

**SUPPLEMENT DATED 22 JANUARY 2020 TO THE BASE PROSPECTUS DATED 15  
NOVEMBER 2019**



**ALPHA BANK**

**ALPHA CREDIT GROUP PLC**  
*(incorporated with limited liability in England and Wales)*  
**as Issuer**  
and  
**ALPHA BANK AE**  
*(incorporated with limited liability in the Hellenic Republic)*  
**as Issuer and Guarantor**  
**EUR 15,000,000,000 Euro Medium Term Note Programme**

This supplement (the “**Supplement**”) to the base prospectus dated 15 November 2019 (the “**Base Prospectus**”) constitutes a supplement to the Base Prospectus for the purpose of Article 23 of the Prospectus Regulation and is prepared in connection with the EUR 15,000,000,000 Euro Medium Term Note Programme (the “**Programme**”) established by Alpha Credit Group PLC (“**Alpha PLC**”) and Alpha Bank AE (“**Alpha Bank**”). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement has also been approved by the Luxembourg Stock Exchange pursuant to the rules and regulations of the Luxembourg Stock Exchange for the purposes mentioned in paragraph 1 (“*Purpose of the Supplement*”) below for the purpose of listing Exempt Notes on the official list of the Luxembourg Stock Exchange and admitting Exempt Notes to the Euro MTF Market.

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus.

Each of Alpha PLC and Alpha Bank (the “**Responsible Persons**”) accepts responsibility for the information contained in this Supplement. To the best of the knowledge and belief of the Responsible Persons (each having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything which in the context of the issuance and offering of Notes would be misleading and affect the import of such information.

## **1. PURPOSE OF THE SUPPLEMENT**

The purpose of this Supplement is to:

- (i) incorporate by reference Alpha Bank’s unaudited interim consolidated financial statements (produced in accordance with IFRS) for the nine months ended 30 September 2019;
- (ii) incorporate by reference certain parts of a press release dated 19 November 2019 published through Athex entitled “*Alpha Bank Strategy Update 2020 – 2022*”;
- (iii) incorporate by reference certain parts of a press release dated 19 November 2019 published through Athex entitled “*Alpha Bank’s new Senior Management Team*”;
- (iv) update the disclosure in the “*Risk Factors*” section of the Base Prospectus;
- (v) update the disclosure in the “*Overview*” and “*Taxation*” sections of the Base Prospectus;

- (vi) update the disclosure in the “*The Group*” section of the Base Prospectus;
- (vii) update the disclosure in the “*Alternative Performance Measures*” section of the Base Prospectus;
- (viii) update Conditions 6(g), 17 and 21(a) of the terms and conditions of the Notes set out in the Base Prospectus (the “**Conditions**” and references to a numbered “**Condition**” shall be construed accordingly);
- (ix) make certain typographical amendments as described in paragraph 6 (“*Conditions*”) below; and
- (x) update the statements of no significant change and no material adverse change in relation to Alpha Bank and Alpha PLC in the Base Prospectus.

## **2. INFORMATION INCORPORATED BY REFERENCE**

### **2.1 Q3 Interim Financial Statements**

On 19 November 2019, Alpha Bank published its unaudited interim consolidated financial statements (produced in accordance with IFRS) for the nine months ended 30 September 2019 (available at <https://www.alpha.gr/-/media/alphagr/files/group/apotelesmata/2019-q3/20191119-q3-oikonomikes-katastaseis-en.pdf>) (the “**Q3 Interim Financial Statements**”).

By virtue of this Supplement, the Q3 Interim Financial Statements, which have previously been published and have been filed with the CSSF, shall be incorporated by reference in, and form part of, the Base Prospectus, including the information set out at the following pages in particular:

- (i) Interim Consolidated Income Statement page 3;
- (ii) Interim Consolidated Balance Sheet page 4;
- (iii) Interim Consolidated Statement of Comprehensive Income page 5;
- (iv) Interim Consolidated Statement of Changes in Equity pages 6 to 7;
- (v) Interim Consolidated Statement of Cash Flows page 8; and
- (vi) Notes to the Condensed Interim Consolidated Financial Statements pages 9 to 89

Any other information incorporated by reference that is not included in the cross-reference list above is considered to be additional information to be disclosed to investors rather than information required by the relevant Annexes of the Delegated Regulation.

Any documents themselves incorporated by reference in the Q3 Interim Financial Statements shall not form part of this Supplement.

## 2.2 Strategy Update Press Release

On 19 November 2019, Alpha Bank published a press release through Athex (which is also available at [https://www.alpha.gr/-/media/alphagr/files/group/strategy-update/20191119b\\_deltio\\_typou\\_en.pdf](https://www.alpha.gr/-/media/alphagr/files/group/strategy-update/20191119b_deltio_typou_en.pdf)) entitled “Alpha Bank Strategy Update 2020 – 2022” (the “**Strategy Update Press Release**”).

The Strategy Update Press Release contains certain forward looking statements in relation to Alpha Bank’s strategy for the period from 2020 to the end of 2022. In this regard, please see the section of the Base Prospectus entitled “*Cautionary statement regarding forward looking statements*”.

Some of the forward looking statements in the Strategy Update Press Release are targets for the period to, or as at, the end of 2022, as applicable. This includes all numbers contained in the Strategy Update Press Release and which refer to 2022. Such forward looking statements are not forecasts and present current financial targets set and calculated by Alpha Bank’s management team for the relevant period or as at the relevant date, as applicable. There is no guarantee that any of the targets will be met in whole or in part or otherwise that the strategic plan will be implemented in whole or in part. Please also see “*Risk Factors – Risks relating to the Bank’s business - The Bank’s announced strategic plan involves regulatory and execution risks and the Hive-Down could structurally subordinate the claims of the Noteholders against the Bank*”.

By virtue of this Supplement, the following parts of the Strategy Update Press Release shall be incorporated by reference in, and form part of, the Base Prospectus:

- pages 1 and 2 of the Strategy Update Press Release; and
- pages 4 to 6 (inclusive) of the Strategy Update Press Release.

The non-incorporated parts of the Strategy Update Press Release are either deemed not relevant for an investor or are otherwise covered elsewhere in the Base Prospectus.

## 2.3 Governance Press Release

On 19 November 2019, Alpha Bank published a press release through Athex (which is also available at [https://www.alpha.gr/-/media/alphagr/files/group/strategy-update/governance\\_pressrelease\\_eng.pdf](https://www.alpha.gr/-/media/alphagr/files/group/strategy-update/governance_pressrelease_eng.pdf)) entitled “Alpha Bank’s new Senior Management Team” (the “**Governance Press Release**”).

By virtue of this Supplement, the following parts of the Governance Press Release shall be incorporated by reference in, and form part of, the Base Prospectus:

- the second sentence of the second paragraph of page 1 of the Governance Press Release;
- the third to tenth paragraphs (inclusive) of page 1 of the Governance Press Release; and
- the paragraphs on page 2 of the Governance Press Release other than the final paragraph on page 2.

The non-incorporated parts of the Governance Press Release are either deemed not relevant for an investor or are otherwise covered elsewhere in the Base Prospectus.

### **3. RISK FACTORS**

#### **3.1 Risks relating to the Bank's business**

The following risk factor shall be inserted on page 11 of the Base Prospectus after the first paragraph of the section entitled "*Risks relating to the Bank's business*" in the "*Risk Factors*" section:

*"The Bank's announced strategic plan involves regulatory and execution risks and the Hive-Down could structurally subordinate the claims of the Noteholders against the Bank*

In November 2019, the Bank announced its Strategic Plan (as defined below). See further "*The Group – Other material milestones and transactions*".

There can be no assurance that the Bank will achieve any of the anticipated benefits of the Strategic Plan in full or in the time frame currently envisioned. The Bank requires regulatory approvals for some aspects of the Strategic Plan and these may be delayed or withheld. There is also no certainty that Project Galaxy (as defined below) will be successful, and a range of factors outside the Bank's control, such as political and economic uncertainty or other factors affecting investor appetite, could negatively affect Project Galaxy.

Any failure to achieve the full anticipated benefits of the Strategic Plan could have an adverse effect on the Bank's reputation, business, financial condition, results of operations and prospects and could divert management's attention from running the business.

In addition, should the Hive-Down (as defined below) be implemented, the claims of holders of the Notes shall, as against the Bank, be structurally subordinated to the claims of all creditors of New Alpha Bank (as defined below) unless, in the case of Notes issued by the Bank, the Bank and New Alpha Bank agree, in accordance with the Conditions, to the substitution of New Alpha Bank in place of the Bank as the debtor in respect of such Notes. This structural subordination would arise as the Bank would be largely dependent upon funds received from New Alpha Bank, in the form of dividends or otherwise, in order to fulfil its obligations under the Notes. The ability of New Alpha Bank to pay dividends and other amounts to the Bank will be subject, amongst other things, to its profitability, to applicable law and regulation, to its capital adequacy position and to any relevant contractual restrictions to which it is or may become subject. Furthermore, investors should note that the Conditions do not impose any obligation on the Bank to effect the substitution of New Alpha Bank in place of the Bank as the debtor in respect of Notes issued by the Bank, whether as a pre-condition to the Hive-Down or otherwise."

#### **3.2 General risks relating to a particular issue of Notes**

On page 23 of the Base Prospectus, in the third sentence of the risk factor entitled "*Certain Notes (or in the case of Tier 2 Notes issued by Alpha PLC, the Guarantee) may be subject to loss absorption on any application of the general bail-in tool or at the point of non-viability of the Issuer or the Guarantor*": (i) the words "of the Issuer or the Issuer and its subsidiaries and subsidiary undertakings from time to time" shall be inserted after the words "At the point of non-viability"; and (ii) the words "or other instruments of ownership" shall be inserted after the words "into shares".

#### **3.3 Risks relating to the Notes generally**

On page 29 of the Base Prospectus, the sixth paragraph of the risk factor entitled "*Future discontinuance of LIBOR or any other benchmark (such as EURIBOR or ROBOR) may adversely affect the value of Floating Rate Notes and/or Reset Notes which reference or are linked to LIBOR or such other benchmark*" shall be updated by deleting the first sentence of that paragraph and replacing it with the following text: "In certain circumstances, the ultimate fallback of interest for a

particular Interest Period or Reset Period (as applicable) may result in the rate of interest for the last preceding Interest Period, or the sum (converted as set out in the definition of “First Reset Rate of Interest” or “Subsequent Reset Rate of Interest” (as applicable)) of the last observable mid-swap rate with an equivalent term and currency to the relevant Reset Reference Rate which appeared on the Relevant Screen Page and the First Margin or Subsequent Margin (as applicable), being used.”.

On page 32 of the Base Prospectus, the second paragraph of the risk factor entitled “*The Conditions of the Notes contain provisions which may permit their modification without the consent of all investors*” shall be updated by inserting the words “(including, where the Issuer is Alpha Bank, any Successor in Business of Alpha Bank)” after the words “substitute another company”.

#### **4. TAX DISCLOSURE**

##### **4.1 “Overview” section**

The paragraphs under the heading “*Taxation*” on pages 42 and 43 of the Base Prospectus shall be deleted and replaced with the paragraphs listed under Part 1 of Appendix 1 to this supplement.

##### **4.2 “Taxation” section**

The paragraphs under the heading “*Taxation in the Hellenic Republic*” on pages 253 to 257 (inclusive) of the Base Prospectus shall be deleted and replaced with the paragraphs listed under Part 2 of Appendix 1 to this supplement.

#### **5. THE GROUP**

The following paragraphs shall be inserted after the last paragraph on page 147 of the Base Prospectus:

“On 19 November 2019, Alpha Bank announced a new strategic plan for the Group for the period up to the end of 2022 (the “**Strategic Plan**”) with the aim of returning the Group to sustainable profitability. The Strategic Plan sets out a number of initiatives that are intended to help Alpha Bank to achieve this ambition. The most significant initiatives are described below.

##### *Hive-Down*

Alpha Bank intends to proceed with a spin-off (the “**Hive-Down**”) of its core banking assets and liabilities to a new banking entity (“**New Alpha Bank**”) that would be a wholly-owned subsidiary of Alpha Bank. Alpha Bank would continue to exist as a listed entity but would become a holding company whose main asset is 100 per cent. of the shares of New Alpha Bank. Alpha Bank’s Board of Directors has approved the Hive-Down in principle but further approvals (including, without limitation, all applicable regulatory approvals) will be required in due course to effect the Hive-Down. Subject, amongst other things, to obtaining such approvals, it is currently expected that the Hive-Down will be completed in the third quarter of 2020.

##### *Project Galaxy*

Alpha Bank intends to undertake a large-scale securitisation and sale of up to €12 billion of retail and wholesale non-core NPEs (known as “**Project Galaxy**”). Project Galaxy is expected to take place in the first six months of 2020 and is being led by an experienced team within Alpha Bank. The Project Galaxy securitisation (if successfully executed) would result in an immediate de-risking of the Group’s balance sheet and have a positive effect on the Group’s cost of risk.

The CET1 ratio of 18.3 per cent. as of 30 September 2019, pro forma adjusted for the deconsolidation of the selected portfolio of non-performing exposures the sale of which is expected to be completed in Q1 2020 (Project Neptune), is expected to be impacted by 350 bps by Project Galaxy, with the CET1 ratio expected to be 14.8 per cent. following the impact of Project Galaxy. The Project Galaxy impact refers to the loss from the sale of the mezzanine and equity tranches of the NPE transaction, the gain from the sale of the servicer and the reduction of the risk weighted assets resulting from the sale of the aforementioned securitisation tranches and the risk weighting of the retained (mainly) senior tranches. A risk weight of 0 per cent. is assumed for the retained senior tranches in the context of the credit enhancement (guarantee) under the Hellenic Asset Protection Scheme (HAPS).

#### *Servicing and management of the Group's NPEs*

The Group's existing NPE management platform will be carved out from Alpha Bank and a new servicing entity (the "NPE Servicer") will be created comprising the existing NPE management platform and Alpha Bank's current licenced affiliated servicer, Cepal Hellas. The NPE Servicer will service and manage both Alpha Bank's core NPEs (i.e. those that will be hived down to New Alpha Bank as part of the Hive-Down) as well as the non-core NPEs to be securitised and sold as part of Project Galaxy. Outsourcing the servicing and management of the Group's NPEs to the NPE Servicer is intended to provide greater flexibility to the Group in terms of NPE cost management.

#### *Optimisation of operating expenses*

The Strategic Plan envisages a streamlining and optimisation of the Group's operating expenses wherever possible. Measures of particular significance include:

- outsourcing the servicing and management of the Group's NPEs to the NPE Servicer, as described above;
- streamlining central functions and general and administrative (G&A) costs; and
- a reduction in the number of the Group's branches of around 18 per cent.

#### *Governance changes*

The Strategic Plan sets out Alpha Bank's intention to appoint new members to its top management team. A new governance framework will also be implemented, including: (i) clear delegation of authority from the Board of Directors to the Chief Executive Officer and from the Chief Executive Officer to the management team; (ii) empowerment and clear re-definition of the areas of responsibility of each member of Alpha Bank's senior management team; and (iii) a redefined structure and role for Alpha Bank's governance committees. These changes are intended to bring personnel with proven experience into Alpha Bank's management team and to enable faster decision-making at executive level."

## **6. ALTERNATIVE PERFORMANCE MEASURES**

The "Alternative Performance Measures" section on pages 189 to 193 (inclusive) of the Base Prospectus shall be deleted and replaced with the text contained in Appendix 2 to this Supplement.

## **7. CONDITIONS**

Condition 6(b) (which appears on pages 93 to 99 (inclusive) of the Base Prospectus) shall be updated by deleting the final paragraph which appears on page 98 of the Base Prospectus and replacing it with the following text:

“If on any Reset Determination Date none of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this paragraph, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be the sum (converted as set out in the definition of such term above) of the last observable mid-swap rate with an equivalent term and currency to the relevant Reset Reference Rate which appeared on the Relevant Screen Page and the First Margin or Subsequent Margin (as applicable), all as determined by the Calculation Agent.”

Condition 6(g) (which appears on pages 109 to 111 (inclusive) of the Base Prospectus) shall be updated to include the following additional definition:

“**“Successor Reference Rate”** means the rate that the relevant Independent Adviser or the Issuer (as applicable) determines is a successor to or replacement of the relevant Original Reference Rate which is formally recommended by any Relevant Nominating Body.”

Condition 17 (which appears on pages 130 to 132 (inclusive) of the Base Prospectus) shall be deleted and replaced with the text contained in Appendix 3 to this Supplement.

In Condition 21(a) (which appears on page 134 of the Base Prospectus) and on page 44 of the Base Prospectus in the section entitled “*Overview of the Programme – Governing Law*”, the words “(i) Conditions 3(b), 4(b), 4(d), 18 and 20 and (ii)” shall be deleted and replaced with the words “(i) Conditions 3(b), 3(c), 4(d), 4(e), 18 and 20, (ii) (in the case of Tier 2 Notes issued by Alpha Bank) Conditions 4(b) and 4(c) and (iii)”.

In addition, the following typographical amendments shall be made:

- (i) the final paragraph of Condition 4(d) (which appears on page 89 of the Base Prospectus) shall be re-numbered as Condition 4(e);
- (ii) the reference to “Condition 6(b)” in Condition 7(n) (which appears on page 119 of the Base Prospectus) shall be deleted and replaced with the words “Condition 7(b)”.

## **8. STATEMENTS OF NO SIGNIFICANT CHANGE AND NO MATERIAL ADVERSE CHANGE**

On page 267 of the Base Prospectus, the section entitled “*General Information – Material Change and Significant Change*” shall be deleted and replaced with the words: “Since 31 December 2018 there has been no material adverse change in the financial position or prospects of Alpha Bank or Alpha PLC nor any significant change in the financial performance or position of (i) Alpha PLC since 31 December 2018 or (ii) Alpha Bank and the Group as a whole since 30 September 2019.”

## **9. GENERAL**

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus since the publication of the Base Prospectus.

For so long as any Notes are listed on the Luxembourg Stock Exchange and, in any event, for the period of 12 months following the date of the Base Prospectus, copies of this Supplement and the

documents incorporated by reference in this Supplement will, when published, be available for inspection free of charge at the registered office of Alpha PLC and at <https://www.alpha.gr/en/group>.

In addition, copies of this Supplement and each document incorporated by reference into the Base Prospectus by this Supplement are available for viewing at the Luxembourg Stock Exchange's website ([www.bourse.lu](http://www.bourse.lu)).

Dated 22 January 2020



## APPENDIX 1

### PART 1

#### Taxation:

All payments in respect of the Notes and Coupons will be made without withholding or deduction for or on account of Taxes imposed by a Taxing Jurisdiction (as those terms are defined in Condition 11) unless required by law, as provided in Condition 11. In such event, the Issuer or, as the case may be, the Guarantor will, save in certain limited circumstances provided in Condition 11, be required to pay such additional amounts in respect of interest and, in respect of the Senior Preferred Liquidity Notes only, principal and premium, as will result in the receipt by the holders of the Notes or Coupons of such amounts as would have been receivable by them had no such withholding or deduction been required.

Under Greek law as at 22 January 2020, payments of interest under the Non-Listed Notes issued by Alpha Bank are subject to Greek income withholding tax and, under the Conditions, where Extended Gross-up is specified as being applicable in the applicable Final Terms, Pricing Supplement or Drawdown Prospectus (as the case may be), subject to one limited exception (which would not apply while the Non-Listed Notes are represented by a global Note cleared through Euroclear and/or Clearstream, Luxembourg), Alpha Bank is required to gross up such payments in order that holders of the relevant Notes receive such amounts as would have been received by them if no such withholding had been required (see Condition 11). In this case, depending on the applicable income tax rules in the tax jurisdiction(s) to which they are subject, the income received by a holder for tax purposes may be the gross amount paid by Alpha Bank, rather than the net amount received by the holder.

The attention of holders is also drawn to the fact that, if the Greek law on income tax withholding changes in the future and payments of interest under the Non-Listed Notes issued by Alpha Bank to Non-Greek Legal Persons (as defined in Condition 11) cease to be subject to Greek income withholding tax, the obligation of Alpha Bank, as Issuer, to gross up interest payments will be limited. Please see Condition 11. In such circumstances, holders who are not Non-Greek Legal Persons may remain subject to income tax withholding, if any is applicable, and (if so) may cease to benefit from any grossing-up of interest payments by Alpha Bank.

“**Listed Notes**” means Notes listed on a trading venue within the EU (which includes the regulated market of the Luxembourg Stock Exchange and the Euro MTF Market) or listed on an organised stock market outside the EU which is supervised by a regulatory authority accredited by the International Organization of Securities Commissions.

“**Non-Listed Notes**” means Notes that are not Listed Notes.

The relevant Issuer's obligation to pay additional amounts in respect of any withholding or deduction in respect of taxes under the terms of the Senior Preferred Notes, Senior Non-Preferred Notes and Tier 2 Notes applies only to payments of interest due and paid under such Notes and not to payments of principal. As such, the relevant Issuer would not be required to pay any additional amounts under the terms of the Senior Preferred Notes, Senior Non-Preferred Notes and Tier 2 Notes to the extent any withholding or deduction applied to payments of principal.

**Prospective purchasers of the Notes are advised to consult their own tax advisors as to the tax consequences of the purchase, ownership and disposal of the Notes.**

## **PART 2**

### **Taxation in the Hellenic Republic**

The following is a summary of certain material Greek tax consequences of the purchase, ownership and disposal of the Notes. The discussion is not exhaustive and does not purport to deal with all the tax consequences applicable to all possible categories of purchasers, some of which may be subject to special rules and also does not touch upon procedural requirements, such as the issuance of a tax registration number or the filing of a tax declaration or of supporting documentation required. Further, it is not intended as tax advice to any particular purchaser and it does not purport to be a comprehensive description or analysis of all of the potential tax considerations that may be relevant to a purchaser in view of such purchaser's particular circumstances. Also, in so far as it relates to Notes issued by Alpha Bank the discussion below is limited to the payment of interest under Notes as per the terms of which the redemption amount of such Notes may not be less than the principal amount thereof upon their issue. A Pricing Supplement may include additional information on the Greek tax law treatment of Index Linked Notes, if and to the extent necessary depending on their final terms.

The summary is based on the Greek tax laws in force as at 22 January 2020, published case law, ministerial decisions and other regulatory acts of the respective Greek authorities as in force at the date hereof and does not take into account any developments or amendments that may occur after 22 January 2020, whether or not such developments or amendments have retroactive effect. Nevertheless, since a new Greek income tax code was brought into force (by virtue of Law 4172/2013, effective as of 1 January 2014, as amended from time to time) limited (if any) precedent or authority exists and there are still certain matters which have not, as at the date hereof, been clarified by the Greek tax administration. Further, non-Greek tax residents may have to submit a declaration of non-residence or produce documentation evidencing non-residence in order to claim any exemption under applicable tax laws of Greece.

**Prospective purchasers of the Notes are advised to consult their own tax advisers as to the laws of Greece and other tax consequences of the purchase, ownership and disposal of the Notes.**

#### **A. *Greek withholding tax***

##### ***Payment of principal under the Notes and the Guarantee***

No Greek income tax will be imposed on payments of principal to any Noteholders in respect of Notes:

- (a) issued by Alpha PLC or Alpha Bank; or
- (b) issued by Alpha PLC and made by Alpha Bank under the Guarantee.

### *Payments of interest on the Notes*

Subject as described in “*Payment of interest on Listed Notes*” below, payments of interest on the Notes issued by Alpha PLC and held by:

- (a) Noteholders who neither reside nor maintain a permanent establishment in Greece for Greek tax law purposes (the “**Non-Resident Noteholders**”) will not be subject to Greek income tax, provided that such payments are made outside of Greece by a paying or other similar agent who neither resides nor maintains a permanent establishment in Greece for Greek tax law purposes; and
- (b) Noteholders who either reside or maintain a permanent establishment in Greece for Greek tax law purposes (the “**Resident Noteholders**”) will be subject to Greek withholding income tax at a flat rate of 15 per cent., if such payments are made directly to Resident Noteholders by a paying or other similar agent who either resides or maintains a permanent establishment in Greece for Greek tax law purposes; otherwise, the interest payments will be taxed via the annual income tax return of the Resident Noteholders. The 15 per cent. tax will, as a rule, exhaust the tax liability of Resident Noteholders who are natural persons (individuals), while it will not for other types of Resident Noteholders.

Subject as described in “*Payment of interest on Listed Notes*” below, payments of interest on the Notes issued by Alpha Bank and held by:

- (a) Non-Resident Noteholders will be subject to Greek withholding income tax at a flat rate of 15 per cent., which is made to Non-Resident Noteholders by Alpha Bank. Such withholding exhausts the tax liability of both individual and entity Non-Resident Noteholders. Further, such withholding is in each case subjected to the provisions of any applicable tax treaty for the avoidance of double taxation of income and the prevention of tax evasion (a “**DTT**”) entered into between Greece and the jurisdiction in which such a Non-Resident Noteholder is a tax resident, subject to the submission of recent tax residence certificates or other evidence of non-residence; and
- (b) Resident Noteholders will be subject to Greek withholding income tax at a flat rate of 15 per cent., which is made to Resident Noteholders by Alpha Bank; otherwise, the interest payments will be taxed via the annual income tax return of the Resident Noteholders. The 15 per cent. tax will, as a rule, exhaust the tax liability of Resident Noteholders who are natural persons (individuals), while it will not for other types of Resident Noteholders.

### *Payment of interest on Listed Notes*

From 1 January 2020, interest income arising under Notes listed on a trading venue within the EU (which includes the regulated market of the Luxembourg Stock Exchange and the Euro MTF Market), or listed on an organised stock market outside the EU which is supervised by a regulatory authority accredited by the International Organization of Securities Commissions (the “**Listed Notes**”), and paid to:

- (a) Non-Resident Noteholders, shall be exempt from Greek income and withholding tax; and
- (b) Resident Noteholders, shall be taxable in the manner which is mentioned above in respect of Notes issued by Alpha PLC and Notes issued by Alpha Bank; however, in the case of Listed Notes issued by Alpha Bank, the 15 per cent. Greek withholding income tax shall be made by a paying or other similar agent who either resides or maintains a permanent establishment in Greece for Greek tax law purposes, and not by the Issuer.

### *Payments of interest under the Guarantee*

Payments of interest by Alpha Bank under the Guarantee made to Non-Resident Noteholders and Resident Noteholders are likely to have the same income tax treatment, as payments of interest on the Notes issued by Alpha Bank described above, subject to any different view that may be adopted by the competent Greek authorities and ultimately Greek courts.

## **B. Disposal of Notes – Capital Gains**

Generally, taxable capital gain equals the positive difference between the consideration received from the disposal of Notes and the acquisition price of the same Notes. For these purposes, expenses directly linked to the acquisition or sale of the Notes are included in the acquisition or sale price.

Capital gains resulting from the transfer of Notes issued by Alpha PLC and earned by:

- (a) Non-Resident Noteholders will not be subject to Greek income tax;
- (b) Resident Noteholders who are natural persons (individuals) will be subject to Greek income tax at a flat rate of 15 per cent. via the annual income tax return;
- (c) Resident Noteholders who are natural persons (individuals), in the event that the transfer of the Notes is treated as deriving from business activity, income tax will be imposed according to the applicable tax rate scale (which, in respect of gains generating as from 1 January 2020, rises progressively to 44 per cent.), however: (i) a sale of Notes after a holding period which exceeds five (5) years, and/or a sale of Notes which have been acquired by reason of inheritance or gift from a first or second degree kin, is not considered as a business activity, (ii) the presumption of business activity at article 21 para. 3 of the Greek income tax code, according to which, in the case of making three (3) similar transactions within any six (6) month period, the relevant income qualifies as income deriving from business activity, does not apply for transactions comprising a transfer of Notes issued by Alpha PLC in so far as such Notes are traded on a market, whether regulated or not and (iii) with effect as from 1 January 2019 it will not be possible for the Greek tax authority to consider the income generated from a single isolated transaction in respect of the Notes as income deriving from business activity;
- (d) Resident Noteholders who are legal persons or other entities will be subject to Greek corporate tax, via the annual corporate tax return at the rate of 24 per cent.; credit institutions which have submitted in the scope of the DTA Framework (for more information, see section Regulation and Supervision of Banks in Greece, Deferred Tax Assets (DTAs) of this Base Prospectus) are taxed at 29 per cent;
- (e) Resident Noteholders who are natural persons (individuals), legal persons or other entities investing in Index Linked Notes may be subject to the tax treatment mentioned in (b) and (c) or, respectively, (d) above at the time of a transfer of the Index Linked Notes and at the time of a closure of the position before (interim closure) or upon transaction termination; and
- (f) Resident Noteholders may be exempt from Greek income tax on the capital gains generating upon a transfer of Notes, in so far as the Notes qualify, for Greek tax law purposes, as corporate bonds; such exemption is final in respect of Resident Noteholders who are natural persons (individuals) or legal persons or other entities retaining single entry books, while for Resident Noteholders retaining double entry books the exemption operates as a tax deferral.

Capital gains resulting from the transfer of Notes issued by Alpha Bank and earned by:

- (a) Non-Resident Noteholders who are natural persons (individuals) and tax residents in a jurisdiction with which Greece has entered into a DTT will not be subject to Greek income tax, provided they furnish appropriate documents evidencing that they are tax residents in such jurisdiction; in respect of Notes which are listed, such documentation is furnished to the custodian of such Notes;
- (b) Non-Resident Noteholders who are natural persons (individuals) but they are not tax residents in a jurisdiction with which Greece has entered into a DTT, will be subject to Greek income tax at a flat rate of 15 per cent.; in the event such transfer is treated as deriving from business activity, income tax will be imposed according to the applicable tax rate scale which rises progressively to 45 per cent. (which becomes 44 per cent. in respect of gains generating as from 1 January 2020); according to the Greek Ministry of Finance, if said Noteholder is a resident of a “non-cooperative” jurisdiction or state, the tax which is chargeable on the gain is payable before

the transfer of the Notes via the filing of a special tax return; the procedure and the details for such filing have not been determined yet;

- (c) Non-Resident Noteholders who are legal persons or other entities will not be subject to Greek income tax on the basis of the Greek domestic tax law provisions;
- (d) Resident Noteholders who are natural persons (namely individuals) will be subject to Greek income tax at a flat rate of 15 per cent.; in the event such transfer is treated as deriving from business activity, income tax will be imposed according to the applicable tax rate which rises progressively to 45 per cent. (44 per cent. in respect of gains generating as from 1 January 2020);
- (e) Resident Noteholders who are legal persons or other entities will be subject to Greek corporate tax, via the annual corporate tax return at the rate of 24 per cent.; credit institutions which have submitted in the scope of the DTA Framework (for more information, see section Regulation and Supervision of Banks in Greece, Deferred Tax Assets (DTAs) of this Base Prospectus) are taxed at 29 per cent.; and
- (f) both Resident Noteholders and Non-Resident Noteholders who are natural persons (individuals): (i) will not be considered as generating income deriving from business activity in case of a sale of Notes after a holding period which exceeds five (5) years and/or in the case of a sale of Notes which have been acquired by reason of inheritance or gift from a first or second degree kin; (ii) will not be subject to the presumption of business activity at article 21 para. 3 of the Greek income tax code, according to which, in the case of making three (3) similar transactions within any six (6) month period, the relevant income qualifies as income deriving from business activity, which does not apply for transactions comprising a transfer of Notes issued by Alpha Bank; and (iii) with effect as from 1 January 2019, will not be considered, in the event of a single isolated transaction in respect of the Notes, as generating income deriving from business activity.

In addition, in the case of an issue of Notes by Alpha Bank to which Greek law 4548/2018 and article 14 of Greek law 3156/2003 apply, the gain resulting from the transfer of such Notes is exempt from income tax on the basis of the Greek domestic tax law provisions; such exemption is final in respect of Non-Resident Noteholders, as well as in respect of Resident Noteholders who are natural persons (individuals) or legal persons or other entities retaining single entry books; for Resident Noteholders retaining double entry books, said exemption operates as tax deferral.

### **C. Solidarity Levy**

The overall net income of a natural person (individual) which is reported in an annual personal Greek income tax return and exceeds EUR 12,000 is subject to an annual levy called a solidarity levy (*εισφορά αλληλεγγύης*). The rate of the solidarity levy rises progressively from 2.2 per cent. to 10 per cent. and is calculated with reference to both taxable and tax exempt income.

Pursuant to article 21 par. 3 and article 66 par. 19 of Greek Law 4646/2019, the interest income arising under Listed Notes and paid to holders who are Non-Resident Noteholders shall be exempt from the solidarity levy.

According to Guidelines of the Independent Authority for Public Revenue E2009/2019 and Decision no. 2465/2018 of the Council of State, the solidarity levy is not imposed on income generated in Greece and acquired by a non-Greek tax resident or to income generated outside Greece and acquired by a Greek tax resident, when Greece is not entitled to impose tax on the basis of a DTT.

### **D. EU Savings Directive and Amending Directive on Administrative Cooperation**

Directive 2003/48/EC (the “**EU Savings Directive**”) which since 2005 had allowed the European Union tax administrations to exchange tax information on natural persons (individuals), was repealed by the Council on 10 November 2015 by virtue of Council Directive (EU) 2015/2060. The EU Savings Directive required the automatic exchange of information between Member States on private savings income which enabled interest payments made in one Member State to residents of other Member States to be taxed in accordance with the laws of the state of residence. The repeal was decided as a consequence of the adoption by the EU Council of Directive 2014/107/EU which amended

the provisions of the Directive 2011/16/EU on the mandatory automatic exchange of information between tax administrations (the “**Amending Directive on Administrative Cooperation**”).

The Amending Directive on Administrative Cooperation, which entered into force on 1 January 2016 and which is generally broader in scope than the EU Savings Directive, implements the July 2014 OECD Global Standard on automatic exchange of financial account information within the European Union. The scope of the Amending Directive on Administrative Cooperation covers not only interest income but also dividends and other types of capital income, and the annual balance of the accounts producing such items of income. It also provides for some transitional measures and derogations with respect to Austria.

In line with the above, articles 3 to 13 of Greek law 3312/2005, which implemented into Greek law the EU Savings Directive, were repealed with effect as from 1 January 2016 by virtue of article 5 of Greek law 4378/2016, subject to the abovementioned transitional measures with regards to Austria which were also transposed into Greek law. The same Greek law 4378/2016 amended extensively Greek law 4170/2013 (which has transposed in Greece Directive 2011/16/EU) and also transposed in Greece the Amending Directive on Administrative Cooperation which is effective, with respect to Greece, in connection with taxable periods commencing as from 1 January 2016.

## APPENDIX 2

### ALTERNATIVE PERFORMANCE MEASURES

The following metrics are considered by the Bank to be Alternative Performance Measures (“APMs”) as defined in the European Securities and Markets Authority Guidelines on Alternative Performance Measures.

#### APMs

The figures (other than percentages) included in the table below are expressed in millions of euro.

Alternative Performance Measures	9M 2019	H1 2019	Q1 2019	FY 2018	9M 2018	H1 2018	Q1 2018	FY 2017	Q3 2019	Q2 2019	Q4 2018	Q3 2018	Q2 2018	Q4 2017
Core Pre-Provision Income	642.5	426.9	212.9	1,035.4	792.3	551.6	269.1	1,201.3	215.6	214.0	243.1	240.7	282.5	278.1
Cost of Risk	2.0%	1.9%	1.9%	3.2%	2.5%	2.6%	2.7%	1.7%	2.1%	1.9%	5.3%	2.2%	2.5%	1.7%
Fully-Loaded Common Equity Tier 1 ratio	15.1%	14.8%	14.0%	14.0%	15.1%	15.4%	15.5%	18.3%	15.1%	14.8%	14.0%	15.1%	15.4%	18.3%
Loan to Deposit ratio	99.6%	101.7%	102.6%	103.9%	105.6%	111.2%	115.7%	124.2%	99.6%	101.7%	103.9%	105.6%	111.2%	124.2%
Net Interest Margin	2.5%	2.5%	2.5%	2.9%	2.9%	3.0%	3.0%	3.1%	2.4%	2.5%	2.8%	2.9%	3.1%	3.1%
Non Performing Exposures	22,351.8	24,674.9	25,351.6	25,674.2	26,569.9	28,786.4	28,957.7	29,272.0	22,351.8	24,674.9	25,674.2	26,569.9	28,786.4	29,272.0
Non Performing Exposures Collateral Coverage	55.5%	54.3%	53.9%	53.7%	57.0%	55.0%	54.9%	55.1%	55.5%	54.3%	53.7%	57.0%	55.0%	55.1%
Non Performing Exposure Coverage	43.8%	46.7%	47.3%	48.0%	47.3%	49.7%	49.8%	45.4%	43.8%	46.7%	48.0%	47.3%	49.7%	45.4%
Non Performing Exposure ratio	45.5%	48.1%	48.9%	48.9%	49.9%	51.9%	51.8%	51.7%	45.5%	48.1%	48.9%	49.9%	51.9%	51.7%
Non Performing Exposure Total Coverage	99.4%	101.0%	101.2%	101.8%	104.3%	104.7%	104.7%	100.5%	99.4%	101.0%	101.8%	104.3%	104.7%	100.5%
Non Performing Loans	14,722.2	16,775.3	17,257.6	17,561.7	18,160.1	19,726.1	19,637.6	19,765.3	14,722.2	16,775.3	17,561.7	18,160.1	19,726.1	19,765.3
Non Performing Loans Collateral Coverage	52.7%	51.5%	51.3%	51.6%	57.1%	54.1%	54.7%	54.6%	52.7%	51.5%	51.6%	57.1%	54.1%	54.6%
Non Performing Loan Coverage	66.6%	68.7%	69.5%	70.2%	69.3%	72.6%	73.4%	67.3%	66.6%	68.7%	70.2%	69.3%	72.6%	67.3%
Non Performing Loan ratio	30.0%	32.7%	33.3%	33.5%	34.1%	35.6%	35.2%	34.9%	30.0%	32.7%	33.5%	34.1%	35.6%	34.9%
Non Performing Loan Total Coverage	119.3%	120.1%	120.7%	121.8%	126.4%	126.6%	128.1%	121.9%	119.3%	120.1%	121.8%	126.4%	126.6%	121.9%
Pre-Provision Income	879.2	594.0	271.4	1,441.3	1,176.9	803.0	452.2	1,170.5	285.2	322.7	264.3	373.9	350.8	157.0

Alternative Performance Measures	9M 2019	H1 2019	Q1 2019	FY 2018	9M 2018	H1 2018	Q1 2018	FY 2017
Recurring Cost to Income ratio	55.2%	55.1%	54.6%	51.3%	50.5%	49.3%	49.7%	48.2%
Tangible Book Value or Tangible Equity	8,049.7	7,919.4	7,687.4	7,665.1	7,750.9	7,845.5	7,932.2	9,193.2
Tangible Book Value per share	5.2	5.1	5.0	5.0	5.0	5.1	5.1	6.0
Cost/Assets	1.7%	1.7%	1.7%	1.8%	1.8%	1.8%	1.8%	1.8%
Return on Equity	1.4%	2.1%	1.4%	0.7%	0.9%	0.3%	3.1%	0.2%
PPI/Average Assets	1.9%	1.9%	1.8%	2.4%	2.6%	2.7%	3.0%	1.9%
Leverage Ratio	13.7%	13.4%	13.3%	13.3%	13.6%	14.1%	14.1%	15.8%
RWA Density	76.7%	75.5%	77.6%	78.1%	79.9%	81.5%	82.1%	80.7%
Securities	8,475.4	8,095.1	7,782.9	7,013.0	6,056.4	5,597.4	5,517.3	5,893.3
Other income	18.3	11.8	0.9	49.8	27.1	18.2	8.0	52.8
Core deposits	22,840.6	21,923.3	20,909.4	20,777.1	20,670.2	19,876.9	18,933.0	19,303.4

Q3 2019	Q2 2019	Q4 2018	Q3 2018	Q2 2018	Q4 2017
55.6%	55.5%	53.5%	53.1%	48.9%	51.4%
8,049.7	7,919.4	7,665.1	7,750.9	7,845.5	9,193.2
5.2	5.1	5.0	5.0	5.1	6.0
1.7%	1.7%	1.8%	1.8%	1.8%	1.9%
0.2%	2.8%	0.0%	2.0%	-2.6%	-2.7%
1.8%	2.1%	1.7%	2.5%	2.4%	1.0%
13.7%	13.4%	13.3%	13.6%	14.1%	15.8%
76.7%	75.5%	78.1%	79.9%	81.5%	80.7%
8,475.4	8,095.1	7,013.0	6,056.4	5,597.4	5,893.3
6.5	10.9	22.7	8.9	10.2	10.3
22,840.6	21,923.3	20,777.1	20,670.2	19,876.9	19,303.4

### Components of APMs

The figures included in the table below are expressed in millions of euro.

	Components of APMs	9M 2019	H1 2019	Q1 2019	FY 2018	9M 2018	H1 2018	Q1 2018	FY 2017
1	Accumulated Provisions and FV adjustments	9,799.5	11,518.2	11,989.9	12,326.6	12,579.1	14,315.9	14,414.3	13,294.0
2	Gross Loans	49,146.6	51,329.7	51,836.4	52,462.8	53,242.1	55,432.1	55,849.7	56,612.2
3	"Income from financial operations" or "Trading Income"	277.4	197.5	73.8	462.7	398.4	263.6	186.1	144.7
4	Operating Income	1,702.8	1,137.7	533.3	2,599.5	1,999.6	1,351.3	721.1	2,463.6
5	Core Operating Income	1,435.1	949.9	469.2	2,123.9	1,601.3	1,087.7	535.0	2,318.9
6	Total Operating Expenses	823.6	543.7	262.0	1,158.2	822.7	548.3	268.8	1,293.0
7	Recurring Operating Expenses	792.6	523.0	256.3	1,088.5	809.0	536.2	265.9	1,117.6
8	Deposits	39,612.4	39,262.9	38,936.6	38,731.8	38,581.0	37,058.7	35,899.3	34,890.4
9	Net Loans	39,451.0	39,912.6	39,948.0	40,228.3	40,751.2	41,206.7	41,524.5	43,318.2
10	Impairment losses on loans	-750.0	-488.5	-242.6	-1,723.1	-1,019.1	-721.7	-373.1	-1,005.4

Q3 2019	Q2 2019	Q4 2018	Q3 2018	Q2 2018	Q4 2017
9,799.5	11,518.2	12,326.6	12,579.1	14,315.9	13,294.0
49,146.6	51,329.7	52,462.8	53,242.1	55,432.1	56,612.2
79.9	123.7	64.3	134.8	77.5	28.8
565.1	604.4	599.9	648.3	630.2	601.4
485.2	480.6	522.6	513.6	552.7	572.6
280.0	281.7	335.5	274.4	279.4	444.4
269.6	266.6	279.4	272.9	270.2	294.5
39,612.4	39,262.9	38,731.8	38,581.0	37,058.7	34,890.4
39,451.0	39,912.6	40,228.3	40,751.2	41,206.7	43,318.2
-261.5	-246.0	-704.0	-297.4	-348.7	-243.7



	Components of APMs	9M 2019	H1 2019	Q1 2019	FY 2018	9M 2018	H1 2018	Q1 2018	FY 2017	Q3 2019	Q2 2019	Q4 2018	Q3 2018	Q2 2018	Q4 2017
11	Other impairment losses	10.5	13.6	22.2	-7.6	6.0	22.2	30.3	0.0	-3.0	-8.6	-13.6	-16.2	-8.1	0.0
12	FL CET1	7,119.2	6,902.7	6,571.0	6,524.8	7,135.2	7,295.6	7,386.6	8,995.9	7,119.2	6,902.7	6,524.8	7,135.2	7,295.6	8,995.9
13	FL RWAs	47,186.9	46,632.1	46,927.6	46,587.9	47,106.9	47,257.0	47,725.0	49,060.5	47,186.9	46,632.1	46,587.9	47,106.9	47,257.0	49,060.5
14	Net Interest Income	1,160.1	777.0	388.4	1,756.0	1,329.4	902.8	443.8	1,942.6	383.2	388.6	426.6	426.6	459.0	479.6
15	Total Assets	62,724.8	62,963.9	61,614.0	61,006.7	60,261.5	59,008.6	59,322.5	60,807.8	62,724.8	62,963.9	61,006.7	60,261.5	59,008.6	60,807.8
16	NPEs	22,351.8	24,674.9	25,351.6	25,674.2	26,569.9	28,786.4	28,957.7	29,272.0	22,351.8	24,674.9	25,674.2	26,569.9	28,786.4	29,272.0
17	NPE Collateral	12,413.3	13,397.4	13,664.3	13,799.0	15,135.6	15,823.5	15,909.6	16,123.4	12,413.3	13,397.4	13,799.0	15,135.6	15,823.5	16,123.4
18	NPLs	14,722.2	16,775.3	17,257.6	17,561.7	18,160.1	19,726.1	19,637.6	19,765.3	14,722.2	16,775.3	17,561.7	18,160.1	19,726.1	19,765.3
19	NPL Collateral	7,760.9	8,633.9	8,847.7	9,060.3	10,370.4	10,662.0	10,737.5	10,797.4	7,760.9	8,633.9	9,060.3	10,370.4	10,662.0	10,797.4
20	Total Equity	8,570.9	8,433.4	8,175.6	8,143.1	8,209.7	8,293.9	8,375.6	9,626.7	8,570.9	8,433.4	8,143.1	8,209.7	8,293.9	9,626.7
21	Goodwill and other intangible assets	477.4	470.0	444.2	434.1	415.0	404.6	399.8	389.8	477.4	470.0	434.1	415.0	404.6	389.8
22	Non-controlling interests	28.7	28.8	28.8	28.8	28.7	28.7	28.5	28.5	28.7	28.8	28.8	28.7	28.7	28.5
23	Hybrid securities	15.1	15.1	15.1	15.1	15.1	15.1	15.1	15.1	15.1	15.1	15.1	15.1	15.1	15.1
24	Outstanding number of shares	1,543.7	1,543.7	1,543.7	1,543.7	1,543.7	1,543.7	1,543.7	1,543.7	1,543.7	1,543.7	1,543.7	1,543.7	1,543.7	1,543.7
25	Management adjustments in Operating expenses	31.1	20.7	5.6	69.8	13.7	12.1	2.9	175.4	10.4	15.1	56.1	1.5	9.2	149.9
26	Management adjustments in Operating income	-9.7	-9.7	-9.7	13.0	0.0	0.0	0.0	0.0	0.0	0.0	13.0	0.0	0.0	0.0
27	Average Gross loans	50,804.7	51,896.3	52,149.6	54,537.5	54,927.2	56,022.2	56,231.0	58,464.1	50,238.1	51,583.0	52,852.5	54,337.1	55,640.9	57,570.7
28	Average Total Assets	61,865.8	61,985.3	61,310.3	60,907.3	60,534.6	59,908.2	60,065.1	62,840.0	62,844.4	62,288.9	60,634.1	59,635.0	59,165.5	61,049.1
29	Fair Value adjustments	87.4	121.8	176.8	176.3	171.9	165.3	157.6	-	87.4	121.8	176.3	171.9	165.3	-
30	Profit / (Loss) after income tax	91.5	86.9	27.5	53.0	53.7	12.6	65.4	21.1	4.7	59.4	-0.8	41.1	-52.8	-64.0
31	"Equity attributable to equity owners of the Bank" or "Shareholders' Equity"	8,527.1	8,389.4	8,131.7	8,099.2	8,165.9	8,250.1	8,332.0	9,583.1	8,527.1	8,389.4	8,099.2	8,165.9	8,250.1	9,583.1

## Definitions

Terms	Definitions	Relevance of the metric	Reference number	Abbreviation
Accumulated Provisions and FV adjustments	The item corresponds to (i) "the total amount of provision for credit risk that the Group has recognized and derive from contracts with customers", as disclosed in the Consolidated Financial Statements of the reported period and (ii) the Fair Value Adjustments (29). For 31.12.2017, the item corresponds to the total amount of provision for credit risk that the Group has recognized and derive from contracts with customers, as disclosed in the Consolidated Financial Statements of 31.12.2017.	Standard banking terminology	(1)	LLR
Impairment losses on loans	The figure equals "Impairment losses and provisions to cover credit risk on loans and advances to customers" as derived from the Consolidated Financial Statements of the reported period.	Standard banking terminology	(10)	LLP
"Income from financial operations" or "Trading Income"	The figure is calculated as "Gains less losses on derecognition of financial assets measured at amortised cost" plus "Gains less losses on financial transactions and impairments on Group companies" as derived from the Consolidated Income Statement of the reported period.	Standard banking terminology	(3)	
Core Operating Income	Operating Income (4) less Income from financial operations (3) less management adjustments on operating income (26) for the corresponding period. Euro -9.7 million related to Goodwill impairment of an associated company in Q1 19 and Euro 13.0 million related to Insurance company compensation in Q4 18.	Profitability metric	(5)=(4-3-26)	
Core Pre-Provision Income	Core Operating Income (5) for the period less Recurring Operating Expenses (7) for the period.	Profitability metric	(5)-(7)	Core PPI
Cost of Risk	Impairment losses on loans (10) for the period divided by the average Gross Loans (27) of the relevant period. Average balances is defined as the arithmetic average of balance at the end of the period and at the end of the previous period.	Asset quality metric	(10)/(27)	CoR
Deposits	The figure equals "Due to customers" as derived from the Consolidated Balance Sheet of the reported period.	Standard banking terminology	(8)	
Fair Value adjustments	The item corresponds to the accumulated Fair Value adjustments for non-performing exposures measured at Fair Value Through P&L	Standard banking terminology	(29)	FV adj.

Terms	Definitions	Relevance of the metric	Reference number	Abbreviation
	(FVTPL).			
Fully-Loaded Common Equity Tier 1 ratio	Common Equity Tier 1 regulatory capital as defined by Regulation No 575/2013 (Full implementation of Basel 3) (12), divided by total Risk Weighted Assets (13).	Regulatory metric of capital strength	(12)/(13)	FL CET 1 ratio
Gross Loans	The item corresponds to "Loans and advances to customers", as reported in the Consolidated Balance Sheet of the reported period, gross of the "Accumulated Provisions and FV adjustments" (1), excluding the accumulated provision for impairment losses on off balance sheet items, as disclosed in the Consolidated Financial Statements of the reported period. For 31.12.2017 the item corresponds to "Loans and advances to customers", as reported in the Consolidated Balance Sheet of the reported period, gross of the "Accumulated Provisions", excluding the accumulated provision for impairment losses on off balance sheet items, as disclosed in the Consolidated Financial Statements of 31.12.2017.	Standard banking terminology	(2)	
Loan to Deposit ratio	Net Loans (9) divided by Deposits (8) at the end of the reported period.	Liquidity metric	(9)/(8)	LDR or L/D ratio
Net Interest Margin	Net Interest Income for the period (annualised) (14) and divided by the average Total Assets of the relevant period (28). Average balances is defined as the arithmetic average of balance at the end of the period and at the end of the previous period.	Profitability metric	(14)/(28)	NIM
Net Loans	The figure equals "Loans and advances to customers" as derived from the Consolidated Balance Sheet of the reported period.	Standard banking terminology	(9)	
Non Performing Exposures Collateral Coverage	Value of the NPE collateral (17) divided by NPEs (16) at the end of the reference period.	Asset quality metric	(17)/(16)	NPE collateral Coverage
Non Performing Exposure Coverage	Accumulated Provisions and FV adjustments (1) divided by NPEs (16) at the end of the reference period.	Asset quality metric	(1)/(16)	NPE (cash) coverage
Non Performing Exposure ratio	NPEs (16) divided by Gross Loans (2) at the end of the reference period.	Asset quality metric	(16)/(2)	NPE ratio
Non Performing Exposure Total Coverage	Accumulated Provisions and FV adjustments (1) plus the value of the NPE collateral (17) divided by NPEs (16) at the end of the reported period.	Asset quality metric	(1+17)/(16)	NPE Total coverage

Terms	Definitions	Relevance of the metric	Reference number	Abbreviation
Non Performing Exposures	Non-performing exposures are defined according to "EBA ITS on forbearance and Non Performing Exposures" as exposures that satisfy either or both of the following criteria: a) material exposures which are more than 90 days past-due b) the debtor is assessed as unlikely to pay its credit obligations in full without realisation of collateral, regardless of the existence of any past-due amount or of the number of days past due.	Asset quality metric	(16)	NPEs
Non Performing Loan Collateral Coverage	Value of collateral received for Non Performing Loans (19) divided by NPLs (18) at the end of the reference period.	Asset quality metric	(19)/(18)	NPL collateral Coverage
Non Performing Loan Coverage	Accumulated Provisions and FV adjustments (1) divided by NPLs (18) at the end of the reference period.	Asset quality metric	(1)/(18)	NPL (cash) Coverage
Non Performing Loan ratio	NPLs (18) divided by Gross Loans (2) at the end of the reference period.	Asset quality metric	(18)/(2)	NPL ratio
Non Performing Loan Total Coverage	Accumulated Provisions and FV adjustments (1) plus the value of the NPL collateral (19) divided by NPLs (18) at the end of the reference period.	Asset quality metric	(1+19)/(18)	NPL Total Coverage
Non Performing Loans	Non Performing Loans are Gross loans (2) that are more than 90 days past-due.	Asset quality metric	(18)	NPLs
Operating Income	The figure is calculated as "Total Income" plus "Share of profit/(loss) of associates and joint ventures" as derived from the Consolidated Income Statement of the reported period, taking into account the impact from any potential restatement. Amounts for 31.12.2018, 30.9.2018, 30.6.2018 and 31.3.2018 include the effect of the restatement described in Note 32 of the Condensed Interim Consolidated Financial Statements as at 30.9.2019 amounting to Euro 4,119.2 thousand, Euro 3,340.6 thousand, Euro 2,450.5 thousand and Euro 1,272.2 thousand respectively. The respective effect for Q4 2018, Q3 2018 and Q2 2018 amounts to Euro 778.6 thousand, Euro 890.1 thousand and Euro 1,178.3 thousand respectively.	Standard banking terminology	(4)	
Other impairment losses	The figure equals "Impairment losses on other financial instruments" as derived for the Consolidated Financial Statements of the reported period.	Standard banking terminology	(11)	

Terms	Definitions	Relevance of the metric	Reference number	Abbreviation
Pre-Provision Income	Operating Income (4) for the period less Total Operating Expenses (6) for the period.	Profitability metric	(4)-(6)	PPI
Recurring Cost to Income ratio	Recurring Operating Expenses (7) for the period divided by Core Operating Income (5) for the period.	Efficiency metric	(7)/(5)	C/I ratio
Recurring Operating Expenses	Total Operating Expenses (6) less management adjustments on operating expenses (25). Management adjustments on operating expenses include events that do not occur with a certain frequency, and events that are directly affected by the current market conditions and/or present significant variation between the reporting periods and are quoted in the appendix of the Annual Report and Semi-Annual Financial Report.	Efficiency metric	(7)=(6-25)	Recurring OPEX
Tangible Book Value or Tangible Equity	The figures is calculated as the "Total Equity" (20) less "Goodwill and other intangible assets" (21), "Non-controlling interests" (22) and "hybrid securities" (23).	Standard banking terminology	(20-21-22-23)	TBV or TE
Tangible Book Value per share	Tangible Book Value per share is the "Tangible Book Value" divided by the outstanding number of shares (24).	Valuation metric	(20-21-22-23)/(24)	TBV/share
Total Assets	The figure equals "Total Assets" as derived from the Consolidated Balance Sheet of the reported period taking into account the impact from any potential restatement. The balances as of 30.9.2018, 30.06.18 and 31.3.2018 include the effect of the restatement described in Note 32 of the Condensed Interim Consolidated Financial Statements as at 30.9.2019 amounting to Euro 4,069.9 thousand, Euro 4,273.0 thousand and Euro 4,485.5 thousand respectively.	Standard banking terminology	(15)	TA
Total Operating Expenses	The figure equals "Total expenses before impairment losses and provisions to cover credit risk" as derived from the Consolidated Income Statement of the reported period taking into account the impact from any potential restatement. Amounts for 31.12.2018, 30.9.2018, 30.6.2018 and 31.3.2018 include the effect of the restatement described in Note 32 of the Condensed Interim Consolidated Financial Statements as at 30.9.2019 amounting to Euro 4,119.2 thousand, Euro 3,750.8 thousand, Euro 2,761.6 thousand and Euro 1,468.5 thousand respectively. The respective effect for Q4 2018, Q3 2018 and Q2 2018 amounts to Euro 368.4 thousand, Euro 989.2 thousand and Euro 1,293.1	Standard banking terminology	(6)	Total OPEX

Terms	Definitions	Relevance of the metric	Reference number	Abbreviation
	thousand respectively.			
Cost/Assets	Recurring Operating Expenses (7) for the period (annualised) divided by Total Assets (15).	Efficiency metric	(7)/(15)	
Return on Equity	"Profit / (Loss) after income tax" for the period (annualised), as disclosed in Condensed Income Statement divided by "Equity attributable to equity owners of the Bank" as disclosed in the Consolidated Balance sheet at the reported date.	Profitability metric	(30)/(20-22-23)	RoE
PPI/Average Assets	Pre-Provision Income for the period (annualised) divided by Average Total Assets (28) of the relevant period. Average balances is defined as the arithmetic average of balance at the end of the period and at the end of the previous period.	Profitability metric		
Leverage Ratio	This metric is calculated as Total Equity (20) divided by Total Assets (15), as disclosed in the Consolidated Balance sheet at the reported date.	Standard banking terminology	(20)/(15)	
RWA Density	This metric is calculated as Risk Weighted Assets (Phase in) divided by Total Assets (15) of the relevant period.	Standard banking terminology		
Securities	This item corresponds to the sum of "Investment securities" and "Trading securities", as defined in the consolidated Balance Sheet of the reported period.	Standard banking terminology		
Other income	This item is defined as the Operating Income less Trading income, less Net Interest Income and less Net Fee and Commission income, as defined in the consolidated Income Statement of the reported period.	Standard banking terminology		
Property, plant and equipment	This item corresponds to "Property, plant and equipment", as disclosed in the Consolidated Balance Sheet of the reported period.	Standard terminology		PPE
Core deposits	This item corresponds to the sum of "Current accounts", "Savings accounts" and "Cheques payable".	Standard banking terminology		Core depos

### APPENDIX 3

#### 17. Substitution of the Issuer

- (a) The Issuer may, without the consent of any Noteholder or Couponholder, substitute for itself any other body corporate incorporated in any country in the world (including, where the Issuer is Alpha Bank, any Successor in Business of Alpha Bank) as the debtor in respect of the Notes, any Coupons, the Deed of Covenant, the Alpha Bank Noteholders Agency Agreement (as defined in Condition 18 below), in the case of an issue of Alpha Bank Notes, and the Agency Agreement (the “**Substituted Debtor**”) upon notice by the Issuer and the Substituted Debtor to be given in accordance with Condition 16, **provided that:**
- (i) the Issuer is not in default in respect of any amount payable under the Notes;
  - (ii) the Issuer and the Substituted Debtor have entered into such documents (the “**Documents**”) as are necessary to give effect to the substitution and in which the Substituted Debtor has undertaken in favour of each Noteholder to be bound by the Conditions and the provisions of the Agency Agreement as the debtor in respect of the Notes in place of the Issuer (or of any previous substitute under this Condition 17);
  - (iii) if the Issuer is Alpha Bank, except if the Substituted Debtor is the Successor in Business of Alpha Bank, Alpha Bank shall unconditionally and irrevocably guarantee (the “**New Guarantee**”) in favour of each Noteholder the payment of all sums payable by the Substituted Debtor as such principal debtor, with Alpha Bank's obligations under the New Guarantee ranking *pari passu* with Alpha Bank's obligations under the Notes prior to the substitution becoming effective;
  - (iv) the Substituted Debtor shall enter into a deed of covenant in favour of the holders of the Notes then represented by a global Note on terms no less favourable than the Deed of Covenant then in force in respect of the Notes;
  - (v) if the Issuer is Alpha PLC and the Substituted Debtor is not Alpha Bank or the Successor in Business of Alpha Bank, the Guarantee extends to the obligations of the Substituted Debtor under or in respect of the Notes, any Coupons, the Deed of Covenant and the Agency Agreement and continues to be in full force and effect;
  - (vi) if the Substituted Debtor is resident for tax purposes in a territory (the “**New Residence**”) other than that in which the Issuer prior to such substitution was resident for tax purposes (the “**Former Residence**”), the Documents contain an undertaking and/or such other provisions as may be necessary to ensure that, following substitution, each Noteholder would have the benefit of an undertaking in terms corresponding to the provisions of Condition 11, with (a) the substitution of references to the Issuer with references to the Substituted Debtor (to the extent that this is not achieved by Condition 17(a)(ii)) and (b) the substitution of references to the Former Residence with references to both the New Residence and the Former Residence;
  - (vii) the Substituted Debtor and the Issuer have obtained all necessary governmental approvals and consents for such substitution and for the performance by the Substituted Debtor of its obligations under the Documents;
  - (viii) legal opinions shall have been delivered to the Agent from lawyers of recognised standing in the jurisdiction of incorporation of the Substituted Debtor, in England and in Greece as to the fulfilment of the requirements of this Condition 17 and that the Notes and any related

Coupons and/or Talons are legal, valid and binding obligations of the Substituted Debtor and (if applicable) that the New Guarantee is a legal, valid and binding obligation of Alpha Bank;

- (ix) each stock exchange on which the Notes are listed shall have confirmed that, following the proposed substitution of the Substituted Debtor, the Notes will continue to be listed on such stock exchange;
  - (x) if applicable, the Substituted Debtor has appointed a process agent as its agent in England to receive service of process on its behalf in relation to any legal proceedings arising out of or in connection with the Notes and any related Coupons; and
  - (xi) such substitution shall not result in any event or circumstance which at or around that time gives the Issuer a redemption right in respect of the Notes.
- (b) In the case of Senior Preferred Notes, Senior Non-Preferred Notes and Tier 2 Notes, any substitution pursuant to Condition 17(a) will be subject to Condition 7(l) (in the case of Senior Preferred Notes and Senior Non-Preferred Notes) or Condition 7(m) (in the case of Tier 2 Notes).
- (c) Upon such substitution the Substituted Debtor shall succeed to, and be substituted for, and may exercise every right and power, of the Issuer under the Notes, any Coupons, the Deed of Covenant and the Agency Agreement with the same effect as if the Substituted Debtor had been named as the Issuer herein, and the Issuer shall be released from its obligations under the Notes, any Coupons and/or Talons, the Deed of Covenant and under the Agency Agreement.
- (d) After a substitution pursuant to Condition 17(a) the Substituted Debtor may, without the consent of any Noteholder or Couponholder, effect a further substitution. All the provisions specified in Conditions 17(a), 17(b) and 17(c) shall apply *mutatis mutandis*, and references in these Conditions to the Issuer shall, where the context so requires, be deemed to be or include references to any such further Substituted Debtor.
- (e) After a substitution pursuant to Condition 17(a) or 17(d) any Substituted Debtor may, without the consent of any Noteholder or Couponholder, reverse the substitution, *mutatis mutandis*.
- (f) The Documents shall be delivered to, and kept by, the Agent. Copies of the Documents will be available free of charge during normal business hours at the specified office of each of the Paying Agents.
- (g) For the purpose of this Condition 17, references to:
- (i) the “**Agency Agreement**” shall, where the Substituted Debtor is incorporated in the Hellenic Republic, be deemed to include the Alpha Bank Noteholders Agency Agreement to the extent applicable and where the context so admits; and
  - (ii) a “**Successor in Business**” shall mean, in relation to Alpha Bank, any company which effectively assumes all of the obligations of Alpha Bank under, or in respect of, the Notes and which:
    - (A) owns beneficially the whole or substantially the whole of the property and assets owned by Alpha Bank immediately prior thereto; and
    - (B) carries on, as successor to Alpha Bank, the whole or substantially the whole of the business carried on by Alpha Bank immediately prior thereto.