ALPHA SERVICES AND HOLDINGS

Investor Day 2023

CREATING VALUE,
EMPOWERING GROWTH

Press Release

Alpha Bank Unveils Ambitious Strategy for 2023 – 2025

Guided by its new Purpose (to)
"Enable progress in life and business for a better tomorrow"
Alpha Bank takes a confident step into a new era, laying the foundations for creating value and empowering sustainable growth.
Our updated targets for 2025:

GROWTH

EPS up >20% CAGR to >€0.3 in 2025
Revenues up by c.5% CAGR to €2.3bn in 2025

PROFITABILITY

ROTE[1] >12% in 2025 driven by higher business profitability and improved capital allocation
NII growth of c.9% CAGR
Cost reduction c.3% CAGR
C/I down by c.14 p.p. to c.40% in 2025 (Greece < c.35%)
Target CoR <70bps
Group RoCET1[2] >16% by FY25 (vs 10% in 2022)

CAPITAL MANAGEMENT

Strong capital generation of €2.3bn on the back of organic capital generation of €1.9bn & €0.4bn of conversion of Deferred Tax Assets (DTA)
Group Tangible Equity uplift to >€7bn in 2025
Capital release from NPEs and other non-interest-bearing assets re-allocated to profitable business
FL CET1 at c.16% in 2025

SHAREHOLDER REMUNERATION

€1.4bn capital above management CET1 target[3] - enabling distributions to shareholders[4]
Total organic capital generation of €2.3bn, creating value for shareholders
Dividends included in financial projections, assuming payout of c. 30bps over average RWA per year[5]

RESPONSIBLE APPROACH TO BANKING

First Greek Bank to join NetZero Banking Alliance
€3bn sustainable disbursements 2023-2025[6]
Comprehensive ESG strategy, supported by measurable KPIs, included in remuneration

Strategy Highlights

Alpha Bank takes a confident step into a new era of improved profitability and shareholder value creation

- **Alpha Bank unveils its 2023-2025 strategy, laying the foundations for creating value and empowering growth,** by leveraging on the identity of its franchise, its distinctive positioning in highly specialized and profitable segments, its long-standing commitment to create shareholder value and its track record in delivering on its promises.

- At the core of our strategy is Alpha Bank's **new Purpose** which reflects why we do what we do. **"Enabling Progress in Life and Business for a Better Tomorrow"** underpins our growth ambition through aligning our business with evolving customer needs and connecting corporates to new opportunities and partnerships, while also acts as the catalyst to maximize employee potential and mobility, accelerate cultural change with emphasis on the pillars of diversity, equity and inclusion, and build a strong employee value proposition.

- New strategy centered on priority areas of **enhancing profits, maintaining balance sheet resilience** and **capital generation and distribution.** Builds upon successful implementation of transformation plan and plays to the unique strengths of Alpha Bank.

- A resolute focus on **improving profitability across all business units** will elevate profits at the Group level, by growing earnings at an average annualised pace above 20% for the period. Favourable dynamics around Net Interest Income, further supported by macro tailwinds, will continue to drive revenues, while meticulous cost management will provide a buffer against inflationary pressures.

- Alpha Bank will remain dedicated to **ensuring balance sheet resilience** and will continue to enact prudent lending practices. The Bank will complete the final stage of deleveraging to further reduce the outstanding stock of NPEs and will maintain a diversified, sticky funding base.

- Improved profitability and conversion of DTAs will facilitate **€2.3bn of capital generation** throughout the period, **creating €1.4bn of capital above the management target of what is required to support business operations.**

Renewed focus on delivering returns for shareholders in updated financial targets set for 2025

- The Bank aims to deliver a **RoTE[1] > 12%** by 2025.
- Earnings will remain on an upward trajectory, **with EPS growth exceeding 20% on an annual basis** (3-year CAGR%).
- By 2025 the Bank intends to generate €2.3bn of regulatory capital out of which €1.4bn above management CET1 target[4] - enabling distributions to shareholders.
- **Dividend payments will resume from 2023 profits**, subject to regulatory approval.
- The Bank projects a **Tangible Book value in excess of €7bn by 2025**.

Clearly defined strategic pillars to drive profitability across the Group's business units

- **Boost digital and focus on high-value segments in Retail**: Increase Core revenues at an annual pace of +7%, enhance productivity through automation and migrate core offering to digital channels, reducing C/I ratio by 16p.p. in the period, allowing its returns to more than double, aiming at RoCET1[7] of 23% by 2025.

- **Revamp service model to increase penetration in Wealth**: Scale 'wealth engine' and adapt offering to attract a wider customer base across private banking, affluent and emerging-affluent clients while investing in technology to modernise service model. Will secure 14% CAGR in revenues[8] and a 26% RoCET1 across Wealth and Treasury.

- **Consolidate leadership position in Wholesale**: Reinforce leadership in lending and ensure adequate returns for capital while growing fees and continuing to refine operating model. Aiming for 4% CAGR in revenues through gross disbursements in excess of €14bn and a RoCET1[9] of 18%.

- **Improve return on deployed capital in International**: Double profitability by accelerating lending momentum through digital channels, capitalising on strengths in payments and wealth to grow fees, transform operations and increase productivity. Targeting 14% CAGR in revenues, C/I reduction by 19p.p. and a RoCET1 of 21% by 2025.

- **Maintain balance sheet resilience**: Continue to selectively grow lending book while maintaining strong levels of liquidity. The Bank intends to reach a Group NPE ratio of 4%, improving the coverage ratio to over 60% without impacting Cost of Risk and maintain a Loan-to-Deposit ratio below 80% across the duration of the plan.

- **Leverage ESG as a value creation lever**: Scale-up sustainable finance strategy to meet full market potential and deliver on firm ESG commitments. Targeting €3bn in sustainable disbursements over the next three years and becoming the 1st Bank in Greece to commit to the NetZero Banking Alliance, aiming to align our portfolio with the Paris Objectives. Incorporate ESG criteria in remuneration and risk-management framework and fully integrate sustainable finance strategy across business and operating model.

- Strategic pillars underpinned by an ongoing commitment to **maximizing the potential of the Bank's staff** while **elevating digital and data capabilities**. Alpha Bank will continue to invest in developing a market-leading employee value proposition and will double-down on the ambition to digitize the full spectrum of the customer journey.

Ambitious strategy underpinned by successful turnaround of the Bank and strong outlook for the Greek economy

- New strategy follows the successful execution of the **Transformation Program and 2019 – 2022 plan**. During that time, Alpha Bank **restored the health of its balance sheet** and decisively dealt with the stock of NPEs.

- The Bank **revamped its commercial engine, secured its leadership position** in high-value customer segments and restructured into a **leaner, more digitally focused business** that now boasts a sector leading governance framework and talent management system.

- The **outlook for the Greek economy has improved significantly**, with structural reforms and a commitment to fiscal discipline improving investor confidence. A **re-rating to investment-grade status is imminent** and will mark a return to normalcy for Greece.

- **The Greek economy is set for sustained growth** and the **fundamentals that will drive demand for banking services from corporates and individuals are solidifying**. GDP is forecast to grow by nearly 3% per annum through 2025, outpacing the Euro area average, while unemployment is set to fall further, and disposable incomes are expected to rise by 4% per annum. In the medium term, growth is projected to be driven by higher investments off the back of gains in competitiveness and strong upward dynamics in FDIs, underpinned by the deployment of EU structural funds and fueled by the re-gaining of Investment Grade status.

We have set ourselves very transparent strategic priorities, so as to deliver our performance ambition and superior value to our shareholders.

"Our drive is founded on our identity, our execution track record, the quality of our platform and a positive outlook for Greece, Romania and Cyprus.

Our new Purpose is guiding our Strategy. Our role is to stand by our customers, recognize and trust their abilities and goals and connect them to new opportunities and partnerships to help them realize their ambitions. Alpha Bank's Purpose is to "**Enable progress in life and business for a better tomorrow**". All our priorities going forward will be derived from this Purpose.

We will capitalize on the growth potential of our home banking markets to expand our revenues by 5% annually and our loans by nearly 25% in the period, reaching a RoTE[1] of above 12% by 2025, while we expect to generate more than €2.3bn of capital to fund our plans and create value for our shareholders, paving the way for dividends and distributions.

We are the first Greek bank to join the Net Zero Banking Alliance while committing to net zero emissions by 2050 and will leverage ESG for value creation and societal contribution.

And, finally, we have set ourselves very transparent strategic priorities, enabled by robust investments and a solid plan for People and Digital, so as to deliver our performance ambition and superior value to our shareholders."

Vassilios Psaltis, CEO

Group Strategy Overview

Greece is set for a period of sustained macroeconomic growth, with GDP projected to increase by nearly 3% per annum, unemployment to decline by 2p.p. and disposable income due to grow by 4% each year through to 2025. Alpha Bank's strategy for 2023 - 2025 is designed to capitalize on this turnaround, by prioritizing the key sectors and customers that will need the Bank's support to fully reach their future potential.
Since 2019, the Bank has successfully undertaken a large-scale transformation, focused on restoring the balance sheet and fundamentals by cleaning up the stock of NPEs, transforming the Bank's operating model, and exiting from non-core international operations. From 2022, the Bank saw a return to profitability and strong top line growth, led by the commercial revamp and strategic partnerships, solid revenue growth in key areas, cost rationalization and improved efficiency, as well as cost of risk normalization.
Alpha Bank's strategy for 2025 is focused on accelerated value creation for shareholders, driven by a bottom-up approach that will drive profitability across all business units.

Retail

Alpha Bank's Retail Banking division has seen strong growth in recent years, generating c.€570mn of core revenue in 2022. The Retail unit serves over 3.5mn customers, collectively holding c.€32bn in deposits and €9bn in Net loans.
With disposable incomes set to grow faster in Greece than the European average, the Retail unit is primed to support the re-emergence of the Greek middle class. This trend, combined with the injection of state stimuli and the growing wave of digitization, is poised to increase demand for banking products — demand which Alpha Bank is best positioned to meet.
The Retail strategy is aimed at converting this opportunity into value by executing against four key pillars that define the strategy for 2023 – 2025, each underpinned by key initiatives.

- **Enhance productivity through investment in automation and advanced analytics** capabilities. Streamline administration and sales fulfilment through new sales platforms and automation processes.
- **Migrate Mass offering to digital channels and leverage third parties to distribute products.** Offer comprehensive digital banking experience for services and core products including onboarding, leverage strong relationships with third parties and extend digital products distribution through e-commerce and other platforms.
- **Enable higher value creation through value propositions tailored to different segment needs.** Leverage growing partners' ecosystem for SB clients and introduce wealth advisory services for top-tier affluent clients.
- **Sharpen focus and allocate additional resources to high-value customers and interactions, increasing revenues and improving customer experience.** Increase the share of relationship managers among branch staff and offer fully remote relationship managers for high-value digital-only clients.

In Retail, by 2025 Alpha Bank aims to increase core revenues annually by 7%; improve efficiency by reducing the cost-to-income ratio by 16%; increase the Return on CET1 capital by 13%; more than double profitability and accrue tangible value for the Group.

Wealth & Treasury

The Group's Wealth & Treasury units have a long-standing and strong foothold in the market, managing €11bn of assets management balances and a securities portfolio of €13bn. It is a capital light business serving over 100,000 customers and in FY2022 generated fees revenue of €86mn[10] and NII of €85mn[11], respectively.
Greece's asset management sector harbours great potential, with total Greek AuM growing at an annual pace of 10% since 2019, significantly outpacing the European Union average of 2%. Alpha Bank expects to see further growth of 15-20% per year in Greek AuMs by 2025 as the economy adjusts to the impact of greater disposable incomes, welfare reforms, and the granting of investment grade status.

The Wealth strategy for 2023-2025 is defined by three primary objectives focusing on current leadership position to monetize growth prospects:

- **Scale and extend wealth management 'engine' to support accelerated growth beyond domestic private segment and capture entire spectrum of addressable wealth customer base.** Reinforce advisory services, upgrade product suite to cater for all segments (Private, Affluent, International) and trends, expand commercial playbook and training to cover entire front-end salesforce, and pave the way to launch a new offshore wealth offering. The Bank is targeting a 25% uplift in AuM per Relationship Manager.
- **Tailor investment proposition to each segment, with the right profile and structures pertaining to the specific client needs and expectations.** Cater to Private Banking clients looking for bespoke and sophisticated solutions, Affluent and Emerging-Affluent clients looking for light-discretionary management services, and clients in our International network seeking for a fine-tuned offering. The Bank aims to increase penetration of investment products within the client wallet by 19 percentage points.
- **Invest in technology and modernize our service model to promote the optimal route for each customer journey.** We will use a single unified digital platform, develop end-to-end digital customer journeys for all segments, and differentiate our service model by segment and customer persona, with greater human involvement for large portfolios. The Bank's target is to interact with 30% of clients in an entirely digital format.

Alpha Bank is well placed to capitalise on the growth trends affecting asset management in Greece. From 2023 to 2025, the Bank is targeting a €40mn increase in Wealth Management Revenues, a €4.8bn increase in asset management balances, and a 26% Return on CET1 capital.

Wholesale

Alpha Bank has anchored its leadership position in Greek Wholesale banking. The division contributes over 30% to the Group's annual income and nearly 50% to recurring group profits[12]. It serves over 5,000 Large corporates and SMEs[13], with a performing loan book over €17bn that covers all key growth industries in Greece.
The Bank will build on its prime position in Wholesale to leverage several important trends — including foreign direct investments reaching an all-time high — that is estimated to drive the need for €100bn of capital expenditure in Greece before 2025.

The Wholesale strategy for 2023 – 2025 intends to further empower customers in their growth and consolidate the Bank's leadership in the sector while maintaining profitability. It operates in three parallel vectors:

- **Reinforce leadership position in the lending market through c.€14bn of gross disbursements, while ensuring adequate returns for the capital employed.** Increase lending penetration through focused commercial coverage, extend structuring proposition across segments, continue investing in knowledge for key sectors (such as hospitality) and in new trends (including sustainability) and improving the lending journey for customers.
- **Strengthen offering to grow service business and grow fee revenues by c.25%.** Refresh portfolio segmentation and pricing, add new products to digital palette, digitize key modules and launch targeted commercial campaigns to increase fee penetration.
- **Refine the operating model to increase productivity —** increasing revenues per Relationship Manager by roughly 10%. The Bank will achieve this by upgrading internal tools to gain productivity, finetuning target setting processes and incentives to stimulate cross-selling, and strengthening the talent pool through hiring, training, and performance management.

For Wholesale, by 2025, the Bank is targeting a cumulative net credit expansion of c.€5bn, 13% increase in total revenues, while maintaining its high-level of robust profitability with Return on capital employed of c.18%.

International

Alpha Bank's International network holds €7.6bn in assets, contributing 10% to the Group's total assets and 12% to revenues, while generating an 11% return at the end of FY2022.
Since 2021, the International network has shifted towards an open-for-business approach, focusing on new business generation and profitability improvement. This approach has already yielded promising results in 2022, with disbursements in Romania increasing by 28% year on year, and deposits growing by 10%. Operations in Cyprus also recorded a 10% uplift in new business. Alpha Bank will continue this growth trajectory, supported by €45mn in ongoing investments in digitization.
The management presented a new strategy for the Romanian business, designed to deliver growth across all business lines which is already showing tangible results.
The vision is to scale the Romanian business to improve return on deployed capital, and establish a robust foundation to achieve full potential beyond 2025, through the following:

- **Gain further scale in Retail by playing to the Bank's strengths.** Accelerating lending momentum through new digital platforms to grow mortgage and increase originations for small businesses and leverage on our strengths (payments, wealth) to grow Fee Income.
- **Reposition the bank as a reliable partner for business investments.** Leverage the Group's expertise on structured finance projects, targeting specific segments (such as energy and manufacturing) and products, and accelerating selected products for SMEs, including factoring.
- **Transform the Bank's operations through people management, digitization, and automation.** The aim of this transformation will be to digitize low value-added customer operations, automate critical credit processes — aiming for over 30% of digital retail sales, and enhance the productivity and effectiveness of staff through training, performance frameworks and retention schemes.

For International, by 2025 the Bank is targeting a 37% increase of loan book or €1.6bn net credit expansion, a 52% increase in Total Revenues, a 19p.p. reduction in Cost to income on the back of efficiency gains, and a 9p.p. increase in Return on CET1 capital.

ESG as a value creation lever

For several years, Alpha Bank has laid the foundation for sustainability to be fully integrated into its operating model. This work accelerated since 2019 as the Bank has been progressively integrating ESG in its strategy, culture and day-to-day operations. In 2022, the Bank set-up its Climate Risk Management framework and launched a Sustainable Finance framework, that helped double the share of Green Loans in new disbursements, and in 2023 it takes a major step by fully embedding sustainability targets within its business plan and by joining, as the first Greek bank, the NetZero Banking Alliance, reflecting its commitment to achieving net-zero greenhouse gas emissions by the year 2050.

Looking ahead to 2025, the Bank intends to complete the integration of its of Sustainability principles within business and operating model and to scale up its sustainable finance strategy to achieve its full potential for value creation.
The key objectives in this area are to achieve continuous upgrade of the Bank's ESG ratings, to incorporate sustainability criteria in all lending decisions and to become the partner of choice for enterprises looking to advance their own climate transition- building on the strength of our Wholesale & Project Finance units – and enhancing the ESG proposition for Retail and Wealth clients.

The main SDG-aligned commitments and targets on ESG across the Group are to:

- **Support an environmentally sustainable economy.** Targeting €3bn in total sustainable disbursements from 2023 to 2025, setting net-zero targets by the end of 2023 and ending all financing to selected activities.
- **Foster healthy economies and societal progress.** Targeting to maintain our leading 40% ratio of women in managerial positions, achieve a 20% increase in youth hiring by 2025 and limit our financing of certain activities that can affect health and well-being[14].

- **Ensure robust & transparent governance.** Ensure 40% female representation among non-executive directors, a majority of independent members of the Board of Directors and across all Committee Chairs, and ESG criteria incorporated into the Group's remuneration & risk management framework.

Key financial priorities

- In 2023-2025, the Bank will focus on the following **three financial priorities:**
    - **Profitability uplift (EPS growing by > 20% CAGR):**
        - Significant business profitability improvement across Business units, and re-allocation of capital from NPA unit (Group RoCET1 up by 6.p.p. by 2025 to >16%).
        - Revenues uplift on the back of strong NII performance: an annual growth of 5% in Revenues, largely attributed to NII growth driven by volume expansion of c.7% per year, and favorable rates, resulting to an additional €0.4bn in NII (or 9% annual growth) and an additional €0.1bn in Fees.
        - Disciplined cost management limiting inflation impact, and OpEx reduction (c.-3% annually) through specific levers.
        - Revenues boost and costs reduction to improve the Group's C/I cost-income ratio by 14.p.p., reaching 40% in 2025 (<35% in Greece, excluding non-performing asset unit).
    - **Balance sheet resilience**
        - Liquid, diversified and resilient balance sheet (<80% LDR, c.85% of securities in HQLA).
        - Structural NPE reduction (over €1bn) mainly through organic levers, lowering NPE ratio to c.4% and improving coverage to c.60%, while further de-escalating cost of risk.
        - Diversified, granular and sticky deposit base (c.70% of insured deposits) growing at c. 3% per year and shifting towards c. 50% of term deposits.
    - **Capital generation and distribution**
        - €2.3bn of capital generation off the back of strong returns and DTAs usage over 3 years.
        - Resulting FL capital ratios higher than Management target (FL CET1 ratio of c.16% vs. Management target of 13%).
        - €1.4bn available capital above management target.
        - Restarting dividend distribution from 2023 profits, subject to regulatory approval.

Athens, June 7, 2023

Alternative Performance Measures ("APMs")

Reference number	Terms	Definitions	Relevance of the metric	Abbreviation
1	Accumulated Provisions and FV adjustments	Sum of Provision for impairment losses for loans and advances to customers, the Provision for impairment losses for the total amount of off balance sheet items exposed to credit risk as disclosed in the Consolidated Financial Statements of the reported period, and the Fair Value Adjustments (10).	Standard banking terminology	LLR
2	Core Banking Income	Sum of Net interest income and Net fee and commission income as derived from the Consolidated Financial Statements of the reported period.	Profitability metric	
3	Core deposits	Sum of "Current accounts", "Savings accounts" and "Cheques payable", as derived from the Consolidated Financial Statements of the reported period, taking into account the impact from any potential restatement.	Standard banking terminology	Core depos
4	Core Operating Income	Operating Income (35) less Income from financial operations (18) less management adjustments on operating income for the corresponding period.	Profitability metric	
5	Core Pre-Provision Income	Core Operating Income (4) for the period less Recurring Operating Expenses (45) for the period.	Profitability metric	Core PPI
6	Cost of Risk	Impairment losses (14) for the period divided by the average Net Loans 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	(Underlyin g) CoR
7	Cost/Assets	Recurring Operating Expenses (45) for the period (annualized) divided by Total Assets (18).	Efficiency metric	
8	Deposits	The figure equals Due to customers as derived from the Consolidated Balance Sheet of the reported period.	Standard banking terminology	
9	Extraordinary costs	Management adjustments on operating expenses, that do not relate to other PnL items.		
10	Fair Value adjustments	The item corresponds to the accumulated Fair Value adjustments for non-performing exposures measured at Fair Value Through P&L (FVTPL).	Standard banking terminology	FV adj.
11	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) divided by total Risk Weighted Assets.	Regulatory metric of capital strength	FL CET 1 ratio
12	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.	Standard banking terminology	
13	Impact from NPA transactions	Management adjustments to income and expense items as a result of NPE/NPA exposures transactions.	Asset quality metric	
14	Impairment losses	Impairment losses on loans (16) excluding impairment losses on transactions (17).	Asset quality metric	
15	Impairment losses of which Underlying	Impairment losses (14) excluding Loans servicing fees as disclosed in the Consolidated Financial Statements of the reported period.	Asset quality metric	
16	Impairment losses on loans	Impairment losses and provisions to cover credit risk on Loans and advances to customers and related expenses as derived from the Consolidated Financial Statements of the reported period, taking into account the impact from any potential restatement, less management adjustments on impairment losses on loans for the corresponding period. Management adjustments on impairment losses on loans 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.	Standard banking terminology	LLP
17	Impairment losses on transactions	Represent the impact of incorporating sale scenario in the estimation of expected credit losses.	Asset quality metric	
18	"Income from financial operations" or "Trading Income"	Sum of Gains less losses on derecognition of financial assets measured at amortized cost and Gains less losses on financial transactions, as derived from the Consolidated Income Statement of the reported period, less management adjustments on trading income for the corresponding period. Management adjustments on trading income 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.	Standard banking terminology	
19	Income tax	The figure equals Income tax as disclosed in the Consolidated Financial Statements of the reported period, less management adjustments on income tax for the corresponding period. Management adjustments on income tax 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.	Standard banking terminology	
20	Leverage Ratio	This metric is calculated as Tier 1 divided by Total Assets (52).	Standard banking terminology	
21	Loan to Deposit ratio	Net Loans (23) divided by Deposits (8) at the end of the reported period.	Liquidity metric	LDR or L/D ratio
22	Net Interest Margin	Net interest income for the period (annualized) divided by the average Total Assets (52) of the relevant period. Average balance is defined as the arithmetic average of balance at the end of the period and at the end of the previous relevant period.	Profitability metric	NIM
23	Net Loans	Loans and advances to customers as derived from the Consolidated Balance Sheet of the reported period.	Standard banking terminology	
24	Non Performing Exposure Coverage	Accumulated Provisions and FV adjustments (1) plus CET 1 deductions used to cover calendar provisioning shortfall divided by NPEs (27) at the end of the reference period.	Asset quality metric	NPE (cash) coverage
25	Non Performing Exposure ratio	NPEs (27) divided by Gross Loans (12) at the end of the reference period.	Asset quality metric	NPE ratio
26	Non Performing Exposure Total Coverage	Accumulated Provisions and FV adjustments (1) plus the value of the NPE collateral, plus CET 1 deductions used to cover calendar provisioning shortfall divided by NPEs (27) at the end of the reported period.	Asset quality metric	NPE Total coverage
27	Non Performing Exposures	Non-performing exposures (27) 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	NPEs
28	Non Performing Exposures Collateral Coverage	Value of the NPE collateral divided by NPEs (27) at the end of the reference period.	Asset quality metric	NPE collateral Coverage
29	Non Performing Loan Collateral Coverage	Value of collateral received for Non Performing Loans (27) divided by NPLs (33) at the end of the reference period.	Asset quality metric	NPL collateral Coverage

30	Non Performing Loan Coverage	Accumulated Provisions and FV adjustments (1) plus CET 1 deductions used to cover calendar provisioning shortfall divided by NPLs (33) at the end of the reference period.	Asset quality metric	NPL (cash) Coverage
31	Non Performing Loan ratio	NPLs (33) divided by Gross Loans (12) at the end of the reference period.	Asset quality metric	NPL ratio
32	Non Performing Loan Total Coverage	Accumulated Provisions and FV adjustments (1) plus the value of the NPL collateral, plus CET 1 deductions used to cover calendar provisioning shortfall divided by NPLs (Non Performing Loans) at the end of the reference period.	Asset quality metric	NPL Total Coverage
33	Non Performing Loans	Non Performing Loans (33) are Gross loans (12) that are more than 90 days past-due.	Asset quality metric	NPLs
34	Normalised Net Profit after (income) tax	Normalised profits between financial year 2022 and 2021 are not comparable due to initiation of a new normalized profits procedure effective since 1.1.2022 which does not exclude specific accounts such as the trading gains account and is based on specific principles and criteria. Main Income and expense items that are excluded for purposes of the normalized profit calculation are listed below: 1. Transformation related: a. Transformation Costs and related Expenses b. Expenses and Gains/Losses due to Non-Core Assets' Divestiture c. Expenses/Gains/Losses as a result of NPE/NPA exposures transactions' 2. Other non-recurring related: a. Expenses/Losses due to non anticipated operational risk b. Expenses/Losses due to non anticipated legal disputes c. Expenses/Gains/Losses due to short-term effect of non-anticipated and extraordinary events with significant economic impact d. Non-recurring HR/Social Security related benefits/expenses e. Impairment expenses related to owned used [and inventory] real estate assets f. Initial (one off) impact from the adoption of new or amended IFRS g. Tax related one-off expenses and gains/losses 3. Income Taxes Applied on the Aforementioned Transactions.	Profitability metric	Normalised Net PAT
35	Operating Income	Sum of Net interest income, Net fee and commission income, Gains less losses on derecognition of financial assets measured at amortized cost, Gains less losses on financial transactions, Other income, 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.	Standard banking terminology	
36	Other (operating) income	Sum of Dividend income, Other income, and Share of profit/(loss) of associates and joint ventures as derived for the Consolidated Income Statements of the reported period, taking into account the impact from any potential restatement.	Standard banking terminology	
37	Other impairment losses	Impairment losses and provisions to cover credit risk on other financial instruments as derived for the Consolidated Financial Statements of the reported period.	Standard banking terminology	
38	PPI/Average Assets	Pre-Provision Income for the period (39) (annualized) divided by Average Total Assets (52) of the relevant period. Average balance is defined as the arithmetic average of balance at the end of the period and at the end of the previous relevant period.	Profitability metric	
39	Pre-Provision Income	Operating Income (35) for the period less Total Operating Expenses (53) for the period.	Profitability metric	PPI
40	Profit/ (Loss) before income tax	Operating Income (35) for the period less Total Operating Expenses (53) plus Impairment losses on loans (16), plus Other impairments.	Profitability metric	
41	Profit/ (Loss) after income tax from continuing operations	Profit/ (Loss) before income tax (40) for the period less Income tax (19) for the period	Profitability metric	
42	Profit/ (Loss) after income tax from discontinued operations	The figure equals Net profit/(loss) for the period after income tax, from Discontinued operations as disclosed in Consolidated Income Statement of the reported period, less management adjustments. 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.	Profitability metric	
43	Profit/ (Loss) attributable to shareholders	Profit/ (Loss) after income tax from continuing operations (41) for the period, less Impact from NPA transactions (13), plus Profit/ (Loss) after income tax from discontinued operations (42), plus Non-controlling interests as disclosed in Consolidated Income Statement of the reported period.	Profitability metric	
44	Cost to Income ratio	Recurring Operating Expenses (45) for the period divided by Core Operating Income (4) for the period.	Efficiency metric	C/I ratio
45	Recurring Operating Expenses	Total Operating Expenses (53) less management adjustments on operating expenses. 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.	Efficiency metric	Recurring OPEX
46	Return on Equity	Net profit/(loss) attributable to: Equity holders of the Bank (annualized), as disclosed in Consolidated Income Statement divided by the Average balance of Equity attributable to holders of the Company, as disclosed in the Consolidated Balance sheet at the reported date, taking into account the impact from any potential restatement. Average balance is defined as the arithmetic average of the balance at the end of the period and at the end of the previous relevant period.	Profitability metric	RoE
47	"Return on Tangible Book Value" or "Return on Tangible Equity"	Net profit/(loss) attributable to: Equity holders of the Bank (annualized), as disclosed in Consolidated Income Statement divided by the Average balance of Tangible Book Value (50). Average balance is defined as the arithmetic average of the balance at the end of the period and at the end of the previous relevant period.	Profitability metric	RoTBV or RoTE
48	RWA Density	Risk Weighted Assets divided by Total Assets (52) of the relevant period.	Standard banking terminology	
49	Securities	Sum of Investment securities and Trading securities, as defined in the consolidated Balance Sheet of the reported period.	Standard banking terminology	
50	Tangible Book Value or Tangible Equity	Total Equity excluding the sum of Goodwill and other intangible assets, Non-controlling interests, Additional Tier 1 capital, and Hybrid securities. All terms disclosed in the Consolidated Balance sheet at the reported date, taking into account the impact from any potential restatement.	Standard banking terminology	TBV or TE
51	Tangible Book Value per share	Tangible Book Value (50) divided by the outstanding number of shares.	Valuation metric	TBV/share
52	Total Assets	Total Assets (52) as derived from the Consolidated Balance Sheet of the reported period, taking into account the impact from any potential restatement.	Standard banking terminology	TA
53	Total Operating Expenses	Sum of Staff costs, Voluntary exit scheme program expenses, General administrative expenses, Depreciation and amortization, Other expenses as derived from the Consolidated Income Statement of the reported period taking into account the impact from any potential restatement.	Standard banking terminology	Total OPEX

[1] Based on normalized profit after tax after deduction AT1 coupon payments and excluding excess capital.
[2] Return on FL CET1 employed capital at 13% management target.
[3] Including accrued dividends, subject to regulatory approval and the fulfilment of business plan targets.
[4] Subject to regulatory and shareholders' approval.
[5] Starting from 2023 profits.
[6] Refers to gross disbursements.
[7] Return on FL CET1 employed capital at 13% management target; Including new synthetic securitisation from 2023 onwards.
[8] Refers only to non-interest income excluding Treasury operations.
[9] Return on FL CET1 employed capital at 13% management target; Calculated over normalized Cost of Risk, i.e. excluding reversals.
[10] Includes only Non Interest Income of Wealth operations.
[11] Includes only Interest Income of Treasury operations.
[12] Includes PAT from Performing Assets, Based on Normalised profit after tax after deduction AT1 coupon payments.
[13] Large Corporates: Companies with > €75mn in turnover; SMEs: Companies with > €5mn and < €75mn in turnover, or companies with > €1.5mn in credit limit.
[14] Examples include gambling, tobacco and alcohol, which we finance within strict limits as a % of our total loan book.

About Alpha Services and Holdings

Alpha Services and Holdings S.A. (under the distinctive title Alpha Services and Holdings) is a financial holdings company, listed on the Athens Stock Exchange, and the parent company of the banking institution "ALPHA BANK S.A.".

Subsequent to the corporate transformation that took place in April 2021, the banking operations were hived-down to a new wholly owned banking subsidiary (Alpha Bank S.A.).

Alpha Bank S.A. is 100% subsidiary of Alpha Services and Holdings S.A. and one of the leading Groups of the financial sector in Greece which was founded in 1879 by J.F. Costopoulos. 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, the distribution of insurance products, investment banking, brokerage and real estate management.

https://www.alphaholdings.gr/en/investor-relations

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