivative financial instruments.

The methodology for the valuation of securities is subject to approval by the Asset Liability Management Committee and the Treasury and Balance Sheet Committee. It is noted that, especially for securities measured at market values, bid prices are used and fair value changes are reviewed on a daily basis.

The fair value of loans measured at fair value through profit or loss, is estimated based on the valuation methodology described above in the disclosure of fair values for loans measured at amortized cost.

The fair value of non-listed shares, as well for shares not traded in an active market is determined either based on the Group's share in the net assets of the issuer or using the multiples valuation method or based on projections made by the Group regarding the future profitability of the issuer taking into account the expected growth rate of its operations, as well as the weighted average rate of capital return which is used as discount rate. Equity Securities for which the valuation is determined based one of the valuation techniques listed above are classified as Level 2 or Level 3, depending on the significance of the effect that the unobservable inputs used have in their valuation.

For the valuation of over the counter derivatives income approach methodologies are used: discounted cash flow models, option-pricing models or other widely accepted financial valuation models.

The valuation methodology of the over the counter derivatives is subject to approval by the Asset Liability Management Committee and of the Treasury and Balance sheet Management Committee. Mid prices are considered as both long and short positions may be open. Valuations are checked on a daily basis with the respective prices of the counterparty banks in the context of the daily process of provision of collaterals and settlement of derivatives. If the non-observable inputs are significant, the fair value that arises is classified as Level 3 or otherwise as Level 2.

It is noted that on 27.7.2020 the reference rate in the interest rate swap curve that are cleared centrally, has changed from Euro Overnight Index (EONIA) to Euro Short-term rate (€STR). Due to the change in the valuation methodology, the fair value of derivatives financial instruments has changes and on the same time an amount of € 745 received as compensation and

recorded in the Gain from financial transactions, in order to avoid transfer between the two parties. The change in the interest rate swap curve has no impact in the Group's results.

In addition, the Group calculates credit valuation adjustment (CVA) in order to take into account the counterparty credit risk for the OTC derivatives. In particular, taking into consideration its own credit risk, the Group calculates the bilateral credit valuation adjustment (Bilateral CVA/BCVA) for the OTC derivatives held on a counterparty level according to netting and collateral agreements in force. BCVA is calculated across all counterparties with a material effect on the respective derivative fair values taking into consideration the default probability of both the counterparty and Group, the impact of the first to default, the expected OTC derivative exposure, the loss given default of the counterparty and of Group and the specific characteristics of netting and collateral agreements in force. Collaterals are simulated along with the derivative portfolio exposure over the life of the related instruments. Calculations performed depend largely on observable market data. Market quoted counterparty and Bank's CDS spreads are used in order to derive the respective probability of default, a market standard recovery rate is assumed for developed market counterparties, correlations between market data are taken into account and subsequently a series of simulations is performed to model the portfolio exposure over the life of the related instruments. In the absence of observable market data, the counterparty probability of default and loss given default are determined using the Group's internal models for credit rating and collateral valuation. BCVA model is validated from an independent division of the Group according to best practices.

A breakdown of BCVA per counterparty sector and credit quality, (as defined for the presentation purposes of the table "Loans by credit quality and IFRS 9 Stage") is depicted below:

	30.9.2021	31.12.2020
Category of counterparty		
Corporates	(2,444)	(3,809)
Governments	(9,056)	(20,745)

	30.9.2021	31.12.2020
Hierarchy of counterparty by credit quality		
Strong	(1,797)	(2,849)
Satisfactory	(9,704)	(21,705)

The table below presents the valuation methods used for the measurement of Level 3 fair value:

	30.9.2021			
	Total Fair Value	Fair Value	Valuation Method	Significant Non-observable Inputs
Bonds measured at fair value through other comprehensive income	886	886	Based on issuer price	Issuer price
Shares measured at fair value through other comprehensive income	28,174	28,174	Discounted cash flows / Multiples valuation / WACC	Future profitability of the issuer, expected growth / Valuation ratios
Bonds measured at fair value through profit or loss	31,030	31,030	Based on issuer price / Discounted cash flows with estimation of credit risk / Discounted cash flows	Issuer price / Credit spread / Discounted cash flows/ Cash flow recovery
Shares measured at fair value through profit or loss	10,227	10,227	Discounted cash flows / Multiples valuation / Price of forthcoming transaction	Future profitability of the issuer, expected growth / Valuation ratios
Loans measured at fair value through profit or loss	216,897	216,897	Discounted cash flows with interest being the underlying instruments, taking into account the counterparty's credit risk	Expected loss and cash flows from counterparty's credit risk
Other receivables measured at fair value through profit or loss	40,321	40,321	Discounted cash flows of the underlying receivables portfolio	Cash Flows from the management of the underlying receivables portfolio

31.12.2020				
	Total Fair Value	Fair Value	Valuation Method	Significant Non-observable Inputs
Bonds measured at fair value through other comprehensive income	1,018	1,018	Based on issuer price / Cash flow discount with an estimate of the bond yield	Issuer price
Shares measured at fair value through other comprehensive income	32,295	32,295	Discounted cash flows / Multiples valuation	Future profitability of the issuer, expected growth / Valuation ratios / Average weighted cost of capital
Bonds measured at fair value through profit or loss	12,408	12,408	Based on issuer price / Discounted cash flows with estimation of credit risk	Issuer price / Credit spread
Shares measured at fair value through profit or loss	10,146	10,146	Discounted cash flows / Multiples valuation method / Expected transaction price	Future profitability of the issuer, expected growth/ Valuation ratios
Loans measured at fair value through profit or loss	280,882	280,882	Discounted cash flows with interest being the underlying instruments, taking into account the counterparty's credit risk	Expected loss and cash flows from counterparty' credit risk
Other receivables measured at fair value through profit or loss	40,000	40,000	Discounted cash flows of the underlying receivables portfolio	Cash Flows from the management of the underlying receivables portfolio

The Group reassess the fair value hierarchy Levels for every financial instrument (on an instrument-by-instrument basis) at every reporting period and proceeds to reclassification of the financial instruments, whenever is needed, based on information at the end of the reporting period.

Within the current period, the Group reclassified certain corporate bonds of the fair value through other comprehensive income (FVTOCI) category amounting to € 62,847 from Level 2 to Level 1 since the liquidity margin (bid-ask spread) which is used as input for their valuation fell within the limit set for the classification of the market as active.

In the previous period the Group reclassified certain corporate bonds amounting to € 49.166 from Level 1 to Level 2, since the liquidity margin (bid-ask spread) which is used as input for their valuation fell outside the limit set for the classification of the market as active.

A reconciliation of the movement of financial instruments measured at fair value in Level 3 is depicted in the table below:

	30.9.2021				
	Assets				
	Securities measured at fair value through other comprehensive income	Securities measured at fair value through profit or loss	Loans measured at fair value through profit or loss	Derivative financial assets	Other receivables measured at fair value
Balance 1.1.2021	33,313	22,554	280,882	-	40,000
Total gain/(loss) recognized in Income Statement	1	1,091	(27,209)		
- Interest		222	6,531		
- Gain less losses on financial transactions	1	869	(33,740)		
- Impairment losses					
Total gain/ (loss) recognized in Equity-Reserves	13				
Total gain or loss recognized in Equity-Retained Earnings	(2,411)				
Purchases/Disbursements/ Acquisitions	247	17,674	2,668		8,920
Sales			(253)		
Repayments	(2,103)	(62)	(38,754)		(8,599)
Transfers to "Assets held for sale"			(437)		
Balance 30.9.2021	29,060	41,257	216,987	-	40,321
Gain/(loss) included in the income statement and relate to financial instruments included in the balance sheet at the end of the reporting period 1.1 - 30.9.2021	1	1,091	(30,611)		
- Interest		222	5,942		
- Gain less losses on financial transactions	1	869	(36,553)		

"Purchases/Disbursements/ Acquisitions " of the category "Other receivables measured at fair value" includes the variable consideration amounting to € 8.6 million which was included in the sale of Cepal, and which was paid in August 2021 as well as the contingent consideration which linked to the forecasted EBITDA of Cepal Holdings for the following six years which was valued at € 0 as of 30.9.2021.

	31.12.2020				
	Assets				
	Securities measured at fair value through other comprehensive income	Securities measured at fair value through profit or loss	Loans measured at fair value through profit or loss	Derivative financial assets	Other receivables measured at fair value
Balance 1.1.2020	52,445	12,990	307,136	980	-
Total gain or loss recognized in Income Statement	899	(272)	(14,919)	27	
- Interest	270	226	9,033		
- Gains less losses on financial transactions	45	(498)	(23,952)	27	
- Impairment losses	584				
Total gain/(loss) recognized in Equity-Reserves	105				
Total gain or loss recognized in Equity-Retained Earnings	(865)				
Purchases/Disbursements	6,483		20,055		
Sales			(9,221)		40,000
Repayments	(11,172)	(72)	(11,243)		
Settlements				(1,007)	
Transfers out of Level 3 due to gain in control	(14,100)				
Transfers to "Assets held for sale"	(478)				
Balance 30.9.2020	33,317	12,646	291,808	-	40,000
Changes of period 1.10 – 31.12.2020					
Total gain or loss recognized in Income Statement	11	1,102	(5,275)		
- Interest		353	2,551		
- Gains less losses on financial transactions	10	749	(7,826)		
- Impairment losses	1				
Total gain/ (loss) recognized in Equity-Reserves	4				
Total gain or loss recognized in Equity-Retained Earnings	(27)				
Purchases/Disbursements	18	9,802	2,031		
Sales					
Repayments	(10)	(996)	(7,682)		
Balance 31.12.2020	33,313	22,554	280,882	-	40,000
Gain/(loss) included in the income statement and relate to financial instruments included in the balance sheet at the end of the reporting period 1.1 - 30.9.2020	2	(407)	(12,513)		
- Interest		192	8,389		
- Gains less losses on financial transactions	2	(599)	(20,902)		

Other receivables measured at fair value through profit or loss relate to a receivable from a variable consideration of € 40,000 recognized in 2020, as detailed in note 14.

The sensitivity analysis of financial instruments classified at Level 3 of fair value hierarchy and of which their valuation was based on significant non-observable data as at 30.9.2021 is depicted below:

	Significant Non-observable inputs	Quantitative information on non-observable inputs	Non-observable inputs change	Total effect in Income Statement		Total effect in Equity	
				Favourable variation	Unfavourable variation	Favourable variation	Unfavourable variation
Bonds measured at fair value through other comprehensive income	Issuer price	Issuer price equal to 98.22%	Change +/-10% in issuer price			89	(89)
Shares measured at fair value through other comprehensive income	Valuation indexes	Valuation indexes P/BV 0.42x, P/BV +/-10%. WACC	Change +/-10% in P/B and EV/ Sales multiples valuation method. WACC +/-1%			265	(265)
Bonds measured at fair value through profit or loss	Issuer price/ credit spread / Discount cash flows	Average Issuer price equal to 91.81% / Average credit spread equal to 914 bps/ Recoverability of cash flows	Change +/- 10% in issuer Price, +/- 10% adjustment of ECL / Change of cashflow ratio-discount rate/cost of funding	10,073	(8,267)		
Loans measured at fair value through profit or loss	Expected credit loss and cash flows from credit risk of the counterparty	Average credit spread, liquidity premium & operational risk equal to 29.60%	Decrease of the expected cash flows by 10% on loans individually assessed		(4,443)		
Shares measured at fair value through profit or loss	Valuation indexes	Adjustment of cash flows discount based on the Buyer's business plan (expected average percentage of completion 90%). Discounted Cash Flows with sensitivity analysis parameters WACC and residual value growth rate.	Business plan percentage of completion: application of scenarios of change of the expected cash flows of BP by +/-35%, Residual value growth rate: +/- 10% WACC: +/- 11%	1,870	(2,731)		
Other receivables measured at fair value through profit or loss	Cash flows from management of subject receivables portfolio	Value of property collateral € 607.6 mil. And third party preferential receivables € 42.4 mil.	Change +/-4% to property collateral valuation. Change +/- 33% to third party preferential receivables	9,000	(7,000)		
Total				20,943	(22,441)	354	(354)

In relation to the variable consideration included in the sale of Cepal, the sensitivity analysis on the forecasted EBITDA of the company with a change of +/-10% the value would be between € 0 and € 6.1 million.

The sensitivity analysis of financial instruments classified at Level 3 of fair value hierarchy and of which their valuation was based on significant non-observable data as at 31.12.2020 is depicted below:

	Significant Non-observable inputs	Quantitative information on non-observable inputs	Non-observable inputs change	Total effect in Income Statement		Total effect in Equity	
				Favourable variation	Unfavourable variation	Favourable variation	Unfavourable variation
Bonds measured at fair value through other comprehensive income	Issuer price	Issuer price equal to 97.11%	Variation +/-10% in issuer price			102	(102)
Shares measured at fair value through other comprehensive income	Future profitability of issuer, expected growth / Valuation indexes / Weighted average cost of capital	Valuation indexes P/BV 0.28x, Valuation indexes P/BV 0.903x WACC +/-1%	Variation +/-10% in P/B and EV/ Sales multiples valuation method. Wacc +/-1%			590	(589)
Bonds measured at fair value through profit or loss	Issuer price/ credit spread	Issuer price equal to 88.61% / Average credit spread equal to 948 bps.	Variation +/- 10% in issuer Price, +/- 10% in adjustment of estimated credit risk	1,074	(1,069)		
Loans measured at fair value through profit or loss	Expected credit loss and cash flows from credit risk of the counterparty	Average credit spread and liquidity premium equal to 36.66%	Decrease of the expected cash flows by 10% on loans individually assessed		(12,986)		
Shares measured at fair value through profit or loss	Valuation indexes	Adjustment of cash flows discount based on the Buyer's business plan (expected average percentage of completion 90%)	Business plan percentage of completion: application of scenarios of change of the expected cash flows of BP by +/-35%	1,900	(2,500)		
Other receivables measured at fair value through profit or loss	Cash flows from management of subject receivables portfolio	Value of property collateral € 607.6 mil. And third party preferential receivables € 42.4 mil.	Variation +/-4% to property collateral valuation. Variation +/- 33% to third party preferential receivables	9,000	(7,000)		
Total				11,974	(23,555)	692	(691)

There are no interrelations between non-observable data that could significantly affect the fair value.

26. Credit risk disclosures of financial instruments

This note presents information regarding credit risk for the categories of financial instruments for which expected credit losses are recognized, in accordance with IFRS 9.

In particular, it presents the classification of financial instruments in stages and the reconciliation of the allowance for expected credit losses per stage.

a. Due from Banks

	30.9.2021				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Balance 30.9.2021					
Carrying amount (before allowance for expected credit losses)	3,190,219		69,961		3,260,180
Allowance for expected credit losses	(228)		(69,961)		(70,189)
Net carrying amount	3,189,991	-	-	-	3,189,991

	31.12.2020				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Balance 31.12.2020					
Carrying amount (before allowance for expected credit losses)	2,741,674		69,961		2,811,635
Allowance for expected credit losses	(127)		(69,961)		(70,088)
Net carrying amount	2,741,547	-	-	-	2,741,547

	Allowance for expected credit losses				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Opening Balance 1.1.2020	131	-	69,961	-	70,092
Changes for the period 1.1 - 30.9.2020					
Remeasurement of expected credit losses (a)					
Impairment losses on new receivables (b)	358				358
Change in credit risk parameters (c)	(340)				(340)
Impairment losses receivables (a)+(b)+(c)	18	-	-	-	18
Derecognition of financial assets					-
Foreign exchange and other movements	(2)				(2)
Balance 30.9.2020	147	-	69,961	-	70,108
Changes for the period 1.10 - 31.12.2020					
Remeasurement of expected credit losses (a)					-
Impairment losses on new receivables (b)	(344)				(344)
Change in credit risk parameters (c)	323				323
Impairment losses receivables (a)+(b)+(c)	(21)	-	-	-	(21)
Derecognition of financial assets					-
Foreign exchange and other movements	1				1
Balance 31.12.2020	127	-	69,961	-	70,088
Changes for the period 1.1 - 30.9.2021					
Remeasurement of expected credit losses (a)					-
Impairment losses on new receivables (b)	314				314
Change in credit risk parameters (c)	(184)				(184)
Impairment losses receivables (a)+(b)+(c)	130	-	-	-	130
Derecognition of financial assets					-
Foreign exchange and other movements	(29)				(29)
Balance 30.9.2021	228	-	69,961	-	70,189

b. Loans and receivables measured at amortised cost

For credit risk disclosure purposes, the allowance for expected credit losses of loans measured at amortised cost includes also the fair value adjustment for the contractual balance of loans which were impaired at their acquisition or origination (POCI) since the Group, from credit risk perspective, monitors the respective adjustment as part of the provisions. These loans were recognized either in the context of acquisition of specific loans or companies (i.e. Emporiki Bank and Citibank's retail operations in Greece), or as a result of significant modification of the terms of the previous loan that led to derecognition. Relevant adjustment has also been performed at the carrying amount of loans before allowance for expected credit losses.

It is noted that the credit risk tables do not include the outstanding balances and allowance for expected credit losses of loans that have been classified as assets held for sale.

The following table presents loans and lease liabilities measured at amortized cost by IFRS 9 stage:

	30.9.2021				Total
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	
MORTGAGE					
Carrying amount (before allowance for expected credit losses)	5,372,382	2,296,556	2,169,122	985,840	10,823,900
Allowance for expected credit losses	(2,344)	(61,387)	(899,389)	(179,584)	(1,142,704)
Net Carrying Amount	5,370,038	2,235,169	1,269,733	806,256	9,681,196
CONSUMER					
Carrying amount (before allowance for expected credit losses)	726,668	382,205	1,242,306	519,620	2,870,799
Allowance for expected credit losses	(5,099)	(53,027)	(840,651)	(244,256)	(1,143,033)
Net Carrying Amount	721,569	329,178	401,655	275,364	1,727,766
CREDIT CARDS					
Carrying amount (before allowance for expected credit losses)	737,135	121,772	205,078	31,340	1,095,325
Allowance for expected credit losses	(8,029)	(24,743)	(158,296)	(25,344)	(216,412)
Net Carrying Amount	729,106	97,029	46,782	5,996	878,913
SMALL BUSINESSES					
Carrying amount (before allowance for expected credit losses)	851,425	633,944	650,679	290,072	2,426,120
Allowance for expected credit losses	(2,525)	(25,865)	(232,285)	(96,187)	(356,862)
Net Carrying Amount	848,900	608,079	418,394	193,885	2,069,258
TOTAL RETAIL LENDING					
Carrying amount (before allowance for expected credit losses)	7,687,610	3,434,477	4,267,185	1,826,872	17,216,144
Allowance for expected credit losses	(17,997)	(165,022)	(2,130,621)	(545,371)	(2,859,011)
Net Carrying Amount	7,669,613	3,269,455	2,136,564	1,281,501	14,357,133
CORPORATE LENDING AND PUBLIC SECTOR					
Carrying amount (before allowance for expected credit losses)	18,329,435	1,342,070	2,484,782	577,594	22,733,881
Allowance for expected credit losses	(50,377)	(33,861)	(1,297,579)	(278,278)	(1,660,095)
Net Carrying Amount	18,279,058	1,308,209	1,187,203	299,316	21,073,786
TOTAL LOANS					
Carrying amount (before allowance for expected credit losses)	26,017,045	4,776,547	6,751,967	2,404,466	39,950,025
Allowance for expected credit losses	(68,374)	(198,883)	(3,428,200)	(823,649)	(4,519,106)
Net Carrying Amount	25,948,671	4,577,664	3,323,767	1,580,817	35,430,919

	31.12.2020				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total
MORTGAGE					
Carrying amount (before allowance for expected credit losses)	5,306,290	2,929,597	5,829,402	2,942,506	17,007,795
Allowance for expected credit losses	(4,309)	(116,168)	(1,991,503)	(716,276)	(2,828,256)
Net Carrying Amount	5,301,981	2,813,429	3,837,899	2,226,230	14,179,539
CONSUMER					
Carrying amount (before allowance for expected credit losses)	702,637	492,730	1,794,310	1,196,868	4,186,545
Allowance for expected credit losses	(6,443)	(82,957)	(1,111,188)	(519,782)	(1,720,370)
Net Carrying Amount	696,194	409,773	683,122	677,086	2,466,175
CREDIT CARDS					
Carrying amount (before allowance for expected credit losses)	754,440	154,589	230,124	43,653	1,182,806
Allowance for expected credit losses	(11,453)	(32,762)	(142,800)	(31,560)	(218,575)
Net Carrying Amount	742,987	121,827	87,324	12,093	964,231
SMALL BUSINESSES					
Carrying amount (before allowance for expected credit losses)	660,549	852,982	2,656,609	882,552	5,052,692
Allowance for expected credit losses	(3,753)	(58,226)	(1,226,950)	(400,659)	(1,689,588)
Net Carrying Amount	656,796	794,756	1,429,659	481,893	3,363,104
TOTAL RETAIL LENDING					
Carrying amount (before allowance for expected credit losses)	7,423,916	4,429,898	10,510,445	5,065,579	27,429,838
Allowance for expected credit losses	(25,958)	(290,113)	(4,472,441)	(1,668,277)	(6,456,789)
Net Carrying Amount	7,397,958	4,139,785	6,038,004	3,397,302	20,973,049
CORPORATE LENDING AND PUBLIC SECTOR					
Carrying amount (before allowance for expected credit losses)	13,071,935	1,791,031	5,053,800	1,057,127	20,973,893
Allowance for expected credit losses	(69,603)	(51,654)	(2,497,866)	(535,723)	(3,154,846)
Net Carrying Amount	13,002,332	1,739,377	2,555,934	521,404	17,819,047
TOTAL LOANS					
Carrying amount (before allowance for expected credit losses)	20,495,851	6,220,929	15,564,245	6,122,706	48,403,731
Allowance for expected credit losses	(95,561)	(341,767)	(6,970,307)	(2,204,000)	(9,611,635)
Net Carrying Amount	20,400,290	5,879,162	8,593,938	3,918,706	38,792,096

"Purchased or originated credit impaired loans" include loans amounting to € 926,985 as at 30.9.2021 (31.12.2020: € 1,015,682) which are not credit impaired/non performing.

The following table depicts the movement in the allowance for expected credit losses of loans measured at amortized cost:

	30.9.2021														
	Retail lending						Corporate lending and public sector						Total		
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total
Balance 1.1.2021	25,958	290,113	4,472,441	1,668,277	6,456,789	69,603	51,654	2,497,866	535,723	3,154,846	95,561	341,767	6,970,307	2,204,000	9,611,655
Change for the period 1.1 - 30.9.2021															
Transfers to stage 1 from stage 2 or 3	39,632	(34,539)	(5,093)		-	11,884	(10,851)	(1,033)		-	51,516	(45,390)	(6,126)		-
Transfers to stage 2 from stage 1 or 3	(5,010)	104,789	(99,779)		-	(3,298)	5,588	(2,290)		-	(8,308)	110,377	(102,069)		-
Transfers to stage 3 from stage 1 or 2	(798)	(71,710)	72,508		-	(161)	(2,871)	3,032		-	(959)	(74,581)	75,540		-
Net remeasurement of expected credit losses (a)	(32,230)	(23,375)	63,354	(6,374)	1,375	(86,16)	7,274	10,256	4,834	13,748	(40,846)	(16,101)	73,610	(1,540)	15,123
Impairment losses on new loans (b)	2,198			(3,916)	(1,718)	7,709			4,118	11,827	9,907			202	10,109
Change in risk parameters (c)	(9,222)	(51,782)	601,678	1,58,691	699,365	(25,381)	(19,407)	221,182	70,668	247,062	(34,603)	(71,189)	822,860	229,359	946,427
Impairment losses on loans (a)+(b)+(c)	(39,254)	(75,157)	665,032	1,48,401	699,022	(26,288)	(12,133)	231,438	79,620	272,637	(65,542)	(87,290)	896,470	228,021	971,659
Derecognition of loans	(4,151)	(40,730)	(1,792,622)	(851,420)	(2,688,923)	(523)	(110)	(1,417,345)	(386,455)	(1,804,433)	(4,674)	(40,840)	(3,209,957)	(1,237,875)	(4,493,356)
Write-offs	(220)	(2,354)	(220,722)	(76,273)	(299,569)	(1)		(71,634)	(32,677)	(104,312)	(221)	(2,354)	(292,356)	(108,950)	(403,881)
Foreign exchange differences and other movements	1,908	4,631	(29,426)	19,869	(3,018)	(812)	2,631	(21,636)	3,359	(16,458)	1,096	7,262	(51,062)	23,228	(19,476)
Change in the present value of the impairment losses			46,824	17,984	64,808			49,108	14,370	63,478			95,932	32,354	128,286
Reclassification of allowance for expected credit losses from/to "Assets held for sale"	(68)	(10,021)	(978,542)	(381,467)	(1,370,098)	(27)	(47)	30,073	64,338	94,337	(95)	(10,068)	(948,469)	(317,129)	(1,275,761)
Balance 30.9.2021	17,997	165,022	2,130,621	545,371	2,859,011	50,377	33,861	1,297,579	278,278	1,660,095	68,374	198,883	3,428,200	823,649	4,519,106



	31.12.2020														
	Allowance for expected credit losses														
	Retail lending						Corporate lending and public sector						Total		
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total		Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)	Total	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired loans (POCI)
Balance 1.1.2020	30,210	296,431	4,202,904	1,630,785	6,160,330	88,061	40,958	2,519,718	523,923	3,172,660	118,271	337,389	6,722,622	2,154,708	9,332,990
Changes for the period for 1.1 - 30.9.2020															
Transfers to stage 1 from stage 2 or 3	56,817	(53,860)	(2,957)			15,655	(11,732)	(3,923)			72,472	(65,592)	(6,880)		
Transfers to stage 2 from stage 1 or 3	(10,278)	83,407	(73,129)			(11,359)	15,287	(3,928)			(21,637)	98,694	(77,057)		
Transfers to stage 3 from stage 1 or 2	(323)	(46,548)	46,871			(2,017)	(16,777)	18,794			(2,340)	(63,325)	65,665		
Net remeasurement of expected credit losses(a)	(46,133)	48,172	24,686	1,169	27,894	(7,996)	3,293	48,401	(49)	43,649	(54,129)	51,465	73,087	1,120	71,543
Impairment losses on new loans (b)	8,330			(1,665)	6,665	17,397			(4,655)	12,742	25,727		(6,320)	19,407	
Change in risk parameters (c)	1,054	(11,865)	298,972	104,508	392,669	28,330	19,283	86,233	33,926	167,772	29,384	7,418	385,205	138,434	560,441
Impairment losses on loans (a)+(b)+(c)	(56,749)	36,307	323,658	104,012	427,228	37,731	22,576	134,634	29,222	224,163	982	58,883	458,292	133,234	651,391
Derecognition of loans	(1)	(55)	(772)	(722)	(1,550)	(31)	(2)	(2,806)	(163)	(3,002)	(32)	(57)	(3,578)	(885)	(4,552)
Write offs	(956)	(11,383)	(344,714)	(161,999)	(519,052)		(1,034)	(257,454)	(30,800)	(289,288)	(956)	(12,417)	(602,168)	(192,799)	(808,340)
Foreign exchange differences and other movements	(950)	273	(7,268)	6,586	(1,339)	(158)	1,159	7,266	(8,784)	(517)	(1,088)	1,432	(2)	(2,198)	(1,856)
Change in the present value of the impairment losses			(19,014)	(9,131)	(28,145)			51,166	12,382	63,548			32,152	3,251	35,403
Reclassification of allowance for expected credit losses to 'Assets held for sale'															
Balance 30.9.2020	37,790	304,572	4,125,579	1,569,531	6,037,472	127,882	50,435	2,463,467	525,780	3,167,564	165,672	355,007	6,589,046	2,095,311	9,205,036
Changes for the period 1.10 - 31.12.2020															
Transfers to stage 1 from stage 2 or 3	26,131	(25,101)	(1,050)			5,214	(3,711)	(1,503)			31,345	(28,812)	(2,533)		
Transfers to stage 2 from stage 1 or 3	(5,982)	23,915	(17,953)			(11,484)	11,629	(145)			(17,466)	35,544	(18,078)		
Transfers to stage 3 from stage 1 or 2	(83)	(13,734)	13,817			(518)	(16,667)	17,185			(601)	(30,401)	31,002		
Net remeasurement of expected credit losses(a)	(21,728)	9,242	7,802	2,293	(2,391)	(3,681)	5,734	(565)		1,488	(25,409)	14,976	7,237	2,293	(903)
Impairment losses on new loans (b)	866			712	1,578	3,656			(1,775)	1,881	4,522		(1,063)	3,459	
Change in risk parameters (c)	(10,204)	(7,200)	432,451	124,320	539,367	(51,526)	5,842	591,49	6,909	20,374	(61,730)	(1,358)	491,600	131,229	559,741
Impairment losses on loans (a)+(b)+(c)	(51,066)	2,042	440,253	127,325	538,554	(51,551)	11,576	58,584	5,134	23,743	(82,617)	13,618	498,837	132,459	562,297
Derecognition of loans	(16)	(1,637)	(1,637)	(224)	(1,877)	(97)	2	(3,872)	(378)	(4,345)	(97)	(14)	(5,509)	(602)	(6,222)
Write offs	(361)	(1,342)	(100,119)	(38,872)	(140,594)			(43,986)	(12,218)	(56,204)	(361)	(1,342)	(144,105)	(51,090)	(196,898)
Foreign exchange differences and other movements	(471)	(223)	(7,860)	3,618	(4,936)	157	(1,610)	(10,395)	12,504	656	(314)	(1,833)	(18,255)	16,122	(4,280)
Change in the present value of the impairment losses			21,371	6,899	28,270			18,531	4,901	23,432			39,902	11,800	51,702
Reclassification of allowance for expected credit losses to 'Assets held for sale'															
Balance 31.12.2020	25,958	290,113	4,472,441	1,668,277	6,456,789	69,603	51,654	2,497,866	535,723	3,154,846	95,561	341,767	6,970,307	2,204,000	9,611,635

The Group has recognized allowance for expected credit losses for the undrawn loan commitments, letters of credit and letters of guarantee, the reconciliation of which is presented in the following table:

	30.9.2021				
	Stage 1	Stage2	Stage	Purchased or originated credit impaired (POCI)	Total
Balance 1.1.2021	7,618	9,339	74,522	3	91,482
Changes for the period 1.1 - 30.9.2021					
Transfers to stage 1 from stage 2 or 3	1,780	(715)	(1,065)		-
Transfers to stage 2 from stage 1 or 3	(607)	947	(340)		-
Transfers to stage 3 from stage 1 or 2	(23)	(75)	98		-
Net remeasurement of expected credit losses (a)	(1,794)	1,066	1,129		401
Impairment losses on new exposures (b)	1,925				1,925
Change in risk parameters (c)	(4,358)	(5,497)	(40,955)		(50,810)
Impairment losses (a)+(b) + (c)	(4,227)	(4,431)	(39,826)		(48,484)
Foreign exchange differences and other movements	(165)	230	928	(3)	990
Balance 30.9.2021	4,376	5,295	34,317		43,988

	31.12.2020				
	Stage 1	Stage2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Balance 1.1.2020	16,026	2,289	75,118	7	93,440
Changes for the period 1.1 - 30.9.2020					
Transfers to stage 1 from stage 2 or 3	3,010	(2,864)	(146)		-
Transfers to stage 2 from stage 1 or 3	(2,165)	2,237	(72)		-
Transfers to stage 3 from stage 1 or 2	(89)	(191)	280		-
Net remeasurement of expected credit losses (a)	(2,233)	5,051	816		3,634
Impairment losses on new exposures (b)	1,846				1,846
Change in risk parameters (c)	(4,831)	5,159	(1,515)	1	(1,186)
Impairment losses (a)+(b)+(c)	(5,218)	10,210	(699)	1	4,294
Foreign exchange differences and other movements	(1,534)	530	(135)	(6)	(1,145)
Balance 30.9.2020	10,030	12,211	74,346	2	96,589
Changes for the period 1.10 - 31.12.2020					
Transfers to stage 1 from stage 2 or 3	2,317	(1,167)	(1,150)		-
Transfers to stage 2 from stage 1 or 3	(537)	542	(5)		-
Transfers to stage 3 from stage 1 or 2	(23)	(29)	52		-
Net remeasurement of expected credit losses (a)	(2,061)	(65)	68		(2,058)
Impairment losses on new exposures (b)	1,900				1,900
Change in risk parameters (c)	(4,941)	(2,203)	1,453	814	(4,877)
Impairment losses (a)+(b)+(c)	(5,102)	(2,268)	1,521	814	(5,035)
Foreign exchange differences and other movements	933	50	(242)	(813)	(72)
Balance 31.12.2020	7,618	9,339	74,522	3	91,482

The total amount of the allowance for expected credit losses for credit risk that the Group has recognized and derive from contracts with customers amounts to € 4,610,823 as at 30.9.2021 (31.12.2020: € 9,750,344), and includes the allowance for expected credit losses on loans measured at amortised cost of € 4,519,106 (31.12.2020: € 9,611,635), the allowance for expected credit losses for the undrawn loan commitments, letters of credit and letters of guarantee of amount € 43,988 (31.12.2020: € 91,482) and the allowance for expected credit losses on advances to customers amounting to € 47,729 (31.12.2020: € 47,227).

It is noted that Alpha Bank S.A. during the current period amended the individual assessment threshold. Specifically, borrowers with at least one Non-Performing Exposure whose Customer overall credit Limit in the Bank exceeds the amount of € 2 million, instead of € 1.5 million as it was previously, will be assessed on an individual basis.

New Definition of Default

The Group, following the implementation of the new EBA Guidelines (EBA/GL/2016/07), changed its definition of default since 1.1.2021 and adopted the new Definition of Default.

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

- Additional “Unlikelihood To Pay” trigger events such as Sale of Credit Obligations, Restructuring of financial obligation with NPV loss > 1%, Default to Subsidiaries.
- Change on the way of counting of Days Past Due meaning that hereafter the counting will be based on the existence of consecutive days of material past due.
- An additional three-month probation period from the moment the obligor is no longer materially past due and no indication of Unlikelihood to Pay occurs.

The Group has decided since 2018 to align Default, NPE and IFRS 9 “Credit Impaired” perimeter. 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 Group’s financial position. For the nine month period of 2021, the implementation of the new Default definition resulted in an increase of the credit impaired exposures by € 225 million for the Group.

c. Investment securities

i. Securities measured at fair value through other comprehensive income

The following table presents the classification of investment securities per stage and the reconciliation of the allowance for expected credit losses per stage:

	30.9.2021				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Greek Government bonds					
Allowance for expected credit losses	(6,807)				(6,807)
Fair value	3,024,919				3,024,919
Other Government bonds					
Allowance for expected credit losses	(1,098)				(1,098)
Fair value	1,803,949				1,803,949
Other securities					
Allowance for expected credit losses	(11,493)	(2,417)			(13,910)
Fair value	2,025,597	13,266			2,038,863
Total securities measured at fair value through other comprehensive income					
Allowance for expected credit losses	(19,398)	(2,417)	-	-	(21,815)
Fair value	6,854,465	13,266	-	-	6,867,731
	31.12.2020				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Greek Government bonds					
Allowance for expected credit losses	(6,312)				(6,312)
Fair value	2,771,014				2,771,014
Other Government bonds					
Allowance for expected credit losses	(856)				(856)
Fair value	1,848,207				1,848,207
Other securities					
Allowance for expected credit losses	(7,874)	(869)			(8,743)
Fair value	1,878,814	32,776			1,911,590
Total securities measured at fair value through other comprehensive income					
Allowance for expected credit losses	(15,042)	(869)	-	-	(15,911)
Fair value	6,498,035	32,776	-	-	6,530,811

Except for the above securities, the portfolio of investment securities measured at fair value through other comprehensive income, includes equity securities with a fair value of € 49,944 (31.12.2020: € 46,887).

	Allowance for expected credit losses				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Balance 1.1.2020	25,774	64	-	-	25,838
Changes for the period 1.1 - 30.9.2020					
Transfers to stage 1 from stage 2 or 3	58	(58)			-
Transfers to stage 2 from stage 1 or 3	(18)	18			-
Transfers to stage 3 from stage 1 or 2					-
Remeasurement of expected credit losses (a)	(46)	422			376
Impairment losses on new securities (b)	4,314	187			4,501
Change in credit risk parameters (c)	(1,416)	9			(1,407)
Impairment losses (a)+(b)+(c)	2,852	618	-	-	3,470
Derecognition of financial assets	(9,568)	(2)			(9,570)
Foreign exchange and other movements	(83)				(83)
Balance 30.9.2020	19,015	640	-	-	19,655
Changes for the period 1.10 - 31.12.2020					
Transfers to stage 1 from stage 2 or 3					-
Transfers to stage 2 from stage 1 or 3	(35)	35			-
Transfers to stage 3 from stage 1 or 2					-
Remeasurement of expected credit losses (a)		176			176
Impairment losses on new securities (b)	3,792	(165)			3,627
Change in credit risk parameters (c)	(3,072)	188			(2,884)
Impairment losses (a)+(b)+(c)	720	199	-	-	919
Derecognition of financial assets	(4,645)	(5)			(4,650)
Foreign exchange and other movements	(13)				(13)
Balance 31.12.2020	15,042	869	-	-	15,911
Changes for the period 1.1 - 30.9.2021					
Transfers to stage 1 from stage 2 or 3					-
Transfers to stage 2 from stage 1 or 3	(354)	354			-
Remeasurement of expected credit losses (a)		1,430			1,430
Impairment losses on new securities (b)	10,107				10,107
Change in credit risk parameters (c)	2,146	(205)			1,941
Impairment losses (a)+(b)+(c)	12,253	1,225	-	-	13,478
Derecognition of financial assets	(7,585)	(30)			(7,615)
Foreign exchange and other movements	42	(1)			41
Balance 30.9.2021	19,398	2,417	-	-	21,815

The Stage 1 expected credit losses include an additional € 67 gain (30.9.2020: € 42 loss), which represents the variation of the cumulative expected credit losses between the starting and ending of the period for the purchases of securities classified as FVOCI, which had been traded (trade date) but they had not been settled (settlement date) at period end. This expected credit loss, depending on the valuation of the securities is recognized in "Other assets" or "Other liabilities".

ii. Securities measured at amortised cost

The following table presents the classification of investment securities per stage and the movement of allowance for expected credit losses per stage:

	30.9.2021				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Greek Government bonds					
Carrying amount (before allowance for expected credit losses)	3,110,996				3,110,996
Allowance for expected credit losses	(9,968)				(9,968)
Net Carrying Amount	3,101,028	-	-	-	3,101,028
Other Government bonds					
Carrying amount (before allowance for expected credit losses)	464,069				464,069
Allowance for expected credit losses	(95)				(95)
Net Carrying Amount	463,974	-	-	-	463,974
Other securities					
Carrying amount (before allowance for expected credit losses)	209,903				209,903
Allowance for expected credit losses	(4,267)				(4,267)
Net Carrying Amount	205,636	-	-	-	205,636
Total securities measured at amortized cost					
Carrying amount (before allowance for expected credit losses)	3,784,968	-	-	-	3,784,968
Allowance for expected credit losses	(14,330)	-	-	-	(14,330)
Net Carrying Amount	3,770,638	-	-	-	3,770,638

	31.12.2020				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Greek Government bonds					
Carrying amount (before allowance for expected credit losses)	2,788,311				2,788,311
Allowance for expected credit losses	(9,132)				(9,132)
Net Carrying Amount	2,779,179	-	-	-	2,779,179
Other Government bonds					
Carrying amount (before allowance for expected credit losses)	494,974				494,974
Allowance for expected credit losses	(146)				(146)
Net Carrying Amount	494,828	-	-	-	494,828
Other securities					
Carrying amount (before allowance for expected credit losses)	61,417	1,363			62,780
Allowance for expected credit losses	(1,047)	(7)			(1,054)
Net Carrying Amount	60,370	1,356	-	-	61,726
Total securities measured at amortized cost					
Carrying amount (before allowance for expected credit losses)	3,344,702	1,363	-	-	3,346,065
Allowance for expected credit losses	(10,325)	(7)	-	-	(10,332)
Net Carrying Amount	3,334,377	1,356	-	-	3,335,733

	Allowance for expected credit losses				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired (POCI)	Total
Opening Balance 1.1.2020	7,413	-	-	-	7,413
Changes for the period 1.1 - 30.9.2020					
Transfers to stage 1 from stage 2 or 3					-
Transfers to stage 2 from stage 1 or 3					-
Transfers to stage 3 from stage 1 or 2					-
Remeasurement of expected credit losses (a)					-
Impairment losses on new securities (b)	11,552				11,552
Change in credit risk parameters (c)	(396)				(396)
Impairment losses (a)+(b)+(c)	11,156	-	-	-	11,156
Derecognition of financial assets	(4)				(4)
Foreign exchange and other movements					-
Balance 30.9.2020	18,565	-	-	-	18,565
Changes for the period 1.10 - 31.12.2020					
Transfers to stage 1 from stage 2 or 3					-
Transfers to stage 2 from stage 1 or 3	(2)	2			-
Transfers to stage 3 from stage 1 or 2					-
Remeasurement of expected credit losses (a)		8			8
Impairment losses on new securities (b)	(2,209)				(2,209)
Change in credit risk parameters (c)	(12)	(3)			(15)
Impairment losses (a)+(b)+(c)	(2,221)	5	-	-	(2,216)
Derecognition of financial assets	(6,017)				(6,017)
Foreign exchange and other movements					-
Balance 31.12.2020	10,325	7	-	-	10,332
Changes for the period 1.1 - 30.9.2021					
Remeasurement of expected credit losses (a)					-
Impairment losses on new securities (b)	4,459				4,459
Change in credit risk parameters (c)	(382)	(7)			(389)
Impairment losses (a)+(b)+(c)	4,077	(7)	-	-	4,070
Derecognition of financial assets	(73)				(73)
Foreign exchange and other movements	1				1
Balance 30.9.2021	14,330	-	-	-	14,330

27. Capital adequacy

The Group's policy is to maintain strong capital ratios and buffers over requirements in order to ensure the achievement of its business plan and the development and trust of depositors, shareholders, markets and business partners.

Share capital increases are conducted following resolutions of the General Meeting of Shareholders or of the Board of Directors, in accordance with articles of incorporation or laws and regulations in force from time to time.

For as long as the Hellenic Financial Stability Fund (HFSF) participates in the share capital of Alpha Services and Holdings, the purchase of own shares is not permitted without its consent, based on the relevant provisions of the Relationship Framework Agreement (RFA) signed between the Company and the HFSF.

The Capital Adequacy ratio compares the Group's regulatory capital with the risks that it undertakes (Risk Weighted Assets - RWAs). Regulatory capital includes Common Equity Tier 1 (CET1) capital (share capital, reserves, minority interests), additional Tier 1 capital (hybrid securities) and Tier 2 capital (subordinated debt). RWAs include the credit risk of the investment portfolio (including also counterparty credit risk and CVA adjustment), the market risk of the trading book and the operational risk.

Alpha Bank S.A., as a systemic bank, and consequently its parent company Alpha Services and Holdings on a consolidated basis are supervised by the Single Supervisory Mechanism (SSM) of the European Central Bank (ECB), to which reports are submitted

every quarter. The supervision is conducted in accordance with the European Regulation 575/2013 (CRR) as amended, inter alia, by European Regulation (EU) 2019/876 of the European Parliament and the Council (CRR 2), and European Directive 2013/36 (CRD IV), as incorporated into Greek Law 4261/2014 and amended by Directive 2019/878 (CRD V) and incorporated by Law 4799/2021.

For the calculation of capital adequacy ratio the above regulatory framework is followed. In addition:

- Besides the 8% capital adequacy limit, there are applicable limits of 4.5% for CET 1 ratio and 6% for Tier 1 ratio, respectively
- The maintenance of capital buffers additional to the CET1 capital are required. In particular the Combined Buffer Requirement (CBR) consisting of:
 - the Capital conservation buffer stands at 2.5%.
 - the following capital buffers set by the Bank of Greece through Executive Committee Acts:
 - Countercyclical capital buffer equal to “zero percent” (0%) for 2021
 - Other systemically important institutions (O-SII) buffer, which will gradually rise to “one percent” (1%) from 1.1.2019 to 1.1.2023. For 2021, the O-SII buffer stands at 0.5%.

These limits should be met both on a standalone and on consolidated basis.

The following table presents the capital adequacy ratios of the Group:

	30.9.2021	31.12.2020
Common Equity Tier I Ratio	13.9%	17.3%
Tier I Ratio	13.9%	17.3%
Total Capital Adequacy Ratio*	16.5%	18.4%

On 28 December 2020, the ECB informed Alpha Bank S.A. before the demerger that since 31st January 2021 the minimum limit for the Overall Capital Requirement (OCR) remains unchanged from 2020 at 14%. The OCR is composed by the minimum own funds requirements (8%), according to article 92(1) of the CRR, the additional Pillar II own funds requirements (P2R), according to article 16(2) (a) of the Regulation 1024/2013/EU which corresponds to 3%, and the combined buffer requirements (CBR), according to article 128(6) of the Directive 2013/36/EU which correspond to 3%. The above minimum ratio should be maintained on a phase-in basis under applicable transitional rules of the CRR/CRD IV, at all times.

As part of the strategic capital management during 2021, Alpha Services and Holdings S.A. has successfully completed:

- On March 4th 2021, as part of its capital management strategy, Alpha Bank S.A. successfully placed a Euro 500 million, Tier 2 bond with institutional investors aiming to maintain its strong capital ratios and ample buffers over applicable requirements. The subordinated bond has a 10.25-year maturity and is callable anytime between year 5 and year 5.25 with a fixed interest rate 5.5% till 11.6.2026 which is adjusted to a new interest rate from the reset date to the maturity date. This new interest rate is defined based on the five-year swap rate and 5.823% spread for the remaining period from the reset date till the maturity date. The bond is listed on the Luxembourg Stock Exchange.
- On July 2, 2021, the offer of € 800 million of new common shares further strengthening its regulatory capital and capital ratios.

Measures taken for the banks in order to tackle Covid-19 pandemic

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

Specifically, starting from 12th March 2020, the ECB and the EBA announced the following relaxation measures for the minimum capital requirements for Banks in the Eurozone:

- Banks are temporarily allowed to operate below the level of capital defined by the Capital Conservation Buffer and the Countercyclical Buffer. In addition, on July 2020, the ECB announced through a press release that financial institutions are allowed to operate below the aforementioned thresholds at least up to the end of 2022.

* Data relating to the disclosure of regulatory information on capital adequacy of risk management (Pillar III - Regulation 575/2013) will be published on the Bank's website.

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

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

On 26 June 2020, the Bank of Greece under an Executive Committee Act determined the capital buffer of systemically important institutions (O-SII) at 0,50%, maintaining stable for 2021 and extending consequently the existing phasing-in period. The third and the fourth phases have been delayed by 12 months each and will apply starting from 1 January 2022 and 1 January 2023 respectively. This decision is in the context of the response to Covid-19 pandemic in order to mitigate the subsequent financial impact.

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

EBA Stress Test

Following the postponement of the 2020 Stress Test due to the outbreak of Covid-19 (Coronavirus) and its global spread, the European Banking Authority (EBA) launched the 2021 EU-wide Stress Test on 29 January 2021.

The Stress Test was conducted based on a static balance sheet approach under a baseline and an adverse macro scenario with a 3-year forecasting horizon (2020-2023). The exercise will be used as an input in the Supervisory Review and Evaluation Process (SREP). The results of the exercise were published on 30 July 2021. According to the results Alpha Services and Holdings S.A. (Group) successfully concluded the 2021 EU-wide Stress Test under both scenarios. More specifically:

- Under the baseline scenario, the capital generation for the 3-year period was 2.8% fully absorbing 2.4% IFRS 9 phase-in, resulting in 2023 to a CET1 fully loaded ratio of 17.3% while the 2023 Leverage ratio (fully loaded) came to 13.0%.
- Under the adverse scenario, the 2023 CET1 fully loaded ratio stood at 8.4%, largely driven by the negative impact of Credit Risk, with the lowest point of CET1 fully loaded at 8.1%, in 2022. The 2023 Leverage ratio (fully loaded) resulted in 6.1%.
- The Stress Test methodology does not take into account capital strengthening (i.e. Tier II issuance, Share Capital Increase) and balance sheet de-risking, events post December 31st, 2020. Pro-forma with the Share Capital Increase for the baseline scenario, the 2023 CET1 fully loaded ratio reached 19.1%, while the 2023 Leverage ratio (fully loaded) came to 14.4%. Under the adverse scenario, the 2023 CET1 fully loaded ratio stood at 10.2%, while the 2023 Leverage ratio (fully loaded) came to 7.6%.

Minimum Requirements for Eligible Own Funds and Eligible Liabilities (MREL)

On 15 April 2021, Alpha Bank S.A. before the demerger received a communication from the Single Resolution Board (SRB) regarding the binding Minimum Requirement of Own Funds and Eligible Liabilities (MREL). The requirements are based on the Bank Recovery and Resolution Directive ("BRRD2"), which was transposed under Greek law 4799/2021 on 18.5.2021. The SRB decision is based on a single point of entry resolution strategy (Single Point of Entry - SPE).

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

The MREL ratio expressed as a percentage of RWAs does not include the Combined Buffer Requirement (CBR), currently at 3% and expected to increase to 3.25% on 1 January 2022.

With regard to the requirement for a minimum amount of own funds and subordinated eligible liabilities (“the Subordinated MREL Requirement”), the SRB has decided that no subordination requirement applies to Alpha Bank S.A.

The MREL requirements, including the multi-year transitional period, are in line with Alpha Bank S.A.’s expectations. Alpha Bank S.A.’s long-term funding plan foresees further strengthening of MREL, so that the requirements can be met when in force.

In the context of its strategy for debt management, Alpha Bank successfully completed on 16 September 2021 the first issuance of Senior Preferred Note of Euro 500 million.

The term of the Notes is 6.5 years, with the option to redeem in 5.5 years, nominal interest rate of 2.5% and yield of 2.625%.

The Notes are listed in the Luxembourg Stock Exchange. The listing is fully aligned with the MREL strategy of the Bank.

28. Related-party transactions

The Company and the other companies of the Group enter into a number of transactions with related parties in the normal course of business. These transactions are performed at prevailing market terms and conditions and are approved by the respective competent bodies.

a. The outstanding balances of the Group’s transactions with key management personnel which comprise the members of the Company’s Board of Directors and of the Executive Committee, their close family members and the entities controlled by them, as well as, the results related to these transactions are as follows:

	30.9.2021	31.12.2020
Assets		
Loans and advances to customers	1,829	1,792
Liabilities		
Due to customers	3,583	4,302
Employee defined benefit obligations	230	219
Provisions		650
Total	3,813	5,171
Letters of guarantee and approved limits	1,891	2,159

	From 1 January to	
	30.9.2021	30.9.2020
Income		
Interest and similar income	30	29
Fee and commission income	8	3
Other income	1	1
Total	39	33
Expenses		
Interest expense and similar charges	5	7
Fee and commission expenses		1
General administrative expenses	1	
Remuneration paid to key management and close family members	3,845	3,460
Total	3,851	3,468

According to the decision of the General Meeting of Shareholders held at 29.6.2018, a compensation scheme is operating for the Bank’s Senior Management, the terms of which were specified through a Regulation issued subsequently. The program is voluntary, does not constitute business practice and may be terminated in the future by a decision of the General Meeting of the Shareholders. It provides incentives for the eligible personnel to comply with the terms of departure, proposed by the Bank, thus ensuring the smooth (only during the period and under the terms and conditions approved by the Bank) departure and succession of Senior Management.

b. The outstanding balances with the Group's, associates and joint ventures as well as the results related to these transactions are as follows:

	30.9.2021	31.12.2020
Assets		
Loans and advances to customers	118,889	64,459
Other Assets	3,894	1,490
Total	122,783	65,949
Liabilities		
Due to customers	58,253	14,561
Other liabilities	52,243	
Total	110,496	14,561

	From 1 January to	
	30.9.2021	30.9.2020
Income		
Interest and similar income	1,116	1,090
Fee and commission income	763	2
Gains less losses on financial transactions	48	2,022
Other income	2	114
Total	1,929	3,228
Expenses		
Interest expense and similar charges		2
Servicing fees	24,542	5,844
Total	24,542	5,846

c. The Hellenic Financial Stability Fund (HFSF) exerts significant influence on the Company. In particular, in the context of Law 3864/2010 and based to Relationship Framework Agreement ("RFA") signed on 23.11.2015, which replaced the previous one signed in 2013, HFSF has participation in the Board of Directors and other significant Committees of the Bank. Therefore, according to IAS 24, HFSF and its related entities are considered related parties for the Company.

The outstanding balances and the results related to these transactions are analyzed as follows:

	From 1 January to	
	30.9.2021	30.9.2020
Income		
Fee and commission income	5	3

29. Assets held for sale

The Group has initiated the process to dispose selected investments in subsidiaries and joint ventures, portfolios of non-performing loans of retail and wholesale banking, as well as real estate and other fixed assets of the Bank and other subsidiaries, which meet the criteria to be classified as "Assets Held for Sale" under IFRS 5.

The change compared to 31.12.2020 is due to the transfer of retail and corporate loans amounting to € 1,650,671 to the category "Assets Held for sale", which are subject to the "Cosmos" securitization transaction as further analysed below.

In September 2021, the Boards of Directors of Alpha Bank S.A. and Alpha Services and Holdings S.A. approved the "Cosmos" transaction which includes the following:

- a) The securitization of loans of Alpha Bank S.A. with gross loan amount € 3.4 billion to the special purpose vehicle Cosmos Securitization Designated Activity Company, in accordance with the L. 3156/2003. On 8.10.2021 the SPV issued Series A (Senior), Series B (Mezzanine) and Series C (Junior) securitization notes which were initially covered by Alpha Bank S.A.
- b) 95% of the Mezzanine and Junior notes will be distributed in kind by Alpha Bank S.A. to its parent company Alpha Services and Holdings S.A., through a capital reduction exercise. Consequently Alpha Bank S.A., will derecognize the loans securitized from its balance sheet and will recognize the remaining non-distributed notes on its balance sheet at fair value. The

difference between the two will be recognized in equity. The share The decrease of the share capital will be equal to € 10.8 million, representing the fair value of the notes to be distributed.

- c) Alpha Services and Holdings S.A. will dispose 51% of the Mezzanine and Junior notes to external third party investors whilst the remaining 44% will be distributed to its shareholders. The distribution of the 51% of the notes will result to the derecognition of the securitized loans from the Group's consolidated balance sheet, since the Group will relinquish control of the risks and rewards of the notes and the SPV that has issued them. The Group will recognize instead the disposal proceeds from selling the notes to external investors and the fair value of the notes retained.

Taking into consideration the aforementioned decisions taken by the Boards and the expectation that the disposal of the notes to the third party investor will conclude within 12 months from the preparation of these financial statements, the Group classified the securitized loans of the "Cosmos" transaction as Held for Sale. The fair value of the "Cosmos" loan portfolio is not different from the net book value as for the calculation of the expected credit losses relating to the portfolio a 100% sale probability was taken into consideration.

As mention in more detail in the note 33, the binding agreement with the third party external investor was signed on 18.10.2021. On the 25.10.2021 the General Meeting of Shareholders of the Alpha Bank S.A. approved the distribution in kind, through capital reduction, the distribution of the notes to its parent company.

30. Corporate events

- ▶ On 25.1.2021, in the context of the restructuring of the Bank's subsidiaries and pursuant the approval of the Central Bank of Albania No. 3/ 13.1.2021 and of the Competition Committee of Albania dated 30.7.2020, the transfer of the shares of Alpha Bank Albania SH.A, owned wholly by the Bank, to Alpha International Holding S.M.S.A. was completed.
- ▶ On 31.1.2021, the sale of the Group's subsidiary AGI-Cypre Property 10 Ltd was completed.
- ▶ On 12.2.2021, the sale of the Bank's subsidiary AIP Attica II S.A. was completed.
- ▶ On 15.2.2021 the Bank's subsidiary, AGI-Cypre Ermis Ltd established the companies AGI-Cypre Property 52 Ltd and AGI-Cypre Property 53 Ltd, for the amount of € 1 each.
- ▶ On 15.2.2021, the sale of the total shares of the Group's subsidiary AGI-Cypre Property 36 Ltd was completed.
- ▶ On 23.2.2021 the Group's subsidiary, Alpha Bank S.A. Cyprus Ltd established the company AGI-Cypre Property 51 Ltd, for the amount of € 1 per share.
- ▶ On 25.2.2021 the Bank's subsidiary, AGI-Cypre Ermis Ltd proceeded to a share capital increase in cash in its subsidiaries AGI-Cypre Property 6 Ltd, AGI-Cypre Property 15 Ltd, AGI-Cypre Property 16 Ltd, AGI-Cypre Property 20 Ltd, AGI-Cypre Property 22 Ltd, AGI-Cypre Property 25 Ltd, AGI-Cypre Property 26 Ltd, AGI-Cypre Property 27 Ltd, AGI-Cypre Property 28 Ltd, AGI-Cypre Property 29 Ltd, AGI-Cypre Property 30 Ltd, AGI-Cypre Property 31 Ltd, AGI-Cypre Property 32 Ltd, AGI-Cypre Property 33 Ltd, AGI-Cypre Property 34 Ltd, AGI-Cypre Property 37 Ltd, AGI-Cypre Property 38 Ltd, AGI-Cypre Property 40 Ltd, AGI-Cypre Property 42 Ltd, AGI-Cypre Property 43 Ltd, AGI-Cypre Property 44 Ltd, AGI-Cypre Property 45 Ltd, AGI-Cypre Property 46 Ltd, AGI-Cypre Property 47 Ltd, AGI-Cypre Property 48 Ltd, AGI-Cypre Res Pafos Ltd, AGI-Cypre P&F Nicosia Ltd, AGI-Cypre Res Nicosia Ltd, AGI-Cypre P&F Limassol Ltd, AGI-Cypre P&F Pafos Ltd, AGI-Cypre COM Pafos Ltd, AGI-Cypre Res Larnaca Ltd and AGI-Cypre Res Ammochostos Ltd for the amounts of € 7, € 2,263, € 167, € 1,910, € 27, € 29, € 23, € 265, € 33, € 42, € 29, € 4,186, € 537, € 39, € 44, € 11, € 14, € 754, € 85, € 38, € 48, € 456, € 28, € 26, € 489, € 2,357, € 1,056, € 999, € 308, € 1,196, € 6, € 787 and € 337 respectively.
- ▶ On 26.2.2021, the sale of the Group's subsidiary ABC RE P1 Ltd was completed.
- ▶ On 1.3.2021, the Group's subsidiary, Alpha Credit Acquisition Company Ltd, proceeded to a share capital increase in cash, in its subsidiary Alpha Credit Property 1 Ltd, for an amount of € 696.
- ▶ On 5.3.2021, the sale of the remaining shares of the company Forthnet held by the Bank was completed, following the partial disposal as of 13.11.2020, with the acceptance of a Public Offering to the company's shareholders.
- ▶ On 12.3.2021, the Bank proceeded to a share capital increase in cash in its subsidiary Alpha Group Investments Ltd, for an amount of € 265,000 and on the same date the latter proceeded to a share capital increase in its subsidiary, Umera Ltd, for an amount of € 265,000.

- ▶ On 12.3.2021, the Bank's subsidiary, Alpha International Holding S.M.S.A. proceeded to a share capital increase in cash in its subsidiary Alpha Credit Acquisition Ltd, for an amount of € 520,000.
- ▶ On 17.3.2021, the sale the Group's subsidiary AGI RRE Cleopatra Srl was completed. As a result of the aforementioned sale, the Group's no longer includes TH Top Hotels.
- ▶ On 18.3.2021 the Financial Supervisory Authority of Romania, following a request by Alpha Finance Romania S.A. approved the revocation of its license.
- ▶ On 12.4.2021 the Bank proceeded to a share capital increase in cash in its subsidiary, Alpha Group Investments Ltd, for an amount of € 100,960 and on the same date the latter, proceeded to a share capital increase in its subsidiary, AIP Kalitheas, for an amount of € 19,960.
- ▶ On 20.4.2021 the Bank subsidiary, AGI-Cypre Ermis Ltd, proceeded to the share capital increase in kind of its subsidiary AGI-Cypre Property 46 Ltd, for an amount of € 51.
- ▶ Within April, the Group investment, South Eastern European Fund made capital return of € 295 to the Group subsidiary Ionian Equity Participation Ltd.
- ▶ On 11.5.2021 2021 the subsidiary of the Bank, Alpha Group Investments Ltd, proceeded to the share capital increase in cash of its subsidiary, AGI-BRE Participations 2 Ltd, for an amount of € 330.
- ▶ On 19.5.2021 2021 the subsidiary of the Bank, Alpha Group Investments Ltd, proceeded to the share capital increase in cash of its subsidiary Alpha Group Real Estate Ltd for an amount of € 69.000.
- ▶ On 31.5.2021, the Group subsidiary Sapava Ltd proceeded to the share capital increase of its subsidiary Acarta Srl through the capitalization of a loan amounting to € 68.589.
- ▶ On 7.6.2021 the Group subsidiary AGI-BRE Participations 2 Ltd proceeded to the increase of the share capital in cash of its subsidiary AGI-BRE Participations 2 EOOD for an amount of € 330.
- ▶ On 9.6.2021 the Group subsidiary Alpha Credit Acquisition Company established the company Alpha Credit Properties Ltd for an amount of € 1.
- ▶ On 14.6.2021 the Group subsidiary Alpha Group Real Estate Ltd n proceeded to the increase of the share capital in cash of its subsidiary AEP Residential Properties Attikis I MAE for an amount of € 5.000.
- ▶ On 24.6.2021 the Group subsidiary Alpha Group Real Estate Ltd proceeded to the share capital increase in cash of its subsidiary Office Park I Srl for an amount of € 10.012.
- ▶ On 28.6.2021 the Bank subsidiary Alpha Group Investments proceeded to the share capital increase in cash of its subsidiaries Alpha Trustees Ltd, AGI-BRE Participations 1 Ltd, Zerelda Ltd, AGI-RRE Hera Ltd, AGI-BRE Participations 2 Ltd, AGI-BRE Participations 4 Ltd, AGI-RRE Ares Ltd, AGI-RRE Hermes Ltd, AGI-RRE Arsinoe Ltd, AGI-SRE Ariadni Ltd, AGI-SRE Participations 1 Ltd and Krigeo Holdings Ltd of amounts of € 7,€ 15,€ 14, € 17,5, € 43, € 40, € 15, € 9, € 20, € 13, € 13 and € 50 respectively.
- ▶ Within June, the Group subsidiary Ionian Equity Participations proceeded to the payment of the 2nd part of the share capital increase amounting to € 16 of private equity fund, SME Remedium Cap SCA SICAV-RAIF based in Luxembourg.
- ▶ Within June, the participation of the Group Bluehouse Accession Property III made a return of share capital of € 605 to the Group subsidiary Ionian Equity Participation Ltd.
- ▶ On 14.7.2021 the Group subsidiary Alpha Bank Cyprus Ltd established AGI-Cypre Property 55 Ltd, for an amount of € 1.
- ▶ On 19.7.2021 the Group subsidiary Alpha Bank Cyprus Ltd, proceeded to the share capital increase in cash of its subsidiaries ABC RE L5 Ltd, ABC RE L3 Ltd, ABC RE L2 Ltd, ABC RE L4 Ltd, ABC RE RES Nicosia Ltd, ABC RE P7 Ltd, ABC RE P&F Larnaca Ltd, ABC RE RES Ammochostos Ltd and ABC RE RES Pafos Ltd for the amounts of € 43, € 59, € 153, € 62, € 47, € 110, € 46, € 43 and € 226 respectively.
- ▶ On 29.7.2021 the Group subsidiary Alpha Bank Cyprus Ltd established AGI-Cypre Property 54 Ltd for an amount of € 1.
- ▶ On 30.7.2021, in the context of its updated business plan, which includes the development of business initiatives through joint ventures with international partners, the Bank announced the initiation of the process for the selection of a strategic partner to pursue a joint venture through its listed subsidiary Alpha Astika Akinita S.A. in the Greek real estate market.

- ▶ On 3.8.2021 Alpha Services and Holdings S.A., the parent company of Alpha Bank S.A. (“Alpha Bank”) and Nexi S.p.A (“Nexi”) announced that they have signed Memorandum of Understanding, 2021, (“MoU”) for the establishment of a strategic partnership in respect of:
 - the carve-out of the merchant acquiring Business by Alpha Bank by way of a spin-off to a newly-incorporated entity (the “NewCo”); in which Nexi will hold a 51% stake.
 - the execution of a long-term marketing and distribution agreement by the parties, providing the NewCo with access to Alpha Bank’s network, in order to distribute payment acceptance products and services to corporate Customers of Alpha Bank in Greece.

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

- ▶ On 6.8.2021 the liquidation and the removal of the Cyprus Company Register for the Group’s subsidiaries AGI-RRE Venus Ltd and AGI-RRE Athena Ltd was completed
- ▶ On 2.9.2021 the liquidation process of the subsidiary of Alpha Services and Holdings S.A., Alpha Credit Group Plc. was completed.
- ▶ On 20.9.2021, Alpha Services and Holdings S.A. proceeded with the increase in cash of the share capital cash of its subsidiary Alpha Group Jersey Ltd, of € 650.
- ▶ On 29.9.2021, Alpha Services and Holdings S.A., in the context of Cosmos transaction, proceeded with the establishment of its subsidiary REOCO Cosmos Single Member Firm S.A., whereas on 1.10.2021 its initial share capital amounted to € 75 was paid.
- ▶ On 30.9.2021, the liquidation and removal of the Bank’s associate company Famar S.A., located in Luxemburg, was completed.
- ▶ On 15.10.2021 the sale of the total shares of the Group’s subsidiary AGI-Cypre Property 11 Ltd, was completed.
- ▶ On 27.10.2021 AGI-Cypre Property 51 Ltd a subsidiary of Alpha Bank Cyprus Ltd was transferred to the Bank’s subsidiary, AGI-Cypre Ermis Ltd.
- ▶ On 4.11.2021 the liquidation and the removal of the Romanian Company Register for the Bank’s subsidiary Alpha Finance Romania Srl was completed.

31. Restatement of financial statements

In the fourth quarter of 2020, the Group, in order to provide better information, changed the presentation of the interest resulting from negative interest rates reclassifying negative interest from interest bearing assets from “Interest and similar income” to “Interest expense and related charges” in the Income Statement. Similarly the presentation of negative interest from interest bearing liabilities amended and the respective amounts have been reclassified from “Interest and related expenses” to “Interest and related income” of the Income Statement. As a result certain captions of the consolidated Income Statement were restated without changing the results of each period.

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

As a result of the above changes, certain captions in Income Statement and Statement of Comprehensive Income of the previous period were restated, as depicted in the tables below.

The restated Income Statement for the period 1 January to 30.9.2020 is presented below:

	From 1 January to 30.9.2020			From 1 July to 30.9.2020		
	Published amounts	Restatement	Restated amounts	Published amounts	Restatement	Restated amounts
Interest and similar income	1,414,985	150,449	1,565,434	451,601	63,491	515,092
Interest expense and similar charges	(261,346)	(150,449)	(411,795)	(69,845)	(63,491)	(133,336)
Net interest income	1,153,639	-	1,153,639	381,756	-	381,756
Fee and commission income	292,506		292,506	99,933		99,933
Commission expense	(40,997)		(40,997)	(15,085)		(15,085)
Net fee and commission income	251,509		251,509	84,848		84,848
Dividend income	2,525		2,525	1,731		1,731
Gain less losses on derecognition of financial assets measured at amortized cost	4,200		4,200	2,325		2,325
Gains less losses on financial transactions	252,044	3,982	256,026	39,617	573	40,190
Other income	17,513		17,513	5,082		5,082
Total other income	276,282	3,982	280,264	48,755	573	49,328
Total income	1,681,430	3,982	1,685,412	515,359	573	515,932
Staff costs	(321,754)		(321,754)	(107,998)		(107,998)
General administrative expenses	(340,185)		(340,185)	(117,033)		(117,033)
Depreciation and amortization	(115,132)		(115,132)	(39,238)		(39,238)
Other expenses	(11,298)		(11,298)	(4,321)		(4,321)
Total expenses before impairment losses and provisions to cover credit risk	(788,369)		(788,369)	(268,590)		(268,590)
Impairment losses and provisions to cover credit risk	(751,321)		(751,321)	(170,535)		(170,535)
Share of profit/(loss) of associates and joint ventures	(563)		(563)	187		187
Profit/(loss) before income tax	141,177	3,982	145,159	76,421	573	76,994
Income tax	(10,600)	(1,002)	(11,602)	(32,534)	(152)	(32,686)
Net Profit/(loss)	130,577	2,980	133,557	43,887	421	44,308
Earnings/(losses) attributable to:						
Equity holders of the Bank	130,447	2,980	133,427	43,831	421	44,252
Non-controlling interests	130		130	56		56
Earnings/(losses) per share:						
Basic and diluted (€ per share)	0.08		0.09	0.03		0.03

The restated Statement of Comprehensive Income from 1 January to 30.9.2020, is presented below:

	From 1 January to 30.9.2020			From 1 July to 30.9.2020		
	Published amounts	Restatement	Restated amounts	Published amounts	Restatement	Restated amounts
Profit/(loss) for the period recognized in the Income Statement	130,577	2,980	133,557	43,887	421	44,308
Other comprehensive income						
Items that may be reclassified to the Income Statement						
Net change in investment securities' reserve measured at fair value through other comprehensive income	(215,508)		(215,508)	13,498		13,498
Net change in cash flow hedge reserve	15,603		15,603	5,239		5,239
Foreign currency translation net of investment hedges of foreign operations	(4,062)		(4,062)	(799)		(799)
Income tax	54,037		54,037	(5,022)		(5,022)
Items that may be reclassified to the Income Statement	(149,930)		(149,930)	12,916		12,916
Items that will not be reclassified to the Income Statement						
Net change in actuarial gains / (losses) of defined benefit obligations	166		166	168		168
Gains/(losses) from equity securities measured at fair value through other comprehensive income	3,801	(3,982)	(181)	1,367	(573)	794
Income tax	(1,633)	1,002	(631)	(647)	152	(495)
Items that will not be reclassified to the Income Statement	2,334	(2,980)	(646)	888	(421)	467
Other comprehensive income for the period, after income tax	(147,596)	(2,980)	(150,576)	13,804	(421)	13,383
Total comprehensive income for the period	(17,019)	-	(17,019)	57,691	-	57,691

32. Strategic plan

In May 2021 the Bank announced its Strategic Plan which includes a number of strategic initiatives which are expected to affect the future results of the Group until 2024 and which include specific financial targets. These initiatives are as follows:

- a. Targeted reduction of non-performing exposures, which includes:
- a series of portfolio transactions mainly of non-performing exposures of a total book value up to € 8.1 billion which relate to a) a securitization transaction of a book value of up to € 3.4 billion for which an application will be submitted for the provision of Greek Government guarantee under the extended guarantee program "HAPS 2", b) finalization of the sale of a portfolios of small medium enterprises held by the four Greek systemic banks, in which the book value held by the Bank amounts to € 0.4 billion, and c) sale transactions in Greece with a total book value in Greece of € 2.1 billion and in Cyprus with a total book value of € 2.2 billion. These transactions are intended to decrease the exposure of the Group in non-performing exposures by € 19.8 billion until 2024 (as compared to the end of 2020 and included the decrease due to Galaxy securitization) and to allow the Bank to achieve a single digit NPE ratio within the first semester of 2022 and target to an NPE ration of about 2% until the end of 2024. As described in note 8, in the nine month period of 2021, the impact on the Group's results from the incorporation of loan sale scenarios in the calculation of expected credit risk losses amounted to € 0.71 billion.
- In order to complete the transactions and the conditions and deferrals set are met, the Group may recognize additional impairment losses including the amount of € 0.30 billion which is mentioned in note 8 as the estimated impact from the implementation of a sale scenario with a 100% probability for the loan portfolios that during the calculation of the expected impairment losses it is possible to incorporate a sale scenario.
- a series of internal capital measures to support the Bank's NPE initiatives by providing additional capital buffers. These measures include the demerger of merchant acquiring business and formation of a new entity and sale of 51% to the new strategic partner Nexi, the sale of Alpha Bank Albania, the sale of Alpha Bank London, the establishment of a joint venture with an international partner in the real estate market and a synthetic securitization transaction, each of which are expected to be completed by 2022. The successful completion of these internal capital measures is expected to ensure the maintenance of an adequate capital base above minimum requirements.
- b. Measures for the decrease of the operating expenses and the improvement of the efficiency of the operations, focusing on the basic banking operations, decreasing operating cross across the organization, improving and enhancing the digital platform and by applying policies for sustainable banking with the integration of environment, social and governance (ESG) criteria.
- c. Initiatives for the increase of income from commissions, mainly through wealth management and bancassurance products.
- d. Initiatives for the increase of the international footprint, especially in Romania.

33. Events after the balance sheet date

- a. On 18.10.2021 in the context of its updated Strategic Plan, Alpha Services and Holdings S.A. ("HoldCo"), the 100% shareholder of the Bank, entered into a binding agreement with certain entities managed and advised by Davidson Kempner Capital Management LP ("Davidson Kempner"), in relation to the sale and transfer of 51% of the Junior and Mezzanine securitization of a Euro 3.4 billion Gross Book Value portfolio of primarily Non-Performing Exposures (NPEs) (the "Cosmos Transaction"). The Bank will retain 100% of the Senior Notes, using the benefit from the provisions of the "Hercules" program, and 5% of the Mezzanine and Junior notes.
- b. Based on the announcement of the Bank dated 27.10.2021, the Extraordinary General Meeting of 25.10.2021 of its sole shareholder, "Alpha Services and Holdings" (the "Shareholder") resolved, inter alia, on the reduction in kind of the Bank's share capital by the amount of € 10,825 through cancellation of 108,252,500 common, registered shares with voting rights, with a nominal value of € 0.10 each, held by the Shareholder, and on the distribution to the Shareholder of 95% of the Mezzanine and Junior notes, owned by the Bank and issued by the Irish company under the corporate name "Cosmos Securitization Designated Activity Company", of a total fair value equal of the above reduction of the Bank's share capital.
- c. On 11.11.2021, following the signing of a Memorandum of Understanding ("MoU") on 3.8.2021 for the launch of a strategic partnership, the signing of a definitive agreement was announced between the Bank ("Alpha Bank") and Nexi S.p.A. ("Nexi") to establish a strategic partnership in respect of Alpha Bank's merchant acquiring business in Greece, which among others include: i) The spin-off of Alpha Bank's merchant acquiring business sector into a new entity which was established on 15.11.2021 under the name Alpha Payment Services SMSA ("NewCo"), ii) the sale of a 51% of NewCo to Nexi contingent on the fulfilment of certain conditions precedent, and iii) entering into a long-term distribution agreement, providing the NewCo with access to Alpha Bank's Network in order to distribute payment acceptance products and services to business customers of Alpha Bank in Greece. On 24.11.2021 Alpha Bank and NewCo initiated the process for the spin-off of the merchant acquiring business sector of the Bank for its contribution to NewCo and on 29.11.2021 both companies approved the relevant Draft Demerger Agreement, which was executed on the same date and published pursuant to the law.
- d. Following the decision on 30.9.2021 according to which, the Committee of the Board of Directors "Corporate Governance and Nominations Committee" was renamed to "Corporate Governance, Sustainability and Nominations Committee", the "Group Sustainability Committee" was established at executive level on 16.11.2021, in order to examine and decide upon Sustainability and Environmental, Social, and Governance Issues (ESG) to ensure an internal governance framework that allows the Company to manage ESG risks and consider all sustainability topics.

Athens, 30 November 2021

THE CHAIRMAN
OF THE BOARD OF DIRECTORS

THE CHIEF EXECUTIVE
OFFICER

THE GENERAL MANAGER
AND CHIEF FINANCIAL OFFICER

THE ACCOUNTING
AND TAX MANAGER

VASILEIOS T. RAPANOS
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