Alpha Services and Holdings S.A.

Pillar III Disclosures

Report for December 31, 2021

Contents

List of Abbreviations

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

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

1 Introduction

1.1 General Information

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

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

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

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

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

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

2 Pillar III Disclosures Overview

2.1 Background and Structure of Pillar III Disclosures

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

The present Report is structured under 15 chapters and 6 Appendices. Chapter 2 describes the Pillar III Disclosures background, an overview of regulatory framework and significant developments within 2021 as well as an overview of the Group's Corporate Governance. The 3rd chapter provides information on the scope of application of the regulatory framework and the relevant differences with accounting scope of consolidation.

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

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

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

The purpose of Pillar 3 report is:

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

2.1.1 Disclosures enhancements

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

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

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

The new disclosures requirements introduce the following updates:

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

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

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

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

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

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

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

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

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

The qualitative and quantitative information of ESG risks will be made publicly available with reporting date 31.12.2022.

2.1.2 Approval and publication

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

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

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

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

The disclosures included within this report were verified and approved by the Board while the Disclosures policy is approved by Group Credit Risk Committee. Business units attest to the accuracy and of their data submissions. Consistency checks and reconciliations are performed with accounting and regulatory data. The information in this report is subject to the same level of internal control processes as the information provided by the Group for its financial reporting.

2.2. Supervision and Regulatory Framework

Single Supervisory Mechanism (SSM)

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

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

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

For the calculation of capital adequacy ratio the 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:
- Capital conservation buffer stands at 2.5%.
- Bank of Greece through Executive Committee Acts set the following capital buffers:
    - 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 on a consolidated basis.

Supervisory Review and Evaluation Process (SREP)

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

This process evaluates the:

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

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

On 28 December 2020, the ECB informed Alpha Bank (before hive down) that since 31st January 2021 the minimum limit for the Overall Capital Requirement (OCR) remains unchanged from 2020 at 14%. On February 2, 2022, the ECB informed Alpha Services and Holdings SA. that from March 2022 the minimum limit of the consolidated Overall Capital Requirements (OCR) is increased to 14.25%. The OCR consists of the minimum threshold of the Total Equity Ratio (8%), in accordance with Article 92 (1) of the CRR, the additional supervisory requirements for Pillar II (P2R) in accordance with Article 16 (2) (a) of Regulation 1024/2013 / EU, which amount to 3.0%, as well as the combined security requirements (CBR), in accordance with Article 128 (6) of Directive 2013/36 / EU, which amount to 3. 25% in 2022 due to the increase of the security stock of systemically important institutions (O-SII buffer) by 0.25%. The minimum rate should be maintained on an ongoing basis, considering the CRR / CRD IV Transitional Provisions.

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

As per the announced regulatory measures by European Banking Authority (EBA) and ECB, in view of the Covid-19 outbreak, decided that European banking institutions can temporarily deviate from the minimum capital regulatory thresholds.

Both ECB and SSM took measures, to tackle the Covid-19 pandemic, in order for the EU Banks to continue finance the economy and fulfil their role.

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

- Banks are temporarily allowed to operate below the level of capital defined by the Capital Conservation Buffer and the Countercyclical Buffer. In addition, on 28 July 2020, the ECB announced through a press release that financial institutions are allowed to operate below the aforementioned thresholds at least up to the end of 2022.

- Furthermore, the upcoming change under CRD V regarding the P2R buffer was brought forward allowing the Pillar 2 requirement (P2R) to be covered by Additional Tier 1 (AT1) capital by 18.75% and Tier 2 (T2) capital by 25% and not only by CET 1.

- At the same time, the ECB issued a recommendation to the banks regarding the restriction of the distribution of shares or the repurchase of shares. According to the press release issued on 23 July 2021, the recommendation is valid until 30 September 2021. In addition, based on the same announcement, the ECB expects the banks to adopt a conservative approach considering the estimations regarding variable remuneration).

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 of June 22, 2020.

On June 26, 2020, the Bank of Greece, in an Act of the Executive Committee (RIP), set the security reserve of systemically significant institutions (O-SII) at 0.50%, maintaining the stable for 2021 and extending the existing period of gradual adjustment. The third and fourth phases are transferred by 12 Months respectively, with effect from 1 January 2022 and 1 January 2023. This decision is part of the Covid-19 Pandemic Tree Response.

Commission Delegated Regulation (EU) 2020/2176 of 12 November 2020 amending Delegated Regulation (EU) no. 241/2014 regarding the deduction of assets in the software category from the capital elements of the CET 1.

Single Resolution Mechanism (SRM)

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

Recovery and Resolution

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

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

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

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

- Regulation (EU) 2019/876 of the European Parliament and of the Council amending the Capital Requirements Regulation as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements (CRR 2). The CRR II has entered into force in 27 June 2019.
- Regulation (EU) 2019/877 of the European Parliament and of the Council amending Regulation (EU) No 806/2014 as regards loss-absorbing and recapitalization capacity for credit institutions and investment firms (known as "SRMR2"), applicable from 28 December 2020.

- Directive (EU) 2019/879 of the European Parliament and of the Council amending Directive 2014/59/EU on loss-absorbing and recapitalisation capacity of credit institutions and investment firms (known as “BRRD2”). The Directive is expected to be transposed into Greek law within 2021.

- On 12 May 2021, the Implementing Technical Standards (ITS) on disclosure and reporting of MREL and TLAC were published in the OJEU implementing the changes introduced by the BRRD2. The reporting requirements became applicable since 30 June 2021, while the application date for disclosure requirements varies between those for the TLAC and those for MREL (1 January 2024 at the earliest).
- In November 2021, the EBA published updated Guidelines on recovery plan indicators, initially issued in 2015. The Guidelines establish a common EU approach for developing the framework of recovery plan indicators, providing additional guidance on indicators’ calibration, monitoring and breaches notifications. The Guidelines also emphasize the importance of constant monitoring of recovery indicators and timely notification of their breaches to supervisors. Lastly, the minimum list of indicators includes three new additional recovery indicators (MREL/TLAC, asset encumbrance and liquidity position) to the minimum list of recovery indicators and one of them (cost of wholesale funding) has been removed.
- On January 13, 2022 the EBA published its final Guidelines for institutions and resolution authorities on improving banks’ resolvability. These Guidelines represent a significant step in complementing the EU legal framework in the field of resolution based on international standards and leveraging on EU best practices.

Minimum Requirement for Own Funds and Eligible Liabilities (MREL)

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

The Single Resolution Board (SRB) has determined Alpha Bank S.A as the Group’s resolution entity and a Single Point of Entry (SPE) strategy for resolution purposes. Based on the latest official SRB’s decision, the final binding Minimum Requirement of Own Funds and Eligible Liabilities (MREL target) to be met by the Bank until1 January 2026 on a consolidated basis requirement is set at 23,37% of its Total Risk Exposure Amount (TREA) and 5,92% of Leverage Exposure (LRE). The MREL ratio expressed as a percentage of RWAs does not include the Combined Buffer Requirement (CBR), currently at 3.25%. No subordination requirement applies to Alpha Bank. The final MREL target is updated by the SRB on an annual basis.

In the context of complying with its interim MREL target the Bank successfully completed the issuance of € 500 million Senior Preferred MREL eligible bond, on 16 September 2021. The Senior Preferred bond has a 6.5-year maturity and is callable in year 5.5 with a coupon of 2.5% and a yield of 2.625%. Furthermore, on 10th December 2021 the Bank completed the second issuance of Senior Preferred Note of Euro 400 million. The issuance has a long 2-year maturity (February 2024) and is callable the first year (February 2023), with a coupon of 3%. Both Notes are listed on the Luxembourg Stock Exchange.

The transactions are fully aligned with the communicated Alpha Bank’s MREL strategy and significantly enhanced the Bank’s presence in the international capital markets, diversified its investor base and improved its funding profile.

Other Regulatory Restrictions

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

2.3 Significant Developments

2.3.1 Updated Strategic Plan

During its Q1 2021 results, Alpha Bank shared the latest strategy update based on four main pillars:

- Decisively conclude NPE initiatives (as described above), reducing NPE ratio to average European levels; following project Galaxy delivery, NPE reduction targets will be accelerated by delivering a further clean-up of €8.1bn of NPE volumes contained within four distinct projects and other smaller initiatives that have already been initiated
- Continue progress in delivery on ambitious targets of the cost reduction and transformational plans; cost reduction will be achieved through a) reduction of NPEs that will drive down the respective costs along with b) the transformation effort put together in our operations transformation plan which aims at modernizing the Bank, increasing speed and quality of processes while also optimizing third party spend throughout spend categories
- Leverage partnerships in driving the growth of fee and commission income; the increase will be mainly driven a) by the higher business activity and improvement in lending volumes (in light of higher RRF driven lending), b) the increase in bancassurance fees on the back of the exclusive partnership signed with Generali, c) the significant growth in Asset Management related fees and d) the international fee income that is mostly related to Romania fee growth
- Strategic deployment of excess capital in Romania to accelerate lending growth and increase profitability

The updated Strategic Plan suggested a capital raise of €800mn to be in position to fully reap the benefits from the RRF growth potential. Securing this growth capital, would allow Alpha Bank to reach the profitability target sooner and provide the Bank with the flexibility needed to commit in financing high-value projects.

Alpha Bank successfully concluded the share capital increase in July 2021, positioning the Group to be one of the key banking pillars that will unlock RRF funds for its customers.

2.3.2 NPE Plan

NPE Plan (Update)

In March 2022 the Bank submitted an updated NPE Business Plan for the period 2022 - 2024. Updated NPE targets have been informed by pre-war macro assumptions.

The Group's total NPE portfolio as of Q4 2021 amounted to c. €5.1bn with a corresponding NPE ratio of 13%.

NPE initiatives

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

Alpha Bank planned a frontloading of its efforts through a large securitization transaction of c. €10.8bn GBV, of both retail and wholesale NPEs, known as project Galaxy, making use of the Hellenic Asset Protection Scheme for the retained senior tranche of €3.8bn. Despite the difficulties faced due to the persistence of the COVID-19 pandemic, the transaction was concluded in Q2 2021.

Along with the securitization transaction, Alpha Bank also concluded the sale of its servicing platform, supporting Project Galaxy and enhancing business model efficiency. The servicer, new CEPAL, is expected to manage a total of €28bn of NPEs from Alpha Bank and third parties, including an exclusivity agreement with Alpha Bank to manage its remaining NPEs.

Finally, the Hive Down, which is a key enabler to this whole endeavor, which entailed a corporate reorganization structure allowing for a much better risk profile in terms of asset quality, was completed in April 2021.

Following the delivery of Project Galaxy, the largest NPE securitization in Greece and second largest in Europe, Alpha Bank, proceeded with the implementation of its accelerated NPE deleveraging plan through the following transactions during 2021:

- Project Cosmos (under the HAPS scheme extension) - mainly secured portfolio of €3.4bn GBV majority consisting of mortgage and SBL NPEs
- Project Orbit – sale of a domestic retail unsecured portfolio of €1.2bn GBV
- Project Sky – sale of a mixed portfolio of residential mortgages and corporate/SME exposures in Cyprus, of a total GBV of €2.2bn

After the completion of the above transactions, the Group NPE and NPL ratio stands at 13% and 6%, respectively, and it is expected to be reduced to c.7% and c.4 % respectively by the end of 2022, as a result of an additional series of NPE transactions, which are to be implemented within the year, i.e.

- Project Solar – an SME portfolio of €0.4bn GBV that has been assigned by all systemic banks for management to DoValue
- A series of portfolio sales including Shipping, Wholesale & Leasing exposures, totaling €1.1bn GBV

as well as considering the expected organic evolution of the remaining book. This would entail reduction of total stock of NPEs by approximately 42% until the end of 2022 allowing to the reduction of the NPE stock to c. €2.9bn.

2.3.3 Capital Issuances

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

- On 4 March 2021, Alpha Bank S.A. placed a Euro 500 million, Tier 2 bond with institutional investors. The subordinated bond has a 10.25-year maturity and is callable anytime between year 5 and year 5.25 with a coupon of 5.5%, 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 – EuroMTF Market.
- On July 2nd 2021, the offer of € 800 million of new common shares further strengthening its capital ratios.

2.3.4 EU-Wide 2021Stress test

Following the postponement of the 2020 Stress Test due to the outbreak of COVID – 19 (Coronavirus) and its global spread, the European Banking Authority (EBA) launched the 2021 EU-wide Stress Test on 29 January 2021. The Stress Test was conducted based on a static balance sheet approach under a baseline and an adverse macro scenario with a 3-year forecasting horizon (2020-2023). The exercise will be used as an input in the Supervisory Evaluation Process (SREP). The results of the exercise were published on 30 July 2021. According to the results the Group concluded successfully the 2021 EU-wide Stress Test under both scenarios. More specifically:

- Under the baseline scenario, the capital generation for the 3-year period was 2.8% fully absorbing 2.4% IFRS 9 phase-in, resulting in 2023 to a CET1 fully loaded ratio of 17.3% while the 2023 Leverage ratio (fully loaded) came to 13.0%.
- Under the adverse scenario, the 2023 CET1 fully loaded ratio stood at 8.3%, largely driven by the negative impact of Credit Risk, with the lowest point of CET1 fully loaded at 8.1%, in 2022. The 2023 Leverage ratio (fully loaded) resulted in 6.1%.

The Stress Test methodology does not take into account capital strengthening (i.e. Tier II issuance, Share Capital Increase) and balance sheet de-risking (i.e. Galaxy transaction), events post December 31st, 2020. Pro-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%.

2.4 Overview of Group's Corporate Governance

The Board of Directors is responsible for managing the affairs of Alpha Services and Holdings (the "Company") and representing it vis-à-vis third parties. Further, it has the ultimate and overall responsibility for the Company and defines, oversees and is accountable for the implementation of the governance arrangements within the Company that ensure the effective and prudent management of the Company. The overall Corporate Governance framework is included in the Board of Directors Annual Report as at 31.12.2021.

The Board of Directors regularly examines corporate governance issues and during 2021 it revised the Articles of Incorporation, the Charter of the Board of Directors, the Charters of the Committees of the Board of Directors (i.e. Audit Committee, Risk Management Committee, Remuneration Committee, Corporate Governance, Sustainability and Nominations Committee), the Internal Governance Regulation and policies pertaining to corporate governance (i.e. the Suitability and Nomination Policy for the Members of the Board of Directors, the Diversity Policy, the Induction and Training Policy for the Members of the Board of Directors, the Remuneration Policy of the Members of the Board of Directors) in order for them to be fully aligned with the current regulatory framework and with the most recent best practices of corporate governance.

During 2021, the Company conducted a review of Corporate Governance documents adopted by Subsidiaries. This analysis ensured that the Charters of the Board of Directors' Committees and the Policies of the Subsidiaries which are relevant to the Corporate Governance practices are fully aligned with the legal and the regulatory requirements and best practices as well as with the Group's corporate governance principles, while taking into consideration the local regulatory framework.

Additionally, a series of meetings with Subsidiaries took place in order to discuss issues relevant to Corporate Governance.

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

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

The objectives of the Policy are to:

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

The Policy is monitored and reviewed annually by the CGSNC, approved by the Board of Directors and submitted for approval to the General Meeting of Shareholders. Any amendments to the Policy are approved by the Board of Directors and, in case they are material, they are submitted for approval to the General Meeting of Shareholders. The Policy and every material amendment thereto enters into force from the approval thereof by the General Meeting. Material are the amendments that provide for derogations or significantly change the content of the Suitability and Nomination Policy in particular as to the applied general principles and criteria. In preparing, amending or reviewing the Policy, the Corporate Governance, Sustainability and Nominations Committee and the Board of Directors shall take into account recommendations or findings of other Board Committees and competent Departments, especially the internal control functions. Internal control functions should provide effective input to the review of the Suitability and Nomination Policy in accordance with their roles. Notably, the Compliance Division should analyze how the Suitability and Nomination Policy affects the Company's compliance with legislation, regulations, internal policies and procedures and should report all identified compliance risks and issues of non-compliance to the CGSNC.

The CGSNC will not propose candidates which it deems not suitable to become Members of the Board of Directors according to the criteria set out in the applicable regulatory framework and this Policy. Suitability is determined in relation to the Policy's criteria for candidates (fit and proper and general suitability) and current composition needs. For the purposes of this Policy, it is defined as the degree to which an individual is deemed to have good repute and to have, individually and collectively with other individuals, adequate knowledge, skills and experience to perform his/her duties and a clear understanding of the Company's culture, values and overall strategy. Suitability also covers the honesty, integrity and independence of mind of each individual and his or her ability to commit sufficient time to perform his or her duties.

Further to the above, where Members of the Board of Directors do not fulfil the requirements set out, the European Central Bank in the framework of the Single Supervisory Mechanism (hereinafter the "competent authority") shall have the power to remove such Members from the Board of Directors. The competent authority shall in particular verify whether the requirements set out are still fulfilled where it has reasonable grounds to suspect that money laundering or terrorist financing is being or has been committed or attempted or there is increased risk thereof in connection with the Company.

In order to be considered as a suitable candidate by the Board of Directors and its CGSNC, the prospective nominee must: meet the fit and proper requirements, meet individual and collective suitability requirements, have no systematic conflict of interests with the Company, be able to devote sufficient time to the Board of Directors. All nominees must submit a declaration that they meet the relevant requirements.

On 31.12.2021 the Board of Directors of the Company was consisted of twelve Members with the following breakdown:

- Two Executive Members
- Three Non-Executive Members
- Seven Independent Non-Executive Members

On 17.6.2021, Mr. A.Ch. Theodoridis notified the Board of Directors via a letter of his resignation from the Board of Directors with immediate effect. The Board of Directors resolved to fill the vacated position and initiated the procedure for the search for a new Member, in replacement of the one that resigned.

The Board of Directors, at its meeting held on 16.12.2021, elected Ms. E.M. Andriopoulou as Member of the Board of Directors of the Company, in replacement of Mr. A.Ch. Theodoridis, Non-Executive Member, who resigned on 17.6.2021. The tenure of the elected Member has been set from 1.1.2022 until the expiration of the remainder of the tenure of the Member whom she replaces.

The Board of Directors, at its meeting held on 30.9.2021, resolved on the appointment of Ms. E.R. Hardwick, Independent Non-Executive Member, as Chair of the Corporate Governance, Sustainability and Nominations Committee (former Corporate Governance and Nominations Committee), in replacement of the Chair, Mr. S.A. Shahbaz, who resigned. Mr. S.A. Shahbaz will continue to be a Member of the Committee.

Furthermore, the Board of Directors appointed Ms. C.G. Dittmeier, Independent Non-Executive Member, as the Member in charge of overseeing ESG issues.

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

Professional commitments of the Members of the Board of Directors

Professional commitments of the Members of the Board of Directors	
Position	**Principal outside activities**
Chair (Non-Executive Member)	
Vasileios T. Rapanos	Chairman of the BoD of the Hellenic Bank Association
	Member of the BoD and the Executive Committee of the Foundation for Economic and Industrial Research (IOBE)
	Chairman of the BoD of the Cultural Foundation of the Alpha Bank Cultural Foundation
	Member of the BoD of the Citizens' Movement for an Open Society (Non-profit association)
	Vice Chairman of the BoD of Biomedical Sciences and Technologies S.A. (BMS TECH S.A.)
	Vice Chairman of the BoD of the Company for the Management and Development of the Academy's Property
Executive Members	
Vassilios E. Psaltis **CEO**	Member of the BoD and of the Executive Committee of the Hellenic Federation of Enterprises (SEV)
	Member of the BoD of the Hellenic Bank Association
Spyros N. Filaretos **General Manager - Growth and Innovation**	Member of the BoD of Alpha Bank London Ltd
	Chair of the BoD of the Efstathia J. Costopoulos Foundation
	Member of the BoD of the Cultural Foundation of the Alpha Bank Cultural Foundation
Non-Executive Member	
Efthimios O. Vidalis	Non-Executive Member of the BoD of Titan Cement Company S.A.
	Non-Executive Member of the BoD of Fairfield-Maxwell Ltd
	Non-Executive Member of the BoD of Eurolife FFH Insurance Group Holdings S.A.
	President of the Executive Committee and Member of the BoD of the Hellenic Federation of Enterprises (SEV)
	Member of the BoD of the ALBA Graduate School of Business Administration in Athens
	Vice Chair of the BoD of Solidarity Now (NGO)
Independent Non-Executive Members	
Dimitris C. Tsitsiragos	Member of the BoD of Titan Cement International
Jean L. Cheval	Member of the BoD of EFG-Hermès, Egypt
	Chairman of the Steering Committee of Natixis Algérie
	Chairman of the Natixis Foundation for Research and Innovation, Senior Advisor of Natixis
Carolyn G. Dittmeier	Chair of the Board of Statutory Auditors of Assicurazioni Generali SpA
	Member of the BoD of Illycaffè SpA
	Member of the Board of Statutory Auditors of Moncler SpA
Richard R. Gildea	Member of the Board of Advisors at the Johns Hopkins University School of Advanced International Studies
Elanor R. Hardwick	Member of the BoD of Axis Capital Holdings Ltd, Axis Specialty Europe, Axis Re Europe, Axis Managing Agency Ltd
	Member of the Advisory Board of Concirrus
Shahzad A. Shahbaz	Group CIO of Al Mirqab Holding Co
	Member of the BoD of El Corte Inglés S.A.
	Member of the BoD of Seafox
Jan A. Vanhevel	Member of the BoD of Soudal NV
	Member of the BoD of Opdorp Finance BVBA
Non-Executive Member (pursuant to the provisions of Law 3864/2010)	
Johannes Herman Frederik G. Umbgrove	Chairman of the Supervisory Board of Demir Halk Bank N.V.
	Member of the Supervisory Board of Lloyds Bank GmbH

The Board of Directors, with the support of the Corporate Governance, Sustainability and Nominations Committee, annually assesses its effectiveness and that of its Committees.

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

The collective evaluation of the Members of the Board of Directors and its Committees, for the year 2020, was conducted by Nestor Advisors Limited, a London-based corporate governance consulting firm, with the assistance of the Corporate Governance, Sustainability and Nominations Committee. The Individual Evaluation of the Members of the Board of Directors for the year 2020 was conducted by the Chair of the Board of Directors.

The main highlights of the collective evaluation for the year 2020 are the following:

- The Board of Directors' overall score has been stable since 2019 and is higher than those of 2018 and 2017.
- The Board secretarial support is the highest scoring area, improving significantly since 2017.
- All the sections except three have a higher average score in 2020 compared to that of 2019.
- Strategic Human Resources Issues and Remuneration is again the lowest scoring area, with an improvement over 2018 and 2017, but with a lower score than that of 2019.

Pertaining to the Individual Evaluation of the Members of the Board of Directors for the year 2020, the main finding is that the Board performed its functions effectively in 2020. This was an encouraging finding, since 2020 was an exceptional year. The Covid-19 pandemic changed dramatically the daily work and the general economic environment both worldwide and in Greece. In order to face the new challenges, the Board of Directors and its Committees worked very productively and supported the Management both in facing the consequences of the pandemic and in implementing the major plans of the Company.

During 2021 further to the aforementioned evaluation of the Board of Directors, an assessment of the Board Members' collective suitability in terms of knowledge, skills and experience based on the Joint ESMA/EBA Guidelines on "the assessment of the suitability of members of the management body and key function holders'' (the "Joint ESMA/EBA Guidelines") was conducted with the support of the Corporate Governance, Sustainability and Nominations Committee.

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

Based on the approved Collective Suitability Matrix, the Board of Directors resolved that it would benefit from gender and ethnically diverse candidates, further Greek market expertise, experience of retail financial services, IT and Digital, as well as Human Resources and ESG skills and knowledge and/or experience.

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

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

Four Committees operate at Board level, namely:

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

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

3 Accounting and Regulatory consolidation

3.1 Consolidation for financial reporting purposes

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

Subsidiaries

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

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

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

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

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

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

Associates

Associates are entities over which the Group has significant influence but not control.

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

Investments in associates are accounted for by the equity method of accounting consolidation.

Joint Ventures

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

A more detailed description of the financial principles applied for consolidation is mentioned in the Group Annual Financial Reports, whereas a detailed list of all Group subsidiaries, associates and joint ventures, as well as the Group's ownership interest in them is provided in note 40 of the Group Annual Financial Report as of 31.12.2021.

3.2 Consolidation for regulatory purposes

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

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

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

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

3.3 Reconciliation between accounting and regulatory consolidation

The following table provides a reconciliation of the consolidated balance sheet as at 31 December 2021 on an accounting basis (as presented on p. 109 of the Group's Annual Report 31 December 2021) to the consolidated balance sheet under the regulatory scope of consolidation.

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

(Amounts in millions of Euro)

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

Template 1b: EU LI1 - Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories as of 31.12.2020

(Amounts in millions of Euro)

		a	b	c	d	e	f	g
				Carrying values of items				
		Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Subject to the credit risk framework	Subject to the CCR framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to own funds requirements or subject to deduction from own funds
	Breakdown by asset classes according to the balance sheet in the published financial statements							
1	Cash and balances with central banks	7,467	7,467	7,467				
2	Due from banks	2,742	2,742	2,501	240			
3	Trading securities	30	30	0			30	
4	Derivative financial assets	1,267	1,268	0	1,268			
5	Loans and advances to customers	39,380	39,381	39,381				
6	Investment securities							
	- Measured at fair value through other comprehensive income	6,578	6,016	6,015		1		
	- Measured at amortised cost	3,336	3,336	3,336				
	- Measured at fair value through profit or loss	138	72	57		10	5	
7	Investments in associates and joint ventures	31	137	137				
8	Investment property	570	570	570				
9	Property, plant and equipment	796	795	795				
10	Goodwill and other intangible assets	599	561	150				413
11	Deferred tax assets	5,279	5,279	4,257				1,020
12	Other assets	1,588	1,569	1,568				
13	Assets classified as held for sale	240	240	240				
	Total assets	**70,040**	**69,462**	**66,475**	**1,508**	**11**	**35**	**1,433**
	Breakdown by liability classes according to the balance sheet in the published financial statements							
1	Due to banks	13,107	13,107		525			
2	Derivative financial liabilities	1,768	1,768		1,743			
3	Due to customers	43,831	43,860		14			
4	Debt securities in issue and other borrowed funds	1,223	1,231					
5	Liabilities for current income tax and other taxes	70	68					
6	Deferred tax liabilities	32	15					
7	Employee defined benefit obligations	44	44					
8	Other liabilities	892	894					
9	Provisions	704	181					
10	Liabilities related to assets classified as held for sale	0	0					
	Total liabilities	**61,671**	**61,168**		**2,282**			

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

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

(Amounts in millions of Euro)

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

Template 2b: EU LI2 - Main sources of differences between regulatory exposure amounts and carrying values in financial statements as of 31.12.2020

(Amounts in millions of Euro)

		a	b	c	d	e
		Total	Items subject to			
			Credit risk framework	Securitisation framework	CCR framework	Market risk framework
1	**Assets carrying value amount under the scope of regulatory consolidation (as per template LI1)**	68,029	66,475	11	1,508	35
2	**Liabilities carrying value amount under the regulatory scope of consolidation (as per template LI1)**	2,282			2,282	
3	**Total net amount under the regulatory scope of consolidation**	65,747	66,475	11	(774)	35
4	**Off-balance-sheet amounts**	7,964	872			
5	*Differences in valuations*					
6	*Differences due to different netting rules, other than those already included in row 2*	2,282			2,282	
7	*Differences due to consideration of provisions*					
8	*Differences due to the use of credit risk mitigation techniques (CRMs)*					
9	*Differences due to credit conversion factors*					
10	*Differences due to Securitisation with risk transfer*					
11	*Other differences*	1,737			1,737	
12	**Exposure amounts considered for regulatory purposes**		**67,347**	**11**		

4 Capital Management

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

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

The Group remains committed to the implementation of its strategy, re-calibrating its approach in order to reflect changes in the market environment. The Bank has consistently delivered on its targets to clean-up its balance sheet and is on track with the execution of its NPE plan. It also has successfully addressed the challenges and risks that the outbreak of COVID-19 posed to banks. Towards its transition to the post Covid-19 era, the Bank remains committed in the active management and reduction of NPEs over the Business Plan period through additional NPE transactions (Hermes, Solar, Leasing, etc.) which are also scheduled and have been incorporated in the revised NPE Business Plan submitted to the SSM in March 2022.

Main elements impacting Asset Quality, Capital and Liquidity

- The Group's Total Capital Ratio standing at 16.1% and CET1 at 13.2%, or 16.7% and 13.7% respectively, accounting for the RWA relief from agreed transactions.
- At the end of December 2021, the Group's Tangible Equity stood at €5.6bn.
- Group NPE cash coverage decreased to 47% and to 45% in Greece due to the reclassification of NPE portfolios to Held for Sale. Group NPL coverage ratio stands at 99% while total coverage including collateral stood at 151%.
- The Group's Liquidity Coverage Ratio (LCR) stood at 196% at the end of Q4 2021, far exceeding the regulatory threshold of 100%, and the Loan to Deposit ratio, at 79% versus 90% at the beginning of 2021.
- In December 2021, the Bank successfully placed with investors a €400 million Senior Preferred instrument at a reoffer yield of 3%, following its inaugural €500 million issuance completed in September, further enhancing the Bank's funding profile and diversifying its investor base.
- ECB funding stood flat at €13bn. The Bank's blended funding cost remained in negative territory in Q4 2021 (-5 bps).

4.1 Capital Ratios

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

On 31.12.2021, Alpha Bank's CET1 stood at €4.7bn and the total Regulatory Capital at €5.7bn, while the total RWAs amounted to €35.3bn resulting in a CET1 ratio of 13.2%, and total Capital Adequacy Ratio of 16.1% decreased by 44 bps versus 30.09.2021, negatively affected mainly by the scheduled transactions (e.g Cosmos, Sky, Orbit) and the decrease of FVOCI reserve**.**

Template 3: Capital Adequacy Ratios (%)

(Amounts in millions of Euro)

	a	b
	31.12.2021	**30.9.2021**
Capital Type		
CET1	4,662	5,328
Tier 1 Capital	4,663	5,330
Tier 2 Capital	1,013	1,013
Total Regulatory Capital for C.A.R. calculation	5,676	6,343
Risk Weighted Assets	35,333	38,439
Capital Ratios		
CET1 Ratio	**13.2%**	**13.9%**
Tier 1 Ratio	**13.2%**	**13.9%**
Capital Adequacy Ratio (Tier 1 + Tier 2)	**16.1%**	**16.5%**

Greek law 4302/2014 introduced Article 27A to the Greek Income Tax Code, which was initially replaced by Greek law 4303/2014 and then by Greek law 4340/2015 and was most recently amended by Greek law 4549/2018, 4722/2020 and, most recently, 4831/2021 ("DTA Framework"), to allow, under certain conditions, from 2016 onwards, credit institutions to convert DTAs falling within the scope of such law and arising (a) from the participation in the PSI and the buy-back programme and (b) from the sum of (i) the unamortised part of the crystallised loan losses from write-offs and disposals, (ii) the accounting debt write-offs and (iii) the remaining accumulated provisions and other general losses, with respect to existing amounts up to 30 June 2015, into final and due receivables from the Hellenic Republic ("Tax Credit"). In the case of an accounting loss in a specific year, the Tax Credit will be calculated by multiplying the total amount as per the above of the deferred tax asset by the percentage represented by the accounting losses over net equity before such year's losses as appearing in the annual financial statements of the credit institution, excluding such year's accounting losses.

This legislation allows Greek credit institutions to treat such eligible DTAs as not "relying on future profitability" according to the CRD Directive, and as a result such DTAs are not deducted from Common Equity Tier I capital but rather risk weighted. As of 31 December 2021, the eligible amount as not "relying on future profitability" according to the CRD Directive stood at €2.89bn.

4.1.1 Key metrics

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

Template 4: EU KM1 - Key metrics template as of 31.12.2021

(Amounts in millions of Euro)

		a	b	c	d	e
		31.12.2021	**30.9.2021**	**30.6.2021**	**31.3.2021**	**31.12.2020**
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	4,662	5,328	4,877	7,086	7,827
2	Tier 1 capital	4,663	5,330	4,878	7,087	7,830
3	Total capital	5,676	6,343	5,892	8,100	8,342
	Risk-weighted exposure amounts					
4	Total risk-weighted exposure amount	35,333	38,439	38,109	44,296	45,369
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	13.2%	13.9%	12.8%	16.0%	17.3%
6	Tier 1 ratio (%)	13.2%	13.9%	12.8%	16.0%	17.3%
7	Total capital ratio (%)	16.1%	16.5%	15.5%	18.3%	18.4%
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	3.00%	3.00%	3.00%	3.00%	3.00%
EU 7b	of which: to be made up of CET1 capital (percentage points)	1.69%	1.69%	1.69%	1.69%	1.69%
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	2.25%	2.25%	2.25%	2.25%	2.25%
EU 7d	Total SREP own funds requirements (%)	11.00%	11.00%	11.00%	11.00%	11.00%
	Combined buffer requirement (as a percentage of risk-weighted exposure amount)					
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)					
9	Institution specific countercyclical capital buffer (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 9a	Systemic risk buffer (%)	0.00%	0.00%	0.00%	0.00%	0.00%
10	Global Systemically Important Institution buffer (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 10a	Other Systemically Important Institution buffer	0.50%	0.50%	0.50%	0.50%	0.50%
11	Combined buffer requirement (%)	3.00%	3.00%	3.00%	3.00%	3.00%
EU 11a	Overall capital requirements (%)	14.00%	14.00%	14.00%	14.00%	14.00%
12	CET1 available after meeting the total SREP own funds requirements (%)	4.95%				
	Leverage ratio					
13	Leverage ratio total exposure measure	60,619	61,169	60,729	62,194	61,765
14	Leverage ratio	7.7%	8.7%	8.0%	11.4%	12.7%
	Additional own funds requirements to address risks of excessive leverage (as a percentage of leverage ratio total exposure amount)					
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	0.00%				

		a	b	c	d	e
		31.12.2021	30.9.2021	30.6.2021	31.3.2021	31.12.2020
EU 14b	of which: to be made up of CET1 capital (percentage points)	0.00%				
EU 14c	Total SREP leverage ratio requirements (%)	3.56%				
EU 14d	Leverage ratio buffer requirement (%)	0.00%				
EU 14e	Overall leverage ratio requirements (%)	3.56%				
	Liquidity Coverage Ratio					
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	9,872	8,778	7,309	6,508	
EU 16a	Cash outflows - Total weighted value	6,934	6,659	6,329	6,402	
EU 16b	Cash inflows - Total weighted value	1,166	1,138	1,105	1,130	
16	Total net cash outflows (adjusted value)	5,767	5,521	5,224	5,272	
17	Liquidity coverage ratio (%) (adjusted values) [(1)]	170.0%	158.0%	140.0%	124.0%	
17a	Liquidity coverage ratio (%)	196.4%	193.6%			
	Net Stable Funding Ratio					
18	Total available stable funding	59,750				
19	Total required stable funding	52,862				
20	NSFR ratio (%)	113.0%				

[(1)] Average figures based on previous monthly data points

4.2 IFRS 9 Capital Impact

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

On June 24, 2020 as a response to the COVID-19 pandemic the EU adopted Regulation No 2020/873 of the European Parliament and of the Council amending Regulations (EU) No 575/2013 and (EU) 2019/876. The Regulation introduced a new 5-year transitional period for the impairment losses that occurred due to the COVID-19 pandemic. According to the revised 473a article, institutions are allowed to fully add back to their CET 1 capital any increase in the expected credit loss provisions that they recognize in 2020 and 2021 for their financial assets that are not credit-impaired and new transitional factors introduced for the remaining period. The weighting factors were set at 1.00 for the first two years (2020 and 2021), 0.75 in 2022, 0.5 in 2023 and 0.25 in 2024.

Alpha Bank has decided to make use of Article 473a of the above Regulation and applies the transitional provisions for the calculation of Capital Adequacy on both a standalone and consolidated basis.

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

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

(Amounts in millions of Euro)

	a	b	c	d	e
	31.12.2021	**30.9.2021**	**30.6.2021**	**31.3.2021**	**31.12.2020**
Available capital (amounts)					
Common Equity Tier 1 (CET1) capital	4,662	5,328	4,877	7,086	7,827
CET1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	3,747	4,414	3,962	6,171	6,554
Tier 1 capital	4,663	5,330	4,878	7,087	7,830
Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	3,747	4,414	3,962	6,171	6,554
Total capital	5,676	6,343	5,892	8,100	8,342
Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	4,761	5,428	4,977	7,185	7,069
Risk-weighted assets (amounts)					
Total Risk-weighted assets	35,333	38,439	38,109	44,296	45,369
Total Risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	34,536	37,643	37,312	43,499	44,254
Capital ratios					
Common Equity Tier 1 ratio (%)	13.2%	13.9%	12.8%	16.0%	17.3%
CET1 ratio (%) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	10.8%	11.7%	10.6%	14.2%	14.8%
Tier 1 ratio (%)	13.2%	13.9%	12.8%	16.0%	17.3%
Tier 1 ratio (%) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	10.8%	11.7%	10.6%	14.2%	14.8%
Total ratio (%)	16.1%	16.5%	15.5%	18.3%	18.4%
Total ratio (%) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	13.8%	14.4%	13.3%	16.5%	16.0%
Leverage ratio					
Leverage ratio total exposure measure	60,619	61,169	60,729	62,194	61,765
Leverage ratio	7.7%	8.7%	8.0%	11.4%	12.7%
Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	6.3%	7.3%	6.6%	10.1%	10.8%

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

Template 6: Own Funds Structure

(Amounts in millions of Euro)

	31.12.2021	30.9.2021
Share capital	704	704
Share premium	11,363	11,363
Retained Earnings and Other Reserves	(2,954)	(2,926)
o/w FVOCI reserves	25	93
Period results	(2,924)	(2,508)
Minority interest (transitional)	0	0
Common equity tier 1 capital before regulatory adjustments	**6,188**	**6,633**
PVA	(8)	(8)
Intangible assets	(337)	(328)
Adjustments due to IFRS 9 transitional adjustments	797	797
DTA amortization	(1,924)	(1,745)
Irrevocable payment commitment	(20)	(20)
Other Adjustments	(34)	
Total regulatory adjustments to common equity tier 1	**(1,526)**	**(1,305)**
Common equity tier 1 capital (CET1) (1)	**4,662**	**5,328**
Hybrid instruments	14	14
Additional Tier I before regulatory adjustments	**14**	**14**
Hybrid instruments transitional	(13)	(13)
(-) Goodwill/Intangible investments	-	-
of which deductible from Additional Tier I	(13)	(13)
of which deductible from CET1	-	-
Total regulatory adjustments to additional Tier I	(13)	(13)
Additional Tier I	**1**	**1**
Tier I Capital (CET1 + AT1)	**4,663**	**5,330**
Subordinated loan	1,000	1,000
Hybrid instruments (transitional)	13	13
Tier II capital before regulatory adjustments	**1,013**	**1,013**
Total regulatory adjustments to Tier II	-	-
Tier II capital	**1,013**	**1,013**
Total Capital (TC = Tier I + Tier II)	**5,676**	**6,343**
Total RWA	**35,333**	**38,439**
Common equity tier 1 Ratio	**13.2%**	**13.9%**
Tier I Ratio	**13.2%**	**13.9%**
Capital Adequacy Ratio (Tier I + Tier II)	**16.1%**	**16.5%**

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

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

Template 7a: EU CC2 - reconciliation of regulatory own funds to balance sheet in the audited financial statements as of 31.12.2021

(Amounts in millions of Euro)

		a	b	c
		Balance sheet as in published financial statements	**Under regulatory scope of consolidation**	**Reference**
		31.12.2021		
Assets - *Breakdown by asset classes according to the balance sheet in the published financial statements*				
1	Cash and balances with central banks	11,803	11,803	
2	Due from banks	2,964	2,964	
3	Trading securities	5	5	
4	Derivative financial assets	942	944	
5	Loans and advances to customers	36,860	36,861	
6	Investment securities	-	-	
	- Measured at fair value through other comprehensive income	6,634	6,050	
	- Measured at amortised cost	3,753	3,753	
	- Measured at fair value through profit or loss	253	101	
7	Investments in associates and joint ventures	68	171	(i)
8	Investment property	425	425	
9	Property, plant and equipment	738	736	
10	Goodwill and other intangible assets	478	449	(d)
11	Deferred tax assets	5,428	5,425	(e)
12	Other assets	1,573	1,552	
13	Assets classified as held for sale	1,431	1,431	
14	**Total assets**	**73,356**	**72,671**	
Liabilities - *Breakdown by liability classes according to the balance sheet in the published financial statements*				
1	Due to banks	13,984	13,984	
2	Derivative financial liabilities	1,288	1,288	
3	Due to customers	46,970	46,990	
4	Debt securities in issue and other borrowed funds	2,593	2,623	(h)
5	Liabilities for current income tax and other taxes	60	56	
6	Deferred tax liabilities	23	16	

		a	b	c
		Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
		31.12.2021		
7	Employee defined benefit obligations	29	29	
8	Other liabilities	888	893	
9	Provisions	834	162	
10	Liabilities related to assets classified as held for sale	608	608	
11	**Total liabilities**	**67,276**	**66,648**	
Equity				
1	Share Capital	704	704	(a)
3	Share premium	11,363	11,363	(a)
4	Reserves	321	293	(c)
5	Amounts directly recognized in equity and associated with assets classified as held for sale	15	15	(b)
6	Retained earnings	(6,366)	(6,396)	(b)
7	Non-controlling interests	29	29	(j)
8	Hybrid securities	14	14	(g)
	Total equity	**6,080**	**6,023**	

Template 7b: EU CC2 - reconciliation of regulatory own funds to balance sheet in the audited financial statements as of 30.6.2021

(Amounts in millions of Euro)

		a	b	c
		Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
		30.6.2021		
Assets - *Breakdown by asset classes according to the balance sheet in the published financial statements*				
1	Cash and balances with central banks	9,393	9,393	
2	Due from banks	3,266	3,266	
3	Trading securities	18	18	
4	Derivative financial assets	1,044	1,045	
5	Loans and advances to customers	37,500	37,499	
6	Investment securities			
	- Measured at fair value through other comprehensive income	6,677	6,091	
	- Measured at amortised cost	3,502	3,502	
	- Measured at fair value through profit or loss	178	96	
7	Investments in associates and joint ventures	61	164	(i)
8	Investment property	552	552	
9	Property, plant and equipment	765	763	
10	Goodwill and other intangible assets	471	434	(d)

		a	b	c
		Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
		30.6.2021		
11	Deferred tax assets	5,298	5,298	(e)
12	Other assets	1,644	1,621	
13	Assets classified as held for sale	99	99	
14	**Total assets**	**70,468**	**69,841**	
Liabilities - *Breakdown by liability classes according to the balance sheet in the published financial statements*				
1	Due to banks	14,320	14,320	
2	Derivative financial liabilities	1,392	1,392	
3	Due to customers	45,032	45,055	
4	Debt securities in issue and other borrowed funds	1,684	1,709	(h)
5	Liabilities for current income tax and other taxes	104	102	
6	Deferred tax liabilities	31	17	
7	Employee defined benefit obligations	88	88	
8	Other liabilities	970	973	
9	Provisions	815	236	
10	Liabilities related to assets classified as held for sale	0	0	
11	**Total liabilities**	**64,437**	**63,892**	
Equity				
1	Share Capital	464	464	(a)
2	Funds received in advance of share issue	77	77	(a)
3	Share premium	10,803	10,803	(a)
4	Reserves	438	377	(c)
5	Retained earnings	(5,794)	(5,814)	(b)
6	Non-controlling interests	29	29	(j)
7	Hybrid securities	15	15	(g)
4	**Total equity**	**6,031**	**5,949**	

4.4 Capital requirements under Pillar I

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

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

Capital Requirements are calculated using the following approaches:

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

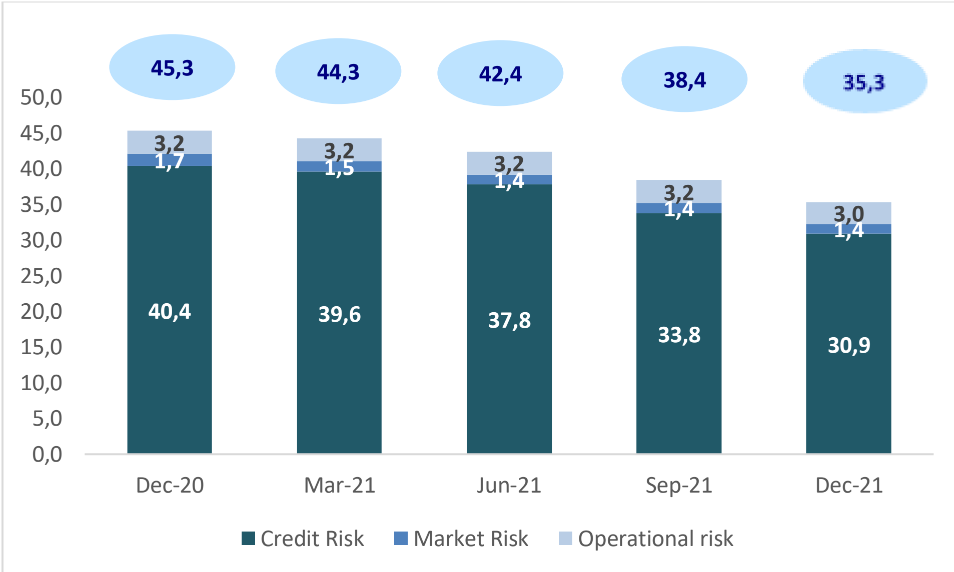
The following template summarizes RWA and minimum capital requirements by risk type. Minimum capital requirement is calculated at 8% of RWA.

Template 8a: EU OV1 – Overview of risk weighted exposure amounts as of 31.12.2021

(Amounts in millions of Euro)

		Risk weighted exposure amounts (RWEAs)		Total own funds requirements
		a	b	c
		31.12.2021	30.9.2021	31.12.2021
1	**Credit risk (excluding CCR)**	**30,137**	**33,219**	**2,411**
2	Of which the standardised approach	30,137	33,219	2,411
3	Of which the foundation IRB (FIRB) approach			
4	Of which slotting approach			-
EU 4a	Of which equities under the simple risk weighted approach			-
5	Of which the advanced IRB (AIRB) approach			
6	**Counterparty credit risk - CCR**	**282**	**349**	**23**
7	Of which the standardised approach	216	212	17
8	Of which internal model method (IMM)	-	-	-
EU 8a	Of which exposures to a CCP	2	1	0
EU 8b	Of which credit valuation adjustment - CVA	21	17	2
9	Of which other CCR	44	119	4
15	**Settlement risk**	**-**	**-**	**-**
16	**Securitisation exposures in the non-trading book (after the cap)**	**554**	**289**	**44**
17	Of which SEC-IRBA approach			-
18	Of which SEC-ERBA (including IAA)	130	131	10
19	Of which SEC-SA approach	423	158	34
EU 19a	Of which 1250%/ deduction			-
20	**Position, foreign exchange and commodities risks (Market risk)**	**1,355**	**1,378**	**108**
21	Of which the standardised approach	20	14	2
22	Of which IMA	1,335	1,364	107
EU 22a	**Large exposures**			
23	**Operational risk**	**3,005**	**3,205**	**240**
EU 23a	Of which basic indicator approach	-	-	-
EU 23b	Of which standardised approach	3,005	3,205	240
EU 23c	Of which advanced measurement approach			
24	**Amounts below the thresholds for deduction (subject to 250% risk weight)** (for information)	**1,413**	**1,663**	**113**
29	**Total**	**35,333**	**38,439**	**2,827**

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



The participations in insurance undertakings which are not deducted from CET1, as they do not exceed the 10% threshold of the CET1 capital before certain deductions are presented in the table below:

Template 9: EU INS1 - Insurance participations as of 31.12.2021

(Amounts in millions of Euro)

		a	b
		Exposure value	**Risk-weighted exposure amount**
1	Own fund instruments held in insurance or re-insurance undertakings or insurance holding company not deducted from own funds	47	119

4.5 Capital Buffers

The countercyclical capital buffer (CCyB) is a CRD IV instrument, designed to help counter pro-cyclicality in the financial system. Credit institutions are required to set aside additional CET 1 capital during periods of excessive credit growth. This will help maintain the supply of credit and dampen the downswing of the financial cycle. The main purpose of the CCyB is to increase the banks' resilience in good times to absorb potential losses that could arise in a downturn and to support the continued supply of credit to the real economy. For 2021 Bank of Greece, as National Competent Authority, set the countercyclical buffer at 0%. CCyB is also set at currently 0% in all other countries in which Alpha Bank has significant exposures. Total Risk exposure amount in the following tables includes General Credit (excluding CCR) and Securitization exposures.

Template 10a: EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer as of 31.12.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m
		General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures Exposure value for non-trading book	Total exposure value	Own fund requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
		Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
010	**Breakdown by country:**													
	Bulgaria	80					80	6			6	72	0%	0.5%
	Honk Kong	0					0	0			0	0	0%	1.0%
	Luxembrourg	16					16	1			1	14	0%	0.5%
	Norway	2					2	0			0	1	0%	1.0%
	Slovakia	0					0	0			0	0	0%	1.0%
	Other	37,100		10	25,829	1,790	64,729	1,975	110	44	2,129	26,614	100%	
020	**Total**	**37,198**		**10**	**25,829**	**1,790**	**64,827**	**1,982**	**110**	**44**	**2,136**	**26,701**	**100%**	

Template 10b: EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer as of 30.6.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m
		General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures Exposure value for non-trading book	Total exposure value	Own fund requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
		Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
010	**Breakdown by country:**													
	Bulgaria	88					88	6			6	72	0%	0.5%
	Luxembourg	334					334	3			3	37	0%	0.5%
	Norway	2					2	0			0	1	0%	1.0%
	Other	38,513				3,774	42,287	2,075		25	2,100	26,249	100%	
020	**Total**	**38,937**				**3,774**	**42,711**	**2,084**		**25**	**2,109**	**26,360**	**100%**	

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

Template 11a: EU CCyB2 - Amount of institution-specific countercyclical capital buffer as of 31.12.2021

(Amounts in millions of Euro)

		a
		31.12.2021
1	Total risk exposure amount	35,333
2	Institution specific countercyclical capital buffer rate	0.00%
3	Institution specific countercyclical capital buffer requirement	0.6

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

Template 11b: EU CCyB2 - Amount of institution-specific countercyclical capital buffer as of 30.6.2021

(Amounts in millions of Euro)

		a
		30.6.2021
1	Total risk exposure amount	38,109
2	Institution specific countercyclical capital buffer rate	0.00%
3	Institution specific countercyclical capital buffer requirement	0.8

4.6 Internal Capital Adequacy Assessment Process (ICAAP)

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

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

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

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

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

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

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

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

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

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

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

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

- The Board of Directors has the overall responsibility of the ICAAP implementation with a clear and transparent assignment of responsibilities to the Risk Management Committee and Senior Management members.
- ICAAP is an integral part of the management framework of the Bank. The ICAAP is integrated into the business, decision-making and risk management processes of the Group, and is consistent and coherent throughout the Group.
- The ICAAP contributes to the continuity of the Bank by ensuring its capital adequacy from different but complementary perspectives (e.g. the economic perspective and the normative perspective).
    - Under the economic perspective, the Group ensures that any risks that may affect its capital position are adequately covered by internal capital in line with its internal capital adequacy concept. Under this perspective, the institution's assessment covers the full universe of risks that may have a material impact on its capital position, taking into account fair value considerations for its current assets, liabilities and risks.
    - The normative perspective is an assessment of the institution's ability to fulfil all of its capital-related regulatory and supervisory requirements and demands, and to cope with other external financial constraints on an ongoing basis. The capital plan is comprised of baseline and adverse scenarios and covers a forward-looking horizon of at least three years. The Group also conducts reverse stress testing, as per regulatory requirements, leveraging on the outcome of the adverse scenario.
    - Both perspectives mutually inform each other and are integrated into all material business activities and decisions.

- ICAAP assumptions and risk quantification methodologies are proportionate, consistent and thoroughly validated.
- Regular stress testing ensures capital adequacy in adverse circumstances.

4.7 Internal Liquidity Adequacy Assessment Process (ILAAP)

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

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

- Key elements of liquidity risk management and ILAAP Framework: Description of the risk appetite framework for liquidity and funding risks is presented, and its integration with ILAAP. Moreover, a comprehensive description of the Group's policies regarding funds transfers pricing, liquidity stress testing, asset encumbrance and intraday liquidity is provided.
- Alpha Bank's Group Background Overview: The Group's key balance sheet figures and liquidity profile is presented.
- The Group's forward looking liquidity & funding position under the normative perspective is presented under baseline and adverse scenarios (3-year projection of balance sheet figures and liquidity risk metrics).
- The Group's forward looking liquidity & funding position under the economic perspective is presented (liquidity buffer evolution under a short term systemic, idiosyncratic and combined shock)
- Quality assurance and validation of liquidity stress testing

A statement of the level of appropriateness of the liquidity risk management mechanisms and the results of ILAAP, are included as part of the Internal Liquidity Adequacy Assessment Process (ILAAP) approved by the Board of Directors in April 2021.

5 Leverage

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

The level of the leverage ratio with reference date 31.12.2021 on consolidated basis was 7.7%, according to the transitional definition of Tier 1 capital, exceeding by 2,6x the 3% minimum threshold applied by the competent authorities, implying that the Bank is not taking on excessive leverage risk.

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

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

Template 12a: EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures as of 31.12.2021

(Amounts in millions of Euro)

		a
		Applicable amount
1	Total assets as per published financial statements	73,356
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	(685)
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-
4	(Adjustment for temporary exemption of exposures to central bank (if applicable))	(11,404)
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of point (i) of Article 429a(1) CRR)	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustment for eligible cash pooling transactions	-
8	Adjustments for derivative financial instruments	49
9	Adjustment for securities financing transactions (SFTs)	124
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	1,350
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-
12	Other adjustments	(2,170)
13	**Total exposure measure**	**60,619**

Template 12b: EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures as of 30.06.2021

(Amounts in millions of Euro)

		a
		Applicable amount
1	Total assets as per published financial statements	70,468
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	(627)
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-
4	(Adjustment for temporary exemption of exposures to central bank (if applicable))	(9,007)
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of point (i) of Article 429a(1) CRR)	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustment for eligible cash pooling transactions	-
8	Adjustments for derivative financial instruments	253
9	Adjustment for securities financing transactions (SFTs)	218
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	1,361
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-
12	Other adjustments	(1,937)
13	**Total exposure measure**	**60,729**

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

Template 13: EU LR2 - LRCom: Leverage ratio common disclosure as of 31.12.2021

(Amounts in millions of Euro)

		CRR leverage ratio exposures	
		a	b
		31.12.2021	30.6.2021
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	57,600	56,933
2	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	13	19
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(1,032)	(1,125)
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
5	(General credit risk adjustments to on-balance sheet items)	-	-
6	(Asset amounts deducted in determining Tier 1 capital)	784	784
7	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	**57,365**	**56,610**
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	840	1,153
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	158	163
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	-	-
EU-9b	Exposure determined under Original Exposure Method	-	-
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original exposure method)	-	-
11	Adjusted effective notional amount of written credit derivatives	-	-
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
13	**Total derivatives exposures**	**998**	**1,316**
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	783	1,224
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)		
16	Counterparty credit risk exposure for SFT assets	124	218
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	-	-
17	Agent transaction exposures	-	-
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	-	-
18	**Total securities financing transaction exposures**	**907**	**1,442**
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	7,586	7,554
20	(Adjustments for conversion to credit equivalent amounts)	(6,236)	(6,192)
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	-	-
22	**Off-balance sheet exposures**	**1,350**	**1,361**

		CRR leverage ratio exposures	
		a	b
		31.12.2021	**30.6.2021**
Excluded exposures			
EU-22a	(Exposures excluded from the leverage ratio total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-	
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a (1) CRR (on and off balance sheet))	-	-
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)	-	-
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans): - Promotional loans granted by a public development credit institution - Promotional loans granted by an entity directly set up by the central government, regional governments or local authorities of a Member State - Promotional loans granted by an entity set up by the central government, regional governments or local authorities of a Member State through an intermediate credit institution)	-	-
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units): - Promotional loans granted by a public development credit institution - Promotional loans granted by an entity directly set up by the central government, regional governments or local authorities of a Member State - Promotional loans granted by an entity set up by the central government, regional governments or local authorities of a Member State through an intermediate credit institution)	-	-
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	-	-
EU-22g	(Excluded excess collateral deposited at triparty agents)	-	-
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	-	-
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	-	-
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	-	-
EU-22k	**(Total exempted exposures)**	**-**	**-**
Capital and total exposure measure			
23	**Tier 1 capital**	4,663	4,878
24	**Total exposure measure**	**60,619**	**60,729**
Leverage ratio			
25	Leverage ratio	7.69%	8.03%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	7.69%	8.03%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	6.47%	7.00%
26	Regulatory minimum leverage ratio requirement (%)	3.56%	3.44%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	0.00%	0.00%
27	Leverage ratio buffer requirement (%)	0.00%	0.00%
EU-27a	Overall leverage ratio requirement (%)	3.56%	3.44%
Choice on transitional arrangements and relevant exposures			
EU-27	Choice on transitional arrangements for the definition of the capital measure	Transitional	Transitional

		CRR leverage ratio exposures	
		a	b
		31.12.2021	**30.6.2021**
Disclosure of mean values			
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	987	1,434
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	783	1,224
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	60,823	60,939
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	72,226	69,946
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	7.67%	8.01%
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	6.46%	6.97%

Template 14a: EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures) as of 31.12.2021

(Amounts in millions of Euro)

		a
		CRR leverage ratio exposures
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	56,581
EU-2	Trading book exposures	-
EU-3	Banking book exposures, of which:	56,581
EU-4	Covered bonds	2
EU-5	Exposures treated as sovereigns	11,904
EU-6	Exposures to regional governments, MDB, international organisations and PSE **not** treated as sovereigns	652
EU-7	Institutions	2,042
EU-8	Secured by mortgages of immovable properties	13,067
EU-9	Retail exposures	3,591
EU-10	Corporate	10,515
EU-11	Exposures in default	3,043
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	11,766

Template 14b: EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures) as of 30.06.2021

(Amounts in millions of Euro)

		a
		CRR leverage ratio exposures
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	55,827
EU-2	Trading book exposures	-
EU-3	Banking book exposures, of which:	55,827
EU-4	Covered bonds	-
EU-5	Exposures treated as sovereigns	10,943
EU-6	Exposures to regional governments, MDB, international organisations and PSE **not** treated as sovereigns	655
EU-7	Institutions	2,811
EU-8	Secured by mortgages of immovable properties	13,965
EU-9	Retail exposures	3,750
EU-10	Corporate	10,889
EU-11	Exposures in default	5,688
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	7,125

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

6 General Information on Risk Management

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

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

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

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

6.1 Risk Management Framework and Principles

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

The main objective of the Group during 2021 was to maintain the high quality internal corporate governance and compliance, within the regulatory and supervisory provisions on risk management, in order to ensure confidence in the conduct of its business activities through sound provision of financial services.

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

- Development of a sound Group risk culture that incorporates risk awareness, risk taking and risk management and control in the decisions of management and employees during the day-to-day activities considering their impact on the risks they assume.
- Definition of the Group's risk appetite framework (RAF), which is articulated via the risk appetite statement (RAS) and establishes the individual and aggregate levels and types of risk that the Bank is willing to assume in advance of and in order to achieve its strategic business activities within its risk capacity.
- Definition of the Group risk policy that is adherent to the RAS and is supported by appropriate control procedures and processes.
- Development of the processes to ensure that all material risks and associated risk concentrations are identified, measured, limited, controlled, mitigated and reported on a timely and comprehensive basis.
- Monitoring of risk limits with alignment with the Group's business goals.
- Transparency promoted through clear communication lines.
- Active role of contributing staff in Risk Management. The staff is equipped with all the necessary skills and means which are necessary for effective Risk Management and understands its roles and responsibilities related to the Group Risk Management Framework.

- Full documentation of all processes related to risk identification, measurement, monitoring, reporting and control/mitigation.
- Providing adequate information to Group and Business Unit Management.

6.1.1 Risk Appetite Framework (RAF)

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

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

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

6.1.2 Risk Governance Structure

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

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

In particular:

- The Business Units of retail, wholesale, wealth banking and NPEs Remedial Management, constitute the first line of defense and risk "ownership" which identifies and manages the risks that arise when conducting banking business. This includes assessing and reporting of their exposures for identifying the relevant risks, taking into account the Bank's approved risk appetite, as well as its policies, procedures, controls and limits.

- The second line of defense consists of the Risk Management function and other relevant functions, independent from the first line of defense. These functions complement the business lines' risk activities through monitoring and reporting responsibilities. They are responsible for overseeing the Bank's and the Group's risk-taking activities for the individual risk assessment and the aggregation of risk. The second line of defense, also, includes the independent Compliance function. The Compliance function, among other things, monitors compliance with laws, corporate governance rules, regulations, codes and policies of the Bank and the Group. The BoD approves the compliance policies that are communicated internally. The function ensures compliance with the policies and reports to the senior management and the BoD on how the Bank and the Group manage their compliance risk.
- Internal Audit constitutes the third line of defense. Internal Audit is an independent function, reporting to the Audit Committee of the Board of Directors and audits the internal control activities of the Bank and the Group, including the Risk Management function.

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

Management Committees

1. Executive Committee

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

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

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

The Committee:

- prepares the strategy, 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 annual and quarterly Financial Statements;
- decides on and manages the capital allocation to the Business Units;
- prepares the Internal Capital Adequacy Assessment Process (ICAAP) Report and the Internal Liquidity Adequacy Assessment Process (ILAAP) Report;
- monitors the performance of each Business Unit and Subsidiary of the Company against the Budget and ensures that corrective measures are taken;
- reviews and approves the policies of the Company, informing the Board of Directors accordingly;
- approves and manages any collective program proposed by the Human Resources Division for the Employees and ensures the adequacy of Resolution Planning governance, process and systems;
- is responsible for the implementation of: (i) the overall risk strategy, including the institution's risk appetite and its risk management framework, (ii) an adequate and effective internal governance and internal control framework, (iii) the selection and suitability assessment process for Key Function Holders, (iv) the amounts, types and distribution of both internal capital and regulatory capital and (v) the targets for the liquidity management.

Group Risk Management Unit

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

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

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

- Credit Control Division
    - Credit Risk Policy and Control Division
    - Credit Risk Methodologies Division
    - Credit Risk Cost Assessment Division
- Credit Risk Data and Analysis Division
    - Credit Risk Data Management Division
    - Credit Risk Analysis Division
- Market and Operational Risk Division
- Risk Models Validation Division
- Wholesale Credit Division
- Credit Workout Division
- Retail Credit Division

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

6.1.3 Firm-wide Risk Management Framework

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

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

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

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

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

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

6.1.4 Risk Management Policies

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

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

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

6.2 Stress Testing

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

6.3 Climate - Related, Environmental – Social and Governance (ESG) Risks

The Group acknowledging the potential implications of climate change in economic activity, which in turn affects the financial system, has developed a comprehensive action plan, presenting how the climate risk assessment will be incorporated in its operations and in the risk management process. The action plan was submitted to the ECB on May 2021. Its implementation began in 2021 and will continue throughout 2022-2023.

In this context, the Group established an ESG governance structure, to proactively manage all ESG topics, ensure internal alignment and enable effective dispersal of expertise into its units. In this respect the Corporate Governance and Nominations Committee, was renamed as "Corporate Governance, Sustainability and Nominations Committee" and assigned the central role in ESG oversight, while at executive level, a "Group Sustainability Committee" was established, with responsibility for steering and management of all ESG and sustainability issues. The Committee's main tasks are the following:

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

The Group recognizes ESG risks as a transversal, cross-cutting risk rather than a stand-alone risk type and is currently in the process of incorporating such risks as drivers of existing financial and non-financial risk categories (e.g., credit risk, market risk, liquidity risk, reputational risk etc.) in its risk management framework. Subsequently, the Group has strengthened its materiality assessment process, accounting for Climate related and Environmental risk drivers in the assessment of credit, market, liquidity, operational and reputational risk, leveraging on both quantitative and qualitative related aspects depending on the nature of the risk under examination. In addition, the Group has proceeded with the performance of a comprehensive assessment of ESG and climate-related risks and, in alignment with the ECB expectations the Group has incorporated in its Risk Appetite Framework, the following qualitative statements on climate risks in the areas of:

- **Credit Risk**
    - The Group is committed to integrate climate risks into its overall risk management framework. In this context, the Bank regularly monitors its exposure concentration in climate-sensitive sectors and areas of its loan portfolio.
    - The Group aims to enhance its due diligence process with respect to the assessment of its clients' ESG/climate risk profile, through the collection of relevant information. In this setting, the Bank will take initiatives to encourage its clients to clearly define and communicate their client related commitments and to develop and execute effective strategies to mitigate climate risks.
    - The Group aims to finance its counterparties' green / sustainable transition both in the short-term and in the long-term.
    - The Group, to the extent possible, will start collecting EPC rating certificates from its clients, in order to monitor the energy performance class of its real estate secured exposures.
    - The Group already applies an exclusion list in line with the Environmental and Social Exclusion List developed by the European Bank for Reconstruction and Development (EBRD), for the

avoidance of financing, directly or indirectly, specific activities considered as harmful to the environment and society, i.e. thermal coal mining or coal-fired electricity generation capacity; Upstream oil exploration; Upstream oil development projects, except in rare and exceptional circumstances where the proceeds of the project exclusively target the reduction of GHG emissions or flaring from existing producing fields.

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

- Development of the Group's Sustainable Finance Framework, which sets criteria for the classification of financings as sustainable, in line with the EU taxonomy and ICMA Framework. These criteria will form the basis of amendments to the Credit Policy in line with the Group's Risk Appetite.
- Perform enhancements or additions to the current set of models used for risk parameter estimation and prediction, in order to integrate ESG risks.
- Identify ESG-related data needs leveraging on the data that will be collected for the borrower's assessment and supplementing with additional information where needed.
- Examine alternative methodological approaches for the quantification and integration of ESG risks in the credit risk parameters.
- Enhance the Credit Risk Model Validation framework so as to review and validate whether environmental risks are captured in the risk parameters, or whether sectoral / geographical segmentations have been addressed during the model development phase.

- **Market Risk**
  - The Group continuously monitors its exposure concentration to sectors w ith high transition risk (i.e industries w hich could be severely affected by climate-related policy and regulatory actions) in its trading portfolio.
  - The Group uses ESG scores / ratings provided by an established external data vendor to assess the ESG risk profile of counterparties for potential inclusion in the investment portfolio of the Group. (The specific statement is dependent on the engagement of an external ESG rating/score vendor)
  - The Group will conduct business with counterparties that issue green / sustainable bonds

- **Liquidity Risk**
  - The Group will widen its access to interbank markets to ensure stable sources of secured funding with low cost of funding, as a safeguard against potentially increased risk aversion by banks owing to climate risk events.
  - The Group aims to strengthen its funding sources through the issuance of debt (e.g 'green' bonds) as w ell as maintain its high-quality liquid assets.
  - The Group aims to design products, which closely corresponds to the customers' preferences, taking into account investors' increasing level of sophistication and consciousness as regards the criteria used to classify investments as 'green' / 'sustainable'.
  - The Group aims to attract additional funding to meet its financial obligations, through the trading of climate-related / ESG asset classes / instruments
  - The Group has in place adequate liquidity buffers in order to respond to potential sharp increases in its customers' demand for liquidity due to physical risks, both in terms of

precautionary deposit outflow s and for the purposes of financing the recovery of affected clients.
  - The Group monitors on a daily basis the respective market segments (interbank, retail, corporate) and the corresponding types of funding (Money Market, Medium- Long term Funding, savings, term and sight deposits)

- **Operational Risk**
  - The Group records and regularly monitors the number of climate-related and environmental risk events (conduct and physical risk events) incurred per year, as well as the respective amounts of losses.
  - The Group has a low tolerance for losses resulting from conduct risk with respect to climate-related and environmental issues, taking appropriate mitigation actions. For this purpose, the Group carries out regular training/awareness initiatives for its staff, to ensure that the Group's personnel is informed regarding climate-risk issues and Group' responsibilities in this area.
  - The Group has a low tolerance for losses resulting from physical risk, due to extreme weather events, taking appropriate mitigation actions. In this context, the Group safeguards that the facilities and infrastructure used for its core activities is regularly assessed against such threats and vulnerabilities and is insured against damages from extreme weather events. Also, the Group ensures that a robust Business Continuity Plan is in place, encompassing provisions for climate risk issues.
  - The Group safeguards the suitability of its building facilities through the performance of regular on-site inspections, to ensure the health and the safety of its employees and customers, as well as their protection from potential physical hazards.
  - The Group has in place robust controls to safeguard the safety of its infrastructure and personnel. More specifically, all Group's buildings have in place fire protection systems and emergency exit provisions, while back-up buildings and IT infrastructure are also available to secure business continuity.

- **Reputational Risk**
  - The Group has low risk tolerance for reputational risk losses resulting from adverse environmental impacts. For this purpose:
    a) The Group carries out regular training/awareness initiatives for its staff, to ensure that the Group's personnel is informed regarding climate-risk issues and Group' responsibilities in this area.
    b) The Group safeguards that the infrastructure used for its core activities is insured against damages from extreme weather events, while the Group also ensures that a robust Business Continuity Plan is in place, encompassing provisions for climate risk issues
    c) The Group for reducing its climate and environmental impact, has developed an Environmental Management System certified with ISO14001, as well as quantifies, monitors and reports of its GHG emissions (Scope 1, Scope 2 and Scope 3), according to the requirements of the standard ISO14064

The Group has already included information relevant to ESG in its published Financial Statements as well as in the yearly Sustainability Report which will be publicly available by June 2022 on the Company's website *Corporate Social Responsibility Reports (alphaholdings.gr).*

7 Credit Risk

7.1 General information

Credit risk arises from the potential weakness of borrowers' or counterparties' to repay their debts as they arise from their loan obligations to the Group. The primary objective of the Group's strategy for the credit risk management in order to achieve the maximization of the adjusted to risk performance risk is the continuous, timely and systematic monitoring of the loan portfolio and the maintenance of the credit risks within the framework of acceptable overall risk limits. At the same time, the conduct of daily business within a clearly defined framework of granting credit is ensured. The framework of the Group's credit risk management is developed based on a series of credit policy procedures, systems and models for measuring, monitoring and validating credit risk. These models are subject to an ongoing review process. This happens in order to ensure full compliance with the current institutional and regulatory framework as well as the international best practices and their adaptation to the requirements of respective economic conditions and to the nature and extent of the Group's business.

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

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

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

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

- Include any updates issued by the regulatory authorities
- Take into consideration the macroeconomic and political environment
- Facilitate the portfolio management and the decision making processes

- Contribute to preventing any potential negative effects in the Bank's and Group's financial results.

With main scope to further strengthen and improve the credit risk management framework, the following actions have been implemented during 2021:

Actions addressing Covid-19 issues

- Continuous strengthening of the second line of defense control mechanisms in order to ensure compliance with Credit Risks Policies at Bank and Group level, focusing on the management of the Bank and the Group's Customers who have been affected by the crisis due to COVID-19.
- Amendment of the Group Default Classification Policy, regarding the Forbearance Classification, the Unlikeliness-to-pay (UTP) assessment and the identification of Default of exposures under payment moratoria due to COVID-19 pandemic, since the respective EBA Guidelines "on legislative and non-legislative moratoria on loan repayments applied in the light of the Covid-19 crisis" (EBA/GL/2020/02) are not applicable from 1.4.2021 onwards.
- Amendment of the Group Loan Impairment Policy, regarding the Significant Increase in Credit Risk identification criteria of exposures under payment moratoria due to COVID-19 pandemic, since the respective EBA Guidelines "on legislative and non-legislative moratoria on loan repayments applied in the light of the Covid-19 crisis" (EBA/GL/2020/02) are not applicable from 1.4.2021 onwards.

Other actions and Programs

- Update of Credit Policy Manuals for Wholesale Banking and Retail Banking in Greece and abroad, taking into account the supervisory guidelines for credit risk management issues and the Group's business strategy.
- Integration of the digitalization of retail credit decisioning project, through all retail banking product distribution channels for Consumer Loans and Credit Cards portfolios.
- Implementation of the digitalization of retail credit decisioning project, for Housing and Small Business Loans portfolios.
- Completion of the Project for compliance with the EBA Guidelines on loan origination and monitoring (EBA/GL/2020/06). The guidelines are applicable from 30 June 2021 and apply to institutions' internal governance arrangement and procedures in relation to credit-granting processes, and throughout the life cycle of credit facilities. Furthermore, these guidelines apply to the risk management practices, policies, processes and procedures for loan origination and monitoring of performing exposures, and their integration into the risk management frameworks.
- Update of the Wholesale Banking and Retail Banking Arrears and Forbearance Policies in the context of the implementation of Law 4738/2020 for the settlement of debts and the provision of a second chance to Physical Persons and Legal Entities facing problems of over-indebtedness
- Periodic stress test exercises as a tool for assessing the impact of various macroeconomic scenarios on business strategy formulation, business decisions and the Group's capital position. Crisis simulation exercises are conducted in accordance with the requirements of the supervisory framework and constitute a key component of the Group's credit risk management strategy.
- Update of the Concentration Risk and Credit Threshold Policy which includes the principles and procedures that the Bank follows so as to manage the concentration risk, at Sector and Borrower/ Group of Borrowers level in the context of the Bank's participation in the Hellenic Recovery and Resilience Facility (RRF).
- Update of the Group credit risk models development Framework to align with the current regulatory expectations and international practices.

- Development, re-development and calibration of the credit risk models in order to ensure the accuracy of the estimations and the alignment with the current regulatory requirements. Specifically for 2021, according to the annual review of the Credit Risk Parameters, the following adaptations have been applied:
    - New Definition of Default: The new default definition has been adopted, where applicable, by incorporating a proxy algorithm for the period prior of 2021 and the new DoD implemented in production since first of January 2021.
    - Covid-19 Moratoria: For the population which is under Covid moratorium within the credit risk parameter measurement outcome, the duration of the moratorium is excluded from the measurement and an equivalent time window after the end of the moratorium is used (rolling window approach).
- Validation of the Credit Risk Models, based on the approved time plan and the principles described in the “Credit Risk Models Validation Framework”. Additionally, the models’ robustness was assessed under the new default definition and a special treatment was introduced to handle the accounts under Covid moratoria.
- Ongoing validation of the risk models in order to ensure their accuracy, reliability, stability and predictive capacity. More specifically:
    - Validation of the market risk internal model and compliance with the Targeted Review of Internal Models (TRIM) recommendations.
    - In line with the Liquidity Validation Policy, a regular internal review has been performed on risk quantitative models and stress testing assumptions used for internal liquidity risk management, in the framework of the Internal Liquidity Adequacy Assessment Process (ILAAP) and Recovery Plan.
    - Operational risk model validation used in the framework of the Pillar II Internal Capital Adequacy Assessment Process (ICAAP).
- Development of a unified Impairment System, for debtors that are subject to an individual impairment assessment, illustrating the methodological tools provided by the Individual Impairment Methodology. This system will be used by the participating units, in the estimation of the expected cash flows of individually assessed borrowers.

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

- Continuous upgrade of databases for performing statistical tests in the Group’s credit risk rating models.
- Upgrade and automation of the aforementioned process in relation to the Wholesale and Retail banking by using specialized statistical software.
- Reinforcing the completeness and quality control mechanism of crucial fields of Wholesale and Retail Credit for monitoring, measuring and controlling of the credit risk.
    - A project for the transition from the existing Rating Systems to the new, single and efficient Group Credit Rating Platform, of Moody’s company.

7.2 Credit Risk Management Function

The management of credit risk is organized under the supervision of the General Manager - Chief Risk Officer of the Group by multiple Divisions that are responsible for setting the Group-wide credit risk appetite and policies, reviewing the approval and follow-up processes in the Business Units, facilitating the quarterly process of calculating the impairment of credit exposures and monitoring and submitting regulatory and internal reports on the Group's consolidated credit portfolio, including the determination of portfolio limits for specific industries and countries. Dedicated departments develop credit rating and evaluation models and ensure that they are available for day-to-day credit processing at the Business Units and meet regulatory and institutional requirements. A separate Division is responsible for validating the credit risk rating systems and models and has direct reporting line to the General Manager - Chief Risk Officer of the Group.

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

The Credit Risk Committee of the Bank has an oversight of the credit risk activities and the implementation of relevant strategy. The Committee is responsible for the evaluation of the adequacy and the effectiveness of policies and procedures of Group credit risk management regarding credit risk taking, monitoring and management by business line, geographic area, product activity, sector etc., as well as approving recommendation on necessary structural mitigating actions. The Committee approves the Credit policies for Wholesale and Retail Banking - as well as initially - approves the Impairment Policy and Write-Off Policy which is subsequently submitted to the Board of Directors for final approval through the Risk Management Committee. The basic responsibilities of the Committee are:

- Approval and monitoring of the Bank's and Group's Credit Risk Appetite.
- Regular review and update of the Group credit risk policies as per the Bank's Credit Risk Appetite.
- Periodical review of the development of credit risk by sector and geographic area and concentration risk where the Group operates.
- Overview of the reports of the Risk Management Units submitted to the Board of Directors and the Risk Management Committee.
- Overview of the Troubled Assets Committee's reports.
- Overview of the progress against annual targets submitted through the Business Plan to the Single Supervisory Mechanism (SSM), in the framework of the management of NPEs and NPLs.
- Approval of Wholesale and Retail Credit Policy Manuals
- Approval of the Group Credit Risk Policies as well as the Group Credit Monitoring Framework
- Initial approval of the Group Loan Impairment Policy and the Group Write-off Policy
- Approval of the Group's Write-offs
- Approval of the development and update of the Credit Risk Models and the relevant Governance Framework for the Credit Risk Model Management policy. Notification of the validation results for the credit risk measurement models. Approval of the ECL Methodology
- Approval of the quarterly provisions Notification of the most important findings resulting from the conduct of credit reviews by the Credit Control Division. The Committee may request from the competent Units or Group Companies specific timetable of compliance with the relevant recommendations.

- Evaluation of the results derived from expected losses audits performed by the Regulatory authorities of the countries where the Group operates

- Notification on the strategy for management of arrears, arrears procedures regulations and the Group's arrears Committees, approved by the Troubled Assets Committee. In any case, the Committee may recommend adjustments to the arrears management strategy taking into account the Bank's Business Plan for the reduction of non-performing exposures as well as the current macroeconomic conditions in the Greek economy.

- Review of the results derived by the Stress Tests

- Evaluation of important findings included in the reviews that are performed by internal or external auditors related to the credit policy and credit risk management.

- Review of the results and decision on required actions on issues stemming from external evaluation processes including SREP, SRB, SSM Audits, EBA Stress Tests.

- Review of financial and Risk monitoring and reporting issues (e.g. Pillar III disclosures, IFRS9 reports, Impairment).

- Notification and review of the progress of projects related to supervisory guidelines (e.g. new definition of default, provisioning calendar) as well as important projects for the Bank related to Credit Risk.

The members of the Credit Risk Committee are the following:

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

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

- Manager of the Credit Control Division;
- Manager of the Credit Risk Data and Analysis Division;
- Manager of the Capital Management and Banking Supervision Division;
- Manager of the Accounting and Tax Division; and
- Manager of the Analysis and Performance Management Division

Credit approval process

The Bank, following best international practices and taking into account the prevailing institutional framework set by legislation, regulations, ministerial decrees/decisions, etc, has established a robust credit risk framework, where the key principles and guidelines, the procedures and actions followed and the responsibilities of all related Units and Officers are clearly defined based on the four eyes principle.

Within this context, all credit proposals are prepared by the Business Units, are reviewed by the Credit Units and are subsequently forwarded for assessment and final decision to the respective Credit Committee based on the total credit exposure, the borrower risk rating, the provided collaterals and the environmental and social risk evaluation.

Wholesale Banking Credit Committees

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

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

Wholesale Banking Credit Committee I

Wholesale Banking Credit Committee II

Wholesale Banking Credit Committee III

Wholesale Banking Credit Committee IV

Wholesale Banking Credit Committees V

Wholesale Banking Arrears Committees

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

The Arrears Committees are divided into the following categories:

Wholesale Banking Arrears Committee I

Wholesale Banking Arrears Committee II

Wholesale Banking Arrears Committee III

7.3 Credit Quality of Exposures

Definitions

The following definitions of exposures are provided:

1. Performing exposures

An exposure is considered as performing when the following criteria are met:

- The exposure is less than 90 days past due;
- No legal actions have been undertaken against the exposure;
- No unlikeliness to pay is reported on its credit obligation; The exposure is not classified as impaired;

  Or
- The exposure is classified as forborne performing exposure, as defined in the aforementioned commission Implementing Regulation (EU) 2015/227 of 9 January 2015.

2. Past Due Exposures

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

3. Non – Performing Exposures

An exposure is considered as non-performing when at least one of the following criteria apply at the time of the credit risk rating assessment:

- The exposure is more than 90 days past due (NPL); The amount due exceeds Euro 100 for Retail Exposures or Euro 500 for Wholesale Exposures and the amount due exceeds 1% of the total on balance sheet exposures. In particular, for overdraft facilities, an exposure is past due after having exceeded its approved limit.
- Legal actions have been undertaken by the Bank – Legal (NPL)
- The exposure is classified as Forborne Non – Performing Exposure, as defined in the Implementing Regulation (EU) 227/9.1.2015.
- It is assessed as Unlikely to Pay (UTP).

When a Wholesale Banking borrower has an exposure that is more than 90 days past due and the amount of this exposure exceeds 20% of total exposures of the borrower, then all exposures of the borrower are considered as non-performing (Pulling Effect).

4. Forborne Exposures

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

Financial Difficulty is defined as the situation where the borrowers are unable to comply or are about to face difficulties in servicing their credit obligations as per the current loan repayment schedule due to the worsening of their financial status. Forborne exposures incorporate denounced loans and advances amounting to €0.7bn as at 31.12.2021, that were forborne prior to denouncement.

5. Unlikeliness to Pay

An exposure is flagged as "**Unlikely To Pay**" (UTP) when it is less than 90 days past due and the Bank assesses that the borrower is unlikely to fully meet his credit obligations without the liquidation of collateral, regardless the existence of any past due amount or the number of days past due, with the exception of the cases of collaterals that are part of the production and trade chain of the borrower (e.g. properties for Real Estate companies, corporate shares for Holding companies).

For wholesale Banking, the procedure is distinguished in two pillars: (a) Events are determined which when occur the exposure is identified as Non-Performing (Hard UTP Triggers) without any assessment needed by any Credit Committee, (b) Triggers are determined which when occur, the borrower should be assessed by the relative Wholesale Banking Credit Committee to decide if the borrower's exposures should be identified as Non-Performing or not (Soft UTP Triggers). This assessment takes place when reviewing borrower's credit limits depending on its credit ratings and in accordance with Wholesale Banking Credit Manual. If a borrower is flagged as UTP, then his credit risk rating should be D (Default) according to Bank's rating system or Default for Borrowers assessed using Slotting Models. If a borrower flagged as UTP belongs to a group of companies, then the group should also be assessed by the competent Credit Committee for the existence or not of UTP trigger.

For Wholesale Banking exposures the following Hard UTP Triggers exist:

- Denouncement of loan agreement

- Liquidation of collaterals and initiation of foreclosure measures by the Bank when the borrower does not have operational cash flows for the repayment of his debt obligations (excluding e.g. checks).
- Legal actions, sale or judicial sale in order to collect the claim (e.g. foreclosure instead of debt collection).
- Withdrawal of a license of particular importance in companies that require public authorisation to carry out their activities such as banks and insurance companies. The same applies for technical and construction companies, telecommunications companies, pharmaceutical, mining, transport, food, chemical, petroleum, recycle, media etc.
- Refinancing/Extensions of loans whose lifetime exceeds the economic lifetime of the funded investment.
- There are strong indications that the borrower is unable to meet his debt obligations (e.g. termination of business).
- Fraud cases
- Excess of the minimum acceptable Loan to Value (LTV), as depicted contractually, for loans collateralised with securities, e.g. bonds, shares etc (Margin Financing).
- Disappearance of an active market for the debtor’s financial instruments, hold by the Group.
- Write-off because of default
- Debt Forgiveness with or without forbearance (conditional or not) at least for the first 12 months since the debt forgiveness.
- The credit institution or the leader of consortium starts bankruptcy/insolvency proceedings (application for insolvency).
- A credit event is declared under the International Swaps and Derivatives Association - ISDA).
- Out-of-court settlement/negotiation between Banks and Borrower for settlement / debt repayment of borrowers that are under bankruptcy proceedings (application for the bankruptcy).
- The borrower has requested to enter into bankruptcy or insolvency status (application for bankruptcy).
- A Bank has initiated bankruptcy or insolvency proceedings (application for bankruptcy).

Additionally, for Wholesale Banking exposures the following Soft UTP Triggers exist:

- Exposures that were modified by providing a ‘balloon’ payment while the initial terms of the loan agreement did not include this repayment method, as well as exposures that the initial terms of the loan agreement included ‘balloon’ payment and were modified by including an increase of the “balloon” amount and simultaneously by reducing the current installment.
- Multiple modifications in the same exposure.
- Deterioration of the leverage ratio (Debt to Equity).
- An exposure was purchased or sold with deep discount that reflects the low credit quality of the borrower.
- The debt service coverage ratio indicates that debt is not viable.

- 5 Years Credit Default Swaps (CDS) above 1.000 bps in the last 12 months.
- Loss of an important customer or lessee representing a significant percentage of entity's turnover or the total property income, respectively.
- A turnover decrease resulting in a significant reduction of cash flows.
- An affiliated customer, which represents a significant percentage of entity's turnover, has applied for bankruptcy.
- An external auditor report with restrictions or reservations that results to significant deterioration of key financial ratios of the borrower and to worsened estimated future cash flows of the borrower.
- It is expected that an exposure with repayment at maturity or a due installment cannot be refinanced under current market conditions.
- Disappearance of an active market for the debtor's financial instruments, not hold by the Bank.
- The borrower has breached the financial terms of the loan agreement.
- There is significant deterioration of the borrower's sector activity prospects.
- Adverse changes in the ownership structure or the management of the company or serious administrative problems.
- A third party (excluding Banks) has started bankruptcy or insolvency proceedings (application for Bankruptcy).
- Overdue payments to Tax Authorities and Social Security Funds.

For Retail Banking the procedure is distinguished in two pillars:

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

b. Triggers are determined which when occur, the borrower should be assessed by the competent Retail Banking Non-Performing Unit to decide if the borrower's exposures should be assessed as Non-Performing or not (Soft UTP **Triggers).**

This assessment takes place at the date of a forbearance request. If an exposure is flagged as UTP, then it should be classified as Non-Performing in the systems of the Group's companies.

For Retail Banking exposures the following Hard UTP Triggers exist:

- A trial date has been set for filling for Bankruptcy L.3869/2010
- Fraud has been confirmed at the expense of the Bank.
- The borrower has passed away.
- Multiple forbearances for the same exposure within a 12 months' time period.
- An out-of-court settlement / negotiation is underway between banks and borrower for settlement / repayment of debts of borrowers who are under bankruptcy proceedings (application for bankruptcy).
- Denouncement of loan agreement.

- Collaterals liquidation and foreclosure procedures have been initiated by the Bank in case the borrower cannot repay its debt obligations with the existing operating cash flows (excluding e.g. checks).
- Legal actions, sale or forced sale actions have been initiated in order to collect the debt (e.g. foreclosure measures against debt collection).
- Debt Forgiveness with or without forbearance (conditional or not), at least for the first 12 months since the debt forgiveness.

Additionally, for Retail Banking exposures the following Soft UTP Triggers exist:

- Multiple forbearances in the same exposure
- The borrower has other exposures in the Bank in default.
- The borrower is unemployed.
- The borrower has applied for bankruptcy or insolvency (application for bankruptcy).
- The borrower is the sole owner of a company with exposures in default and for which he has provided personal guarantees.

It is noted that the Group has adopted the new Definition of Default that applies from 1.1.2021, according to the EBA guideline (Article 178 of Regulation (EU) No 575/2013), adjusting its Policies and updating the Hard και Soft UTP triggers by implementing new ones for both the Retail and Wholesale Banking Portfolios, such as Diminished Financial obligations (NPV Loss), Sale of Credit Obligations, Default to Subsidiaries.

6. Curing of Non – Performing Exposures

For the Curing of a Non-Performing Exposure and reclassification as Performing Exposure, any concerns for the ability of the borrower to meet its contractual obligations should have been eliminated (Absence of Concern).

In general, all the exit criteria are met according to the aforementioned European Commission Implementing Regulation 2018/1627 of 9 October 2018 amending Implementing Regulation (EU) No. 680/2014 of the Commission and Executive Committee Acts of Bank of Greece E.C.A. 42 / 30.05.2014 and modifications thereof E.C.A. 47 / 02.09.2015, 102 / 30.08.2016 and 136 / 2.4.2018.

7. Default Exposures

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

8. Credit Impaired Exposures

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

Expected Credit Loss Estimation Methodology for Wholesale and Retail Banking

The Group, at each reporting date, recognizes a provision for expected credit losses on loans and advances to customers not measured at fair value through profit or loss as well as for off-balance sheet exposures (letters of guarantee, letters of credit, and undrawn loan commitments).
The Loan Impairment Methodology is common and applicable for both the Wholesale and Retail Banking Portfolios.

Default definition

The Group has fully aligned the perimeters of the portfolios characterized as "EBA Non-performing Exposures", "Exposures in Default" and "IFRS 9 Impaired Exposures”.

The definition of Non-Performing Exposures is consistently used to develop models for estimating credit risk parameters (Probability of Default, Loss Given Default, Exposure at Default).

In addition, the definition of default is consistent with the one used for internal credit risk management purposes.

Portfolio Classification in Stages based on the Credit Risk (Staging)

Following an exposure’s initial recognition, classification to Stages based on its credit risk characteristics. The classification of loans in stages is based on the changes of the credit quality compared to the initial recognition.
Upon initial recognition of an exposure, the Group must determine whether this exposure is considered as credit impaired (Credit Impaired at Initial Recognition).
The POCI category (Purchased or Originated Credit Impaired, POCI) includes the following:

- Exposures that at the time of purchase (Purchased) meet the criteria of non-performing exposures.
- Exposures that as per accounting rules are derecognised and a new exposure is recognised and for which the following apply (Originated): if the exposure was classified as impaired (hence NPE) prior to derecognition, the new exposure will continue to maintain this classification and it will be classified as POCI.

Concerning the POCI exposures, the expected credit losses calculated are the lifetime losses.

For exposures not classified as POCI, the classification in stages is performed as follows:

- The Stage 1 includes performing credit exposures that have no significant increase in credit risk since the initial recognition date. The expected credit losses calculated are based on the probability of default within the next 12 months and the assessment is carried out on a collective basis with the exception of borrowers assessed on an individual basis
- The Stage 2 includes credit exposures with significant increase in credit risk since the initial recognition date but which are not non-performing. The expected credit losses calculated are lifetime credit losses and the assessment is carried out on a collective basis with the exception of borrowers assessed on an individual basis.
- The Stage 3 includes the non-performing / default exposures. The expected credit losses calculated are the lifetime losses and the assessment is performed on a collective or individual basis.

All possible movements between Stages of credit risk are presented below:

- An exposure which has been classified in Stage 1 in previous quarter of reference could be classified either in Stage 1 in the next reporting quarter, if the credit risk has not deteriorated and the exposure is still performing, or in Stage 2, if the exposure is still performing but the credit risk has deteriorated, or in Stage 3 if the exposure is non-performing/default.

- An exposure which has been classified in Stage 2 in previous quarter of reference could be classified either in Stage 1 in the next reporting quarter, if the exposure is performing and does not meet any of the criteria of "Significant increase in credit risk" and in particular, for case of Forborne Performing exposure, if the exit criteria from the 2-years' probation period are met. It could also remain in Stage 2, if the credit risk has not substantially changed, or be transferred to Stage 3, if the exposure is non-performing/default.
- An exposure which has been classified in Stage 3 in previous quarter of reference could be classified either in Stage 1 in the next reporting quarter, if the exposure is performing and does not meet any of the criteria of "Significant increase in credit risk", or transferred in Stage 2, if it is no longer considered as non-performing, or remain in Stage 3, if it is still nonperforming/ default.

The Group does not make use of the exemption provided by the standard for low credit risk exposures.

For classification purposes, for wholesale banking revolving exposures, initial recognition date is the date of the most recent credit assessment reflecting the annual thorough credit risk review practice of the Bank.

Especially for exposures affected by Covid-19, post model adjustments (PMAs) could be used in order to reflect risks and other uncertainties that are not included in the underlying credit loss measurement methodology (ECL models), taking into consideration that:

- Probability of Default is the primary indicator in order to determine deterioration since initial recognition.
- PD Models are not designed to cater for the economic circumstances that currently exist.

Significant Increase in Credit Risk

For the timely identification of significant increase in credit risk for an Exposure after the initial recognition (SICR) leading to the calculation of lifetime credit losses of the exposure instead of twelve months credit losses, the risk of default at the reference date is compared to the risk of default at the initial recognition date for all Performing Exposures, including those with no days past due (Delinquencies).

The assessment for deciding if an exposure shows significant increase in credit risk or not is based on the following three types of Indicators:

- Quantitative Indicators: They refer to the use of quantitative information and specifically to the comparison between the probability of default (PD) at the reference date and the probability of default at the initial recognition date. The assessment of significant increase in credit risk is based either on a relative or on an absolute increase of PD between the reporting date and the initial recognition date. The relative increase can range between 125% and 200% depending on the asset class of the loans. For Wholesale exposures, the relative increase can range between 50% and 200% as Obligor rating is taken into consideration. The absolute threshold, when used, can range between 3 and 5 percentage points depending on the asset class of the loans and acts as a backstop to the relative (i.e., just one of the two triggers needs to be hit in order to trigger stage 2). Also, the threefold increase in annualized PD as backstop is ensured. The SICR thresholds are derived based on portfolio level analyses. The assessment of the exposures for significant increase in credit risk is applied on account level. Absolute and relative thresholds determining the significant increase between reporting and initial recognition date are validated on an annual basis, in order to ensure the correct application of stage 1 and stage 2 along with the verification that the criteria capture the credit risk deterioration.

- Qualitative Indicators: They refer to use of qualitative information which is not necessarily depicted in the probability of default, such as the assessment of an exposure as performing forborne ("FPL" within 2 years probation period according to EBA ITS) or as exposure with Financial Difficulty. Additional qualitative indicators for the Wholesale Banking portfolios and the Retail Banking portfolios are included in Early Warning Policy. According to the abovementioned policy and as per the assessment performed, an exposure may be considered to show significant increase in credit risk. Especially for Specialized Lending portfolios additional qualitative indicators are identified).
- Backstop Indicators: Backstop Indicators: In addition to the above, and with a view to addressing cases where there is no evidence of significant credit risk deterioration based on the quantitative and qualitative indicators, exposures over 30 days past due are considered by definition to show a significant increase in credit risk.

Expected Credit Loss estimation

Exposures assessed on individual basis (Individual Assessment)

The Expected Credit Losses calculation is carried out either on an individual basis, taking into account the significance of the exposure, the fact that certain exposures do not share common credit risk characteristics and the existence or not of sufficient historical data, or on a collective basis.

For companies where the corporate guarantee from the parent company represent 100% of the exposure of the companies, or for other important interdependencies between group of companies, the assessment may be performed at a group level.

Regarding the exposures to Companies, with at least one Non-Performing Exposure, they are individually assessed they exceed the limits set by each Company of the Group (following the permission/approval of the Bank). All other exposures to Companies are collectively assessed.

Specifically for the Bank, exposures to Companies assessed on an individual basis are the following:

- Borrowers with at least one Non-Performing Exposure who's Customer General Limit in the Bank exceeds the amount of Euro 1.5 million.
- Borrowers of the Shipping Division and the Structured Finance Division with at least one Non-Performing Exposure, regardless the Customer General Limit in the Bank.
- Exposures that do not share common risk characteristics or for which no relevant historical data that enables a collective analysis is available.

Any remaining exposure to Companies is assessed collectively.

Non-Performing Exposures (NPEs) to Individuals are individually assessed, if the exposures of retail banking customers exceed the defined limits according to each Group Company. All other exposures to Individuals are collectively assessed.

Specifically for the Bank, Exposures to Individuals are assessed individually, if they are Non-Performing Exposures (NPE) and if the following threshold, per portfolio, applies:

- Consumer Loans: Accounts of Consumer Credit Borrowers with total on balance exposures over Euro 500 thousand.
- Housing Loans: Accounts of Mortgage Credit Borrowers with total on balance exposures over Euro 2 million.

Any remaining exposure to individuals is assessed collectively.

Exposures assessed on collective basis (Collective Assessment)

Collective Assessment applies to credit exposures which are not assessed individually, i.e. exposures classified in Stage 1 and Stage 2 as well as non-performing exposures that do not meet the above criteria for individual assessment, after having been categorised based on similar credit risk characteristics by portfolio. For the classification of credit facilities into groups with similar credit risk characteristics, the followings are considered:

- Staging according to Credit Risk
- Type of Product
- Days Past Due
- Time in default
- Indication of unlikeliness to pay
- Modification of contractual terms for borrowers showing financial difficulty (Forbearance Measures)
- Modification Type
- Existence of collateral taking into account the type and Loan to Value ratio
- Existence of Greek State Guarantee
- Partial Write-Off
- Credit Risk Rating
- Activity Sector

The groupings are reviewed on a regular basis to ensure that each group is comprised of homogenous exposures.

Calculation of expected credit losses

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

The measurement of expected credit losses is made as follows:

- For financial assets, a credit loss is the present value of the difference between:
  a. the contractual cash flows and
  b. the cash flows that the Group expects to receive
- For undrawn loan commitments, Expected Credit Losses are equal to the present value of the difference between:
  a. the contractual cash flows that will be due if the holder of the loan commitment is drawn down and
  b. the cash flows that the Group expects to receive if this amount is disbursed.
- For letters of guarantee and letters of credit, the loss is equal to the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the **holder.**

Incorporation of forward-looking information

The Group calculates Expected Credit Losses based on the weighted probability of three alternative scenarios. More specifically, the Economic Research Division produces forecasts for the possible evolution of macroeconomic variables that affect the level of Expected Credit Losses of loan portfolios under a baseline and under two alternative macroeconomic scenarios (an upside and an adverse one) and also produces the cumulative probabilities associated with these scenarios.

The macroeconomic variables affecting the level of expected credit losses are the Gross Domestic product (GDP), the unemployment rate and forward looking prices of residential and commercial real estates.

Especially for the Bank, the yearly average for the period 2022-2025 of macroeconomic variables affecting both the Probability of Default and the expected Loss Given Default for the calculation of expected credit losses as at 31.12.2021 are the following:

Macroeconomic Variables as of 2022-2025			
	Adverse scenario	Base scenario	Upside scenario
Real GDP growth	1,6%	3,6%	5,6%
Unemployment rate	12,9%	11,3%	9,7%
Change in Residential Real Estate prices (RRE)	1,6%	3,1%	4,7%
Change in Commercial Real Estate prices (CRE)	3,0%	4,3%	5,7%

The production of baseline scenario, supported by a consistent economic description, constitutes the most likely scenario according to the current economic conditions and the Group's basic assessment of the course of the economy.

The cumulative probabilities of the macroeconomic scenarios for the Greek economy indicate that the economy performs better or worse than forecasts of the baseline scenario and the alternative scenarios, i.e. the upside and downside scenario. For each one of the alternative scenarios, the expected credit loss is calculated and weighted against the probability of each scenario in order to calculate the weighted expected credit loss.

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

If the assigned cumulative probability of the downside scenario was weighted at 100%, Expected Credit Losses would increase by € 88.0mn as at 31.12.2021 (31.12.2020: € 275.3mn). If the assigned cumulative probability of the upside scenario was weighted at 100%, Expected Credit Losses would decrease by € 87.2mn as at 31.12.2021 (31.12.2020: € 261.0mn).

Credit risk parameters

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

- **Probability of Default (PD):**

Wholesale portfolio

It is an estimate of the probability of a debtor to default over a specific time horizon.

For assessing the probability of default, the credit risk rating models assess a series of parameters that can be grouped as follows:

- o Financial Analysis: The Borrower's Financial Capacity (Liquidity Indicators, Debt to Revenue etc.)
- o Competitor's analysis: the borrower's comparative position in the market in which operates, mainly in relation to its competitors (mainly applicable to debtors of Wholesale Banking)
- o Current and historical debtor's behavioural data either towards the Bank or towards third parties (delinquencies, repayment behavior, etc.), and
- o Qualitative characteristics of the debtor (strong and sound management, management succession, appropriate facilities and equipment, etc.).

Regarding Specialized Lending the Probability to Default is estimated on facility level based on dedicated expert-based models.

Retail portfolio

It is an estimate of the probability of an account to default over a specific time horizon.

For assessing the probability of default, credit risk behavioural models have been developed which assess a series of parameters that can be grouped as follows:

- Qualitative data: Activity Sector, Number of Employees, Company Type
- Loan characteristics: product applied for, loan term, loan amount, or financing purpose;
- Behavioral data: payments during latest period of time, delinquencies (i.e. overdue amount, bucket etc), exposure, transaction type, credit limit usage.

Credit Risk Models/ Ratings constitute the main input in order to determine the probability of default. The Group uses statistical models in order to analyze the collected data and make estimates of the remaining probability of default over the life of the exposures and how they will evolve over time based, among other things, on macroeconomic variables.

- **Exposure at default (EAD):** Exposure at Default is an estimate of the amount of the exposure at the time of the default taking into account: (a) expected changes in the exposure after the reporting date, including principal and interest payments; (b) the expected use of credit limits and (c) accrued interest. The approved credit limits that have not been fully disbursed represent a potential credit exposure and are converted into a credit exposure equal to the approved undrawn credit limit multiplied by a Credit Conversion Factor (CCF). The Credit Conversion factor of credit exposure is calculated based on statistical models. The maximum period for which credit losses are calculated is the remaining contractual maturity of a financial instrument unless the Group has the legal right to recall the financial instrument earlier. In particular, for Credit Cards and revolving exposures to individuals, the maximum period is set at three years, while for revolving loans to Small Businesses, the corresponding maturity is set at four years. Regarding Wholesale Banking revolving exposures, the period is set to one year, given the thorough credit review performed at least once a year. If the residual maturity of the loan agreements classified in Stage 2 was increased by one year, Expected Credit Losses would increase by € 7.5mn as at 31.12.2021.

  The Group uses EAD models that reflect the characteristics of the portfolios.

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

For unsecured loans, the estimated expected losses at the time of the default, take into account expected recovery rates which vary throughout the recovery period as well as the probability of curing and the probability to modify.

Expected recoveries from tangible collaterals take into account the following inputs: the most recent valuation (updated within the year) for the market value of the collateral, the time required for the liquidation or sale of the tangible collateral (ranging between 1 to 4 years depending on the legal action status of the loan), the expected market value at liquidation /sale date based on the evolution of RRE/ CRE indices for the next 4 years, the expected recoveries through foreclosure process or sale as derived from historical data obtained for foreclosures and sales of collateral. Last, the recovery rate of the group is adjusted to reflect value of preferential claims. Expected cash flows are discounted using the original effective interest rate.

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

- **Management overlays**: Management overlays refer to temporary adjustments applied to allowance for expected credit losses, in the context of the preparation of financial statements, in order to incorporate recent developments and information that cannot be captured by the internal models used for the estimation of the expected credit losses. The Group implements a robust governance framework to review and support the management, calculation and application of these adjustments. The Group's governance framework requires such adjustments to be well documented, controlled and appropriately approved. More specifically, the adjustments performed by the Group relate to the incorporation of alternative recovery scenarios in relation to the objectives of reducing the stock of outstanding non-performing loans, included in its business plans. Where the business plan of the Group includes objectives and recovery strategies through portfolio disposals, then for the portfolio of non-performing loans that may be disposed of, the recoverable amount is quantified by weighting (i) the value in the event of sale (fair value) and (ii) the amount expected to be recovered according to the internal methods adopted by the Group for the impairment of non-performing loans, i.e. based on the individual assessment for the exposures exceeding a defined threshold and based on collective assessment for the others. The weighting is based on the probability assigned to each non-performing loan portfolio by assessing the stage of preparation of the underlying portfolios, the significance of the conditions precedent for materialization of the sale as well as the recovery time. For 2021, the portfolios where a sale scenario was considered include the Solar portfolio and the Leasing portfolio for which the probability of sale was estimated at 20%. For the Sky and the Orbit portfolios the probability of sales was estimated at 100%. The effect of the incorporation of the sale scenario in the ECL calculation for 2021 amounted to € 1,038mn. In addition, the Group performed an overlay in the output of the ECL for specific non performing residential and non residential loan portfolios, in order to incorporate the effect of ad hoc management actions (i.e. conditional write downs) on these portfolios determined on the basis of the time in default. The effect of the incorporation of the sale scenario in the ECL calculation for 2021 amounted to € 93mn.

Undrawn commitments

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

In estimating the expected credit losses over the life of an undrawn loan commitment, the Group assesses the expected part of the loan commitment that will be used throughout its expected life.

Inherent Model Risk

The Group recognizing the inherent model risk, derived from the model complexity and aggregated model risk, has adopted a Model Risk management framework which includes the principles of credit risk models development policy and risk models validation framework. In this context, the independent Risk Models Validation division validates all credit risk models used for the calculation of IFRS9 expected credit losses.

Governance

The Credit Risk Committee is responsible for approving the Expected Credit Losses as well as the methodologies developed by the Group for calculating the expected credit loss (ECL Methodology) for loan portfolio.

The Board of Directors approves the Group Loan Impairment Policy through the Risk Management Committee.

Effect from the Covid-19 pandemic- Perimeter affected by the Covid-19 pandemic

The Group, in order to support its customers who are affected by the crisis due to the Covid-19 pandemic, has taken a series of measures in order to support businesses as well as individuals facing temporary payment difficulties and liquidity shortages. Initially, the Group provided its customers with "installment suspension payment" programs until 31.3.2021, according to the relevant EBA guidelines (EBA / GL / 2020/02, EBA / GL / 2020/08 and EBA / GL / 2020/15). It is noted that on the 31st of December 2021, there were no active exposures that have received payment suspension scheme. Since 01/04/2021, for those customers whose ability to pay has not been restored to the pre-Crisis levels, by the "installment suspension payment" programs, the Group proceeded to the following actions:

- For retail banking exposures, the Bank has individually assessed any financial difficulty, in order to return to the repayment levels applicable prior to the installment suspension schemes, by providing step up scheduling programs, which have been flagged as per the EBA Guidelines (EBA/ITS/2017/01, EBA/GL/2016/07).
- For business exposures, an individual analysis has been performed with the most updated financial data, as to the existence of financial difficulty. Based on this individual assessment, customers have been granted with personalized solutions, which have been flagged as per EBA Guidelines (EBA/ITS/2017/01, EBA/GL/2016/07)

Moreover, it is noted that the Bank closely monitors and actively participates in Business as well as Individual Financing Support Programs running either by the Greek Government or by the competent European Institutions (Program "Gefyra" I & II, EAT, TEPIX, European Investment Fund, COSME, EIF e.t.c.).

Credit risk measurement systems

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

New Definition of Default

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

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

- Additional "Unlikeliness to Pay" trigger events such as Diminished Financial obligations (NPV Loss), Sale of Credit Obligations, Default to Subsidiaries.
- Change on the way of counting of Days Past Due meaning that hereafter the counting will be based on the existence of consecutive days of material past due.
- An additional three-month probation period from the moment the obligor is no longer materially past due and no indication of Unlikeliness to Pay occurs.

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

Definition

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

- Past Due Criterion

The Borrower is past due more than 90 consecutive days on any material amount of the credit obligation(s).

Particularly, for Alpha Bank Greece, exposures at Alpha Leasing and ABC Factors are taken into consideration at the calculation of the Past Due Criterion.

- Unlikeliness to Pay (UTP) Criterion

The Group considers that the Borrower is unlikely to pay its credit obligations without recourse by the Bank to actions such as realizing security.

Additionally, the Default classification and the EBA classification should be aligned and thus any FNPL or NPL exposure is considered as Defaulted.

For Retail exposures, the above specified definition of Default is applied at the level of an individual credit facility.

For Non-Retail exposures, the definition of Default is applied at the obligor level meaning that when at least one of the above specified criteria are met, the Obligor is considered as Defaulted. The Past Due Criterion is applied both at facility and at obligor level for exposures classified as Non-Retail, in order to be able to identify exposures for which the Past Due Criterion is satisfied at facility level, but not at obligor level.

Template 15a: EU CR1-A: Maturity of exposures 31.12.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f
		Net exposure value					
		On demand	**<= 1 year**	**> 1 year <= 5 years**	**> 5 years**	**No stated maturity**	**Total**
1	Loans and advances	177	5,862	16,833	13,988	-	36,860
2	Debt securities	-	1,383	4,071	4,330	-	9,784
3	**Total**	**177**	**7,245**	**20,904**	**18,318**	**-**	**46,644**

Template 15b: EU CR1-A: Maturity of exposures 30.6.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f
		Net exposure value					
		On demand	**<= 1 year**	**> 1 year <= 5 years**	**> 5 years**	**No stated maturity**	**Total**
1	Loans and advances	231	5,634	17,255	14,380	-	37,500
2	Debt securities	-	1,389	3,443	4,764	-	9,596
3	**Total**	**231**	**7,023**	**20,699**	**19,143**	**-**	**47,096**

Template 16a: EU CQ5: Credit quality of loans and advances to non-financial corporations by industry as of 31.12.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f
		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing	Of which defaulted	Of which loans and advances subject to impairment		
010	Agriculture, forestry and fishing	383	62	62	383	(37)	-
020	Mining and quarrying	63	12	12	63	(7)	-
030	Manufacturing	4,323	641	641	4,307	(345)	-
040	Electricity, gas, steam and air conditioning supply	1,474	1	1	1,474	(2)	-
050	Water supply	37	2	2	37	(1)	-
060	Construction	1,313	271	271	1,313	(175)	-
070	Wholesale and retail trade	4,018	1,089	1,089	4,005	(543)	(13)
080	Transport and storage	3,535	282	282	3,366	(73)	(87)
090	Accommodation and food service activities	2,579	196	196	2,579	(62)	-
100	Information and communication	197	53	53	197	(26)	-
110	Financial and insurance activities	-	-	-	-	-	-
120	Real estate activities	1,628	131	131	1,543	(53)	(27)
130	Professional, scientific and technical activities	279	24	24	279	(14)	-
140	Administrative and support service activities	323	39	39	323	(18)	-
150	Public administration and defense, compulsory social security	4	0	0	4	(0)	-
160	Education	74	24	24	74	(9)	-
170	Human health services and social work activities	233	20	20	233	(11)	-
180	Arts, entertainment and recreation	229	46	46	229	(35)	-
190	Other services	393	57	57	353	(79)	-
200	**Total**	**21,086**	**2,949**	**2,949**	**20,761**	**(1,488)**	**(127)**

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Template 16b: EU CQ5: Credit quality of loans and advances to non-financial corporations by industry as of 30.6.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f
		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing	Of which defaulted	Of which loans and advances subject to impairment		
010	Agriculture, forestry and fishing	344	88	88	344	(59)	-
020	Mining and quarrying	85	28	28	85	(17)	-
030	Manufacturing	4,216	873	873	4,200	(462)	-
040	Electricity, gas, steam and air conditioning supply	1,052	4	4	1,052	(4)	-
050	Water supply	43	3	3	43	(2)	-
060	Construction	2,134	966	966	2,134	(657)	-
070	Wholesale and retail trade	4,867	1,705	1,705	4,843	(873)	(23)
080	Transport and storage	3,409	344	344	3,188	(106)	(68)
090	Accommodation and food service activities	2,318	299	299	2,318	(101)	-
100	Information and communication	239	65	65	239	(36)	-
110	Financial and insurance activities	-	-	-	-	-	-
120	Real estate activities	1,672	364	364	1,574	(121)	(24)
130	Professional, scientific and technical activities	472	47	47	472	(24)	-
140	Administrative and support service activities	407	60	60	407	(35)	-
150	Public administration and defense, compulsory social security	3	0	0	3	(0)	-
160	Education	82	31	31	82	(11)	-
170	Human health services and social work activities	231	25	25	231	(15)	-
180	Arts, entertainment and recreation	255	68	68	255	(50)	-
190	Other services	437	105	105	388	(103)	(0)
200	**Total**	**22,266**	**5,074**	**5,074**	**21,857**	**(2,674)**	**(115)**

The tables below present the credit quality of the Group's exposures broken down by significant geographical area as of 31.12.2021 and 30.06.2021

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Template 17a: EU CQ4: Quality of non-performing exposures by geography as of 31.12.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f	g
		Gross carrying/nominal amount				Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing	Of which defaulted	Of which subject to impairment			
010	***On-balance-sheet exposures***	***49,017***	***5,120***	***5,120***	***48,654***	***(2,248)***		***(128)***
020	*Greece*	32,882	4,656	4,656	32,667	(2,046)		(58)
030	*United Kingdom*	853	17	17	843	(5)		-
040	*Romania*	3,092	162	162	3,064	(117)		(24)
050	*Cyprus*	1,219	81	81	1,219	(25)		-
070	*Other countries*	10,972	204	204	10,862	(56)		(45)
080	***Off-balance-sheet exposures***	***7,591***	***325***	***325***			***43***	
090	*Greece*	6,778	302	302			30	
100	*United Kingdom*	45	0	0			0	
110	*Romania*	532	8	8			8	
120	*Cyprus*	211	13	13			5	
140	*Other countries*	24	0	0			0	
150	**Total**	**56,608**	**5,445**	**5,445**	**48,654**	**(2,248)**	**43**	**(128)**

Template 17b: EU CQ4: Quality of non-performing exposures by geography as of 30.6.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f	g
		Gross carrying/nominal amount				Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing	Of which defaulted	Of which subject to impairment			
010	***On-balance-sheet exposures***	***53,141***	***11,364***	***11,364***	***52,698***	***(5,948)***		***(116)***
020	*Greece*	40,178	8,545	8,545	39,963	(4,175)		(40)
030	*United Kingdom*	1,594	699	699	1,567	(536)		-
040	*Romania*	2,976	186	186	2,936	(119)		(21)
050	*Cyprus*	2,628	1,523	1,523	2,628	(947)		-
070	*Other countries*	5,764	411	411	5,605	(172)		(55)
080	***Off-balance-sheet exposures***	***7,628***	***347***	***347***			***48***	
090	*Greece*	6,817	316	316			35	
100	*United Kingdom*	79	1	1			0	
110	*Romania*	472	17	17			5	
120	*Cyprus*	213	13	13			8	
140	*Other countries*	46	0	0			0	
150	**Total**	**60,769**	**11,711**	**11,711**	**52,698**	**(5,948)**	**48**	**(116)**

Template 18a: EU CQ2: Quality of forbearance as of 31.12.2021

(Amounts in millions of Euro)

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

Template 18b: EU CQ2: Quality of forbearance as of 31.12.2020

(Amounts in millions of Euro)

		a
		Gross carrying amount of forborne exposures
010	Loans and advances that have been forborne more than twice	8,923
020	Non-performing forborne loans and advances that failed to meet the non-performing exit criteria	9,390

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

Template 19a: EU CQ1: Credit quality of forborne exposures as of 31.12.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
				Of which defaulted	Of which impaired				
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
010	Loans and advances	2,575	3,534	3,534	3,378	(146)	(1,186)	3,979	1,939
020	*Central banks*	-	-	-	-	-	-	-	-
030	*General governments*	0	1	1	1	(0)	(0)	0	0
040	*Credit institutions*	-	-	-	-	-	-	-	-
050	*Other financial corporations*	1	1	1	1	(0)	(1)	1	0
060	*Non-financial corporations*	957	1,826	1,826	1,669	(32)	(777)	1,673	904
070	*Households*	1,617	1,706	1,706	1,706	(114)	(408)	2,305	1,034
080	Debt Securities	-	-	-	-	-	-	-	-
090	Loan commitments given	2	1	1	1	0	-	0	0
100	**Total**	**2,577**	**3,535**	**3,535**	**3,378**	**(146)**	**(1,186)**	**3,980**	**1,939**

Template 19b: EU CQ1: Credit quality of forborne exposures as of 30.6.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne						
				Of which defaulted	Of which impaired	On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
010	Loans and advances	4,261	7,678	7,678	7,497	(205)	(3,444)	6,758	3,465
020	*Central banks*	-	-	-	-	-	-	-	-
030	*General governments*	0	1	1	1	(0)	(0)	0	0
040	*Credit institutions*	-	-	-	-	-	-	-	-
050	*Other financial corporations*	2	4	4	4	(0)	(2)	2	1
060	*Non-financial corporations*	1,329	2,988	2,988	2,808	(48)	(1,309)	2,420	1,440
070	*Households*	2,930	4,686	4,686	4,686	(158)	(2,133)	4,336	2,023
080	Debt Securities	-	-	-	-	-	-	-	-
090	Loan commitments given	4	1	1	1	0	0	0	0
100	**Total**	**4,265**	**7,678**	**7,678**	**7,498**	**(205)**	**(3,444)**	**6,759**	**3,465**

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Template 20a: EU CQ3: Credit quality of performing and non-performing exposures by past due days as of 31.12.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l
		Gross carrying amount/nominal amount											
		Performing exposures			Non-performing exposures								
			Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted
005	Cash balances at central banks and other demand deposits	14,368	14,368	-	70	-	-	-	-	-	-	70	70
010	Loans and advances	34,082	33,877	205	5,120	2,709	251	419	272	552	149	768	5,120
020	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-
030	*General governments*	36	36	0	1	1	-	0	-	0	-	0	1
040	*Credit institutions*	-	-	-	-	-	-	-	-	-	-	-	-
050	*Other financial corporations*	5,783	5,783	0	3	2	0	0	0	0	0	0	3
060	*Non-financial corporations*	18,137	18,087	50	2,949	1,473	64	114	108	423	109	657	2,949
070	*Of which SMEs*	7,483	7,451	32	2,044	845	59	99	97	227	94	623	2,044
080	*Households*	10,126	9,971	155	2,168	1,233	188	305	164	129	40	110	2,168
090	Debt securities	9,815	9,815	-	-	-	-	-	-	-	-	-	-
100	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-
110	*General governments*	7,868	7,868	-	-	-	-	-	-	-	-	-	-
120	*Credit institutions*	999	999	-	-	-	-	-	-	-	-	-	-
130	*Other financial corporations*	34	34	-	-	-	-	-	-	-	-	-	-
140	*Non-financial corporations*	915	915	-	-	-	-	-	-	-	-	-	-
150	Off-balance-sheet exposures	7,266			325								325
160	*Central banks*	-			-								-
170	*General governments*	192			-								-
180	*Credit institutions*	653			-								-
190	*Other financial corporations*	66			4								4
200	*Non-financial corporations*	4,669			320								320
210	*Households*	1,686			1								1
220	**Total**	**65,531**	**58,060**	**205**	**5,515**	**2,709**	**251**	**419**	**272**	**552**	**149**	**838**	**5,515**

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Template 20b: EU CQ3: Credit quality of performing and non-performing exposures by past due days as of 30.6.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l
		Gross carrying amount/nominal amount											
		Performing exposures			Non-performing exposures								
			Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted
005	Cash balances at central banks and other demand deposits	12,274	12,274	-	70	-	-	-	-	-	-	70	70
010	Loans and advances	32,168	31,996	172	11,364	4,085	606	464	846	2,136	715	2,513	11,364
020	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-
030	*General governments*	64	64	-	1	1	0	-	0	0	-	0	1
040	*Credit institutions*	-	-	-	-	-	-	-	-	-	-	-	-
050	*Other financial corporations*	4,095	4,095	-	10	3	1	0	0	1	0	6	10
060	*Non-financial corporations*	17,192	17,151	41	5,074	2,165	192	114	306	707	253	1,338	5,074
070	*Of which SMEs*	7,343	7,303	40	3,193	1,182	110	86	133	446	140	1,096	3,193
080	*Households*	10,817	10,685	132	6,278	1,916	413	350	540	1,428	462	1,169	6,278
090	Debt securities	9,609	9,609	-	-	-	-	-	-	-	-	-	-
100	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-
110	*General governments*	7,955	7,955	-	-	-	-	-	-	-	-	-	-
120	*Credit institutions*	807	807	-	-	-	-	-	-	-	-	-	-
130	*Other financial corporations*	33	33	-	-	-	-	-	-	-	-	-	-
140	*Non-financial corporations*	814	814	-	-	-	-	-	-	-	-	-	-
150	Off-balance-sheet exposures	7,282			347								347
160	*Central banks*	-			-								-
170	*General governments*	192			-								-
180	*Credit institutions*	642			-								-
190	*Other financial corporations*	42			4								4
200	*Non-financial corporations*	4,670			342								342
210	*Households*	1,735			1								1
220	**Total**	**61,332**	**53,878**	**172**	**11,780**	**4,085**	**606**	**464**	**846**	**2,136**	**715**	**2,583**	**11,780**

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Template 21a: EU CR1: Performing and non-performing exposures and related provisions as of 31.12.2021[1]

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
005	Cash balances at central banks and other demand deposits	14,368	14,368	-	70	-	70	(0)	(0)	-	(70)	-	(70)		-	-
010	Loans and advances	34,082	28,188	4,883	5,120	-	4,069	(331)	(98)	(184)	(2,010)	-	(1,537)	(2,589)	26,472	2,593
020	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	*General governments*	36	36	1	1	-	1	(0)	(0)	(0)	(0)	-	(0)	(0)	36	0
040	*Credit institutions*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
050	*Other financial corporations*	5,783	5,742	38	3	-	1	(2)	(2)	(0)	(1)	-	(1)	(5)	5,558	1
060	*Non-financial corporations*	18,137	15,676	2,101	2,949	-	2,365	(146)	(86)	(51)	(1,470)	-	(1,116)	(1,889)	13,003	1,293
070	*Of which SMEs*	7,483	6,074	1,306	2,044	-	1,718	(47)	(6)	(35)	(1,048)	-	(843)	(1,265)	5,259	834
080	*Households*	10,126	6,734	2,743	2,168	-	1,702	(183)	(10)	(133)	(538)	-	(420)	(695)	7,876	1,299
090	Debt securities	9,815	9,766	13	-	-	-	(35)	(33)	(2)	-	-	-	-	-	-
100	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	*General governments*	7,868	7,868	-	-	-	-	(16)	(16)	-	-	-	-	-	-	-
120	*Credit institutions*	999	996	-	-	-	-	(14)	(14)	-	-	-	-	-	-	-
130	*Other financial corporations*	34	1	-	-	-	-	(0)	(0)	-	-	-	-	-	-	-
140	*Non-financial corporations*	915	901	13	-	-	-	(5)	(3)	(2)	-	-	-	-	-	-
150	Off-balance-sheet exposures	7,266	6,839	427	325	-	324	(6)	(3)	(3)	(36)	-	(36)		990	50
160	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-		-	-
170	*General governments*	192	191	1	-	-	-	(0)	(0)	(0)	-	-	-		0	-
180	*Credit institutions*	653	646	7	-	-	-	(0)	(0)	(0)	-	-	-		-	-
190	*Other financial corporations*	66	65	1	4	-	4	(0)	(0)	(0)	(0)	-	(0)		12	0
200	*Non-financial corporations*	4,669	4,312	357	320	-	320	(6)	(3)	(3)	(36)	-	(36)		939	50
210	*Households*	1,686	1,625	61	1	-	1	(0)	(0)	(0)	(0)	-	(0)		39	0
220	**Total**	**65,531**	**59,161**	**5,322**	**5,515**	**-**	**4,463**	**(373)**	**(135)**	**(189)**	**(2,116)**	**-**	**(1,643)**	**(2,589)**	**27,462**	**2,643**

[1] Exposures not measured at amortized cost and POCI exposures are excluded from the breakdown per IFRS 9 Stage.

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Template 21b: EU CR1: Performing and non-performing exposures and related provisions as of 30.6.2021[2]

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
005	Cash balances at central banks and other demand deposits	12,274	12,274	-	70	-	70	(1)	(1)	-	(70)	-	(70)		-	-
010	Loans and advances	32,168	25,577	5,367	11,364	-	8,922	(414)	(125)	(231)	(5,619)	-	(4,412)	(5,292)	24,496	4,788
020	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	*General governments*	64	64	1	1	-	1	(0)	(0)	(0)	(0)	-	(0)	(0)	56	1
040	*Credit institutions*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
050	*Other financial corporations*	4,095	4,086	7	10	-	8	(2)	(1)	(0)	(7)	-	(6)	(10)	3,905	3
060	*Non-financial corporations*	17,192	14,559	2,207	5,074	-	4,041	(189)	(106)	(72)	(2,601)	-	(2,009)	(3,511)	12,126	2,122
070	*Of which SMEs*	7,343	6,033	1,186	3,193	-	2,642	(66)	(18)	(42)	(1,660)	-	(1,315)	(2,096)	5,015	1,282
080	*Households*	10,817	6,869	3,152	6,278	-	4,872	(223)	(18)	(159)	(3,011)	-	(2,396)	(1,771)	8,409	2,663
090	Debt securities	9,609	9,554	24	-	-	-	(31)	(31)	(0)	-	-	-	-	-	-
100	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	*General governments*	7,955	7,955	-	-	-	-	(17)	(17)	-	-	-	-	-	-	-
120	*Credit institutions*	807	805	-	-	-	-	(11)	(11)	-	-	-	-	-	-	-
130	*Other financial corporations*	33	5	-	-	-	-	(0)	(0)	-	-	-	-	-	-	-
140	*Non-financial corporations*	814	790	24	-	-	-	(3)	(3)	(0)	-	-	-	-	-	-
150	Off-balance-sheet exposures	7,282	6,889	391	347	-	347	(13)	(5)	(8)	(35)	-	(35)		1,106	64
160	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-		-	-
170	*General governments*	192	192	1	-	-	-	(0)	(0)	(0)	-	-	-		0	-
180	*Credit institutions*	642	641	1	-	-	-	(1)	(1)	(0)	-	-	-		-	-
190	*Other financial corporations*	42	42	0	4	-	4	(0)	(0)	(0)	(0)	-	(0)		6	0
200	*Non-financial corporations*	4,670	4,339	331	342	-	342	(11)	(3)	(8)	(35)	-	(35)		1,065	63
210	*Households*	1,735	1,676	59	1	-	0	(1)	(1)	(0)	(0)	-	(0)		34	0
220	**Total**	**61,332**	**54,294**	**5,782**	**11,780**	**-**	**9,339**	**(459)**	**(161)**	**(239)**	**(5,724)**	**-**	**(4,517)**	**(5,292)**	**25,602**	**4,851**

[2] Exposures not measured at amortized cost and POCI exposures are excluded from the breakdown per IFRS 9 Stage.

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Template 22a: EU CR2a: Changes in the stock of non-performing loans and advances and related net accumulated recoveries as of 31.12.2021

(Amounts in millions of Euro)

		a	b
		Gross carrying amount	Related net accumulated recoveries
010	**Initial stock of non-performing loans and advances**	**20,901**	
020	Inflows to non-performing portfolios	2,820	
030	Outflows from non-performing portfolios	(18,601)	
040	Outflow to performing portfolio	(1,264)	
050	Outflow due to loan repayment, partial or total	(429)	
060	Outflow due to collateral liquidations	(16)	12
070	Outflow due to taking possession of collateral	(104)	39
080	Outflow due to sale of instruments	(12)	0
090	Outflow due to risk transfers	(9,993)	3,672
100	Outflows due to write-offs	(431)	
110	Outflow due to other situations	(67)	
120	Outflow due to reclassification as held for sale	(6,283)	
130	**Final stock of non-performing loans and advances**	**5,120**	

Template 22b: EU CR2a: Changes in the stock of non-performing loans and advances and related net accumulated recoveries as of 31.12.2020

(Amounts in millions of Euro)

		a	b
		Gross carrying amount	Related net accumulated recoveries
010	**Initial stock of non-performing loans and advances**	**21,827**	
020	Inflows to non-performing portfolios	2,018	
030	Outflows from non-performing portfolios	(2,944)	
040	Outflow to performing portfolio	(1,143)	
050	Outflow due to loan repayment, partial or total	(493)	
060	Outflow due to collateral liquidations	(219)	67
070	Outflow due to taking possession of collateral	(257)	113
080	Outflow due to sale of instruments	(10)	0
090	Outflow due to risk transfers	-	-
100	Outflows due to write-offs	(709)	
110	Outflow due to other situations	(113)	
120	Outflow due to reclassification as held for sale	(0)	
130	**Final stock of non-performing loans and advances**	**20,901**	

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

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

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

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

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

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

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

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

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

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

Template 23a EU CR5 – standardised approach as of 31.12.2021

(Amounts in millions of Euro)

	Exposure classes	Risk weight															Total	Of which unrated
		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others		
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
1	Central governments or central banks	20,196	-	-	-	5	-	-	-	-	2,891	-	490	-	-	-	23,581	
2	Regional government or local authorities	-	-	-	-	10	-	-	-	-	-	-	-	-	-	-	10	
3	Public sector entities	1,005	-	-	-	0	-	-	-	-	642	-	-	-	-	-	1,647	
4	Multilateral development banks	368	-	-	-	-	-	-	-	-	-	-	-	-	-	-	368	
5	International organisations	208	-	-	-	-	-	-	-	-	-	-	-	-	-	-	208	
6	Institutions	2	-	-	-	994	-	471	-	-	323	48	-	-	-	-	1,839	
7	Corporates	-	-	-	-	12	-	103	-	-	9,744	135	-	-	-	-	9,995	
8	Retail exposures	-	-	-	-	-	-	-	-	2,937	-	-	-	-	-	-	2,937	
9	Exposures secured by mortgages on immovable property	-	-	-	-	-	6,891	3,921	-	928	1,107	-	-	-	-	-	12,847	
10	Exposures in default	-	-	-	-	-	-	-	-	-	2,463	406	-	-	-	-	2,869	
11	Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	176	-	-	-	-	176	
12	Covered bonds	-	-	-	-	-	-	2	-	-	-	-	-	-	-	-	2	
13	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
14	Units or shares in collective investment undertakings	-	-	-	-	-	-	-	-	-	7	-	-	-	-	-	7	
15	Equity exposures	-	-	-	-	-	-	-	-	-	269	-	75	-	-	-	344	
16	Other items	437	-	-	-	-	-	-	-	-	4,070	-	-	-	-	-	4,507	
17	**TOTAL**	**22,217**	**-**	**-**	**-**	**1,022**	**6,891**	**4,499**	**-**	**3,865**	**21,516**	**765**	**565**	**-**	**-**	**-**	**61,340**	

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Template 23b EU CR5 – standardised approach as of 30.06.2021

(Amounts in millions of Euro)

	Exposure classes	Risk weight															Total	Of which unrated
		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others		
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
1	Central governments or central banks	17,685	-	-	-	12	-	-	-	-	3,125	-	504	-	-	-	21,326	
2	Regional government or local authorities	-	-	-	-	11	-	-	-	-	-	-	-	-	-	-	11	
3	Public sector entities	1,036	-	-	-	0	-	-	-	-	645	-	-	-	-	-	1,680	
4	Multilateral development banks	404	-	-	-	-	-	-	-	-	-	-	-	-	-	-	404	
5	International organisations	209	-	-	-	-	-	-	-	-	-	-	-	-	-	-	209	
6	Institutions	1,198	-	-	-	728	-	483	-	-	37	163	-	-	-	-	2,610	
7	Corporates	-	-	-	-	10	-	79	-	-	10,141	75	-	-	-	-	10,305	
8	Retail exposures	-	-	-	-	-	-	-	-	3,155	-	-	-	-	-	-	3,155	
9	Exposures secured by mortgages on immovable property	-	-	-	-	-	7,346	4,018	-	1,151	1,253	-	-	-	-	-	13,768	
10	Exposures in default	-	-	-	-	-	-	-	-	-	4,683	833	-	-	-	-	5,516	
11	Exposures associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	176	-	-	-	-	176	
12	Covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
13	Exposures to institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
14	Units or shares in collective investment undertakings	0	-	-	-	-	-	-	-	-	7	-	-	-	-	-	7	
15	Equity exposures	-	-	-	-	-	-	-	-	-	233	-	94	-	-	-	327	
16	Other items	410	-	-	-	-	-	-	-	-	3,042	-	-	-	-	-	3,452	
17	**TOTAL**	**20,942**	**-**	**-**	**-**	**761**	**7,346**	**4,580**	**-**	**4,306**	**23,165**	**1,247**	**597**	**-**	**-**	**-**	**62,944**	

7.5 Credit risk mitigation

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

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

7.5.1 Collateral valuation and management policies and procedures

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

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

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

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

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

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

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

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

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

7.5.2 Description of the main collateral types

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

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

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

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

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

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

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

Template 24a: EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques as of 31.12.2021

(Amounts in millions of Euro)

		Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
		a	b	c	d	e
1	Loans and advances	24,575	29,065	20,948	8,117	-
2	Debt securities	9,815	-	-	-	
3	**Total**	**34,390**	**29,065**	**20,948**	**8,117**	**-**
4	*Of which non-performing exposures*	2,527	2,593	2,333	260	-
EU-5	*Of which defaulted*	2,527	2,593			

Template 24b: EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques as of 30.6.2021

(Amounts in millions of Euro)

		Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
		a	b	c	d	e
1	Loans and advances	26,592	29,284	22,761	6,522	-
2	Debt securities	9,609	-	-	-	
3	**Total**	**36,201**	**29,284**	**22,761**	**6,522**	**-**
4	*Of which non-performing exposures*	6,576	4,788	4,478	309	-
EU-5	*Of which defaulted*	6,576	4,788			

Template 25a: EU CR4 – standardised approach – Credit risk exposure and CRM effects as of 31.12.2021

(Amounts in millions of Euro)

	Exposure classes	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWAs density (%)
		a	b	c	d	e	f
1	Central governments or central banks	23,025	189	23,581	-	4,117	17.46%
2	Regional government or local authorities	10	1	10	0	2	20.00%
3	Public sector entities	642	3	1,647	1	642	38.97%
4	Multilateral development banks	75	-	368	0	-	0.00%
5	International organisations	208	-	208	-	-	0.00%
6	Institutions	2,042	591	1,838	0	829	45.09%
7	Corporates	10,515	3,510	9,360	635	8,977	89.81%
8	Retail	3,591	2,922	2,796	141	2,027	69.02%
9	Secured by mortgages on immovable property	13,067	51	12,828	20	5,671	44.14%
10	Exposures in default	3,043	283	2,825	45	3,072	107.07%
11	Exposures associated with particularly high risk	198	-	176	-	265	150.00%
12	Covered bonds	2	-	2	-	1	50.00%
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	0.00%
14	Collective investment undertakings	7	-	7	-	7	100.00%
15	Equity	344	-	344	-	457	132.79%
16	Other items	4,507	1	4,507	-	4,070	90.30%
17	**TOTAL**	**61,276**	**7,551**	**60,499**	**841**	**30,137**	**49.13%**

Template 25b: EU CR4 – standardised approach – Credit risk exposure and CRM effects as of 30.06.2021

(Amounts in millions of Euro)

	Exposure classes	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWAs density (%)
		a	b	c	d	e	f
1	Central governments or central banks	20,761	190	21,326	-	4,386	20.57%
2	Regional government or local authorities	11	1	11	0	2	20.00%
3	Public sector entities	644	4	1,680	1	645	38.38%
4	Multilateral development banks	105	-	404	0	-	0.00%
5	International organisations	209	-	209	-	-	0.00%
6	Institutions	2,811	573	2,608	1	669	25.63%
7	Corporates	10,889	3,462	9,690	615	9,214	89.41%
8	Retail	3,750	2,959	3,012	143	2,153	68.26%
9	Secured by mortgages on immovable property	13,965	84	13,737	31	6,116	44.42%
10	Exposures in default	5,688	281	5,441	75	5,933	107.55%
11	Exposures associated with particularly high risk	198	-	176	-	264	150.00%
12	Covered bonds	-	-	-	-	-	0.00%
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	0.00%
14	Collective investment undertakings	7	-	7	-	7	98.01%
15	Equity	327	-	327	-	467	143.03%
16	Other items	3,452	1	3,452	-	3,042	88.11%
17	**TOTAL**	**62,817**	**7,554**	**62,079**	**865**	**32,899**	**52.27%**

7.6 Concentration Risk on Collateral

Collaterals are received both for Wholesale and Retail lending in order to mitigate credit risk that may arise from the obligor's inability to fulfill his contractual obligations. Collaterals include all kind of assets and rights which are made available to the Bank either by their debtors or by third parties, in order to be used as complementary liquidity sources of relative loans. The mitigation tools applied by the Bank include two broad categories: intangible and tangible collaterals.

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

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

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Template 26a: EU CQ6: Collateral valuation - loans and advances as of 31.12.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l
		Loans and advances											
			Performing		**Non-performing**								
						Unlikely to pay that are not past due or are past due ≤ 90 days	**Past due > 90 days**						
				Of which past due > 30 days ≤ 90 days				**Of which past due > 90 days ≤ 180 days**	**Of which: past due > 180 days ≤ 1 year**	**Of which: past due > 1 years ≤ 2 years**	**Of which: past due > 2 years ≤ 5 years**	**Of which: past due > 5 years ≤ 7 years**	**Of which: past due > 7 years**
010	Gross carrying amount	39,202	34,082	205	5,120	2,709	2,412	251	419	272	552	149	768
020	*Of which secured*	32,635	28,597	138	4,038	2,319	1,719	186	268	168	437	126	533
030	*Of which secured with immovable property*	17,825	14,554	115	3,270	1,978	1,292	176	257	138	282	78	361
040	*Of which instruments with LTV higher than 60% and lower or equal to 80%*	3,697	3,403		294	188	105						
050	*Of which instruments with LTV higher than 80% and lower or equal to 100%*	4,341	3,635		706	452	254						
060	*Of which instruments with LTV higher than 100%*	6,109	4,083		2,026	1,200	826						
070	Accumulated impairment for secured assets	(1,457)	(130)	(4)	(1,328)	(564)	(763)	(37)	(52)	(45)	(231)	(56)	(341)
080	Collateral												
090	*Of which value capped at the value of exposure*	*20,948*	*18,615*	*122*	*2,333*	*1,576*	*757*	*135*	*199*	*99*	*152*	*38*	*132*
100	*Of which immovable property*	*14,372*	*12,380*	*104*	*1,992*	*1,335*	*657*	*129*	*194*	*92*	*112*	*32*	*97*
110	*Of which value above the cap*	*19,277*	*17,806*	*79*	*1,471*	*699*	*771*						
120	*Of which immovable property*	*10,927*	*9,863*	*65*	*1,065*	*525*	*539*						
130	Financial guarantees received	*8,117*	*7,857*	*6*	*260*	*92*	*168*	*6*	*4*	*18*	*51*	*32*	*56*
140	Accumulated partial write-off	*(2,589)*	*(552)*	*(3)*	*(2,037)*	*(677)*	*(1,360)*	*(44)*	*(101)*	*(82)*	*(414)*	*(135)*	*(584)*

Template 26b: EU CQ6: Collateral valuation - loans and advances as of 31.12.2020

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l
		Loans and advances											
			Performing		**Non-performing**								
						Unlikely to pay that are not past due or are past due ≤ 90 days	**Past due > 90 days**						
				Of which past due > 30 days ≤ 90 days				**Of which past due > 90 days ≤ 180 days**	**Of which: past due > 180 days ≤ 1 year**	**Of which: past due > 1 years ≤ 2 years**	**Of which: past due > 2 years ≤ 5 years**	**Of which: past due > 5 years ≤ 7 years**	**Of which: past due > 7 years**
010	Gross carrying amount	49,129	28,228	342	20,901	6,280	14,621	335	622	2,057	3,363	1,204	7,041
020	*Of which secured*	38,826	22,176	299	16,650	5,206	11,444	234	456	1,383	2,591	1,022	5,757
030	*Of which secured with immovable property*	30,497	15,192	268	15,304	4,702	10,603	220	443	1,247	2,430	967	5,295
040	*Of which instruments with LTV higher than 60% and lower or equal to 80%*	3,525	2,667		857	427	430						
050	*Of which instruments with LTV higher than 80% and lower or equal to 100%*	6,709	3,973		2,737	1,039	1,698						
060	*Of which instruments with LTV higher than 100%*	15,514	4,654		10,860	2,838	8,022						
070	Accumulated impairment for secured assets	(6,453)	(268)	(9)	(6,185)	(1,038)	(5,147)	(58)	(169)	(575)	(1,146)	(474)	(2,725)
080	Collateral												
090	*Of which value capped at the value of exposure*	*27,905*	*18,263*	*241*	*9,642*	*3,770*	*5,872*	*156*	*279*	*765*	*1,341*	*528*	*2,804*
100	*Of which immovable property*	*21,575*	*12,931*	*227*	*8,645*	*3,313*	*5,332*	*154*	*272*	*653*	*1,254*	*488*	*2,512*
110	*Of which value above the cap*	*20,217*	*14,892*	*158*	*5,325*	*1,779*	*3,546*						
120	*Of which immovable property*	*13,816*	*10,110*	*123*	*3,706*	*1,353*	*2,354*						
130	Financial guarantees received	*2,598*	*2,290*	*30*	*309*	*109*	*199*	*14*	*9*	*31*	*56*	*13*	*78*
140	Accumulated partial write-off	*(11,419)*	*(669)*	*(2)*	*(10,751)*	*(1,920)*	*(8,830)*	*(80)*	*(99)*	*(600)*	*(1,942)*	*(583)*	*(5,527)*

Template 27a: EU CQ7: Collateral obtained by taking possession and execution processes as of 31.12.2021

(Amounts in millions of Euro)

		a	b
		Collateral obtained by taking possession	
		Value at initial recognition	Accumulated negative changes
010	Property, plant and equipment (PP&E)	47	(12)
020	Other than PP&E	1,059	(243)
030	*Residential immovable property*	358	(67)
040	*Commercial Immovable property*	691	(170)
050	*Movable property (auto, shipping, etc.)*	0	-
060	*Equity and debt instruments*	11	(6)
070	*Other collateral*	-	-
080	**Total**	**1,106**	**(255)**

Template 27b: EU CQ7: Collateral obtained by taking possession and execution processes as of 30.6.2021

(Amounts in millions of Euro)

		a	b
		Collateral obtained by taking possession	
		Value at initial recognition	Accumulated negative changes
010	Property, plant and equipment (PP&E)	47	(12)
020	Other than PP&E	1,058	(173)
030	*Residential immovable property*	345	(31)
040	*Commercial Immovable property*	703	(136)
050	*Movable property (auto, shipping, etc.)*	0	-
060	*Equity and debt instruments*	11	(5)
070	*Other collateral*	-	-
080	**Total**	**1,105**	**(185)**

Template 28a: EU CQ8: Collateral obtained by taking possession and execution processes – vintage breakdown as of 31.12.2021

(Amounts in millions of Euro)

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

Template 28b: EU CQ8: Collateral obtained by taking possession and execution processes – vintage breakdown as of 31.12.2020

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l
		Debt balance reduction		Total collateral obtained by taking possession									
						Foreclosed ≤ 2 years		Foreclosed > 2 years ≤ 5 years		Foreclosed > 5 years		Of which non-current assets held-for-sale	
		Gross carrying amount	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes
010	Collateral obtained by taking possession classified as PP&E	9	-	48	(12)								
020	Collateral obtained by taking possession other than that classified as PP&E	723	(74)	1,142	(230)	361	(15)	244	(36)	537	(179)	110	(64)
030	*Residential immovable property*	217	-	333	(32)	196	(12)	63	(6)	74	(14)	6	(1)
040	*Commercial immovable property*	430	-	799	(195)	159	(3)	177	(26)	463	(165)	105	(63)
050	*Movable property (auto, shipping, etc.)*	-	-	0	-	-	-	-	-	0	-	-	-
060	*Equity and debt instruments*	76	(74)	11	(3)	6	-	4	(3)	-	-	-	-
070	*Other collateral*	-	-	-	-	-	-	-	-	-	-	-	-
080	***Total***	732	(74)	1,190	(242)	361	(15)	244	(36)	537	(179)	110	(64)

7.7 Additional Credit Risk reporting due to COVID-19

The EBA compliant moratoria on loan repayments that were applied in light of the COVID-19 crisis, in accordance with EBA/GL/2020/02, are all expired as of 31.12.2021. To this end and in accordance with the provisions of the EBA/GL/2020/07 (Background and Rationale, par. 16) the Bank does not disclose information in Template 1 “Information on loans and advances subject to legislative and non-legislative moratoria for the 31.12.2021 and 30.6.2021 reference dates.

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

Template 29a: COVID2: Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria as of 31.12.2021

(Amounts in millions of Euro)

	a	b	c	d	e	f	g	h	i
	Number of obligors	Gross carrying amount							
			Of which: legislative moratoria	Of which: expired	Residual maturity of moratoria				
					<= 3 months	> 3 months <= 6 months	> 6 months <= 9 months	> 9 months <= 12 months	> 1 year
Loans and advances for which moratorium was offered	169,651	9,286							
Loans and advances subject to moratorium (granted)	115,855	7,369	796	7,369					
of which: Households		3,880	408	3,880					
of which: Collateralised by residential immovable property		3,171	362	3,171					
of which: Non-financial corporations		3,461	375	3,461					
of which: Small and Medium-sized Enterprises		2,083	36	2,083					
of which: Collateralised by commercial immovable property		2,165	318	2,165					

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Template 29b: COVID2: Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria as of 30.6.2021

(Amounts in millions of Euro)

	a	b	c	d	e	f	g	h	i
	Number of obligors	Gross carrying amount							
			Of which: legislative moratoria	Of which: expired	Residual maturity of moratoria				
					<= 3 months	> 3 months <= 6 months	> 6 months <= 9 months	> 9 months <= 12 months	> 1 year
Loans and advances for which moratorium was offered	186,503	10,690							
Loans and advances subject to moratorium (granted)	139,062	8,651	1,185	8,564	22	65			
of which: Households		4,666	494	4,606	13	47			
of which: Collateralised by residential immovable property		3,699	429	3,649	11	39			
of which: Non-financial corporations		3,954	674	3,928	9	17			
of which: Small and Medium-sized Enterprises		2,294	53	2,269	9	16			
of which: Collateralised by commercial immovable property		2,487	591	2,468	7	12			

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

Template 30a: COVID3: Information on newly originated loans and advances provided under newly applicable public guarantee schemes introduced in response to COVID-19 crisis as of 31.12.2021

(Amounts in millions of Euro)

		a	b	c	d
		Gross carrying amount		Maximum amount of the guarantee that can be considered	Gross carrying amount
			of which: forborne	Public guarantees received	Inflows to non-performing exposures
1	Newly originated loans and advances subject to public guarantee schemes	1,337	0	1,076	2
2	of which: Households				
3	of which: Collateralised by residential immovable property				
4	of which: Non-financial corporations	1,337	0	1,076	2
5	of which: Small and Medium-sized Enterprises	1,011			2
6	of which: Collateralised by commercial immovable property	9			

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Template 30b: COVID3: Information on newly originated loans and advances provided under newly applicable public guarantee schemes introduced in response to COVID-19 crisis as of 30.6.2021

(Amounts in millions of Euro)

		a	b	c	d
		Gross carrying amount		Maximum amount of the guarantee that can be considered	Gross carrying amount
			of which: forborne	Public guarantees received	Inflows to non-performing exposures
1	Newly originated loans and advances subject to public guarantee schemes	1,358		1,092	3
2	of which: Households				
3	of which: Collateralised by residential immovable property				
4	of which: Non-financial corporations	1,355		1,089	3
5	of which: Small and Medium-sized Enterprises	1,005			3
6	of which: Collateralised by commercial immovable property	10			

8 Counterparty credit risk (CCR)

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

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

The Group has the first two types of transactions.

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

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

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

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

Template 31a: EU CCR1 – Analysis of CCR by approach as of 31.12.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h
		Replacement cost (RC)	**Potential future exposure (PFE)**	**EEPE**	**Alpha used for computing regulatory exposure value**	**Exposure value pre-CRM**	**Exposure value post-CRM**	**Exposure value**	**RWEA**
EU1	EU - Original Exposure Method (for derivatives)				1.4				
EU2	EU - Simplified SA-CCR (for derivatives)				1.4				
1	SA-CCR (for derivatives)	148	113		1.4	1,127	365	365	216
2	IMM (for derivatives and SFTs)								
2a	*Of which securities financing transactions netting sets*								
2b	*Of which derivatives and long settlement transactions netting sets*								
2c	*Of which from contractual cross-product netting sets*								
3	Financial collateral simple method (for SFTs)								
4	Financial collateral comprehensive method (for SFTs)					839			
5	VaR for SFTs								
6	**Total**					**1,966**	**365**	**365**	**216**

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Template 31b: EU CCR1 – Analysis of CCR by approach as of 30.06.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h
		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
EU1	EU - Original Exposure Method (for derivatives)				1.4				
EU2	EU - Simplified SA-CCR (for derivatives)				1.4				
1	SA-CCR (for derivatives)	163	117		1.4	392	392	392	206
2	IMM (for derivatives and SFTs)								
2a	*Of which securities financing transactions netting sets*								
2b	*Of which derivatives and long settlement transactions netting sets*								
2c	*Of which from contractual cross-product netting sets*								
3	Financial collateral simple method (for SFTs)								
4	Financial collateral comprehensive method (for SFTs)					1,430	-	-	-
5	VaR for SFTs					-	-	-	-
6	**Total**					**1,822**	**392**	**392**	**206**

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

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

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

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

The following tables present the CVA calculation of the Group:

Template 32a: EU CCR2 – Transactions subject to own funds requirements for CVA risk as of 31.12.2021

(Amounts in millions of Euro)

		a	b
		Exposure value	**RWEA**
1	Total transactions subject to the Advanced method		
2	(i) VaR component (including the 3× multiplier)		-
3	(ii) stressed VaR component (including the 3× multiplier)		-
4	Transactions subject to the Standardised method	33	21
EU4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)		
5	**Total transactions subject to own funds requirements for CVA risk**	**33**	**21**

Template 32b: EU CCR2 – Transactions subject to own funds requirements for CVA risk as of 30.06.2021

(Amounts in millions of Euro)

		a	b
		Exposure value	**RWEA**
1	Total transactions subject to the Advanced method		-
2	(i) VaR component (including the 3× multiplier)		-
3	(ii) stressed VaR component (including the 3× multiplier)		-
4	Transactions subject to the Standardised method	26	21
EU4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)		
5	**Total transactions subject to own funds requirements for CVA risk**	**26**	**21**

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

Template 33a: EU CCR8 – Exposures to CCPs as of 31.12.2021

(Amounts in millions of Euro)

		a	b
		Exposure value	RWEA
1	**Exposures to QCCPs (total)**		**2**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	87	2
3	(i) OTC derivatives	87	2
4	(ii) Exchange-traded derivatives		
5	(iii) SFTs		
6	(iv) Netting sets where cross-product netting has been approved		
7	Segregated initial margin		
8	Non-segregated initial margin	54	
9	Prefunded default fund contributions		
10	Unfunded default fund contributions		
11	**Exposures to non-QCCPs (total)**		
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which		
13	(i) OTC derivatives		
14	(ii) Exchange-traded derivatives		
15	(iii) SFTs		
16	(iv) Netting sets where cross-product netting has been approved		
17	Segregated initial margin		
18	Non-segregated initial margin		
19	Prefunded default fund contributions		
20	Unfunded default fund contributions		

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

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Template 33b: EU CCR8 – Exposures to CCPs as of 30.06.2021

(Amounts in millions of Euro)

		a	b
		Exposure value	**RWEA**
1	**Exposures to QCCPs (total)**		**1**
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	39	1
3	(i) OTC derivatives	39	1
4	(ii) Exchange-traded derivatives		
5	(iii) SFTs		
6	(iv) Netting sets where cross-product netting has been approved		
7	Segregated initial margin		
8	Non-segregated initial margin		
9	Prefunded default fund contributions		
10	Unfunded default fund contributions		
11	**Exposures to non-QCCPs (total)**		
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which		
13	(i) OTC derivatives		
14	(ii) Exchange-traded derivatives		
15	(iii) SFTs		
16	(iv) Netting sets where cross-product netting has been approved		
17	Segregated initial margin		
18	Non-segregated initial margin		
19	Prefunded default fund contributions		
20	Unfunded default fund contributions		

The tables below show the CCR exposures by regulatory portfolio and risk as of 31.12.2021 and 30.06.2021.

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Template 34a: EU CCR3 – Standardized approach – CCR exposures by regulatory portfolio and risk as of 31.12.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l
	Exposure classes	**Risk weight**											**Total exposure value**
		0%	**2%**	**4%**	**10%**	**20%**	**50%**	**70%**	**75%**	**100%**	**150%**	**Others**	
1	Central governments or central banks	23								-			23
2	Regional government or local authorities												-
3	Public sector entities									-			-
4	Multilateral development banks												-
5	International organisations												-
6	Institutions	111	87			111	21			1			331
7	Corporates									274			274
8	Retail								5				5
9	Institutions and corporates with a short-term credit assessment												-
10	Other items												-
11	**Total exposure value**	**134**	**87**			**111**	**21**		**5**	**275**			**634**

Template 34b: EU CCR3 – Standardized approach – CCR exposures by regulatory portfolio and risk as of 30.06.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l
	Exposure classes	**Risk weight**											**Total exposure value**
		0%	**2%**	**4%**	**10%**	**20%**	**50%**	**70%**	**75%**	**100%**	**150%**	**Others**	
1	Central governments or central banks	23											23
2	Regional government or local authorities												
3	Public sector entities												
4	Multilateral development banks												
5	International organisations												
6	Institutions	89	39			133	37						298
7	Corporates									321			321
8	Retail								7				7
9	Institutions and corporates with a short-term credit assessment												
10	Other items									0			0
11	**Total exposure value**	**112**	**39**			**133**	**37**		**7**	**321**			**649**

The following tables provide a breakdown of all types of collateral posted or received to support or reduce CCR exposures related to derivative transactions or to securities financing transaction (SFTs) as of 31.12.2021 and 30.06.2021.

Template 35a: EU CCR5 – Composition of collateral for CCR exposures 31.12.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h
		Collateral used in derivative transactions				Collateral used in SFTs			
	Collateral type	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
		Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
1	Cash – domestic currency	53	14	178	950	-	-	-	-
2	Cash – other currencies	0	-	1	-	-	-	-	-
3	Domestic sovereign debt	-	750	-	-	-	77	-	77
4	Other sovereign debt	-	-	-	-	-	890	-	672
5	Government agency debt	-	-	-	-	-	-	-	-
6	Corporate bonds	-	-	-	-	-	62	-	-
7	Equity securities	-	-	-	-	-	-	-	-
8	Other collateral	-	-	-	-	-	664	-	420
9	**Total**	**53**	**764**	**179**	**950**	**-**	**1,693**	**-**	**1,169**

Template 35b: EU CCR5 – Composition of collateral for CCR exposures 30.06.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h
		Collateral used in derivative transactions				Collateral used in SFTs			
	Collateral type	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
		Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
1	Cash – domestic currency	28	2	174	1,045	-	4	-	973
2	Cash – other currencies	0	0	2	-	-	-	-	0
3	Domestic sovereign debt	-	900	-	-	-	600	-	-
4	Other sovereign debt	-	-	-	-	-	898	-	-
5	Government agency debt	-	-	-	-	-	-	-	-
6	Corporate bonds	-	-	-	-	-	-	-	-
7	Equity securities	-	-	-	-	-	-	-	-
8	Other collateral	-	-	-	-	-	-	-	-
9	**Total**	**28**	**902**	**176**	**1,045**	**-**	**1,503**	**-**	**973**

9 Market Risk

9.1 Market Risk Management Framework

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

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

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

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

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

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

9.2 IMA approach for market risk

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

Since December 2019, the stress period used by the Bank is January 2016 – December 2016. The selection of the stress period is based on the assessment of the most volatile period in recent history.

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

The own fund requirements under the IMA at 31.12.2021 are displayed in the following table:

Template 36a: EU MR2-A - Market risk under the internal Model Approach (IMA) as of 31.12.2021

(Amounts in millions of Euro)

		a	b
		RWAs	**Own funds requirements**
1	**VaR** (higher of values a and b)	446	36
(a)	Previous day's VaR (VaRt-1)		9
(b)	Multiplication factor (mc) x average of previous 60 working days (VaRavg)		36
2	**SVaR** (higher of values a and b)	890	71
(a)	Latest available SVaR (SVaRt-1))		18
(b)	Multiplication factor (ms) x average of previous 60 working days (sVaRavg)		71
3	**IRC** (higher of values a and b)		
(a)	Most recent IRC measure		
(b)	12 weeks average IRC measure		
4	**Comprehensive risk measure** (higher of values a, b and c)		
(a)	Most recent risk measure of comprehensive risk measure		
(b)	12 weeks average of comprehensive risk measure		
(c)	Comprehensive risk measure Floor		
5	Other		
6	**Total**	1,335	107

Template 36b: EU MR2-A - Market risk under the internal Model Approach (IMA) as of 30.6.2021

(Amounts in millions of Euro)

		a	b
		RWAs	**Own funds requirements**
1	**VaR** (higher of values a and b)	454	36
(a)	Previous day's VaR (VaRt-1)		12
(b)	Multiplication factor (mc) x average of previous 60 working days (VaRavg)		36
2	**SVaR** (higher of values a and b)	883	71
(a)	Latest available SVaR (SVaRt-1))		22
(b)	Multiplication factor (ms) x average of previous 60 working days (sVaRavg)		71
3	**IRC** (higher of values a and b)		
(a)	Most recent IRC measure		
(b)	12 weeks average IRC measure		
4	**Comprehensive risk measure** (higher of values a, b and c)		
(a)	Most recent risk measure of comprehensive risk measure		
(b)	12 weeks average of comprehensive risk measure		
(c)	Comprehensive risk measure Floor		
5	Other		
6	**Total**	**1,336**	**107**

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

Template 37a: EU MR2-B - RWA flow statements of market risk exposures under the IMA as of 31.12.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f	g
		VaR	**SVaR**	**IRC**	**Comprehensive risk measure**	**Other**	**Total RWAs**	**Total own funds requirements**
1	**RWAs at previous period end**	449	915	-	-	-	1,364	109
1a	*Regulatory adjustment [(1)]*	*304*	*636*	-	-	-	*940*	*75*
1b	*RWAs at the previous quarter-end (end of the day)*	*145*	*279*	-	-	-	*424*	*34*
2	Movement in risk levels	(30)	(50)	-	-	-	(80)	(6)
3	Model updates/changes	-	-	-	-	-	-	-
4	Methodology and policy	-	-	-	-	-	-	-
5	Acquisitions and disposals	-	-	-	-	-	-	-
6	Foreign exchange movements	-	-	-	-	-	-	-
7	Other	0	-	-	-	-	0	0
8a	*RWAs at the end of the disclosure period (end of the day)*	115	229	-	-	-	344	28
8b	*Regulatory adjustment [(1)]*	331	661	-	-	-	992	79
8	**RWAs at the end of the disclosure period**	446	890	-	-	-	1,335	107

Template 37b: EU MR2-B - RWA flow statements of market risk exposures under the IMA as of 30.9.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f	g
		VaR	**SVaR**	**IRC**	**Comprehensive risk measure**	**Other**	**Total RWAs**	**Total own funds requirements**
1	**RWAs at previous period end**	454	883	-	-	-	1,336	107
1a	*Regulatory adjustment [(1)]*	*303*	*606*	-	-	-	*910*	*73*
1b	*RWAs at the previous quarter-end (end of the day)*	*150*	*277*	-	-	-	*427*	*34*
2	Movement in risk levels	-	-	-	-	-	-	-
3	Model updates/changes	-	-	-	-	-	-	-
4	Methodology and policy	-	-	-	-	-	-	-
5	Acquisitions and disposals	-	-	-	-	-	-	-
6	Foreign exchange movements	-	-	-	-	-	-	-
7	Other	(5)	2	-	-	-	(3)	(0)
8a	*RWAs at the end of the disclosure period (end of the day)*	145	279	-	-	-	424	34
8b	*Regulatory adjustment [(1)]*	304	636	-	-	-	940	75
8	**RWAs at the end of the disclosure period**	449	915	-	-	-	1,364	109

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

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

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

Typical stress scenarios consider the following changes in risk factors:

Interest rates:

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

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

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

FX rates:

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

Prices (e.g. equities and indices):

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

Volatilities:

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

VaR and SVaR values as estimated during 2021 for the Bank trading portfolio, including the FX position due to participations, are given in the following table:

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Template 38a: EU MR3 - IMA values for trading portfolios as of 31.12.2021

(Amounts in millions of Euro)

		a
		31.12.2021
VaR (10 day 99%)		
1	Maximum value	12
2	Average value	11
3	Minimum value	9
4	Period end	9
SVaR (10 day 99%)		
5	Maximum value	23
6	Average value	22
7	Minimum value	18
8	Period end	18
IRC (99.9%)		
9	Maximum value	-
10	Average value	-
11	Minimum value	-
12	Period end	-
Comprehensive risk measure (99.9%)		
13	Maximum value	-
14	Average value	-
15	Minimum value	-
16	Period end	-

Template 38b: EU MR3 - IMA values for trading portfolios as of 30.6.2021

(Amounts in millions of Euro)

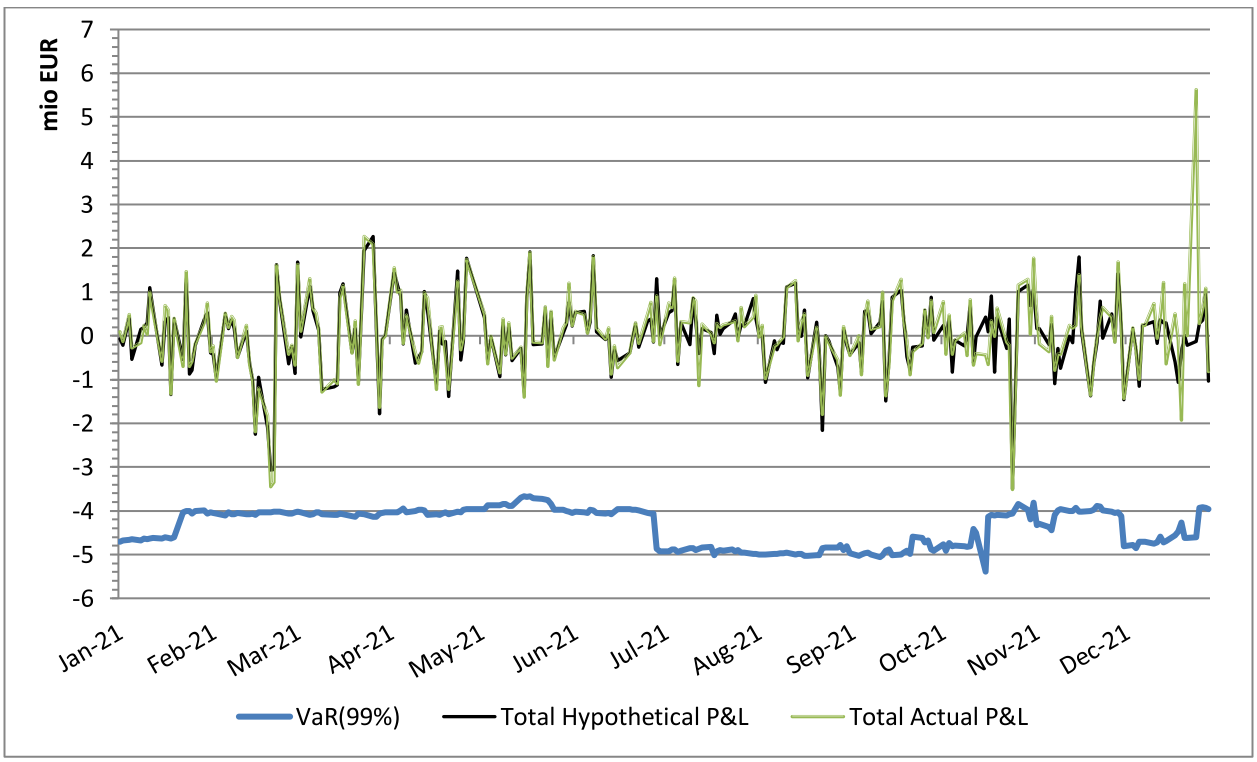
		a
		30.6.2021
VaR (10 day 99%)		
1	Maximum value	12
2	Average value	11
3	Minimum value	10
4	Period end	12
SVaR (10 day 99%)		
5	Maximum value	23
6	Average value	21
7	Minimum value	20
8	Period end	22
IRC (99.9%)		
9	Maximum value	-
10	Average value	-
11	Minimum value	-
12	Period end	-
Comprehensive risk measure (99.9%)		
13	Maximum value	-
14	Average value	-
15	Minimum value	-
16	Period end	-

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

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

Template 39: EU MR4 - Comparison of VaR estimates with gains/losses

(Amounts in millions of Euro)



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

9.3 Standardized approach for market risk

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

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

Template 40a: EU MR1 - Market risk under the standardised approach as of 31.12.2021

(Amounts in millions of Euro)

		a
		RWEAs
	Outright products	
1	Interest rate risk (general and specific)	-
2	Equity risk (general and specific)	6
3	Foreign exchange risk	13
4	Commodity risk	-
	Options	
5	Simplified approach	
6	Delta-plus approach	-
7	Scenario approach	
8	Securitisation (specific risk)	-
9	**Total**	**20**

Template 40b: EU MR1 - Market risk under the standardised approach as of 30.6.2021

(Amounts in millions of Euro)

		a
		RWEAs
	Outright products	
1	Interest rate risk (general and specific)	0
2	Equity risk (general and specific)	6
3	Foreign exchange risk	9
4	Commodity risk	7
	Options	
5	Simplified approach	
6	Delta-plus approach	0
7	Scenario approach	
8	Securitisation (specific risk)	-
9	**Total**	**22**

10 Operational Risk

10.1 Definition and objectives

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

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

The calculation of capital requirements for operational risk is performed in accordance with the Standardized Approach of the Capital Requirements Regulation 575/2013. Specifically, the Group's gross operating income for 2019, 2020 and 2021 is split into eight business lines.

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

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

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

Therefore, the Gross Income definition is as follows:

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

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

In particular, the respective capital charges on a Group basis at 31.12.2021 are presented in the following table:

Template 41a: EU OR1 - Operational risk own funds requirements and risk-weighted exposure amounts as of 31.12.2021

(Amounts in millions of Euro)

		a	b	c	d	e
Banking activities		**Relevant indicator**			**Own funds requirements**	**Risk weighted exposure amount**
		Year-3	**Year-2**	**Last year**		
1	Banking activities subject to basic indicator approach (BIA)	0	0	0	0	
2	Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches	1,947	1,855	1,594	240	3,005
3	*Subject to TSA:*	1,947	1,855	1,594		
4	*Subject to ASA:*	0	0	0		
5	Banking activities subject to advanced measurement approaches AMA	0	0	0	0	0

Template 41b: EU OR1 - Operational risk own funds requirements and risk-weighted exposure amounts as of 31.12.2020

(Amounts in millions of Euro)

		a	b	c	d	e
Banking activities		**Relevant indicator**			**Own funds requirements**	**Risk weighted exposure amount**
		Year-3	**Year-2**	**Last year**		
1	Banking activities subject to basic indicator approach (BIA)	0	0	0	0	0
2	Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches	2,058	1,947	1,855	256	3,205
3	*Subject to TSA:*	2,058	1,947	1,855		
4	*Subject to ASA:*	0	0	0		
5	Banking activities subject to advanced measurement approaches AMA	0	0	0	0	0

10.2 Operational Risk Framework

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

- Operational risk events management and collection, including management of Lawsuits filed against the Group

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

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

- Operational Risk and Internal Control Committee, which is delegated by the Risk Management Committee to supervise operational risk management activities. Operational Risk and Internal Control Committees are also established in the Group Companies.
- Group Operational Risk Unit and Operational Risk Units in the Group Companies. The Group Operational Risk Unit develops the appropriate tools, processes, procedures and techniques relevant to operational risk management, monitors the implementation of appropriate action plans for its mitigation at Group level and submits reports to the relevant Committees and Senior Management of the Group. The Group Companies' Operational Risk Units implement the operational risk framework at the Company and local level and ensure its compliance with the national laws and regulations. In addition to the above, the Risk Units of the Banking Entities have the responsibility to co-ordinate and support the implementation of the operational risk framework by the other Group Companies of the same jurisdiction, in accordance with the guidelines provided by the Group Operational Risk Unit.
- Bank Units and Group Company Units, which manage their operational risks and are responsible for the implementation of the Operational Risk Policy. In addition to their own operational risks, some Units may be delegated to manage or have an oversight role in specific areas of operational risk (e.g. Compliance Units, Cybersecurity and Information Security Units, Physical Security Units, and Business Continuity Plan Units). All Units appoint an Operational Risk Coordinator i.e. an Officer with experience and knowledge of the Unit's operations and activities and has the seniority to work closely with other Officers of the Unit. The coordinator is appointed by the Manager and is mainly responsible for providing information and support, raising awareness among the Delegates of the Unit on operational risk issues and participating actively in the implementation of the operational risk management processes/actions within the Unit.
- Internal Audit Unit, which provides an independent review of the integrity, appropriateness and effectiveness of the overall risk management process. In addition, it provides assurance that the internal controls and operational risk mitigation practices implemented by the Units are sufficient and appropriate for the type and complexity of risk-taking activities.

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

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

10.3 Operational risk measurement and assessment

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

The following initiatives have been completed during 2021:

a) The update of various acts, circulars and manuals (e.g. RCSA Manual).

b) Issuance of the Group's ICT Risk Management Framework in compliance with EBA requirements.

c) Issuance of an Internal Control Validation Methodology for the testing of the efficiency of internal controls as a second line of defense.

d) Development of an Entity Risk Assessment methodology to generate an annual Entity Operational Risk Profile

e) Adoption of an updated Operational Risk Taxonomy

f) Partial implementation of the new Operational Risk platform

The Group will continue its initiatives towards the reinforcement of its Operational Risk Management Framework, the main objectives of which, for 2021 – 2022, are as follows:

a) Enhancement of Systems and Infrastructure, through the full implementation of an advanced Operational Risk Platform, including the migration from the current system.

b) Implementation of the Entity Risk Assessment methodology to generate the annual Entity Operational Risk Profile.

c) Further increase of KRIs across all Bank Units as well as the improvement of the existing KRIs framework, including the introduction of thresholds.

d) Update of the Fraud Risk Policy

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

- Alpha Bank SA
- Alpha Bank Romania
- Alpha Leasing
- Alpha Finance
- Alpha Supporting Services

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

11 Equity exposures not included in the trading book

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

Equity exposures measured at fair value through profit or loss

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

Equity exposures measured at fair value through other comprehensive income

In this category are classified equity instruments that are neither held for trading nor contingent consideration recognised by an acquirer in a business combination and that Group decides, at initial recognition, to measure at fair value through other comprehensive income. This decision is irrevocable. With the exception of dividends, which are directly recognized in profit or loss, all other gains and losses arising from those instruments are directly recognized in other comprehensive income and are not reclassified to profit or loss. For those equity instruments there is no impairment assessment

Fair value measurement

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

Template 42: Equity exposures not included in the trading book

(Amounts in millions of Euro)

	a	b
	31.12.2021	**30.9.2021**
Type	**Book value**	**Book value**
Listed	23	18
Non-listed	68	82
Total	**91**	**100**

The net amount of unrealized gains in the Group's equity as at 31 December 2021 is Euro 22 million.

12 Exposure to Securitisation positions

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

12.1 Non-STS traditional securitisations

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

Project "Galaxy"

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

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

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

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

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

Project "Cosmos"

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

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

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

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

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

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

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

In the context of their application under Hercules ”Asset Protection Scheme (“HAPS”), Galaxy and Cosmos non-STS securitizations received a rating from a recognized ECAI.

Hellenic Republic Asset Protection Scheme

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

12.2 Synthetic Securitisation

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

Project "Aurora"

Securitisation of SME/Corporate portfolio

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

The synthetic securitisation achieves Significant Risk Transfer (SRT) as well as Simple, Transparent and Standardised (STS) designation which enhances Risk Weighted Asset relief. The Bank holds 100% of the Senior and Junior positions in the transaction, while retaining 5% of the securitised portfolio in compliance with the retention rule laid down by the supervisory regulations.

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

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

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

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Template 43a: EU-SEC1 - Securitisation exposures in the non-trading book as of 31.12.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
		Traditional				Synthetic		Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
		STS		Non-STS												
			of which SRT		of which SRT		of which SRT		STS	Non-STS			STS	Non-STS		
1	**Total exposures**	**-**	**-**	**25**	**25**	**1,754**	**1,754**	**1,779**	**-**	**-**	**-**	**-**	**-**	**11**	**-**	**11**
2	Retail (total)	-	-	19	19	-	-	19	-	-	-	-	-	11	-	11
3	residential mortgage	-	-	19	19	-	-	19	-	-	-	-	-	11	-	11
4	credit card	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	other retail exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Wholesale (total)	-	-	6	6	1,754	1,754	1,760	-	-	-	-	-	-	-	-
8	loans to corporates	-	-	6	6	1,754	1,754	1,760	-	-	-	-	-	-	-	-
9	commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	lease and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	other wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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Template 43b: EU-SEC1 - Securitisation exposures in the non-trading book as of 30.06.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Institution acts as originator							**Institution acts as sponsor**				**Institution acts as investor**			
		Traditional				**Synthetic**		**Sub-total**	**Traditional**		**Synthetic**	**Sub-total**	**Traditional**		**Synthetic**	**Sub-total**
		STS		**Non-STS**					**STS**	**Non-STS**			**STS**	**Non-STS**		
			of which SRT		**of which SRT**		**of which SRT**									
1	**Total exposures**	**-**	**-**	**20**	**20**	**-**	**-**	**20**	**-**	**-**	**-**	**-**	**-**	**11**	**-**	**11**
2	Retail (total)	-	-	13	13	-	-	13	-	-	-	-	-	11	-	11
3	residential mortgage	-	-	13	13	-	-	13	-	-	-	-	-	11	-	11
4	credit card	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	other retail exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Wholesale (total)	-	-	6	6	-	-	6	-	-	-	-	-	-	-	-
8	loans to corporates	-	-	6	6	-	-	6	-	-	-	-	-	-	-	-
9	commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	lease and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	other wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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

Template 44a: EU-SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor as of 31.12.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	EU-p	EU-q
		Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
		≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions
1	**Total exposures**	**1,754**	**-**	**-**	**25**	**-**	**-**	**-**	**1,779**	**-**	**-**	**-**	**423**	**-**	**-**	**-**	**34**	**-**
2	Traditional transactions	-	-	-	25	-	-	-	25	-	-	-	240	-	-	-	19	-
3	Securitisation	-	-	-	25	-	-	-	25	-	-	-	240	-	-	-	19	-
4	Retail underlying	-	-	-	19	-	-	-	19	-	-	-	200	-	-	-	16	-
5	Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Wholesale	-	-	-	6	-	-	-	6	-	-	-	40	-	-	-	3	-
7	Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Synthetic transactions	1,754	-	-	-	-	-	-	1,754	-	-	-	183	-	-	-	15	-
10	Securitisation	1,754	-	-	-	-	-	-	1,754	-	-	-	183	-	-	-	15	-
11	Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Wholesale	1,754	-	-	-	-	-	-	1,754	-	-	-	183	-	-	-	15	-
13	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Template 44b: EU-SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor as of 30.6.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	EU-p	EU-q
		Exposure values (by RW bands/deductions)					**Exposure values (by regulatory approach)**				**RWEA (by regulatory approach)**				**Capital charge after cap**			
		≤20% RW	**>20% to 50% RW**	**>50% to 100% RW**	**>100% to <1250% RW**	**1250% RW/ deductions**	**SEC-IRBA**	**SEC-ERBA (including IAA)**	**SEC-SA**	**1250%/ deductions**	**SEC-IRBA**	**SEC-ERBA (including IAA)**	**SEC-SA**	**1250%/ deductions**	**SEC-IRBA**	**SEC-ERBA (including IAA)**	**SEC-SA**	**1250% RW/ deductions**
1	**Total exposures**	**-**	**-**	**-**	**20**	**-**	**-**	**-**	**20**	**-**	**-**	**-**	**180**	**-**	**-**	**-**	**14**	**-**
2	Traditional transactions	-	-	-	20	-	-	-	20	-	-	-	180	-	-	-	14	-
3	Securitisation	-	-	-	20	-	-	-	20	-	-	-	180	-	-	-	14	-
4	Retail underlying	-	-	-	13	-	-	-	13	-	-	-	136	-	-	-	11	-
5	Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Wholesale	-	-	-	6	-	-	-	6	-	-	-	44	-	-	-	4	-
7	Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Synthetic transactions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

ALPHA BANK

Template 45a: EU-SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor as of 31.12.2021

(Amounts in millions of Euro)

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

ALPHA BANK

Template 45b: EU-SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor as of 30.6.2021

(Amounts in millions of Euro)

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

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

Template 46a: EU-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments 31.12.2021

(Amounts in millions of Euro)

		a	b	c
		Exposures securitised by the institution - Institution acts as originator or as sponsor		
		Total outstanding nominal amount		Total amount of specific credit risk adjustments made during the period
			Of which exposures in default	
1	**Total exposures**	**24,557**	**16,881**	-
2	Retail (total)	18,377	13,816	-
3	residential mortgage	17,637	13,809	-
4	credit card	739	7	-
5	other retail exposures	-	-	-
6	re-securitisation	-	-	-
7	Wholesale (total)	6,180	3,065	-
8	loans to corporates	5,511	2,939	-
9	commercial mortgage	-	-	-
10	lease and receivables	475	127	-
11	other wholesale	194	-	-
12	re-securitisation	-	-	-

Template 46b: EU-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments 30.6.2021

(Amounts in millions of Euro)

		a	b	c
		Exposures securitised by the institution - Institution acts as originator or as sponsor		
		Total outstanding nominal amount		Total amount of specific credit risk adjustments made during the period
			Of which exposures in default	
1	**Total exposures**	**22,089**	**16,776**	-
2	Retail (total)	17,832	13,634	-
3	residential mortgage	16,137	12,677	-
4	credit card	748	30	-
5	other retail exposures	947	928	-
6	re-securitisation	-	-	-
7	Wholesale (total)	4,257	3,142	-
8	loans to corporates	3,556	3,009	-
9	commercial mortgage	-	-	-
10	lease and receivables	475	133	-
11	other wholesale	227	-	-
12	re-securitisation	-	-	-

13 Interest Rate Risk in the Banking Book

13.1 Definition

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

There are three main sub-types of IRRBB according to Basel Committee on Banking Supervision (BCBS) standards issued in July 2018. Specifically:

- **Gap risk** arises from the term structure of banking book instruments and describes the risk arising from the timing of instruments' rate changes. Since rate may reset on different instruments at different tenors, the risk to the bank arises when the rate of interest paid on liabilities increases before the rate of interest received on assets or reduces on assets before interest rate paid on liabilities. Unless hedged, in terms of tenor and amount, the bank may be exposed to a period of reduced or negative interest margins or may experience changes in the relative economic values of assets and liabilities. The extent of gap risk also depends on whether changes to the term structure of interest rates occur consistently across the yield curve (parallel risk) or irregularly by period (non-parallel-risk)
- **Basis risk** describes the impact of relative changes in interest rates for financial instruments that have similar tenors but are priced using different interest rates indices (bases) . Basis risk arises from the imperfect correlation in the adjustment of the rates earned and paid on different instruments with otherwise similar rate change characteristics.
- **Option risk** arises from option derivative positions or from optional elements embedded in the Bank's assets, liabilities and/or off-balance sheet items, where the Bank or the customer can alter the level and timing of the cash flows. Option risk can be further be characterized into automatic option risk and behavioral option risk:
    - **Automatic option risk** arising from over-the-counter option contracts or explicitly embedded within the contractual terms of a financial instruments (i.e. capped rate loan) and where the holder will almost exercise the option if it is in their interest to do so,
    - **Behavioral option risk** arising from flexibility embedded implicitly or within the terms of financial contracts, such that changes in interest rates may affect a change in the behavior of the client (i.e. rights of a borrower to prepay a loan, with or without a penalty, or the right of a depositor to withdraw their balance in search of higher yield).

13.2 Interest Rate Risk Framework

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

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

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

13.3 Interest Rate Risk Identification and Assessment

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

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

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

Template 47a: Interest Rate Gap Analysis as of 31.12.2021

(Amounts in millions of Euro)

	<1 Month	1 to 3 Months	3 to 6 months	6 to 12 months	1 to 5 Years	> 5 Years	Non-Interest bearing	Total
Assets	26,981	10,914	3,913	1,696	10,778	8,614	10,459	73,356
Liabilities	12,856	4,573	3,020	3,623	31,929	8,834	2,442	67,276
Equity	0	0	0	0	0	0	6,08	6,08
Total Liabilities and Equity	12,856	4,573	3,020	3,623	31,929	8,834	8,521	73,356
Gap	14,126	6,342	893	-1,927	-21,151	-220	1,938	-
Cumulative Gap	**14,126**	**20,467**	**21,360**	**19,433**	**-1,718**	**-1,938**	**-**	**-**

Template 47b: Interest Rate Gap Analysis as of 31.12.2020

(Amounts in millions of Euro)

	<1 Month	1 to 3 Months	3 to 6 months	6 to 12 months	1 to 5 Years	> 5 Years	Non-Interest bearing	Total
Assets	24,836	8,682	4,110	1,882	11,749	9,398	9,406	70,061
Liabilities	12,833	6,607	4,256	4,511	25,298	6,424	1,795	61,724
Equity	-	-	-	-	-	-	8,337	8,337
Total Liabilities and Equity	12,833	6,607	4,256	4,511	25,298	6,424	10,132	70,061
Gap	12,003	2,075	-146	-2,629	-13,55	2,974	-726	-
Cumulative Gap	**12,003**	**14,078**	**13,932**	**11,303**	**-2,247**	**726**	**-**	**-**

13.4 Interest Rate Risk Statement

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

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

- <u>Changes in expected earnings (ΔNII):</u>

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

- <u>Changes in economic value of equity (ΔEVE).</u>

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

- <u>DV01 by time tenor</u>

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

Interest Rate Risk Stress Scenarios

The stress tests which are performed by Group Risk Management Unit/ALM Risk on a monthly basis cover both regulatory requirements and internal needs. The stress scenarios imply the parallel movement, the steepening as well as the flattening of the yield curve by either changing the short-term rates or the long-term rates or both. These scenarios are applied to IRRBB exposures in each currency for which the bank has material positions. Specifically, Group ALM Risk performs six regulatory interest rate shocks for IRRBB measurement purposes according to EBA Guidelines (EBA/GL/2018/02):

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

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

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

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

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

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

The results of the sensitivity analysis with regards to the Net Interest Income (NII) and Economic Value (EV) under stress test conditions are the following:

Template 48a: Sensitivity Analysis - Group Alpha Bank as of 31.12.2021

(Amounts in millions of Euro)

Interest rate changes scenarios (yield curve parallel shift)	Net interest income sensitivity (1 year period)
-200bps	-50,39
+200 bps	130,35

Template 48b: Sensitivity Analysis - Group Alpha Bank as of 31.12.2020

(Amounts in millions of Euro)

Interest rate changes scenarios (yield curve parallel shift)	Net interest income sensitivity (1 year period)
-200bps	-72.73
+200 bps	30.96

13.5 Interest Rate Risk Monitoring

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

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

The Group Risk Management Unit /Asset Liability Risk Management consolidate the information received from countries' local Risk Management Units and communicate a summary report to Group ALCO.

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

13.6 Interest Rate Risk management and mitigation strategies

The Bank is managing its IRRBB holistically taking into account short, medium and long term macro and micro considerations like macro environment, forward looking balance sheet dynamics, capital, liquidity and regulatory requirements. Natural hedging within assets and liabilities are complemented with derivatives to achieve the optimal IRRBB structure given the Bank's Balance Sheet and Macro considerations.

Assets Liabilities Management Committee, in the framework of its responsibilities, discusses, acknowledges and approves the strategies and the relevant proposed actions for the management and hedging of Financial Risks of the Bank, including Interest Rate Risk in the Banking Book (IRRBB). Furthermore, the independent validation unit of the Bank submits to ALCo for endorsement the validation results and recommendations on models developed for the management of IRRBB.

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

Regarding hedging policy, the Bank deals with hedging holistically taking into account Balance Sheet and Macro developments. Natural hedging between assets and liabilities is explored as well as strategies including derivatives with the aim to maintain an accounting geography symmetry. Fair value and cash flow hedging strategies can be used if needed. At times, economic hedges can also be deployed to optimally manage the Bank's IRRBB.

13.7 Interest Rate Risk Key modelling and parametric assumptions

Regarding the key modelling and parametric assumptions used for the purpose of calculating changes to the economic value of equity and to the net interest income concerns mainly the average repricing maturity of non-maturity deposits.

The average and longest repricing maturity assigned to non-maturity deposits based on ALM's Division analysis are presented on the following table:

	NMDs Repricing Maturity[1,2]			
	Average repricing maturity[3]		Longest repricing maturity	
	Linear amortization tenor	Average life	Linear amortization tenor	Average life
Core part of NMDs	7,3	3,6	9,0	4,5
All NMDs	7,2	3,6	9,0	4,5

Disclaimer:

[1] *Repricing maturity expressed in Years*

[2] *NMD repricing maturity calculated under BAU models*

[3] *The weighted average repricing maturity is calculated on NMD balances with reference date as of 31.01.2022 provided by Sendero*

Regarding the optionality risk (loan prepayments and fixed term deposits early withdrawals), it is considered immaterial for the Bank. The latter's product mix does not include material exposures in financial products with embedded optionality.

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

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

During 2021, interest rate risk of the banking book decreased significantly due to the loan portfolio quality amelioration. Specifically, a significant decrease of NPE was realized through Galaxy & Cosmos securitization and Orbit & Sky sale. Furthermore, IRRBB remained within risk appetite framework limits. This also includes subsidiary level limits.

Template 49: EU-IRRBB1 - Interest rate risks of non-trading book activities as of 31.12.2021

(Amounts in millions of Euro)

		a	b	c	d
Supervisory shock scenarios		Changes of the economic value of equity		Changes of the net interest income	
		Current period	Last period	Current period	Last period
1	Parallel up	632	240	130	31
2	Parallel down	154	332	(16)	(16)
3	Steepener	(285)	(172)		
4	Flattener	782	554		
5	Short rates up	581	398		
6	Short rates down	(94)	108		

14 Liquidity Risk

14.1 Liquidity risk management strategies and processes

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

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

14.2 Liquidity risk management structure and organization

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

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

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

14.3 Centralized group liquidity management and individual legal entity liquidity management

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

14.4 Scope and nature of liquidity risk measurement and reporting system

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

14.5 Liquidity stress testing and scenario analysis

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

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

14.6 An outline of the bank's contingency funding plans

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

- Establishment of clear lines of responsibility, including clear escalation procedures. It has pre-defined escalation levels aimed at maximizing the likelihood that the Bank is able to take certain measures to address liquidity or funding shortfalls
- Set up of key liquidity indicators and triggers

Identification of market-wide and bank-specific liquidity threats and risk factors, assessment of alternative funding sources and contingency procedures`

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

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

14.8 Liquidity Coverage Ratio (LCR)

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

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

As of December 2021 the Group LCR stood at 196%. The liquidity buffer stood at EUR 11.6bn on 31.12.2021, increased by EUR 3.9bn since 31.12.2020.

The increase is mainly attributed to the following events:

- The customers' deposits that amounted to € 47.0bn on 31 December 2021, up by €3.1bn compared to 31.12.2020.
- The issuance of € 500 million Tier 2 capital and € 900mn senior preferred securities.
- The increase of ECB funding by € 1.1bn.

The following table provides a breakdown of the LCR as of 31 December 2021, in accordance with Article 435 of the Regulation (EU) No 575/2013 and the respective guidelines on LCR disclosure (EBA/GL/2017/01).

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

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Template 50: EU LIQ1 - Quantitative information of LCR as of 31.12.2021

(Amounts in millions of Euro)

		a	b	c	d	e	f	g	h
		Total unweighted value (average)				**Total weighted value (average)**			
EU 1a	Quarter ending on (DD Month YYY)	**31.12.2021**	**30.9.2021**	**30.6.2021**	**31.3.2021**	**31.12.2021**	**30.9.2021**	**30.6.2021**	**31.3.2021**
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
HIGH-QUALITY LIQUID ASSETS									
1	**Total high-quality liquid assets (HQLA)**					**9,872**	**8,778**	**7,309**	**6,508**
CASH - OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	35,660	35,068	34,071	33,374	2,120	2,028	1,904	1,810
3	*Stable deposits*	19,601	18,934	17,922	17,448	980	947	896	872
4	*Less stable deposits*	10,156	9,619	8,954	8,294	1,140	1,080	1,007	936
5	Unsecured wholesale funding	8,079	7,671	7,230	7,245	3,681	3,527	3,310	3,313
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	247	224	202	191	62	56	50	48
7	*Non-operational deposits (all counterparties)*	7,831	7,429	7,008	7,036	3,619	3,453	3,239	3,247
8	*Unsecured debt*	1	18	20	18	1	18	20	18
9	*Secured wholesale funding*					20	34	45	194
10	Additional requirements	454	418	377	379	254	254	253	254
11	*Outflows related to derivative exposures and other collateral requirements*	237	240	242	242	237	240	242	242
12	*Outflows related to loss of funding on debt products*	-	-	-	-	-	-	-	-
13	*Credit and liquidity facilities*	217	178	135	137	17	14	11	11
14	Other contractual funding obligations	513	469	465	489	482	438	433	450
15	Other contingent funding obligations	7,322	7,365	7,424	7,392	376	378	384	382
16	**TOTAL CASH OUTFLOWS**					**6,934**	**6,659**	**6,329**	**6,402**
CASH - INFLOWS									
17	Secured lending (e.g. reverse repos)	-	-	-	118	-	-	-	-
18	Inflows from fully performing exposures	755	660	520	541	382	330	260	270
19	Other cash inflows	1,648	1,723	1,784	1,813	785	808	844	860
20	**TOTAL CASH INFLOWS**	**2,403**	**2,382**	**2,304**	**2,472**	**1,166**	**1,138**	**1,105**	**1,130**
EU-20c	*Inflows subject to 75% cap*	2,403	2,382	2,304	2,472	1,166	1,138	1,105	1,130
TOTAL ADJUSTED VALUE									
EU-21	LIQUIDITY BUFFER					9,872	8,778	7,309	6,508
22	**TOTAL NET CASH OUTFLOWS**					**5,767**	**5,521**	**5,224**	**5,272**
23	LIQUIDITY COVERAGE RATIO					170%	158%	140%	124%

14.9 Net Stable Funding Ratio

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

Template 51a: EU LIQ2: Net Stable Funding Ratio as of 31.12.2021

(Amounts in millions of Euro)

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	**4,663**	**-**	**-**	**1,013**	**5,676**
2	*Own funds*	4,663	-	-	1,013	5,676
3	*Other capital instruments*		-	-	-	-
4	Retail deposits		35,093	1,321	**8**	**33,941**
5	*Stable deposits*		22,471	719	3	22,033
6	*Less stable deposits*		12,622	602	5	11,908
7	Wholesale funding:		**13,342**	**91**	**15,636**	**19,986**
8	*Operational deposits*		294	-	-	147
9	*Other wholesale funding*		13,048	91	15,636	19,839
10	Interdependent liabilities		**-**	**-**	**-**	**-**
11	Other liabilities:	**-**	**-**	**-**	**-**	**-**
12	*NSFR derivative liabilities*	-				
13	*All other liabilities and capital instruments not included in the above categories*		-	-	-	-
14	**Total available stable funding (ASF)**					**59,750**
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					**8,162**
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		**-**	**-**	**-**	**-**
16	Deposits held at other financial institutions for operational purposes		**-**	**-**	**-**	**-**
17	Performing loans and securities:		**5,805**	**2,168**	**22,414**	**25,013**
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		-	-	-	-
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		905	3	195	287
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		4,562	1,883	13,161	23,453
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		146	106	797	6,435
22	*Performing residential mortgages, of which:*		288	261	7,719	-

		a	b	c	d	e
		Unweighted value by residual maturity				**Weighted value**
		No maturity	**< 6 months**	**6 months to < 1yr**	**≥ 1yr**	
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		224	210	6,006	-
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		50	20	1,339	1,273
25	Interdependent assets		-	-	-	-
26	Other assets:		**6,141**	**1,784**	**18,266**	**19,080**
27	*Physical traded commodities*				-	-
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		-	-	97	83
29	*NSFR derivative assets*		626			626
30	*NSFR derivative liabilities before deduction of variation margin posted*		1,058			53
31	*All other assets not included in the above categories*		4,457	101	16,582	18,319
32	Off-balance sheet items					
33	**Total RSF**					**52,862**
34	**Net Stable Funding Ratio (%)**					**113%**

Template 51b: EU LIQ2: Net Stable Funding Ratio as of 30.6.2021

(Amounts in millions of Euro)

		a	b	c	d	e
		Unweighted value by residual maturity				**Weighted value**
		No maturity	**< 6 months**	**6 months to < 1yr**	**≥ 1yr**	
Available stable funding (ASF) Items						
1	Capital items and instruments	**5,964**	**-**	**-**		**6,964**
2	*Own funds*	5,964			1,000	6,964
3	*Other capital instruments*					-
4	Retail deposits		34,198	1,394	**12**	**33,201**
5	*Stable deposits*		22,353	773	8	21,978
6	*Less stable deposits*		11,845	621	4	11,223
7	Wholesale funding:					**18,813**
8	*Operational deposits*		239	-	-	-
9	*Other wholesale funding*					18,813
10	Interdependent liabilities		-	-	-	
11	Other liabilities:		-	-	-	
12	*NSFR derivative liabilities*					
13	*All other liabilities and capital instruments not included in the above categories*		-	-	-	-
14	**Total available stable funding (ASF)**					**58,977**
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					**8,224**

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		-	-	-	-
16	Deposits held at other financial institutions for operational purposes		-	-	-	-
17	Performing loans and securities:		**4,356**	**1,906**	**22,090**	**23,249**
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		-	-	-	-
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		668	13	162	235
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		3,375	1,678	16,318	21,925
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		111	100	1,103	4,732
22	*Performing residential mortgages, of which:*		161	153	4,569	-
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		124	129	3,810	-
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		152	62	1,042	1,089
25	Interdependent assets		-	-	-	-
26	Other assets:		**4,773**	**1,888**	**1,888**	**20,846**
27	*Physical traded commodities*				-	-
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		-	-	102	87
29	*NSFR derivative assets*		747			747
30	*NSFR derivative liabilities before deduction of variation margin posted*		1,141			57
31	*All other assets not included in the above categories*		2,885			19,956
32	Off-balance sheet items					
33	**Total RSF**					**52,936**
34	**Net Stable Funding Ratio (%)**					**111%**

15 Encumbered and Unencumbered Assets

Information on Group Asset Encumbrance

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

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

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

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

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

The overall Group's encumbrance through 2021 has decreased, mainly attributable to the overall significant decrease of interbank repo deals.

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

Throughout 2021, Central Bank funding has slightly increased, while interbank repos funding has kept the downward trend started in 2020. Derivative transactions have followed a descending path as well.

In accordance with the Group's business model and the nature and scale of activities it undertakes, the Group mainly identifies the following sources of asset encumbrance, prioritized by matching liability amount throughout 2021:

- **Funding from Central Bank:** This source of secured funding comprises ECB lending facilities and requires the Group to provide eligible collateral to Central Bank
- **Derivative transactions directly with counterparties or through clearing systems:** Collateral is placed by the Group for the market value of derivative transactions or as margin to the clearing system
- **Covered Bonds issuances:** This source of secured funding involves the segregation of the cover pool under Greek Covered Bond Law
- **Lending through repurchase contracts/agreements in the interbank market:** This source of secured funding involves repo transactions in the interbank market

- **Securitisation issuances:** This source of secured funding involves the transfer of underlying assets (loans) to a securitization vehicle

For each source of funding that generates asset encumbrance, the Group identifies the assets that are encumbered.

The main asset categories that were encumbered throughout 2021, prioritized by the median of their carrying amount, are the following:

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

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

The median of assets that were not considered encumberable throughout 2021 amounted to 13.2% of the Group Assets and mainly include tangible assets, such as investment property, intangibles, tax assets, non-current assets and disposal groups classified as held for sale. The relevant percentage for 2020 was 13.4%.

At a Group level, the median of collateral received utilized for ECB funding as well as for repo transactions for 2021 was € 1.8bio, whereas the Group did not use as collateral any own securities issued and held by the Group (other than Covered Bonds).

For 2021, the overall overcollateralization of secured liabilities of the Group (including collateral received) was at the level of 25.4%, with an average haircut of c. 20.3%. The respective percentages for 2020 were 26.2% and 20.8% respectively.

Further details regarding asset pledged can be found in note 37 “*Contingent Liabilities and Commitments*” par. e “*Assets Pledged*” of the published annual report of the Group for the period from 01.01. - 31.12.2021.

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ALPHA BANK

Template 52a: EU AE1 – Encumbered and unencumbered assets as of 31.12.2021

(Amounts in millions of Euro)

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

Template 52b: EU AE1 – Encumbered and unencumbered assets as of 31.12.2020

(Amounts in millions of Euro)

		Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
			of which notionally eligible EHQLA and HQLA		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA		of which EHQLA and HQLA
		010	030	040	050	060	080	090	100
010	**Assets of the reporting institution**	17,895	8,490			49,866	7,555		
030	Equity instruments	-		-		98	-	98	-
040	Debt securities	7,654	7,220	7,757	7,324	1,674	1,250	1,685	1,254
050	of which: covered bonds	133	31	133	31	6	6	6	6
060	of which: securitisations	-	-	-	-	10	-	10	-
070	of which: issued by general governments	6,934	6,933	7,037	7,036	1,123	1,123	1,128	1,128
080	of which: issued by financial corporations	440	62	440	62	280	77	283	77
090	of which: issued by non-financial corporations	277	248	277	249	284	49	286	49
120	Other assets	10,241	1,270			48,094	6,305		

Template 53a: EU AE2 - Collateral received and own debt securities issued as of 31.12.2021

(Amounts in millions of Euro)

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

Template 53b: EU AE2 - Collateral received and own debt securities issued as of 31.12.2020

(Amounts in millions of Euro)

		Fair value of encumbered collateral received or own debt securities issued		Unencumbered	
				Fair value of collateral received or own debt securities issued available for encumbrance	
			of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA
		010	030	040	060
130	**Collateral received by the reporting institution**	880	692	402	239
140	Loans on demand	-	-	-	-
150	Equity instruments	-	-	-	-
160	Debt securities	880	692	402	239
170	of which: covered bonds	-	-	-	-
180	of which: securitisations	-	-	-	-
190	of which: issued by general governments	726	726	300	300
200	of which: issued by financial corporations	-	-	-	-
210	of which: issued by non-financial corporations	-	-	-	-
220	Loans and advances other than loans on demand	-	-	-	-
230	Other collateral received	-	-	-	-
240	**Own debt securities issued other than own covered bonds or securitisations**	-	-	-	-
241	**Own covered bonds and asset-backed securities issued and not yet pledged**			2,124	-
250	**TOTAL ASSETS, COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED**	18,775	9,182		

Template 54a: EU AE3 - Sources of encumbrance as of 31.12.2021

(Amounts in millions of Euro)

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

Template 54b: EU AE3 - Sources of encumbrance as of 31.12.2020

(Amounts in millions of Euro)

		Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered
		010	030
010	**Carrying amount of selected financial liabilities**	**14,996**	**18,608**

16 Remuneration Policy

Alpha Bank has established a Remuneration Policy, which is applied within the Bank and the Group, and is in accordance with the Corporate Governance principles.

The Remuneration Policy:

- Complies with the values, the business strategy and targets and with the long-term best interests of the Bank and the other Group Companies.
- Motivates personnel for exceptional results within the framework of the performance management system, and at the same time discourages excessive assumption of risk and minimizes situations that do not comply with the sound and consistent risk management
- Seeks to align remuneration with sound performance criteria and existing market dynamics

In order to comply with the regulatory requirements as far as the disclosures regarding Group's Remuneration Policy are concerned, the Bank issues a separate Remuneration Disclosures which includes the basic principles of the Remuneration Policy for all staff, the composition of remuneration, the principles of variable remuneration as well as relevant information for the Identified Staff.

The Remuneration Disclosures will be posted on the Company's website by end of H1 2022:

(Financial Statements of Bank and Group | ALPHA HOLDINGS)

17 Appendix

17.1 Appendix I – Analysis of the Board Committees

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

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

Each Committee consists of no fewer than three Members and shall be deemed in quorum when at least three Members are present, whether physically or by videoconference.

The composition of each Committee is proposed to the Board of Directors by the Corporate Governance, Sustainability and Nominations Committee taking into account the Suitability and Nomination Policy for the Members of the Board of Directors as well as the respective legal and regulatory framework.

The major focus of the Committees is placed on the oversight and diligence of policies, practices and procedures within their specific area of mandate, in the review of draft resolutions to be approved by the Board of Directors and in the submission of relevant briefings, reports, key information and recommendations to the Board. The Committees report regularly to the Board of Directors about their work.

Audit Committee

The Committee has been established and operates in accordance with all applicable laws and regulations.

The Audit Committee currently constitutes a Committee of the Board of Directors and the Members were appointed by a resolution of the Annual Ordinary General Meeting of Shareholders of 31.7.2020.

The Audit Committee comprises five Members, out of whom three are Independent Non-Executive Members. The Chair of the Committee is appointed by its Members and is an Independent Non-Executive Member of the Board of Directors who has the required expertise and experience to oversee the audit, accounting and financial policies and processes within the remit of the Committee. The Members of the Committee, based on a self-assessment process, collectively possess adequate knowledge of the financial sector and, in general, the required knowledge, skills and experience to adequately discharge the Committee’s responsibilities. At least one Member, who is Independent from the audited entity, has accounting/auditing knowledge and experience and should always be present at the meetings regarding the approval of the Financial Statements.The main responsibilities of the Audit Committee include but are not limited to those presented below.

The Audit Committee:

- Performs the oversight of the financial reporting processes and procedures for drawing up the Annual and the Interim Financial Statements of the Company and the Group, in accordance with the applicable accounting standards.

- Reviews the quarterly, semi-annual and annual Financial Statements of the Company and of the Group, together with the Statutory Auditors' Report, where applicable, and the Board of Directors' Annual Management Report, prior to their submission to the Board of Directors for approval.
- Is informed of the evolution of significant accounting standards and oversees the impact on accounting policies.
- Monitors and assesses the adequacy, effectiveness and efficiency of the Internal Control System (including the ongoing development of ESG procedures) of the Company and the Group, based on reports by the Internal Audit Unit, findings of the external auditors, the supervisors and the tax authorities as well as management information, as appropriate.
- Assists the Board of Directors in ensuring the independent, objective and effective conduct of internal and external audits.
- Assists the Board of Directors in overseeing the effectiveness and performance of the Internal Audit Unit and of the Compliance Unit of the Company and of the respective Units across the Group.
- Is responsible for the procedure for the selection of the Statutory Certified Auditors of the Company and makes recommendations to the Board of Directors on the appointment or dismissal, rotation, tenure and remuneration of the Statutory Certified Auditors, according to the relevant regulatory and legal provisions.
- Monitors the independence and performance of the Statutory Certified Auditors in accordance with the applicable laws, which includes reviewing, *inter alia*, the provision by them of Non-Audit Services to the Company and the Group. In relation to this, the Committee examines and approves all proposals regarding the provision by the Statutory Certified Auditor of Non-Audit Services to the Company and the Group, based on the relevant policy that the Audit Committee oversees and recommends to the Board of Directors for approval.
- Performs the oversight of the Sustainability Report and Non-Financial information reporting, including sustainability and ESG disclosures.

The Chair of the Audit Committee regularly informs the Board of Directors of the work of the Committee. The Chair also submits to the Board of Directors and to the General Meeting of Shareholders a formal annual activity report on the work of the Committee conducted during the previous year, parts of which are included in the annual Corporate Governance Statement.

The Committee convenes at least once a month, adding meetings on an as-needed basis. It may invite any Member of the Management or Executive as well as external auditors to attend its meetings. The Head of Internal Audit and the Head of Compliance are regular attendees of the Committee meetings and have unhindered access to the Chair and to the Members.

In 2021, the Committee convened fifteen times and the Members' participation rate in the meetings stood at 97% (based on the composition of the Audit Committee on 31.12.2021).

The specific duties and responsibilities of the Audit Committee are set out in its Charter, which is posted on the Company's website (https://www.alphaholdings.gr/en/group/corporate-governance/commitees).

Risk Management Committee

The Risk Management Committee has been established and operates in accordance with all applicable laws and regulations.
The Members of the current Risk Management Committee were appointed by a resolution of the Annual Ordinary General Meeting of Shareholders of 31.7.2020.

The Risk Management Committee comprises five Members, out of whom four are Independent Non-Executive Members. One of the Independent Members is appointed Chair of the Committee. All the Members of the Committee should have prior experience in the financial services sector and, individually and collectively, appropriate knowledge, skills and expertise concerning risk management and control practices. One Member should be in charge of overseeing ESG issues.

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

- Assists the Board of Directors in promoting a sound risk culture at all levels throughout the Company and its Subsidiaries (the “Group”), fostering risk awareness and encouraging open communication and challenge across the Organization.
- Reviews regularly and recommends to the Board of Directors for approval the risk and capital management strategy, ensuring alignment with the business objectives of the Company and the Group. In this context, the Committee considers the adequacy of the technical (e.g. modelling tools, IT systems, etc.) and human resources available to implement the risk and capital strategy and ensures the communication of key aspects of the risk strategy throughout the Group.
- Reviews and recommends annually to the Board of Directors for approval the Group’s risk appetite framework and its respective updates, considering also ESG risks, i.e. the risks of any negative financial impact to the Company stemming from the current or prospective impacts of ESG factors on its counterparties, such as climate-related risks, and ensuring alignment with the Group’s strategic objectives and capital allocation. The risk appetite framework should be clearly communicated throughout the Group and articulated/monitored via a set of metrics.
- Determines the principles which govern risk management across the Company and the Group in terms of the identification, measurement, monitoring, control, and mitigation of risks.
- Evaluates on an annual basis or more frequently, if necessary, the appropriateness of risk identification and measurement systems, methodologies and models, including the capacity of the Company’s IT infrastructure to record, report, aggregate and process risk-related information.
- Reviews regularly, at least annually, the Group’s Internal Capital Adequacy Assessment Process (ICAAP) and the Internal Liquidity Adequacy Assessment Process (ILAAP) and related target ratios and recommends their approval to the Board of Directors.
- Assesses the overall effectiveness of capital planning, allocation processes and systems, and the allocation of capital requirements to risk types.
- Keeps itself informed of recent regulatory developments, emerging supervisory expectations, the results of supervisory requests and the Supervisory Review and Evaluation Process (SREP) conclusions.
- Recommends to the Board of Directors for approval high-level policies on the management of risks.

The Chair of the Risk Management Committee regularly informs the Board of Directors of the work of the Committee. The Chair also submits to the Board of Directors a formal annual report on the work of the Committee conducted during the previous year, parts of which are included in the Company’s annual Corporate Governance Statement.
The Committee convenes at least once a month and may invite any Member of the Group’s Management or Executive to attend its meetings. The Chief Risk Officer (CRO) is a regular attendee of the Committee meetings and has unhindered access to the Chair and the Members.
In 2021, the Committee convened seventeen times and the Members’ participation rate in the meetings stood at 99% (based on the composition of the Risk Management Committee on 31.12.2021).

The specific duties and responsibilities of the Risk Management Committee are set out in its Charter, which is posted on the Company's website (https://www.alphaholdings.gr/en/group/corporate-governance/commitees).

Remuneration Committee

The Committee has been established and operates in accordance with all applicable laws and regulations.

The Members of the current Remuneration Committee were appointed by a resolution of the Annual Ordinary General Meeting of Shareholders of 31.7.2020.

The Remuneration Committee comprises four Members, out of whom three are Independent Non-Executive Members. One of the Independent Members is appointed Chair of the Committee. The Members of the Committee have collectively appropriate knowledge, skills and professional experience concerning remuneration policies and practices, risk management and control activities as well as concerning the incentives and risks that can arise therefrom. At least one Member of the Committee should have sufficient professional experience in risk management.
The main responsibilities of the Remuneration Committee include but are not limited to those presented below.

The Remuneration Committee:

- Assists the Board of Directors in ensuring that the Group Remuneration Policy as well as the "Remuneration Policy of the Members of the Board of Directors as per the provisions of Law 4548/2018" are consistent with the values, culture, business strategy, risk appetite and strategic objectives of the Company and the Subsidiaries (the "Group").
- Provides its support and advice to the Non-Executive Members of the Board of Directors on the design of the Remuneration Policies for the Company and the Group according to the relevant legislative and regulatory provisions.
- Recommends to the Non-Executive Members the remuneration of the Members of the Board of Directors.
- Reviews and advises on fixed salaries, benefits and the total compensation within the Company.
- Reviews the variable remuneration framework. Advises on variable remuneration schemes, where these are permitted, for Employees across the Company and the Group, and proposes the total envelope for variable remuneration across the Company and the Group.
- Oversees the evaluation process for Senior Executives and Key Function Holders, ensuring that it is implemented adequately and in accordance with the provisions of the respective Policy.

The Chair of the Remuneration Committee regularly informs the Board of Directors of the work of the Committee. The Chair also submits to the Board of Directors a formal annual report on the work of the Committee conducted during the previous year, parts of which are included in the annual Corporate Governance Statement.

The Committee convenes at least quarterly per year and may invite any Member of the Management or Executive to attend its meetings. The Head of Human Resources is a regular attendee of the Committee meetings.

In 2021, the Committee convened eleven times and the Members' participation rate in the meetings stood at 100% (based on the composition of the Remuneration Committee on 31.12.2021).

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

Corporate Governance, Sustainability and Nominations Committee

The Committee has been established and operates in accordance with all applicable laws and regulations.

The Members of the current Corporate Governance, Sustainability and Nominations Committee were appointed by a resolution of the Annual Ordinary General Meeting of Shareholders of 31.7.2020.

The Corporate Governance, Sustainability and Nominations Committee comprises five Members, out of whom three are Independent Non-Executive Members. One of the Independent Members is appointed Chair of the Committee. At least one Member should be in charge of overseeing ESG issues. The Committee ensures and regularly evaluates that its Members collectively possess the required knowledge, skills and experience relating to sustainability and ESG issues as well as to the business of the Company to assess the appropriate composition of the Board of Directors and, among others, the selection process and suitability requirements to adequately discharge the Committee's responsibilities.

The main responsibilities of the Corporate Governance, Sustainability and Nominations Committee include but are not limited to those presented below.

The Corporate Governance, Sustainability and Nominations Committee:

- Monitors the compliance of the Company and the Group with the pertinent Hellenic Corporate Governance Code to which the Company adheres, ensuring appropriate application of the "comply or explain" principle required; provides oversight that the implementation of this principle aligns with the legislation in force, the regulatory expectations and the international corporate governance best practice.
- Facilitates the regular review of the Charters of the Board Committees, in consultation with the relevant Committees, by providing input to each Committee in order to ensure that the Charters remain fit-for-purpose and align with the Hellenic Corporate Governance Code as well as with corporate governance best practices.
- Assists the Board of Directors in establishing the conditions required for effective succession and continuity in the Board of Directors.
- Develops and regularly reviews the selection criteria and the appointment process for the Members of the Board of Directors.
- Identifies and recommends for the approval of the Board of Directors candidates to fill vacancies, according to the Suitability and Nomination Policy for the Members of the Board of Directors, evaluates the balance of knowledge, skills, diversity and experience of the Board of Directors and prepares a description of the roles and capabilities for a particular appointment and assesses the time commitment expected.
- Assesses periodically, and at least annually, the structure, size, composition and performance of the Board of Directors and makes recommendations to the Board of Directors with regard to any changes.

- Assesses periodically, and at least annually, the knowledge, skills and experience of each Member of the Board of Directors and of the Board of Directors collectively and reports to the Board of Directors accordingly.
- Oversees the design and implementation of the induction program for the new Members of the Board of Directors as well as the ongoing knowledge and skills development for Members that support the effective discharge of their responsibilities.
- Reviews at least annually current and emerging trends and regulatory developments in ESG issues that may significantly affect the Company's activities, highlighting to the Board of Directors areas that may require actions.
- Oversees the implementation of the Company's policies on ESG issues.
- Oversees major sustainability and corporate responsibility initiatives, reviewing the respective reporting to Stakeholders.

The Chair of the Corporate Governance, Sustainability and Nominations Committee regularly informs the Board of Directors of the work of the Committee. The Chair also submits to the Board of Directors a formal annual report on the work of the Committee conducted during the previous year, parts of which are included in the annual Corporate Governance Statement.

The Committee convenes at least quarterly per year and may invite any Member of the Management or Executive to attend its meetings.

In 2021, the Committee convened ten times and the Members' participation rate in the meetings stood at 98% (based on the composition of the Corporate Governance, Sustainability and Nominations Committee on 31.12.2021).

The specific duties and responsibilities of the Corporate Governance, Sustainability and Nominations Committee are set out in its Charter, which is posted on the Company's website (https://www.alphaholdings.gr/en/corporate-governance/commitees).

Composition of the Board of Directors and the Board of Directors' Committees for the year 2021

Board of Directors	Audit Committee	Risk Management Committee	Remuneration Committee	Corporate Governance, Sustainability and Nominations Committee
Chair (Non-Executive Member)				
Vasileios T. Rapanos	-	-	-	-
Executive Members				
Vassilios E. Psaltis CEO	-	-	-	-
Spyros N. Filaretos General Manager - Growth and Innovation	-	-	-	-
Non-Executive Members				
Efthimios O. Vidalis	**M**	-	**-**	**M**
Artemios Ch. Theodoridis (until 17.6.2021)	-	-	-	-
Independent Non-Executive Members				
Dimitris C. Tsitsiragos	-	**M**	**M**	**-**
Jean L. Cheval	**-**	**M**	**M**	**-**
Carolyn G. Dittmeier	**C**	**-**	**-**	**M**
Richard R. Gildea	-	**M**	**C**	**-**
Elanor R. Hardwick	**M**	**-**	**-**	**C** (as of 30.9.2021) M (until 30.9.2021)
Shahzad A. Shahbaz	-	**-**	**-**	**M** (as of 30.9.2021) C (until 30.9.2021)
Jan A. Vanhevel	**M**	**C**	**-**	**-**
Non-Executive Member (pursuant to the provisions of Law 3864/2010)				
Johannes Herman Frederik G. Umbgrove	**M**	**M**	**M**	**M**
C: Chair **M: Member** **-: The Member does not participate in this Committee**				

Description of the Diversity Policy applied to the Members of the Board of Directors and Employees

Alpha Services and Holdings has adopted the Diversity Policy that sets the principles and the approach for the achievement of diversity in both the Board of Directors and Employees in accordance with the legislative and regulatory framework in force, including the relevant Joint ESMA and EBA Guidelines on "the assessment of the suitability of members of the management body and key function holders", as well as with European best practices in corporate governance.

Diversity is defined as the situation whereby the characteristics of the Members of the Board of Directors and Employees, including age, gender, geographical provenance and educational and professional background, are sufficiently different to an extent that allows a variety of views within the Board of Directors and Employees.

While the diversity of the Board of Directors is not a criterion for the assessment of the Members' individual suitability, diversity should be taken into account when selecting and assessing Members of the Board of Directors. Diversity within the Board of Directors leads to a broader range of experience, knowledge, skills and values and is one of the factors that enhance its functioning and address the phenomenon of "groupthink". Thus, a more diverse Board of Directors, in its supervisory and management functions, can reduce the phenomenon of "groupthink" and facilitate independent opinions and constructive challenging in the process of decision-making.

The Policy applies to the selection procedure followed for the Members of the Board of Directors and is also taken into consideration for the appointment of the Company's Senior Management and Employees.

The objectives of the Policy are to:

- support and promote diversity in the Board of Directors and Employees.
- engage a broad set of qualities and competences when recruiting Members of the Board of Directors and Employees, to achieve a variety of views and experiences and to facilitate independent opinions and sound decision-making within the Board of Directors.
- ensure that there is an appropriate representation of all genders within the Board of Directors.
- ensure that the principle of equal opportunities is respected when selecting Members of the Board of Directors.
- ensure equal treatment and opportunities for Employees of different genders.
- ensure that, when setting diversity objectives, the Company considers diversity benchmarking results published by competent authorities, the EBA or other relevant international bodies or organizations.

The Policy is approved by the Board of Directors and is reviewed every two years by the Corporate Governance, Suitability and Nominations Committee, which may propose relevant amendments to the Board of Directors.

1. Board of Directors

According to the existing Greek legislative framework concerning the suitability requirements for the members of the Board of Directors of credit institutions which have received capital support from the Hellenic Financial Stability Fund (Law 3864/2010, Article 10, as in force), the Members of the Board of Directors must fulfil certain criteria in addition to those required by the European legislation, such as:

- experience of at least ten years at senior managerial level in the areas of banking, audit, risk management or distressed asset management.

Additionally, the Non-Executive Members:

- must have served for at least three years as Board members of a credit institution, of a company active in the financial sector or of an international financial institution.

Furthermore, the Board of Directors:

- must include at least three experts as independent non-executive members with adequate knowledge and international experience of at least fifteen years in relevant banking institutions, of which at least three years' experience in a Board of an international banking group not operating in the Greek market. These experts should have no relationship with credit institutions operating in Greece over the previous ten years.

These requirements may have as a result the limitation of the potential diversity of candidates for the Board of Directors, in particular as far as age, gender and experience are concerned.

The Company, taking into account the existing framework, embraces the benefits of having a diverse Board of Directors. It recognizes that diversity can help achieve maximum team performance and effectiveness, enhance innovation and creativity and promote critical thinking and team cooperation within the Board. In this context, a diversified Board of Directors fosters constructive challenge and discussion on the basis of different points of view. It can help improve decision-making regarding strategies and risk-taking by encompassing a broader range of views, opinions, experience, perception, values and backgrounds. It reduces the phenomena of "group think" and "herd behavior".

A truly diverse Board of Directors allows and makes good use of differences in skills, regional and industry experience, background, abilities, qualifications, professional training, gender and other distinctions between the Members. Pursuant to the Suitability and Nomination Policy for the Members of the Board of Directors of the Company, all Board appointments are made on merit in the context of the skills, experience, knowledge and independence which the Board as a whole requires in order to be effective.
The above differentiation parameters should be taken into consideration in determining the best possible composition of the Board of Directors and, when possible, should be balanced appropriately.
At least the following diversity aspects shall be taken into consideration for all Board appointments, without prejudice to the legislative and regulatory framework and to the Suitability and Nomination Policy for the Members of the Board of Directors of the Company:

- **Educational and professional background, skills and knowledge as well as experience in order to facilitate productive challenge and independent thinking** in accordance with the Suitability and Nomination Policy for the Members of the Board of Directors.
- **Gender**: The Company strives to enhance gender diversity in its Board of Directors and Senior Management.
- **Age**: the same applies to age, as the time period in which a person has grown up influences his or her values and risk culture.

- **Geographical provenance**: the region where a person has gained a cultural, educational or professional background. Diversity regarding geographical provenance improves the experience of the Board of Directors with regard to the business activities pursued in a business area and enables the Board of Directors to better take into account the cultural values and the legal and market specificities relevant to those areas.

In reviewing the composition of the Board of Directors and in identifying suitable candidates for appointment, the Corporate Governance, Sustainability and Nominations Committee (the "CGSNC"), without prejudice to the provisions of Law 3864/2010, as in force, concerning the representative of the HFSF, will:
a. Consider the benefits of all aspects of diversity including, but not limited to, those described above, in order to enable the Board of Directors to discharge its duties and responsibilities effectively.
b. Consider candidates on merit against objective criteria pursuant to the strategic objectives of the Company, the legislative and regulatory requirements and with due consideration of diversity in the Board of Directors.

As part of the annual evaluation of the effectiveness of the Board of Directors and its Committees, the CGSNC will consider the balance of values, skills, experience, independence and knowledge of the Board of Directors, the diversity representation in the Board, including gender, and other factors relevant to its effectiveness.

The CGSNC will discuss and agree annually upon all measurable objectives for achieving diversity in the Board of Directors. In the event that any diversity objectives or targets have not been met, the CGSNC shall explain the relevant reasons and the measures to be taken, in order to ensure that the diversity objectives and targets will be met.

The CGSNC shall review and monitor regularly the effectiveness of the Policy and make relevant recommendations to the Board of Directors. Furthermore, it will review regularly the proportion of women who are employed by the Company as a whole, in senior management positions and in the Board of Directors.

The Board of Directors' actual target is that the percentage of the less represented gender in the Board is to reach at least 30% in the next three years, while always considering industry trends and best practices.

All the candidates for the Board of Directors shall be assessed on the basis of the same criteria, irrespective of gender, since the eligible Members for the Board of Directors must fulfil all the conditions set in relation to their qualifications. In this context, men and women shall have equal opportunities to be nominated under the condition that they fulfil all the other prerequisites in accordance with the Suitability and Nomination Policy for the Members of the Board of Directors of the Company. The Company shall not nominate Members to the Board of Directors with the sole purpose of increasing diversity to the detriment of the functioning and suitability of the Board of Directors collectively or at the expense of the suitability of individual Members of the Board of Directors.

2. Employees

The provision of equal opportunities for employment and advancement to all its Employees is not merely a legal obligation of the Company, but rather a cornerstone of its Human Resources Strategy. It is thus incorporated in the Human Resources management procedures and practices and the Company ensures the implementation thereof in every country where it is present.

When setting diversity objectives, the Company considers diversity benchmarking results, published by competent authorities, the EBA or other relevant international bodies or organizations.

Seeking to implement gender equality in action and to address the issue of the low percentage of women in positions of responsibility, issues which are typical of the Greek labor market, the Company takes a number of measures which help its Employees balance their professional and family life, while also promoting equitable treatment and merit-based Employees advancement, with equal advancement opportunities for female Employees. In addition, a multitude of training, coaching and mentoring initiatives are in place to support gender equality. The Company also aims to reflect the gender diversification evidenced in the Employees in the Senior Management.

The Company applies a uniform, gender-neutral Remuneration and Benefits and Corporate Expenses Policies to all categories of Employees.

The Company respects and defends the diversity of its Employees irrespective of gender, age, nationality, marital status, sexual orientation, genetic features, disability, race, color, religious or political affiliation, ethnic or social origin, citizenship or any other aspect unrelated to employment. Further to the above principles, the Company recognizes the need for diversity pertaining to skills, background, knowledge and experience in order to facilitate constructive discussion and independent thinking.

The Company provides a work environment free of discrimination and harassment and values the work and worth of each and every Employee. It ensures top-quality work conditions and opportunities for advancement that are based on merit and equitable treatment. It offers fair remuneration, based on contracts which are in agreement with the conditions of the corresponding national labor market and ensures compliance with the respective national regulations, inter alia, on minimum pay, working hours and the granting of leave.

The Company defends human rights and opposes all forms of child, forced or compulsory labor. The Company respects employee rights and is committed to safeguarding them fully, in accordance with the national and the European Union Law and the Conventions of the International Labor Organization.

The Company, in order to monitor and eliminate diversity gaps, reviews relevant data on an annual basis and implements corrective measures to narrow gaps, where these exist.

Employees in Management positions * as of 31.12.2021

	Age Breakdown as of 31.12.2021				
Gender	**26-40**	**41-50**	**51+**	**Total**	**Percentage**
Male	25	164	148	337	62.64%
Female	11	104	86	201	37.36%
Total	36	268	234	538	100.00%
Percentage	6.69%	49.81%	43.49%	100.00%	

Educational level	Breakdown as of 31.12.2021	Percentage
Postgraduate Studies (Master's, PhD)	273	50.74%
Tertiary Education (graduates of Universities or Technological Education Institutes)	147	27.32%
High School (Lyceum) graduates	118	21.93%
Total	538	100.00%

*Management positions are defined as the positions from the level of Branch Manager and above.

The percentage and number of Employees in managerial positions per educational level point out that Employees in managerial positions holding postgraduate degrees represent in 2021 the highest percentage, i.e. 51%.

17.2 Appendix II - CVs of the Members of the Board of Directors

Chair
Vasileios T. Rapanos (Non-Executive Member)
Year of birth: 1947
Nationality: Hellenic

He is Professor Emeritus at the Faculty of Economics of the University of Athens and has been an Ordinary Member of the Academy of Athens since 2016. He studied Business Administration at the Athens School of Economics and Business (1975) and holds a Master's in Economics from Lakehead University, Canada (1977) and a PhD from Queen's University, Canada. He was Deputy Governor and Governor of the Mortgage Bank (1995-1998), Chairman of the Board of Directors of the Hellenic Telecommunications Organization (1998-2000), Chairman of the Council of Economic Advisors at the Ministry of Economy and Finance (2000-2004), member of the Board of Directors of the Public Debt Management Agency (PDMA) (2000-2004) as well as Chairman of the Board of Directors of the National Bank of Greece and of the Hellenic Bank Association (2009-2012). In October 2021 he was re-elected as Chairman of the Board of Directors of the Hellenic Bank Association. He has been the Chair of the Board of Directors of the Bank since May 2014.

Executive Members
CEO
Vassilios E. Psaltis
Year of birth: 1968
Nationality: Hellenic
He holds a PhD in Banking and a MA in Business and Banking from the University of St. Gallen in Switzerland. He held various senior management positions at ABN AMRO Bank's Financial Institutions Group in London and at Emporiki Bank wherein he has worked as Deputy (acting) Chief Financial Officer. He joined Alpha Bank in 2007. In 2010 he was appointed Group Chief Financial Officer (CFO) and in 2012 he was appointed General Manager. Through these posts, he spearheaded capital raisings of several billions from foreign institutional shareholders, diversifying the Bank's shareholder base, as well as significant mergers and acquisitions that contributed to the consolidation of the Greek banking market, reinforcing the position of the Bank. He has been a Member of the Board of Directors of the Bank since November 2018 and Chief Executive Officer since January 2019. In 2019 he was elected member of the Institut International d' Études Bancaires (IIEB). He is a Member of the Board of Directors and of the Executive Committee of the Hellenic Federation of Enterprises (SEV) since July 2021.

General Manager
Spyros N. Filaretos
Year of birth: 1958
Nationality: Hellenic

He studied Economics at the University of Manchester and at the University of Sussex. He joined the Bank in 1985. He was appointed Executive General Manager in 1997 and General Manager in 2005. From October 2009 to November 2020 he served as Chief Operating Officer (COO). In December 2020 he was appointed General Manager – Growth and Innovation. He has been a Member of the Board of Directors of the Bank since 2005.

Non-Executive Member
Efthimios O. Vidalis
Year of birth: 1954
Nationality: Hellenic

He holds a BA in Government from Harvard University and an MBA from the Harvard Graduate School of Business Administration. He held several leadership positions for almost 20 years at Owens Corning, where he served as President of the Global Composites and Insulation Business Units. He joined S&B Industrial Minerals S.A. in 1998 as Chief Operating Officer (1998-2001), became the first non-family Chief Executive Officer (2001-2011) and served on the Board of Directors for 15 years. He was a member of the Board of Directors of Future Pipe Industries (Dubai, U.A.E.) from 2008 to 2019, Chairman of the Board of Directors of the Greek Mining Enterprises Association (2005-2009) and member of the Board of Directors of the Hellenic Federation of Enterprises (SEV) from 2006 to 2016, where he served as Vice Chairman (2010-2014) and as Secretary General (2014-2016). Furthermore, he is the founder of the SEV Business Council for Sustainable Development and was the Chairman thereof from 2008 to 2016. He was elected President of the Executive Committee of SEV during the Annual General Meeting, held in June 2020. He is a non-executive member of the Board of Directors of Titan Cement Company S.A., Fairfield-Maxwell Ltd (U.S.A.) and non-executive independent member of Eurolife FFH Insurance Group Holdings S.A. He has been a Member of the Board of Directors of the Bank since May 2014. He is a Member of the Audit Committee and of the Corporate Governance, Sustainability and Nominations Committee.

Independent Non-Executive Members

Dimitris C. Tsitsiragos
Year of birth: 1963
Nationality: Hellenic

He holds a BA in Economics from Rutgers University and an MBA from the George Washington University. He completed the World Bank Group Executive Development Program at the Harvard Business School. He spent 28 years at the International Finance Corporation (IFC) – World Bank Group. He held progressive positions in the Oil, Gas and Mining and in the Central and Eastern Europe Departments, including the positions of Manager, Oil and Gas, and Manager, Manufacturing and Services, based in Washington, D.C., USA (1989-2002). Furthermore, he held director positions for South Asia (India), Global Manufacturing and Services (Washington, D.C.) and Middle East, North Africa and Southern Europe (Cairo, Egypt), overseeing IFC's global and regional investment operations (2002-2011). In 2011, he was promoted to Vice President, EMENA region (Istanbul, Turkey) and in 2014 he was appointed Vice President Investments/Operations (Istanbul/Washington). He currently sits on the Board of Directors of Titan Cement International and serves as a Senior Advisor, Emerging Markets at Pacific Investment Management Company (PIMCO) in London, UK. He previously served as a non-executive independent Board member at the Infrastructure Development Finance Company (IDFC), India and at the Commercial Bank of Ceylon (CBC), Sri Lanka. He has been a Member of the Board of Directors of the Bank since July 2020. He is a Member of the Risk Management Committee and of the Remuneration Committee.

Jean L. Cheval
Year of birth: 1949
Nationality: French

He studied Engineering at the École Centrale des Arts et Manufactures, while he holds a DES (Diplôme d'Études Spécialisées) in Economics (1974) from the University of Paris I. Additionally he holds a DEA (Diplôme d' Études Approfondies) in Statistics and a DEA in Applied Mathematics from the University of Paris VI. After starting his career at BIPE (Bureau d'Information et de Prévisions Économiques), he served in the French public sector (1978-1983) and then worked at Banque Indosuez-Crédit Agricole (1983-2001), wherein he held various senior management positions, including the positions of Chief Economist, Head of Corporate Planning and Head of Asset-based Finance and subsequently he became General Manager. He served as Chairman and CEO of the Banque Audi France (2002-2005) as well as Chairman of the Banque Audi Suisse (2002-2004). Furthermore, he served as Head of France at the Bank of Scotland (2005-2009). As of 2009 he has been working at Natixis in various senior management positions, such as Head of the Structured Asset Finance Department and Head of Finance and Risk, second "Dirigeant effectif" of Natixis, alongside the CEO. He is currently a member of the Board of Directors of EFG-Hermes, Egypt, Chairman of the Steering Committee of Natixis Algérie and Chairman of the Natixis Foundation for Research and Innovation. He has been a Member of the Board of Directors of the Bank since June 2018. He is a Member of the Risk Management Committee and of the Remuneration Committee.

Carolyn G. Dittmeier
Year of birth: 1956
Nationality: Italian and US

She holds a BSc in Economics from the Wharton School of the University of Pennsylvania. She is a Statutory Auditor, a Certified Public Accountant (CPA), a Certified Internal Auditor (CIA) and a Certified Risk Management Assurance (CRMA) professional, focusing on the audit and risk management sectors. Additionally, she has obtained a Qualification in Internal Audit Leadership (QIAL). She commenced her career in the US at the auditing and consulting firm Peat Marwick & Mitchell (now KPMG) where she reached the position of Audit Manager, and subsequently assumed managerial responsibilities in the Montedison Group as Financial Controller and later as Head of Internal Audit. In 1999, she launched the practice of corporate governance services in KPMG Italy. Subsequently, she took on the role of Chief Internal Audit Executive of the Poste Italiane Group (2002-2014). She has carried out various professional and academic activities focusing on risk and control governance and has written two books. She was Vice Chair (2013-2014) and Director of the Institute of Internal Auditors (2007-2014), Chair of the European Confederation of Institutes of Internal Auditing (2011-2012) and Chair of the Italian Association of Internal Auditors (2004-2010). Furthermore, she served as Independent Director and Chair of the Risk and Control Committee of Autogrill SpA (2012-2017) as well as of Italmobiliare SpA (2014-2017). Since 2014 she has been Chair of the Board of Statutory Auditors of Assicurazioni Generali SpA and a member of the Boards and/or the Audit Committees of some non-financial companies (Moncler, Illycaffè). She has been a Member of the Board of Directors of the Bank since January 2017 and is currently Chair of the Audit Committee and a Member of the Corporate Governance, Sustainability and Nominations Committee.

Richard R. Gildea
Year of birth: 1952
Nationality: British

He holds a BA in History from the University of Massachusetts (1974) and an MA in International Economics, European Affairs from the Johns Hopkins University School of Advanced International Studies (1984). He served in JP Morgan Chase, in New York and London, from 1986 to 2015, wherein he held various senior management positions throughout his career. He was Emerging Markets Regional Manager for the Central and Eastern Europe Corporate Finance Group, London (1993-1997) and Head of Europe, Middle East and Africa (EMEA) Restructuring, London (1997-2003). He also served as Senior Credit Officer in EMEA Emerging Markets, London (2003-2007) and Senior Credit Officer for JP Morgan’s Investment Bank Corporate Credit in EMEA Developed Markets, London (2007-2015), wherein, among others, he was Senior Risk Representative to senior committees. He is currently a member of the Board of Advisors at the Johns Hopkins University School of Advanced International Studies, Washington D.C., where he chairs the Finance Committee, as well as a member of Chatham House (the Royal Institute of International Affairs), London. He has been a Member of the Board of Directors of the Bank since July 2016. He is the Chair of the Remuneration Committee and a Member of the Risk Management Committee.

Elanor R. Hardwick
Year of birth: 1973
Nationality: British

She holds an MA (Cantab) from the University of Cambridge and an MBA from the Harvard Business School. She commenced her career in 1995 at the UK Government's Department of Trade and Industry, focusing on the Communications and Information Industries policy, and subsequently held roles as a strategy consultant with Booz Allen Hamilton's Tech, Media and Telco practice and with the Institutional Equity Division of Morgan Stanley. Since 2005, she has held various roles, including Global Head of Professional Publishing and Global Head of Strategy, Investment Advisory at Thomson Reuters (now Refinitiv). Afterwards, she joined the team founding FinTech startup Credit Benchmark, becoming its CEO (2012-2016). Then, she served as Head of Innovation at Deutsche Bank (2016-2018) and as Chief Digital Officer at UBS (2019-2020). Since 2018 she has served as a non-executive member of the Board of Directors of specialty (re)insurer Axis Capital, while she is also a member of the Risk Committee, the Compensation Committee and the Corporate Governance and Nominating Committee. She served as a non-executive member of the Board of Directors of Itiviti Group AB (July 2020 - May 2021). She is an external member of the Audit Committee of the University of Cambridge as of January 2021, a member of the Advisory Board of Concirrus as of May 2021 and a member of the Supervisory Council of Luminor Group as of April 2022. She has been a Member of the Board of Directors of the Bank since July 2020. She is the Chair of the Corporate Governance, Sustainability and Nominations Committee and she is a Member of the Audit Committee.

Shahzad A. Shahbaz
Year of birth: 1960
Nationality: British

He holds a BA in Economics from Oberlin College, Ohio, U.S.A. He has worked at various banks and investment firms, since 1981, including the Bank of America (1981-2006), from which he left as Regional Head (Corporate and Investment Banking, Continental Europe, Emerging Europe, Middle East and Africa). He served as Chief Executive Officer (CEO) of NBD Investment Bank/Emirates NBD Investment Bank (2006-2008), and of QInvest (2008-2012). He is currently the Group CIO of Al Mirqab Holding Co. He is also a member of the Board of Directors of El Corte Inglés and of Seafox. He has been a Member of the Board of Directors of the Bank since May 2014. He is a Member of the Corporate Governance, Sustainability and Nominations Committee.

Jan A. Vanhevel
Year of birth: 1948
Nationality: Belgian

He studied Law at the University of Leuven (1971), Financial Management at Vlekho (Flemish School of Higher Education in Economics), Brussels (1978) and Advanced Management at INSEAD (The Business School for the World), Fontainebleau. He joined Kredietbank in 1971, which became KBC Bank and Insurance Holding Company in 1998. He acquired a Senior Management position in 1991 and joined the Executive Committee in 1996. In 2003 he was in charge of the non-Central European branches and subsidiaries, while in 2005 he became responsible for the KBC subsidiaries in Central Europe and Russia. In 2009 he was appointed CEO and implemented the Restructuring Plan of the group until 2012, when he retired. From 2008 to 2011 he was President of the Fédération belge du secteur financier (Belgian Financial Sector Federation) and a member of the Verbond van Belgische Ondernemingen (Federation of Enterprises in Belgium), while he has been the Secretary General of the Institut International d'Études Bancaires (International Institute of Banking Studies) since May 2013. He was also a member of the Liikanen Group on reforming the structure of the EU banking sector. Currently, he is a Board member of a private industrial multinational company and of a private equity company. He has been a Member of the Board of Directors of the Bank since April 2016. He is the Chair of the Risk Management Committee and a Member of the Audit Committee.

Non-Executive Member (Pursuant to the provisions of Law 3864/2010)
Johannes Herman Frederik G. Umbgrove
Year of birth: 1961
Nationality: Dutch

He holds an LL.M. in Trade Law (1985) from Leiden University and an MBA from INSEAD (The Business School for the World), Fontainebleau (1991). Additionally, he attended the IN-BOARD Non-Executive Directors Program at INSEAD. He worked at ABN AMRO Bank N.V. (1986-2008), wherein he held various senior management positions throughout his career. He served as Chief Credit Officer Central and Eastern Europe, Middle East and Africa (CEEMEA) of the Global Markets Division at The Royal Bank of Scotland Group (2008-2010) and as Chief Risk Officer and member of the Management Board at Amsterdam Trade Bank N.V. (2010-2013). From 2011 until 2013 he was Group Risk Officer at Alfa Bank Group Holding and as of 2014 he has been a Risk Advisor at Sparrenwoude B.V. He has been a member of the Supervisory Board of Demir Halk Bank (Nederland) N.V. since 2016 and in 2018 he became the Chairman of the Supervisory Board thereof. He is currently the Chair of the Supervisory Board, of the Nomination and Remuneration Committee as well as a member of the Risk and Audit Committee and of the Related Party Transactions Committee of Demir Halk Bank N.V. Furthermore, since December 2019 he has been an independent member of the Supervisory Board and as of 1.1.2022 he has been the Chairman of the Audit Committee of Lloyds Bank GmbH. He has been a Non-Executive Member of the Board of Directors of the Bank, representing the Hellenic Financial Stability Fund, since April 2018. He is a Member of all the Committees of the Board of Directors.

17.3 Appendix III – Group's subsidiaries and associates

The following tables list the Group's subsidiaries and associates, according to the consolidation method followed for regulatory purposes.

Template 55: EU LI3 - Outline of the differences in the scopes of consolidation (entity by entity) as of 31.12.2021

(Amounts in millions of Euro)

a	b	c	d	e	f	g	h
Name of the entity	Method of accounting consolidation	Method of regulatory consolidation					Description of the entity
		Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted	Deducted	
Alpha Bank S.A.	*Full consolidation*	*x*					*Credit Institutions*
ALPHA BANK LONDON LTD	*Full consolidation*	*x*					*Credit Institutions*
ALPHA LEASING A.E.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA FINANCE A.E.P.E.Y.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA ASSET MANAGEMENT A.E.D.A.K	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA VENTURES A.E.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA ASTIKA AKINITA A.E.	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC FACTORS A.E.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA REAL ESTATES MANAGEMENT AND INVESTMENTS S.A.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA GROUP JERSEY LIMITED	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA INSURANCE AGENTS A.E.	*Full consolidation*			*x*			*Non-Financial Corporations*
ALPHA BANK LONDON NOMINEES LTD	*Full consolidation*				*x*		*Other Financial corporations other than Credit Institutions*

a	b	c	d	e	f	g	h
Name of the entity	**Method of accounting consolidation**	**Method of regulatory consolidation**					**Description of the entity**
		Full consolidation	**Proportional consolidation**	**Equity method**	**Neither consolidated nor deducted**	**Deducted**	
ABL INDEPENDENT FINANCIAL ADVISERS LTD	*Full consolidation*				*x*		*Other Financial corporations other than Credit Institutions*
APE FIXED ASSETS A.E.	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA BANK ROMANIA S.A.	*Full consolidation*	*x*					*Credit Institutions*
ALPHA GROUP INVESTMENTS LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
KAFE ALPHA A.E.	*Full consolidation*			*x*			*Non-Financial Corporations*
ALPHA REAL ESTATE BULGARIA E.O.O.D	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA SUPPORTING SERVICES A.E	*Full consolidation*			*x*			*Non-Financial Corporations*
IONIAN EQUITY PARTICIPATIONS LTD.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHALIFE A.A.E.Z.	*Full consolidation*				*x*		*Other Financial corporations other than Credit Institutions*
ALPHA BANK CYPRUS LTD	*Full consolidation*	*x*					*Credit Institutions*
ALPHA TRUSTEES LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA INSURANCE BROKERS S.R.L.(ROMANIA)	*Full consolidation*			*x*			*Non-Financial Corporations*
ALPHA VENTURES CAPITAL MANAGEMENT - AKES	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
KATANALOTIKA PLC	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
REAL CAR RENTAL A.E.	*Full consolidation*			*x*			*Non-Financial Corporations*
EPIXIRO PLC	*Full consolidation*	*x*					*Other Financial corporations other*

a	b	c	d	e	f	g	h
Name of the entity	**Method of accounting consolidation**	**Method of regulatory consolidation**					**Description of the entity**
		Full consolidation	**Proportional consolidation**	**Equity method**	**Neither consolidated nor deducted**	**Deducted**	
							than Credit Institutions
ALPHA LEASING ROMANIA IFN S.A.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
CHARDASH TRADING E.O.O.D.	*Full consolidation*	*x*					*Non-Financial Corporations*
IRIDA PLC	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
PISTI 2010-1 PLC	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI-BRE PARTICIPATIONS 1 L.T.D.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI-RRE PARTICIPATIONS 1 L.T.D.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA REAL ESTATE SERVICES S.R.L.	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI - RRE PARTICIPATIONS 1 S.R.L.	*Full consolidation*	*x*					*Non-Financial Corporations*
STOCKFORT LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA GROUP LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ZERELDA LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA INVESTMENT PROPERTY ATTIKIS A.E.	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA BANK ALBANIA SH.A.	*Full consolidation*	*x*					*Credit Institutions*
AGI - RRE POSEIDON LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI - RRE HERA LTD	*Full consolidation*	*x*					*Other Financial corporations other*

ALPHA BANK

a	b	c	d	e	f	g	h
Name of the entity	**Method of accounting consolidation**	**Method of regulatory consolidation**					**Description of the entity**
		Full consolidation	**Proportional consolidation**	**Equity method**	**Neither consolidated nor deducted**	**Deducted**	
							than Credit Institutions
UMERA LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
S.C. ROMFELT REAL ESTATE S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
EMPORIKI VENTURE CAPITAL DEVELOPED MARKETS LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
EMPORIKI VENTURE CAPITAL EMERGING MARKETS LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
EMPORIKI MANAGEMENT A.E.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
EMPORIKI DEVELOPMENT & REAL ESTATE MANAGEMENT A.E.	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI - RRE ZEUS SRL	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI - RRE POSEIDON SRL	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI - RRE HERA SRL	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI - BRE PARTICIPATIONS 2 L.T.D.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI - BRE PARTICIPATIONS 3 L.T.D.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI - BRE PARTICIPATIONS 4 L.T.D.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA REAL ESTATE SERVICES LLC	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI - RRE ARES LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*

a	b	c	d	e	f	g	h
Name of the entity	Method of accounting consolidation	Method of regulatory consolidation					Description of the entity
		Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted	Deducted	
AGI - BRE PARTICIPATIONS 2 E.O.O.D.	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI - BRE PARTICIPATIONS 2BG E.O.O.D.	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI - BRE PARTICIPATIONS 4 E.O.O.D.	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI - RRE ARTEMIS LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI - BRE PARTICIPATIONS 5 L.T.D.	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI - RRE CLEOPATRA LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI - RRE HERMES LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI - RRE ARSINOE LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI - SRE ARIADNI LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
SC CARMEL RESIDENTIAL SRL	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA INVESTMENT PROPERTY NEAS KIFISSIAS S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA INVESTMENT PROPERTY KALLIROIS S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE TOCHINI LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE EVAGORAS LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI-CYPRE TERSEFANOU LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*

a	b	c	d	e	f	g	h
Name of the entity	**Method of accounting consolidation**	**Method of regulatory consolidation**					**Description of the entity**
		Full consolidation	**Proportional consolidation**	**Equity method**	**Neither consolidated nor deducted**	**Deducted**	
AGI-CYPRE MAZOTOS LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE ERMIS LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA INVESTMENT PROPERTY LEVADIAS S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA SHIPPING FINANCE LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ASMITA GARDENS SRL	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA BANK DEBT NOTIFICATION SERVICES S.A.	*Full consolidation*			*x*			*Non-Financial Corporations*
CUBIC CENTER DEVELOPMENT S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA INVESTMENT PROPERTY NEAS ERYTHRAIAS S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
CEPAL HELLAS HOLDINGS S.A.	*Equity method*			*x*			*Other Financial corporations other than Credit Institutions*
AGI SRE PARTICIPATIONS 1 LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI SRE PARTICIPATIONS 1 DOO	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA INVESTMENTS PROPERTY SPATON S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA INVESTMENTS PROPERTY KALLITHEAS S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
KESTREL ENTERPRISE EOOD	*Full consolidation*	*x*					*Non-Financial Corporations*

a	b	c	d	e	f	g	h
Name of the entity	**Method of accounting consolidation**	**Method of regulatory consolidation**					**Description of the entity**
		Full consolidation	**Proportional consolidation**	**Equity method**	**Neither consolidated nor deducted**	**Deducted**	
ALPHA INVESTMENTS PROPERTY IRAKLEIOU S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 2 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 4 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 5 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 6 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 8 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 7 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 9 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 12 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 13 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 14 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 15 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 16 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 17 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 18 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 19 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*

ALPHA BANK

a	b	c	d	e	f	g	h
Name of the entity	**Method of accounting consolidation**	**Method of regulatory consolidation**					**Description of the entity**
		Full consolidation	**Proportional consolidation**	**Equity method**	**Neither consolidated nor deducted**	**Deducted**	
AGI-CYPRE PROPERTY 20 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE RES PAFOS LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE P&F NICOSIA LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE P2 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE P3 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE L2 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE P4 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE RES NICOSIA LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE P&F LIMASSOL LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 21 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 22 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 23 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 24 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE L3 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE P&F LIMASSOL LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 25 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 26 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE COM PAFOS LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE RES LARNACA LTD	*Full consolidation*	*x*					*Non-Financial Corporations*

ALPHA BANK

a	b	c	d	e	f	g	h
Name of the entity	**Method of accounting consolidation**	**Method of regulatory consolidation**					**Description of the entity**
		Full consolidation	**Proportional consolidation**	**Equity method**	**Neither consolidated nor deducted**	**Deducted**	
AGI-CYPRE P&F PAFOS LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 27 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE L4 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE L5 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 28 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 29 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 30 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE COM PAFOS LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA QUANTUM DAC	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AEP INDUSTRIAL PROPERTY M. AE	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 31 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 32 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 33 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 34 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA GROUP REAL ESTATE LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ABC RE P&F PAFOS LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE P&F NICOSIA LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE RES NICOSIA LTD	*Full consolidation*	*x*					*Non-Financial Corporations*

a	b	c	d	e	f	g	h
Name of the entity	**Method of accounting consolidation**	**Method of regulatory consolidation**					**Description of the entity**
		Full consolidation	**Proportional consolidation**	**Equity method**	**Neither consolidated nor deducted**	**Deducted**	
FIERTON LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP INDUSTRIAL ASSETS ROG S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP ATTICA RESIDENTIAL ASSETS I S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP THESSALONIKI RESIDENTIAL ASSETS S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP CRETAN RESIDENTIAL ASSETS S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP AEGEAN RESIDENTIAL S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP IONIAN RESIDENTIAL ASSETS S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP ATTICA COMMERCIAL ASSETS S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP THESSALONIKI COMMERCIAL ASSETS S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP COMMERCIAL ASSETS ROG S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP ATTICA RETAIL ASSETS I S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP ATTICA RETAIL ASSETS II S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP ATTICA RESIDENTIAL ASSETS II S.M.S.A	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP RETAIL ASSETS ROG S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*
AIP LAND II S.M.S.A.	*Full consolidation*	*x*					*Non-Financial Corporations*

a	b	c	d	e	f	g	h
Name of the entity	**Method of accounting consolidation**	**Method of regulatory consolidation**					**Description of the entity**
		Full consolidation	**Proportional consolidation**	**Equity method**	**Neither consolidated nor deducted**	**Deducted**	
ABC RE P6 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 35 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE P&F LARNACA LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 37 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE RES AMMOCHOSTOS LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 38 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE RES LARNACA LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE P7 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 42 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE P&F LARNACA LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
KRIGEO HOLDINGS LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA CREDIT ACQUISITION COMPANY LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI-CYPRE PROPERTY 43 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 44 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA INTERNATIONAL HOLDING COMPANY SA	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI-CYPRE PROPERTY 45 LTD	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI-CYPRE PROPERTY 40 LTD	*Full consolidation*	*x*					*Non-Financial Corporations*

a	b	c	d	e	f	g	h
Name of the entity	**Method of accounting consolidation**	**Method of regulatory consolidation**					**Description of the entity**
		Full consolidation	**Proportional consolidation**	**Equity method**	**Neither consolidated nor deducted**	**Deducted**	
ALPHA INTERNATIONAL HOLDINGS S.M.S.A	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ABC RE RES AMMOCHOSTOS LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
ABC RE RES PAPHOS LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
SAPAVA LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 46 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 47 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 48 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
ALPHA CREDIT PROPERTY 1 LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
OFFICE PARK I SRL	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE COM NICOSIA LIMITED	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI-CYPRE PROPERTY 49 LIMITED	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI-CYPRE PROPERTY 50 LIMITED	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI-CYPRE COM LARNACA LIMITED	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ACARTA CONSTRUCT SRL	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 51 LIMITED	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI-CYPRE PROPERTY 52 LIMITED	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*

a	b	c	d	e	f	g	h
Name of the entity	**Method of accounting consolidation**	**Method of regulatory consolidation**					**Description of the entity**
		Full consolidation	**Proportional consolidation**	**Equity method**	**Neither consolidated nor deducted**	**Deducted**	
AGI-CYPRE PROPERTY 53 LIMITED	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
ALPHA CREDIT PROPERTIES LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
AGI-CYPRE PROPERTY 55 LIMITED	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
AGI-CYPRE PROPERTY 54 LIMITED	*Full consolidation*	*x*					*Other Financial corporations other than Credit Institutions*
Alpha Υπηρεσιών Πληρωμών ΜΑΕ	*Full consolidation*	*x*					*Non-Financial Corporations*
SKY CAC LIMITED	*Full consolidation*	*x*					*Non-Financial Corporations*
Engromest	*Full consolidation*	*x*					*Non-Financial Corporations*
APE COMMERCIAL PROPERTY A.E.	*Equity method*			*x*			*Non-Financial Corporations*
APE INVESTMENT PROPERTY A.E	*Equity method*			*x*			*Non-Financial Corporations*
ALPHA TANEO A.K.E.S.	*Equity method*			*x*			*Non-Financial Corporations*
Rosequeens Properties Ltd.	*Equity method*			*x*			*Non-Financial Corporations*
Panarae Saturn LP	*Equity method*			*x*			*Non-Financial Corporations*
ALPHA INVESTMENT PROPERTY COMMERCIAL STORES S.A.	*Equity method*			*x*			*Non-Financial Corporations*
ALPHA INVESTMENT PROPERTY ELEONA A.E.	*Equity method*			*x*			*Non-Financial Corporations*
OLGANOS A.E.	*Equity method*			*x*			*Non-Financial Corporations*
AEDEP Thessalias and Steras Ellados	*Equity method*			*x*			*Non-Financial Corporations*
A.L.C. Novelle Investments Ltd	*Equity method*				*x*		*Other Financial corporations other than Credit Institutions*

a	b	c	d	e	f	g	h
Name of the entity	**Method of accounting consolidation**	**Method of regulatory consolidation**					**Description of the entity**
		Full consolidation	**Proportional consolidation**	**Equity method**	**Neither consolidated nor deducted**	**Deducted**	
Banking Information Systems A.E.	*Equity method*			*x*			*Non-Financial Corporations*
Propindex A.E.D.A.	*Equity method*			*x*			*Non-Financial Corporations*
Rosequeens Properties Srl.	*Equity method*			*x*			*Non-Financial Corporations*
Perigenis Business Properties Societe Anonyme	*Equity method*			*x*			*Non-Financial Corporations*

17.4 Appendix IV – Terms and conditions of Tier 2 instruments

Template 56a: EU CCA: Main features of regulatory own funds instruments and eligible liabilities instruments

		a
		Qualitative or quantitative information - Free format
1	Issuer	Alpha Services and Holdings S.A.
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS2111230285
2a	Public or private placement	public
3	Governing law(s) of the instrument	English law, except for status, subordination, waiver of set-off, acknowledgement of Statutory Loss Absorption Powers and provisions, relating to Noteholders Agent (Greek law)
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A
	Regulatory treatment	
4	Current treatment taking into account, where applicable, transitional CRR rules	Tier 2 Capital
5	Post-transitional CRR rules	Tier 2 Capital
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo & Consolidated
7	Instrument type (types to be specified by each jurisdiction)	Debt instrument - Art.62 CRR
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	EUR 500,000,000
9	Nominal amount of instrument	EUR 500,000,000
EU-9a	Issue price	100 per cent. of the Aggregate Nominal Amount
EU-9b	Redemption price	100 per cent. of their nominal amount
10	Accounting classification	Liability
11	Original date of issuance	13 February 2020
12	Perpetual or dated	dated
13	Original maturity date	13 February 2030
14	Issuer call subject to prior supervisory approval	applicable
15	Optional call date, contingent call dates and redemption amount	13 February 2025 - One time call option. The Issuer may elect to redeem all, but not some only, of the Notes on 13 February 2025 (Year 5) at par together with any accrued and unpaid interest thereon, subject to certain conditions including (but not limited to) prior regulatory approval.
16	Subsequent call dates, if applicable	N/A
	Coupons / dividends	
17	Fixed or floating dividend/coupon	Fixed coupon
18	Coupon rate and any related index	From (and including) the Issue Date to (but excluding) 13 February 2025 (Year 5): Fixed rate of 4.250% p.a. The Reset Date is 13 February 2025. From (and including) the Reset Date to (but excluding) the Maturity Date at the rate per annum equal to the Reset Rate of Interest (Reset Reference Rate plus reset margin). Reset Reference Rate is the then prevailing 5-year mid-swap rate (Reuters screen "ICESWAP2") and reset margin is 4.504%. Coupon is payable annually in arrear on 13 February in each year, commencing on 13 February 2021, up to and including the Maturity Date.
19	Existence of a dividend stopper	N/A
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory
21	Existence of step up or other incentive to redeem	No step up or other incentive to redeem
22	Noncumulative or cumulative	Noncumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down features	No
31	If write-down, write-down trigger(s)	N/A
32	If write-down, full or partial	N/A
33	If write-down, permanent or temporary	N/A
34	If temporary write-down, description of write-up mechanism	N/A
34a	Type of subordination (only for eligible liabilities)	N/A
EU-34b	Ranking of the instrument in normal insolvency proceedings	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Direct, unsecured, subordinated obligations ranking pari passu without any preference among themselves. Subordinated to Senior Creditors of the Issuer (including subordinated creditors whose claims rank, or are expressed to rank, in priority to claims of holders of the Notes).
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A
37a	Link to the full term and conditions of the intrument (signposting)	https://www.bourse.lu/security/XS2111230285/301952

(1) Insert 'N/A' if the question is not applicable

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Template 56b: EU CCA: Main features of regulatory own funds instruments and eligible liabilities instruments

		a
		Qualitative or quantitative information - Free format
1	Issuer	Alpha Services and Holdings S.A.
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	XS2307437629
2a	Public or private placement	public
3	Governing law(s) of the instrument	English law, except for status, subordination, waiver of set-off, acknowledgement of Statutory Loss Absorption Powers and provisions, relating to Noteholders Agent (Greek law)
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A
	Regulatory treatment	
4	Current treatment taking into account, where applicable, transitional CRR rules	Tier 2 Capital
5	Post-transitional CRR rules	Tier 2 Capital
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo & Consolidated
7	Instrument type (types to be specified by each jurisdiction)	Debt instrument - Art.62 CRR
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	EUR 500,000,000
9	Nominal amount of instrument	EUR 500,000,000
EU-9a	Issue price	100 per cent. of the Aggregate Nominal Amount
EU-9b	Redemption price	100 per cent. of their nominal amount
10	Accounting classification	Liability - amortised cost
11	Original date of issuance	11 March 2021
12	Perpetual or dated	dated
13	Original maturity date	11 June 2031
14	Issuer call subject to prior supervisory approval	applicable
15	Optional call date, contingent call dates and redemption amount	11 March 2026 - One time call option. The Issuer may elect to redeem all, but not some only, of the Notes on (and including) 11 March 2026 (Year 5) at par together with any accrued and unpaid interest thereon, subject to certain conditions including (but not limited to) prior regulatory approval.
16	Subsequent call dates, if applicable	N/A
	Coupons / dividends	
17	Fixed or floating dividend/coupon	Fixed coupon
18	Coupon rate and any related index	From (and including) the Issue Date to (but excluding) 11 June 2026 (Year 5,25): Fixed rate of 5.500% p.a. The Reset Date is 11 June 2026. From (and including) the Reset Date to (but excluding) the Maturity Date at the rate per annum equal to the Reset Rate of Interest (Reset Reference Rate plus reset margin). Reset Reference Rate is the then prevailing 5-year mid-swap rate (Reuters screen "ICESWAP2/EURSFIXA") and reset margin is 5.823%. Coupon is payable annually in each case, in arrear on 11 June in each year from (and including) 11 June 2021 (short first interest period) to (and including) the Maturity Date.
19	Existence of a dividend stopper	N/A
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory
21	Existence of step up or other incentive to redeem	No step up or other incentive to redeem
22	Noncumulative or cumulative	Noncumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down features	No
31	If write-down, write-down trigger(s)	N/A
32	If write-down, full or partial	N/A
33	If write-down, permanent or temporary	N/A
34	If temporary write-down, description of write-up mechanism	N/A
34a	Type of subordination (only for eligible liabilities)	N/A
EU-34b	Ranking of the instrument in normal insolvency proceedings	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Direct, unsecured, subordinated obligations ranking pari passu without any preference among themselves. Subordinated to Senior Creditors of the Issuer (including subordinated creditors whose claims rank, or are expressed to rank, in priority to claims of holders of the Notes).
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A
37a	Link to the full term and conditions of the intrument (signposting)	https://www.bourse.lu/security/XS2307437629/332689

(1) Insert 'N/A' if the question is not applicable

17.5 Appendix V – Own Funds structure

Template 57: EU CC1 - Composition of regulatory own funds as of 31.12.2021

(Amounts in millions of Euro)

		a	a	b
		31.12.2021	**30.6.2021**	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation**
Common Equity Tier 1 (CET1) capital: instruments and reserves				
1	Capital instruments and the related share premium accounts	12,066	11,266	(a)
2	Retained earnings	(3,372)	(3,367)	(b)
3	Accumulated other comprehensive income (and other reserves)	209	342	(c)
EU-3a	Funds for general banking risk			
4	Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1			
5	Minority interests (amount allowed in consolidated CET1)	0	0	(j)
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	-	-	(b)
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**8,904**	**8,241**	
Common Equity Tier 1 (CET1) capital: regulatory adjustments				
7	Additional value adjustments (negative amount)	(8)	(8)	
8	Intangible assets (net of related tax liability) (negative amount)	(337)	(314)	(d)
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	(8)	(49)	(e)
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	209	216	(c)
12	Negative amounts resulting from the calculation of expected loss amounts			
13	Any increase in equity that results from securitised assets (negative amount)			
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing			
15	Defined-benefit pension fund assets (negative amount)			
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)			
17	Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)			

		a	a	b
		31.12.2021	30.6.2021	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)			
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-	
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative			
EU-20b	of which: qualifying holdings outside the financial sector (negative amount)			
EU-20c	of which: securitisation positions (negative amount)	(33)		
EU-20d	of which: free deliveries (negative amount)			
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	(1,931)	(1,685)	(e)
22	Amount exceeding the 17,65% threshold (negative amount)	(104)	(85)	(e),(i)
23	of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	(14)	(13)	(i)
25	of which: deferred tax assets arising from temporary differences	(90)	(71)	(e)
EU-25a	Losses for the current financial year (negative amount)	(2,924)	(2,336)	(b)
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)			
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-		
27a	Other regulatory adjustments	894	895	
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**(4,209)**	**(3,364)**	
29	**Common Equity Tier 1 (CET1) capital**	**4,662**	**4,877**	
Additional Tier 1 (AT1) capital: instruments				
30	Capital instruments and the related share premium accounts			
31	of which: classified as equity under applicable accounting standards			

		a	a	b
		31.12.2021	30.6.2021	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
32	of which: classified as liabilities under applicable accounting standards			
33	Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1 as described in Article 486(3) CRR	1	1	(g)
EU-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1			
EU-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1			
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties			
35	of which: instruments issued by subsidiaries subject to phase out			
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**1**	**1**	
Additional Tier 1 (AT1) capital: regulatory adjustments				
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)			
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)			
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)			
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)			
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)			
42a	Other regulatory adjustments to AT1 capital			
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	**-**	**-**	
44	**Additional Tier 1 (AT1) capital**	**1**	**1**	
45	**Tier 1 capital (T1 = CET1 + AT1)**	**4,663**	**4,878**	
Tier 2 (T2) capital: instruments				
46	Capital instruments and the related share premium accounts	1,014	1,015	(h)
47	Amount of qualifying items referred to in Article 484 (5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR	(1)	(1)	(g)

		a	a	b
		31.12.2021	30.6.2021	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
EU-47a	Amount of qualifying items referred to in Article 494a (2) CRR subject to phase out from T2	-	-	
EU-47b	Amount of qualifying items referred to in Article 494b (2) CRR subject to phase out from T2	-	-	
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties			
49	of which: instruments issued by subsidiaries subject to phase out			
50	Credit risk adjustments			
51	**Tier 2 (T2) capital before regulatory adjustments**	**1,013**	**1,013**	
Tier 2 (T2) capital: regulatory adjustments				
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)			
53	Direct, indirect and synthetic goldings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)			
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)			
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)			
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)			
EU-56b	Other regulatory adjustments to T2 capital			
57	Total regulatory adjustments to Tier 2 (T2) capital	-	-	
58	Tier 2 (T2) capital	1,013	1,013	
59	**Total capital (TC = T1 + T2)**	**5,676**	**5,892**	
60	**Total Risk exposure amount**	**35,333**	**38,109**	
Capital ratios and buffers				
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	13.2%	12.8%	
62	Tier 1 (as a percentage of total risk exposure amount)	13.2%	12.8%	
63	Total capital (as a percentage of total risk exposure amount)	16.1%	15.5%	

		a	a	b
		31.12.2021	30.6.2021	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
64	Institution CET1 overall capital requirement (CET1 requirement in accordance with Article 92 (1) CRR, plus additional CET1 requirement which the institution is required to hold in accordance with point (a) of Article 104(1) CRD, plus combined buffer requirement in accordance with Article 128(6) CRD) expressed as a percentage of risk exposure amount)	9.19%	9.19%	
65	of which: capital conservation buffer requirement	2.50%	2.50%	
66	of which: countercyclical buffer requirement	0.00%	0.00%	
67	of which: systemic risk buffer requirement			
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	0.50%	0.50%	
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	1.69%	1.69%	
68	**Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)**	4.95%	4.55%	
Amounts below the thresholds for deduction (before risk weighting)				
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	23	23	
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	75	94	
75	Deferred tax assets arising from temporary differences (amount below 17,65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	490	504	
Applicable caps on the inclusion of provisions in Tier 2				
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)			
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach			
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)			
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach			
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)				

		a	a	b
		31.12.2021	**30.6.2021**	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation**
80	Current cap on CET1 instruments subject to phase out arrangements		-	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)		-	
82	Current cap on AT1 instruments subject to phase out arrangements		-	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)		-	
84	Current cap on T2 instruments subject to phase out arrangements		-	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)		-	

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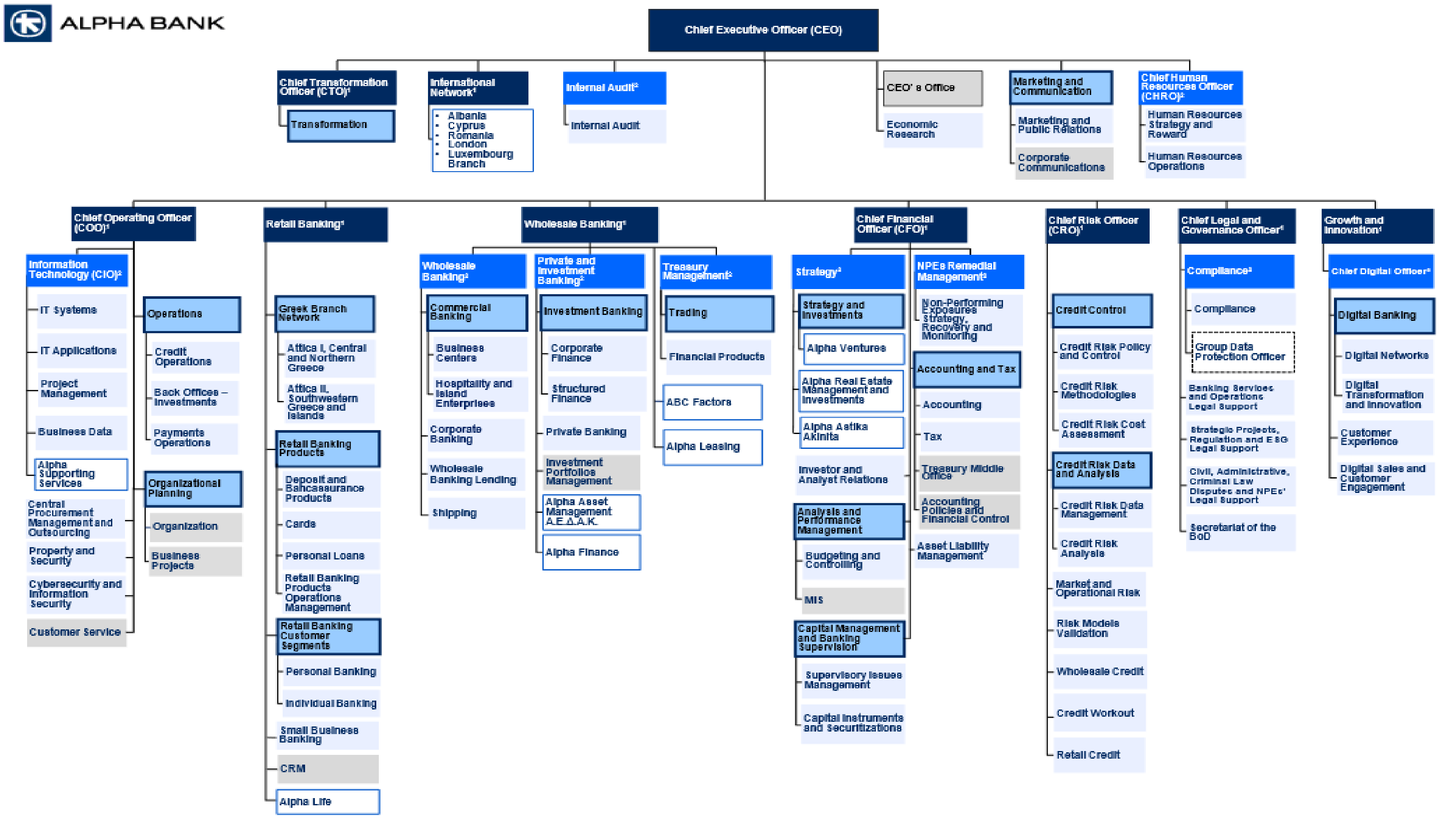
17.6 Appendix VI – Organizational Chart



1 General Manager and member of the Executive Committee
2 Executive General Manager

Senior Divisions | Divisions | Supporting Divisions | Group Companies

Effective Date: 15.4.2022
(General Management Act No 19A/15.4.2022)