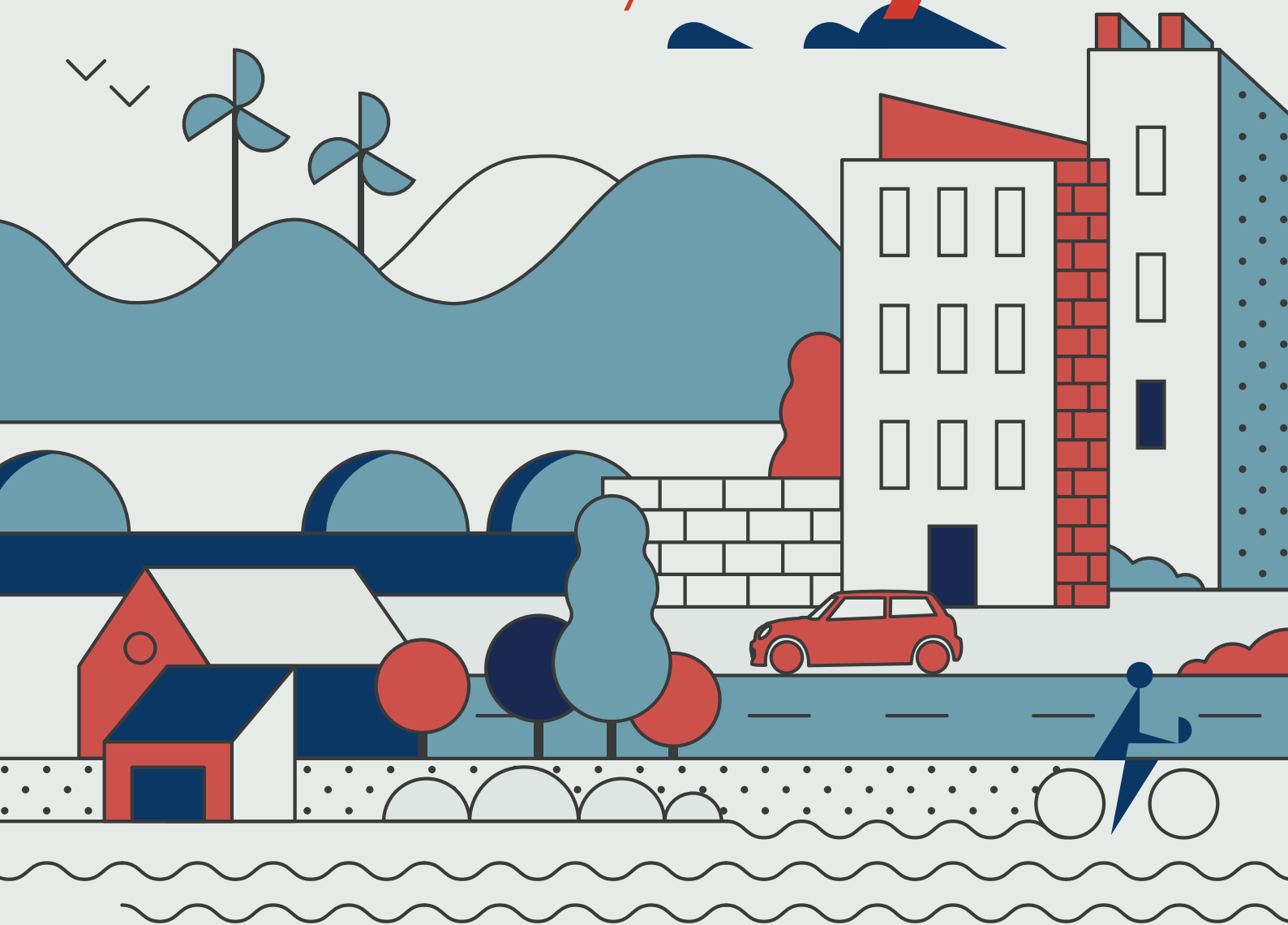


# CORPORATE RESPONSIBILITY REPORT

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## LETTER

# FROM THE MANAGING DIRECTOR - CEO

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In 2017, Alpha Bank, operating in demanding economic circumstances, continued to implement its Business Plan and was able to further strengthen its capital position, which remains the strongest among Greek banks.

Throughout the year, the Bank continued to support Small and Medium-sized Enterprises (SMEs) as well as Mid-Cap Companies. In April 2017 the facility agreement signed with the European Investment Bank (EIB) in December 2016 was activated, whereby Alpha Bank raised the full transaction amount of Euro 100 million. In July 2017, a second facility agreement of Euro 150 million was signed with the EIB to finance primarily the agricultural, tourism, manufacturing and services sectors, while in December 2017, through the “COSME-LGF” Loan Guarantee Facility programme, the Bank undertook the financing of Euro 200 million to SMEs.

The Group’s continued focus on providing banking services and products that promote sustainable development was enhanced with the effective management of the environmental and social dimension of financing and with the incorporation of the **Environmental and Social Risk Management Policy on Enterprises’ Lending** in the existing Credit Risk Management Framework and in the Credit Policy of the Group. Furthermore, Alpha Bank provided its Customers with information on investments that have a positive impact on the environment and the society (Socially Responsible Investing - SRI) as well as on the available investment options in mutual funds that take into account company performance in terms of environment, society and corporate governance (ESG criteria).

The Bank is closely following international developments in corporate responsibility, promotes the 17 Sustainable Development Goals (SDGs) of the United Nations and contributes to their achievement. At the same time, it improves the way in which it monitors its environmental footprint and enhances transparency regarding its performance, by disclosing, for the very first time, its approach to issues of climate change on the Carbon Disclosure Project (CDP) platform.

Moreover, in June 2017, following its successful assessment by the FTSE International Organisation, Alpha Bank was included as a constituent of the Financial Times Stock Exchange4Good (FTSE4Good) Emerging Index, which assesses listed companies in terms of their environmental and social performance.

For yet another year, in 2017 the Bank won major distinctions for its advanced electronic services. It also organised the first “Fintech Challenge ’17” Digital Innovation Hackathon, in order to identify the most innovative digital business ideas that will shape the future of the financial sector.

Regarding social contributions, in 2017 the programme **“Together, for better health”** continued for the fourth consecutive year, through which more than 200,000 items of medical and pharmaceutical supplies and related equipment have been donated to local health centres in 32 Greek islands until today. The **“Helping Hand”** programme, which is carried out in collaboration with the local Holy Dioceses and supports the poor, large families and the elderly, also continued in 2017, for the sixth consecutive year. To this day, a total of 24,000 carts with food supplies have been delivered under this Programme.

Furthermore, it is worth mentioning that the Bank, with the active participation of approximately 1,000 Volunteers from its Personnel, successfully organised environmental awareness and social contribution events, theatre performances and guided tours to museums exclusively for children living in children’s homes and foundations, while it also offered support to associations, foundations, schools and other organisations.

As part of its environmental protection activities, in 2017 Alpha Bank also assisted the Chios Gum Mastic Growers Association in its efforts to replant the areas ravaged by the destructive fire of July 25, 2016, in the Mastiha Villages of Southern Chios, with the donation of 2,000 lentisk saplings.

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The Bank continued its cultural activities in 2017 as well. The Alpha Bank Numismatic Collection and the Museum of Cycladic Art, under the Direction of Professor Nicholas Chr. Stampolidis, collaborated for the first time and jointly organised a large exhibition titled "MONEY. Tangible symbols in ancient Greece". The Exhibition dealt with the various references and interpretations of the symbols engraved on coins, the main means of transaction, which first appeared at the end of the 7th century B.C. The subject of the Exhibition enabled a Lecture Cycle related to the use of coins, from antiquity to this day. The Exhibition presented 85 coins from the Bank's Numismatic Collection as well as 159 objects (clay vases and figurines, marble and bronze statuettes, reliefs, gold jewellery, measuring vessels, coins from closed assemblages and inscriptions) from 29 Archaeological Museums and Collections in Greece, 2 Archaeological Museums in Italy, the British Museum and the Louvre Museum.

**"The defacements that hurt"** programme, launched in 2013 for the restoration and conservation of sculptures and historic buildings, continued in 2017 with the cleaning of the external surfaces of the buildings of the Athens Conservatoire as well as the Royal Theatre of Northern Greece and the National Theatre of Northern Greece. In addition, the initiative "Let's give Nea Paralia, Thessaloniki its old glow" regarding the improvement of the Nea Paralia waterfront area, carried out in collaboration with the Municipality of Thessaloniki, Anatolia College and the local Young Men's Christian Association (Y.M.C.A.), also continued in 2017.

Finally, the Bank continues to respond immediately to the need to send humanitarian aid to people affected by floods, earthquakes or other natural disasters, by offering clothing and long shelf life food supplies. It also takes emergency measures in terms of special arrangements to support its Customers, whether these are Individuals who live in affected areas or Businesses that are located there.

We would like to thank our Employees for their contribution to what we achieved in the area of Corporate Responsibility in 2017. We would also like to thank our Shareholders and our Customers for their confidence in us and their support. Making people our highest priority, we will continue together, "MAZI", to support society, the environment and culture.



Demetrios P. Mantzounis



# CORPORATE RESPONSIBILITY REPORT

## METHODOLOGY

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The present Corporate Responsibility (CR) Report is the eleventh CR Report released as an individual publication by Alpha Bank A.E. (hereafter “the Bank” or “Alpha Bank”). The Report has been prepared in accordance with the internationally recognised G4 Sustainability Reporting guidelines of the Global Reporting Initiative (GRI) ([www.globalreporting.org](http://www.globalreporting.org)) and the four key principles for defining Report content: **1. Stakeholder Inclusiveness**, **2. Sustainability Context**, **3. Materiality** and **4. Completeness**. In addition, the Report has also taken into consideration the principles of AccountAbility’s AA1000 Principles Standard ([www.accountability.org](http://www.accountability.org)), whose foundations are the “inclusion of stakeholder interests in the decision-making process” (Inclusivity), the “identification of the most important issues for the Bank” (Materiality) and the “Bank’s responsiveness to stakeholder needs and expectations” (Responsiveness).

For the ninth consecutive year, in the preparation of the CR Report use was also made of the GRI’s Financial Services Sector Supplement (GRI-FSSS), the most specialised standard on the contents of CR reports for companies in the banking sector.

Alpha Bank is a Greek Société Anonyme with Banking Operations as its primary activity. The Bank’s registered office is located at 40, Stadiou Street, 102 52 Athens, Greece.

The CR Report 2017 is addressed to all the Stakeholders of the Bank and refers to its activities in Greece during the period from January 1 to December 31 2017, unless otherwise indicated.

In determining the most important issues for the sustainable development of Alpha Bank, use was made of the findings of the process for the identification of material issues (Materiality Analysis) carried out in 2017. No significant changes were introduced in the scope, boundary or measurement methods compared to the Bank’s Corporate Responsibility Report 2016.

Furthermore, with regards to the assurance of the Report’s contents, the Bank assigned the relevant project to KPMG Certified Auditors A.E. Information about KPMG’s work can be found in the last pages of the Report, together with the relevant Assurance Report.

The Corporate Responsibility Report 2017 was prepared by a dedicated team of Executives from various of the Bank’s Units, under the coordination of the Corporate Social Responsibility Section.

Interested parties may address their queries, comments and suggestions regarding Alpha Bank’s Corporate Responsibility Report 2017 to:

Alpha Bank  
Marketing and Public Relations Division  
Corporate Social Responsibility  
40, Stadiou Street, GR-102 52 ATHENS  
Tel.: +30 210 326 2437  
Fax: +30 210 326 2401  
E-mail: [csr2@alpha.gr](mailto:csr2@alpha.gr)



# ALPHA BANK AND CORPORATE RESPONSIBILITY

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The Alpha Bank Group is **one of the largest financial sector Groups in Greece**. It offers a wide range of quality financial products and services, including retail banking, wholesale banking, asset management, private banking, insurance products, investment banking, brokerage and real estate management.

The Alpha Bank Group is active in the Greek and international banking market and in 2017 it was present in **Cyprus, Romania, Albania** and the **United Kingdom**. It also has an extensive network of correspondents (banking institutions) in Greece and abroad.

The Parent Company and main Bank of the Group is Alpha Bank, which was founded in 1879 by John F. Costopoulos. Alpha Bank, the Bank that inspires confidence and constitutes a consistent point of reference in the Greek banking system, has one of the highest capital adequacy ratios in Europe.

All the activities of Alpha Bank and of the Alpha Bank Group Companies, which are ultimately aimed at the Group's growth and strength, are governed by principles imposed by law or ethics, such as integrity and honesty, impartiality and independence, discretion and confidentiality, conscious, disciplined and reasonable risk-taking, complete, full and truthful disclosure and active contribution to society.

Adherence to the principles governing the Bank's operation and its corporate responsibility practices is checked annually by the Management and by the competent Divisions of the Bank. Employees comply with the provisions of the Bank's Code of Ethics, which encompasses the Bank's values, guidelines and requirements with regards to responsibility and professional conduct. In parallel, the Bank ensures its full alignment with the applicable laws and takes into account the fundamental principles of the Universal Declaration of Human Rights and the Conventions of the International Labour Organization. Finally, through its participation in the UN Environment Programme Finance Initiative (UNEP FI), undertaken by banks and financial organisations around the world to promote sustainable development, the Bank incorporates the relevant environmental principles in its financial activities.

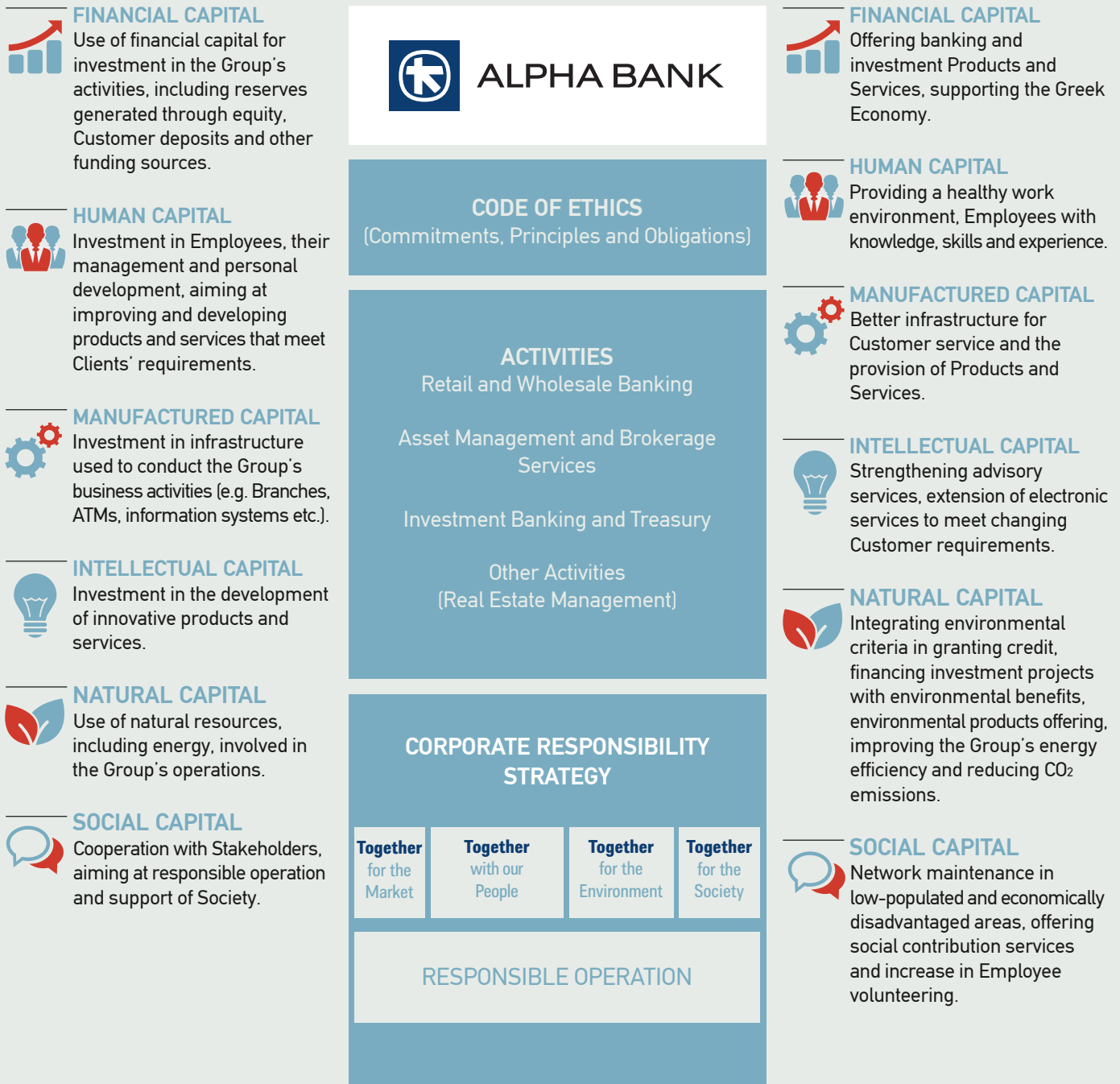
The Marketing and Public Relations Division (which the Corporate Social Responsibility Section is part of) supports the Management of the Bank in matters of corporate responsibility, by submitting for approval related policies and strategies and by managing, coordinating, developing and promoting the Bank's corporate responsibility activities, seeking to continuously improve its performance in this area.

## BUSINESS MODEL

The Alpha Bank business model is designed to create value for its Stakeholders. Alpha Bank invests in its Employees, in its Branch Network and in its infrastructures in order to develop and place on the market quality products and services. It also works together with its Stakeholders in order to ensure the early identification of their needs, to operate responsibly and to offer its support to society. Alpha Bank provides a healthy work environment, in which its Employees broaden their knowledge and skills and contribute to the development of new products and services. The Bank supports Greek Economy, enhances its electronic services, offers products and services with social and environmental features and contributes to society.



## BUSINESS MODEL



INPUTS



VALUE CREATION



OUTPUTS

## CORPORATE RESPONSIBILITY POLICY

Alpha Bank has developed a "Corporate Responsibility Policy", which has been approved by the Bank's General Management.

### ALPHA BANK CORPORATE RESPONSIBILITY POLICY

With a view to ensuring its sustainable development, Alpha Bank is committed to operating responsibly, taking account of the economic, social and environmental parameters of its operation, both in Greece and in the other countries where it is present. To this end, it promotes communication and cooperation with all its Stakeholders.

In order to enhance social responsibility and integrate it into the Group's principles and values in the best possible way, Alpha Bank applies the law and aligns its activity with internationally recognised guidelines, principles and initiatives on sustainable development, such as the OECD Guidelines on Responsible Business Conduct, the Principal Conventions of the International Labour Organization (ILO) and the United Nations' Universal Declaration of Human Rights (UDHR).

Alpha Bank's **organisation and operation** follow the best banking and business practices. They are governed by principles such as integrity and honesty, impartiality and independence, confidentiality and discretion, in line with the Bank's Code of Ethics and the principles of Corporate Governance. Particular attention is paid to the identification, measurement and management of the undertaken risk, compliance with the applicable legal and regulatory frameworks, transparency and the provision of full, accurate and truthful information to the Bank's Stakeholders.

The Bank's primary goals are credibility, reliability and efficiency in banking services. Its key concerns are to constantly improve the products and services it offers and to ensure that its **Customers'** banking needs are addressed in a contemporary and responsible manner. It examines and incorporates non-financial criteria (for issues related to the environment, society and corporate governance) in its financing procedures as well as in the development and placement of new products and services on the market.

Alpha Bank responds with increased awareness to matters concerning the protection of the **environment** and the conservation of natural resources and is committed to addressing the direct and indirect impacts of its activities on the environment.

Alpha Bank implements responsible policies with regards to **Human Resources**. In particular, the Bank:

- Respects and defends the diversity of its Employees (age, gender, ethnic origin, religion, disability/special capabilities, sexual orientation etc.).
- Ensures top-quality working conditions and opportunities for advancement based on merit and equal treatment, free of discrimination.
- Offers fair remuneration, based on contracts which are in agreement with the corresponding national labour market and ensure compliance with the respective national regulations on minimum pay, working hours and the granting of leave.
- Defends human rights, recognises the right to union membership and to collective bargaining and opposes all forms of child, forced or compulsory labour.
- Treats all Employees with respect.
- Provides Employees with continuous education and training.
- Ensures the health and safety of Employees at the workplace and helps them balance their professional and personal life.

Given that its activities are directly linked to society and citizens, Alpha Bank seeks to contribute to the efforts to support them, making healthcare, education, culture and environmental protection its priority.

Additionally, the Bank applies the Corporate Responsibility principles across the entire range of its activities and seeks to ensure that its suppliers and partners also comply with the values and business principles that govern its operation.

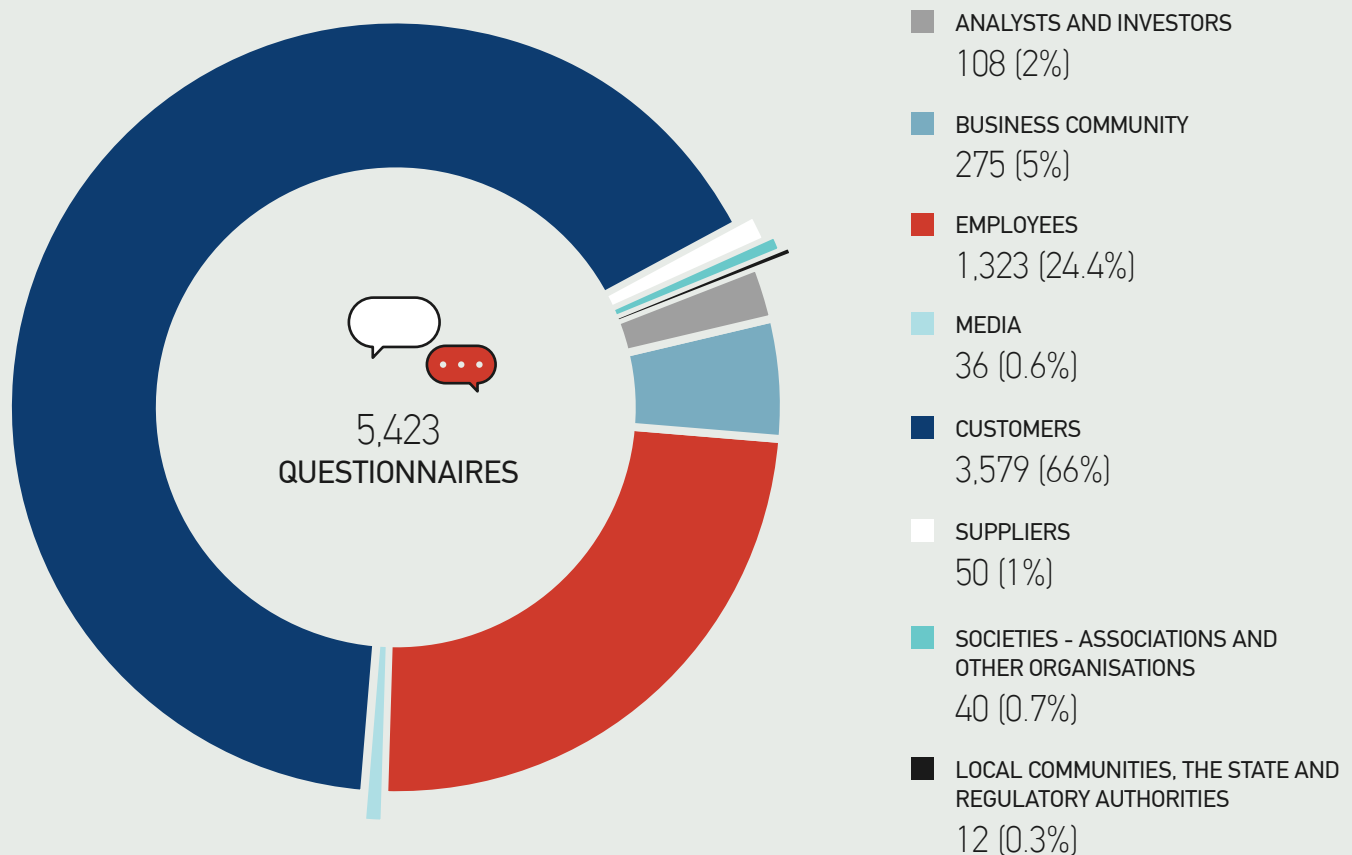
## IDENTIFICATION OF MATERIAL ISSUES

In 2017 Alpha Bank performed anew the process for the identification of the main issues regarding its responsible operation (Materiality Analysis), enhancing its methodology.

The Materiality Analysis process drew on input from the following participants:

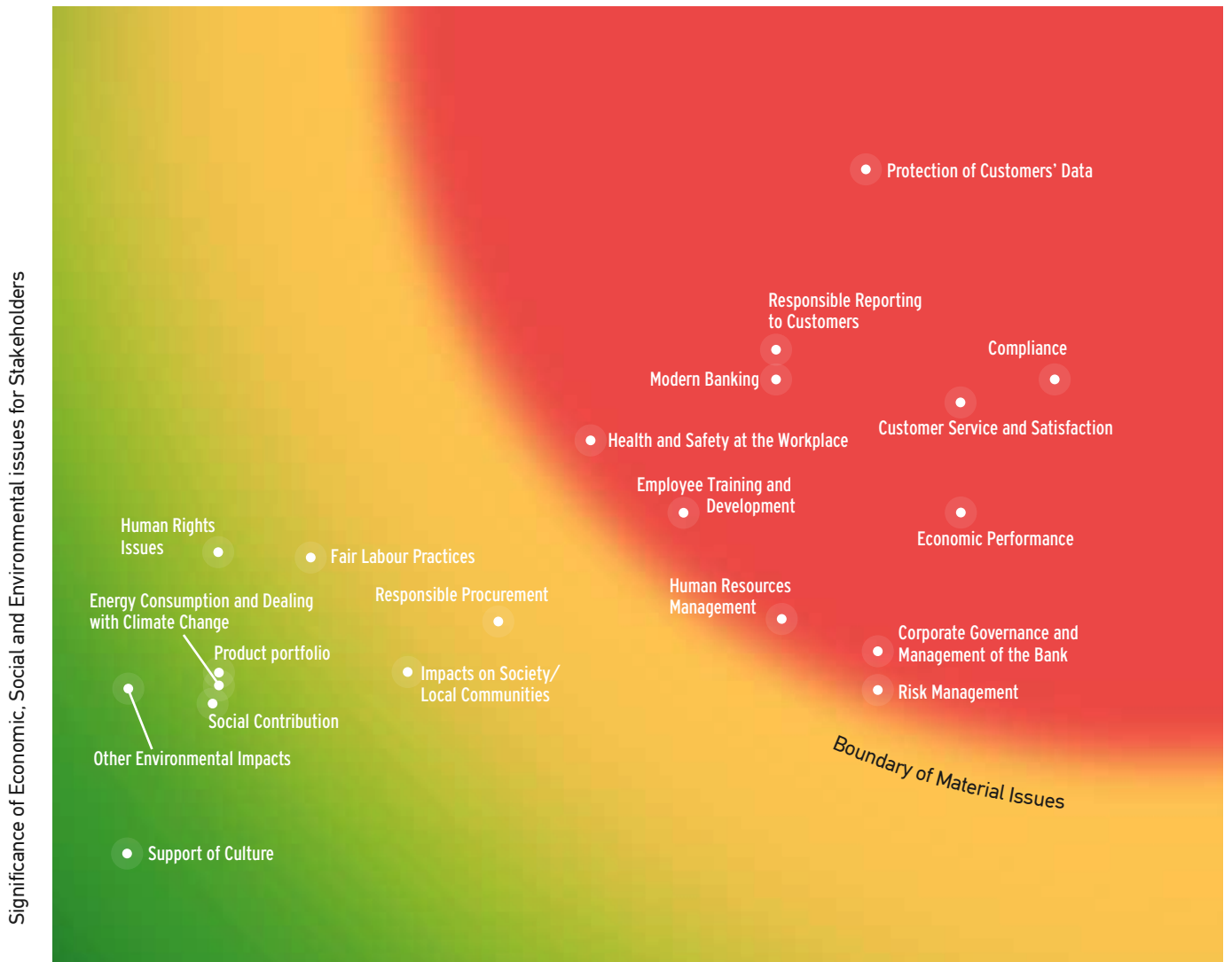
- Members of the Senior Management, who defined the Bank's point of view.
- 5,423 representatives from all the Stakeholders of the Bank, who provided their opinion by means of an online questionnaire submitted anonymously.

### Stakeholder participation in the identification of the main issues regarding the Bank's responsible operation



The issues identified are shown in the materiality matrix graph below and were endorsed by the Bank's Management.

## MAPPING OF MATERIAL ISSUES



Significance of Economic, Social and Environmental issues for Alpha Bank

The present Report contains information on all of the Bank's activities in the market, environment and social contribution sectors. Extensive reference, however, is made to the issues within the upper right-hand quadrant of the materiality matrix graph, which maps the significance of the economic, social and environmental issues defined as "material" for the Bank's responsible operation.

The results of the materiality analysis process have been endorsed by the Bank's Management.

| IDENTIFIED MATERIAL ISSUES                      | RELEVANT GRI G4 ASPECT  | BOUNDARY (WITHIN/OUTSIDE THE BANK IN GREECE)   |
|---|---|--|
| Compliance                                      | Covered in the General Standard Disclosures and in Society – Product Responsibility: Compliance | The issue impacts the operation of the Bank and the wider business community in which it operates and may primarily affect its Customers and Shareholders. |
| Corporate Governance and Management of the Bank | Covered in the General Standard Disclosures   | The issue impacts the operation of the Bank and the wider business community in which it operates and may primarily affect its Customers and Shareholders. |
| Risk Management                                 | Covered in the General Standard Disclosures   | The issue impacts the operation of the Bank and the wider business community in which it operates and may primarily affect its Customers and Shareholders. |
| Economic Performance                            | Economy: Economic Performance   | The issue impacts the operation of the Bank and the wider market and may primarily affect its Customers, Shareholders and Suppliers.                       |
| Modern Banking                                  | Society – Support of Society and Local Communities  | The issue impacts the operation of the Bank and the market in which it operates and may primarily affect its Customers and Shareholders.                   |
| Responsible Customer Reporting                  | Society – Product Responsibility: Product and Service Labelling, Marketing Communications       | The issue impacts the operation of the Bank and the wider market in which it operates and may primarily affect its Customers and Shareholders.             |
| Protection of Customers' Personal Data          | Society – Product Responsibility: Customer Privacy  | The issue impacts the operation of the Bank and the wider market and affects primarily its Customers.  |
| Customer Service and Satisfaction               | Society – Product Responsibility: Product and Service Labelling, Marketing Communications       | The issue impacts the operation of the Bank and the wider market in which it operates and may primarily affect its Customers and Shareholders.             |
| Human Resources Management                      | Society – Labour Practices and Decent Work: Employment  | The issue impacts the operation of the Bank and affects primarily its Employees.   |
| Employee Training and Development               | Society – Labour Practices and Decent Work: Training and Development                            | The issue impacts the operation of the Bank and affects primarily its Employees.   |
| Health and Safety at the Workplace              | Society – Labour Practices and Decent Work: Occupational Health and Safety                      | The issue impacts the operation of the Bank and affects primarily its Employees.   |

## STAKEHOLDERS

The Bank recognises as its Stakeholders the natural and/or legal persons who/which, either directly or indirectly, are connected to, and affect or are affected by, the Bank's decisions and its operation. Following a series of internal meetings and on the basis of the relevant laws and its daily operations, the Stakeholders\* recognised by the Bank are listed below:

- Analysts and Investors
- Business Community
- Employees
- Media
- Customers
- Suppliers
- Societies - Associations and other Organisations
- Local Communities, the State and Regulatory Authorities

\*Stakeholders are listed in alphabetical order, as the Bank reviews and prioritises them regularly, depending on the needs of the market, society or its operating environment in general.

## DIALOGUE AND COOPERATION IN ACTION

The Bank seeks to engage in an ongoing dialogue and collaboration with its Stakeholders, in order to understand and, as far as possible, respond to all their expectations, needs, concerns and requests.

The means and methods that the Bank uses to meet its Stakeholders' expectations are presented in the following pages.

### • ANALYSTS AND INVESTORS

Communication with analysts and investors is coordinated by the Investor and Analyst Relations Division and the Back Offices - Investments Division. Analysts and investors are provided with full and prompt information via specific sections on the Bank's website ("Investor Relations" - "Economic - Markets Research"), where relevant announcements are posted, together with the Financial Statements of the Bank and the Group (quarterly, biannual and annual). Finally, analysts and investors are informed of the Bank's annual results via its Business Review and its Corporate Responsibility Report, while they also participate in the Bank's ordinary and extraordinary General Meetings.

### The five (5) most significant issues

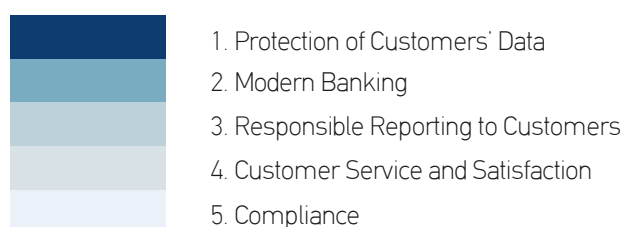


Source: Alpha Bank Materiality Analysis 2017

### • BUSINESS COMMUNITY

The Bank actively participates and is represented in Committees and Boards of the Hellenic Bank Association (HBA), the Hellenic Advertisers Association, UNEP FI and the Hellenic Network for Corporate Social Responsibility as well as in other committees and associations in order to understand the issues of concern of the business community and take action with a view to safeguarding the interests of the banking industry. Moreover, throughout 2017 and in order to strengthen business relationships with its Customers, the Bank organised a series of informative events in major Greek cities around the country as well as a series of focused personal meetings with Small Businesses-Customers of the Bank.

### The five (5) most significant issues



Source: Alpha Bank Materiality Analysis 2017

### • EMPLOYEES

To ensure effective communication with Employees, a special two-way communication area is available on the Alpha Bank Intranet, on top of the Personnel's "Communication Days" that take place on a weekly basis as well as continuous communication with the representatives of the Association of Employees. The Personnel is also informed via the online edition of "MAZI" ("Together"), the Bank's monthly internal communication publication as well as via announcements posted on the Alpha Bank Intranet, whenever any issue arises.

The five (5) most significant issues



Source: Alpha Bank Materiality Analysis 2017

• MEDIA

In 2017, the Bank consistently presented its financial, environmental and social performance to the Media and responded with transparency, for yet another year, to the need for providing journalists with information about current banking matters.

The five (5) most significant issues



Source: Alpha Bank Materiality Analysis 2017

• CUSTOMERS

Alpha Bank pays particular attention to ensuring that its Customers' expectations are met and that it provides them with quality products and services. The Bank's Operations Division is in charge of Quality Assurance and is committed to fulfilling these objectives. The methods applied by the Bank for measuring customer satisfaction and monitoring quality in the services available to them are Customer Satisfaction Surveys, Communication and Marketing Surveys, a Customer Satisfaction Questionnaire (leaflet) entitled "Your opinion counts", which can be mailed back by prepaid cost and which allows Customers to evaluate the services offered at the Branches, as well as Key Performance Indicators (KPIs) at all points of contact with Customers. Finally, the Bank ensures the high level of quality provided to Customers through the centralised handling of complaints and provides information to Customers via the Business Review and the Corporate Responsibility Report, both of which are published annually.

The five (5) most significant issues



Source: Alpha Bank Materiality Analysis 2017

• SUPPLIERS

The Bank takes care to ensure the harmonious cooperation with its Suppliers, relying on the mutual respect of the terms of transactions, the proper and transparent exchange of information and the annual meetings with its Key Suppliers in order to renegotiate the terms of supply agreements.

The five (5) most significant issues



Source: Alpha Bank Materiality Analysis 2017

• SOCIETIES - ASSOCIATIONS AND OTHER ORGANISATIONS

Every year, the Bank supports numerous societies and other organisations, either by offering financial assistance or by planning social programmes. Furthermore, at least once a year, the Bank seeks to hold meetings with representatives of these organisations in order to exchange views and to jointly plan relevant programmes and actions.

The five (5) most significant issues



Source: Alpha Bank Materiality Analysis 2017

• LOCAL COMMUNITIES, THE STATE AND REGULATORY AUTHORITIES

Via its business activity, Alpha Bank contributes to economic stability and the growth of Greek Economy. Therefore, it is often involved in a dialogue and consultations with State authorities, both in Greece and at European level. The Bank also supports public administration services, local organisations and foundations by donating new or retired office, electronic or other equipment and other supplies (food supplies, medication, books, computers etc.). Moreover, the Bank communicates with representatives of the local communities primarily via its Branches and ensures that they are provided with the best possible service, while relevant Programmes are implemented throughout the year.

The five (5) most significant issues



Source: Alpha Bank Materiality Analysis 2017

CONTRIBUTION TO THE ACHIEVEMENT OF THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

In 2015, the United Nations (UN) announced the adoption of the 17 Sustainable Development Goals (SDGs) included in the UN "Agenda 2030". Their objective is to achieve economic progress and prosperity for all, while at the same time ensuring social justice and caring for the environment. Alpha Bank is indirectly contributing to the promotion of all SDGs and, through its services, products and activities, is also directly contributing to the achievement of specific SDGs.

The Bank has attempted to map the impacts of its value chain on the achievement of the 17 SDGs, identifying both those who are positive and those who are negative. Taking into consideration its activities, its operating environment and its Stakeholders, the Bank has identified four SDGs in whose achievement it can have an increased contribution.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS WITH SIGNIFICANT CONTRIBUTION BY ALPHA BANK





## CONTRIBUTION OF ALPHA BANK TO THE SUSTAINABLE DEVELOPMENT GOALS IDENTIFIED AS MOST CLOSELY RELATED TO ITS BUSINESS ACTIVITY

| SDG   | CONTRIBUTION   | ALPHA BANK ACTIVITY   |
|---|--|---|
|    | <p>▲ Promotion of learning opportunities</p>   | <p>Quality education is a fundamental principle regarding the improvement of people's lives and sustainable development. The Bank supports in practice not only the continuous education of its Employees but also, in a broader sense, the efforts to enhance education for all people through partnerships, events and sponsorships in the countries where it is present.</p>   |
|    | <p>▲ Support of economic growth</p>  | <p>Alpha Bank promotes continuous, inclusive and sustainable economic growth as well as full and productive employment and decent work for all. Specifically, it promotes policies that support productive activities, the creation of decent jobs, entrepreneurship, creativity and innovation and encourage the establishment and growth of enterprises through their access to financial services. Strengthening the capacity of domestic financial institutions in order to encourage and broaden access to banking, insurance and financial services for all is a key priority for the Bank. In addition, the Bank also ensures an appropriate, suitable and safe workplace for its Employees.</p> |
|  | <p>▲ Support of industry and infrastructure development</p>  | <p>Sustainable industry and resilient infrastructures are key growth pillars for every economy. As one of the largest Greek financial sector Groups, Alpha Bank is constantly assisting new industries and businesses by providing financial services and products whose aim is to support them and promote innovation.</p>   |
|  | <p>▲ Investing in activities dealing with climate change</p> <p>▼ Reduction of environmental effects from the Bank's operation</p> | <p>Taking action to combat climate change, Alpha Bank makes targeted investments in the environment and in renewable energy sources. In parallel, it seeks to reduce its environmental footprint and raise awareness of the issues related to climate change, through actions, events and sponsorships.</p>   |

Note:

- ▲ Maximisation of positive impacts
- ▼ Minimisation of negative impacts

## MEMBERSHIPS IN ASSOCIATIONS, ORGANISATIONS, INITIATIVES AND INDICES

The Bank participates and is represented in a number of associations and organisations that address major issues of concern for the banking sector, such as Committees and Boards of the Hellenic Bank Association (HBA), the Bank of Greece and the Hellenic Advertisers Association. It also participates in bodies and initiatives working to promote and support the adoption of sustainable development principles and corporate social responsibility.



**UNEP FI:** The United Nations Environment Programme Finance Initiative (UNEP FI) is a UN initiative that promotes sustainable development with a strong focus on the protection of the environment. Alpha Bank has been a member of this Initiative since January 2007.

Through its participation in UNEP FI, the Bank is part of an international network of leading financial organisations, follows current trends, tools and practices in sustainable development and is able to engage in two-way communication and dialogue with major organisations across the world.



**Global Sustain:** This organisation provides innovative solutions and services pertaining to corporate social responsibility, the green economy and development. Its members include companies, non-governmental organisations, public entities, educational institutions, societies and other private and public-sector organisations.



**Hellenic Network for Corporate Social Responsibility:** The "Hellenic Network for Corporate Social Responsibility" is a business-driven non-profit association. Its mission is to promote the concept of Corporate Social Responsibility to both the business community and the social environment.



**Global Reporting Initiative (GRI):** As part of its activities to support and strengthen education in corporate responsibility and sustainability and in order to improve the quality of the corporate responsibility reports it publishes, the Bank, in 2017, participated for yet another year in training seminars regarding the updated versions of the GRI Sustainability Reporting Guidelines, in connection with the preparation of Corporate Responsibility Reports.

**Committee on Sustainable Development of the Hellenic Bank Association:** The Bank participates in the Committee on Sustainable Development of the Hellenic Bank Association (HBA), whose tasks are: **(a)** to form positions and opinions for Greek banks on issues concerning the protection of the environment and sustainable development; **(b)** to facilitate the collaboration of the Financial Sector with the United Nations Environment Programme Finance Initiative (UNEP FI); **(c)** to represent Greek banks in work groups as well as promotional and information events and to address other issues of interest to the banking sector, related to the environment and sustainable development. In the context of the activities of HBA's Committee on Sustainable Development, Alpha Bank participates in processing subjects related to Corporate Social Responsibility and Sustainable Development.

Finally, it is worth mentioning that Alpha Bank is subject to assessments by international analysts and rating agencies with regards to its performance in sustainable development issues.



**Financial Times Stock Exchange4Good (FTSE4Good):** After its successful assessment by the FTSE International Organisation, Alpha Bank has been included as a constituent of the Financial Times Stock Exchange 4Good (FTSE4Good) Emerging Index, which assesses listed companies in emerging markets with a positive financial, environmental and social performance. Its inclusion in the FTSE4Good international index proves that, along with its business activity, the Bank is also highly aware of environmental and social issues.

At the same time, this inclusion also strongly motivates the Bank to strengthen its presence in the field of Corporate Responsibility, both in Greece and internationally. FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Alpha Bank has been independently assessed according to the FTSE4Good criteria and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants, to create and assess socially responsible investment funds and other products.

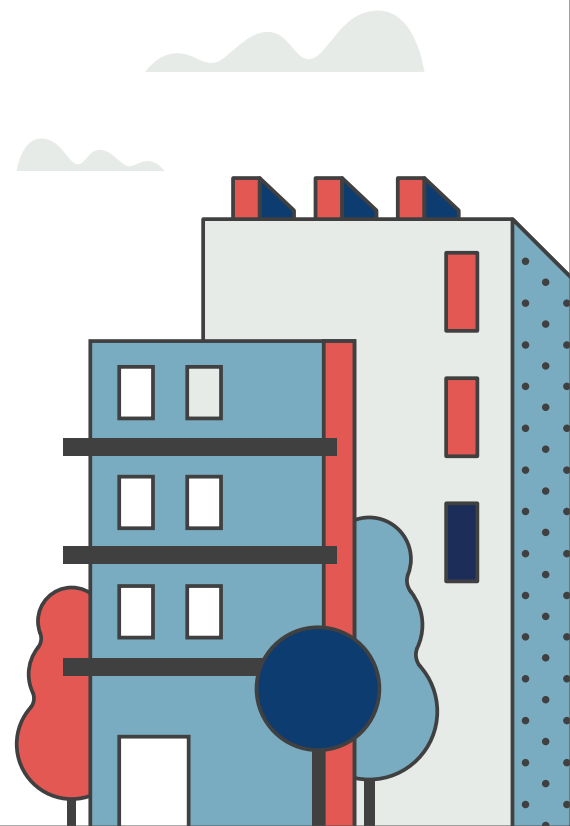
**Carbon Disclosure Project (CDP):** In 2017, Alpha Bank disclosed for the very first time on the CDP platform the necessary information regarding its activities dealing with climate change and obtaining a “C” score, which is the average score of financial institutions participating in the CDP disclosure initiative.

## DISTINCTION IN 2017

In 2017, the Hellenic Institute for Business Ethics (EBEN GR) **presented Alpha Bank with an award recognising its contribution to the promotion of the principles of Business Ethics, Social Responsibility and Corporate Governance** in the academic community, among businesses and public and private-sector organisations.

Finally, wishing to assist in the organisation of events which present sustainability issues of crucial significance that are currently at the forefront of global interest and are thus expected to have a strong impact on companies and organisations in the short term, the Alpha Bank Group sponsored:

- the Sustainability Forum 2017, organised by Global Sustain in Greece;
- the 15th annual Corporate Social Responsibility Conference, organised by the American-Hellenic Chamber of Commerce, titled “Inclusive Cities and Engaged Citizens: Rebuilding our Society Sustainably”;
- the 10th Corporate Social Responsibility Conference, which was held in Cyprus and focused on the 17 Sustainable Development Goals of the UN Agenda 2030.



## CORPORATE RESPONSIBILITY TARGETS FOR 2017 AND 2018

Alpha Bank sets short-term targets, which reflect its steady and gradual approach to the implementation of its long-term policy and its commitments and priorities in the field of corporate responsibility. The following tables present the targets for 2017, which had been set in the Corporate Responsibility Report 2016, together with the activities that the Bank carried out in 2017 towards their achievement, as well as the targets for 2018.

The sequence in which the tables are given follows the structure of the Report.

### ALPHA BANK AND CORPORATE RESPONSIBILITY

| TARGETS FOR 2017  | PERFORMANCE IN 2017  |
|---|--|
| To collaborate with more Divisions in order for the Bank to better meet the requirements of the analysts and international rating agencies that assess its performance.                                 | Achieved. In 2017, the Marketing and Public Relations Division (through its Corporate Social Responsibility Section) coordinated communication with the Bank's Divisions whose participation was considered necessary in order to ensure that the requirements of the analysts and international rating agencies that assess the Bank's performance would be met in the best possible way. |
| To enhance the process for identifying the Bank's material issues with regards to Corporate Responsibility.   | Achieved (see Alpha Bank and Corporate Social Responsibility – Identification of Material Issues).   |
| To enhance the contents of the Corporate Responsibility Report 2017 with more subjects, based on the requirements of the analysts and international rating agencies that assess the Bank's performance. | Achieved. Following an in-depth analysis of the questionnaires sent by the international rating agencies that assess the performance of the Bank and based on the issues that arose from the Identification of Material Issues, the Corporate Responsibility Report 2017 has been enhanced in order to meet the aforementioned requirements.   |
| TARGETS FOR 2018  |  |
| To enhance the contents of the Corporate Responsibility Report 2018 with more subjects, based on the requirements of the analysts and international rating agencies that assess the Bank's performance. |  |
| To collaborate with more Divisions in order for the Bank to better meet the requirements of the analysts and international rating agencies that assess its performance.                                 |  |
| To redesign the Corporate Responsibility web pages on the Bank's website in order to provide its Stakeholders with more comprehensive information.  |  |

### RESPONSIBLE OPERATION

| TARGETS FOR 2017   | PERFORMANCE IN 2017  |
|--|--|
| To create training material on the assessment of environmental and social responsibility risks and to incorporate it in the existing training material of the business financing seminars. | Achieved (see Responsible Operation – Corporate Governance, Risk Management and Compliance of the Bank – Management of Environmental and Social Risk in Business Financing). |

## TARGETS FOR 2018

Implementation of the Supplier Code of Conduct.

## TOGETHER FOR THE MARKET

| TARGETS FOR 2017   | PERFORMANCE IN 2017   |             |      |      |                    |     |     |                    |             |             |
|--|---|-------------|------|------|--------------------|-----|-----|--------------------|-------------|-------------|
| To upgrade the Alpha Mobile Banking service with the introduction of new features.   | Achieved (see Together for the Market – Alternative Networks – Alpha e-Banking Services).   |             |      |      |                    |     |     |                    |             |             |
| To gradually increase the percentage of Alpha Bank Branches that are accessible to people with mobility issues, so that most of the Bank’s Branches become accessible to them. | In progress. The percentage of the Branches of Alpha Bank’s Network in Greece that are accessible to people with mobility issues increased as follows: <table border="1"> <thead> <tr> <th></th> <th>2016</th> <th>2017</th> </tr> </thead> <tbody> <tr> <td>Total of Branches:</td> <td>517</td> <td>469</td> </tr> <tr> <td>Accessible to PwD:</td> <td>284 (54.9%)</td> <td>261 (55.6%)</td> </tr> </tbody> </table> |             | 2016 | 2017 | Total of Branches: | 517 | 469 | Accessible to PwD: | 284 (54.9%) | 261 (55.6%) |
|  | 2016  | 2017        |      |      |                    |     |     |                    |             |             |
| Total of Branches:   | 517   | 469         |      |      |                    |     |     |                    |             |             |
| Accessible to PwD:   | 284 (54.9%)   | 261 (55.6%) |      |      |                    |     |     |                    |             |             |
| To ensure that the majority of the electronic banking networks of the Alpha Bank Group will be accessible to people with visual and/or hearing impairments.                    | In progress (see Together for the Market – Branch Network).   |             |      |      |                    |     |     |                    |             |             |
| To incorporate social and environmental risk management criteria in the decision-making process for business financing.  | Achieved (see Responsible Operation – Corporate Governance, Risk Management and Compliance of the Bank – Management of Environmental and Social Risk in Business Financing, and Together for the Market – Product Portfolio – Support of Businesses).   |             |      |      |                    |     |     |                    |             |             |
| To create an investment guide brochure and training video material on the subject of “Saving and Investing”, with the aim of creating an investment library.                   | Achieved (see Together for the Market – Product Portfolio – Responsible Investments).   |             |      |      |                    |     |     |                    |             |             |
| To further promote Socially Responsible Investments (SRIs) through informative events.   | Achieved (see Together for the Market – Product Portfolio – Responsible Investments).   |             |      |      |                    |     |     |                    |             |             |

## TARGETS FOR 2018

To configure a special area (digital corner) inside the Branches of the Alpha Bank Network, where Customers will be able to use the Bank’s digital e-banking services.

To gradually increase the percentage of Alpha Bank Branches that are accessible to people with mobility issues, so that most of the Bank’s Branches become accessible to them.

To further promote Socially Responsible Investments (SRIs) through informative events.

## TOGETHER FOR OUR PEOPLE

| TARGETS FOR 2017   | PERFORMANCE IN 2017  |
|--|--|
| To continue and expand the two-way communication between the Personnel and the Executives of the Human Resources Division.                         | Achieved. Communication with the Personnel is a primary goal of the Human Resources Division. In 2017, a total of 955 meetings of Employees with the Division Manager took place. Most of these took place on the weekly "Communication Day", which is when the Manager meets with the Personnel. In addition to the "Communication Day", a programme of visits to Bank Branches was carried out in 2017. During these visits, Division Executives discussed matters of a professional and personal nature with a total of 256 Employees.  |
| To automate certain procedures of the Human Resources Division, as part of the continuous improvements made to the services provided to Employees. | Achieved. In 2017 new online employee service applications were launched, which helped automate procedures and significantly reduced the time for processing requests and resolving time-consuming issues.   |
| To upgrade CV management with access to social media for professional networking.  | Achieved. The Human Resources Division, keeping in line with modern market trends and in order to cope with the specialisation level of new vacancies, decided to acquire a new electronic CV management platform. The Taleo platform by Oracle, selected on the basis of the requirements analysis conducted for the Division's Assessment and Development Functional Area, provides candidates with the option to manage their job applications themselves; using the profiles that they create on the platform, users can submit applications for multiple jobs, make changes to their submitted CVs or even withdraw their expressions of interest from the Bank's electronic database of CVs at any time, via their personal accounts. The platform supports the posting of vacancy notices on social media, while its swift, accurate and flexible procedure also helps optimise the candidates' experience. Moreover, the platform also conforms to the new European General Data Protection Regulation (GDPR). |
| To continue the Reward Programme for the Bank's Volunteer Blood Donors.  | Achieved. In March 2017, a special event was successfully held to present awards to the Bank's Volunteer Blood Donors, who have been regularly participating in the Bank's effort to set up a blood bank since 2001, when the Bank's Voluntary Blood Donation was introduced.  |

## TARGETS FOR 2017

To expand collaboration between the Human Resources Division and other educational institutions, apart from the Athens University of Economics and Business and the University of the Aegean, as part of the Bank's Internship Programme.

## PERFORMANCE IN 2017

Achieved. The Human Resources Division, after assessing the effectiveness of the previous internship programmes that were implemented in collaboration with the Athens University of Economics and Business, decided to extend its collaboration to other Universities whose postgraduate courses are relevant to the Bank's activities. At the end of 2017, the Human Resources Division posted on the Web a relevant promotional announcement in order to attract top-level postgraduate students, in collaboration with the Career Offices of the Athens University of Economics and Business, the University of Piraeus and the National Technical University of Athens. The duration of the internship is set to nine (9) months and prospective students are selected after a series of language and mathematics tests and personal interviews. In the same spirit, the Human Resources Division pursued its collaboration with the University of the Aegean through the Hellenic Banking Institute. Moreover, representatives of the Human Resources Division took part in the Career Days events organised by the Athens University of Economics and Business, the University of Piraeus, the ALBA Graduate Business School and the job search site Kariera.gr, in order to establish a substantial connection with the labour market and promote the Bank as a potential employer.

To extend the talent tracing tools so that they can cover other employee groups and record alternative career paths in other Bank Units.

Achieved. The Human Resources Division, following the implementation of a pilot programme of Development Centres for the purpose of identifying Executives with specific skills, judged that the programme's universal extension to Employees in all of the Bank's activity areas would be beneficial. To this end, in collaboration with the Procurement, Property and Security Division, it established a specially configured area at 7-9, Sophocleous street, where the Programme sessions will be held on a regular basis from 2018 onwards. The sessions are initially planned as one-day events, which will take place in the first quarter of 2018 and will be delivered by suitably trained Division Executives under the guidance of a specialised Consultant. Their aim will be to establish the fundamentals of personal and professional development through a series of team and individual exercises and to link the results obtained to the Bank's succession plan and training programmes as well as its remuneration policy. Meanwhile, a "Coaching" programme is being planned for Executives who will distinguish themselves in these sessions. The programme's coaches will be Senior Executives of the Bank, who will receive suitable training from an independent organisation certified especially for this purpose.

| TARGETS FOR 2017   | PERFORMANCE IN 2017  |
|--|--|
| To create a new Outpatient Insurance Coverage Plan for the Bank's Personnel. | Achieved. The new Group Outpatient Insurance Coverage Plan was launched in January 2017, in collaboration with AXA Insurance S.A. The Plan is addressed to all active regular Personnel serving with the Bank all over Greece. |

| TARGETS FOR 2018  |
|---|
| To ensure the optimal use of Human Resources, given the Bank's operational model, as established on the basis of the Group's Business Plan.   |
| To develop and implement talent selection, management and retention programmes.   |
| To expand collaboration between the Human Resources Division and the University of Crete, as part of the Bank's Internship Programme.   |
| To promote a work environment where the creation of value for the Bank and for the Employee can flourish.   |
| To enhance two-way communication, information and transparency, using methods and tools that can help Employees assimilate the Bank's principles and values.  |
| To take full advantage of technology in self-service applications, in order to cover more fully the needs of Employees.   |
| To update procedures so as to ensure their alignment with the requirements of Regulation (EU) 2016/679 of the European Parliament and of the Council (General Data Protection Regulation – GDPR) in connection with the Protection of the Employees' Personal Data. |

## TOGETHER FOR THE ENVIRONMENT

| TARGETS FOR 2017   | PERFORMANCE IN 2017   |
|--|---|
| To continue to support the "Earth Hour" initiative by participating in it. To extend the Bank's participation to its Buildings in Larissa. | Achieved (see Together for the Environment – Energy Consumption and Dealing with Climate Change – Initiatives to Reduce our Environmental Footprint). |
| To take steps in order to further reduce the Bank's environmental footprint.   | Achieved (see Together for the Environment – Energy Consumption and Dealing with Climate Change).   |
| To install, as a pilot programme, an astronomical timer for the lighting signs in the Branches of the Bank's Network.                      | Achieved (see Together for the Environment – Energy Consumption and Dealing with Climate Change – Energy Consumption)                                 |



## TARGETS FOR 2018

To launch the tasks for the development of an Environmental Management System in accordance with the ISO 14001 International Standard.

To improve the methods used to calculate environmental performance indicators/data (e.g. water consumption).

To broaden the Bank's support of the "Earth Hour" initiative with the participation of more buildings.

## TOGETHER FOR THE SOCIETY

### TARGETS FOR 2017

### PERFORMANCE IN 2017

To enhance the Bank's Corporate Social Responsibility Programme with initiatives addressed to children and young people.

Achieved (see Together for the Society – Support of Society and of Local Communities).

To continue the Bank's sponsorship programme in order to help fulfil social needs.

Achieved (See Together for the Society – Social Contribution and Together for the Society - Support of Society and of Local Communities).

To continue and expand Alpha Bank's activities in support of culture, with the aim of preserving and disseminating Greek culture.

Achieved (see Together for the Society – Support of Culture).

To promote Corporate Social Responsibility and the concept of Volunteers by raising the awareness of Employees and by increasing the number of the relevant programmes and initiatives.

Achieved (see Together for the Society – Volunteerism – Participation of Employees).

### TARGETS FOR 2018

To enhance the Bank's Corporate Social Responsibility Programme with initiatives and programmes that support education.

To continue and expand Alpha Bank's activities in support of culture, healthcare and society.

To support initiatives that promote Corporate Responsibility.



RESPONSIBLE OPERATION



## ECONOMIC PERFORMANCE OF THE BANK

MATERIAL  
ISSUE

Alpha Bank is one of the four systemic banks in Greece and, as such, its economic performance has a broader effect on the country's economy. The Bank's optimal performance is the utmost priority for its Management. In 2017, Alpha Bank continued to consistently implement its Business Plan and was able to further strengthen its capital position, which remains the strongest among Greek banks.

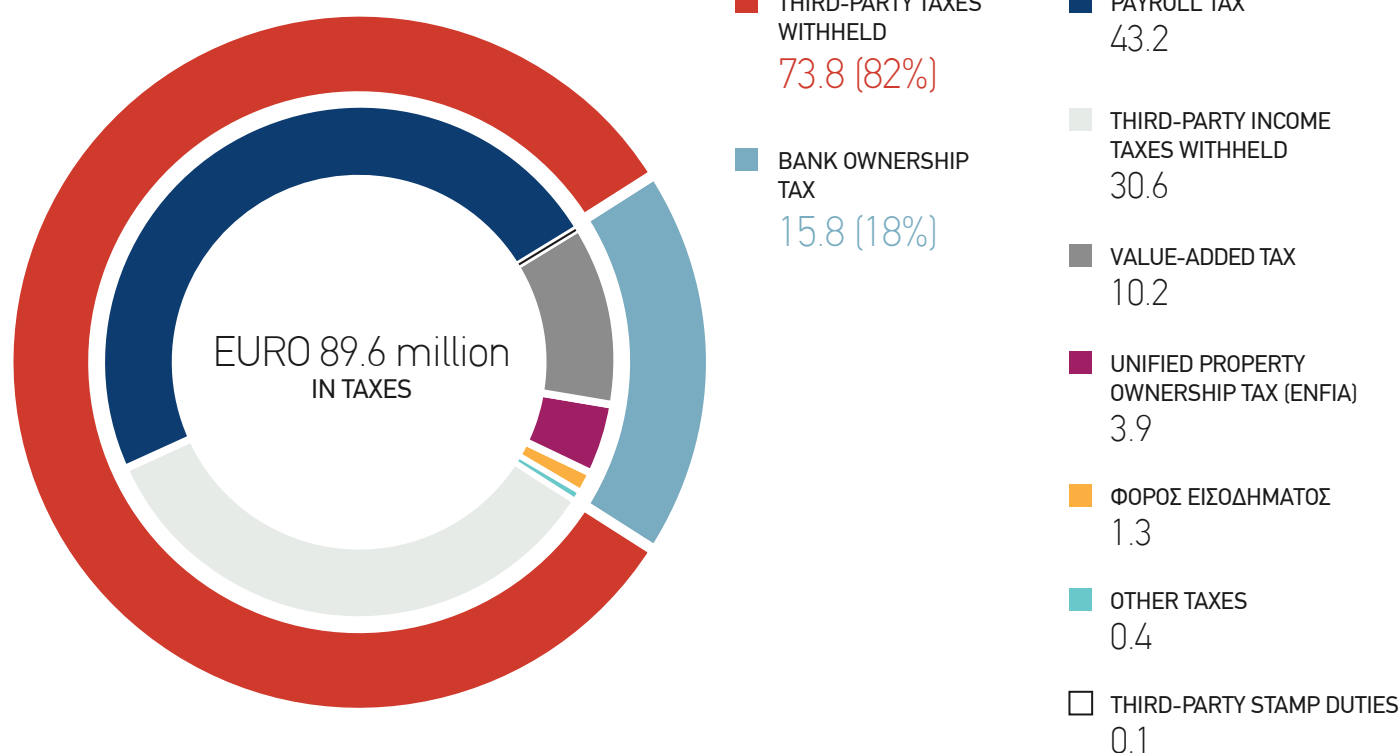
The main corporate events of 2017 were the following:

- Throughout the year, Alpha Bank continued to support Small and Medium-sized Enterprises (SMEs). In December 2017, through the "COSME-LGF" Loan Guarantee Facility Programme, Alpha Bank undertook the financing of Euro 200 million to SMEs, while in July 2017 the Bank signed a Euro 150 million loan agreement with the European Investment Bank (EIB) to finance the agricultural, tourism, manufacturing and services sectors. In April 2017, a loan agreement previously signed with the EIB was activated to raise a total amount of Euro 100 million.
- In October 2017, the second financing transaction of USD 250 million through a shipping securitisation in collaboration with Citi was successfully completed.
- On March 10, 2017, Pillarstone, the pan-European platform that supports banks in managing exposures to non-core and underperforming assets established by KKR Credit with John Davison as co-investor and CEO, was granted an operating license by the Bank of Greece to manage non-performing exposures on behalf of banks in Greece.
- In March 2017, Alpha Bank participated in the international consortium for the long-term financing of Fraport Greece, in connection with the concession of 14 Greek regional airports.

## ALPHA BANK 2017: DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

|   | in Euro thousand |
|---|------------------|
| Net operating income  | 1,938,469        |
| <b>Direct economic value generated</b>  | <b>1,938,469</b> |
| General administrative and other expenses   | 491,879          |
| Personnel salaries and expenses (including cost/provisions for compensations under the voluntary separation scheme) | 468,519          |
| Income and other tax expenses   | 1,499            |
| <b>Economic value distributed</b>   | <b>961,897</b>   |
| <b>Economic value retained</b>  | <b>976,572</b>   |

## TAXES PAID IN 2017



## CAPITAL ADEQUACY

The Group's policy is to maintain a strong capital base in order to safeguard the Bank's growth and retain the trust of depositors, Shareholders, markets and business parties.

The capital adequacy is supervised by the European Central Bank (ECB) Single Supervisory Mechanism, to which reports are submitted on a quarterly basis. As of January 1, 2014, Directive 2013/36/EU of the European Parliament and of the Council of June 26, 2013, which was transposed into Greek law by Law 4261/2014, and Regulation 575/2013 of the European Parliament and of the Council of June 26, 2013 ("CRD IV") both came into effect.

The minimum ratios (common equity, Tier 1 capital and capital adequacy) for the Group are set in accordance with the aforementioned institutional framework. The Capital Adequacy Ratio is calculated in accordance with the transitional provisions, as in force.

The Capital Adequacy Ratio is calculated in accordance with the transitional provisions, as in force. The Capital Adequacy Ratio compares the Group's regulatory capital with the risks undertaken by the Group (risk-weighted assets).

Regarding the impact on regulatory capital from the adoption of the IFRS 9 Standard, Alpha Bank decided to make use of article 473a of Regulation (EU) 2017/2395 and to apply the transitional arrangements provided for the calculation of Capital Adequacy, on both an individual and a consolidated basis. Based on the above, it is estimated that the Common Equity Tier (CET1) ratio will be affected by approximately 0.1% and will stand at 18.25% for the first year, while the impact from the Standard's full implementation is estimated at approximately 2.4%, with the Group-level CET1 ratio standing at 15.9% as of 31.12.2017. The Bank is adequately capitalised in order to meet the needs arising from the implementation of the new Standard, as the Group's CET1 according to IAS 39 stands at 18.33% on 31.12.2017.

## 2018 EU-WIDE STRESS TEST EXERCISE

In 2018, a stress test exercise will take place for European banks. The European Banking Authority (EBA) will supervise the exercise for the largest European Banks and the ECB will coordinate the exercise for the other banks. The results will be taken into account in the Supervisory Review and Evaluation Process (SREP) for 2018. Both exercises will take place at the highest level of consolidation and will use a common methodology, which was finalised on November 17, 2017, according to the relevant announcement of the EBA. Alpha Bank takes part in the stress test exercise under the supervision of the ECB. The exercise is scheduled to start in early 2018 and the results will be announced in May 2018.

The Group's capital adequacy ratios on 31.12.2017 are shown in the following table:

| GROUP RATIOS                      | 31.12.2017   |
|-----------------------------------|--------------|
| Common Equity Tier 1 (CET1) Ratio | 18.3%        |
| Tier 1 Capital Ratio              | 18.3%        |
| <b>Capital Adequacy Ratio</b>     | <b>18.4%</b> |
| <b>Leverage Ratio</b>             | <b>14.9%</b> |

## CORPORATE GOVERNANCE, RISK MANAGEMENT AND COMPLIANCE

MATERIAL  
ISSUE

The Bank's Corporate Governance, Risk Management and Compliance functions are significant, as their purpose is to assure the implementation of best practices in the Bank's business activities, its management and the rules of conduct that apply to its Executives and Employees not only in their interactions with each other but also with Customers, Shareholders and third parties. At the same time, they also serve the same purpose within the Group, which the Bank has created through its business growth in Greece and abroad. Alpha Bank complies with the applicable legal and regulatory frameworks at national as well as at European level and regularly monitors and manages operational risk and market risk.

### CORPORATE GOVERNANCE

The strict application of the principles of Corporate Governance, as these are defined in the laws in force and the other widely recognised codes and voluntary rules, constitutes a key pillar of Alpha Bank's operation. These principles determine the Bank's administration, operation and control, safeguard the interests of both its Shareholders and other stakeholders and ensure transparency in its operations. The amendment to Law 3864/2010 that came into effect in November 2015 introduced, inter alia, new arrangements with regards to the composition of the Boards of Directors of the Greek banks, in addition to the provisions of Law 4261/2014.

The Bank has introduced changes to the composition of its Board of Directors, in response to the changing conditions in the Greek banking sector and in full alignment with the rules and regulations in force.

Since 1994, Alpha Bank has been applying principles of Corporate Governance, seeking to ensure transparency in the communication with its Shareholders and to provide investors with prompt and continuous information. In this context, the Bank has adopted the separation of the Chair's duties from those of the Managing Director - CEO and the establishment of the Audit Committee, even before these were introduced as regulatory requirements in connection with corporate governance.

It has also adopted the participation in the Board of Directors of a higher number of Independent Members than the one stipulated by law, the position of the Non-Executive Chair of the Board, the monthly meeting of the Audit Committee of the Board of Directors and of the Risk Management Committee of the Board of Directors and the joint meetings of the Audit Committee and the Risk Management Committee. In addition, the Members of the Board of Directors have held meetings to examine corporate governance issues and to develop detailed Charters of the Board's Committees with clearly defined and distinct responsibilities, which are aligned with the most recent corporate governance best practices.

Moreover, the Bank provides to the new Members of the Board of Directors a comprehensive and detailed introductory informative programme on Corporate Governance, Risk Management, Internal Audit, Compliance, Capital Adequacy and Financial Services as well as informative seminars and briefings, when required.

In the context of briefing the Members of the Board of Directors and in accordance with the best corporate governance practices, the Bank initiated a series of meetings for the purpose of further enhancing cooperation between the Bank and the Group Companies. In line with the above, in 2017 the Board of Directors, accompanied by Executives of the Bank, visited Alpha Bank Cyprus Ltd.

Alpha Bank has adopted a Corporate Governance Code and a Code of Ethics, developed to promote the standards required by modern corporate governance and to enhance the effectiveness of Internal Control rules.

The Corporate Governance Code of Alpha Bank sets out the framework and the guidelines for the governance of the Bank and is revised by the Board of Directors. It also defines the duties and the allocation of responsibilities between the Board of Directors, the Board Committees, the Executive Committee and the other Committees of the Bank and is posted on the Bank's website ([www.alpha.gr](http://www.alpha.gr)). Matters of Corporate Governance as well as the management of matters concerning sustainability in general are determined by the Board of Directors on the basis of the recommendations submitted by the relevant Divisions.

In 2017, the Code of Ethics was revised in accordance with the principles of ethical conduct.

It describes the Bank's commitments and practices regarding its activities, its management and the rules of conduct that apply to its Executives and Employees not only in their interactions with each other but also with business parties and with the Shareholders. The application of the Code of Ethics and of the principles of Corporate Governance, together with the operation of the Audit Committee, the Risk Management Committee, the Remuneration Committee and the Corporate Governance and Nominations Committee have allowed Alpha Bank to effectively enhance the principles of integrity and transparency in its operation and to ensure the optimal risk management.

The Bank attaches great importance to matters of ethics and transparency and has in place clear rules and regulations, established by the Personnel Regulations and the Acts of the General Management, regarding matters such as the protection of personal data, the prohibition for Executives and Employees to accept gifts in the context of performing their official duties and potential cases of conflict of interests in conducting transactions.

The Management of the Bank is exercised by the Board of Directors, the Managing Director - CEO, the Deputy CEOs, the General Managers, the Executive General Managers and the Executive Committee. The Managing Director - CEO administrates, manages and represents the Bank. He also supervises, coordinates and directs the Bank and the Group. The Executive Committee is the Bank's senior executive body. It convenes at least once a week and is chaired by the Managing Director - CEO. It is composed of the Deputy CEOs, the General Managers and the Committee's Secretary. As and when required and depending on the items on the agenda, other Executives or Members of the Management of Group Companies also attend its meetings. The Executive Committee carries out a review of the domestic and international economy and of market developments, and examines business planning and policy issues. Furthermore, the Committee deliberates on issues relating to the growth of the Group and proposes the Rules and Regulations of the Bank and the budget of each Business Unit. Finally, it proposes the Human Resources policy and the participation of the Bank or of Group Companies in other companies.

Further details on the mechanisms which ensure Alpha Bank's effective, transparent and responsible Corporate Governance, including administration and supervision as well as risk management, can be found in the Bank's Corporate Governance Code, in its Business Review and on its website.



## MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISK IN BUSINESS FINANCING

The Group's commitment to the provision of banking services and products that promote sustainable development as an integral part of its Corporate Responsibility Policy is enhanced by the effective management of the environmental and social dimension of financing. It is further strengthened with the incorporation of the **"Group Environmental and Social Risk Management Policy on Legal Entities Lending"** in the existing Credit Risk Management Framework and Credit Policy of the Group. The new policy took effect in July 2016 and is available on the Alpha Bank Intranet.

The Policy presents the responsibilities and the approach followed in managing environmental and social risk at every stage of the lending process – from identifying the origin of credit risk to assessing it, granting final approval and monitoring the Group's Wholesale Banking Customers. It also provides an industry-specific Exclusion List (i.e. a list of industries that the Group does not finance) as well as a list of crucial industry sectors/activities associated with environmental and social risk. Based on their risk level, borrowers/projects are classified into high, medium and low-risk categories.

The Policy complies with the Greek environmental and social rules and regulations as well as with the relevant international standards, while the assessment and the monitoring of environmental and social risk have been incorporated in the Bank's existing risk management processes. Environmental and social risk is taken into account by the Wholesale Banking Credit Committees, indicated by the corresponding flag featured in the credit proposals submitted. Following an agreement with the other systemic banks, as of early 2018 and in the cases of new financing applications, the risk assessment scope will be extended to include an inspection conducted at the facilities of the debtors/of the financed projects.

In the case of new financing arrangements for Project Finance investments, the said risk is already assessed thoroughly by means of an inspection of the financed project. However, the Bank has no knowledge of any cases where credit was not approved due to issues that arose during the assessment of the specific risk.

In 2017, the training material on financing was enriched with the incorporation of a relevant section on environmental and social risk in business financing. The programme of business financing seminars is implemented in accordance with the Training Division's training plan. It should be noted that a relevant section containing useful material is available on the Alpha Bank Intranet. In addition, upon the initiative of the Credit Risk Policy and Control Division, informative meetings are organised for the relevant Units.

Following meetings with the Executive Committee of the Hellenic Bank Association (HBA), the contents of the interbank brochure on the Environmental and Social Management System (ESMS) were approved. HBA will oversee the visual design of the publication, which will be printed in 2018.

It should be noted that, as part of banking operations, the implementation of environmental and social policies with regards to products and services lies within the Audit Universe of the Bank, where risks are assessed annually, in accordance with the relevant methodology of the Group.

These risk assessments are carried out in accordance with the International Standards for the Professional Practice of Internal Auditing.

## COMPLIANCE AND TRANSPARENCY IN BANKING TRANSACTIONS

As part of its continuous efforts to consistently meet the expectations of its Customers and the State, Alpha Bank has introduced procedures to ensure the strict application of the regulations and decisions of the Authorities responsible for the financial sector.

The Compliance Division is responsible for managing the risk arising from non-compliance with the regulatory framework in force. In particular, it identifies, assesses and manages the risk to which the Bank may become exposed with regards to the applicable regulatory framework.

Throughout 2017, Alpha Bank conducted audits of transactions and Customers for compliance with the regulatory framework, aimed at combating money laundering, financial crime and fraud, using the specialised control and reporting systems it has put in place and working closely with the competent Regulatory Authorities.



In line with the Bank's firm and unwavering position against corruption, in 2017 the Market and Operational Risk Division and the Compliance Division examined all cases which could represent a risk associated with corruption and bribery.

The Bank's training programme placed emphasis on compliance and anti-money laundering, in order to raise awareness of these issues among its Executives.

More specifically, in 2017:

- A total of 47 training programmes on anti-money laundering and anti-corruption policies and procedures were carried out, attended by 977 Executives and Officers of the Bank. Additionally, the Bank has established the position of Anti-Money Laundering (AML) Officer in each one of its Branches. These Branch AML Officers are provided with adequate training on AML and anti-corruption policies and procedures as well as with daily telephone support by the Anti-Money Laundering and Combating the Financing of Terrorism Functional Area, the Due Diligence Measures and Suspicious Transactions Administration Functional Area and the Restrictive Measures Monitoring and AML System Administration Functional Area of the Compliance Division, to ensure that they are able to identify and handle such incidents. Once they are identified and the required actions have been completed, any cases involving money laundering and corruption are reported in writing to the Anti-Money Laundering, Counter-Terrorist Financing and Source of Funds Investigation Authority.
- In collaboration with the Training Division, the "Money Laundering" distance training (e-learning) course was updated so as to include all changes in the regulatory framework and to provide the Branch Executives and Officers with detailed instructions on how to handle such issues, in line with the Bank's efforts to offer improved and fuller training to its Personnel.

Moreover, the following took place in 2017:

- A new amending Circular on anti-money laundering was issued, with which the updated Anti-Money Laundering and Combating the Financing of Terrorism Procedures Manual was communicated.

- In collaboration with the Corporate Communications Division and the IT Systems Division, the Compliance Division created its own page on the Alpha Bank Intranet, which covers everything that the Bank's Personnel is required to know in connection with the regulatory framework, together with useful documents and relevant links.

The Group's Anti-Money Laundering Policy provides, inter alia, the Group Companies in Greece and abroad with instructions on the due diligence measures that must be taken when business relations with new Customers are established as well as relations with third parties.

The Bank has put in place documented policies and procedures for the strict adherence to the legal provisions regarding the protection of individuals against the processing of their personal data.

The Bank strictly applies the regulatory provisions in force with regards to informing Customers when any contractual relation is established as well as during the precontractual stage. In line with this approach, it has posted on its website the terms and conditions for cards and consumer loans while, in the case of housing loans, it applies the Voluntary Precontractual Information Code. Moreover, it takes care to ensure the strict application of the regulatory provisions with regards to the provision to Customers of correct and transparent information on each product it designs and offers.

Similar steps are also taken with regards to informing Customers during investment transactions by incorporating into the Bank's policies and procedures the provisions of the regulatory framework concerning the markets in financial instruments. In particular, in view of the application of the new regulatory framework, as a result of the revised Directive 2015/65/EU (MiFID II) and of Regulation 600/2014 (MIFIR), the Bank issued and updated nine Policies as well as the necessary contractual and precontractual documents.

Meanwhile, the appropriate practices have been introduced in order to allow implementation in the Bank of the Code of Conduct under Law 4224/2013, which aims to enhance the climate of trust for the exchange of the necessary information between the borrowers and the Bank, thus allowing the selection of the most appropriate solution for non-serviced debts.

Having as its key concern the transparency in transactions with Customers and with the public in general, the Bank has already incorporated since 2010 the relevant European Union Directive on payment services in the internal market, in its document entitled "Framework of Cooperation - Transaction Terms" for Individuals and Businesses, which is supplied to all its Customers when deposit accounts are opened.

Customers may obtain this document either by visiting an Alpha Bank Branch or from the Bank's website.

It should be noted that in 2017 no reports were made of violations involving anti-monopoly and monopoly practices and that the Bank did not fund any political party or political figure.

Finally, it should be mentioned that the Bank applies a Policy and related Procedures on the Anonymous Reporting ("Whistleblowing") of serious irregularities, omissions or offences of which its Personnel, Suppliers or Customers become aware, in order to safeguard its integrity and good reputation.

## BUSINESS CONTINUITY MANAGEMENT IN THE ALPHA BANK GROUP

### GROUP BUSINESS CONTINUITY MANAGEMENT FRAMEWORK

The development by Alpha Bank of a comprehensive and effective Business Continuity Management Framework ensures, to the maximum extent possible, the protection of the health and safety of Employees, the uninterrupted provision of services to Customers and other Stakeholders (Shareholders, business partners, suppliers, Regulatory and State Authorities etc.) and the minimisation of the consequences (in terms of operation, finances, legal issues and reputation) in case of an unforeseen event which can affect its operation.

The high-level principles of the Business Continuity Framework for credit institutions were introduced in 2006 by the Basel Committee on Banking Supervision. Since then, the relevant legal and regulatory frameworks are constantly revised and developed further, in line with international standards and, in particular, with the ISO 22301 Standard (Business Continuity Management System), which lays down the basic principles and the specifications for the management of business continuity.

It is worth mentioning, as an indicative example, that in 2017 the EBA revised its Guidelines<sup>1</sup> on payment systems as well as on the organisational structure of credit institutions. Other revisions of relevance include that of the Markets in Financial Instruments Directive (MiFID II), which requires ensuring the continuous and normal performance of investment services as well as of the General Data Protection Regulation (GDPR), which, inter alia, requires ensuring data availability and recovery.

Fully complying with the above, Alpha Bank, a pioneer in Business Continuity at European level, has been applying since 2008 a uniform Business Continuity Management Framework for the entire Group. This Framework is based on best practices and methodologies and has been certified in accordance with the ISO 22301 international standard (Business Continuity Management System) from the very first year of the standard's implementation. This certification is maintained and renewed through annual inspections carried out by the international certification body TÜV AUSTRIA (the last such inspection took place in June-July 2017).

<sup>1</sup> European Banking Authority (EBA):

- Guidelines on internal governance in accordance with Directive (EU) 2013/36 (26.11.2017 revision)
- PSD 2 - Guidelines on the security measures for operational and security risks of payment services under Directive (EU) 2015/2366 (second Directive on payment services) (12.12.2017 revision)

## ISO 22301 CERTIFICATION (BUSINESS CONTINUITY MANAGEMENT SYSTEM)

The scope of application of the ISO 22301 certification of the Bank and of the Group Companies encompasses critical operations as well as additional services and is considered to be significantly more extensive compared to the one applied by other financial sector companies in Europe as well as internationally.

In particular, the high level of knowledge, awareness and training of the Personnel with regards to the business continuity processes, was ascertained in 2017 by the certification body during the renewal of the certification of the following Companies:

- Alpha Bank A.E. (parent company)
- Alpha Bank Romania S.A.
- Alpha Leasing S.A.
- Alpha Supporting Services S.A.

## APPLICATION OF THE BUSINESS CONTINUITY MANAGEMENT FRAMEWORK

The purpose of the application of a comprehensive Business Continuity Management Framework in accordance with ISO 22301 is to strengthen the resilience of the Bank and the Group Companies, so that any risks and threats which might impact

the Group's smooth operation and the quality of the services provided can be identified and dealt with as early as possible.

In accordance with the procedures of the above Framework, the following are carried out annually:

- **Risk Analyses**, in order to identify and limit vulnerabilities, threats and risks that may affect the operations of the Bank and of the Group Companies.
- A **Business Impact Analysis**, for all Business Units and their operations, in order to assess, for the operations involved:
  1. their criticality (setting of recovery priorities);
  2. the impacts (operational and financial) from their disruption;
  3. the recovery requirements in human resources, equipment and systems;
  4. the interdependencies with other Business Units within the Group, as well as with critical third parties (service providers, suppliers, supervisory bodies etc.).

The results of the above are used as input to the development and implementation of the **Disaster Recovery Strategy** and the **Business Continuity Plans**.

## DISASTER RECOVERY STRATEGY: INDICATIVE SCENARIOS COVERED

| SCENARIOS | AVAILABILITY OF PERSONNEL | AVAILABILITY OF BUILDINGS | AVAILABILITY OF SYSTEMS | RECOVERY STRATEGY APPLIED  |
|-----------|---------------------------|---------------------------|-------------------------|--|
| 1.        | ✓                         | ✗                         | ✓                       | Continuation of operations with the relocation of the Personnel to an alternative operation site   |
| 2.        | ✓                         | ✓                         | ✗                       | Continuation of operations with the activation of backup systems on the basis of the Systems Disaster Recovery Plan  |
| 3.        | ✓                         | ✗                         | ✗                       | Continuation of operations with the activation of backup systems and the parallel relocation of the Personnel to an alternative operation site   |
| 4.        | ✗                         | ✓                         | ✓                       | <ul style="list-style-type: none"> <li>• Application of digital banking and alternative networks (ATMs/ACTCs, web banking, telephone banking etc.) for the automation and the performance of operations directly by the Customer without the presence of Personnel</li> <li>• Development of a Pandemic Plan for managing pandemic incidents that may cause absence of a significant number of Employees (e.g. 80%)</li> </ul> |

The responsibility for maintaining and improving the Group Business Continuity Management Framework and the Group Business Continuity Plan rests with the Organisation Division, which the Group Business Continuity Office refers to.

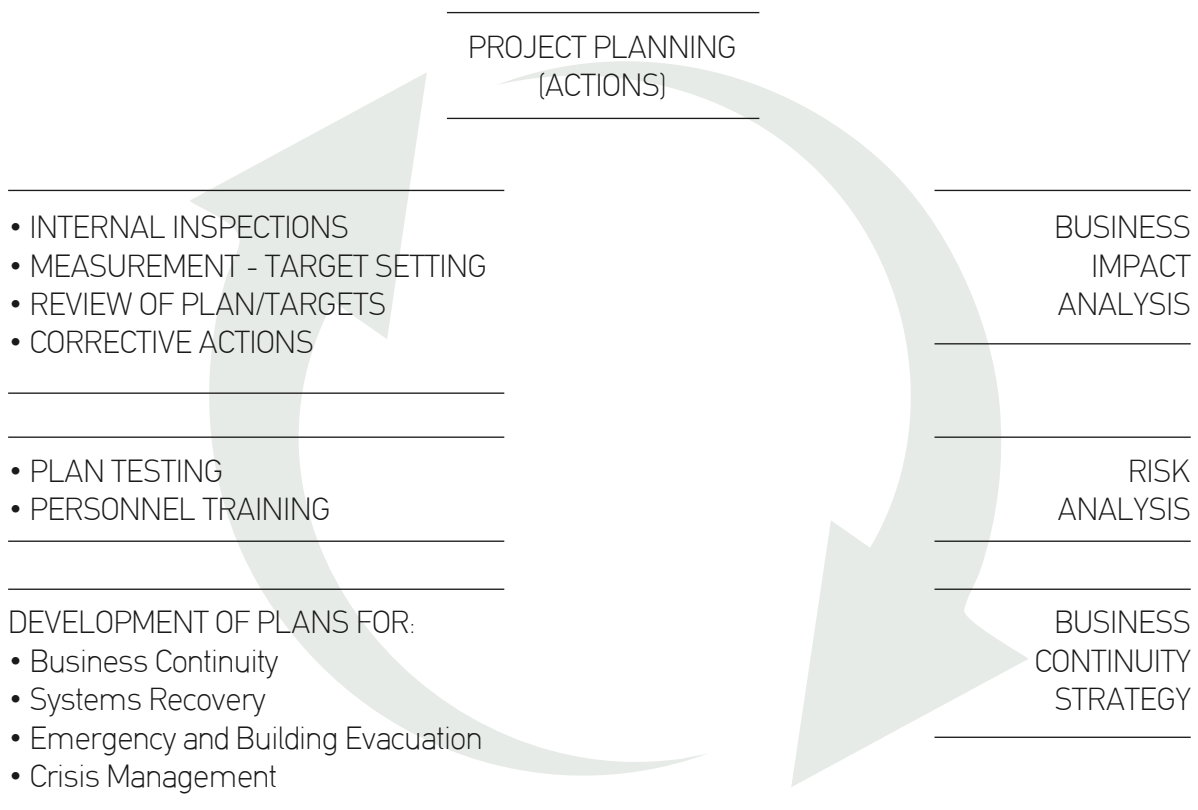
This Office acts as coordination centre and custodian for matters regarding the Group’s Business Continuity and is therefore collaborating with all Business Units.

The development and update of the Business Continuity Plan take place with the participation and collaboration of all Business Units of the Bank and the Group Companies.

In each Business Unit of the Bank, a Business Continuity Officer has been appointed, who is coordinating the update and the tests of the Plan for their Unit.

Similarly, in the Group Companies in Greece and abroad, Business Continuity Coordinators have been appointed or local Business Coordination Offices have been established. These ensure adherence to the relevant procedures, in order to achieve uniformity and compliance with the requirements of the Group Business Continuity Management Framework.

The Business Continuity management cycle, on the basis of the Group’s ISO 22301-certified uniform Framework, is shown in the graph below:



The collection, processing, monitoring and extraction of the information required for the purposes of Business Continuity Management for the Bank and the Group Companies take place via a centralised system (software), which covers the requirements of the ISO 22301 standard, facilitates and simplifies to a great extent the relevant procedures, while also reducing the likelihood of human error.



## PERSONNEL TRAINING AND BRIEFING

The effective operation and application of the Business Continuity Framework depends greatly on the human factor and on the Personnel's knowledge of their roles and responsibilities in the development, implementation and trial application of this Framework.

Over the past few years, Alpha Bank has been regularly implementing an extensive Business Continuity training programme, in order to brief the Group's Personnel on issues pertaining to the Business Continuity Plan as well as to help them familiarise themselves with recovery procedures and develop the required capabilities, knowledge, team spirit and trust, all of which are necessary in order to effectively manage unforeseen events.

In 2017, through the Group Business Continuity Office and/or through the respective local Offices of Group Companies abroad, the Bank carried out theoretical training and briefing sessions addressed to Personnel, which covered the following subject areas:

- Group Business Continuity Management Framework procedures, in accordance with ISO 22301 (Orientation Exercises)
- Business Continuity Plan recovery procedures (Tabletop Exercises).

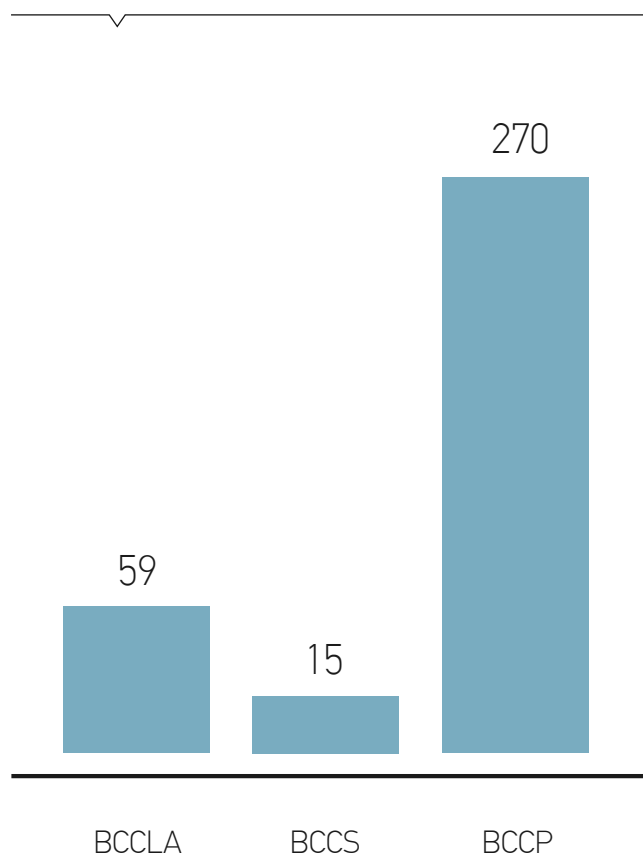
A total of **16 theoretical training sessions** consisting of Orientation and Tabletop Exercises took place, attended by representatives from 47 Business Units of the Bank and from all Group Companies.

Furthermore, concerning Emergency and Building Evacuation procedures, the Procurement, Property and Security Division, which is responsible for the application of the corresponding Plan, carried out evacuation trainings and drills in Head Office Units and in the domestic Branch Network. Similar activities were also carried out by the competent Units of Group Companies abroad.

After successfully taking the relevant exams, participants receive a certification from the internationally recognised Business Continuity Management (BCM) Institute. In 2017, a total of 94 Executives of the Bank and the Group Companies were certified, of which 75 as Business Continuity Certified Planners (BCCP) and 10 as Business Continuity Certified Lead Auditors (BCCLA).

Up to 31.12.2017, a total of 344 Executives (from 70 Units of the Bank and eight (8) Group Companies) had been certified for the following levels:

### CERTIFIED EXECUTIVES



The above data demonstrate the high level of training in Business Continuity that the Personnel of the Bank and the Group Companies have received and, combined with the distinctions that the Bank and the Group Companies have received for the Business Continuity Management System in relevant competitions, are tangible proof of the full integration of Business Continuity into the Bank's operation.

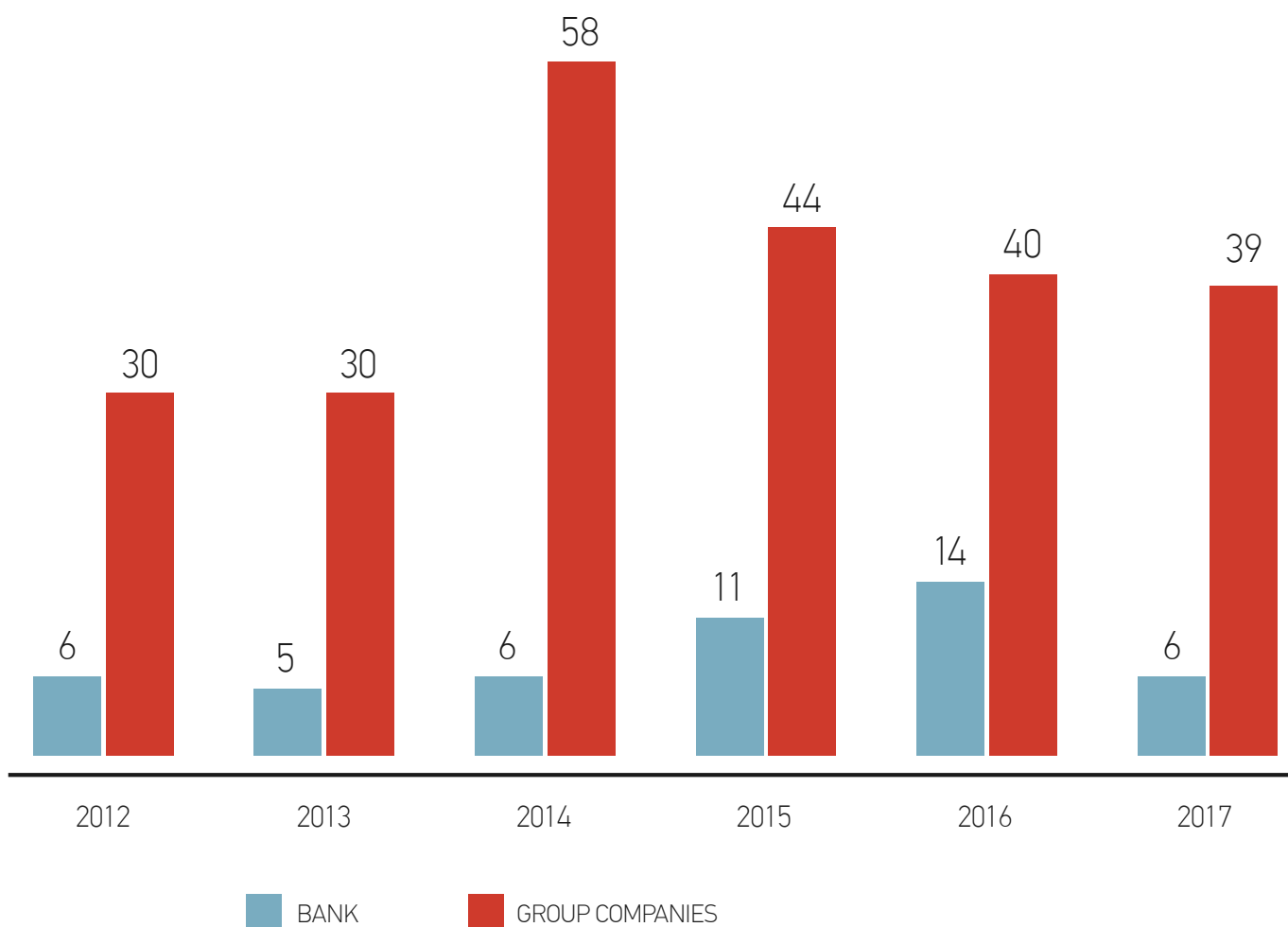
## FUNCTIONAL TESTS

During the Functional Tests, participating Employees move to the recovery area, in order to confirm the correct operation of the recovery infrastructure, including IT infrastructure (applications, terminals, peripheral equipment etc.) and networks (communication and data). They also familiarise themselves with their roles and duties during recovery (organisation, management structure, actions and communication).

Based on the test results corrective and pre-emptive action is taken where required, so as to ensure that the Plan remains effective.

In 2017, a total of 45 functional tests were carried out at Group level (in Greece and abroad), of which six (6) involved Units of the Bank and 39 involved Units of Group Companies.

From **2012 to 2017**, a total of **289 functional tests** were carried out at Group level (in Greece and abroad), of which 48 involved Units of the Bank and 241 Units of Group Companies, as follows:



It is also clarified that, in addition to the above, the IT Units in charge in Greece and abroad are also carrying out Disaster Recovery Testing on an annual basis.

## RESPONSIBLE PROCUREMENT

The purpose of Alpha Bank's Procurement Policy is to ensure delivery to the Bank's internal network of services/materials meeting the required standards, at optimal cost and within schedule.

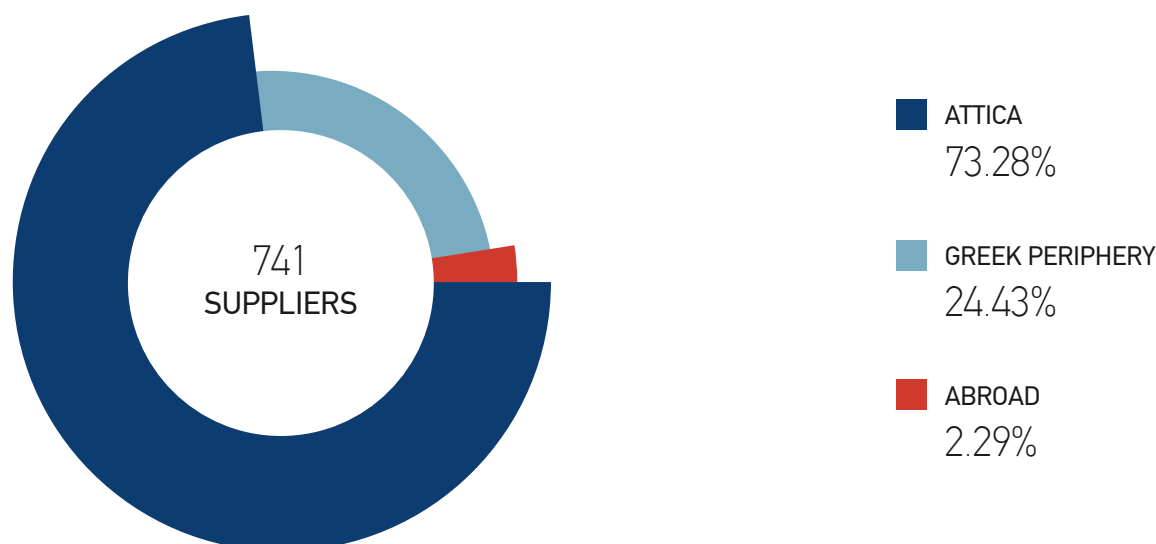
To this end, the following are carried out:

- Actions to reduce the operating costs of the Bank and the Group Companies as well as planning and monitoring the implementation of these actions.
- Market research to identify and evaluate potential suppliers and record-keeping of updated prices for every type of purchase.
- Implementation of the Bank's procurement processes and application of the relevant principles by the Group Companies.
- Monitoring of the implementation of the Investments and Expenditure Budget with regards to the procurements included in it.
- Preparation of technical and financial proposals on projects/procurement activities.
- Drafting of supply contracts, service contracts and maintenance contracts.
- Definition and monitoring of the acceptable levels of operation for services outsourced to third parties by means of Service Level Agreements (SLAs).
- Planning and carrying out of tender procedures for the award of contracts for the supply of goods and the provision of services.

- Negotiation, evaluation and selection of a Supplier for the preparation, publication and processing of Requests for Information (RFIs) and Requests for Proposal (RFPs) as well as for conducting electronic auctions (e-Auctions).
- Identification/assessment of the Group's needs throughout the year.
- Monitoring of the progress of assignments, contracts and the accounting processing of the approved Investments and Expenditures.
- Monitoring the smooth operation of the Bank's warehouses and the warehouses of the suppliers of the Bank's Network.

In December 2017, the register of suppliers kept by the Procurement, Property and Security Division contained entries for 741 Suppliers in Greece and abroad, with which the Division can cooperate. Collaboration with these Suppliers involves the supply of products or services (consumables and printed material, electrical and electronic (IT) equipment, cleaning services, dining services, general maintenance services, IT support services, technical projects and contracts for works). In addition, these Suppliers cover all kinds of suppliers (contractors, consultants, distributors, logistical support partners, sales representatives, manufacturers). Suppliers are evaluated regularly, according to their performance and economic activity. It is pointed out that efforts are made to support the local communities, as for certain services (e.g. cleaning) the Bank cooperates with local Suppliers.

## GEOGRAPHIC DISTRIBUTION OF THE SUPPLIERS IN ALPHA BANK'S SUPPLIER BASE







TOGETHER  
FOR THE MARKET

45



## MODERN BANKING



The Bank's strategy and operation are pivotal in developing and providing quality products and services with consistency and speed. Modern banking requires a modernised branch network, alternative networks and electronic services, the facilitation of access to financial services for all and the support of Customers, so that they can better cope with the prevailing socio-economic conditions. A well-planned strategy allows the Bank to keep improving its products and services in terms of both quality and quantity, to address all the banking needs of Customers in a modern and responsible manner and to ensure its smooth day-to-day operation.



The Alpha Bank Group offers a wide range of quality financial products and services, including retail banking, wholesale banking, asset management and private banking, insurance products, investment banking, brokerage and real estate management.

Detailed information about the Bank's areas of activity, products and services is available in its annual Business Review and on its website, [www.alpha.gr](http://www.alpha.gr).

In 2017, the Bank had a total of **6,864,000** (both Individuals and Legal Persons).  
Of this total number, **61%** (4,159,000 Individuals and Legal Persons) are active Customers.



## ALPHA BANK CUSTOMERS IN 2017



\*Inactive Individual-Customer: Has no active lending account (loan and/or card), has less than Euro 100 in deposits and has conducted no transactions in the last three months.

\*Active Business-Customer: A business with at least one product/service (deposit account, loans, investments, letters of guarantee, Leasing, POS or import/export turnover).

## CUSTOMERS OF ALPHA BANK GROUP BANKS ABROAD IN 2017

|  | CYPRUS | ROMANIA | ALBANIA |
|--|--------|---------|---------|
| <br>BUSINESSES  | 9,318  | 24,859  | 12,714  |
| <br>INDIVIDUALS | 74,829 | 338,075 | 309,865 |

The Bank develops and offers products and services in response to the needs of the modern economic environment, taking into consideration economic, social and environmental factors.

The Bank keeps improving its services and facilitates customer access to these services and its products. In addition to Greek, the Alpha Bank website is also available in English and the same applies to its Customer Service Call Centre. Similarly, Customers visiting Branches can also be served in English, while the option to select an English-language interface is available in all of the Bank's ATMs.

### BRANCH NETWORK

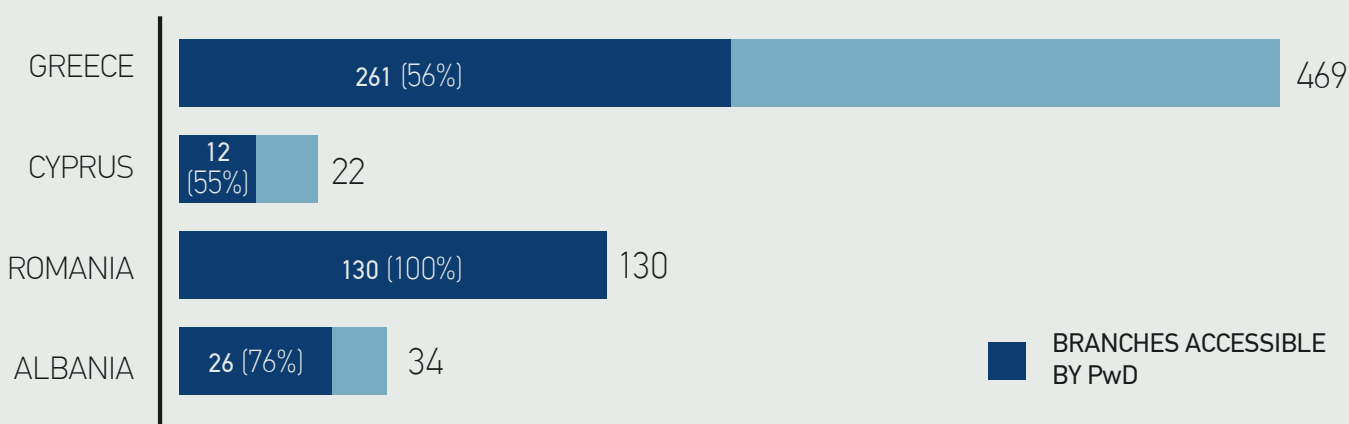
On 31.12.2017, the Branch Network of the Bank consisted of **469 Branches** in Greece and one Branch abroad (UK), excluding Business Centres and Alpha Private Bank Centres, covering all of Greece and serving major urban centres as well as less densely populated and financially robust areas.

Out of the overall number of Branches, **261** are accessible to people with disabilities (PWD),

of which **111** are fitted with a fixed ramp, three with a movable ramp and two with a special elevator.

## ALPHA BANK GROUP BRANCH NETWORK

BRANCHES: 656\*



\*The total number of Branches includes one Branch in the UK.



It should be noted that the Bank is also present in sparsely populated areas (with a local population below 5,000), as follows:

| BRANCH NAME     | PREFECTURE  | BRANCH NAME | PREFECTURE  |
|-----------------|-------------|-------------|-------------|
| NISYROS         | DODECANESE  | POROS       | CEPHALLONIA |
| KASSOS          | DODECANESE  | POLYKASTRO  | KILKIS      |
| LIPSI           | DODECANESE  | TSOTYLI     | KOZANI      |
| TILOS           | DODECANESE  | KYTHNOS     | CYCLADES    |
| PHALERAKION     | DODECANESE  | ANTIPAROS   | CYCLADES    |
| LINDOS          | DODECANESE  | SERIFOS     | CYCLADES    |
| ASTYPALAIA      | DODECANESE  | NEAPOLIS    | LAKONIA     |
| PATMOS          | DODECANESE  | POLYCHNITOS | LESVOS      |
| SOUFLI          | EVROS       | NYDRI       | LEFKADA     |
| ANCIENT OLYMPIA | ILIA        | IRAKLEIA    | SERRES      |
| ACHARAVI        | CORFU       | AMYNTAIO    | FLORINA     |
| ITHAKI          | CEPHALLONIA |             |             |

## CUSTOMER SERVICE FOR PEOPLE WITH VISUAL IMPAIRMENTS

Alpha Bank, in line with its efforts to serve people with disabilities (PwD), is taking a number of steps in order to facilitate their access to the Bank's services.

In particular, Customers with visual impairments are offered the following possibilities:

- Customer service at Branches without the need to be accompanied by witnesses
- Printing of Bank documents in Braille (The estimated time required to satisfy relevant requests is seven (7) calendar days).

## ALTERNATIVE NETWORKS

80% of money transactions were carried out via the Alternative Networks

In 2017, Alpha Bank continued to enhance its digital identity by designing and offering new products to its Customers. As a result, 80% of the Bank's money transactions were carried out via its Alternative Networks.

With a view to providing Customers with uninterrupted quality services and efficient support, the Bank proceeded to a number of operational upgrades, with a strong focus on Alpha Mobile Banking and Alpha Web Banking for Businesses. This marked the completion of the radical redesign of all the services offered via the Bank's Alternative Networks.

In addition to the above, the development and implementation of modern solutions continued, in order to increase the range of transactions that are carried out electronically compared to payments in cash, which burden the economy with a waste of resources (employment of personnel, money handling etc.). In this respect, in 2017 the use of payment cards remained on a particularly strong upward trend.

Two major projects are currently in the final stage of implementation: these concern the possibility for Customers to sign up for the Alpha e-Banking services exclusively online, without having to visit a Branch, and the creation of an electronic platform where the Bank's Customers can upload the documents required to certify or update their personal details.

### MAJOR EVENTS IN 2017

- In March 2017, the Bank, working consistently to meet the goals of its Business Plan, introduced the fully updated **Alpha e-Banking for Businesses**, with new functions and an easy-to-use interface. The service's interface, specially adapted to the needs of businesses, allows them to meet easily and securely their multiple requirements to directly control their finances.
- Also in March 2017, the Bank upgraded the Alpha Mobile Banking service by adding the possibility to transfer small amounts to third parties using only the beneficiary's mobile telephone number or e-mail address (**Alpha Quick Transfer**).

In addition, two new quick login options were added, allowing subscribers to log in to the application **using fingerprint authentication or a four-digit Code (PIN)**.

- In November 2017, the Bank introduced my **Alpha wallet with Tap 'n Pay**, the first integrated mobile application which allows Customers to make payments with their mobile telephone at POS terminals with the contactless sign in Greece and abroad, using all cards issued by Alpha Bank by all three major payment systems (American Express®, Visa and MasterCard).

### DISTINCTIONS IN 2017

2017 was yet another year in which Alpha Bank received a significant number of distinctions for its advanced e-banking services and its overall digital presence and strategy.

These included the following:

#### e-volution Awards 2018

- **Gold award** in the "e-Banking and Electronic Payments services" category for Alpha e-Banking
- **Gold award** in the "Mobile app" category for the "Alpha Mobile Banking" app
- **Gold award** in the "Technological Innovation" category for "my Alpha wallet"
- **Silver award** in the "e-Strategy" category for the digital strategy followed by Alpha Bank in its use of Alternative Networks.

#### Mobile Excellence Awards 2017

- **Grand award** for the multiple distinctions of the Alpha Bank mobile applications
- **Gold award** in the "Mobile App Usability" category for the "Alpha Mobile Banking" app
- **Gold award** in the "Mobile Banking Services" category for the "Alpha Mobile Banking" app
- **Gold award** in the "Mobile Wallet" category for "my Alpha wallet"
- **Silver award** in the "Security Solution" category for the "Alpha Mobile Banking" app.

#### Ermis awards 2017

- **Gold award** in the "E-Commerce & Marketplaces" category for "my Alpha wallet"

- Silver award in the “User Experience Design” category for “my Alpha wallet”
- Silver award in the “User Interface” category for “my Alpha wallet”.

#### WebX Awards 2017

- Gold award in the “Best UX” category for “my Alpha wallet”
- Gold award in the “Best UI” category for “my Alpha wallet”
- Gold award in the “Best Functionality” category for “my Alpha wallet”
- Bronze award in the “Financial Services” category for “my Alpha wallet”.

### ALPHA E-BANKING SERVICES

In 2017, payment services were enriched with the addition of 115 new codes, bringing the total number of available types of payment up to nearly 600, contributing to the promise of providing a truly comprehensive electronic service via Alpha Web Banking and Alpha Mobile Banking. At the same time, efforts to optimise information on products and transaction service continued.

### ALPHA MOBILE BANKING

1 out of every 2

Subscribers to the Bank’s Alternative Networks is now using the mobile app on a monthly basis.

1 out of every 7

Alpha e-Banking Subscribers is using the service exclusively to obtain updates and carry out transactions.

Major additions to the range of the new functions of the **Alpha Mobile Banking** service included the possibility to immediately transfer small amounts without using an IBAN account number, something that was made possible with the integration of the **Alpha Quick Transfer service**, as well as the quick login, that allows access to the Service using **fingerprint authentication or a four-digit code (PIN)**.

Another addition to the Service was the possibility to calculate the tax deduction amount and view information concerning the total amount of expenses made using the Alpha Bank electronic means of payment which count towards the Customer’s tax deduction amount.

### ALPHA WEB BANKING

12% of the new Term Deposits are created online

The Service was enriched with new functions for purchasing products online, for issuing Alpha e-Banking subscribers with a new Password exclusively online, which they then receive by SMS on their mobile telephone, and for applying online for cards and managing cards (activation, issuance of new PIN etc.).

As part of the constant improvement of the services provided and the adoption of new technologies in electronic banking, **Alpha Web Banking for Businesses** was upgraded in line with modern design standards, offering Customers new possibilities that ensure greater flexibility and security in their transactions. The key features of the upgraded Service include its **modern visual design, user-friendlier navigation and easy-to-use options menu**, which adapts automatically to the screen of the user’s device (desktop computer, laptop or tablet).



#### ALPHA WEB BANKING INDIVIDUALS

New Subscribers

+15%

Active Users

+15%

Money Transactions

+11%



#### ALPHA WEB BANKING BUSINESSES

New Subscribers

+50%

Active Users

+22%

Money Transactions

+16%

Note: The figures refer to the percentage of change compared to 2016.

## ALPHAPHONE BANKING

In order to provide Customers with support over the telephone regarding the provision of information and carrying out transactions, the **Alphaphone Banking** service is available, via an automated service system or with the assistance of a Call Centre Agent. It should be noted that this Service is particularly helpful in providing access to banking services for Customers with mobility issues or visual impairments.

## ELECTRONIC PAYMENT SERVICES

### my Alpha wallet

+48% in users of my Alpha wallet

In 2017, Alpha Bank continued its efforts to further develop electronic banking with innovative solutions and proceeded with the provision of new functions and services for **my Alpha wallet**, the digital wallet for payments and purchases all over the world. The new Tap 'n Pay function for contactless payments by mobile telephone (for Android devices) was the most significant addition to the Service. "my Alpha wallet with Tap 'n Pay" represents the evolution of payments, as it enables Customers to make payments with their mobile telephone at POS terminals with the contactless sign in Greece and abroad, using all debit, credit or prepaid cards issued by Alpha Bank. It is one of the very first applications to support contactless payments by mobile telephone for all three major payment systems (American Express®, Visa and MasterCard) available globally.

Particularly significant in terms of the improved usability of the Service's applications for the iOS and Android operating systems was their radical redesign, which was based on a new, easy-to-use menu that allows Customers to access immediately all of the Service's available functions.

Finally, the possibility to make online purchases via the Service was further enhanced, as online transactions can now be concluded via the "MasterPass" payment service with the use of the Customer's mobile telephone number and fingerprint, thus making payments at e-shops even faster.

In 2017, the number of users of "my Alpha wallet" increased to more than 65,000 and, by the end of the year, they had carried out more than 100,000 transactions.

During the year, the Service app was downloaded more than 50,000 times from the App Store and Google Play, while within just two months from its launch, more than 9,000 users had activated the "Tap 'n Pay" function and had carried out more than 24,000 transactions.

### Alpha SecureWeb

With the upgraded Alpha SecureWeb service, cardholders of all American Express®, Visa and MasterCard debit and credit cards issued by Alpha Bank can make their online purchases securely and easily, using the one-time password they receive by SMS on their mobile telephone. This makes electronic transactions with payment cards easier for Customers, in line with the current trend according to which e-commerce transactions are increasing compared to transactions at stores. This results in saving resources, as less visits to actual stores are required and the online purchase experience is improved, with user-friendly technology tools.

## ELECTRONIC SERVICES FOR BUSINESSES

### Alpha e-Commerce

+26% in active Subscribers

+38% in the number of transactions

The increase in the number of new businesses that signed up for the Alpha e-Commerce service and in the number of transactions carried out via the service continued during 2017 as well.

It is worth pointing out that the new functions that were included in the Service in 2016, the use of the internationally recognised **MasterPass** digital wallet and the rising Europe-wide **MyBank** solution for online payments that directly debits the Customer's bank account, were widely used by the Customers of the Alpha e-Commerce service.

In particular, approximately 6,200 transactions were carried out using MasterPass, while the corresponding number for MyBank stood at approximately 60,000 transactions, representing a total turnover of approximately Euro 19 million.



### Alpha Mass Payment service (mass payments/collections and standing orders)

In order to collect debts from standing orders and/or via alternative networks, as well as to make mass payments (payroll, payment of suppliers etc.), the Alpha Mass Payments service has a particularly easy-to-use work environment and offers functions that allow the user to create, send and monitor the progress of mass payment orders (e.g. payroll or payment of suppliers). Enhancements made to the Service during 2017 include automising the invoicing for the electronic account statements service and implementing a system to manage the files with the standing orders of the Bank's Customers. Meanwhile, an application that allows Officers to monitor in detail the entries in the file together as well as relevant additional details were developed, while the possibility to produce daily and monthly reports was also implemented. Moreover, the registration of the users' activities in all the networks of the Service was achieved, together with the notification, by the Service to the Branch, of the unsuccessful direct debit charges, so that Customers can be informed of the reason why the payment was not made.

### Automated Banking Services

1,080 ATMs in total  
396 ATMs offering special arrangements for people with visual impairments

In order to provide Customers with an enhanced level of service and improve the efficiency of the Bank's ATM network while also rationalising its operational cost, a total of approximately 230 feasibility studies were carried out in 2017, concerning requests primarily for **off-site ATMs** (withdrawals, relocations, new installations, replacements, rental adjustments etc.). Furthermore, cost-benefit reports were also carried out with regards to the operation of all **off-site ATMs**.

At the same time, the Bank installed **53 new ATMs** (45 off-site and 8 on-site) and **withdrew 54** (13 off-site ATM withdrawals and 41 ATM withdrawals due to changes in the Branch Network). Transactions stood at the same level as in 2016, posting a marginal increase of 0.6%.

To improve customer service levels and relieve congestion involving payments in cash at the Branch Cashier's Desks, **three (3) new types of payment were added to those supported by the Automated Cash Transaction Centres (ACTCs)**, where transactions grew by 7.1% compared to 2016.

### Alpha e-statements

>40% users of credit cards receive their monthly statements electronically



statements.

The **Alpha e-statements** service continues to help limit the use of paper and ink and save resources, as a substantial number of Bank Customers continues to opt for electronic account statements over printed

The completion of the implementation of the Bank's strategic decision to discontinue sending printed debit card statements, which account for the majority of the cards in the Bank's card portfolio, led to **savings in resources that were previously used for the printing and posting of approximately one million statements annually**.

### TRAINING IN THE USE OF ALTERNATIVE SERVICES

In order to provide both the Customers of Alternative Services and the Bank Officers responsible for these Services with guidance, relevant training material was produced.

To ensure Customers are provided with enhanced information, the following activities were carried out:

- Further exploitation of the possibility for ad hoc communication with Subscribers, by making broader use of the messages sent to them (either massively or to specific Customer categories).
- Automated welcome messages were sent to the inbox of new Subscribers.
- Management of a promotional banner within Alpha Web Banking, to advertise services and products (setting up friendly account names, online term deposits, prepaid card issuance, debit card issuance, my Bonus account etc.).
- Management of the communication with Alpha Bank Subscribers who make comments about the Bank's applications in Google Play and the App Store.
- Creation of promotional material and content and management of Subscribers' comments posted on Twitter and LinkedIn.
- Promotional activities by SMS messages sent to mobile telephones, in order to directly inform Subscribers about the features of the Alpha e-Banking and my Alpha wallet services.

- Creation of a new pre-login site for the new Alpha Web Banking for Businesses, with separate sections for the five basic electronic services for businesses as well as a detailed support section containing frequently asked questions (FAQs), useful documents, tolls and tips on security in transactions.
- Complete renewal and update of the contents regarding the electronic services for Businesses on the Bank's website (www.alpha.gr).
- Publication of a brochure on the electronic Services for Businesses addressed to Branch (or other) Customers.
- Development of an interactive simulation (demo) for the familiarisation of corporate Subscribers with all the functions and the transactions available in Alpha Web Banking.

For the Bank's Officers, the following were implemented:

- Participation of Officers from four Branches in the pilot programme to relieve Branch congestion caused by simple transactions, through training in the Bank's electronic services.
- Basic training of external associates (promoters) in the Alpha e-Banking services, in order to ensure the effective promotion of Alpha Mobile Banking at the Thanks to Tech event.
- Training a part of the new Customer Relationship Officers (CROs) in the electronic services for Individuals, through their participation in the "New CROs" training programme and the "Alpha e-Banking for Individuals" course.
- Further renewal of educational material and training evaluation questions for the Bank's in-house certifications.

## DEBT SETTLEMENT

The operation of www.vriskoumelyseis.gr, the custom-designed website that provides Customers with the opportunity to explore alternative solutions for the settlement of their overdue debts from housing loans, consumer loans and cards, without having to enter any personal data, continued in 2017.

## VISITS TO www.vriskoumelyseis.gr in 2017

38,099  
visits

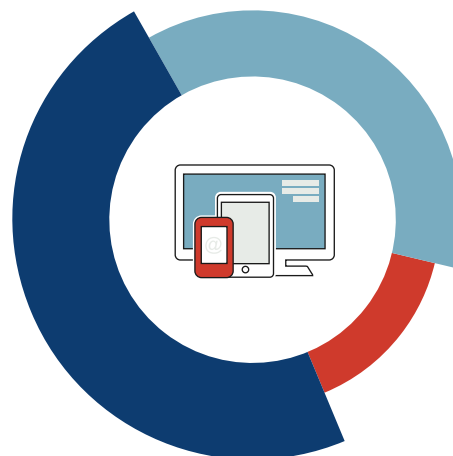
33,074 users

1,165 applications  
submitted for debt settlement

1,101 accepted

11,701 requests in total  
handled by the support team

## VISITS BY TYPE OF DEVICE USED



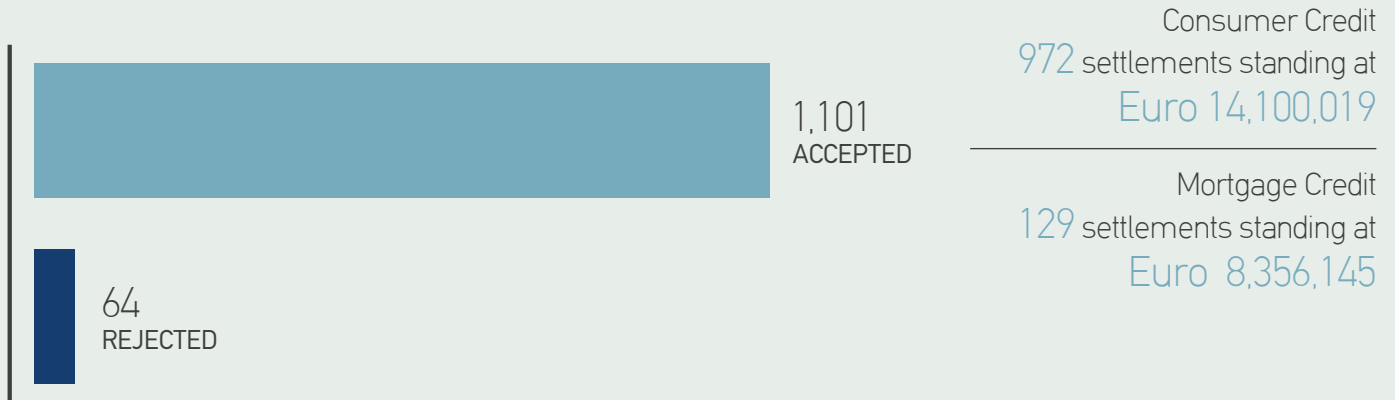
DESKTOP 48.1%

TABLET 36.9%

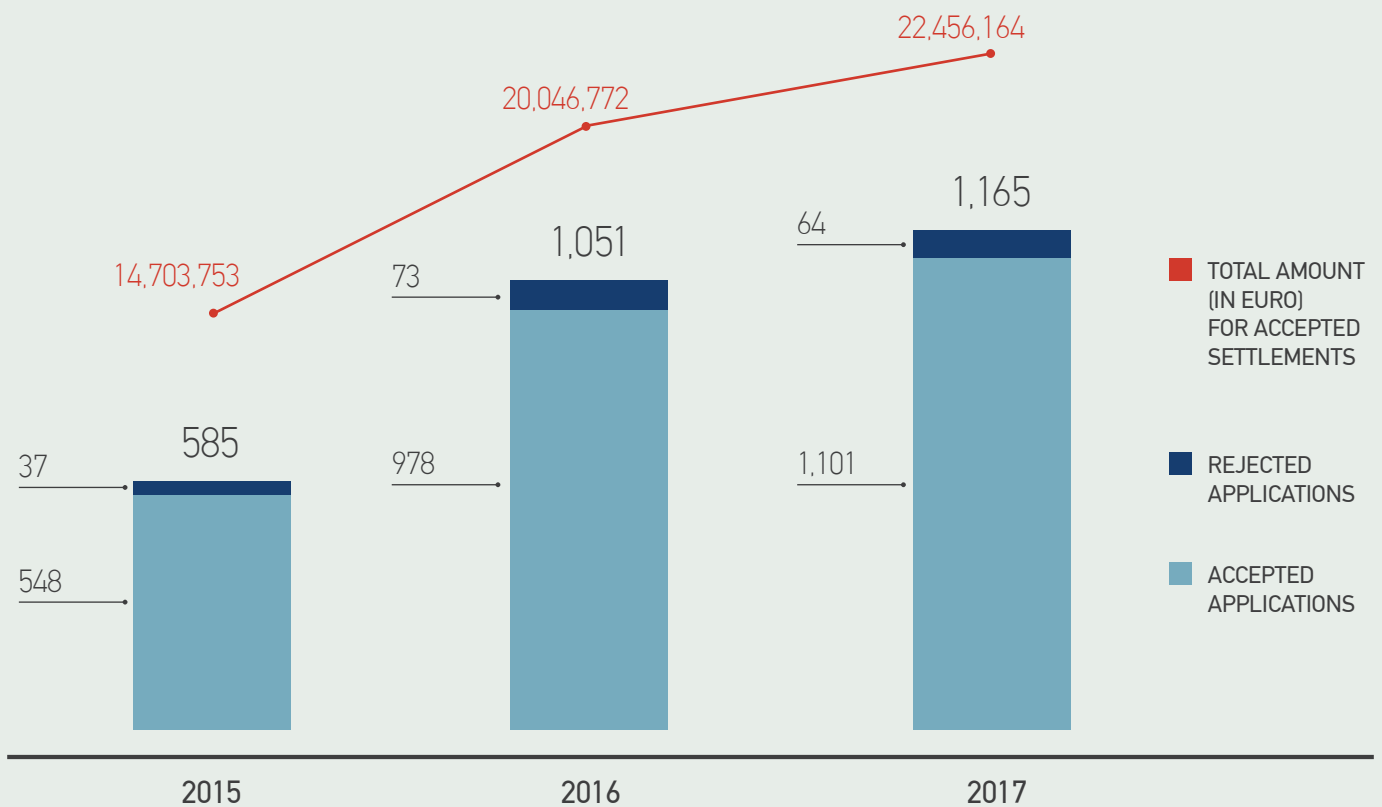
MOBILE 15%

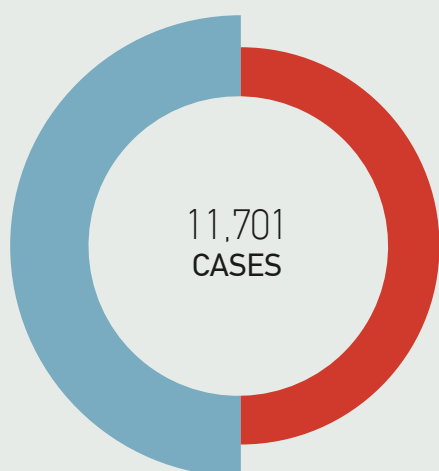
SETTLEMENT OF DEBTS VIA www.vriskoumelyseis.gr in 2017

1,165 applications in total for housing loans, consumer loans and cards debt settlements



SETTLEMENT OF DEBTS OVER TIME, 2015-2017

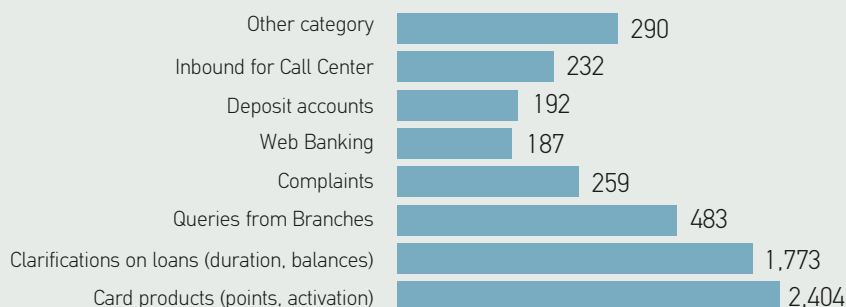


CASES RESOLVED VIA [www.vriskoumelyseis.gr](http://www.vriskoumelyseis.gr) in 2017

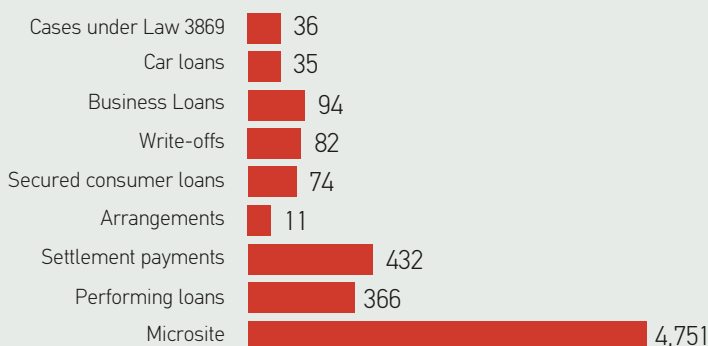
■ QUERIES 5,820 (50%)

■ SETTLEMENTS OF DEBTS 5,881 (50%)

## QUERIES



## SETTLEMENTS OF DEBTS



## RESOLUTION OF DEBTS IN ARREARS

As part of the implementation of the "Arrears Resolution Procedure", based on the Code of Conduct under Law 4224/2013, which was introduced by the Bank of Greece (Credit and Insurance Committee Meeting 116/25.8.2014), as in force following its amendment by Decision 195/1/29.7.2016 of the Credit and Insurance Committee of the Bank of Greece (Greek Government Gazette Vol. B 2376/2.8.2016), the procedure regarding the transmission of the foreseen mandatory notifications continued in 2017 for all types of Retail Banking debts for which a period of more than 60 days in arrears had elapsed.

It should be noted that this procedure does not concern debts whose contracts have been terminated before 1.1.2015 and/or for which a hearing date has been set by the Court under Law 3869/2010.

More specifically, in 2017 the mass transmission of the following mandatory first notifications took place, by automated procedure, for housing, business and consumer credit Retail Banking debts:

| Type of Notification          | Number of Notifications (Debts) | Number of Notifications (Customers) |
|-------------------------------|---------------------------------|-------------------------------------|
| 1st Standardised Notification | 61,600                          | 75,139                              |

Debtors were invited to respond by submitting the data on their financial situation at the Branch they conduct business with or by calling a specialised customer support call centre (operating within the Non-Performing Loans Division - Retail).

Following the assessment of their financial data and the presentation to the debtors of the proposed resolution/settlement solutions for their debt, debts of all credit types with a total outstanding balance of Euro 434 million were settled.

## SOCIAL CONTRIBUTION SERVICES



Alpha Bank, always committed to assisting the work and the initiatives undertaken by public benefit organisations to provide relief to people in need, continued to provide its support in 2017 as well, through its Loyalty Programmes. In particular, cardholders of Alpha Bank Bonus, Alpha Bank Visa Gold, Alpha Bank Bonus World MasterCard and American Express® (Membership Rewards® Programme) cards can redeem the points which they have earned in order to support the work of various foundations.

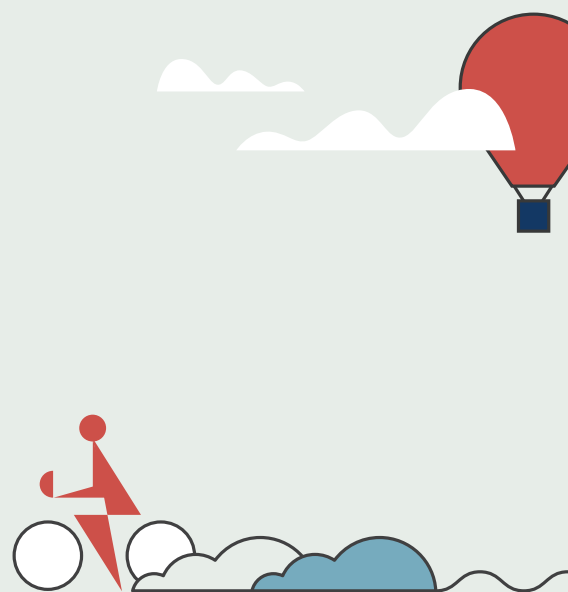
In 2017, a total amount of Euro 116,080 was given to the following 25 public benefit foundations that participate in the Programme:

- Action Aid Hellas
- AMIMONI
- Cerebral Palsy Greece
- Child's Heart
- DESMOS
- Doctors of the World/Médecins du Monde - Greece
- ELEPAP
- FLOGA
- Greek Alliance for Rare Diseases
- Hatzikyriakio Child Care Institution
- KETHEA
- Life Line Hellas
- MDA
- MEDASSET
- Médecins Sans Frontières Greece
- Pediatric Trauma Care Society
- Sikiarideio Foundation
- SOS Autism Centre
- SOS Children's Villages Greece
- The Smile of the Child
- To Ergastiri (The Workshop) - Association of Parents, Guardians and Friends of People with Disabilities
- Together for Children
- Unicef
- "Yaya's Garden" Nursery
- Young Women's Education Society

Information on the activities of the public benefit organisations and on ways to support them is available to cardholders throughout the year (at [www.alpha.gr/cards](http://www.alpha.gr/cards)) at the Loyalty Programmes' catalogues and in leaflets mailed together with the cardholders' card account statements.

Alpha Bank also supported, for the second consecutive year, the **Visa Solidarity** initiative of Visa Hellas, under which participating banks and the Organisation donated Euro 1 billion to support 15 charity organisations.

Moreover, the Bank provided Customers, for the eighth consecutive year, with the possibility to make **donations for social purposes** using the "Alpha Web Banking" and "Alphaphone Banking" electronic banking services. Those interested may choose among 70 charitable Foundations and Museums, after first reviewing a summary of the objectives and purposes of their object of interest. Donations are made easily and swiftly by charging a deposit account on a date selected by the benefactor. The benefactor decides whether the donation will be anonymous or not. In case of the latter, the benefactor's personal details are sent to the recipient. In 2017, the total number of donations made through the Bank's alternative banking networks posted a 12% increase compared to 2016.



## PRODUCT PORTFOLIO

### SUPPORT OF HOUSEHOLDS

#### Alpha Green Solutions



The Alpha Green Solutions line of loan products, featuring “Energy Efficiency at Household Buildings”, “Energy Saving Home” and “Green Transport”, which represented loans amounting to a total of more than Euro 5 million, gave Customers the opportunity to upgrade their homes and vehicles, making them more environment-friendly and also benefit by saving resources.

#### Alpha Facilitation

The Alpha Facilitation programme, with more than Euro 250 million of consumer loans granted to over 20,000 borrowers, provided them with assistance in repaying their debts to the Bank, in a particularly adverse financial environment.

The Programme provides a complete line of products designed to meet, in the best possible way, the requirements of Customers who have problems in repaying their debts from housing loans, consumer loans and cards.

#### Housing Loans



In 2017, Alpha Bank, as part of its corporate responsibility, focused on supporting households by financing home purchases.

Particular attention was paid to the further development of housing loan restructuring and settlement products. The Bank developed a number of pioneering debt settlement products for housing loan Customers facing serious financial difficulty. In 2017, Alpha Bank received 43,227 applications for the settlement of debts, the vast majority of which were approved.

Recognising the significance of home ownership and in line with its commitment to addressing climate change, the Bank redesigned its “Energy Saving Home” programme, which is part of the Alpha Green Solutions line of products.

The new “Energy Saving Home” housing loan covers the purchase, construction or completion of homes as well as the work required to improve their energy efficiency. It provides favourable pricing, together with discounts that depend on the property’s energy class, in order to enhance the efforts to protect the environment and help reduce the maintenance cost of buildings.

In order to provide substantial support to its Customers, Alpha Bank provides personalised solutions that aim at ensuring Customers’ financial viability and actively promote the principles of responsible lending. The Bank has also established a notification procedure for debtors included in temporary repayment facilitation programmes, contacting them by telephone in order to remind them of the impending expiry of these programmes, so that the next steps can be planned on time.

### Alpha 1|2|3



Alpha Bank has been providing the Alpha 1|2|3 line of products since 2003, in order to meet children and young people’s needs in terms of savings. The features of these accounts, combined with the targeted promotion of the Alpha 1|2|3 line in previous years, resulted in a loyal base of Customers who, despite the overall decline in deposits in the Greek market, managed to keep their accounts’ balances intact. More specifically, the products available are the accounts “Alpha 1|2|3 for Children” aged up to 14 and “Alpha 1|2|3 for Teenagers” aged 15 to 17. These are savings accounts that provide privileged interest rates and are also accompanied by a welcome gift for children when the account is opened. Additionally, the account “Alpha 1|2|3 for Young People” aged 18 to 27 is also available, providing a privileged interest rate as well as a loan for postgraduate studies at privileged interest rates and with the option of a grace period. Children are presented with a membership card, in order to participate in recreational and educational events, while the Bank also provides a personal loan, addressed specifically to students who have “Alpha 1|2|3 for Young People” deposit accounts, to help them cover current needs such as their tuition fees, the cost of household appliances etc.

## SUPPORT OF BUSINESSES



Alpha Bank provides products and services specifically developed to address the requirements of Greek businesses.

### Small Businesses

Euro 6.3 billion  
of total loan balances to  
Small Businesses

In 2017, Alpha Bank implemented an integrated strategic framework to support entrepreneurship and bolster the competitiveness of Small Businesses by promoting modern solutions focused on meeting the requirements of Small Businesses in their daily operation and strengthening their prospects for development. At the end of 2017, the total balance of loans to Small Businesses (with credit limits up to Euro 1 million) stood at Euro 6.3 billion.

### Alpha Bank Gold Business Banking

In 2017, Alpha Bank, taking advantage of its expertise and its long banking experience in Small Business Banking, created the “Alpha Bank Gold Business Banking” service. The new Service, focusing on personalised banking and rewards, helps strengthen the competitiveness and supports the further growth of its Businesses-Customers. The Bank boasts a service framework featuring modern means and tools (such as videoconferencing sessions), special privileges and access to innovative business practices.

### Alpha Agricultural Entrepreneurship

Alpha Bank provides an integrated framework of banking services and financing to the agri-food sector, encouraging the creation of partnerships and supporting entrepreneurship along the entire agri-food chain.

In 2017, the Bank continued to powerfully support the growth of the primary sector with the “Alpha Agricultural Entrepreneurship” line of products and responded to the challenges and opportunities by actively supporting entrepreneurship and the growth of producers and businesses active in this sector.

In addition to funding, the Bank supports farmers in various ways, by offering:

- A deposit account with a particularly favourable interest rate for farmers who had declared this account as the one to be credited with their agricultural subsidy payments for 2017.
- The “My Alpha POS” programme for partner businesses active in the trade of agricultural supplies, with privileged pricing for the acquisition of a POS terminal, low commissions for clearing card-based transactions and the “My Alpha POS - Credit Line” option for Working Capital financing, depending on the amount of card-based transactions carried out with the terminal.

Moreover, in 2017 a number of educational informative events addressed to farmers took place, covering topics related to the improvement of production and the stimulation of productivity, the collaboration between producers, the adoption of new technological solutions etc.

### Flexible Contractual Entrepreneurship Programmes

For the third consecutive year, the “Flexible Contractual Entrepreneurship Programmes” proved successful, representing the most comprehensive mediation and targeted financing banking programme for individual agricultural and livestock farmers as well as for the manufacturing, export and trading businesses associated with production in the primary sector. This particular form of financing helps create partnerships between farmers-producers and businesses-buyers active in agricultural production, while at the same time contributing to its rationalisation, to the modernisation of the transaction cycle and the creation of an extended network of businesses active in agricultural supplies, which strengthens the development of local markets.

A clear indication of the successful operation of the aforementioned Programmes is the increase in the number of partner businesses, farmers and commercial agricultural supply companies from all over the country that participate in the Programmes.



Through their development and extension, the “**Flexible Contractual Entrepreneurship Programmes**” further strengthen the support to the agricultural sector and, consequently, to the agricultural economy. They contribute to Greek businesses becoming more extrovert, they strengthen the viability of the rural economy’s sectors and stimulate employment in rural areas. They also make a major contribution to the efforts to maintain the country’s social fabric and make use of its natural resources.

### Agro-Carta

Alpha Bank, in collaboration with the Ministry of Rural Development and Food launched the “**Agro-Carta**”, a financing tool that enhanced farmers’ liquidity during the first growing season of 2017, providing them with the opportunity to make advance payments on a part of the basic subsidy they were entitled to, in order to cover their short-term needs.

In particular, farmers can use their card for the following:

- **purchases of agricultural** supplies (seeds, pesticides, feedingstuffs etc.) and fuel;
- **payment of bills** for irrigation fees, agricultural-tariff electricity etc.;
- **payment of social security contributions** (to the Greek Agricultural Insurance Organisation - ELGA, the Unified Social Security Institution - EFKA and the Public Sector) and issuance of an insurance coupon for land workers;
- **settlement of debts** to certified organisations for the submission of the Uniform Application for Subsidy;
- **cash withdrawals** (up to a specified amount).

### Specialised financing solutions

In 2017, Alpha Bank, in collaboration with businesses under the responsibility of the Wholesale Banking Business Unit which are also leaders in the domestic agricultural machinery sector, and in order to ensure better conditions for farmers to meet their investment needs, provided **specialised financing solutions** that cover requirements in fixed assets such as tractors, agricultural vehicles, harvesters, agricultural accessories etc.

These financing tools provide suitable repayment terms, taking into account the farmers’ actual needs, based on the capacity of their farm holdings and the seasonality of their cash flows depending on the growing season. With the aforementioned programmes, the Bank offers practical support to farmers for the renewal of their agricultural equipment, the modernisation of their agricultural and livestock raising farms as well as for the adoption of best cultivating practices and infrastructure.

### Alpha Tourism Entrepreneurship

In April 2017, the Bank provided again, for the second consecutive year, the upgraded “**Alpha Tourist Entrepreneurship**” programme, seeking to boost Small Businesses active in the tourism industry or based in tourist areas in the Greek islands and in mainland Greece. The Programme consists of a set of products, services and privileges, designed to facilitate the daily operation of businesses by meeting their particularly increased needs during the tourist season.

### Other Programmes and Services for Small Businesses

In 2017, in order to strengthen business relationships with its Customers, the Bank organised a series of **One-day Conferences** in Piraeus, Paros, Santorini, Nafplio, Trikala as well as a series of focused personal meetings with Small Businesses-Customers of the Bank. The topics covered focused on the challenges and opportunities that emerge in the Small Business sector, with accompanying presentations of successful practices that help strengthen competitiveness. Other topics, regarding the organisation and operation of a small business, marketing practices, sales and customer service, financial management principles etc. were also discussed.

Additionally, the promotion of the “**Alpha In Business**” line of financing products to all Businesses-Customers of the Bank continued, with the Bank effectively responding to new applications for financing short-term working capital and/or investments in business premises and equipment. Moreover, the Bank continued to provide the programme “**My Alpha POS Credit Line**”, securing immediate liquidity for the businesses that have selected the Bank to clear their transactions.

In 2017, the Bank continued to manage the Small Business loans portfolio through targeted assignments addressed to the Branch Network, aimed at offering flexible solutions, in order to meet the needs of Small Businesses.

Finally, throughout the year, the Bank continued to provide a prompt and efficient service in connection with all import settlement requests from Small Businesses. From the beginning of the year and until 31.12.2017, it handled a total of 134,469 such requests, totalling Euro 1,106 million in value.



## Investment Programmes for SMEs

With a view to strengthening the competitiveness of viable Greek Enterprises, in April 2017 Alpha Bank signed two new loan agreements with the European Investment Fund (EIF) to provide the COSME-LFG and INNOVFIN (HORIZON 2020) Loan Guarantee Facility programmes, with an initial budget of Euro 150 million. In December 2017, following the signing of an extension of the agreement for the COSME-LGF programme, the amount doubled and stood at Euro 300 million.

- **COSME-LGF:** The Bank will secure Euro 200 million of liquidity to Small and Medium-sized Enterprises with reduced requirements for collateral, given the guarantee provided by the European Investment Fund. By 31.12.2017, loan applications amounting to a total of Euro 60.47 million had been approved, while total disbursements stood at Euro 30.21 million.
- **INNOVFIN:** Innovative Small and Medium-sized Enterprises and Small Mid-Caps will obtain access to Euro 100 million with favourable financing terms and with the guarantee of the European Investment Fund. By 31.12.2017, loan applications amounting to a total of Euro 38.8 million had been approved, while total disbursements stood at Euro 29.04 million.

Through the aforementioned programmes, Alpha Bank provides financing to eligible Small and Medium-sized Enterprises, thus helping them implement their investment and business growth plans and cover their needs in working capital with favourable pricing terms.

In **January 2017**, the provision of the programmes of the Hellenic Fund for Entrepreneurship and Development (ETEAN) was concluded, through the following Actions:

- **“Entrepreneurship Fund - Business Restarting”**, which granted a total of Euro 137.88 million of interest-free loans subsidised at 50% by ETEAN to Small and Medium-sized Enterprises.
- **“Entrepreneurship Fund - Guarantee Fund”**, which granted a total of Euro 41.94 million of loans guaranteed by up to 80% by ETEAN.

Moreover, Alpha Bank actively supports Businesses and Self-Employed Persons for the completion of their investments, which are approved for financing under the Actions of the NSRF 2014-2020 and the Investment Incentives Law 1399, by providing long-term investment loans as well as short-term financing against assignment of the subsidy.

## Medium-sized Enterprises

**Euro 5.2 billion**  
of total loan balances to  
Medium-sized Enterprises

Despite signs of stabilisation in the Greek Economy, 2017 was a fairly difficult year, with the consequences of the prolonged recession clearly visible. The Bank continued to support its **8,000 Medium-sized Enterprises-Customers** and assist them in their business efforts and choices, always seeking to secure the quality of its loan portfolio and support their viability.

For yet another year, particular emphasis was placed on the efficient management of the loan portfolio, in order to detect early and address the problems faced by businesses in financial difficulty and to support the investment and other needs of businesses with growth prospects.

In 2017, the total balance of loans to Medium-sized Enterprises and their owners by the Hospitality and Island Enterprises Division stood at **Euro 5.2 billion**, including letters of guarantee and letters of credit.

The Bank's support of Medium-sized Enterprises is evident in the approvals of new loans in collaboration with the European Investment Bank and the European Investment Fund.

In particular, under the **ALPHA BANK LOAN FOR SMEs III-IV and MIDCAPS** programmes of the European Investment Bank, a total of Euro 246 million of new loans to Medium-sized Enterprises-Customers of particular banking interest (mainly export-oriented enterprises and enterprises active in the processing of agricultural products and in tourism) have been approved, with disbursements already standing at **Euro 178 million**.

At the same time, through the **COSME-LGF and INNOVFIN** Loan Guarantee Facility programmes of the European Investment Fund, 157 new loans amounting to a total of **Euro 89 million** were approved, of which **Euro 52 million** have already been disbursed.

In all cases, in assessing credit requests, particular attention was paid to the fulfilment of the criteria of the “Group Environmental and Social Risk Management Policy on Legal Entities Lending”.

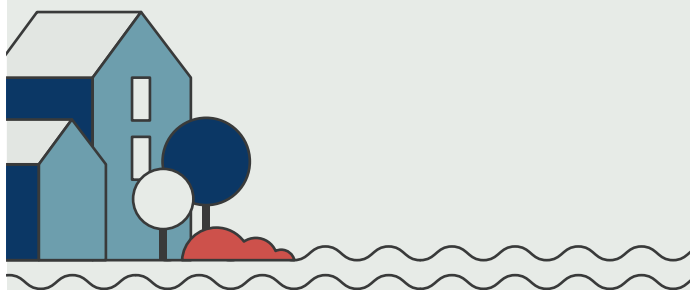
The efforts to support Medium-sized Enterprises-Customers, given the ongoing capital controls, also continued, so as to facilitate payments of their obligations, the processing of their banking transactions and coverage of their needs in terms of liquidity, always in line with the legal requirements.

### Hospitality and Island Enterprises Division

In September 2017, the Bank established the **Hospitality and Island Enterprises Division**, which assumed responsibility for the management of Medium-Sized Enterprises and Large Corporations active in the Tourism industry, regardless of their geographic area of activity, as well as businesses based in the Greek islands, regardless of their business activity sector.

This reflects the Bank's acknowledgement of the need to meet the specialised banking needs of this particular customer base through targeted services, as Tourism is becoming increasingly significant to the Greek Economy.

On 31.12.2017, the total balance of loans under management by the Hospitality and Island Enterprises Division stood at Euro 1.1 billion, including letters of guarantee, letters of credit and lending to the Division's Customers by Group Companies in Greece and abroad.



### Large Corporations

Euro 7.3 billion

of total loan balances  
to Large Corporations

In 2017, transactions carried out for the Bank's Large Corporate Customers amounted to approximately Euro 760 million and involved new loans as well as modifications to existing loans.

In order to provide the Bank's Customers with targeted coverage of their specialised banking needs, the Corporate Banking Division in 2017 continued to gradually transfer under its responsibility multinational business groups - Alpha Bank Customers, a process which had begun in 2016. At the same time, it released from its portfolio business groups active in the hotel sector, which were transferred to the Hospitality and Island Enterprises Division.

On 31.12.2017, the total balance of loans under management by the Corporate Banking Division stood at Euro 7.3 billion, including letters of guarantee, letters of credit and lending to the Division's Customers by Group Companies in Greece and abroad.

It should be noted that, according to the "Group Environmental and Social Risk Management Policy on Legal Entities Lending", social and environmental criteria have been included in the decision-making process for the granting of credit to businesses.

### RESPONSIBLE INVESTMENTS



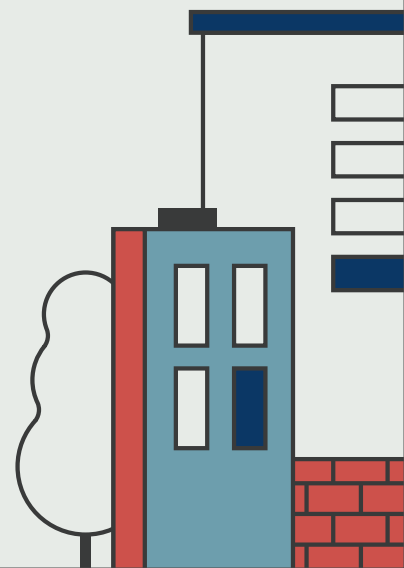
In 2017, the Investment Portfolio Analysis Division and the team responsible for the assessment of mutual funds clearly focused on the thematic investments with a positive direct or indirect impact on humanity and the environment (Socially Responsible Investing - SRI) as well as on mutual fund choices that also take into account social responsibility and corporate governance with regards to the underlying assets under management (Environmental, Social and Governance - ESG criteria).

## Investment environment and socially responsible choices (SRI and ESG)

Investor interest and the excellent returns of this thematic category can be attributed to combinations of multiple factors:

- **Accumulation of wealth (Wealth effect):** The ever-increasing accumulation of wealth in investors, primarily in developed economies, which ensued as a result of the long-term quantitative easing programmes in Europe and the U.S.A., caused a shift of investor interest to choices that are based on social and environmental criteria. The interest of investors in investments of this type increases globally in periods when the accumulation of wealth is high.
- **Healthier companies:** A growing body of evidence shows a connection between the robustness of companies and the observance of strict rules of environmental, social and corporate governance (ESG). Companies are now receiving an **ESG score** from independent rating agencies, while studies show a correlation **between a high ESG score and the level of profitability**, which, consequently, also affects the stock market value.
- **Maturing investment cycle:** Investors tried the basic investment choices during the previous years and achieved substantial returns. This, however, caused the beginning of a saturation process in these choices. The accumulation of more wealth drove investors to seek new investment ideas and thematic choices, and the investments that focus on the environment, on social responsibility and on the positive impact for humanity offered a multitude of current choices.
- **Growing interest in the environment:** From the adherence to recycling rules to the public's preference for products produced by companies following strict environmental and social governance rules, the citizens of developed economies demonstrate an ever-increasing awareness of environmental issues as well as issues regarding the proper governance of companies. Yet it is striking to see the concern and interest shown by emerging economies, which is possibly due to the combination of the overpopulation in big cities and the thoughtless management of the environment over the past decades, two factors which today have adverse effects on the daily life of local residents. In September 2017, China announced an investment plan for the gradual withdrawal of the vehicles running on petrol and gas and the discontinuation of their production, starting in 2030.
- **Economy and efficiency:** The interest of consumers in environment-friendly products and services is not only based on the environmental conscience of investors but also on efficiency and on saving money. Such examples include hybrid cars, lighting technologies based on semiconductor diodes (led), the advanced materials used to construct houses for thermal insulation etc.

The aforementioned conditions **have a combined effect** on consumers and investors: for example, the **accumulation of wealth** allows the luxury of **growing environmental awareness**. Economy and efficiency result in households saving money and, consequently, **more income becoming available** for investment. All these factors are putting pressure for a **better governance of companies**.



In 2017, there were particularly substantial rewards for investors who chose to include in their portfolios choices from the **Thematic and Sectorial** list of assessed mutual funds produced by the Investment Portfolio Division, in collaboration with international Undertakings for Collective Investments in Transferable Securities (UCITS), which is successfully managing this activity for the second consecutive year.

This list provides wide coverage of financial sectors and thematic investments in accordance with strict specifications, while in 2017 the number of choices that the list offers in the aforementioned investment category increased.

## THEMATIC AND SECTORIAL LIST OF ASSESSED UCITS

### Socially responsible eco-friendly investment options (SRI)

| UCITS                                       | INVESTMENT CURRENCY | PERFORMANCE (2017) | INVESTMENT THEME |
|---|---------------------|--------------------|------------------|
| PIONEER FUNDS - GLOBAL ECOLOGY              | EUR                 | 8.88%              | ECOLOGY          |
| SCHRODER - CLIMATE CHANGE EQUITY            | USD                 | 29.75%             | CLIMATE CHANGE   |
| BNP PARVEST - CLIMATE IMPACT                | EUR                 | 7.67%              | CLIMATE CHANGE   |
| BNP PARVEST - AQUA                          | EUR                 | 11.38%             | DRINKING WATER   |
| PICTET - GLOBAL ENVIRONMENTAL OPPORTUNITIES | EUR                 | 15.10%             | ENVIRONMENT      |
| BGF NEW ENERGY FUND                         | USD                 | 24.51%             | CLEAN ENERGY     |
| BNP PARVEST - GLOBAL ENVIRONMENT            | EUR                 | 9.81%              | ENVIRONMENT      |

With regards to **forecasts for 2018**, Alpha Bank's Investment Portfolio Division considers that **thematic investments**, especially those **linked to social and environmental criteria**, will offer once again opportunities for **diversification** and for achieving returns **within structured portfolios**, provided that the current favourable investor climate and global risk appetite will be maintained.

**UCITS DO NOT HAVE A GUARANTEED RETURN AND PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RETURNS**

### Green Bond: Corporate bond issue of TERNA ENERGY FINANCE S.A.

In 2017, the Bank acted as Joint Coordinator and Bookrunner in the first public corporate bond issue of Terna Energy Finance S.A., which succeeded in raising the targeted amount of Euro 60 million on its five-year bond offering. The funds raised will be invested in two different sectors related to the environment, namely renewable energy sources and waste management. The largest part of the funds will finance the construction of two wind parks in Greece and one new wind park in the U.S.A. The balance will finance two new PPP projects with the participation of the Greek State for the management of waste and the processing of urban solid waste. The issue attracted strong interest from institutional investors as well as Individuals-Customers. It also marked the Bank's ongoing contribution to the financing of environmental projects and the participation of Individuals-Customers in investments with a social dimension.

### Customer information



In 2017, as part of a series of activities aimed at informing and educating Bank Customers about investment products, the following took place: the informative event "Investing for a Better Future" was held, the publication "Investing Together" was released, and the first educational video, titled "Save and Invest", was presented.

### "Investing for a better future" event

In November 2017, Alpha Bank, in collaboration with the investment firm BNP Paribas, organised the **informative event "Investing for a better future"**, which focused on socially responsible investments and was addressed to **high net worth Customers**. The event's key speakers were executives from BNP Paribas Asset Management and Impax Asset Management, specialising in thematic/sectorial and socially responsible investments.

The information presented during the event highlighted the investment opportunities arising from investing in eco-friendly ("green") mutual funds as well as in mutual funds that, in selecting transferable securities, apply strict selection criteria related to the protection of the environment and to social responsibility and corporate governance.

Information was also presented about the BNP Parvest Aqua and BNP Parvest Global Environment mutual funds, which are included in the Thematic and Sectorial list of assessed choices. The BNP Parvest Aqua Fund invests in shares issued by companies whose activities are aligned with the ten principles of the UN Global Compact, while the BNP Parvest Global Environment Fund was certified by LuxFLAG for its responsible investment in enterprises of the environment sector in December 2012.

### "Investing Together" publication

This is a manual (available in Greek and in English) whose purpose is to introduce the Bank's Customers to the world of investments by providing basic information on the topic. At the same time, the illustrations contained in the publication trace the Bank's lasting connection to investments, based on the presentation of documents from the history of the Credit Bank, the Ionian and Popular Bank of Greece, the Commercial Bank of Greece and their subsidiaries.

It is worth mentioning that the publication also covers Socially Responsible Investments, as investment options of this type are rapidly growing and attract an ever-increasing number of investors.

The online version of the publication is available at <http://alphabank.redirect.gr/flipping/2017/ependiseis/gr/index.html>.

### "Save and Invest" educational video

This is a new form of communication, where saving and investing are visualised as the two sides of the same coin. Yet investments require carefully planned steps. Alpha Bank supports its Customers by providing comprehensive investment services and access to specialised advisors, who can assist them in their efforts to achieve the best possible result, based on each Customer's individual investor profile and goals.

The educational video is available on the Bank's YouTube channel <https://www.youtube.com/watch?v=l5V7v-Xv1ak>.

**Project Finance**



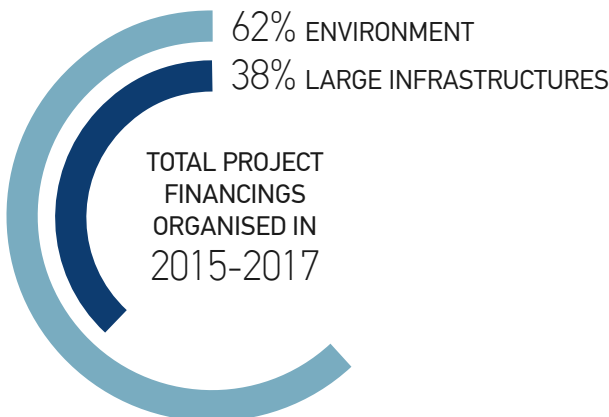
The Bank has a specialised Project Finance Unit, which works on securing financing for investments in Renewable Energy Sources (RES) projects, Large Infrastructure projects and Public-Private Partnerships (PPPs).

Over the past five years, the Project Finance Unit has arranged financing for a number of investments with a total budget exceeding Euro 1 billion, confirming the Bank’s dominant position in these sectors.

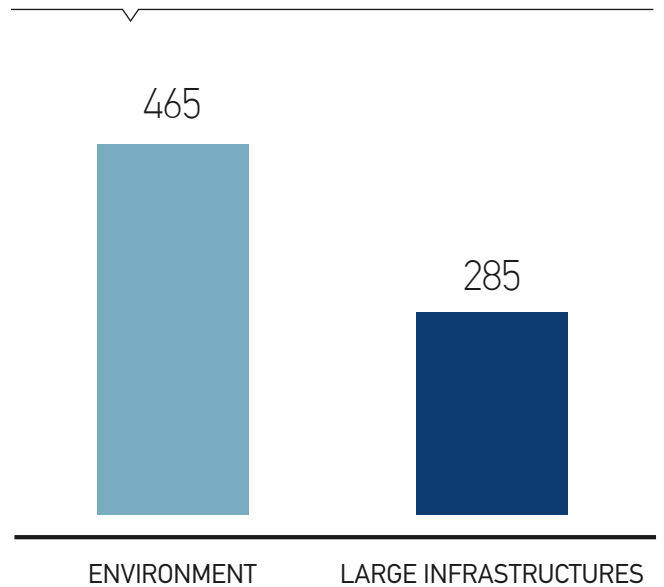
In order to assess these investments, project teams collaborate with specialised technical advisors on the projects’ environmental due diligence, i.e. the identification and assessment of environmental risks and social impact, so as to ensure that the projects will be implemented in accordance with the environmental legislation in force, in a socially responsible manner and in line with proper environmental management practices. In addition, in cases of large-scale syndicated financing arrangements, there are requirements for compliance with special environmental and social performance standards (EIBs’ Environmental and Social Standards/IFC Equator Principles). Following the disbursement of credit, adherence to environmental terms and commitments is certified on an annual basis, throughout the long duration of the said financings.

The Bank invests in projects in the following areas:

- Environment
- Large Infrastructures



**ORGANISATION OF PROJECT FINANCING 2015-2017 (in Euro Million)**



**ENVIRONMENT - RENEWABLE ENERGY SOURCES (RES)**

New financing arrangements involve projects that use environment-friendly technologies (wind farms, electricity production from biomass and natural gas, Combined Heat and Power plants) and replace old and polluting units (e.g. oil units), thus helping reduce emissions that cause air pollution.

The Bank substantially contributes to the efforts towards the national energy plan, so that by 2020 the final consumption of electricity produced from RES stands at least at 20%.

The investments financed rely on domestic sources of energy and help reduce dependence on exhaustible conventional energy resources, thus strengthening energy supply nationally and contributing to the rational utilisation of the country’s energy resources.

In 2017, the Project Finance Unit continued its successful activity, providing financing for new investments in wind farms and solar parks, while it also planned new financings of Euro 140 million.

Until 2017, Alpha Bank had financed RES projects with a total installed capacity of more than 500 MW.

## ENVIRONMENT - WASTE MANAGEMENT

In 2017, the Bank financed the Epirus Region Waste Management PPP. It also continued to provide exclusive Financial Advisor services to the contractor for the largest waste management project in Greece and one of the most important projects of its kind in the EU (Peloponnese Region Waste Management PPP), with a total budget of Euro 160 million.

The implementation of such projects relies on the use of cutting-edge technology in order to address the acute problem of waste management. In particular:

- Uncontrolled waste disposal areas, a practice that has resulted in dozens of millions of Euro in fines over the recent years, are restored.
- The natural environment is fully upgraded and protected.
- Recycling is maximised (at least 35%) and the quantity of waste destined for disposal at controlled landfills (at least 60%) is significantly reduced. In addition, compost-like output (CLO) materials are used in the environmental restoration of the PPC's disused mines.
- The citizens' quality of life is improved and public health is protected.

## LARGE INFRASTRUCTURES (TRANSPORTATION, SOCIAL INFRASTRUCTURES)

In 2017, the Bank financed, jointly with the World Bank, the European Bank for Reconstruction and Development and the European Investment Bank, the project of conceding and upgrading of Greece's 14 largest regional airports. This project will significantly increase safety in the facilities and will minimise the risk of accidents and environmental pollution.

In financing large infrastructure projects, particular emphasis is placed on the environmental due diligence, with borrowers often required to submit special environmental reports on the reduction of traffic noise, the measurement of air pollution, the use of natural resources etc.

In the infrastructure sector, Alpha Bank actively participates in loan syndications (pre-2015) for all road networks in Greece which are constructed under concession contracts. Until 2017, the Bank's participation stood at Euro 325 million in total. These projects have greatly improved road safety for thousands of users, as demonstrated by the significant reduction in the number of traffic accidents (over 90% in certain road networks). It should be noted that the safety standards of the respective contracts comply with the strictest European safety standards and the European Investment Bank's framework on environmental and social risks from large-scale projects.

## PROTECTION OF CORPORATE INFORMATION

MATERIAL  
ISSUE

The protection of the Customer's personal data is significant, given that corporate information is a critical asset of the Bank, which attaches particular importance to taking the appropriate measures to protect this information during its entire life cycle (creation, use, processing, storage and destruction).

The data of the Bank's Customers are an important part of corporate information and are protected according to the requirements of the regulatory framework and the Group Information Security Framework. More specifically, the Group Information Security Framework determines the security principles, rules and procedures with regards to the protection of information.

The documents composing the Framework are regularly revised and enriched, in order to cover new business requirements and advances in technology, thus ensuring that the constantly increasing and evolving threats are adequately addressed.



The Information Security Division, whose Head is the Group Information Security Officer, handles all matters pertaining to information security at Group level. In this context and among other things, the Division checks, by means of the foreseen procedures, the compliance with the Group Information Security Framework, conducts specialised security tests (penetration tests and vulnerability assessments), such as the tests of electronic banking, and constantly assesses the already high level of security taking further measures, as appropriate, in order to address new threats and risks.

The following are indicative examples of these measures:

- Use of advanced multi-layer security controls in order to protect the services offered on the Internet and especially electronic banking services, electronic mail and access to the Internet.
- Adoption of a custom Data Leakage Prevention infrastructure to prevent information leakage over the Internet, via e-mail and from the users' terminals.
- Use of a custom mechanism to register logins and protect systems, where confidential information is stored against unauthorised user access.
- Centralised management of the users' access to systems on the basis of their business role (role - systems - rights).
- Use of special document shredders in all Branches and Head Office Units of the Bank, for the secure shredding of documents containing confidential information, such as documents containing customer data.
- Use of a specialised device and related software to destroy or erase securely, as the case may be, information stored on electronic media.
- Use of software for the mandatory classification of the documents drawn up by Units of the Bank.

In addition, in line with the Bank's constant care to enhance the level of security, part of which is the protection of personal data, the following major information security certifications were successfully renewed in 2017, on the basis of:

- The annual evaluation of the Bank's certification as Level 1 Service Provider and Level 4 Merchant, in accordance with v3.2 of the **PCI DSS** International Data Security Standard, which concerns the data protection of Customers' cards.
- The annual evaluation of the Information Security Division's certification in accordance with the **ISO/IEC 27001:2013** International Information Security Standard, for the design, development, management and support of information security operations for the Alpha Bank Group.

Furthermore, particular importance is attached to training Personnel and raising their awareness on security issues. Training presentations on security were given to all new Personnel and to specific groups of Officers.

The custom Personnel awareness programme is constantly upgraded, in order to ensure that all Personnel are fully aware not only of modern threats and the means available to address risk, but also of their obligations regarding the protection of corporate information in their daily work, as well as outside the Bank. Under this Programme, a portal is in operation on the Alpha Bank Intranet, whose contents include, among other material, a distance training (e-learning) programme on the protection of information and on general security principles. This programme is addressed to all Bank Personnel. The same portal also offers information on known threats, together with advice and security practices, news from all over the world on security incidents and advances in technology as well as educational videos.

The Bank takes all necessary measures to ensure compliance with the General Data Protection Regulation (Regulation (EU) 2016/679).

In 2017, eight (8) customer complaints concerning the potential violation of their privacy and the likely loss of their personal data were submitted to the Bank. These complaints were investigated and responses were provided, as appropriate.

Finally, it should be pointed out that on the basis of the cases referred to the Bank by the Hellenic Data Protection Authority, no incidents involving the violation of customer privacy and the loss of personal customer data were established.



## RESPONSIBLE REPORTING, CUSTOMER SERVICE AND SATISFACTION

### MATERIAL ISSUE

Responsible reporting to Customers and Customer satisfaction constitute primary goals of the Bank, while addressing all Customers' banking needs in a modern and responsible manner is the daily concern of its Employees.

In order to provide full and transparent information to its Customers, Alpha Bank ensures that the principles that govern customer service and assure customer satisfaction are communicated to them in writing or verbally. A key method employed to identify customer needs and to measure and enhance customer satisfaction is carrying out surveys at regular intervals.

Moreover, in order to ensure that Customers receive full and complete information, the Bank complies with the regulatory framework in force and makes sure that they are supplied with the necessary information about the products and services it provides (see also Responsible Operation – Corporate Governance, Risk Management and Compliance – Compliance and Transparency in Banking Transactions).

### CUSTOMER RELATIONSHIP MANAGEMENT

Aiming for the constant enhancement of positive Customer experience, which leads to the continuous reinforcement of the relationship between Customers and the Bank, the Bank analyses Customers' transaction behaviour and processes related data, in order to meet the needs of its Business Units. The Bank builds on the feedback received in response to the activities it carries out and leverages technology (such as the SMART Portal IT tool) in order to implement its customer-centred approach.

#### SMART Portal: Continuous upgrade, expansion and optimisation of functionality

The **SMART Portal** continues to be one of the most significant strategic and business tools that provide Bank Officers with daily and real time-online updates, offering a comprehensive picture of the Bank's Customers.

It is worth mentioning that in 2017 the use of this tool expanded significantly, to include Divisions and authorised Officers beyond the Branch Network. Hence, the overall customer experience was further enhanced and customer service was maintained at a high level.

In this respect, a significant number of centrally planned activities were carried out. These activities relied on the comprehensive integration into the system of the feedback received from previous activities and were addressed to specific target audiences. Thus, **the Bank's relationships with its Customers, which are defined by loyalty, trust and mutual benefit (win-win relationships), were further strengthened.**

The aforementioned tool is constantly updated, it evolves and is interconnected with the Bank's core operational and information systems, so that customer service levels can be further enhanced.

#### New cloud application for e-mail notifications to Customers

In 2017, the launch of the operation of the new cloud (i-cloud) application, with which the CRM Division can send e-mail notifications to Customers and thus meet multiple business requirements, was decisive.

This innovative function, which makes use of cutting-edge technology, allows the CRM Division to schedule, populate and send large numbers of e-mails to Customers, in collaboration with the relevant Divisions. These e-mails involve notifications of informative as well as of promotional activities and are addressed to Customers who have stated their preference for receiving notifications from their Bank via this particular communication network.

## DATA ANALYSES BY THE CRM DIVISION

The analyses carried out by the CRM Division, in response to the successive and specialised needs and requirements of the Bank’s Business Units, continued intensely during 2017 as well, leading to new proposals on products and services.

Thus, business decision-making is significantly facilitated and is based on the satisfaction of actual customer needs, which guarantees trust and helps build long-term relationships with Customers.

### DISTINCTIONS IN 2017

The Bank received its **fourth consecutive international distinction** from the **European Society for Quality Research (ESQR) Organisation**, this time in the category “International Diamond Prize for Excellence in Quality 2017”.

The Bank has received the following distinctions from the ESQR Organisation:

- 2015: Award in the category “Quality Achievements Award”
- 2016: Award in the category “European Award for Best Practices”
- 2016: Award in the category “Quality Choice Prize”
- 2017: Award in the category “International Diamond Prize for Excellence in Quality”

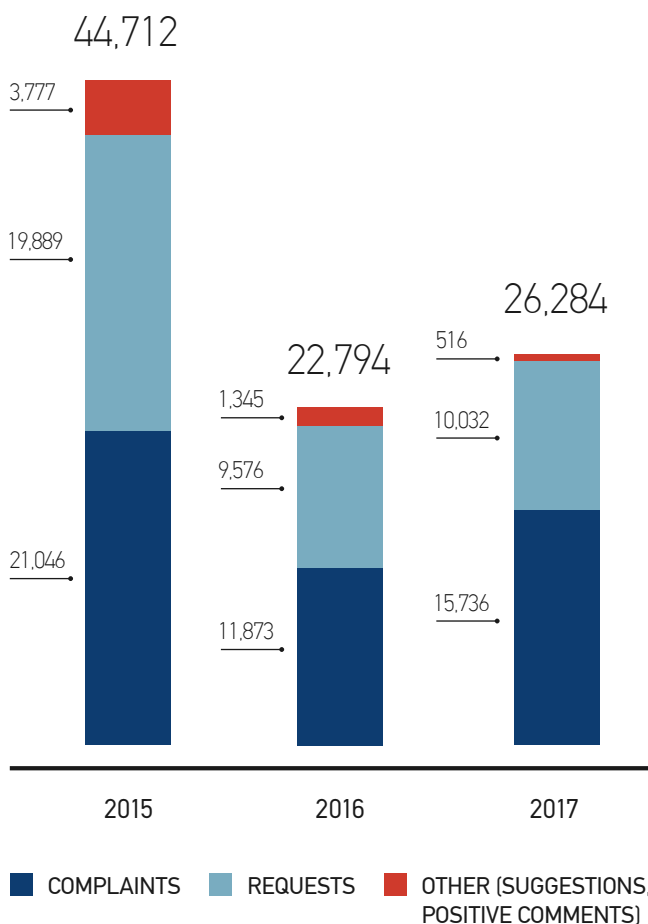
## QUALITY ASSURANCE – RECOMMENDATIONS MANAGEMENT

Quality assurance tasks are part of the responsibilities of Alpha Bank’s Operations Division and include the following:

- Planning and implementation of the standardised customer service policy and procedures framework for the Customers of the Bank in Greece and of the Group Companies abroad.

- Customer experience optimisation by resolving cases and mediating to find solutions to issues that arise.
- Support of special customer service tasks concerning Customers and market participants.
- Development and implementation of a strategy on quality management and customer service standards in the Bank’s Business Units.

In 2017, incoming cases stood at a total of 26,284, increased by 15% compared to 2016 (22,794), due mainly to the increase in complaints (by 33%). The increase in the number of complaints involved cases regarding the following: (a) collections, (b) seizure/freezing of bank accounts and (c) cards and loans.

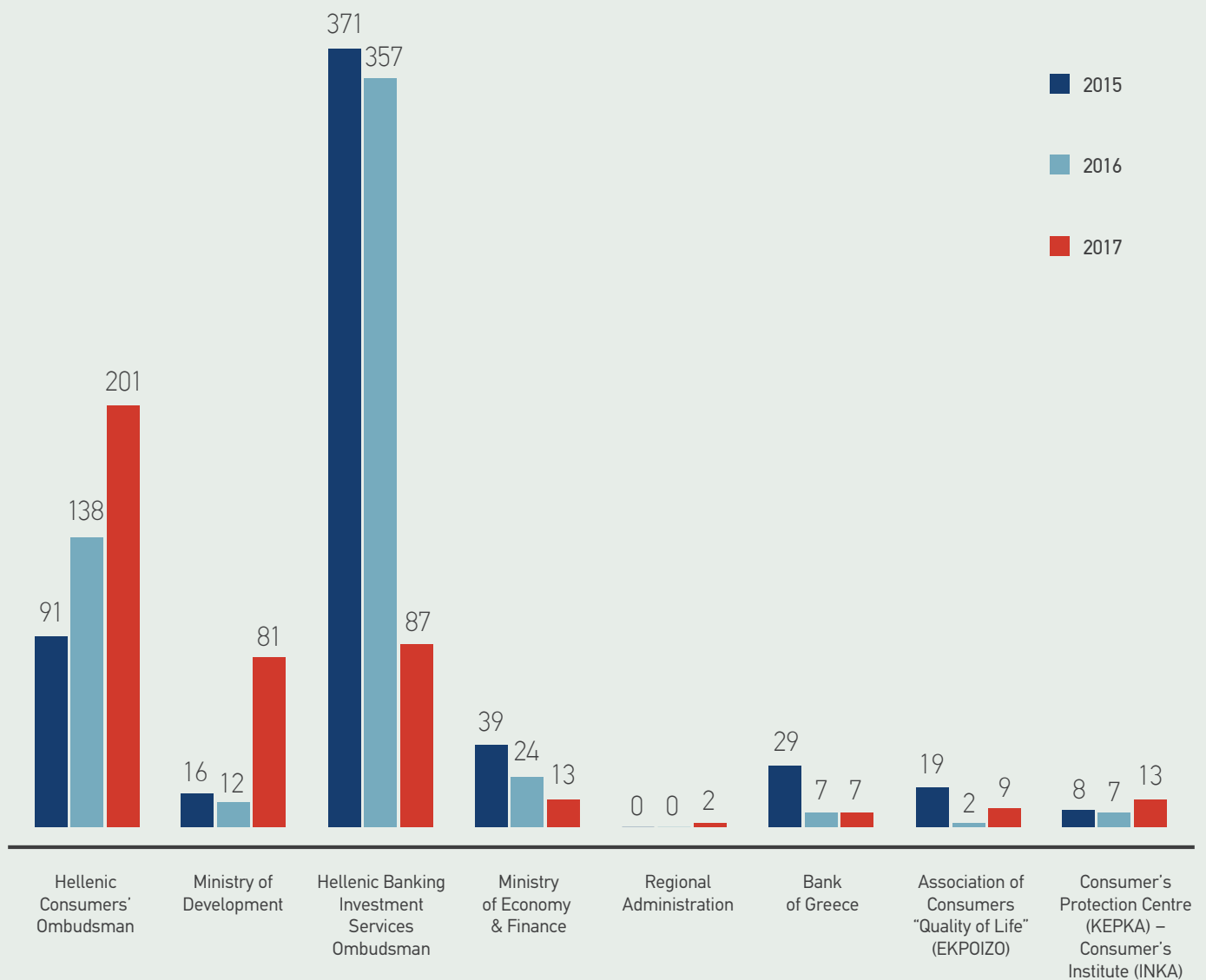


Data Source: RECOMMENDATIONS APPLICATION

Incoming complaints referred to the Bank by third parties (supervisory and non-supervisory) were **reduced by 24%**, down to 413 cases compared to 547 cases in 2016. They also account for 3% of the total number of complaints for 2017, compared to 5% for 2016.

The **Hellenic Consumers' Ombudsman** is the main source of the cases submitted through third parties, accounting for **49%** of such cases against **25%** in 2016.

## INCOMING COMPLAINTS REFERRED BY THIRD PARTIES

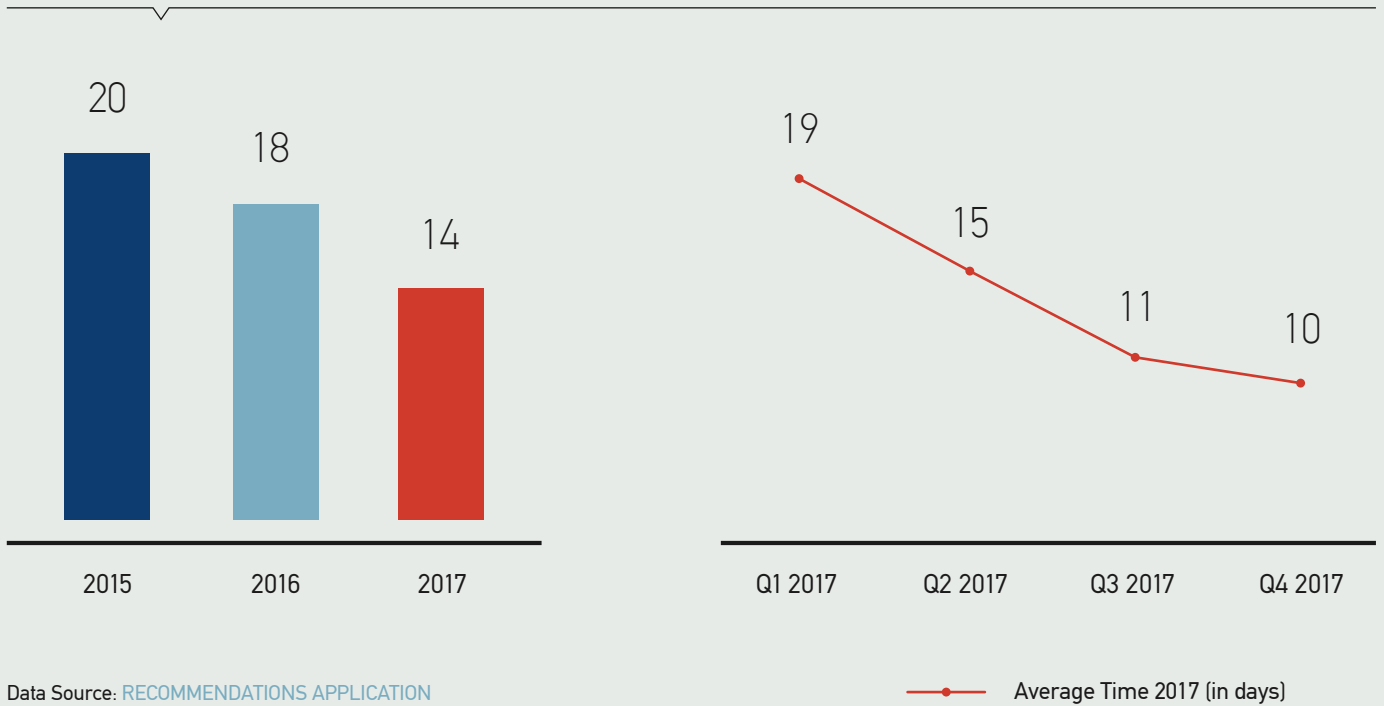


Data Source: [RECOMMENDATIONS APPLICATION](#)

In 2017, the **Average Complaint Resolution Time stood at 14 calendar days**, compared to 18 in 2016.

It should be pointed out that the Bank's goal is to resolve complaints within 20 calendar days from the moment they are registered in the Recommendations Application.

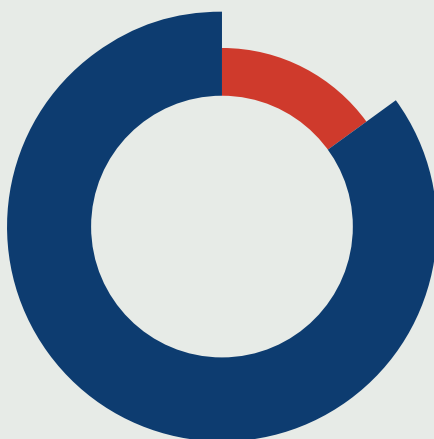
### AVERAGE COMPLAINT RESOLUTION TIME



Act 2501/31.10.2002 of the Governor of the Bank of Greece stipulates that "the result of the investigation and the relevant position of the Bank shall be made known to customers within 45 calendar days of the date the complaint was filed with the bank".

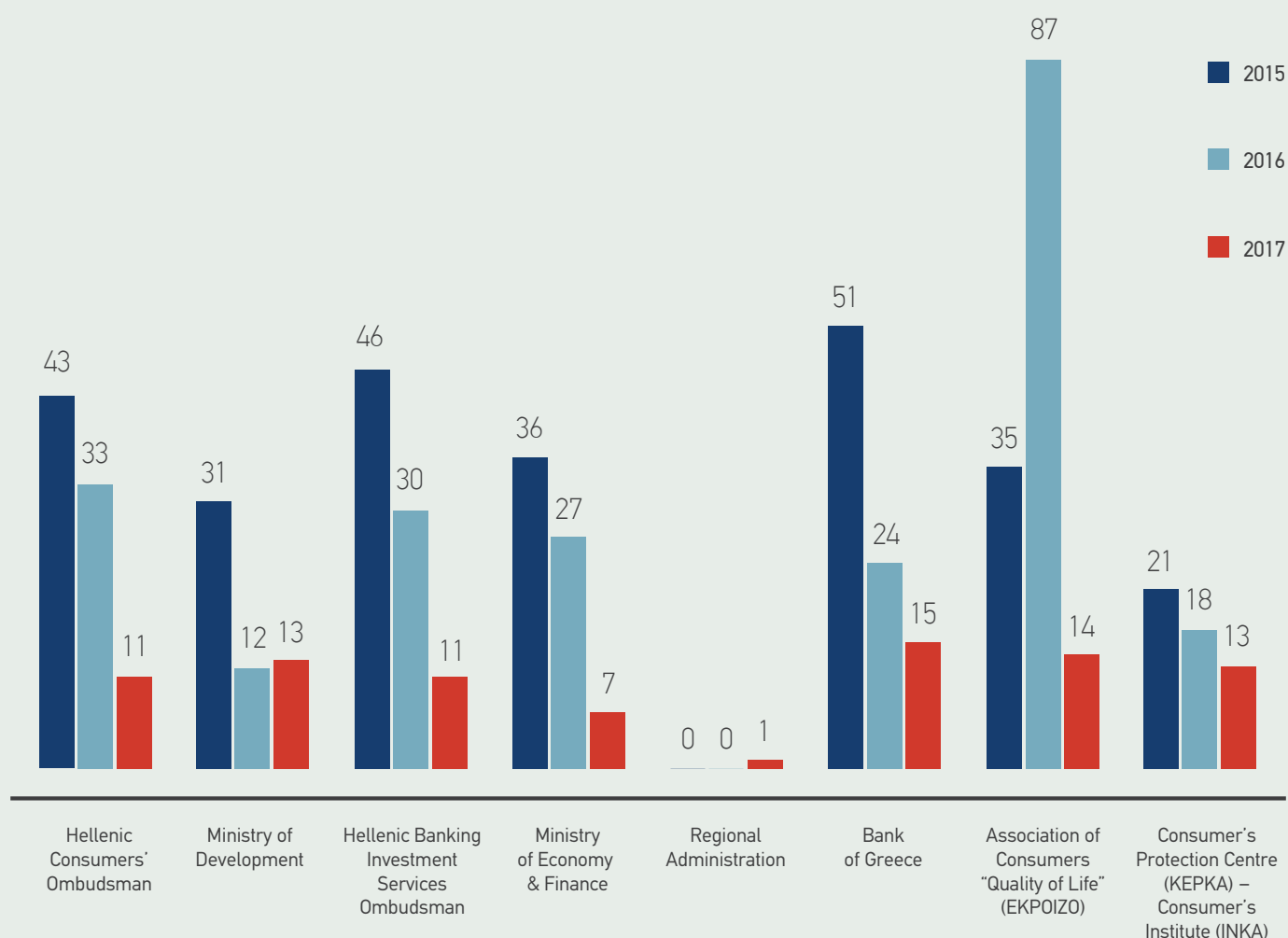
With regards to the aforementioned obligation, in 2017 the **percentage of cases that were resolved after the lapse of the 45-day time limit stood at 15% of the total number of resolved cases**.

As regards the cases referred to the Bank by third parties, the **Average Resolution Time registered an improvement and stood at 12 calendar days compared to 30 in 2016**.



- 15% > the 45-day time
- 85% ≤ the 45-day time

## AVERAGE RESOLUTION TIME OF CASES REFERRED BY THIRD PARTIES



Data Source: [RECOMMENDATIONS APPLICATION](#)

## SATISFACTION SURVEY OF CUSTOMERS SUBMITTING COMPLAINTS

In 2017, in line with the Bank's ISO 9001:2008 certified Quality Management System, two Satisfaction Survey cycles of Alpha Bank Customers Submitting Complaints were carried out.

**Method:** Quantitative survey via telephone interviews (CATI) with the Bank's Customers.

**Population-Target:** Individual Customers of the Bank who have placed a complaint that has been answered. The population of the survey was created by the Bank through a random choice of Customers. The Bank sent an SMS to the Customers, informing them of the survey and that they will receive a call from TNS Survey Company.

**Sample:** N=813 interviews conducted in 2 phases, including all categories of Individual Customers (natural persons), irrespective of deposit balance, type of account etc.

## AGGREGATED RESULTS

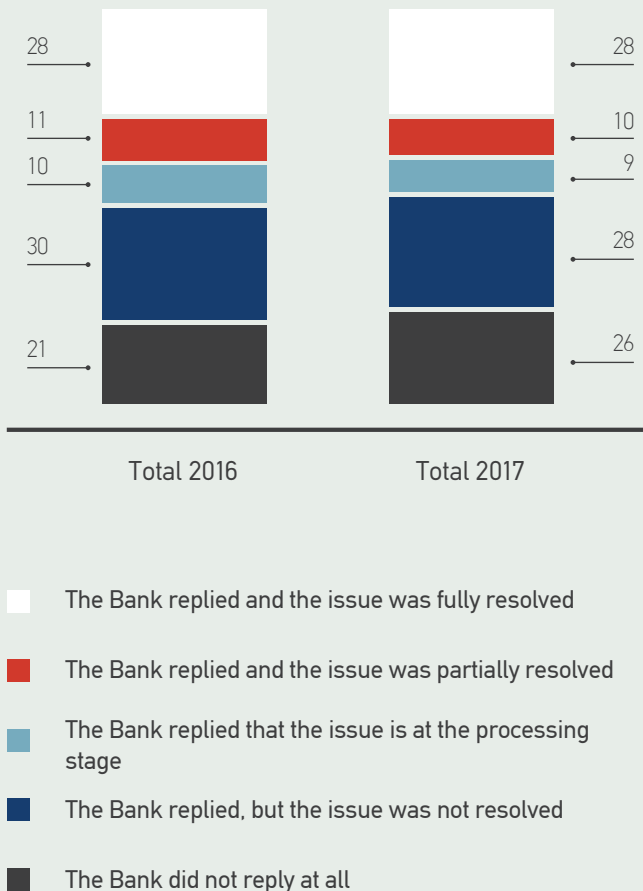
### TRI\*M Index

The TRI\*M Customer Satisfaction Index measures customer loyalty (with a measurement range from -50 to +150).

For the total number of Alpha Bank Customers who submitted complaints, the TRI\*M Index for 2017 **improved by six (6) points** and stood at 37 compared to 31 for 2016, yet this value is considerably lower than the one obtained for all the Customers of the Bank.

## CUSTOMERS' PERCEPTION OF COMPLAINT RESOLUTION

Although 2017 marked an increase in the number of Customers who reported that their problem was fully resolved by the Bank, these remain a minority, as most Customers report that their problem has not yet been resolved/answered.



## OVERALL ASSESSMENT OF COMPLAINTS MANAGEMENT

In 2017, a decrease was observed in the percentage of Customers who assess their complaints management with a rating of "Average/Bad".

Total 2016 (N=818)



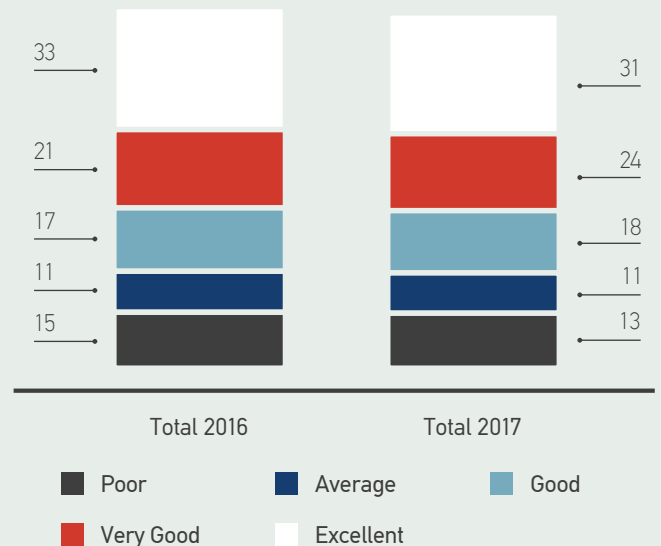
Total 2017 (N=813)



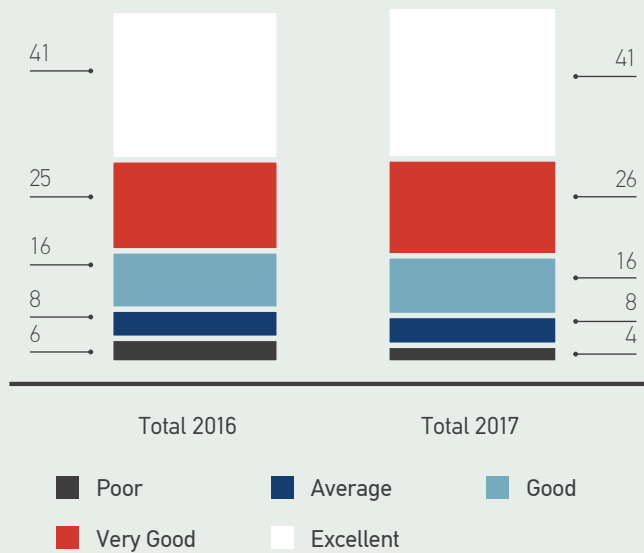
## ASSESSMENT OF THE CUSTOMER SERVICE PROVIDED BY PERSONNEL

For yet another year, in 2017 Customers assessed positively the politeness and willingness of the Officers of the Customer Recommendations Management Section and the First Data Hellas Officers operating the complaints and suggestions telephone line as well as their understanding of the nature of the complaints made.

### Understanding of the complaint by the Customer Service Officer



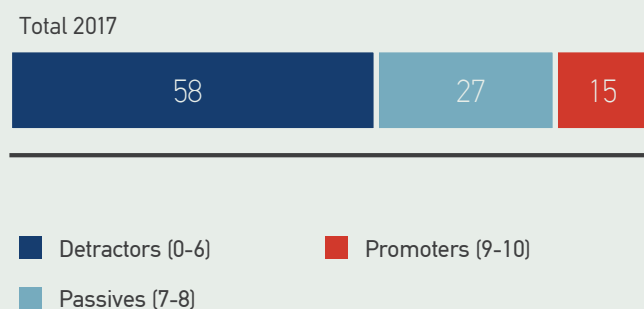
### Courtesy and willingness to help by the Customer Service Officer



### NET PROMOTER SCORE – NPS (PROMOTERS – DETRACTORS) AND ASSESSMENT OF CUSTOMER COMPLAINT MANAGEMENT

In accordance with the NPS methodology, depending on their responses, which are given using a rate scale from one (1) to (5), Customers are divided into “Promoters” (supporters), who are loyal and enthusiastic, “Passives” who are satisfied and, finally, “Detractors” (critics), who are not satisfied. The difference between the number of “Promoters” and “Detractors” is the Net Promoter Score.

The NPS stood at low levels in 2017, with six out of every ten Customers being “Detractors”.



### KEY FINDINGS

The overall findings of the research show the following:

- Customers have assessed **positively** the way in which they are approached by the Customer Support Officers, which is defined by politeness and the willingness to find a solution to the Customer’s complaint.
- **The time taken to resolve complaints and the completeness and clarity of the answers provided** are the key areas for improvement, which in turn can lead to a higher level of positive customer experience and to higher values of the TRI\*M Index for the Bank.

### NATIONAL CUSTOMER SERVICE WEEK

Alpha Bank participated in the **National Customer Service Week** celebrations, organised from October 2 to 7 2017 under the auspices of the Hellenic Institute for Customer Service, with a series of activities coordinated by the Operations Division.

The **National Customer Service Week** is an international initiative whose aim is to highlight the vital role of Customer Service and to reward the people who serve and support Customers on a daily basis.

### CONSUMER RESEARCH SURVEYS

Alpha Bank, in line with its goal to remain tuned in to the needs of its Customers, designed and carried out its consumer research plan for 2017. As in previous years, the implementation of the Bank’s consumer research plan relied on the use of quantitative and qualitative methods and on the combination of multiple-wave survey tools (“Barometer” and “Customer Satisfaction Survey”) with the coverage of specialised subjects.

In 2017, the Bank managed to attain, for yet another year, its ultimate goal, which is to understand its Customers’ needs and provide them with services that take their banking experience to the next level and strengthen its relationships with them.

Customers acknowledge that their banking experience is enhanced with the expansion of the service networks placed at their disposal and, especially, electronic ones. The increase in the use of electronic channels for banking transactions, which was noted in 2016, continued in 2017 as well.

The Bank's overall assessment rating in 2017 improved, in terms of the ratings given by Customers conducting business with the Bank (by 4 percentage points), as well as those stating that Alpha Bank is their primary bank (by 2 percentage points)<sup>1</sup>.

At the same time, the selection of electronic service networks (web and mobile banking) for use in transactions, as well as their usage rates, increased compared to 2016.

Based on the Customers' statements, the usage rate of Alpha Web Banking increased significantly (by 8 percentage points). Since the first half of 2017, this Service was already receiving high customer satisfaction ratings for being "easy to use" (74% of "excellent/very good" ratings on a scale of 1 to 5).

The functionally upgraded Alpha Mobile Banking app, enriched with new possibilities, such as the easy calculation of tax deduction, the quick login to the application using fingerprint authentication or a 4-digit Code (PIN) and the "Alpha Quick Transfer" option that allows the direct transfer of small amounts to the persons whose numbers are included in the telephone's contact list without the need to use the beneficiary's account number, received higher customer satisfaction ratings compared to 2016<sup>2</sup>.

Additionally, the enriched Alpha Mobile Banking service received higher customer ratings compared to 2016 in all measurement indicators: 78%\* for being "easy to use" (with a statistically significant difference from 2016), 73%\* for "security in transactions" and 54%\* for "technical support the moment I need it"<sup>2\*</sup>.

Thus, users of the Bank's electronic networks describe the Bank as "a Bank that supports its Customers" and "a Bank that leverages technology for the benefit of its Customers"<sup>2</sup>.

At the same time, the Customers' assessment of the Alphaphone Banking service and the range of possibilities it provides improved in 2017 in terms of all the features that determine the quality of customer experience/service<sup>2</sup>.

Overall, the Customer Satisfaction (TRI\*M) Index for the Bank remained high, with a score of (59) for "efficiency/preference" across all Customers of the Bank and (66) for Customers whose primary bank is Alpha Bank.

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### Identity of the Research Surveys

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#### Quantitative Customer Satisfaction Survey for 2017

Company: Kantar TNS

Country-wide survey via telephone interviews with Individuals-Customers aged 18-75.

Survey sample N=3,100 individuals (Alpha Bank Customers N=1,900/Competition Customers N=1,200).

Survey period: February-April 2017

#### Alpha Bank Barometer Quantitative Survey

Company: QED

Single-wave Telephone Survey (CATI) using a sample of N=500 individuals/wave, consisting of men and women aged 25-64, in Athens, Thessaloniki and urban centres. Eleven (11) monthly survey waves took place during 2017.

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<sup>1</sup> Source: Barometer Quantitative Survey

<sup>2</sup> Source: Quantitative Customer Satisfaction Survey

\*"Excellent/Very Good" ratings on a scale of 1 to 5



## RESPONSIBLE MARKETING

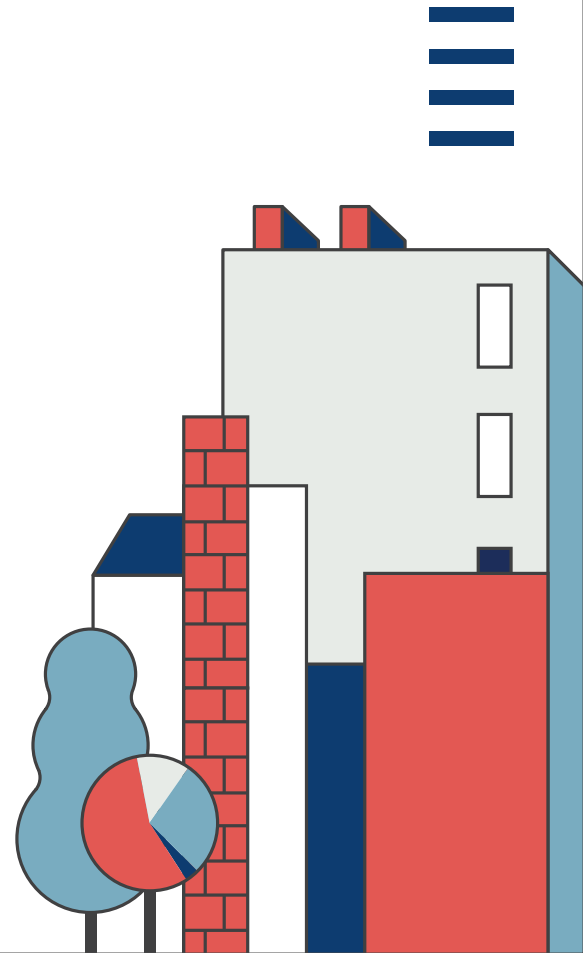
To ensure its Customers' trust in its products and services, Alpha Bank pays particular attention to ongoing communication and dialogue.

The Bank's advertisements present all the details necessary to inform the public about its products and services. When a particular advertising medium cannot convey adequate details due to space or time limitations, the Bank's website ([www.alpha.gr](http://www.alpha.gr)) and the Bank's Call Centre number are always provided, selectively accompanied by a two-dimensional barcode (QR code) for quick access to more detailed information.

Every advertising communication plan is assessed by the relevant Divisions of the Bank and, if required, by the Legal Services Division or by the Compliance Division, to ensure objectivity when providing information. In this respect, the Bank complies with the regulatory framework in force regarding transparency in providing information to contractual parties, pre-contractual information, advertising as well as the terms of contracts with its Customers.

It should be pointed out that the Bank takes care to ensure that Customers are provided with the fullest possible information regarding financial management matters. To this end, relevant information leaflets of the Hellenic Bank Association are distributed at the Bank's premises, with simultaneous promotion of face-to-face communication and briefings of Customers by the Personnel of the Bank in charge.

Finally, no incidents of non-compliance with regulations concerning advertising communication and Marketing in connection with the Bank's products and services occurred in 2017.





TOGETHER  
WITH OUR PEOPLE

79



Alpha Bank's Employees constitute its most valuable asset and its cornerstone, as the Bank's growth and the achievement of its goals largely depend on their competence. Flexible, committed, united and with a strong sense of responsibility, they adapt successfully to the ever-changing circumstances. Additionally, employee training and development are key to the achievement of the Bank's business goals to offer quality, upgraded services as well as to the Employees' personal development and advancement.

## MANAGEMENT OF HUMAN RESOURCES

MATERIAL  
ISSUE

A key factor in increasing performance and enhancing creativity and innovation at Alpha Bank is making the best of Employees with equal opportunities in terms of development and advancement, based on uniform qualification and competence evaluation procedures.

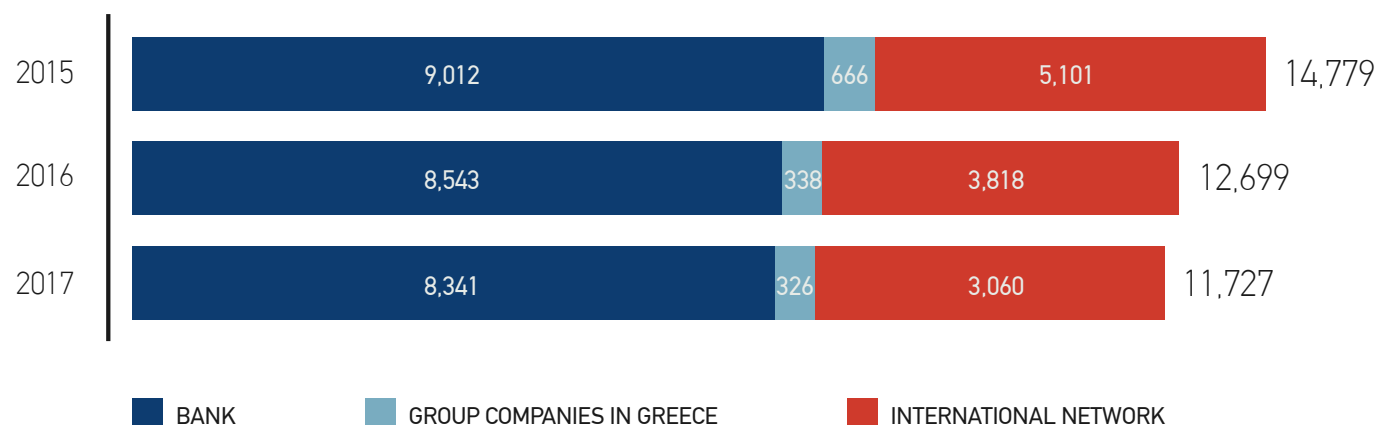
By building a positive work environment and enhancing the personal well-being of Employees, the Bank strives to constantly provide the proper infrastructure that will ensure a fair compensation for their work and enable a more effective customer service. The optimal use of technology and modern practices in basic human resource management functions helps optimise internal procedures, thereby improving employee experience and fostering a relationship of mutual trust and reciprocity.

The goal for 2018 is to further strengthen our online applications combined with the optimal use of all available resources across a wide range of services supporting Human Resources. Fulfilling the expectations of Employees is something that guides Alpha Bank which, together with its Personnel, evolves powerfully.

### EMPLOYMENT

At the end of 2017, Alpha Bank employed **8,341** persons, while the corresponding number for the entire Group stood at **11,727**.



## EVOLUTION OF THE ALPHA BANK GROUP HUMAN RESOURCES



• Figures refer to the number of Employees as of 31 December of the respective year.


It should be pointed out that the reduction in Personnel numbers in Greece and abroad is due to the implementation of the Restructuring Plan aimed at reducing operating costs.

## HUMAN RESOURCES OF THE ALPHA BANK GROUP BANKS ABROAD IN 2017

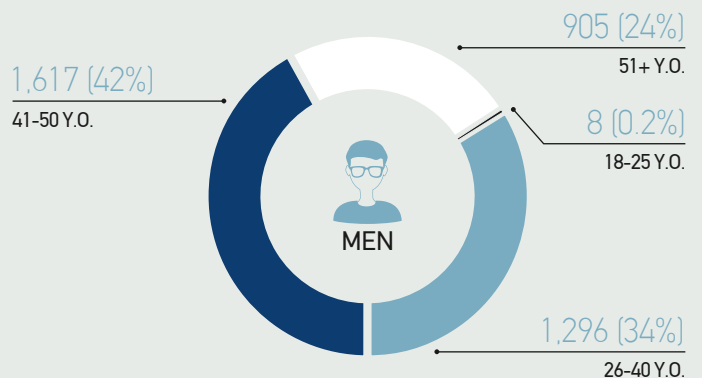
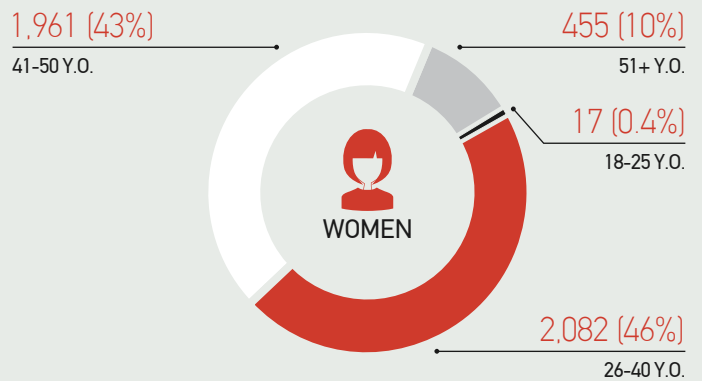
|   | CYPRUS | ROMANIA | ALBANIA |
|---|--------|---------|---------|
|  MEN   | 392    | 475     | 152     |
|  WOMEN | 230    | 1,479   | 270     |

## ALPHA BANK PERSONNEL BREAKDOWN AS OF 31.12.2017

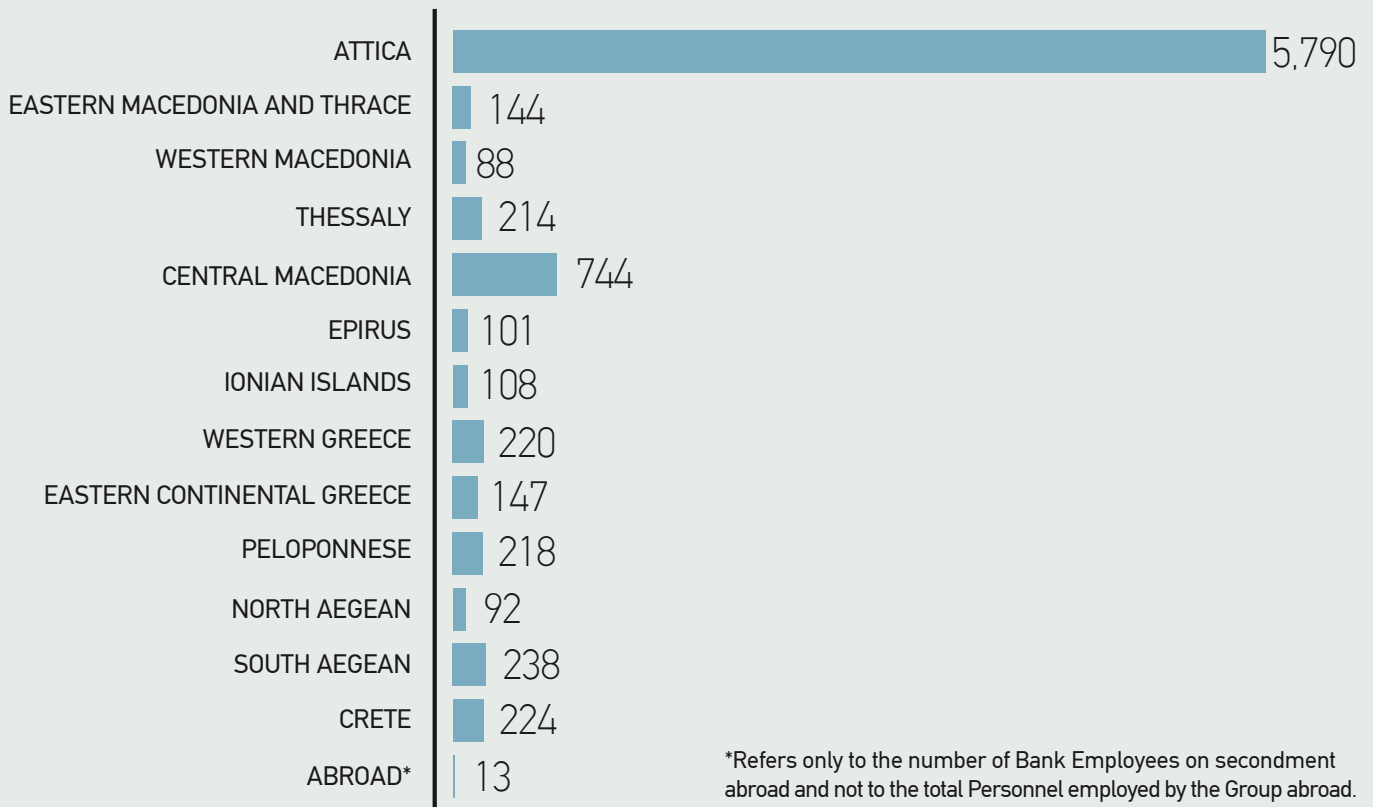


 WOMEN  
4,515 (54%)

 MEN  
3,826 (46%)

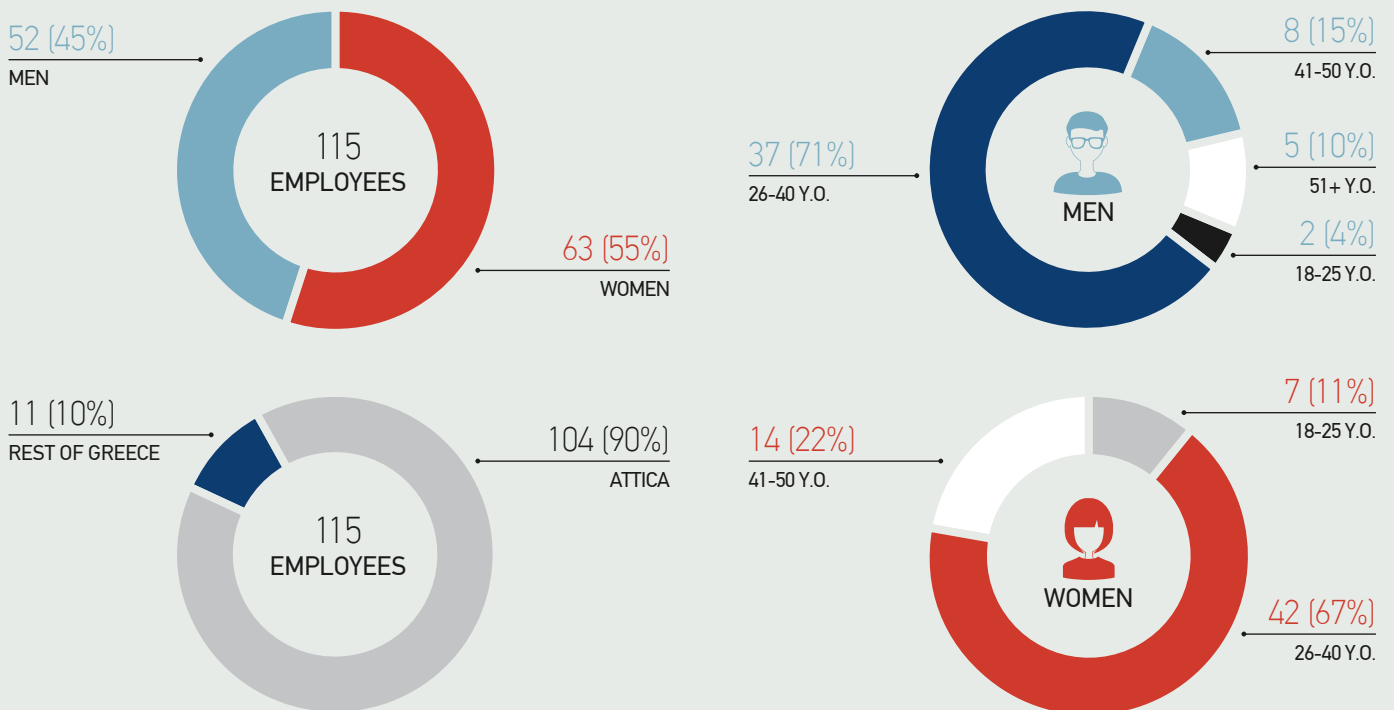


ALPHA BANK PERSONNEL - BREAKDOWN BY GEOGRAPHIC REGION AS OF 31.12.2017



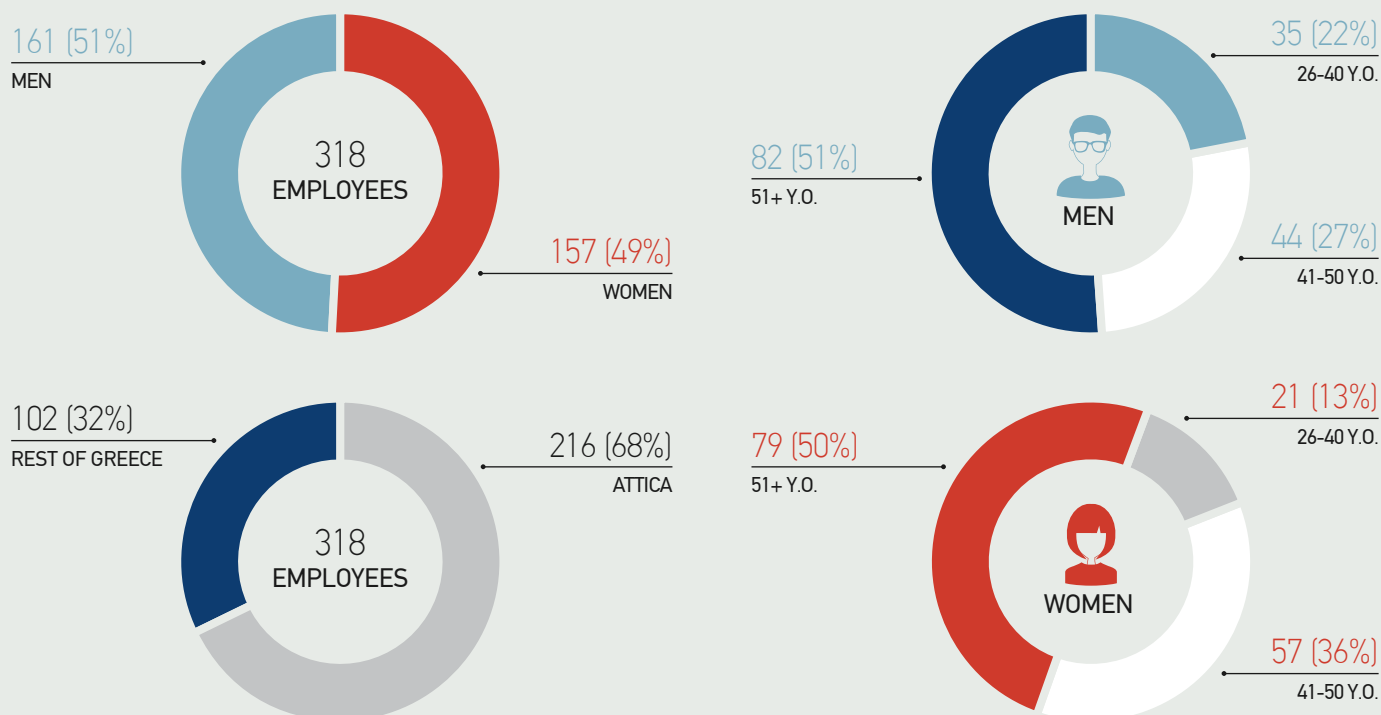
REGULAR PERSONNEL RECRUITMENT IN 2017

• Recruitment of new employees as a % of all Personnel **1.4%**



## REGULAR PERSONNEL DEPARTURES IN 2017

• Departures as a % of all Personnel **3.8%**



## EMPLOYEE PERFORMANCE EVALUATION AND DEVELOPMENT

### Online Evaluation System

The Bank has established a Performance Evaluation System, based on which all its Personnel is evaluated annually. According to this system, the evaluation is based on targets and characteristics/attributes, depending on each position.

The results of the performance evaluation process are used in rank-based promotions, staffing, the selection of Executives for promotion and Personnel training.

| EVALUATION FORMS FOR THE YEAR 2017*                   | QUANTITY |
|---|----------|
| TOTAL EVALUATION FORMS RECEIVED                       | 6,931    |
| TOTAL POPULATION FULFILLING THE EVALUATION CONDITIONS | 7,939    |

\*The total population evaluated also includes Employees who had not been included in the Bank's workforce on 31.12.2017 but have been evaluated for the previous year.

## Promotions

Drawing on the results of the Performance Evaluation System and in line with the corporate practice of Internal Announcements on vacancies, 860 persons were promoted in 2017, thus broadening their scope of work and their areas of responsibility.

## Relocations – Transfers

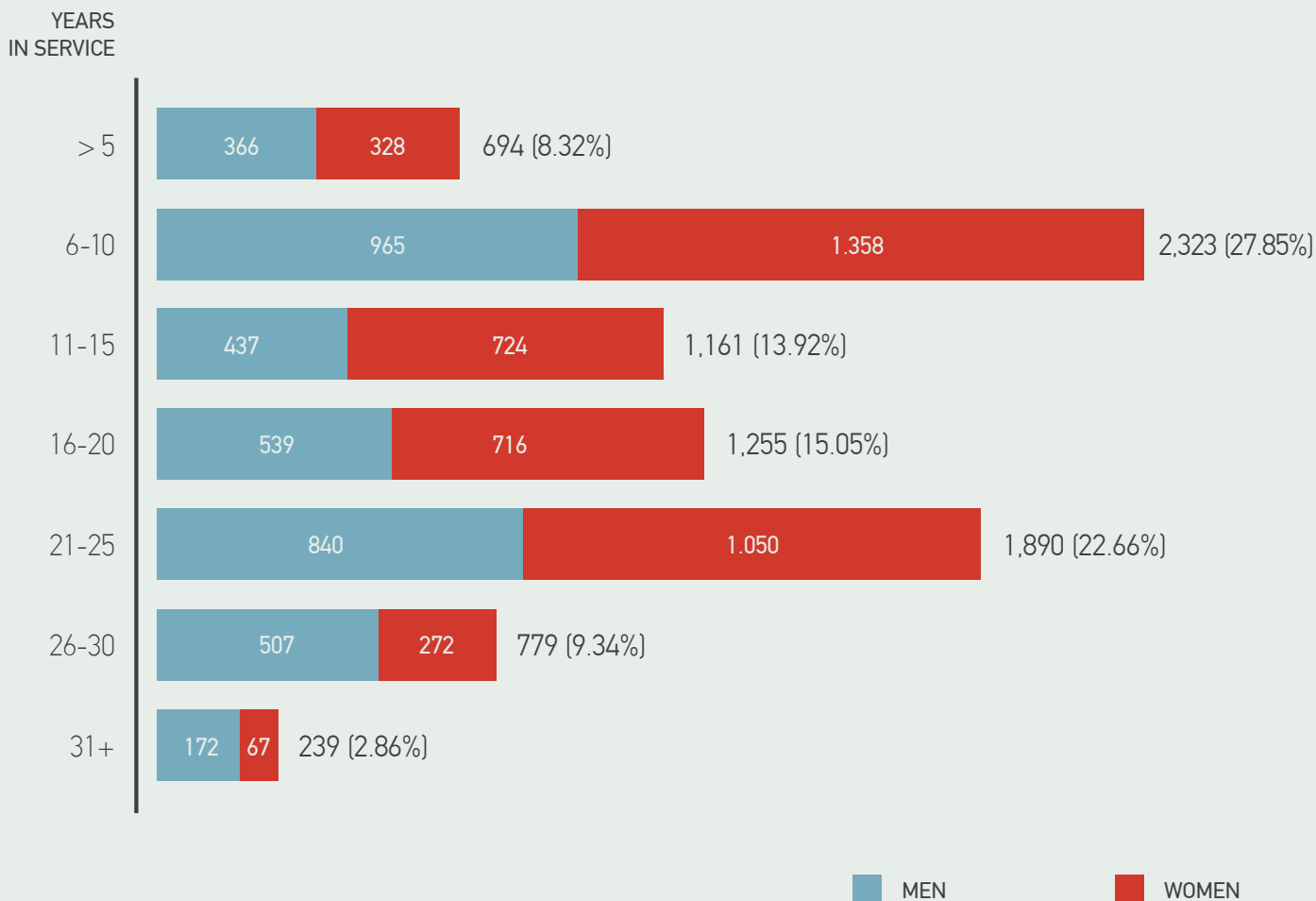
In 2017, the percentage of completed transfer requests amounted to 39.5% (out of a total of 220 applications). Meanwhile, 15 Internal Announcements with an open invitation to all Personnel were published and 37 appointments were made.

## EMPLOYEE COMMITMENT INDICATOR (YEARS OF SERVICE)

Alpha Bank’s Employees create value for the Bank and the society with their professionalism, commitment and hard-working attitude.

The Bank invests in and trusts young people, while at the same time it rewards and honours the commitment of Employees with many years of experience. This is also demonstrated by the annual award events organized for Employees who have completed 25 and 35 years of service. The diagram below shows the breakdown of the Bank’s Employees in terms of their years in service, given in 5-year increments.

### BREAKDOWN OF REGULAR PERSONNEL ACCORDING TO YEARS IN SERVICE ON 31.12.2017





## INTERNSHIP EMPLOYMENT CONTRACTS – COLLABORATION WITH EDUCATIONAL INSTITUTIONS

In 2017, the Human Resources Division, after assessing the effectiveness of the previous internship programmes that were implemented in collaboration with the Athens University of Economics and Business, decided to extend its collaboration to other Universities whose postgraduate courses are relevant to the Bank's activities.

At the end of 2017, the Human Resources Division posted online a relevant promotional announcement in order to attract top-level postgraduate students, in collaboration with the Career Offices of the Athens University of Economics and Business, the University of Piraeus and the National Technical University of Athens. The duration of the internship is set to nine (9) months and prospective students are selected after a series of language and mathematics tests and personal interviews.

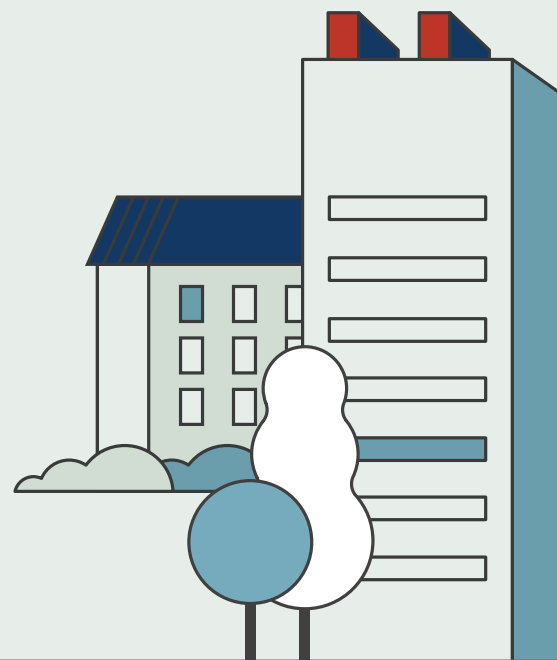
Similarly, the Human Resources Division pursued its collaboration with the University of the Aegean through the Hellenic Banking Institute.

Moreover, representatives of the Human Resources Division took part in the Career Days events organised by the Athens University of Economics and Business, the University of Piraeus, the ALBA Graduate Business School and the job search site Kariera.gr, in order to establish a substantial connection with the job market and promote the Bank as a potential employer.

Finally, 43 young people were employed in 2017 by the Bank, under internship or fixed-term employment contracts, in order to gain work experience.

## FAIR LABOUR PRACTICES

The Bank respects and defends the diversity of its Employees (in terms of age, gender, race, nationality, religious beliefs, disability/special capabilities, sexual orientation, etc.) and treats all Employees with respect. It ensures top-quality work conditions and opportunities for advancement that are based on merit and equitable treatment, free of discrimination. It offers fair remuneration, based on contracts which are in agreement with the corresponding national labour market and seeks to comply with the respective national regulations on minimum pay, working hours and the granting of leave.

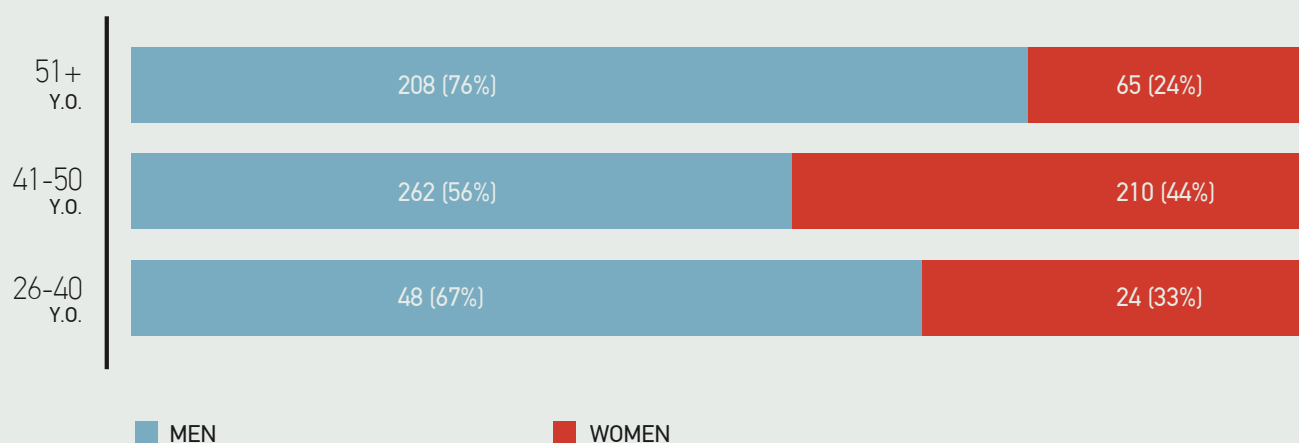


## DIVERSITY AND EQUAL OPPORTUNITIES AT WORK

| DIVERSITY INDICATORS  | 2015           | 2016           | 2017           |
|---|----------------|----------------|----------------|
| Women Employees   | 4,833 (53.62%) | 4,609 (53.95%) | 4,515 (54.13%) |
| Women in the Board of Directors                             | 3 (20%)        | 3 (23%)        | 1 (8.33%)      |
| Women in the Bank's Senior Management*                      | 1 (6.67%)      | 1 (5%)         | 1 (5.56%)      |
| Women in management positions<br>(Branch Manager or higher) | 312            | 291 (36.79%)   | 299 (36.60%)   |
| Employees belonging to minority groups                      | 3              | 4              | 3              |
| Managers belonging to minority groups                       | 2              | 2              | 1              |
| Employees with disabilities                                 | 166            | 166            | 154            |

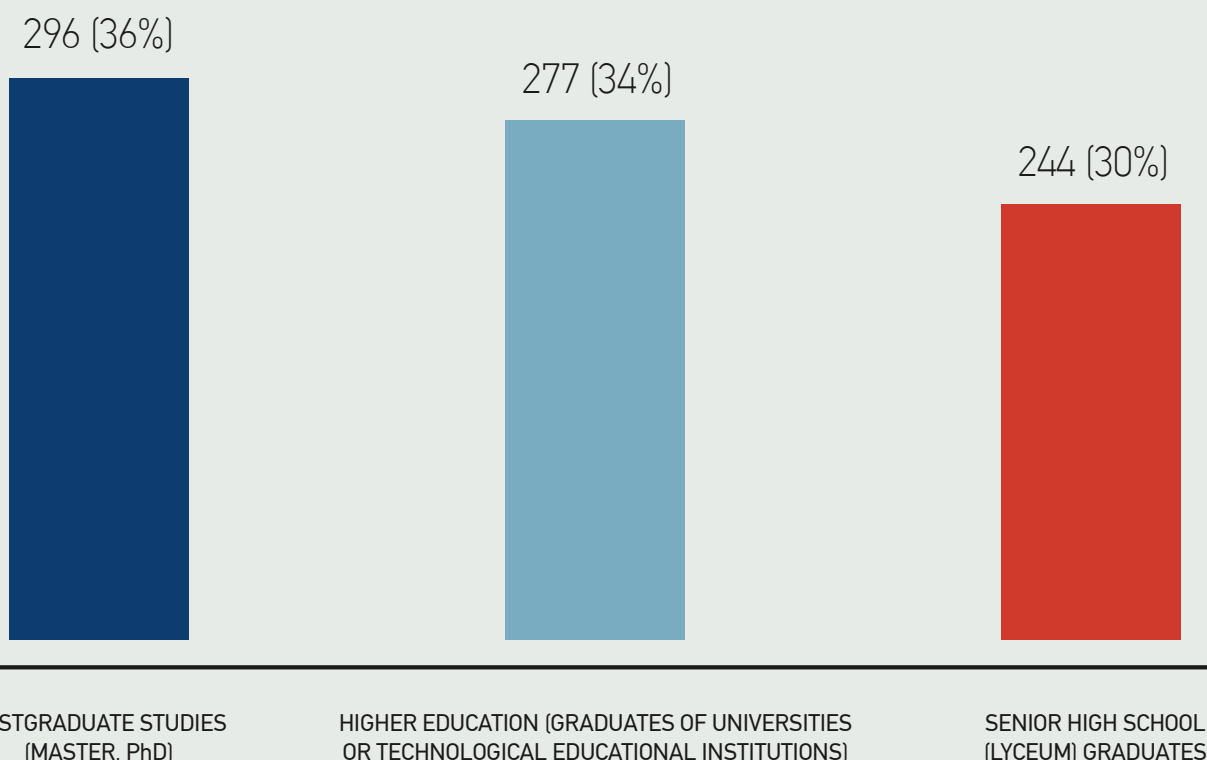
\*The following persons are included: the Chairman, the Managing Director - CEO, the Deputy CEOs, the General Managers and the Executive General Managers.

## AGE DISTRIBUTION OF PERSONNEL IN POSITIONS OF RESPONSIBILITY\* ON 31.12.2017



\*Branch Manager or higher.

## EDUCATIONAL LEVEL OF PERSONNEL IN POSITIONS OF RESPONSIBILITY\*



\*Branch Manager or higher.

The data on the total numbers of Employees in management positions and the corresponding percentages, by educational level, indicate that Employees in management positions who have a postgraduate education represent the highest percentage (36.23%) in 2017.

### PERSONNEL UNION REPRESENTATION

The Bank respects human rights, recognises the right to union membership and collective bargaining and opposes all forms of child, forced or compulsory labour. Collective bargaining and union membership rights are protected by national and international rules. Alpha Bank respects employee rights and is committed to safeguarding them fully, in accordance with the national and European law and the Conventions of the International Labour Organization.

The Sectoral Collective Labour Agreements apply to the entire banking sector, whereas the Collective Labour Agreements at Bank level apply to all of the Bank's regular Personnel. The effect of both Sectoral Collective Agreements and the Collective Labour Agreements at Bank level is independent of whether or not Employees are members of a labour union, at any rank.

Therefore, even though the number of Employees who are members of unions/associations is lower than the total number of regular Personnel, all regular Personnel are covered by both the Sectoral Labour Collective Agreements and the Collective Labour Agreements at Bank level, as explained above.

There is a total of four (4) employee unions at Alpha Bank, representing 91.81% of its Human Resources. Of these, the one that is the most representative is recognised as the body in charge of representing Employees in labour negotiations with the Management.

## EMPLOYEE TRAINING AND DEVELOPMENT

MATERIAL  
ISSUE

Training ensures that the training needs of the Personnel are covered, thus preventing any gaps or weaknesses in connection with the human resources employed. Training needs arise in connection with specific knowledge areas, areas of experience or even personal skills, manifesting themselves as behaviour in the workplace. Through appropriate training programmes, the Training Division addresses any weaknesses and further bolsters the comparative strengths of the Bank Personnel's professional competence.



In 2017, the Bank carried out its regular annual Training Programme which included a large number of subject areas covering these four areas of training policy:

1. Induction Training and General Banking
2. Training for Retail Customer Service Employees
3. Training for Business Customer Service Employees
4. Management Training

The annual Training Programme, which is addressed to all Bank Personnel, combined with the training programmes organised (in-house or at premises outside the Bank) to cover the specialised needs of the Head Office Units as well as the training programmes for Internal or External Certifications, constitute Alpha Bank's overall Training Policy. The training needs of the Personnel are identified by following: **a)** the global approach (i.e. on the basis of audit findings, needs expressed in the course of gathering the training needs of Bank Divisions, etc.) and **b)** the personalised approach (i.e. on the basis of requests submitted by the Units for specific Employees whose names and respective requests are mentioned on the summary table which is posted on the Alpha Bank Intranet as well as on the basis of needs that arise from the information contained in the Evaluation Forms).

The innovative training activities of 2017 included:

- Two new training programmes (classroom or e-learning courses) to address the training needs resulting from the migration of the housing loans management application to the Siglo system. The needs were successfully addressed and the migration took place smoothly.

- Addressing the training needs that emerged from the modification of the Branches of the Bank's Network based on the type of Financial Services offered, but also from the restructuring of the Branch Network. All requests that were submitted from the Branch Divisions were attended to.
- Renewing the validity of the Mutual Fund Shares Certificates held by Executives and Employees of the Bank by issuing new ones, according to the framework introduced by the Hellenic Capital Market Commission and the Bank of Greece in their joint decision in 2015. Specifically, 169 Executives and Employees of the Bank successfully participated in the training programmes and the exams organised by the Business Administration Department of the Aristotle University of Thessaloniki and the Department of Finance of the Athens University of Economics and Business.
- Providing, once again, the updated induction training programme "European Foundation Certificate in Banking" which was delivered by the Hellenic Bank Association. This pioneering initiative was also highlighted in a special Press Release that was issued by the European Banking Training Network. It is worth pointing out that Alpha Bank is the only Bank to conduct this training programme in Greece. The programme is concluded with a certification exam.
- Finally, in December 2017, the Internal Certification exams of the Internal Audit Division marked the completion of the Bank's certification cycle, which began three years ago and involved 60 Auditors of the Bank and the Group Companies in Greece and abroad. The organisation of the training courses and the teaching of the relevant subjects had been entrusted to the Department of Finance of the National and Kapodistrian University of Athens.

### Compliance of the Training Division

All training programmes intended for the renewal of certifications for Bancassurance operations within the regulatory framework laid down by the Bank of Greece were approved for yet another year by the said regulatory authority.

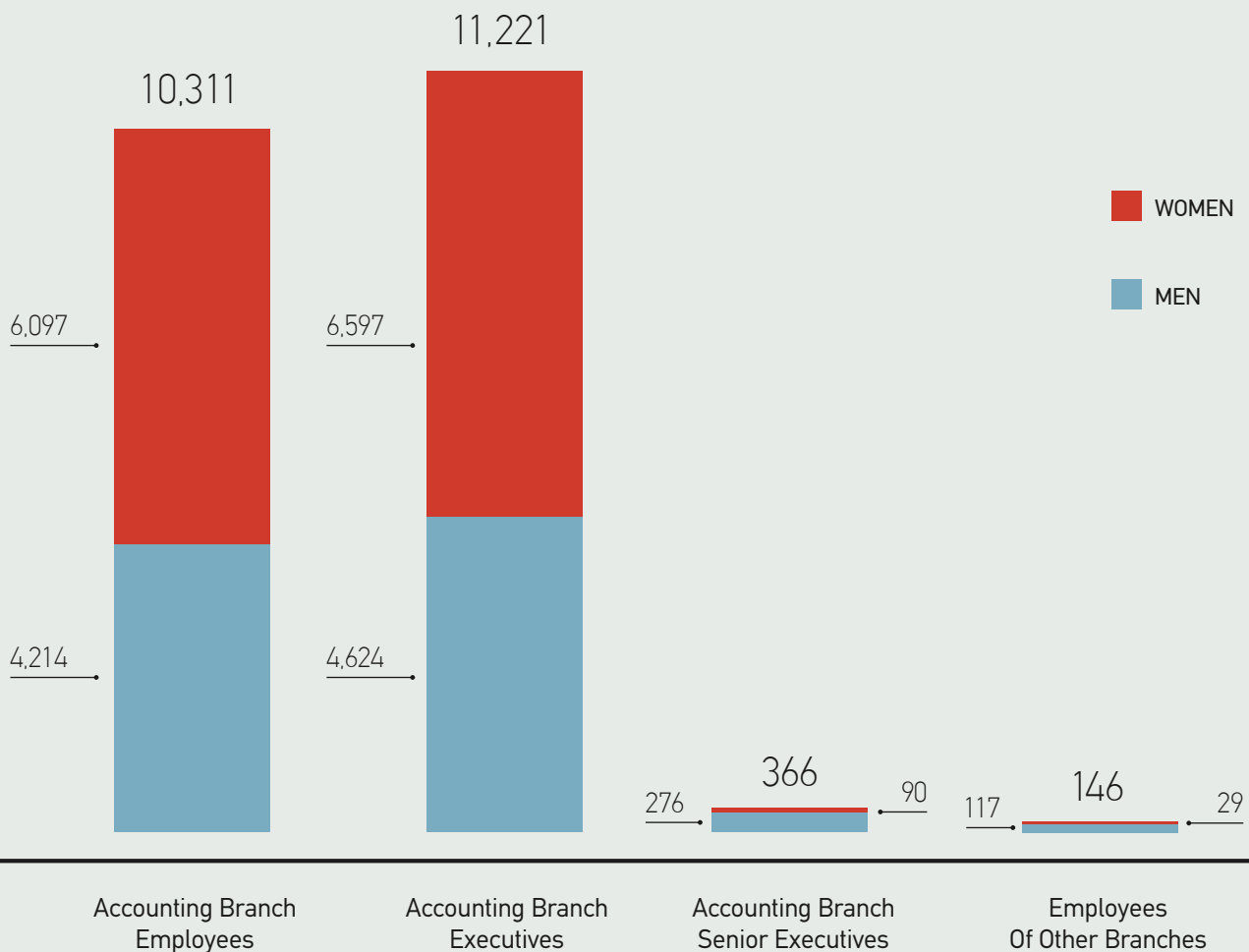
In 2017, all permanent Trainers, including Members of the Training Division, were certified as Trainers for Adults by the National Organisation for the Certification of Qualification and Vocational Guidance, after successfully passing the relevant exams of the Ministry of Education, Research and Religious Affairs.

### Participation in Training Programmes

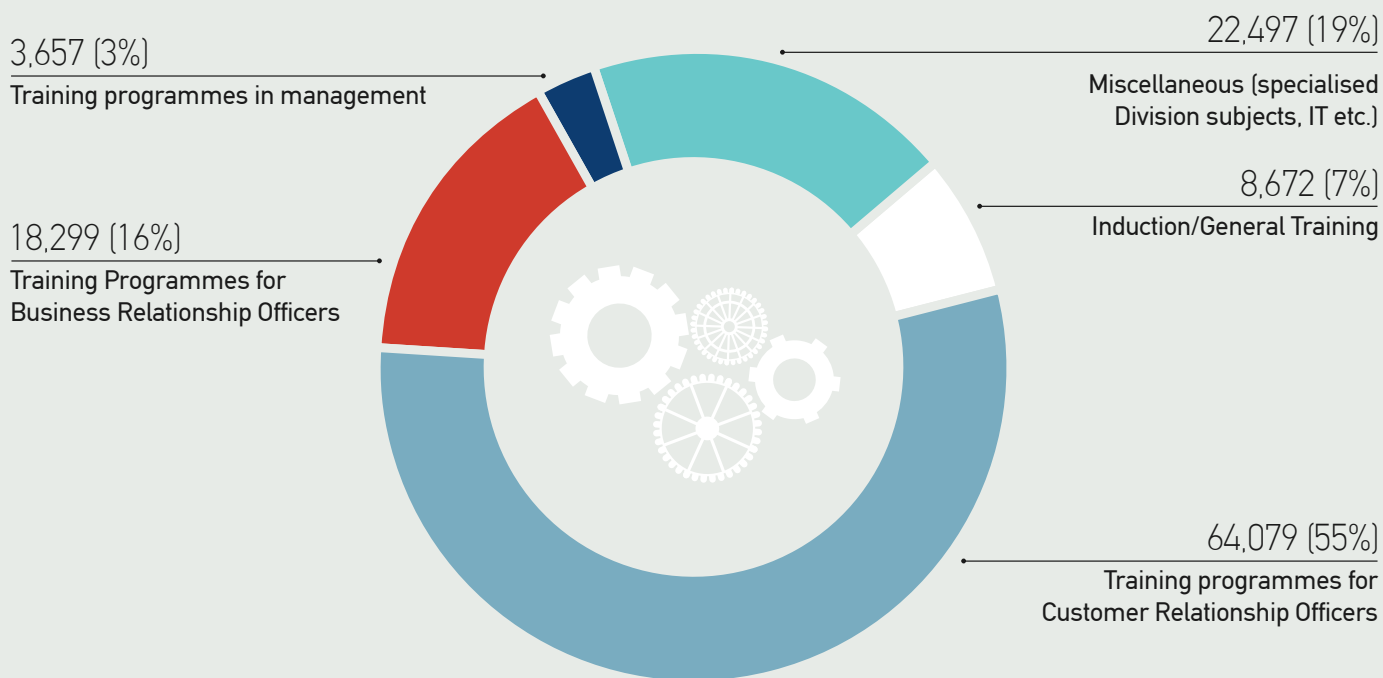
In 2017, participations in training programmes stood at 22,044, while 5,597 people were trained. Training hours (person-hours) amounted to 139,208 (62,891 for men and 76,317 for women). The average training person-hours per Employee of the Bank are estimated at 16.7 hours.

Of the total number of participants in training programmes, 21,898 (99%) were Employees of Alpha Bank's Accounting Field.

#### PARTICIPATION IN TRAINING PROGRAMMES IN 2017

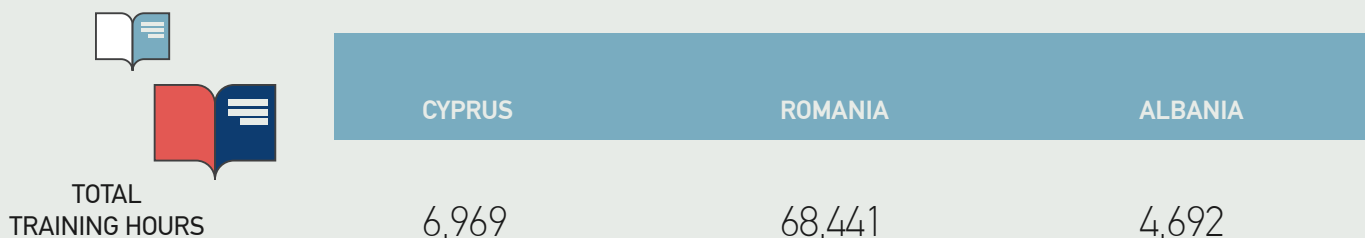


**BREAKDOWN OF TRAINING PERSON-HOURS BY TRAINING PROGRAMME CATEGORY\***



\*For the Bank’s in-house training programmes.

**EMPLOYEE TRAINING HOURS AT THE ALPHA BANK GROUP BANKS ABROAD IN 2017**



**IN-HOUSE POSTGRADUATE PROGRAMME**

Alpha Bank’s in-house Postgraduate (Master’s) Programme, carried out by the Bank’s Training Division in collaboration with the National and Kapodistrian University of Athens, continued in 2017. This 18-month Programme covers Monetary Policy, Banking and Finance. Since 2010, a total of 137 Employees have successfully completed their postgraduate studies. In 2018, another 18 Employees are expected to graduate and obtain their Postgraduate Studies Certificate, while another 20 are about to begin their postgraduate studies in the academic year 2018-2019.

## HEALTH AND SAFETY AT THE WORKPLACE

### MATERIAL ISSUE

Health and safety at the workplace are significant for the Bank and its Human Resources, as any illnesses, injuries or other health issues may affect the work environment and the efficiency of Employees. The safety of Employees, in particular, is a matter of the utmost importance in the banking sector. Therefore, the Bank takes measures to ensure that the workplace is appropriate, to eliminate or reduce occupational risk and to prevent any injuries.



The Bank acknowledges the significant contribution of Employees in its daily operation and in the provision of quality services and takes care to ensure a safe and healthy workplace, in which the measures applied exceed the ones stipulated in the relevant legislation.

In addition, the Alpha Bank Intranet includes a manual entitled "Instructions on Matters Related to the Enforcement of Provisions on Occupational Health and Safety", which is the main framework of guidelines for matters related to the provisions of the labour legislation on occupational health and safety as well as their enforcement by the Hellenic Labour Inspectorate and the Audit Services of EFKA (Single Social Security Entity). This Manual provides the Managers of the Bank's Divisions with information on the obligations that arise from the labour legislation.

To monitor but also to improve health and safety-related processes, the Bank sets qualitative and quantitative objectives. The qualitative objectives are reviewed, formulated and implemented in collaboration with the External Providers of Occupational Health and Safety Services, who are entrusted with providing the services delivered by the Occupational Physicians and Safety Technicians. The quantitative objectives are based on the provisions of the labour legislation and must comply with the legislative framework on health and safety at work.

The objectives are monitored monthly, based on the reports received from the External Providers of Occupational Health and Safety Services, who are entrusted with providing the services delivered by the Occupational Physicians and Safety Technicians.

They are also monitored daily, in collaboration with the Managers of the respective Divisions, who are responsible for notifying the Human Resources Division in the event of any deviations from the procedures, such as failure to perform the visits/inspections. Occupational Physicians and Safety Technicians must update their Records of Written Recommendations with their visits and observations and the Human Resources Division and the Procurement, Property and Security Division is responsible for making any corrections or improvements that may be required.

The conduct of visits/inspections is monitored monthly, based on the reports received from the collaborating External Providers of Occupational Health and Safety Services.

Finally, a process for health and safety hazard analysis is in place and it is part of the annual Risk Control Self-Assessment (RCSA) of the Bank's Divisions.

Appointed Employees per Division are responsible for guiding other Employees on safety matters. These Employees attend seminars under the supervision of the Procurement, Property and Security Division and are regularly briefed on how to handle critical situations.

With regards to the health and safety of its Employees, the Bank not only complies with the laws in force but also ensures the provision of additional benefits and programmes, such as:

- Provision of safety technician and occupational physician services by external contractors, as well as by specialised Bank Officers who visit the Units and regularly brief Employees on health and safety issues.

- Implementation of training programmes on safety-related issues addressed to all Personnel.
- Implementation of training programmes on the “Fire Safety of Branches and Buildings” attended by 227 Bank Officers in Athens and Thessaloniki.
- Training programmes for new Employees, with the participation of about 240 Officers, related to the “Security of People and Goods, Workplace Safety and Handling Critical Situations-Robberies”.
- Training programmes related to robbery incidents, hostage-taking, fire safety, earthquake and building evacuation for the Officers who have been appointed Managers of Critical Situations and Fire Safety Groups, for a total of 327 people, and training programmes carried out in Branches and Divisions, for a total of 618 people.
- FIRST AID training programmes for 79 Guards and Security Officers delivered by an external contractor.
- Training programmes for Security Officers at the Hellenic Police Shooting Ranges in Attica and Thessaloniki, with the Assistant Manager of the Procurement, Property and Security Division and a Senior Hellenic Police Officer acting as supervising trainers.
- Training programmes held at the Bank’s Buildings in Attica and other areas of Greece by Fire Department Officers, under the responsibility of the Procurement, Property and Security Division, on matters within their competence.
- Development of 38 evacuation plans for Buildings and Branches.

| HEALTH AND SAFETY INDICATORS | NUMBER OF INCIDENTS |       |       | DAYS LOST DUE TO THESE INCIDENTS |        |        |
|------------------------------|---------------------|-------|-------|----------------------------------|--------|--------|
|                              | 2015                | 2016  | 2017  | 2015                             | 2016   | 2017   |
| Persons injured              | -                   | 1     | -     | -                                | 7      | -      |
| Fatalities                   | -                   | -     | -     | -                                | -      | -      |
| Other illnesses*             | 4,719               | 4,862 | 4,681 | 45,846                           | 43,071 | 42,513 |
| Absenteeism rate (AR)        | 2%                  | 2%    | 2%    |                                  |        |        |

\*Maternity leave not included.

It should be pointed out that in 2017 the absenteeism rate (work days lost) due to injury and illness remained low, at 2% of total working days.

#### Employee Health and Safety Indicators of the Alpha Bank Group Banks abroad in 2017

In all of the Alpha Bank Group Banks abroad (Cyprus, Romania and Albania), only one injury was recorded (in Cyprus) according to the data for 2017.



## EMPLOYEE COMMUNICATION AND BENEFITS

### INTERNAL COMMUNICATION

Knowing that two-way communication with its Employees is pivotal in improving labour relations and everyone's daily life, Alpha Bank has established a weekly "Communication Day". On this day, any Employee who wishes to do so, can meet the Manager of the Human Resources Division to discuss any work-related or personal matter, while similar meetings are also held all over Greece between Officers of the Human Resources Division and Employees. In 2017, a total of 1,211 meetings were held.

Other means of communication are also provided, such as:

- The "Alpha Bank Intranet", which aims at effectively supporting the Personnel's daily work and its internal communication and information needs, while providing direct and current information on a wide range of labour-related and banking issues.
- The monthly online edition of "MAZI" ("TOGETHER"), which provides information on major developments and events that took place at the Bank and at Group level.
- The regular meetings held for information purposes and to exchange views, especially with the Personnel at the Bank's Branch Network.
- The Annual Meeting of Group Executives.

### CARING FOR OUR EMPLOYEES AND THEIR FAMILIES

Recognising the importance and the contribution of its Human Resources to its success, Alpha Bank offers a varied additional benefits scheme to its Personnel. These benefits include a number of allowances, coverage and services for Employees and their family members that demonstrate the Bank's active interest and concern for its Employees and offer assistance, safety and certainty.

The Bank, in collaboration with AXA Insurance S.A., provides the following insurance programmes to its permanent Employees and their family members:

- **Health and Life Insurance Plan:** The Bank's Employees are primarily insured for medical and hospital care with the National Organisation for the Provision of Healthcare Services (EOPYY). To ensure the highest level of medical care for its Employees, the Bank additionally provides a free and comprehensive medical and hospital care plan as well as Life Insurance and Insurance for Permanent Total Disability caused by accident or illness and Insurance for Permanent Partial Disability caused by accident. This Plan is adapted to modern-day needs and is guided by the protection of health, through quality services for its members.
- **Group Outpatient Insurance Coverage Plan for the Bank's Personnel:** The Bank acknowledges that the protection and safeguarding of individual and family health is a top priority and provides, as of 1.1.2017, a comprehensive outpatient coverage which is valid all over Greece to all active and regular Personnel, with the creation of the new Group Outpatient Insurance Coverage Plan. The Plan includes a comprehensive set of benefits that cover a wide range of medical services at all times, in a nationwide network, seeing that insured members are attended to immediately. It offers diagnostic tests, medical visits and a general access to medical services, without age limits for Employees and their respective spouse. The Bank covers the insurance premium of this Plan, while Employees pay a symbolic fee as contribution.
- **Group Personnel Savings Plan:** The Bank's concern for its Personnel exceeds the strict timeline of their employment at the Bank. Already since 2011, the Bank has been applying a Group Personnel Savings Plan, initially intended for Employees who were first insured after 1.1.1993 and designed to cover the post-retirement income gap. In 2016, improvements were made to this Plan, as it was extended to all members of the Bank's Personnel who wish to be included in it, with a flexible option for the payment of contributions by the Employees. The members of the Personnel who have joined this Plan and are not covered by an insurance carrier currently account for 80% of Employees overall.

The Plan provides for payment of a lump sum upon retirement and is successfully implemented by the Bank, by investing the monthly contributions paid by the Bank and by the Employees. An investment committee set up by the Bank is responsible for determining the advisable portfolio structure.

In addition, the Bank provides the following benefits to parents:

- **Childbirth allowance:** The Bank grants a lump sum of Euro 1,557 as childbirth allowance, based on the Sectoral Collective Labour Agreement of the Greek Federation of Bank Employee Unions (OTOE), right after the birth of the child. This allowance is offset against any amount paid for the same reason by the EOPYY or other social security funds and insurance schemes. In 2017, the Bank granted a childbirth allowance to 366 Employees, amounting to a total value of Euro 345,300.
- **Reduced working hours:** To assist mothers in taking care of their newborns, the Bank grants reduced working hours in the form of accumulated continuous paid leave. In 2017, 218 Employees were granted reduced working hours, amounting to a total of 20,467 days. In addition, a total of 44,402 days of maternity leave were granted to 298 Employees since the beginning of the year.
- **Day care benefit:** In an effort to strengthen the family budget of Employees, the Bank grants a day care benefit of Euro 320, per month and per child, to all Employees who have preschool-aged children and apply for this benefit. In 2017, the day care benefit was granted to a total of 1,350 Employees and to a total of 1,630 children. In addition, 36 Employees with a total of 39 children received the benefit for home childcare due to the lack of childcare in their city of residence or because of health issues related to their children. This allowance amounts to Euro 140, per month and per child.

Finally, the Bank provides support to specific groups of Employees through special programmes that include:

- **Annual lump sum, days of leave and reduced working hours for employees whose children are facing serious health problems:** Alpha Bank Employees whose children are facing serious health problems were granted an annual lump sum of Euro 1,200 as financial support, together with ten additional days of special paid leave.

The same Employees were additionally given the option, following the Sectoral Collective Labour Agreement signed between the Greek Federation of Bank Employee Unions (OTOE) and the banks for the years 2016-2018, to reduce their working hours by one hour, without any salary reduction. Specifically, in 2017, this involved 102 cases of reduced working hours due to disability on the part of the Employee or a family member, of which 26 were newly-approved requests.

- **Special monthly welfare allowance for Employees or pensioners who are blind or suffer from kidney diseases:** A special monthly welfare allowance has been provided to 48 Employees –in active service or retired– who are blind or suffer from kidney diseases. In addition, Employees who need regular blood transfusions, either for themselves or for their children, are given an extra 22 days of paid leave.
- **Additional Leaves:** Bank Employees who attend undergraduate courses are granted 30 days of leave each year, while from 1.9.2016 onwards, ten of these days are paid. A total of 272 requests were approved in 2017.
- **Psychological support:** The Bank, in order to help its Employees maintain a positive attitude and cope with everyday stress, organises special workshops on Time and Stress Management and bringing a positive outlook, which are open to all Employees. In addition, the Bank, wishing to provide psychological support to Employees who have difficulty handling critical situations at a personal, family and professional level, cooperates with experts, i.e. psychologists-psychotherapists, and offers Employees the possibility to meet with them in order to seek counselling and support.
- **Permanent presence of Occupational Physicians at work premises with large numbers of Personnel:** The Bank, looking after the daily health of its Employees, employs two Physicians on a permanent basis, whom Employees can visit in their fully equipped Dispensaries provided by the Bank, which operate during working hours. In 2017, more than 500 Employees consulted the Bank's Physicians.

## CULTURAL EVENTS AND ACTIVITIES

The Bank, recognising the value of arts and culture in the further development of its Personnel, actively supports activities that broaden the interests of Employees and enrich their daily lives with creative activities. In addition to cultural events, there are also voluntary activities organised by the Bank's Corporate Social Responsibility Section.

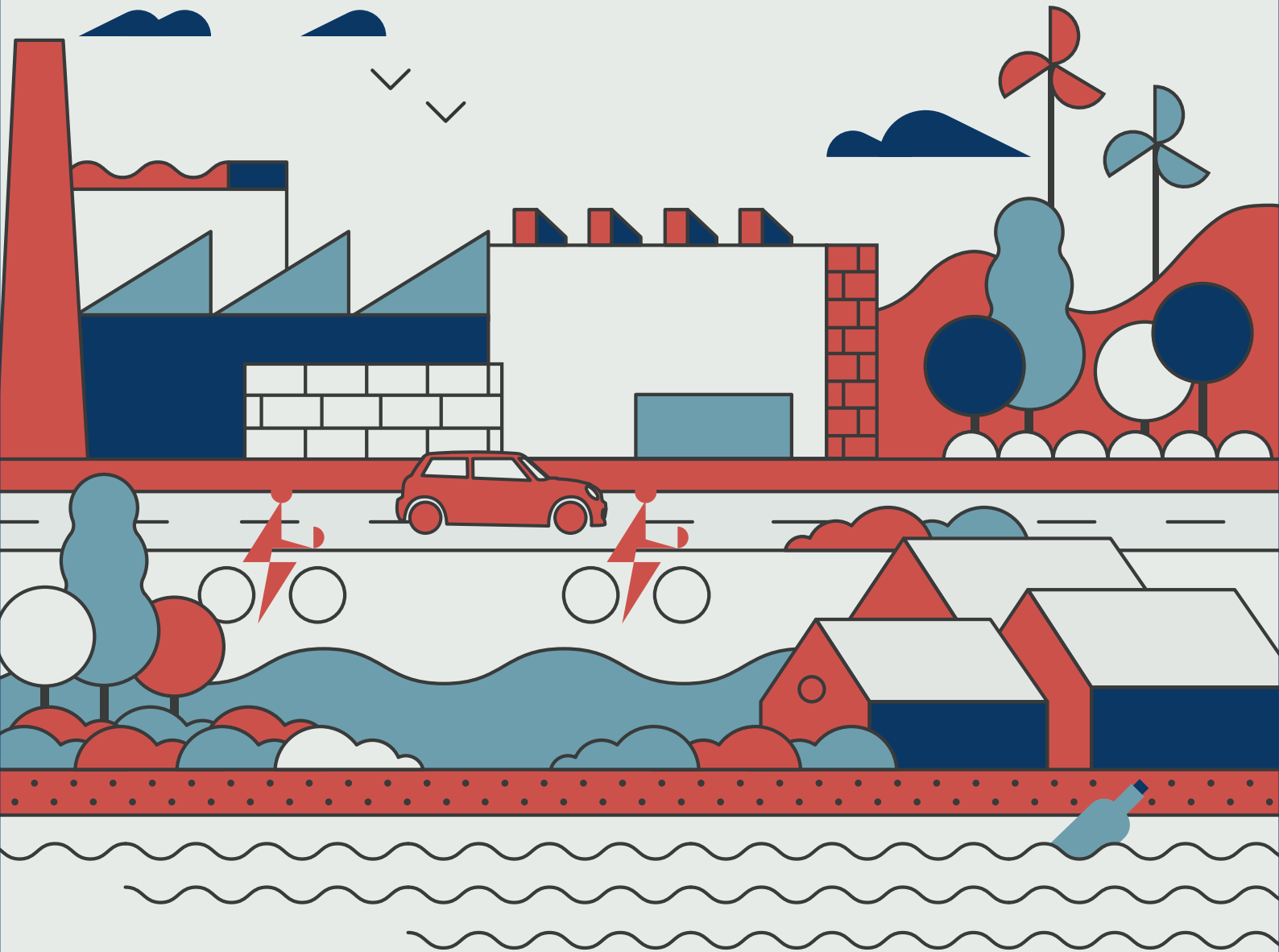
More specifically, various activities are planned throughout the year, such as special guided tours for Employees at exhibitions, museums, collections, etc. and participation in arts and cultural events. In 2017, a total of 2,133 Employees participated in events, guided exhibition tours, classes held by the Elefthero Panepistimio (USPEL) at the Books' Archway and theatre performances. Additionally, during the Christmas season 3,030 gift vouchers were sent to Bank Employees across Greece, for their children aged up to 6. Older children had the opportunity to attend theatrical performances.





TOGETHER  
FOR THE ENVIRONMENT

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Raising awareness of environmental issues and protecting the environment are key priorities for the Bank. Alpha Bank, fully aware of the consequences of climate change and of the way these consequences affect every aspect of human activity, develops and provides products that allow investment in actions aimed at energy saving, the development of renewable energy sources and the modernisation of production procedures by businesses (including Small and Medium-sized Enterprises) as well as corresponding initiatives by households (presented in the "Product Portfolio" section). Additionally, the Bank enhances the management of its financing operations' environmental dimension, by incorporating new procedures for the assessment of environmental risk in its Credit Risk Management Framework (presented in the section on "Corporate Governance, Risk Management and Compliance").

Additionally, the Bank aims to reduce its environmental footprint by promoting the rational use of lighting, heating and cooling installations in its buildings, the use of environment-friendly class A++ or higher energy efficiency equipment as well as distance training, by implementing initiatives for the efficient use of raw and other materials and by applying the "reduce, reuse, recycle" principle in the management of the waste produced.

Furthermore, the Bank organises, supports and participates in environmental actions to cultivate the ecological conscience of its Employees and their families and to improve the quality of the environment.

## ENERGY CONSUMPTION AND DEALING WITH CLIMATE CHANGE

### REGULAR MONITORING

The Bank's environmental policy is promoted and monitored by the Procurement, Property and Security Division, in collaboration with the Corporate Social Responsibility Section of the Marketing and Public Relations Division and in line with the targets set. Furthermore, the environmental policy is guaranteed through the guidance provided by the Executive Committee, which is responsible for all decisions on environmental matters related to the Bank's operation.

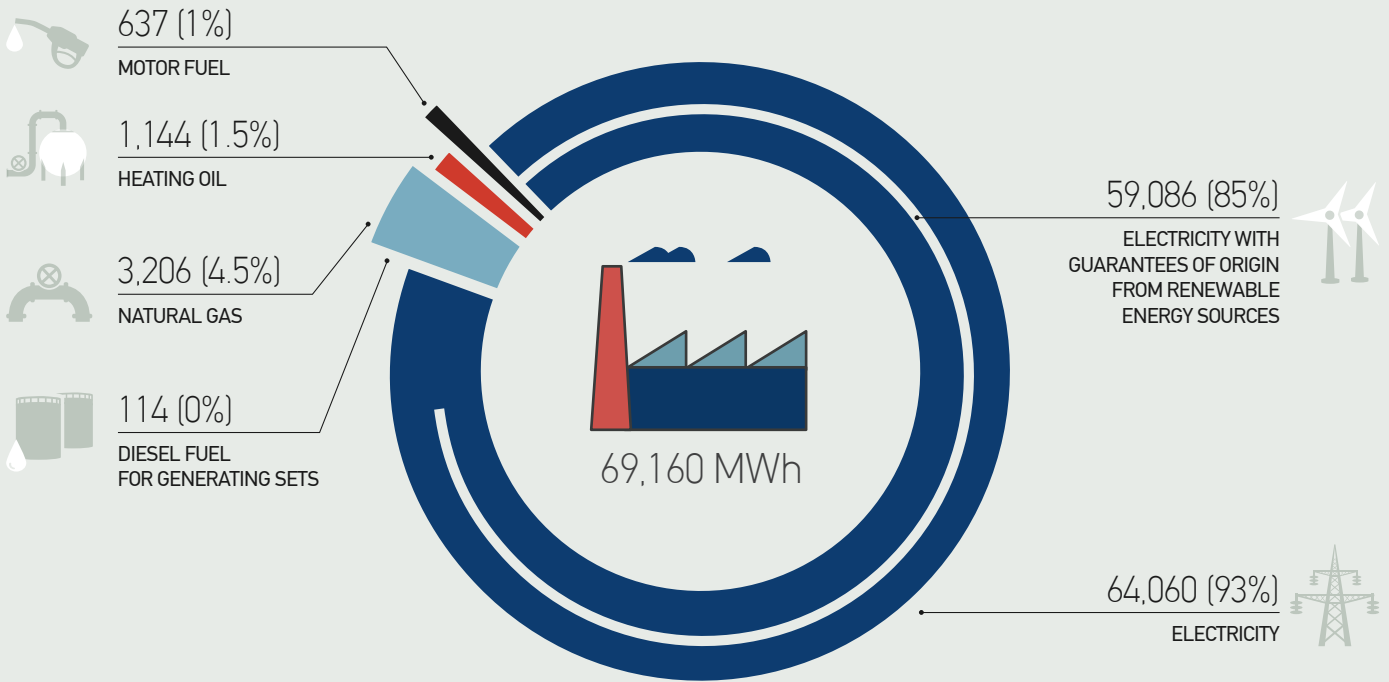
The Bank regularly monitors energy consumption at its premises and the corresponding greenhouse gas emissions, in line with the requirements of the Greenhouse Gas Protocol. This regular practice aims at improving the accuracy of the Bank's performance data and identifying areas for improvement, even though the direct impact of the Bank's operation on climate change is not significant.

In this respect, in 2017 the Bank decided to develop its environmental management system (EMS) in accordance with the ISO 14001 international standard.

### ENERGY CONSUMPTION

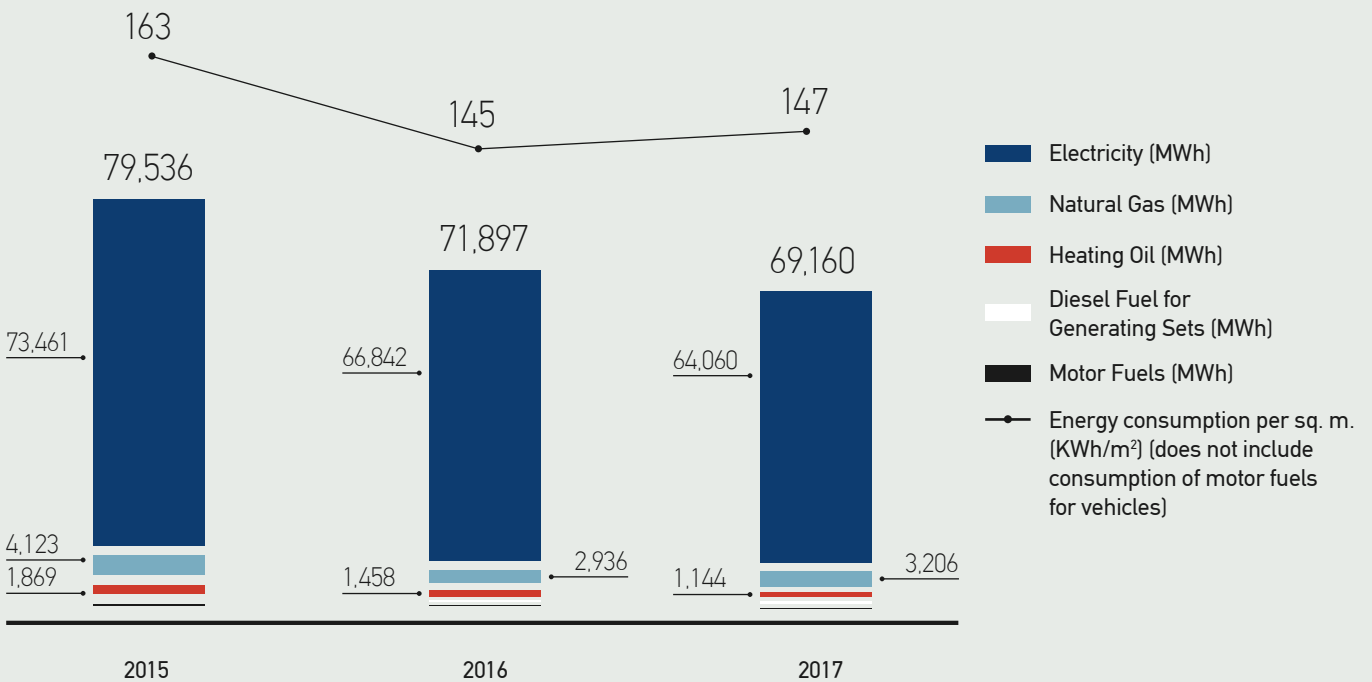
In 2017, Alpha Bank's total energy consumption, resulting from the consumption of electricity, natural gas, heating oil, diesel fuel for generating sets and motor fuels (petrol and diesel) for vehicles, stood at 69,160 MWh (249 TJ).

## ENERGY CONSUMPTION IN 2017



During the past three years, 93% of the annual energy consumption stems from the consumption of electricity.

## ENERGY CONSUMPTION OVER TIME



## ELECTRICITY



| ELECTRICITY CONSUMPTION  | 2015           | 2016           | 2017           |
|--|----------------|----------------|----------------|
| Electricity consumption (MWh)*   | 73,461         | 66,842         | 64,060         |
| <b>Space for which electricity consumption is measured (m<sup>2</sup>)</b> |                |                |                |
| • Active spaces  | 461,442        | 436,696        | 426,764        |
| • Closed Branches and empty spaces   | 25,634         | 56,030         | 39,040         |
| <b>Total</b>   | <b>487,076</b> | <b>492,726</b> | <b>465,804</b> |
| <b>Annual electricity consumption per m<sup>2</sup> of space (kWh)</b>     |                |                |                |
| • Active spaces  | 154.91         | 148.81         | 147.91         |
| • Closed Branches and empty spaces   | 77.16          | 33.11          | 24.04          |
| <b>Total</b>   | <b>150.82</b>  | <b>135.66</b>  | <b>137.53</b>  |

\*The Bank calculates electricity consumption in all Buildings, Offices and Branches. In the table above, the figures given for 2017 are based on measurements taken at Buildings, Branches (Network), empty properties and other facilities of the Bank and its Group Companies which are also housed in these buildings in Greece. In order to calculate the above consumption figures and the corresponding measured areas, the following principles were applied (where applicable and feasible):

- Measurements include the space occupied by the Group Companies (where these are housed in the same Buildings), as well as communal areas, empty areas, parking spaces and auxiliary areas (as derived from the ownership title for the building or from contractual arrangements etc.).
- In some cases, the Bank is charged with its share of consumption, through the bills for shared consumption and maintenance expenses for the respective buildings.
- Empty properties owned by the Bank or for which the Bank is responsible are included.
- An estimate of the annual consumption for 4% of the total surface occupied by the Bank, for which data were not recorded, has also been included.

For 2017, the Bank's electricity supplier was the Public Power Corporation S.A (PPC). The Operator of the Electricity Market (LAGIE) provided the Bank with a Guarantee of Origin (GO) Certificate (GREENPASS) certifying that 59.086 MWh of the electricity consumed by the Bank in 2017 were generated from renewable energy sources.

The Bank monitors the electricity consumption rate per m<sup>2</sup> for different types of Buildings and Branches throughout the year, in order to detect any deviations as early as possible. In this way, any unjustified increases in energy consumption can be identified, their cause can be examined and the necessary measures can be taken. Overall, the Bank aims at reducing electricity consumption as much as possible.



In 2017, the Bank installed LED lighting units in 16 Branches and Buildings, with the prospect of expanding this measure to more locations as technology advances. Additionally, the replacement (where necessary due to age or obsolescence) of old, energy-consuming air conditioning systems with new inverter technology devices, with a much lower energy consumption, also continued. These activities took place either as part of general renovation work in Branches and Buildings of the Bank or as separate cases, where only the lighting or the air conditioning system was replaced, when necessary.

Moreover, the Bank installed astronomical timers in all its Branches in order to adjust its outdoor lights at night and achieve a more efficient use of lighting.

Since 2013, the internal lighting units of the signs in 70% of the Bank's Branches have been replaced with LED lighting units. A target has been set for the internal lighting units of all signs to be replaced by LED lighting units by the end of 2019.

Finally, the Bank continued to promote the rational use of lighting, heating and cooling installations.

In 2017, the Bank achieved a marginal decline of 0.6% in the consumption of energy per m<sup>2</sup> of active spaces, despite the generally lower temperatures that prevailed compared to 2016.

## NATURAL GAS



| NATURAL GAS CONSUMPTION  | 2015      | 2016      | 2017      |
|--|-----------|-----------|-----------|
| <b>Natural gas consumption</b>   |           |           |           |
| • Nm <sup>3</sup>  | 315,570   | 252,463   | 274,882   |
| • kWh  | 4,122,830 | 2,936,102 | 3,205,576 |
| Office space for which natural gas consumption is measured (m <sup>2</sup> ) | 104,545   | 107,797   | 107,443   |
| <b>Annual natural gas consumption per m<sup>2</sup> of office space</b>      |           |           |           |
| • Nm <sup>3</sup> per m <sup>2</sup> office space                            | 3.02      | 2.34      | 2.56      |
| • kWh per m <sup>2</sup> office space  | 39.44     | 27.24     | 29.84     |

In 2017, consumption (Nm<sup>3</sup>/m<sup>2</sup>) increased by 9,2%, due to the colder winter.

## HEATING OIL



| HEATING OIL CONSUMPTION*   | 2015      | 2016      | 2017      |
|--|-----------|-----------|-----------|
| <b>Heating oil consumption</b>   |           |           |           |
| • litres   | 186,323   | 145,280   | 113,982   |
| • kWh  | 1,869,445 | 1,457,638 | 1,143,615 |
| Office space for which heating oil consumption is measured (m <sup>2</sup> ) | 58,448    | 67,645    | 65,569    |
| <b>Annual heating oil consumption per m<sup>2</sup> of office space</b>      |           |           |           |
| • litres per m <sup>2</sup> of office space                                  | 3.19      | 2.15      | 2.70      |
| • kWh per m <sup>2</sup> office space  | 31.98     | 21.55     | 17.44     |

\* The lower calorific value (10.03 kWh/lt) was used to convert heating oil litres to kWh, in accordance with the Greenhouse Gas Protocol.

Heating oil consumption for the Bank's Main Buildings was the result of measurement. For the Branches, the method which had been applied in the previous years was used, except in cases where it was confirmed that the heating oil boiler had not been used.

In 2017, consumption (lt/m<sup>2</sup>) increased by 25.8%, due to the colder winter.

## DIESEL FUEL FOR GENERATING SETS



| CONSUMPTION OF DIESEL FUEL FOR GENERATING SETS*       | 2015   | 2016   | 2017    |
|---|--------|--------|---------|
| <b>Consumption of Diesel Fuel for Generating Sets</b> |        |        |         |
| • litres  | 8,305  | 3,203  | 11,334  |
| • kWh   | 83,327 | 32,137 | 113,718 |

\* The lower calorific value (10.03 kWh/lt) was used to convert heating oil litres to kWh, in accordance with the Greenhouse Gas Protocol.

The Bank uses 36 generating sets (G/S) in 36 Main Buildings and Branches to ensure uninterrupted operation of its Services in case of power failure due to external factors (weather, electrical grid failures and so on).

The changes observed over the years are affected by the frequency of power failures as well as the diesel fuel reserves stored in the tanks from purchases made in previous years.

## FUEL FOR TRANSPORTATION USING BANK-OWNED AND LEASED VEHICLES

The Bank uses its own as well as leased vehicles for transportation needs with regards to its operating activities. In 2017, the fuel consumed for such transportation amounted to 56,843 litres of petrol and 11,889 litres of diesel fuel.



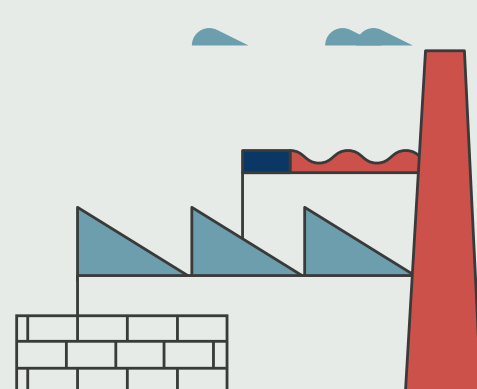
| VEHICLES     | 2017          |                  |               |
|--------------|---------------|------------------|---------------|
|              | PETROL (lt)   | DIESEL FUEL (lt) | TOTAL (lt)    |
| BANK-OWNED   | 37,396        | 90               | <b>37,486</b> |
| LEASED       | 19,447        | 11,799           | <b>31,246</b> |
| <b>TOTAL</b> | <b>56,843</b> | <b>11,889</b>    | <b>68,732</b> |

## GREENHOUSE GAS AND OTHER GAS EMISSIONS

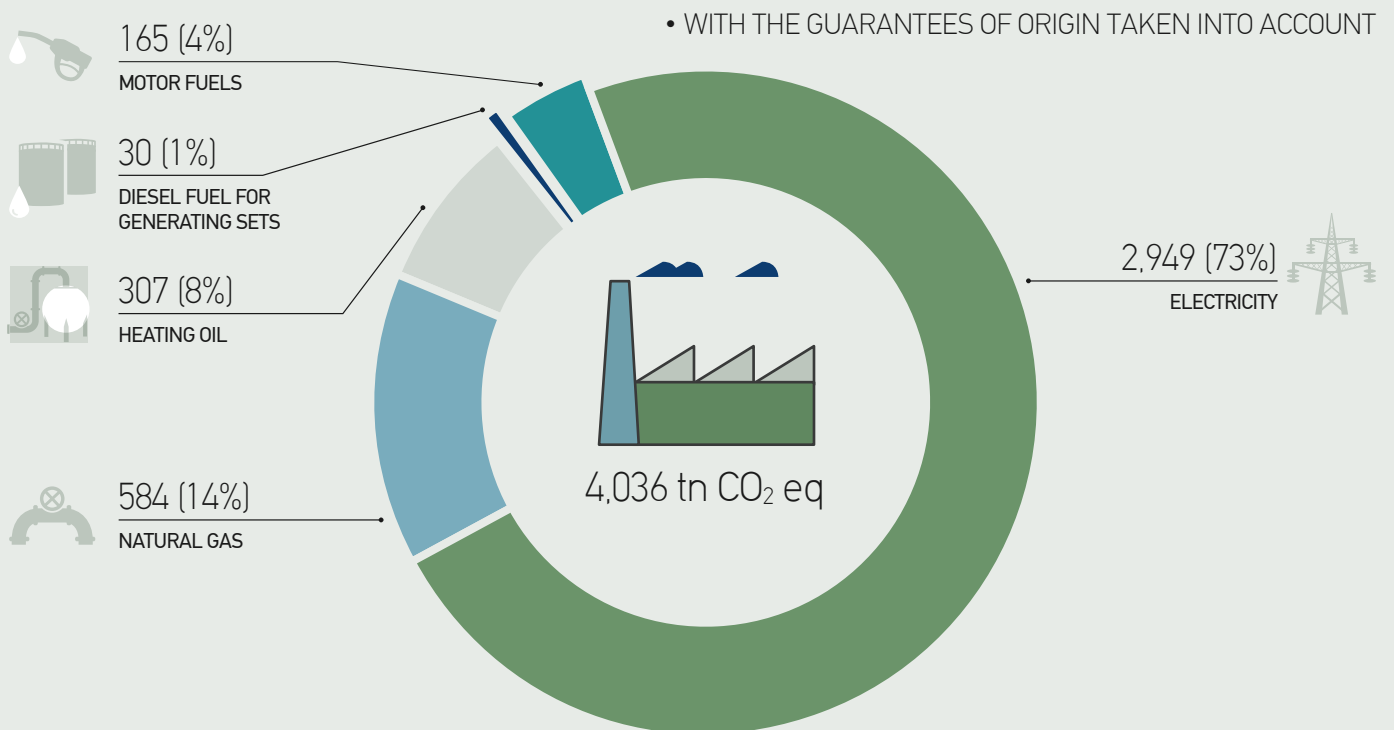
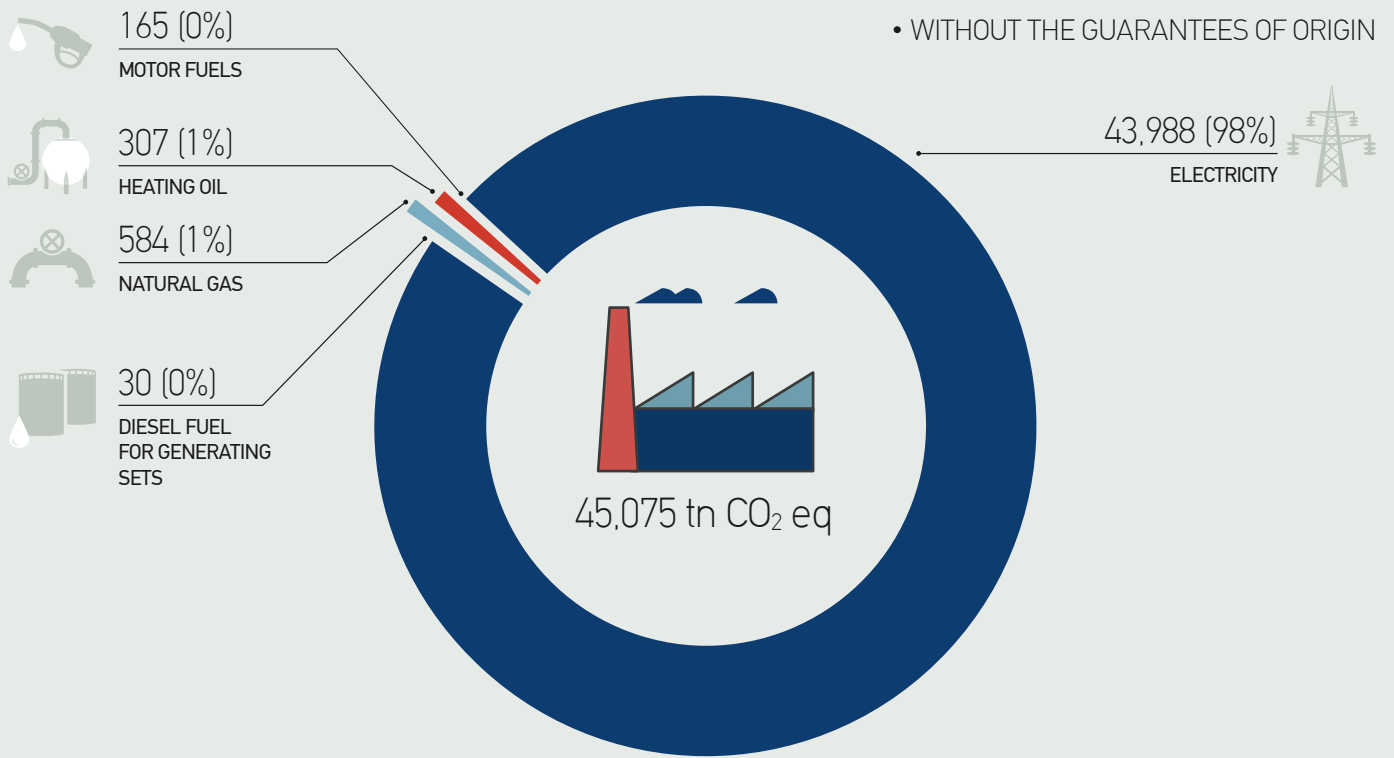
### GREENHOUSE GAS EMISSIONS FROM ENERGY CONSUMPTION

In 2017, Alpha Bank's greenhouse gas emissions from the aforementioned activities were calculated at 45,075 tn CO<sub>2</sub> eq, 98% of which comes from electricity consumption (indirect emissions – scope 2) and the remaining 2% from the consumption of natural gas, heating oil, diesel fuel for the generating sets and motor fuels (petrol and diesel) (direct emissions – scope 1).

To offset the indirect emissions from electricity consumption, Alpha Bank has obtained Guarantees of Origin from Renewable Energy Sources. After taking these Guarantees into account, total emissions are reduced to 4,036 tn CO<sub>2</sub> eq.



GREENHOUSE GAS EMISSIONS IN 2017

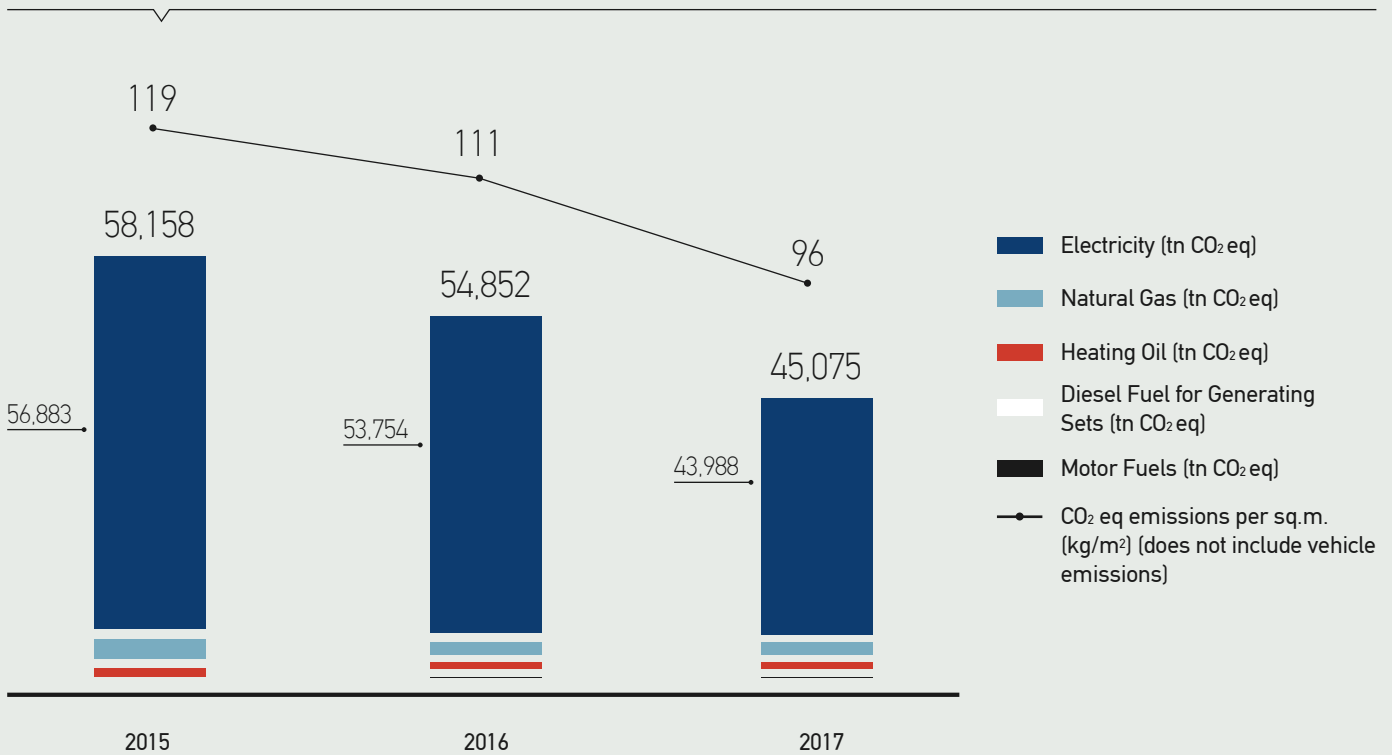


To calculate CO<sub>2</sub> emissions from the consumption of natural gas, heating oil, diesel fuel for generating sets and motor fuels (petrol and diesel), the emission coefficients of the Greenhouse Gas Protocol were used. The calculation of CO<sub>2</sub> emissions from the consumption of electricity is based on data from the annual national reports, submitted to the Secretariat of the United Nations Framework Convention on Climate Change (UNFCCC) as well as on Eurostat data on national gross electricity production.

The conversion of CH<sub>4</sub> and N<sub>2</sub>O emissions to tonnes of CO<sub>2</sub> equivalent was based on the global warming potential values over a 100-year period, as included in Decision 24/CP.19 by the Parties of UNFCCC.

Finally, the greenhouse gas emissions from the consumption of electricity, taking into account the Guarantees of Origin, were calculated using the residual emission factor from the European Residual Mixes 2016.

### GREENHOUSE GAS EMISSIONS\* OVER TIME



\*Without the Guarantees of Origin

### OTHER INDIRECT GREENHOUSE GAS EMISSIONS

Alpha Bank is strengthening its emissions monitoring programme and is proceeding with the quantification of its other indirect emissions (scope 3).

In 2017, the Bank's emissions caused by Employees travelling by air for business amounted to 145 tn CO<sub>2</sub>.

In addition, the material sent by post by the Bank to its Customers (account, card and loan statements) is estimated to have caused the release of 28.19 tn CO<sub>2</sub> of emissions.

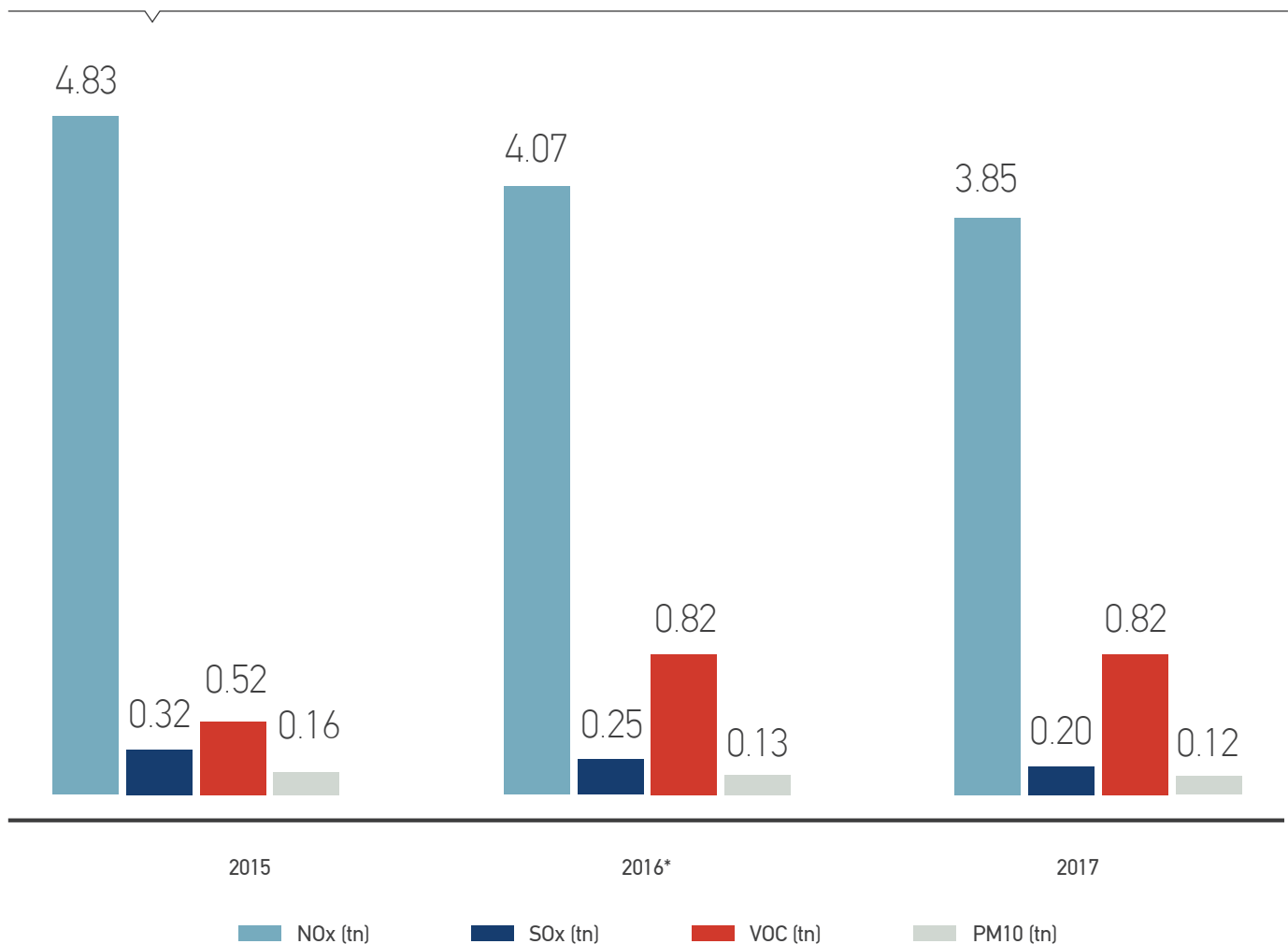
The emission coefficients of the Greenhouse Gas Protocol were used for these calculations.

## OTHER GAS EMISSIONS FROM ENERGY CONSUMPTION

For 2017, the emissions of other pollutants (NO<sub>x</sub>, SO<sub>x</sub>, VOC and PM<sub>10</sub>) from the consumption of natural gas, heating oil, diesel fuel for generating sets and motor fuels (diesel and petrol) by the Bank are calculated at 3.85 tn of NO<sub>x</sub>, 0.20 tn of SO<sub>x</sub>, 0.82 tn of VOC and 0.12 tn of PM<sub>10</sub>.

For these calculations, the relevant emission factors from the [EMEP/EEA Air Pollutant Emission Inventory Guidebook 2013](#) were used. The SO<sub>x</sub> emissions of heating oil and diesel fuel were calculated on the basis of the relevant national laws.

## OTHER POLLUTANT EMISSIONS OVER TIME



\*Other pollutant emissions for 2016 have been revised on the basis of up-to date emission coefficients.

Alpha Bank's emissions of Persistent Organic Pollutants (POPs) and Hazardous Air Pollutants (HAPs) are negligible.

## OZONE

Alpha Bank is in the process of gradually replacing the cooling installations that use ozone-depleting substances (ODSs) as coolants, taking into account the provisions of the relevant laws. Hydrofluorocarbons (HFCs) are used to replace ODSs in existing air conditioning systems (retrofitting), while the air conditioning systems which are being installed in new premises use environment-friendly coolants.

In 2017, the Bank used a total of 2,035.7 kg of coolants in order to top up air conditioning units (topping up due to leakage). This quantity corresponds to 3.9 kt CO<sub>2</sub> eq of greenhouse gas emissions, which make up 8% of all the greenhouse gas emissions (direct and indirect) caused by the use of energy.

### COOLANTS (KG) ADDED TO ALPHA BANK'S COOLING INSTALLATIONS IN 2017

|              |                |
|--------------|----------------|
| R-134A       | 83.0           |
| R-407C       | 1,406.4        |
| R-410A       | 382.7          |
| R-417A       | 7.0            |
| R-422D       | 156.6          |
| <b>Total</b> | <b>2,035.7</b> |

## INITIATIVES TO REDUCE OUR ENVIRONMENTAL FOOTPRINT

As part of its efforts to save energy and reduce CO<sub>2</sub> emissions, Alpha Bank, in addition to the actions presented above, continued to implement distance learning programmes. It is worth pointing out that the Training Programmes for the renewal of certifications for bancassurance operations in accordance with the regulatory framework laid down by the Bank of Greece, take place via e-learning courses for the approximately 2,000 Certified Employees of the Bank.

It is estimated that in 2017, by sending out electronic account statements (e-statements) for cards, deposit accounts and housing loans, instead of sending printed copies by post, the Bank **saved 142 tonnes of paper**, whose production would have required 2,414 trees to be cut down, and the emission of **14.3 tn CO<sub>2</sub>**, which would have been caused by sending the hard-copy statements by post to the Customers, **has been avoided**.

Additionally, in 2017 the Bank participated, for the **ninth** consecutive year, in the **"Earth Hour"** international initiative, by switching off all lights at its Main Buildings in Athens, Thessaloniki and Patra for one hour and has also extended this initiative to its Buildings in Larissa.

## OTHER ENVIRONMENTAL EFFECTS

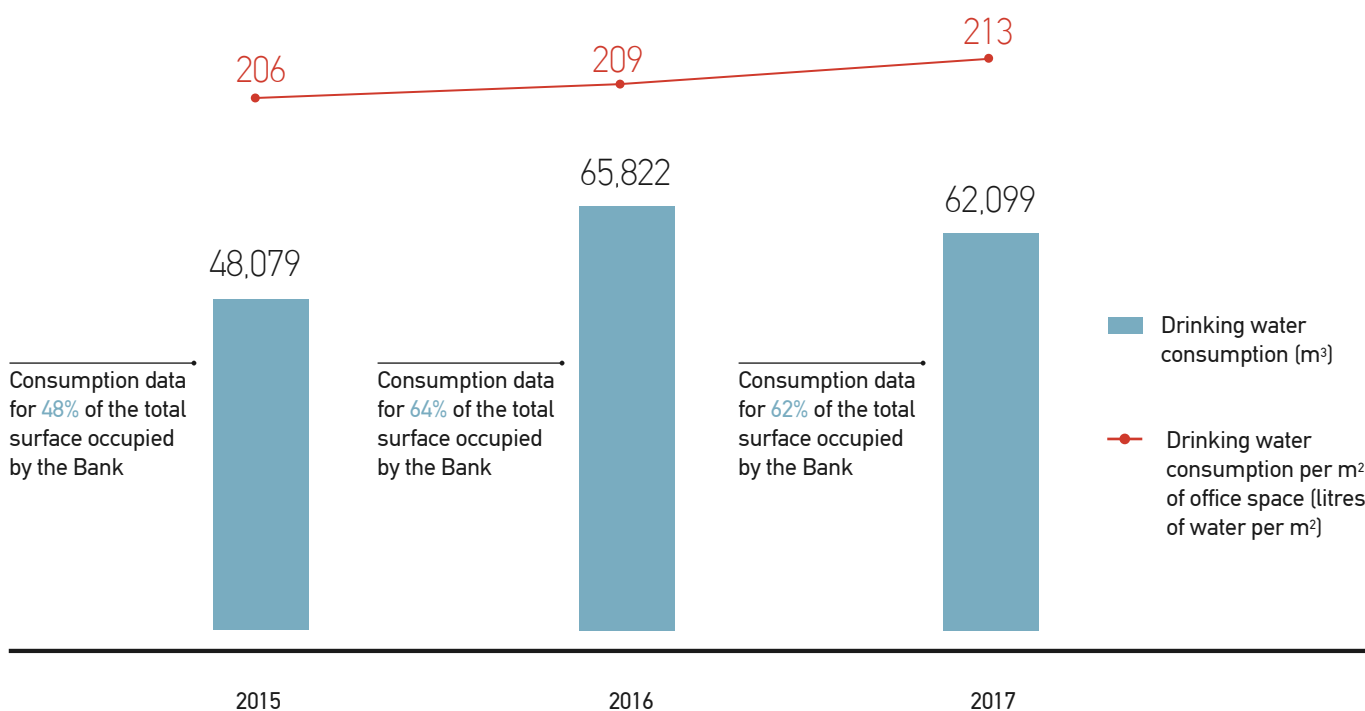
### USE OF RESOURCES AND WASTE MANAGEMENT

Alpha Bank applies the “reduce, reuse, recycle” environmental practice.

### WATER

The use of drinking water covers sanitation needs at the Bank’s Buildings and Branches, as well as irrigation requirements for the watering of gardens, where applicable.

### DRINKING WATER CONSUMPTION OVER TIME



Every year, the Bank measures and records water consumption in more Bank Buildings, Offices and Branches whose number and total surface constantly increase. In the graph above, the figures given for 2017 are based on measurements taken at Buildings, Branches (Network) and other facilities of the Bank as well as the Group Companies which are also housed in these buildings in Greece. In order to calculate the above consumption figures and the corresponding measured areas, the same principles, which are also mentioned above for the calculation of electricity, were applied (where applicable and feasible).

In 2017, a marginal decline of 0.42% (in terms of litres per m<sup>2</sup>) in the consumption of drinking water in the Bank’s active spaces was recorded.

### PAPER AND CONSUMABLES

The Bank continued, for the seventh consecutive year, to use low energy consumption, 75 gr/m<sup>2</sup> “eco-efficient” copier paper, certified in accordance with the international environmental standards.

The Bank monitors paper consumption (measured in packs of A4 paper) on a monthly basis. In 2017, a total of 200,623 packs of A4 paper were used.

Moreover, 2017 saw the expansion of the pilot implementation of the Managed Printing Services Programme to manage printing operations, which presents multiple benefits for the Bank, such as low consumption of paper, consumables and fixed equipment. This Programme was successfully implemented in 9 Main Buildings and 17 Bank Branches.



Finally, with regards to the efforts to reduce the use of consumables, the following actions were taken:

- The Bank sent out 26,256 Additional Password generation devices (tokens) to Businesses-Customers to promote the use of the Alpha Web Banking service for transactions.
- The highly effective project for the online order of consumables and printed material by the Bank's Units continued for the eleventh consecutive year:
  - Total orders of printed material: 3,972  
Total boxes dispatched: 13,433
  - Total orders of consumables: 3,830  
Total boxes dispatched: 74,411

## WASTE MANAGEMENT

In 2017, Alpha Bank continued its partnership with the following licensed recycling contractors: European Recycling Centre (paper, plastic and aluminium), ASA Recycle S.A. (solid waste recycling) for paper pulping, Photocycling S.A. (light bulbs), Appliances Recycling S.A. (electronic equipment) and AFIS S.A. (batteries). It should be noted that the Bank has installed recycling bins for light bulbs and small appliances in all its Main Buildings and Branches.

## WASTE MANAGEMENT IN 2017

### RECYCLING



308,690 kg of paper for pulping (and then recycling)  
 73,585 kg of copier paper (shredded from 29 Main Buildings)\*  
 43.55 kg of aluminium and plastic  
 4,280 kg lead-acid batteries (from UPS devices)  
 3,415 kg of batteries  
 2,403 kg of light bulbs  
 2,327 pieces of obsolete equipment (servers, PCs, monitors, printers, telephones, scanners, POS terminals, notebooks etc.)  
 7,129 pieces of printer consumables (toners, cartridges and drums)  
 1,308 pieces of miscellaneous equipment (refrigerators, fax machines, banknote counters, photocopiers, calculators etc.)

### OTHER DISPOSAL



15,900 kg of old metal and scrap for sale  
 5,376 pieces of obsolete POS terminals for sale  
 1,726 pieces of retired office equipment (998 items of furniture and utensils, 717 items of electronic equipment and 11 items of other equipment) to be donated.

\*At the Branches of the Bank, recyclable materials are disposed of locally in the blue bins handled by the municipal authorities. No measurable results are available as to the quantity of recycled paper.

No special practice is applied to municipal waste. This waste is taken to sanitary landfills.

## ENVIRONMENTAL ACTIONS

In order to strengthen the ecological conscience of its Personnel and their voluntary participation in relevant programmes, Alpha Bank collaborated for yet another year with "Philodassiki Enossi Athinon" (The Athens Society of the Friends of the Forests) and the American Farm School, to organise environmental events.

More specifically, in 2017, **environmental and Olive Picking events** took place at the Kessariani Aesthetic Forest and the American Farm School. A total of 117 volunteers from the Bank's Personnel, together with members of their families, participated in these environmental events.



TOGETHER  
FOR THE SOCIETY

111



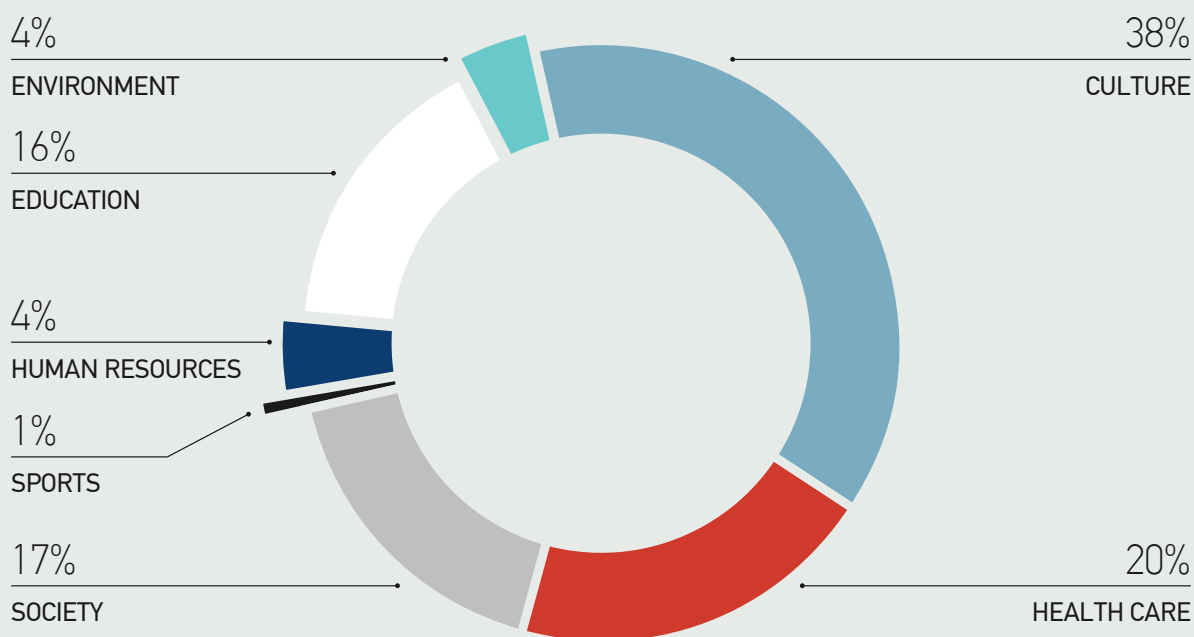
## SOCIAL CONTRIBUTION

To ensure the transparency of its social investments, the Bank applies an internal evaluation system, according to which all proposals are assessed using objective performance evaluation criteria (economic, social and environmental) and are approved or rejected depending on the evaluation result. To assist the evaluation procedure of the sponsorship requests received, a relevant Sponsoring Manual has been drawn up. This Manual was updated in 2016, was expanded with additional topics and is currently available on the Alpha Bank Intranet as the Bank's "Policy and Procedure for the Provision of Financial Assistance (Sponsorships)".

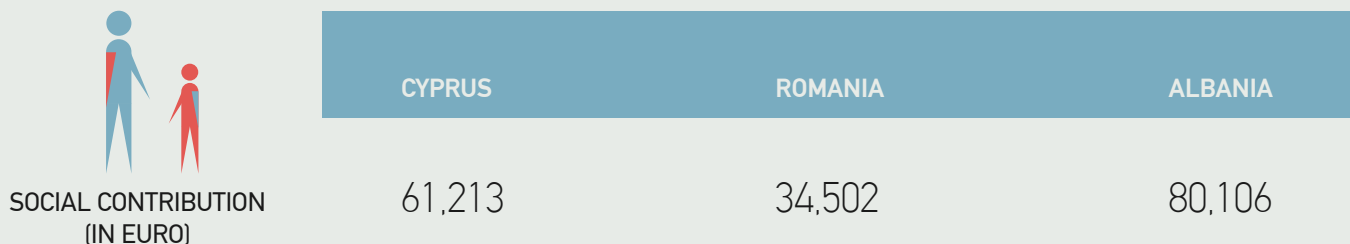
During 2017, a total of 1,088 sponsorship requests were received from Greece, of which 688 were granted.

Furthermore, Alpha Bank continues to invest in activities and initiatives that support education, culture, the environment and healthcare. In 2017, under its sponsorship programme, the Bank allocated the amount of Euro 1,528,131 as indicated below:

### SOCIAL CONTRIBUTION



### SOCIAL CONTRIBUTION OF THE ALPHA BANK GROUP BANKS ABROAD IN 2017



## SUPPORT OF SOCIETY AND OF LOCAL COMMUNITIES

In 2017, the Bank continued its social activities through the implementation of three major Programmes designed to support society, culture and health care as well as through a number of individual events made possible with the contribution of its Employees, as follows:

### “TOGETHER, FOR BETTER HEALTH”

The programme “**Together, for better health**” is an initiative taken by Alpha Bank in collaboration with the Civil Non-Profit Organisation “**Agoni Grammi Gonimi**”. With the aim of improving health services on Greek islands, by designing this Programme the Bank wanted to offer medical and pharmaceutical supplies and equipment. The main goals of the Programme are to **actively assist** the difficult work of the local health centres and to **strengthen the feeling of security of local residents** in these islands, regarding health issues.

The Programme was launched in **2014**, giving priority to the support of smaller islands that have between 800 and 2,000 permanent residents. Over the past four years of its implementation, more than **200,000 items of medical supplies and equipment** have been donated to a total of **32 islands**. This has significantly improved the ability to meet the medical needs of residents and visitors in these areas.

In 2014, the programme “Together, for better health” was first launched on the islands of **Tilos, Nisyros, Leipsoi and Kassos**. In 2015, it continued in **Patmos, Symi, Astypalaia, Karpathos, Chalki, Leros, Kalymnos and Kos**. In 2016, it expanded to eight more islands, namely **Thassos, Andros, Tinos, Folegandros, Kythnos, Samos, Icaria and Fournoi**.

In 2017, the Programme further expanded to twelve islands, namely **Milos, Serifos, Schinoussa, Naxos, Syros, Sifnos, Skiathos, Lesvos, Amorgos, Kea, Ios and Anafi**.

Specifically, in 2017 the Programme offered its support to:

- four (4) Health Centres (Amorgos, Ios, Milos, Skiathos),
- five (5) General-purpose Regional Surgeries (Anafi, Kea, Serifos, Sifnos, Schinoussa),
- three (3) Hospitals (Lesvos, Naxos, Syros),

which were provided with:

- 71,745 items of medical consumables;
- 2,321 items of medical equipment;
- 89 medical devices;
- 43 items of miscellaneous equipment.

The Programme “Together, for better health” will continue in 2018 as well.

ΑΓΟΝΗ ΓΡΑΜΜΗ ΓΟΝΙΜΗ

ΠΡΟΓΡΑΜΜΑ 2017

ΣΕΡΙΦΟΣ

ΝΑΞΟΣ

ΣΧΙΝΟΥΣΣΑ

ΣΚΙΑΘΟΣ

ΣΥΡΟΣ

ΣΙΦΝΟΣ

ΜΗΛΟΣ

Το Πρόγραμμα έχει ήδη πραγματοποιηθεί στα ακόλουθα νησιά.  
**2014:** Κάσος, Λειψοί, Νίσυρος, Τίλος. **2015:** Αστυπάλαια, Κάλυμνος, Κάρπαθος, Κως, Λέρος, Πάτμος, Σύμη, Χάλκη.  
**2016:** Ανδρος, Θάσος, Ικαρία, Κύθνος, Σάμος, Τίнос, Φολέγανδρος, Φούρνοι.

**Μαζί, με στόχο την υγεία.**  
 Τα ελληνικά νησιά εξοπλίζονται με ιατρικά μηχανήματα και ιατροφαρμακευτικά είδη.

**ALPHA BANK**

**μαζι**  
 ΚΟΙΝΩΝΙΚΗ ΕΥΘΥΝΗ ALPHA BANK



## “THE DEFACEMENTS THAT HURT”

The programme “The defacements that hurt” was launched in 2013 for the **restoration and maintenance of sculptures in landmark locations of the historic centre of Athens.**



**Οι φθορές που πληγώνουν**

Εμβληματικοί χώροι του κέντρου της Θεσσαλονίκης έχουν υποστεί φθορές κατά τα τελευταία χρόνια.  
 Η Alpha Bank, με την πολύτιμη αρωγή του Δήμου Θεσσαλονίκης, του Κολλεγίου Ανατόλια και της Χ.Α.Ν.Θ., συμπράττει στο πλαίσιο του προγράμματος “Οι φθορές που πληγώνουν” και αναλαμβάνουν τον καθαρισμό και την συντήρηση των χώρων στη νέα παραλία Θεσσαλονίκης.  
 “Οι φθορές που πληγώνουν” είναι ένα πρόγραμμα που σχεδίασε με σεβασμό στην παράδοση και τον πολιτισμό η Alpha Bank, για την αποκατάσταση και τη συντήρηση ιστορικών κτιρίων και μνημείων.



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In 2016 the Programme expanded to **Thessaloniki**, in order to embellish local monuments and their surrounding areas by providing the Municipality of Thessaloniki with a graffiti removal and surface restoration machine, together with the supplies required.

The Programme’s activities continued in 2017 with the initiative “Let’s give Nea Paralia its old glow back”, a partnership between Alpha Bank, **Anatolia College, Thessaloniki’s Y.M.C.A.** and the **Municipality of Thessaloniki**. Its objective is to revive and improve the Nea Paralia area, which is a landmark for the city.

In 2017, during the Alpha Bank Group Volunteer Day, cleaning and embellishment activities took place for the restoration of the Athens Conservatoire and Nea Paralia in Thessaloniki.

Specifically, in Athens, a team of Volunteers cleaned the surfaces that had been damaged by graffiti, at the Athens Conservatoire surrounding areas.



*Το Κοδθέγιο Ανατόλια ξαναδίνει  
δάμνη στη Νέα Παραλία*

Το Κολλέγιο Ανατόλια, η Alpha Bank και η Χ.Α.Ν.Θ. με την πολύτιμη αρωγή του Δήμου Θεσσαλονίκης, εγκαινιάζουν από κοινού μία πρωτοβουλία που σκοπό έχει να αναδείξει την ομορφιά της Θεσσαλονίκης. Εθελοντές και μαθητές αναλαμβάνουν μία σειρά εξαιρετικών δράσεων με κεντρικό άξονα τη Νέα Παραλία, φροντίζοντας να αλλάξουν την εικόνα της πόλεως και να χαρίσουν και πάλι λάμψη στο στολίδι του θεσσαλικού.



In Thessaloniki, Volunteers from the Bank’s Personnel together with volunteers from Anatolia College and Thessaloniki’s Y.M.C.A. restored damage at the parks located at Nea Paralia.

In addition, the Programme included restoration and maintenance work at the Royal Theatre of Northern Greece and the National Theatre of Northern Greece.

## COLLECTION OF FOOD SUPPLIES – APRIL 2017

On Saturday, April 8, 2017, social contribution events were organised in Athens, Thessaloniki, Kalamata and Kos, in order to support organisations active in social work.

Thanks to the broad participation of the Bank’s Employees, a total of 515 boxes with food and other necessities were collected.

Additionally, the Bank offered 185 boxes with food supplies, personal care and clothing items.

The collection, sorting and packaging of the supplies for distribution was carried out by Bank Volunteers.

The goods collected were sent to organisations and institutions that support vulnerable social groups, children and the elderly.

## COLLECTION OF SCHOOL SUPPLIES SEPTEMBER 2017



As part of the Bank's Corporate Social Responsibility initiatives, on Saturday, September 2, 2017, social contribution events were organised in Kavala, Korinthos, Rethymno and Chalkida, in order to collect school supplies for the children living in local children's homes and foundations.

A total of **105 cartons with school supplies** were collected from the donations of Bank Employees. In addition, the Bank offered 1,000 items of school supplies and stationery by **UNICEF** for the needs of the children living in children's homes and foundations.

## "TOGETHER WITH THE CHILDREN, AT THE MUSEUM AND THE THEATRE"

The programme "**Together with the children at the Museum and the Theatre**", which was launched in 2015, includes the attendance of theatre performances as well as guided tours to museums, exclusively for children living in children's homes and foundations. On Sunday, December 10, 2017 and Saturday, December 16, 2017, two events were held in Thessaloniki and in Athens respectively. More specifically, in **Athens**, children from the **SOS Children's Village in Vari**, **Lyreio Children's Foundation** and the "**Friends of the Child**" Charity Association attended the theatre performance "**Two Stubborn Ladles**", at the **Railway Carriage Theatre "To Treno Sto Rouf"**.

In **Thessaloniki**, children from the **Association of Friends of Children with Rheumatic Diseases**, the "**Melissa**" **Orphanage for Girls** and the **SOS Children's Village in Plagiari, Thessaloniki**, attended Karmen Rouggeri's play "**The Magic Flute**", at the **Thessaloniki Concert Hall**.

The events were made possible thanks to the contribution of Volunteers from the Bank's Personnel who prepared the venues, welcomed the children and gave them Christmas gifts.

Additionally, in 2017 **Shadow-Theatre shows** were held at the **Hatzikyriakio Child Care Institution in Athens** and the **SOS Children's Village in Plagiari, Thessaloniki**.

On Saturday, June 17, 2017, the Bank enabled children from "**The Smile of the Child**" to visit the **Goulandris Natural History Museum** and explore the exhibition "**Minerals and Man**". On the same day, children from "**The Smile of the Child**" in **Thessaloniki** visited the **Archaeological Museum of Thessaloniki**. They were taken on a guided tour of the exhibition "**Figurines. A Microcosmos of Clay**" and then they attended a seminar where they learnt how to make copies of clay figurines. In addition, on the same day, the **MOYSA – Megaro Youth Symphony Orchestra of Thessaloniki** visited the **SOS Children's Villages in Plagiari, Thessaloniki**.

## EDUCATION – TECHNOLOGY

In line with its commitment to support education and technology, the Bank shipped **408 books** and **80 new PCs** to schools and other foundations all over Greece. Additionally, the Bank sponsored the **TEDxAcademy 2017** event. The Event, where Alpha Bank participated with the key message: "**Alpha Bank @ your mobile. Banking at its best**", took place at the Athens Concert Hall on September 30, 2017. In addition, the Bank set up a Concept Space at the Event's exhibition area, which attracted a large number of people. Visitors had the opportunity to familiarise themselves with the new application "**my Alpha wallet with Tap 'n Pay**". Finally, on the occasion of the Event, presentations were carried out at the Bank's General Meeting Hall by Mr. Spyros Margaris (Fintech Expert) and Andreas Stavropoulos (Technology Investor) on "**How Technology will Impact the Financial Industry**" and "**How Technology is Impacting Society and Business**", respectively.

It should also be noted that, throughout the year, Alpha Bank has been supporting the work of foundations, associations and other organisations, financially or by donating books, equipment, classroom material etc.

As part of the Bank's contribution to society and **education** in particular, school visits to the Bank's Branches and visits of university students to the Bank's Main Building take place frequently, where attendees are informed about financial issues and the operation of the banking system.



These presentations are followed by guided tours to different areas of the Bank, such as the Dealing Room, the safe deposit box vaults etc.

During 2017, a total of 138 school and university students visited the Bank.

## “FINTECH CHALLENGE ‘17” DIGITAL INNOVATION HACKATHON

As part of the promotion of the Greek banking system’s digital transformation, the Bank organised the “Fintech Challenge ‘17” Hackathon, where participants developed innovative solutions and applications in the Fintech area with the support and guidance of experienced Executives from Alpha Bank and its partners in the event, i.e. MIT Enterprise Forum Greece, EY Greece, Microsoft and Vodafone.



## SUPPORT OF THE CHIOS GUM MASTIC GROWERS

Alpha Bank assisted the **Chios Gum Mastic Growers Association** in its efforts to replant mastic trees in the areas ravaged by the destructive fire of July 25, 2016, in the Mastiha Villages of Southern Chios. Offering support to the gum mastic growers, the Bank donated 2,000 lentisk saplings that were distributed by the Association, which is exclusively responsible for the management of mastic production on the island.

The saplings are cultivated in the mastic tree nursery, which the Chios Gum Mastic Growers Association operates for the purposes of meeting the production needs of gum mastic growers with certified mastic trees suitable for cultivation, maintaining the trees’ biodiversity per area and supporting the overall recovery of mastic production.



Alpha Bank contributes substantially to the work of the Chios Mastic Gum Growers Association to protect mastic, as a unique Greek product fully identified with the history, the culture and the economy of Chios island.

## RESPONSE TO NATURAL DISASTERS

The Bank, driven by its sense of responsibility and its increased social sensitivity, responds immediately to the need for humanitarian aid for people affected by floods, earthquakes or other natural disasters, by offering clothing and long shelf-life food supplies. It also takes emergency measures in terms of special arrangements to support its Customers, whether these are Individuals who live in affected areas or Businesses that are located there.

Specifically, in order to ensure that immediate assistance is provided to those affected by the devastating flood of November 15, 2017, in Western Attica, Alpha Bank offered **2,100** portions of warm food to the Social Grocery of the Municipality of Mandra and approximately **4,000** food products with a long shelf life and **600** pieces of clothing to the disaster-struck areas. Additionally, the Bank offered **18,600** food products with a long shelf life to Kythira, Oropos, Agrinio, Plomari and Kapandriti. Moreover, it donated **17** medical equipment and pharmaceutical supply items to the General Hospital of Mytilini and to the Municipal Health Centre of the Municipality of Kos. Finally, the Bank undertook the rebuilding of a playground in Symi, repairing the damage caused by the rainstorm of November 2017.

## SUPPORT OF CULTURE

### ALPHA BANK CULTURE

Alpha Bank actively participates in Greece's cultural life, not only through the financial support of such events but also through its own Programmes and Collections.

All the latest news on the cultural activities of the Bank are presented on the website [www.alphapolitismos.gr](http://www.alphapolitismos.gr), which in 2017 had 5,577 visitors.

## EXHIBITIONS

### "MONEY. TANGIBLE SYMBOLS IN ANCIENT GREECE"

The Alpha Bank Numismatic Collection and the Museum of Cycladic Art, in their first ever collaboration, organised a major exhibition entitled "MONEY. Tangible symbols in ancient Greece".

The Exhibition presented a different side of coins, which first appeared in the late 7th century BC. The coin is, primarily, man's basic means of transaction, with which he covers his daily needs, makes payments and meets his obligations. During antiquity, the coin had another use as well, one that is related to its iconography: it was both a symbol and something that people could hold in their hands, it was a tangible symbol.

85 coins from the Bank's Collection were presented together with 159 objects (clay vases, terracotta figurines, marble and bronze statuettes, reliefs, gold jewellery, measuring vessels, coins from closed assemblages and inscriptions) from 29 Archaeological Museums and Collections in Greece, from two Archaeological Museums in Italy, the British Museum and the Louvre Museum.

The Exhibition was accompanied by a catalogue, in Greek and English, containing information on all exhibits as well as rich photographic material.



## EDUCATIONAL PROGRAMMES

### "NOMOS-NOMIZO-NOMISMA"

In February 2017, the Alpha Bank Numismatic Collection's "Nomos-Nomizo-Nomisma" Educational Programme, which is approved by the Ministry of Education and Religious Affairs, started its journey to primary schools around Greece. The Programme enables students to learn about the history of coins, which originated in ancient Greece, and get acquainted with their iconography, their diffusion and their use as a medium of exchange.

Training courses for teachers are also part of the Programme. In 2017, a total of **3,273 students** in **63 Greek schools** attended the Programme.





## “THE FASCINATING HISTORY OF COINAGE. A JOURNEY TO CEPHALLONIA”

On Wednesday, March 29, 2017, a lecture entitled “The Fascinating History of Coinage. A Journey to Cephallonia” was successfully organised at the Korgialenios Library in Argostoli.

**180 persons** attended the event.

## OTHER ACTIVITIES

### SEMINARS ON ANCIENT COINS

In 2017, seminars on ancient coins were held in the premises of the Bank’s Numismatic Collection. The seminars were attended by:

- students of the History and Archaeology Department of the National and Kapodistrian University of Athens (April 24, 2017),
- students of the summer school on “Ancient Greek and Roman Numismatics” organised by the Institute of Historical Research of the National Hellenic Research Foundation (July 6, 2017).

### “LEARNING ABOUT ANCIENT COINS”

The educational programme “Learning about Ancient Coins” of the Bank’s Numismatic Collection, addressed to Elementary School and Lower High School (Gymnasium) students, is conducted in the Numismatic Collection’s permanent Exhibition Space and, upon request, at school premises.

In 2017, sixth-grade students of the Elementary School “Saint Paul”, students from all grades of the “Paidagogiki” Elementary School, as well as the children of the Bank’s Employees attended the Programme.



## LECTURES

### “NOMOS-NOMIZO-NOMISMA. A JOURNEY TO THE PREFECTURE OF EVROS”

On Thursday, February 2, 2017, a lecture entitled “Nomos-Nomizo-Nomisma. A Journey to the Prefecture of Evros” was successfully organised at the Historical Museum of Alexandroupolis.

**170 persons** attended the event.



### BANKNOTE MUSEUM OF THE IONIAN BANK – CORFU

In 2017, the Museum had a total of 6,423 visitors, of which 4,247 were Greek and 2,176 were foreign visitors.



## DAY CONFERENCE

### “A DISCUSSION BETWEEN MUSEUMS IN CORFU: CHALLENGES AND PERSPECTIVES”

On Saturday, March 11, 2017, a Day Conference entitled “A Discussion Between Museums in Corfu: Challenges and Perspectives”, jointly organised by the Banknote Museum of the Ionian Bank and the Museology Group of the Ionian University Department of Archives, Library Science and Museology, took place at the Banknote Museum of the Ionian Bank in Corfu. Approximately 70 persons attended the Conference, including representatives of nine Museums in Corfu.



## NEW PUBLICATIONS

The Catalogue of the permanent exhibition “Greek Banknotes. Historical Evidence” was published in three more languages: French, German and Russian.

## EDUCATIONAL PROGRAMMES

### “BANKNOTES – THE GREEK BANKNOTE”



The Educational Programme entitled “Banknotes – The Greek Banknote” continued in 2017. The Programme aims at getting students acquainted with the history of coinage, highlighting Greek banknotes that were produced from the foundation of the Greek State (1830) until the arrival of the Euro (2002).

675 children participated in this Educational Programme in 2017.



### “2,500-YEAR-OLD COIN”

As part of the International Museum Day celebrations, from Thursday, May 18 through Sunday, May 21, 2017, the Banknote Museum of the Ionian Bank in Corfu hosted an educational event, entitled “2,500-year-old Coin”. 150 students from five schools in Corfu participated in the event.



## ALPHA BANK ART COLLECTION AND ALPHA BANK CULTURAL CENTRE – NAFPLIO

### EXHIBITIONS

- “The Alpha Bank Collection. Greek Art from 1950 until today” exhibition was presented at the Municipal Art Gallery of Larissa – G.I. Katsigras Museum. The Exhibition showcased 41 paintings, prints and sculptures. During the Exhibition, a guided tour was organised for the Personnel of the Bank.
- A poster exhibition entitled “The New ‘Salon des Cent’ International Poster Exhibition: Homage to Toulouse -



Lautrec” was jointly organised by Alpha Bank, the Benaki Museum and GR Design magazine. The Exhibition was presented at the Benaki Museum Pireos Street Annexe. A guided tour was organised for the Bank’s Employees, while Danièle Devynck, director of the Musée Toulouse - Lautrec, gave a lecture at the amphitheatre of the Benaki Museum on Thursday, November 9, 2017.

- The Alpha Bank Cultural Centre at Nafplio hosted the educational exhibition “Theophilos the painter”, in collaboration with the Peloponnesian Folklore Foundation (PFF). The Exhibition was designed for Primary and Secondary Education students, in collaboration with a museum education specialist from PFF, who designed the Exhibition’s guides and the special accompanying publications, for the 2,546 students who participated. Between April and October 2017, 1,263 persons visited the Exhibition. For 2018, a special publication is under way for preschool-aged children who visit the Cultural Centre.

### VARIOUS ACTIVITIES

- Removal and transfer of the large-size wall composition by Yannis Moralis “The City of Thessaloniki” from the Tsimiski Branch to Athens. Tile maintenance and planned display of the work of art at the Museum of Byzantine Culture in Thessaloniki.
- In collaboration with the Corporate Social Responsibility Section, the “Alpha Bank Award”, for the best poster, which was established in 2016, was awarded again in 2017 as part of the Young Designers Competition organised by the GR Design magazine at the Benaki Museum.

- Participation of the Alpha Bank Cultural Centre - Nafplio in the “Night of Museums”, on 21.5.2017.
- Hosting the “Initiative for the promotion of Cultural Heritage” programme at the Alpha Bank Cultural Centre - Nafplio, an initiative for the digitalisation of the historical buildings of the city of Nafplio.
- Hosting the international postgraduate programme “Olympia Summer Academy”, organised by the European International Studies Association, at the Alpha Bank Cultural Centre - Nafplio, where the Programme’s seminars on political science and international relations were held. Two Executives from the Bank’s Economic Research Division participated in the programme.
- Organisation of an eight-month training course for postgraduate students, in collaboration with the Department of History of Art of the University of Athens, for the academic year 2017-2018, entitled “Visual Arts in Greece in the 21st Century”. Classes are held at the Bank’s Educational Programmes Hall with the participation of 25-30 students.

### WORKS OF ART ON LOAN

- Lending eight works to the “Visual Arts and Resistance 1950-1974” exhibition, organised by the Chamber of Fine Arts of Greece at the Athens Municipal Art Gallery.
- Lending four works to the “Alexandros Korogiannakis” exhibition, organised by the Centre for Culture, Research and Documentation of the Bank of Greece at the Museum of the Bank of Greece.
- Lending five works to the “Divided Memories 1940-1950. The Distance Between History and Experience” exhibition, organised by the Macedonian Museum of Contemporary Art in Thessaloniki in December 2016 and extended until 23.4.2017.
- Lending four works to the “Techni Group, 1917-1919. The Birth of Greek Modernism” exhibition, organised by the National Gallery at the Byzantine and Christian Museum of Athens. The Bank was the exclusive sponsor of the Exhibition’s catalogue.
- Lending an album to the “Giorgos Seferis. When the Light Dances, I Speak Fairly” exhibition, organised by the B and M Theocharakis Foundation at the Foundation’s Museum.

### COMMODATES

- Five-year commodate with the National Museum of Contemporary Art for the lending of seven works.
- Five-year commodate with the company Ionian Hotel Enterprises S.A. for the lending of five works.

## SPONSORSHIPS

### ATHENS CONCERT HALL “MUSIC AETERNA”

Alpha Bank sponsored the concert that the Music Aeterna Orchestra held at the Athens Concert Hall, under the baton of acclaimed conductor Teodor Currentzis, as part of the annual Great Orchestras – Great Conductors – Great Performers series.



### DON JUAN – ONASSIS CULTURAL CENTRE

The Bank sponsored the performance “Don Juan”, a contemporary take on Moliere’s work directed by Michail Marmarinos.

### DIMITRIS PAPAIOANNOU – WORLD TOUR

The Bank sponsored Dimitris Papaioannou’s touring performance “The Great Tamer”, which was presented, apart from Greece, in France, Switzerland, Italy, Spain, Korea, Luxembourg, the Netherlands, Portugal, Russia, Serbia, Sweden and Taiwan.

Featuring the participation of ten performers on stage, the work explored the extent to which human life can be seen as a journey of discovery, an inner archaeological “excavation” that promises to bring to light deeper meanings about human existence.

### THESSALONIKI INTERNATIONAL FILM FESTIVAL – EDUCATIONAL PROGRAMMES

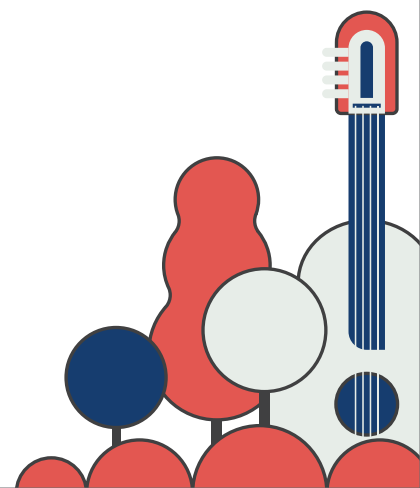
Alpha Bank, as part of its Corporate Social Responsibility activities for children, sponsored the educational programmes organised by the Thessaloniki International Film Festival’s Cinema Museum.

The series of educational programmes, held in the Museum, are addressed to Primary and Secondary School students. They were designed by teachers and museum educators specialised in film education and have been suitably adjusted to the features and goals of each age group.

These educational programmes may be attended by pre-school children as well as Primary and Secondary School students from September to the end of May each year.

### STAVROS NIARCHOS FOUNDATION CULTURAL CENTER – THE GREEK NATIONAL OPERA

The Bank sponsored the ballet performance “The Sleeping Beauty”, staged by the Greek National Opera at the Stavros Niarchos Foundation Cultural Center. The dance version of Charles Perrault’s famous tale, set to music by Pyotr Ilyich Tchaikovsky, was first staged in 1890 and since then has remained exceptionally popular worldwide. On Sunday, November 26, 2017, the Bank’s Customers attended the performance in the presence of Members of the General Management.





## LIBRARY COLLECTION, SUBSCRIPTIONS AND SERVICES

In 2017, the Alpha Bank Library Collection was enriched with 1,100 new publications in various categories as well as with informational material and now comprises more than 30,750 book titles. In addition to Greek and foreign encyclopaedic and lexicography publications, the Library's Collection also includes a large number of scientific publications and periodicals in all fields of economics, law and human sciences as well as a considerable number of publications of literary works.

The Library serves the needs of the Bank's Units, manages their subscriptions to the daily and periodical Press, magazines and journals while it also offers lending services to the Group's Personnel. In 2017, more than 1,500 books and more than 30 sectoral studies were taken out on loan and 130 new members were added. In addition, 25 researchers visited the Library in order to gather information and study in the Reading Room.



## MANAGEMENT OF THE BANK'S PUBLICATIONS

The Publications of the Bank, currently numbering more than 178 titles covering various areas of Greek history, economy and art, are sold to bookshops and publishing houses. They are also donated to other Libraries and charities.

As part of the Bank's policy regarding the promotion of Greek culture, the Library proceeded to donate **1,765** copies of Bank Publications and **882** copies of third-party publications to public and academic libraries, cultural foundations and organisations as well as Units of the Bank in order to cover corporate needs. More specifically, the Bank continued to donate publications to various libraries, such as the Municipal Library of Katerini, the Korgialenios Library of Argostoli, the Central Municipal Library of the City of Athens Cultural, Youth and Sport Organisation, the Library of Variko, Florina, the Municipal Library of Leipsoi "Odysseus Elytis", the Municipal Library of Symi, the Narkisios Municipal Library of Astypalaia, the Open Air Lending Library of Kimolos, the Municipal Library of Nisyros and to many more, mainly in remote Greek islands, acknowledging their significant contribution towards the intellectual cultivation of their residents and visitors. Similarly, publications were dispatched to university libraries and in particular to the Library of the University of the Aegean and to the Library of the Municipal Free Open University of Sfakia "George Xenoudakis". Books were also donated to several Primary and Secondary schools countrywide, such as the 3rd Primary School of Alexandroupolis, the 3rd Primary School of Hermoupolis Syros, the Primary School of Kapandriti, the Secondary School (both gymnasium and lyceum) of Kapandriti, the 2nd Primary School of Aigaleo "Nikos Gatsos", the Secondary School (lyceum) of Palamas in Karditsa, et al. and to cultural institutes and organisations, such as the Holy Diocese of Philippi, Neapolis and Thassos, the Association of Sifnians, the Association of Asia Minor Greeks of Kozani, the Local Archival Collection of Ikaria, the Hellenic Maritime Museum etc.

As part of Alpha Bank's social contribution, the Library donated 200 copies of its Publications to Christmas bazaars held by charity associations and organisations, such as the Hatzikyriakio Childcare Institution and the Charity Association "FRIENDS OF THE CHILD".

In addition, the Bank donated copies of its Publications to support the book bazaars organised by the "Friends of the Goulandris Natural History Museum" Association, the lottery organised by "The Friends of the Benaki Museum" Association, the main annual event for the employees of the National Centre for Scientific Research "Demokritos" (NCSR) and the lotteries organised by the "Friends of the Lyceum Club of Greek Women" and "Aegeus" - Society for Aegean Prehistory.

## HELLENIC ECONOMIC LIBRARY NETWORK

In 2017, the Hellenic Economic Library Network (H.E.L.I.N.), of which the Bank's Library is a founding member, successfully organised seven educational visits/guided tours to the member libraries of H.E.L.I.N. as well as the Second Series of Economics-oriented Lectures for Libraries, consisting of three lectures overall. These were addressed to professionals working in libraries, archives, documentation centres and other bodies, to library science students as well as to all professionals interested in economics-related matters.

As part of the activities of H.E.L.I.N. for 2017, the Alpha Bank Library successfully organised two guided tours to the areas of the Library, the Numismatic Collection and the "ALPHA BANK – CULTURE Store". Furthermore, it participated in the second lecture entitled "Banks, Corporate Responsibility and Libraries" of the Second Series of Economics-oriented Lectures for Libraries, with a presentation.

H.E.L.I.N. was created in 2012 and its mission is to promote cooperation among the member libraries in order to exchange services and resources. The ultimate goal of the member libraries is to provide higher quality services to their user communities. Shortly before the end of 2017, the Library of the Hellenic Statistical Authority (ELSTAT) was added to the Network's list of members.

## "ALPHA BANK – CULTURE STORE" – CULTURAL FOUNDATION OF THE IONIAN BANK

"ALPHA BANK – CULTURE Store" is situated at the ground floor of Alpha Bank's Main Building at 40 Stadiou Street, Athens and has been operating since January 2011. Visitors may obtain information about the Bank's cultural activities and buy the available Publications of the Bank and the J.F. Costopoulos Foundation as well as copies of ancient coins from the Bank's Numismatic Collection.

In 2017, more than 1,000 persons visited the "ALPHA BANK – CULTURE Store", where they had the opportunity to learn about the activities of the Bank's Art Collection, Numismatic Collection, Historical Archives and Library as well as about the activities of the Banknote Museum of the Ionian Bank in Corfu and the Alpha Bank Cultural Centre in Nafplio.

As part of the constant improvement and modernisation of the services offered by the "ALPHA BANK – CULTURE Store", an e-shop has been launched. It is addressed to the general public and allows interested parties to obtain swiftly and directly the Publications of Alpha Bank, and/or copies of a limited number of ancient coins from the Alpha Bank Numismatic Collection. Furthermore, it provides information on new products and current offers and discounts.



The interactive system Stater 360<sup>2</sup>, which enables the public to become familiar with selected ancient coins from the Alpha Bank Numismatic Collection, is also in operation at the "ALPHA BANK – CULTURE Store". This is an interactive application, original worldwide, which consists mainly of a rotating metal disc on which twenty coins are represented. Users can view all coins magnified at high-resolution, selecting one coin at a time. They can examine the coin under a magnifying glass, read its description and use the map to locate the city that issued it, by touching it. On the nearby display, they can also read the history of the issuing authority. To see the reverse side of the coin, users can just flip the disc over.

The interactive system Stater 360<sup>2</sup> was designed and built by the Foundation for Research and Technology – Hellas (FORTH) for the Alpha Bank Numismatic Collection.



## THE ALPHA BANK HISTORICAL ARCHIVES

### INTERNATIONAL ACADEMIC HISTORY MEETING OF THE ALPHA BANK HISTORICAL ARCHIVES

The Alpha Bank Historical Archives successfully organised the **10th Academic History Meeting, entitled “Small States in History and the Greek Case”**, on October 6 and 7, 2017.



The meeting took place in collaboration with the Bank’s Marketing and Public Relations Division, in Corfu, at the Old Fortress in the General State Archives building.

The aim of the Meeting was to examine, through international expertise, the extent to which the size of the Greek state was a determining factor in its economic, political and social development.

A total of **18 Greek and foreign renowned academics** as well as young researchers from Europe, the United States and Canada, who represented almost the entire spectrum of social sciences and humanities, participated in the meeting. This academic meeting marks the beginning of a **series of international conferences over the next few years**, which will delve into the performance of the Greek state in different sectors, from its foundation to this day.

### ALPHA BANK HISTORICAL ARCHIVES SERIES OF LECTURES

In 2017, as part of the Bank’s **Corporate Social Responsibility**, the Marketing and Public Relations Division, together with the Historical Archives, launched a new **“Series of Lectures”** on current affairs, aiming at the **education of the Bank’s Executives**.

The first lecture, which was held at the Bank’s Main Building and was entitled “Crisis and Development Prospects for the Greek Economy”, was delivered by the Director General of the Foundation for Economic and Industrial Research (I.O.B.E.) and Professor at the Athens University of Economics and Business Mr. Nikolaos Vettas. In his lecture, Mr. Vettas focused on the fundamental problems that Greek Economy dealt with, which were heightened because of the economic crisis. He then analysed each restriction that Greece has to deal with over the next few years in terms of the economy and the ways in which the country can achieve a transition to a more effective economic model.

Finally, he brought up the subject of education, stressing its particular importance for the readjustment of the country’s economic model on a healthier basis.

### OPEN SEMINAR OF ECONOMIC HISTORY BY THE ALPHA BANK HISTORICAL ARCHIVES



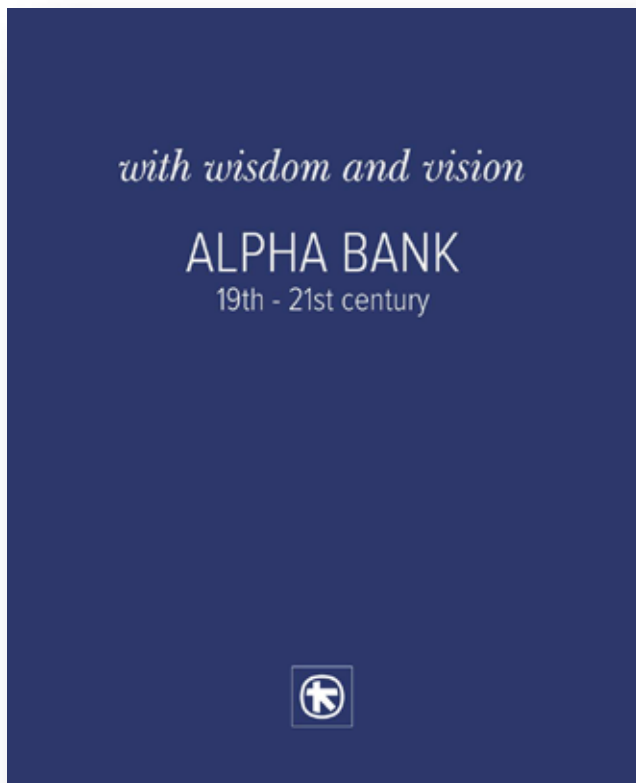
This year, the Bank’s Historical Archives participated for the first time in the organisation of the 14th cycle of the **Open Seminar of Economic History**, in collaboration with the **French School at Athens**, which is held at the Conference Hall of the **Historical Archive of the University of Athens**. The Seminar started out as an initiative of historians who had a specific interest in economic history. It aims at the promotion and discussion of ongoing research projects as well as the study of specific problems related to Greek and international economic history, with the participation of historians, economists and other experts from the international academic community.

For the 2017-2018 cycle, an announcement for the **Bank’s Personnel** was posted on the Alpha Bank Intranet, inviting Employees from the Bank’s Divisions and Branches to attend the Seminar.

## THE ENGLISH VERSION OF THE PUBLICATION PRESENTING THE BANK'S HISTORY

### “With Wisdom and Vision: Alpha Bank 19th – 21st century”

In 2017, the Historical Archives published the English version of the publication “**With Wisdom and Vision: Alpha Bank 19th – 21st century**”.



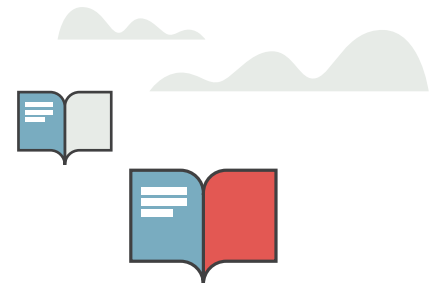
The Publication narrates the history of the Bank, starting from the time when J.F. Costopoulos embarked on his commercial ventures in the 19th century until the present day. The Publication includes rich and unpublished photographic material taken for its most part from the Alpha Bank Historical Archives, while material from other organisations, banks or foundations, public and private, has been drawn upon as well. It is accompanied by a detailed index of the names and the companies of that era in English.

## PARTICIPATION OF ALPHA BANK IN INTERNATIONAL SCIENTIFIC BODIES

### “European Association for Banking and Financial History”

The Bank's Historical Archives participated in the annual General Meeting of the Members of the “**European Association for Banking and Financial History**”. Alpha Bank is a Regular Member of this Association from 1996, while its Honorary Chairman, Mr. Yannis S. Costopoulos, continues as of 2000 to be a member of the “Board of Patrons”. The Bank's participation in the Association aims at monitoring and disseminating good practice on the recovery and preservation of bank documents, the transfer of know-how, as well as the scientific cooperation of European members.

Finally, through its participation, Alpha Bank contributes to forming policies related to the Historical Archives of the European financial institutions.



## SOCIAL ACTIONS OF THE ALPHA BANK GROUP BANKS ABROAD

### CYPRUS

Alpha Bank Cyprus Ltd, through its Corporate Social Responsibility Programmes, participates in efforts to support vulnerable social groups and to assist foundations and organisations active in health, education, culture, sports and the protection of the environment. In 2017, the Bank supported and/or participated in the following events:

- **Official Sponsor of the Annual Awareness and Prevention Week on Kidney Disease**, organised for a number of years by the Cyprus Kidney Association (PSFN).
- **Sponsor of the 17th “Love Route”** organised by the Cyprus Association for children with cancer and related diseases, “One Dream One Wish”. The aim of the event is to inform the public and raise awareness of the numerous problems faced by children and young people suffering from various forms of cancer.
- **Sponsor of a charity event organised by the Agioi Omologites Social Welfare Organisation**. The proceeds from the charity event were used to cover the needs of the nursery schools, the day care centres and the poor families supported by the Organisation.
- **Sponsor of the “18th Fête of Joy and Contribution”**, organised by the Cyprus Association for children with cancer and related diseases “One Dream One Wish”.
- **Donation of food supplies and other basic necessities**, during the Christmas and New Year holiday season, to charities and other organisations that support families and people in need, in all regions of Cyprus (December 2017):
  - Europa Donna Cyprus Organisation
  - “Vagoni Agapis” Charity Organisation
  - Social Care Centres of Holy Dioceses
  - Parents Associations of Public Schools.
- **Major Sponsor of the 9th UK University Fair**, organised by TCS Educational Consultants and Unilink Education Services in Nicosia and Limassol. Interested school and university students had the opportunity to talk to educational consultants and representatives from the Universities.
- **Sponsor of the Cyprus Youth Symphony Orchestra Programme** of the Cyprus Symphony Orchestra Foundation.
- **Sponsor of the Concert-Tribute to the Cypriot composer Stelios Pissis**, a very special person and musician, who composes and orchestrates his own music using eye movement, thereby triumphing over the muscular dystrophy from which he suffers.
- **Main Sponsor of the “Music in Town” event**, organised by the “Friends of Nicosia” Association, in cooperation with the Nicosia Municipality. The aim of the event was to promote Nicosia as a capital with substantial history and culture.

### ROMANIA



In 2017, as part of Corporate Social Responsibility, Alpha Bank Romania S.A. continued to support initiatives in the fields of education, society, sports, culture and the environment.

In particular, the main initiatives supported in 2017 were the following:

- **Financial literacy programmes:** The Bank became actively involved in financial literacy programmes. Financial literacy is a necessary part of consumer awareness, as it leads to a better understanding of how to manage one’s personal finances, while avoiding risks and potential financial exclusion.

- **Financial training programmes**, developed in schools, along with the Association for the Promotion of Educational Performance and the Publishing House “Explorer” and in collaboration with the National Bank of Romania and the Ministry of Education.
- **Educational mobile application**, in the context of the financial training programme which continues for the fifth consecutive year together with the Association for the Promotion of Educational Performance and the Publishing House “Explorer”, in collaboration with the National Bank of Romania and the Ministry of Education.
- **“Banking Innovation Lab” Conference**: Alpha Bank Romania S.A. participated in the conference “Banking Innovation Lab” for the professional exchange of knowledge regarding the trends and innovations in the field of technological solutions and applications in the banking sector.
- **“Little Bankers Olympiad” Contest**: Alpha Bank Romania S.A. continued to support the “Little Bankers Olympiad” contest, as part of an educational programme on financial issues, carried out each year with increasing success.
- **Sponsorship of subscriptions to the magazine “Financial Market” for students of the Academy of Economic Studies**, in order to become familiar with the financial market. The magazine subscriptions bring students the latest news from the world of finance and help them understand how economic matters are handled in the Press.
- **Main sponsor of the first urban natural park in Continental Europe**: Alpha Bank Romania S.A. supports, for the fourth consecutive year, the activities carried out within the Observatory of the Vacaresti Natural Park, which provides nature lovers the opportunity to explore the beauty of this ecosystem, which is unique in Europe.
- **Botanical Garden of Bucharest**: The Bank supports actions in the field of education and environmental protection with the aim of improving the quality of life. The Botanical Garden of Bucharest is one of the largest green areas in the city. Alpha Bank Romania S.A., recognising its importance both for society and the environment, has been a steadfast partner of the Botanical Garden since 2012.
- **Sibiu International Theatre Festival**: Alpha Bank Romania S.A. sponsored the Sibiu International Theatre Festival, the most multi-faceted annual festival in Romania and the biggest and most significant performing arts festival in Europe. In particular, Alpha Bank Romania S.A. was the exclusive sponsor of two programmes – the Volunteering Programme and the Performing Arts Market.
- **Business events**: Alpha Bank Romania S.A. sponsored events organised by the Hellenic-Romanian Chamber of Commerce for the development of bilateral relations between Greece and Romania, which representatives of the Romanian and Greek business communities attended.

In 2017, Alpha Bank Romania S.A. was also a major sponsor of the following events:

- National Mathematical Olympiad
- Alpha Values Program
- “Gerar” Marathon
- Concerto Cultural Association
- European Youth Chess Championship.

## ALBANIA



In line with the Corporate Social Responsibility policy of the Group, in 2017 Alpha Bank Albania SHA took a number of initiatives in support of education, society, culture and the environment, as follows:

- **Educational and awareness-raising activities in the context of “Money Week”**: In March 2017, the Bank of Albania and the Albanian Association of Banks organised “Money Week”, an initiative for the financial education of young students. Alpha Bank Albania SHA was one of the main financial institutions to be involved in this initiative by implementing the following actions:

1. Organisation of a **visit to the Bank's Main Branch**, where a group of 35 students observed members of the Personnel serve Customers and perform day-to-day banking operations.
  2. **"Innovative Camp"**: Alpha Bank Albania SHA sponsored the "Innovative Camp" initiative, during which six groups consisting of five students presented innovative ideas in the field of digital marketing. Each group was under the guidance of a Bank Employee.
  3. **"Leader for a day"**: Alpha Bank Albania SHA supported the "Leader for a Day" programme, under which a student was chosen to accompany the Bank's Head of Marketing and Public Relations for a whole day and participate in all meetings and decisions taken during that day. Students were given a particular job, which they had to manage and implement on their own as Head of Marketing and Public Relations.
- **Reconstruction of the school for visually-impaired children**: In September 2017, the Bank financed the reconstruction of the school for visually-impaired children.
  - **"Donate a School Bag"**: During the first day of the school year, the Bank donated 250 school bags and pencil cases to children of families who are in need.
  - **"Children's Day in Vlora"**: The Bank supported the event "Parade and Children's Festival" held as part of Children's Day in Vlora. All of the schools in the city took part in this event with different activities, such as dancing, painting, parading etc.
  - **"We donate knowledge"**: The Bank supported 22 school libraries in the cities of Tirana, Durrës, Vlora, Korça, Shkodra, Lushnjë, Saranda, Ura Vajgurore, Burrel, Lac, Tepelena, Himara, Pogradec, Elbasan, Përmet, Kamez and Gjirokastra. In addition, 6,100 art and scientific books were donated to 15 Primary Schools and seven Secondary Schools.
  - **Support of the elderly**: In July 2017, more than 100 Employees of the Bank contributed voluntarily to the collection of personal care items and food that were donated to the elderly of the nursing home of Tirana. In addition, Volunteers from the Bank's Personnel visited the nursing home and spread joy to the elderly.
  - **Sponsorship of the fifth International Tirana Guitar Festival**: In September 2017, the Albania Guitar Foundation organised the fifth International Tirana Guitar Festival, which was sponsored by Alpha Bank Albania SHA.
  - **Reconstruction of the historical building "Seferis"**: Alpha Bank Albania SHA supported the reconstruction work carried out in one of the most historical buildings of Korça, the "Seferis" building, which belonged to Nobel Laureate Giorgos Seferis, during his two-year tenure as Greek Consul in Korça. In his honour, the building was named "Seferis".
  - **"Road towards Success"**: In November 2017, the Bank's Employees took part in the event "Road towards Success", whose aim was to strengthen the Employee's interpersonal skills and experiences. All proceeds from this event went to charities.
  - **Foundation for children with Down Syndrome**: The Bank sponsored a new treatment facility in the Foundation for children with Down Syndrome, the only organisation that provides free support to families of Down syndrome children. The new facility is fully equipped so as to provide services to more children.
  - **"Albania Cultivates the Land"**: Alpha Bank Albania SHA supported the first agricultural exhibition entitled **"Albania Cultivates the Land"**. A total of 500 producers and representatives from across the country participated in the exhibition with various products, such as fruit, vegetables and traditional dishes.
  - **"Together for safer beaches"**: The Bank supported the construction of a lifeguard tower in the city of Velipoja, which is one of the coastal cities with the greatest number of accidents during the summer season. The new tower will also be used to train new lifeguards.



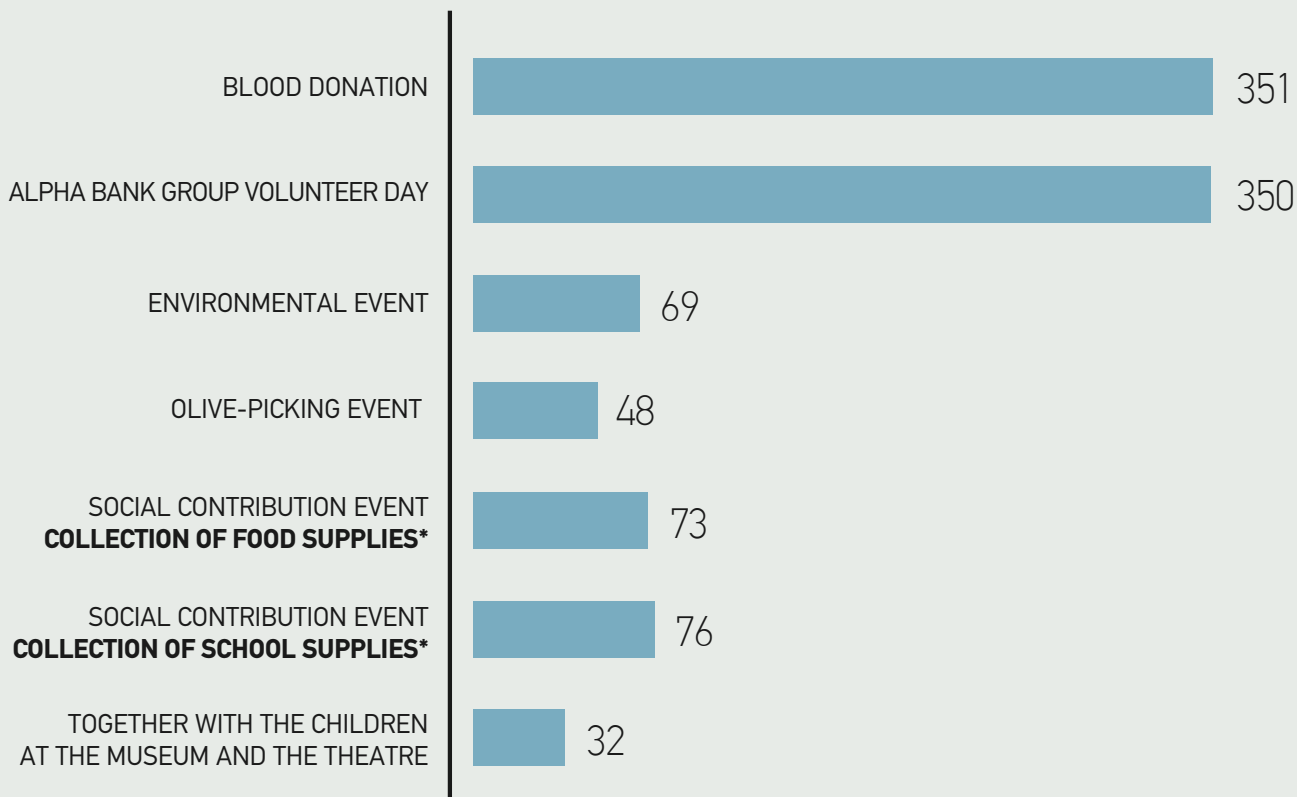
## VOLUNTEERISM – PARTICIPATION OF EMPLOYEES

Participation of  $\approx 1,000$  Employees  
in 16 voluntary events

In 2017, the Bank's Personnel continued to take active part in blood donation and social solidarity and environmental events organised in Greek cities where the Bank is present. In particular, members of Personnel participated in 16 volunteer events, with the total number of participants standing at 1,000. Of these, 649 participated in social and environmental events while 351 were blood donors. Employees are informed about the opportunities to participate in various social and environmental events by means of relevant announcements published on the Alpha Bank Intranet, which includes a special section on matters related to the Bank's corporate responsibility.

The participation of Employees in volunteer activities in 2017 is indicated in detail in the table below:

### EMPLOYEE PARTICIPATION IN VOLUNTEER EVENTS DURING 2017



\*Moreover, 321 Employees of the Bank participated in the above events by offering food and school supplies.

## ALPHA BANK BLOOD BANK

Since 2001, Alpha Bank has established a blood bank, through which the Bank's Employees, as Volunteer Blood Donors, assist in the difficult task of finding blood by participating in the Blood Donation Days.



These Days are held twice per year, with the number of participating Bank Employees constantly rising. The Days are held in Athens and Thessaloniki with the assistance of the Bank's Doctors and in partnership with major hospitals in Greece. A total of 497 blood units were added in 2017 and are at the disposal of Bank Personnel in cases of emergency.

In **Albania**, Alpha Bank Albania SHA organised for the sixth consecutive year its Blood Donation Day, in collaboration with the Albanian Red Cross. More than 50 Employees participated in the voluntary blood donation and the blood units that were collected were donated to children with thalassaemia.

In **Cyprus**, Alpha Bank Cyprus Ltd, in collaboration with the Blood Bank, organised the Staff Blood Donation Day, which was conducted with the voluntary participation of 21 members of the Bank's Personnel in all provinces.

## ALPHA BANK GROUP VOLUNTEER DAY

The "Alpha Bank Group Volunteer Day" was established in 2009 as a Group-wide initiative that aims at further raising its people's awareness of social and environmental issues.

In 2017, **approximately 350 volunteers** from the Alpha Bank Group Personnel in Greece, Cyprus, Romania and Albania, together with their families, participated in cleaning and embellishment activities in public places.

In **Greece**, the "Alpha Bank Group Volunteer Day" was held on Sunday, June 18, 2017, in Athens and Thessaloniki, with the participation of **32 Volunteers** from the Bank's Personnel. This year, cleaning and embellishment activities took place for the restoration of the Athens Conservatoire and Nea Paralia in Thessaloniki. In **Athens**, a team of volunteers cleaned the surfaces that had been damaged by graffiti, at the Athens Conservatoire's surrounding areas, while two other teams participated in planting and embellishment works on site. In **Thessaloniki**, Volunteers from the Bank's Personnel together with volunteers from Anatolia College and Thessaloniki's Y.M.C.A. restored damage at the parks located at Nea Paralia, under the guidance of employees from the Municipality of the city. For this action, the Volunteers used cleaning and protection material that Alpha Bank has donated to the Municipality of Thessaloniki.

In **Cyprus**, **100 Volunteers, members of the Personnel of Alpha Bank Cyprus Ltd**, participated in cleaning and conservation activities at the Park of the Cyprus Land Development Corporation in Aglantzia, Nicosia, at the Limassol Central Park, at Spyros Beach in Larnaca, at the Park of Paralimni in Ammochostos and at Dasoudi Park in Paphos.

In **Romania**, **150 Volunteers, members of the Personnel of Alpha Bank Romania S.A.**, participated in the restoration of the Bucharest Botanical Garden which is more than 150 years old. The Volunteers started planting the "rose garden", a place inside the Garden with more than 150,000 visitors annually which has increased conservation and embellishment needs, while they painted the fences of the surrounding area.

In **Albania**, **68 Volunteers from Alpha Bank Albania SHA** undertook the cleaning of the historical Bashtova Castle which was built in the 15th century, removing the vegetation which blocked access to the visitors.





# PRESENTATION OF SUSTAINABILITY DISCLOSURES IN ACCORDANCE WITH THE GRI G4 GUIDELINES

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In the preparation of the present Report, the Guidelines for sustainability report publications of the Global Reporting Initiative (GRI) and, in particular, the G4 version of the Guidelines, were taken into account. The Corporate Responsibility Report 2017 has been prepared “in accordance” with the “Core” option of the GRI G4 Guidelines. In addition to references to the present Report, the table below further contains references to Alpha Bank’s Annual Report 2017, Alpha Bank’s Business Review 2017, the Bank’s website and other published documents (e.g. Weekly Economic Report). The table also identifies the indicators that were subject to external assurance by KPMG.





**see Alpha Bank Annual Financial Report 2017**





**see Alpha Bank Business Review 2017**

| GRI CODE                            | DESCRIPTION   | LOCATION OF THE RELEVANT INFORMATION, ADDITIONAL COMMENTS   | EXTERNAL ASSURANCE |
|-------------------------------------|---|---|--------------------|
| <b>GENERAL STANDARD DISCLOSURES</b> |   |   |                    |
| <b>STRATEGY AND ANALYSIS</b>        |   |   |                    |
| G4-1                                | Statement from the most senior decision maker of the Organisation | Letter from the Managing Director - CEO<br> Business Review:<br><b>Letter from the Chairman</b>  | ✓                  |
| <b>ORGANISATIONAL PROFILE</b>       |   |   |                    |
| G4-3                                | Name of the Organisation  | Alpha Bank A.E.   | ✓                  |
| G4-4                                | Primary products and/or services                                  | Modern Banking<br> pages: 76, 169-170, 273, 342-344  | ✓                  |
| G4-5                                | Location of the Organisation's headquarters                       | - 40, Stadiou Street, GR-102 52 ATHENS<br>- <a href="http://www.alpha.gr/page/default.asp?la=1&amp;id=11">http://www.alpha.gr/page/default.asp?la=1&amp;id=11</a>   | ✓                  |
| G4-6                                | Number of countries where the Organisation operates               | - Alpha Bank and Corporate Responsibility<br>- International Network<br>- <a href="http://www.alpha.gr/page/default.asp?la=1&amp;id=16">http://www.alpha.gr/page/default.asp?la=1&amp;id=16</a><br> pages: 155-158, 170-171, 343-344   | ✓                  |
| G4-7                                | Nature of ownership and legal form                                | Société Anonyme   | ✓                  |
| G4-8                                | Markets served  | - Modern Banking<br>- International Network<br>- <a href="http://www.alpha.gr/page/default.asp?id=16&amp;la=1">http://www.alpha.gr/page/default.asp?id=16&amp;la=1</a><br> pages: 170-171  | ✓                  |
| G4-9                                | Scale of the reporting Organisation                               | - Economic Performance of the Bank<br>- Modern Banking<br>- Management of Human Resources<br>- <a href="http://www.alpha.gr/page/default.asp?la=1&amp;id=548">http://www.alpha.gr/page/default.asp?la=1&amp;id=548</a><br>- <a href="http://www.alpha.gr/page/default.asp?la=1&amp;id=3002">http://www.alpha.gr/page/default.asp?la=1&amp;id=3002</a><br>- <a href="http://www.alpha.gr/page/default.asp?la=1&amp;id=57">http://www.alpha.gr/page/default.asp?la=1&amp;id=57</a><br> pages: 57-62, 257-261 | ✓                  |
| G4-10                               | Total Human Resources by employment contract, region and gender   | Management of Human Resources   | ✓                  |
| G4-11                               | Total Human Resources covered by Collective Bargaining Agreements | Fair Labour Practices   | ✓                  |

| GRI CODE   | DESCRIPTION  | LOCATION OF THE RELEVANT INFORMATION, ADDITIONAL COMMENTS  | EXTERNAL ASSURANCE |
|--|--|--|--------------------|
| G4-12  | Supply Chain of the Organisation   | Responsible Procurement  | ✓                  |
| G4-13  | Significant changes during the reporting period regarding the Organisation's size, structure or ownership  | - Economic Performance of the Bank<br>- Major Events in 2017<br>- <a href="http://www.alpha.gr/page/default.asp?la=1&amp;id=548">http://www.alpha.gr/page/default.asp?la=1&amp;id=548</a><br> pages: 144-146, 251-253 | ✓                  |
| G4-14  | Report whether and how the precautionary approach or principle is addressed by the Organisation  | - Alpha Bank and Corporate Responsibility<br>- Corporate Responsibility Policy<br>- Corporate Governance, Risk Management and Compliance<br>- Product Portfolio  | ✓                  |
| G4-15  | Report externally developed economic, environmental and social charters, principles or other initiatives to which the Organisation subscribes or which it endorses | - Corporate Responsibility Policy<br>- Memberships in Associations, Organisations, Initiatives and Indices<br>- Corporate Governance, Risk Management and Compliance<br>- Product Portfolio  | ✓                  |
| G4-16  | Associations (e.g. industry associations) and national or international advocacy organisations in which the Organisation is a member                               | Memberships in Associations, Organisations, Initiatives and Indices  | ✓                  |
| <b>IDENTIFIED MATERIAL ISSUES AND BOUNDARIES</b> |  |  |                    |
| G4-17  | Entities included in the Organisation's consolidated financial statements or other equivalent documents  | Corporate Responsibility Report Methodology<br> pages: 20-22, 155-158   | ✓                  |
| G4-18  | Process for defining the Report's content and the Aspect Boundaries  | - Corporate Responsibility Report Methodology<br>- Identification of Material Issues   | ✓                  |

| GRI CODE                      | DESCRIPTION   | LOCATION OF THE RELEVANT INFORMATION, ADDITIONAL COMMENTS  | EXTERNAL ASSURANCE |
|-------------------------------|---|--|--------------------|
| G4-19                         | Material Aspects identified in the process for defining the Report's content                              | Identification of Material Issues  | ✓                  |
| G4-20                         | For each Material Aspect, report the Aspect Boundary within the Organisation                              | Identification of Material Issues  | ✓                  |
| G4-21                         | For each Material Aspect, report the Aspect Boundary outside the Organisation                             | Identification of Material Issues  | ✓                  |
| G4-22                         | Effect of any restatements of information provided in previous Reports, and reasons for such restatements | - Footnotes to tables and clarifications in the running text (where applicable)<br>- Corporate Responsibility Report Methodology | ✓                  |
| G4-23                         | Significant changes from previous reporting periods in the Aspect Boundaries                              | - Footnotes to tables and clarifications in the running text (where applicable)<br>- Corporate Responsibility Report Methodology | ✓                  |
| <b>STAKEHOLDER ENGAGEMENT</b> |   |  |                    |
| G4-24                         | List of stakeholder groups engaged by the Organisation  | Stakeholders   | ✓                  |
| G4-25                         | Basis for identification and selection of Stakeholders  | Stakeholders   | ✓                  |
| G4-26                         | Stakeholder engagement  | - Identification of Material Issues<br>- Stakeholders  | ✓                  |

| GRI CODE              | DESCRIPTION  | LOCATION OF THE RELEVANT INFORMATION, ADDITIONAL COMMENTS  | EXTERNAL ASSURANCE |
|-----------------------|--|--|--------------------|
| G4-27                 | Key issues and concerns that have been raised through stakeholder engagement and how the Organisation has responded to those key issues and concerns   | Stakeholders   | ✓                  |
| <b>REPORT PROFILE</b> |  |  |                    |
| G4-28                 | Reporting period   | Financial year 2017 (1.1.2017-31.12.2017)  | ✓                  |
| G4-29                 | Date of most recent previous Report  | <b>30.6.2017</b> (for the period 1.1.2016-31.12.2016)  | ✓                  |
| G4-30                 | Reporting cycle  | Annual   | ✓                  |
| G4-31                 | Contact point for questions regarding the Report or its contents   | Corporate Responsibility Report Methodology  | ✓                  |
| G4-32                 | - "In accordance" option the Organisation has chosen<br>- GRI Content Index for this option  | - Corporate Responsibility Report Methodology<br>- Presentation of Sustainability Disclosures in accordance with the GRI G4 Guidelines | ✓                  |
| G4-33                 | Organisation's policy and current practice with regards to seeking external assurance for the Report   | - Corporate Responsibility Report Methodology<br>- Independent Limited Assurance Report to Alpha Bank A.E.                             | ✓                  |
| <b>GOVERNANCE</b>     |  |  |                    |
| G4-34                 | Governance structure of the Organisation, including committees of the highest governance body and any committees responsible for decision-making on economic, environmental and social impacts | - Alpha Bank and Corporate Responsibility<br>- Corporate Governance, Risk Management and Compliance                                    | ✓                  |

| GRI CODE                             | DESCRIPTION  | LOCATION OF THE RELEVANT INFORMATION, ADDITIONAL COMMENTS   | EXTERNAL ASSURANCE |
|--------------------------------------|--|---|--------------------|
| <b>ETHICS AND INTEGRITY</b>          |  |   |                    |
| G4-56                                | Values, principles, standards and norms of behaviour of the Organisation, such as codes of conduct and codes of ethics | - Alpha Bank and Corporate Responsibility<br>- Corporate Governance, Risk Management and Compliance   | ✓                  |
| <b>SPECIFIC STANDARD DISCLOSURES</b> |  |   |                    |
| <b>ECONOMY</b>                       |  |   |                    |
| <b>ECONOMIC PERFORMANCE</b>          |  |   |                    |
| G4-DMA                               | Disclosure on Management Approach  | Economic Performance of the Bank<br> <b>Business Review:</b> - Letter from the Chairman<br>- Letter from the Managing Director - CEO<br>- Key Events in 2017                             | ✓                  |
| G4-EC1                               | Direct economic value generated and distributed  | - Economic Performance of the Bank<br>- Social Contribution<br> <b>Business Review:</b> - Key Indicators<br>- Operating Segment and Geographical Sector Analysis<br>- Capital Adequacy | ✓                  |
| <b>ENVIRONMENT</b>                   |  |   |                    |
| <b>ENERGY</b>                        |  |   |                    |
| G4-EN3                               | Energy consumption within the Organisation   | Energy Consumption and Addressing Climate Change  | ✓                  |
| <b>EMISSIONS</b>                     |  |   |                    |
| G4-EN15                              | Direct greenhouse gas (GHG) emissions (Scope 1)  | Energy Consumption and Addressing Climate Change  | ✓                  |
| G4-EN16                              | Energy indirect greenhouse gas (GHG) emissions (Scope 2)   | Energy Consumption and Addressing Climate Change  | ✓                  |

| GRI CODE   | DESCRIPTION  | LOCATION OF THE RELEVANT INFORMATION, ADDITIONAL COMMENTS  | EXTERNAL ASSURANCE |
|--|--|--|--------------------|
| <b>SOCIETY</b>   |  |  |                    |
| <b>LABOUR PRACTICES AND DECENT WORK - EMPLOYMENT</b>                     |  |  |                    |
| G4-DMA   | Disclosure on Management Approach  | Management of Human Resources  | ✓                  |
| G4-LA1   | Total number and rates of new employees and employee turnover by age group, gender and region                            | Management of Human Resources  | ✓                  |
| <b>LABOUR PRACTICES AND DECENT WORK – OCCUPATIONAL HEALTH AND SAFETY</b> |  |  |                    |
| G4-DMA   | Disclosure on Management Approach  | Together with our People – Introduction<br>- Management of Human Resources<br>- Employee Training and Development<br>- Health and Safety at the Workplace  | ✓                  |
| G4-LA6   | Rates of injury, occupational diseases, lost days and absenteeism, and total number of work-related fatalities by region | - Due to the nature of its activities, the Bank does not deal with significant cases of injury. For this reason, the indicators monitored are simple and their recording and monitoring are done centrally for all Employees and activities of the Bank.<br><br>- Health and Safety at the Workplace | ✓                  |
| <b>LABOUR PRACTICES AND DECENT WORK - TRAINING AND EDUCATION</b>         |  |  |                    |
| G4-DMA   | Disclosure on Management Approach  | Employee Training and Development  | ✓                  |
| G4-LA9   | Average hours of training per year, per Employee, by gender and employee category  | Employee Training and Development  | ✓                  |
| <b>PRODUCT RESPONSIBILITY - PRODUCT AND SERVICE LABELLING</b>            |  |  |                    |
| G4-DMA   | Disclosure on Management Approach  | Responsible Reporting to Customers, Customer Service and Satisfaction  | ✓                  |

| GRI CODE  | DESCRIPTION  | LOCATION OF THE RELEVANT INFORMATION, ADDITIONAL COMMENTS   | EXTERNAL ASSURANCE |
|---|--|---|--------------------|
| G4-PR5  | Results of surveys measuring Customer Satisfaction   | Responsible Reporting to Customers, Customer Service and Satisfaction (Consumer Research Surveys) | ✓                  |
| <b>CUSTOMER RESPONSIBILITY - MARKETING COMMUNICATIONS</b> |  |   |                    |
| G4-DMA  | Disclosure on Management Approach  | Responsible Reporting to Customers, Customer Service and Satisfaction                             | ✓                  |
| G4-PR7  | Total number of incidents of non-compliance with regulations and voluntary codes concerning communications and Marketing, including advertising, promotion and sponsorship, by type of outcome | Responsible Reporting to Customers, Customer Service and Satisfaction (Responsible Marketing)     | ✓                  |
| <b>SOCIETY – LOCAL COMMUNITIES</b>                        |  |   |                    |
| G4-DMA  | Disclosure on Management Approach  | Modern Banking  | ✓                  |
| FS14  | Initiatives to improve access to financial services for disadvantaged people   | Modern Banking  | ✓                  |
| <b>PRODUCT RESPONSIBILITY - CUSTOMER PRIVACY</b>          |  |   |                    |
| G4-DMA  | Disclosure on Management Approach  | Protection of Corporate Information   | ✓                  |
| G4-PR8  | Total number of substantiated complaints regarding breaches of customer privacy and losses of Customers' personal data   | Protection of Corporate Information   | ✓                  |



| GRI CODE                                   | DESCRIPTION  | LOCATION OF THE RELEVANT INFORMATION, ADDITIONAL COMMENTS   | EXTERNAL ASSURANCE |
|--|--|---|--------------------|
| <b>PRODUCT RESPONSIBILITY – COMPLIANCE</b> |  |   |                    |
| G4-DMA                                     | Disclosure on Management Approach  | Corporate Governance, Risk Management and Compliance  | ✓                  |
| G4-PR9                                     | Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of Products and Services | <ul style="list-style-type: none"> <li>- In 2017 no significant fines were imposed on the Bank for non-compliance with the legal and regulatory framework concerning the provision of Products and Services to the Customers.</li> <li>- The Bank complies with the applicable legal and regulatory framework, at national as well as at European level.</li> </ul> | ✓                  |



# INDEPENDENT LIMITED ASSURANCE REPORT TO ALPHA BANK A.E.

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We were engaged by the Board of Directors of Alpha Bank A.E. (referred to as “the Bank”) to provide limited assurance over selected aspects of the Greek version of the sustainability report titled “Corporate Responsibility Report 2017” (referred to as “the Report”) of the Bank for the reporting period 1 January 2017 – 31 December 2017.

Our engagement was designed to provide limited assurance in accordance with ISAE 3000<sup>1</sup> on the following aspects of the Report (hereinafter “assurance scope”):

1. The reliability of the General Standard Disclosures required by GRI G4 for the “Core” in-accordance criteria option marked with the symbol “✓” in the GRI Content Index table of the Report.

2. The reliability of the following Specific Standard Disclosures for the “Material Aspects”, as they have been identified by the Bank and its stakeholders, marked with the symbol “✓” in the GRI Content Index table of the Report:

- Economic - Economic Performance (Disclosure on Management Approach -“DMA”- and Indicator G4-EC1).
- Labor Practices and Decent Work - Employment (DMA and Indicator G4-LA1).
- Labor Practices and Decent Work - Occupational Health and Safety (DMA and Indicator G4-LA6).
- Labor Practices and Decent Work - Training and Education (DMA and Indicator G4-LA9).
- Product Responsibility - Product and Service Labeling (DMA and Indicator G4-PR5).
- Product Responsibility - Marketing Communications (DMA and Indicator G4-PR7).
- Product Responsibility - Customer Privacy (DMA and Indicator G4-PR8).
- Product Responsibility - Compliance (DMA and Indicator G4-PR9).
- Society - Local Communities (DMA and Indicator G4-FS14).

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<sup>1</sup> International Standard on Assurance Engagements (ISAE) 3000: Assurance Engagements other than Audits or reviews of Historical Financial Information, issued by the International Auditing and Accounting Standards Board.

3. The reliability of the following Specific Standard Disclosures marked with the symbol “✓” in the GRI Content Index table of the Report:

- Energy consumption within the organization (Indicator G4-EN3).
- Direct greenhouse gas (GHG) emissions - Scope 1 (Indicator G4-EN15).
- Energy indirect greenhouse gas (GHG) emissions - Scope 2 (Indicator G4-EN16).

Our work for the above assurance scope concerned the operations and activities of the Bank (parent company) in Greece. We have not been engaged to provide assurance over any prior reporting period data or information presented in the Report.

Management is responsible for the preparation and presentation of the Report in accordance with the Sustainability Reporting Guidelines (G4) of the Global Reporting Initiative (referred to as “GRI”) as described in the Report and relevant internal guidelines as well, and the information and assertions contained within it; for determining the Bank’s objectives in respect to sustainable development performance and reporting, including the identification of stakeholders and material issues; and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived.

Our responsibility is to carry out a limited assurance engagement and to express a conclusion based on the work performed for the agreed assurance scope, as described above. We conducted our engagement in accordance with ISAE 3000. That Standard requires that we comply with applicable ethical requirements, including independence requirements and that we plan and perform the engagement to obtain limited assurance about whether selected aspects of the Report referring to the period 1 January 2017 – 31 December 2017 are free from material misstatement.

KPMG applies ISQC 1<sup>2</sup> and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

A limited assurance engagement on a sustainability report consists of making inquiries, primarily of persons responsible for the preparation of information presented in the sustainability report, and applying analytical and other evidence gathering procedures, as appropriate. These procedures included:

- Inquiries of Management to gain an understanding of the Bank’s processes, on a sample basis, for determining the material issues for its key stakeholder groups.
- Interviews with relevant staff at Bank level on a sample basis, concerning sustainability policies for material issues, and the implementation of these across the business.
- Interviews with relevant Bank staff responsible for providing information in the Report, during which we also reviewed on a sample basis, systems and/ or processes for information management, internal control and processing of the qualitative and quantitative information, at the Bank level. In this context, we tested on sample basis, the reliability of the underlying text and/or data references mentioned in the General Standard Disclosures and the Specific Standard Disclosures of our agreed assurance scope.

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2 International Standard on Quality Control 1 (ISQC 1): Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, issued by the International Auditing and Assurance Standards Board.

- Visits to the central offices of the Bank in Athens, where we reviewed, on a sample basis, the procedures of developing and managing the content of the Report, as well as the current structure of the Corporate Governance in sustainability issues.
- Comparing the information presented in the Report within our agreed assurance scope to corresponding information in the relevant underlying sources, on a sample basis, to determine whether the relevant information contained in such underlying sources has been included in the Report.
- Reading the information presented in the Report within our agreed assurance scope, to determine on a sample basis, whether it is in line with our overall knowledge of, and experience with, the sustainability performance of the Bank.

Where financial information (text and/ or data) subject to the statutory auditor's scope has been utilized within the agreed assurance scope, our work was limited to the reliability check of the transfer of these text/ data from the audited and published Financial Statements 2017 of Alpha Bank A.E. to the relevant -within our agreed scope- sections of the Report. To obtain a thorough understanding of the Bank's financial results and financial position, the 2017 audited financial statements should be consulted. The scope of our work did not include the review / testing of the operating effectiveness of the information systems used to collect and aggregate data in relation to the agreed assurance scope.

The extent of evidence gathering procedures performed in a limited assurance engagement is less than that for a reasonable assurance engagement, and therefore a lower level of assurance is provided.

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that the General Standard Disclosures and the Specific Standard Disclosures marked with the symbol "✓" in the GRI Content Index table of the Report, for the period 1 January 2017 – 31 December 2017, are not fairly stated in all material respects.

Our assurance report is made solely to the Bank in accordance with the terms of our engagement. Our work has been undertaken so that we might state to the Bank those matters we have been engaged to state in this assurance report and for no other purpose. We do not accept or assume responsibility to anyone other than Alpha Bank A.E. for our work, for this assurance report, or for the conclusions we have reached.

KPMG Advisors A.E.



**George Raounas,**  
Partner  
Athens, May 11, 2018





40, STADIOU STREET, 102 52 ATHENS