



ALPHA  
SERVICES AND HOLDINGS

**REPORT OF THE INDEPENDENT NON-EXECUTIVE  
MEMBERS OF THE BOARD OF DIRECTORS  
for the year 2023**



July 2024

This document constitutes the joint Report of the Independent Non-Executive Members of the Board of Directors of Alpha Services and Holdings S.A. (hereinafter the “**Company**”) and is submitted to the Ordinary General Meeting of Shareholders of the Company of 24.7.2024 (hereinafter the “**GM**”), pursuant to article 9 par. 5 of Law 4706/2020 and the relevant guidelines issued by the Hellenic Capital Market Commission.

By means of this Report, the Independent Non-Executive Members confirm their approval of the information included in the Company’s Board of Directors’ Annual Management Report as well as in the Corporate Governance Statement of the Company, both incorporated in the Annual Financial Report of the Company for the financial year 2023 pursuant to the applicable legal and regulatory framework. They also confirm that during the financial year 2023 they have properly and lawfully discharged their duties pursuant to article 7 of Law 4706/2020. In particular (a) they have been monitoring and reviewing the Company’s business strategy as well as its implementation towards the accomplishment of its targets, (b) they have ensured the effective oversight of the Executive Members, including the monitoring of their performance, and (c) they have examined and expressed opinions with respect to the proposals submitted by the Executive Members, on the basis of established information.

The Independent Non-Executive Members perform their supervisory duties effectively and, within this context, conduct a thorough examination of the proposals submitted to the Board of Directors (hereinafter the “**BoD**”) and openly express their opinions thereon, taking into account all the information available to the BoD.

In addition, it should be noted that all four (4) Committees of the BoD, i.e. Audit Committee, Risk Management Committee, Remuneration Committee and Corporate Governance, Sustainability and Nominations Committee, are chaired by Independent Non-Executive Members (and the majority of their Members are also Independent Non-Executive Members) who support effectively the Chair in the execution of his duties and responsibilities. Through their participation in the BoD and its Committees, the Independent Non-Executive Members have consistently demonstrated their ability to act with independence of mind, promoting transparency and devoting sufficient time to the effective performance of their duties, acting in the best interest of all stakeholders.

The Company revised its Articles of Incorporation, the Internal Governance Regulation, the Charters of the Board of Directors and its Committees, the Charter of the Executive Committee as well as policies pertaining to corporate governance and in particular the Suitability and Nomination Policy for the Members of the Board of Directors, the Suitability and Nomination Process for the Members of the Board of Directors, the Induction and Training Policy and Procedure for the Members of the Board of Directors, the Policy and Process for the Succession Planning of Non-Executive and Independent Non-Executive Members of the Board of Directors, the Policy for the Succession Planning of Senior Executives and Key Function Holders, the Policy for the Evaluation of Senior Executives and Key Function Holders, the Remuneration Policy of the Members of the Board of Directors as per the provisions of Law 4548/2018, the Remuneration Policy for Alpha Services and Holdings and its Group, the Group Benefits and Corporate Expenses Policy, the Senior Executives Severance Payment Policy and the Expenses Policy for the Non-Executive Members of the Board of Directors, in order for them to be fully aligned with the current legal and regulatory framework and with the most recent best practices of corporate governance.

At the time this Report is being drafted, the Company’s Board of Directors consists of thirteen (13) Members, of which two (2) are Executive and eleven (11) Non-Executive, of which eight (8) are Independent Non-Executive Members.

During 2023, the Board of Directors, following a relevant recommendation by the Corporate Governance, Sustainability and Nominations Committee (hereinafter the “**CGSNC**”), at its meeting held on 29.6.2023 resolved on the election of Ms. Diony C. Lebot and Mr. Panagiotis I.-K. Papazoglou as Independent Non-Executive Members of the Board of Directors of the Company,

with effect as of 27.7.2023, in replacement of the Independent Non-Executive Members Messrs. Richard R. Gildea and Shahzad A. Shahbaz respectively.

The Ordinary General Meeting of 27.7.2023, following a relevant proposal by the Board of Directors, resolved on the appointment of Ms. Diony C. Lebot and Mr. Panagiotis I.-K. Papazoglou, who fulfill the independence criteria according to article 9 of law 4706/2020, as Independent Non-Executive Members for the rest of the tenure of the Board of Directors of the Company.

It is noted that, following a relevant assessment by the CGSNC during 2023, it was determined that the new Members of the Board of Directors are adequately qualified in terms of knowledge and skills, including academic and professional qualifications, their experience and background, to perform the duties assigned to them, as well as pursuant to the requirements of their position. Furthermore, for each proposed Board Member her/his honesty and integrity, good reputation, sufficiency of time to be allocated in discharging her/his duties as well as the absence of any conflict in relation to her/his election were ascertained.

For the year 2023 the average participation rate of the Non-Executive Members of the BoD in the meetings stood at 98%.

The Company demonstrates a clear division of responsibilities between the BoD and the Executive Management. The Non-Executive Members of the BoD do not have within their remit any executive responsibilities regarding the management of the Company, apart from the general duties stemming from their capacity as BoD Members, and have been entrusted with the role of carrying out systematic supervision and monitoring of the Management's decision-making process. In particular, the Non-Executive Members of the BoD (including the Independent Non-Executive Members), in the context of discharging their duties in the BoD, are entrusted, among others, with the following responsibilities:

- a) Monitoring and assessing the Company's strategy and its implementation as well as the fulfillment of the Company's objectives;
- b) Participating fully in the work of the BoD and its Committees so that the Board may discharge all of its responsibilities;
- c) Ensuring the efficient supervision of the Executive Management, including monitoring its objectives and performance;
- d) Examining the proposals submitted by the Executive Members, based on existing information, and expressing their opinion thereon;
- e) Ensuring and periodically assessing the effectiveness of the internal governance framework and taking appropriate steps to address any identified deficiencies;
- f) Monitoring that the risk culture is implemented consistently;
- g) Overseeing the integrity of financial and non-financial information and reporting;
- h) Overseeing the internal control framework, including an effective and sound risk management framework;
- i) Ensuring that the Heads of the Internal Control functions are able to act independently and that, regardless of the responsibility to report to other internal bodies, business lines or units, they can raise concerns and warn the Non-Executive Members directly, where necessary, when adverse risk developments affect or may affect the Company;
- j) Overseeing the implementation and maintenance of a Code of Conduct and Ethics or similar and effective policies to identify, manage and mitigate actual and potential conflicts of interest;
- k) Meeting annually or more frequently, as required (without the presence of Executive Members), under the chairmanship of the Chair, to exchange views on any matter that they deem pertinent and to assess the overall performance of the Company's executive leadership team on a collective and an individual basis;
- l) Reviewing and approving the Remuneration Policy, ensuring the alignment of the remuneration of Senior Executives with the long-term interests of the Company and its Shareholders, as well as reviewing and approving the Benefits Policy, with the support of the Remuneration Committee;

m) Determining and overseeing the remuneration of the Members of the BoD, etc.

Further, in accordance with the applicable legal and regulatory framework and in addition to the above, the Independent Non-Executive Members must, in particular, submit, jointly or severally, reports to the General Meeting, regardless of the reports submitted by the BoD. Furthermore, at the Board of Directors' meetings where the drafting of Financial Statements of the Company is discussed or the daily agenda of which includes items, for the approval of which a decision by the General Meeting, by special quorum and a majority, is set forth, in accordance with the applicable legal and regulatory framework, a quorum of the Board of Directors is achieved if at least two Independent Non-Executive Members are present.

During 2023, the Non-Executive Members of the BoD (including the Independent Non-Executive Members) held ten (10) meetings without the presence of the Executive Members of the BoD, well above the minimum requirement, in order to discuss the following issues:

Agenda items
Remuneration Policy for Alpha Services and Holdings and its Group.
Revision of Benefits following the new Career Framework – Group Benefits and Corporate Expenses Policy (Annex II of the Remuneration Policy for Alpha Services and Holdings and its Group).
Announcement of the Senior Executives Savings Plan.
Update on the proposed tax law on pension plans.
Material Risk Takers (MRTs) list for the year 2022 at Group level.
Annual Remuneration of the Non-Executive Members of the BoD for the financial year 2023.
Amendments of Executive Committee Members Contracts.
Annual performance evaluation of the Senior Executives and Key Function Holders.
2023 goal setting for the Senior Executives and Key Function Holders.
Report of the Independent Non-Executive Members, as per the provisions of Law 4706/2020.
Collective Evaluation of the Board of Directors for the year 2022.
Individual Evaluation of the Members of the Board of Directors for the year 2022.
Discussion on Strategy.

Additionally, two strategy offsite meetings took place during 2023 with the participation of all the Members of the Board of Directors, including the Independent Non-Executive Members (100% attendance).

With the support of the CGSNC, the BoD annually assesses its effectiveness and that of its Committees. From time to time and at least once every three years, the BoD may appoint external consultants to facilitate a more in-depth review of its effectiveness. The Collective Evaluation of the Members of the BoD and its Committees, for the year 2022, was conducted by Morrow Sodali, with the assistance of the CGSNC. The Individual Evaluation of the Members of the BoD for the year 2022 was conducted by the Chair of the BoD.

During 2023, further to the aforementioned evaluation of the BoD, 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" (hereinafter the "**Joint ESMA/EBA Guidelines**"), was conducted with

the support of the CGSNC. In this context and for the purposes of preparing the assessment of the collective suitability, each Member of the BoD conducted an Individual Self-Assessment, by using an individual self-assessment questionnaire, based on the criteria listed in the Joint ESMA/EBA Guidelines. The Chair of the BoD 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, basic knowledge and past experience, as suggested in the said Guidelines. Furthermore, taking into consideration that the EBA Guidelines Matrix is a dynamic tool, new sections have been included therein, taking into account changes in the banking landscape and the needs arising from the Company's Business Plan. Based on the approved Collective Suitability Matrix, the BoD resolved that it would benefit from new Members who have a good knowledge and experience of the Greek market, ESG, IT and Digital and are also strategic thinkers.

The Board of Directors, with the support of the CGSNC, after reviewing the independence criteria and taking into consideration, among others, the internal procedure as well as the Declaration Form completed and signed by the Independent Non-Executive Members and the Individual Self-Assessment Questionnaire of the EBA Matrix, confirmed that the Independent Non-Executive Members, i.e. Mmes. Elli M. Andriopoulou and Aspasia F. Palimeri, Messrs. Dimitris C. Tsitsiragos, Panagiotis I.-K. Papazoglou and Jean L. Cheval as well as Mmes. Carolyn G. Dittmeier, Elanor R. Hardwick and Diony C. Lebot, fulfill all the criteria for being Independent Non-Executive Members of the Board of Directors, in accordance with the Bank of Greece (BoG) Executive Committee Act 224/21.12.2023, the relevant Joint ESMA/EBA Guidelines, the CGSNC Charter, Law 4706/2020 on Corporate Governance as well as the Hellenic Corporate Governance Code of the Hellenic Corporate Governance Council.

**Athens, July 3, 2024**

**The Independent Non-Executive Members  
of ALPHA SERVICES AND HOLDINGS S.A.**