

2016

CORPORATE  
RESPONSIBILITY  
REPORT



ALPHA BANK



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# LETTER

## FROM THE MANAGING DIRECTOR - CEO

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In 2016, Alpha Bank, through the consistent and effective implementation of its Restructuring Plan, was able to fully preserve its high capital adequacy, improve its efficiency and achieve its goal of returning to profitability.

In addition, the Bank completed successfully an SME securitisation transaction, achieving medium-term funding of Euro 320 million by placing the Senior Notes to the European Investment Bank (EIB), the European Bank for Reconstruction and Development (EBRD) and an International Investment Bank. Moreover, the Bank was one of the four systemic banks to sign with the European Investment Bank an agreement on the support of Small and Medium-sized Enterprises and Mid-Cap Companies. Both developments confirm, yet again, the market's trust in the Bank and in its Customers.

In this context, the Bank has integrated mechanisms for environmental and social risk management into its wholesale business credit processes, aiming to ensure efficiency in the management of the environmental and social dimension of its lending operations. It also enriched the services it offers via its alternative networks in order to provide an enhanced level of service to all its Customers and took a number of steps in order to facilitate access to its services for Customers with visual impairments.

As regards environmental performance, the increase by 209% in the use of e-statements, which had a direct beneficial impact on the environment, is considered particularly significant, while in 2016 the Bank, in line with its effort to reduce its environmental footprint, continued to expand the environmental performance data it monitors and discloses.

Furthermore, it is worth mentioning that, with the active participation of volunteers from the Bank's Personnel, environmental awareness and social contribution events took place, theatre performances and guided tours to Museums were organised for children sheltered in Children's Homes and Foundations, and schools, Foundations, Associations and other organisations were supported.

In this respect, 2016 saw the continuation, for the third consecutive year, of the programme "**Μαζί, με στόχο την υγεία**" - "**Together, for better health**", under which medical and pharmaceutical supplies and related equipment have been donated to local health centres of 20 Greek islands. The programme "**Χέρι Βοηθείας**" - "**Helping Hand**", which supports the destitute, large families and elderly persons in need, was continued for the fifth consecutive year, carried out in collaboration with the local Dioceses. Under this Programme, 19,000 carts with food supplies have been delivered to this day.

Lastly, in the context of supporting culture, the programme "**Οι φθορές που πληγώνουν**" - "**The Defacements that hurt**", involving the restoration and conservation of sculptures and historic buildings, includes as of now Thessaloniki, with the initiative "Let's give Nea Paralia its old glow back", carried out in collaboration with the Municipality of Thessaloniki, Anatolia College and the local Young Men's Christian Association (Y.M.C.A.). This initiative helped raise awareness of cultural issues among schoolchildren, students and volunteers, as all of them had the opportunity to take active part in the restoration of the damages sustained by major monuments and were encouraged to continue to participate as volunteers in similar initiatives.

For yet another year, the support offered by hundreds of Volunteers from our Personnel was key to the success of the Bank's social contribution activities and we would like to thank them for their participation.

Alpha Bank applies the principles of Corporate Responsibility in all its Corporate Social Responsibility Programmes. We would like to thank our Employees for their contribution, our Shareholders as well as our Customers for their confidence in us. Together, "MAZI", we will continue to offer our consistent support to society, environment and culture.



Demetrios P. Mantzounis

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# CORPORATE RESPONSIBILITY REPORT

## METHODOLOGY

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The present Corporate Responsibility (CR) Report is the tenth CR Report released as an individual publication by Alpha Bank A.E. (hereinafter “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 eighth consecutive year, in preparing 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 2016 is addressed to all the Stakeholders of the Bank and refers to its activities in Greece during the period from 1 January to 31 December 2016, unless otherwise indicated.

In defining 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 2015. No significant changes were introduced in the scope, boundary or measurement methods with respect to the Bank’s Corporate Responsibility Report 2015.

Furthermore, with respect 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 2016 was prepared by a dedicated team of Executives from various Units of the Bank, 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 2016 to:

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

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ALPHA BANK  
AND CORPORATE RESPONSIBILITY



The Alpha Bank Group is **one of the largest financial sector Groups in Greece**, with a strong presence in the Greek and international banking market. It offers a wide range of high-quality financial products and services, including retail banking, wholesale banking, asset management and 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 2016 it was present in **Cyprus, Romania, Serbia, Albania** and the **U.K.** In parallel, 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, is one of the largest banks, with an extensive Network of over 1,000 service points (Branches, ATMs, ACTCs) in Greece and 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 soundness, are governed by principles enforced by the law or by 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 respect 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 United Nations Universal Declaration of Human Rights and the Conventions of the International Labour Organisation.

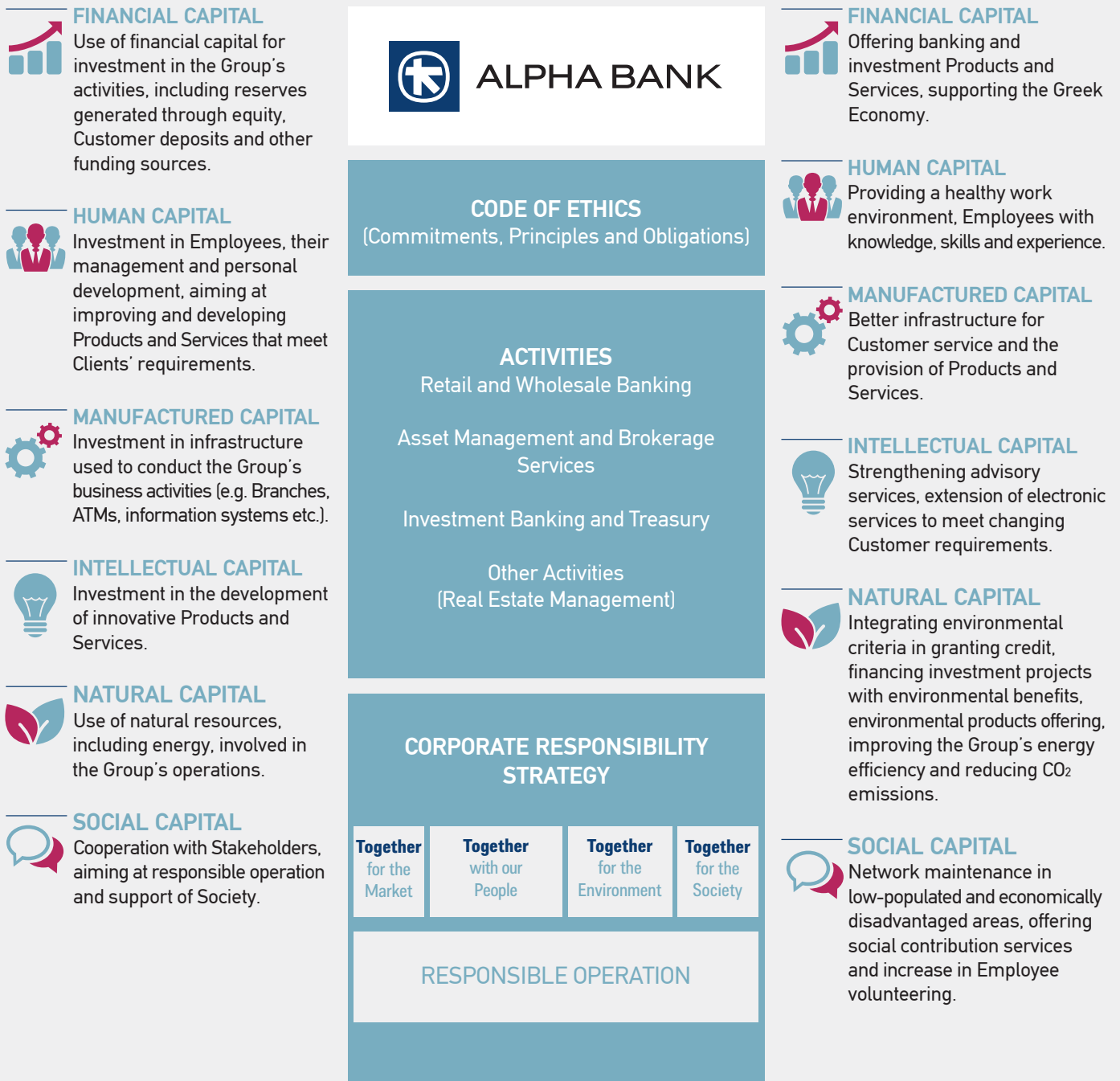
Finally, through its participation in the UN Environment Programme Finance Initiative (UNEP FI), undertaken by banks and financial organisations around the world to promote sustainable development, the Bank is incorporating the relevant environmental principles in its financial activities.

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

## BUSINESS MODEL

The business model of Alpha Bank aims to create value for its Stakeholders. Alpha Bank invests in its Employees, its Branch Network and its infrastructures, in order to develop and place on the market high-quality products and services. It also works together with its Stakeholders in order to identify their needs in a timely manner, operate responsibly and 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. Alpha Bank supports the Greek Economy, enhances its electronic services, offers products and services with social and environmental aspects 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 significance is attached to the identification, measurement and management of the undertaken risk, to the compliance with the applicable legal and regulatory frameworks, to transparency and to 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 continuously improve the products and services it offers and to ensure that its **Customers’** banking needs are addressed in a modern and responsible manner. It examines and incorporates non-financial criteria (on issues related to the environment, society and corporate governance) in its financing procedures, as well as in developing and placing new products and services on the market.

Alpha Bank is responding 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 regard to its **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 equitable 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.

The Bank’s activities are directly linked to society and the citizens. Therefore, Alpha Bank seeks to contribute to the efforts to support **society** and the citizens, giving priority to culture, education, healthcare and the protection of the environment.

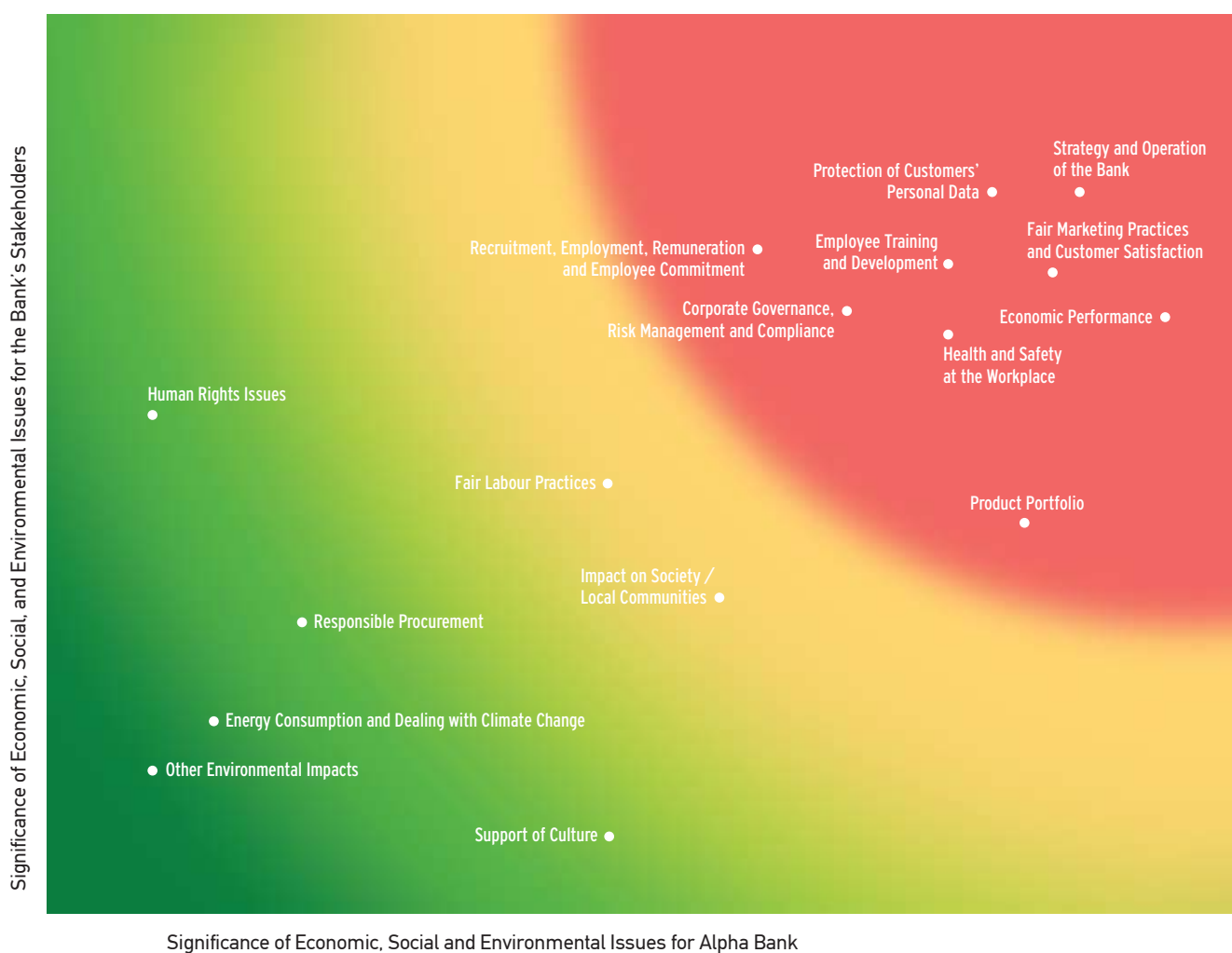
Additionally, the Bank applies the Corporate Responsibility principles across the entire range of its activities and seeks to ensure that its suppliers and partners also comply with the values and business principles that govern its operation.

## IDENTIFICATION OF MATERIAL ISSUES

In 2015, Alpha Bank enhanced the process for the identification and mapping of the most important issues for its responsible operation (Materiality Analysis), taking into account the views of its Stakeholders.

More specifically, the Bank developed a relevant questionnaire and invited representatives from all its Stakeholder groups to evaluate the issues which are material for the Bank's sustainable operation (for more information, see the Corporate Responsibility Report 2015).

## MAPPING OF MATERIAL ISSUES



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 issues figure, which maps the significance of the economic, social and environmental issues characterised 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)
Strategy and Operation 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.
Corporate Governance, Risk Management and 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.
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.
Product Portfolio	Society - Product Responsibility: Product Portfolio	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.
Fair Marketing Practices and Customer 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.
Recruitment, Employment, Remuneration and Employee Commitment	Society - Labour Practices: Employment	The issue impacts the operation of the Bank and affects primarily its Employees.
Employee Training and Development	Society - Labour Practices: 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: 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 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 based on the relevant laws and its daily operations, the Stakeholders\* recognised by the Bank are listed below:

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

\*Stakeholders are listed in alphabetical order, as the Bank reviews and prioritises them regularly, as a function of the needs of the market, the 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:

### • ANALYSTS AND INVESTORS

Communication with the Bank's 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 the Corporate Social Responsibility Report, while they also participate in the Bank's ordinary and extraordinary General Meetings.

### • BUSINESS COMMUNITY

The Bank participates actively 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 to the business community and take action with a view to safeguarding the interests of the banking sector.

### • EMPLOYEES

To ensure effective communication with Employees, a dedicated two-way communication area is available on the Alpha Bank Intranet. Other means of communication include the "Communication Days", dedicated to communicating with the Personnel and taking place on a weekly basis, as well as continuous communication with the representatives of the Employee Association. Information is also communicated to the Personnel 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 Bank respects the rights of Employees as well as the right to collective bargaining and the freedom of association and takes care to ensure a healthy and safe work environment and to help them balance their professional and personal life.

### • STATE AND REGULATORY AUTHORITIES

Via its business activity, Alpha Bank contributes to the economic stability and the growth of the Greek Economy. Therefore, it is often involved in dialogue and consultations with State authorities, both in Greece and at a European level. The Bank also supports public administration services by donating new or withdrawn office, electronic or other equipment.

### • MEDIA

During 2016, the Bank has consistently presented its financial, environmental and social performance to the Media and has responded, for yet another year, to the need to inform journalists about topical banking matters in a transparent manner.

### • CUSTOMERS

Alpha Bank attaches particular significance to ensuring that its Customers' expectations are met and that it provides them with high-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 services offered are Customer Satisfaction Surveys, Communication and Marketing Surveys, a Customer Satisfaction Questionnaire (leaflet) entitled "Your opinion counts" which can be mailed back with prepaid cost and which allows Customers to evaluate the services offered at the Branch, as well as the Key Performance Indicators (KPIs) at all points of contact with the Customers. Finally, the Bank ensures the high level of quality provided to Customers through the centralised handling of complaints and informs Customers via the Business Review and the Corporate Responsibility Report, both of which are published annually.

### • SUPPLIERS

The Bank takes care to ensure the harmonious cooperation with its Suppliers, relying on the mutual respect of the transaction terms, the proper and transparent exchange of information, and the organisation of annual meetings with its Key Suppliers, in order to renegotiate the terms of supply agreements. In line with the above, in 2015 the Procurement, Property and Security Division developed the "Supplier Code of Conduct", which stipulates the terms of cooperation and the evaluation criteria of the Bank's suppliers with regard to their corporate social responsibility policies and practices, in order to expand the definition and systematic application of social and environmental criteria in its procurement processes.

### • SOCIETIES - ASSOCIATIONS AND OTHER ORGANISATIONS

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

### • LOCAL COMMUNITIES

The Bank communicates on an almost daily basis with representatives of the local communities, primarily via its Branches and ensures that they are provided with the best possible service. Throughout the year, relevant Programmes are implemented, while support is provided to local organisations and foundations, either in the form of financial assistance or of donations in kind (food supplies, medicine, books, computers etc.), as well as via the organisation of volunteer actions.

## 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 to 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 the principles of sustainable development and corporate social responsibility.



**UNEP Finance Initiative**  
Innovative financing for sustainability

**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 forms 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. In 2016, Alpha Bank sponsored, for yet another year, the organisation's annual 2016 Sustainability Forum event, which presented 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.



**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 participates 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 formulate 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 the Greek banks in work groups and in 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 the work on subjects related to Corporate Social Responsibility and Sustainable Development. In particular:

**a. Corporate Social Responsibility:** HBA cooperates bilaterally with the Hellenic Network for Corporate Social Responsibility in order to promote the institution of Corporate Social Responsibility to Greek businesses. In this context, the Bank, through HBA, participated actively in the public consultation for the drafting of the National Action Plan for Corporate Social Responsibility.

**b. Sustainable Greece 2020 Initiative:** HBA participates as a founding member in the above Initiative, whose purpose is to promote sustainable development in line with the key guidelines and priorities introduced by the European Commission, which provide for a balanced growth of economic development, social cohesion and environmental protection. The Initiative is implemented by the Quality Net Foundation in partnership with the major business associations in Greece, including HBA.

**c. UNEP FI:** HBA collaborates with the United Nations Environment Programme Finance Initiative (UNEP FI).

**Global Investor Statement on Climate Change:** The Bank states its support of the financial sector's actions to address climate change through the Global Investor Statement on Climate Change. This statement is signed by organisations which are Institutional Investors. In this capacity, the Statement's signatory organisations acknowledge the risks to which their investments are exposed on account of the climate change and undertake to contribute their expertise to the efforts to address it.

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

**Financial Times Stock Exchange 4Good (FTSE4Good):** Alpha Bank, after its successful assessment by the FTSE International Organisation, 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, in parallel with its business activity, the Bank is also highly aware of environmental and social issues. At the same time, it also strongly motivates it to strengthen its presence in the Corporate Responsibility domain, 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 responsible investment funds and other products.

## CORPORATE RESPONSIBILITY TARGETS FOR 2016 AND 2017

Alpha Bank sets short-term targets which reflect its steady and phased approach to the implementation of its long-term policy and of its commitments and priorities in the domain of corporate responsibility. The tables that follow present the targets for 2016, which had been set in the Corporate Social Responsibility Report 2015, together with the activities that the Bank carried out during 2016 for their achievement, as well as the targets for 2017.

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

### ALPHA BANK AND CORPORATE RESPONSIBILITY

TARGETS FOR 2016	PERFORMANCE IN 2016
To enhance the Corporate Responsibility Report 2016 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 also based on the issues that arose from the Identification of Material Issues, the Corporate Responsibility Report 2016 has been enhanced in order to meet the aforementioned requirements.
To enhance the process for identifying the Bank's material issues with regard to Corporate Responsibility.	The process for the Identification of Material Issues will be performed again at the end of 2017.

TARGETS FOR 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.
To enhance the process for identifying the Bank's material issues with regard to Corporate Responsibility.
To enhance 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.

### RESPONSIBLE OPERATION

TARGETS FOR 2016	PERFORMANCE IN 2016
To expand the network of suppliers and especially the partnerships with local suppliers.	The efforts to expand the supplier base and especially the partnerships with local suppliers are continuing (e.g. by using cleaning service providers in Bank premises).
To incorporate environmental and social criteria in the evaluation of Suppliers, in accordance with the Supplier Code.	In evaluating new suppliers or re-evaluating existing suppliers of key projects, emphasis is placed on environmental/social policy issues and relevant certifications/supporting documents are requested and collected, so that the majority of the Bank's suppliers can gradually introduce a certified environmental policy and increase their awareness of issues related to employment, human rights, health and ethical conduct. A Supplier Code has been developed and will also be posted on the Bank's website.

TARGETS FOR 2016	PERFORMANCE IN 2016
To incorporate the “Policy on the Management of Environmental and Social Risk in Business Financing” in the Credit Risk Management Framework and the Credit Policy of the Group.	Achieved. (see Corporate Governance, Risk Management and Compliance of the Bank)

TARGETS FOR 2017
To create training material on the assessment of environmental risks and social responsibility risks and to incorporate it in the existing training material of the business financing seminars.

## TOGETHER FOR THE MARKET

TARGETS FOR 2016	PERFORMANCE IN 2016
To increase the use of e-statements, by automatically including approximately 250,000 active Alpha Web Banking subscribers in the <b>Alpha e-statements</b> service.	Achieved. (see Together for the Market - Electronic Transactions)
To print banking transaction documents in Braille, in order to facilitate persons with visual impairments.	Achieved. (see Together for the Market - Customer Service for People with Visual Impairments)
To develop a digital wallet, <b>my Alpha wallet</b> .	Achieved. (see Electronic Payment Services)
To develop a new life and hospital care insurance plan.	Achieved. (see Product Portfolio - Bancassurance Products)
To develop products, services and privileges in order to support Small Businesses active in tourist areas of Greece.	Achieved. (see Product Portfolio - Support of Businesses)
To further develop the financing of new investments in Renewable Energy Sources (RES). The target is to undertake the arrangement of new syndicated loans exceeding Euro 100 million in value.	Achieved. (see Together for the Market - Responsible Investments)

## TARGETS FOR 2017

To upgrade the Alpha Mobile Banking service with the introduction of new features.

To gradually increase the percentage of Alpha Bank Branches that are accessible by mobility-impaired people, so that most of the Bank's Branches become accessible to them.

Incorporation of social and environmental risk management criteria in the decision-making process for business financing.

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.

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

## TOGETHER WITH OUR PEOPLE

TARGETS FOR 2016	PERFORMANCE IN 2016
To extend the meetings with Bank Executives, in order to further brief them on issues regarding the management and development of Human Resources.	In 2016, the meetings with Bank Executives were continued with increased frequency, both through private discussions and through training programmes delivered by Human Resources Division Executives.
To continue the two-way communication between Personnel and Executives of the Human Resources Division, through the weekly "Communication Day".	Communication with Personnel is a primary goal of the Human Resources Division. In 2016, a total of 1,030 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 Personnel. In addition to the "Communication Day", a Programme of Visits to 21 Bank Branches was carried out in 2016. During these visits, Division Executives discussed matters of a professional and personal nature with a total of 300 Employees.
To develop tools to support the advancement and promotion of Executives.	Achieved. Talent identification tools were developed in partnership with a specialised consultant and were applied to an Employee population group with positive results. Additionally, a tool displaying alternative career paths for a specific Employee population was also developed.
To continue the collaboration with Universities and employment organisations, with the aim of bolstering employment for young persons aged up to 30.	Achieved. The Bank was consistently present in career days organised by educational institutions and has also been acting as a partner in internship programmes.
To enhance the programme of events and actions for Employees, aiming at building team spirit.	Achieved. A total of 793 Employees participated in events and guided tours of museums and exhibitions.
Communication of Employees with Regional Divisions of the Bank on issues concerning the optimisation of Branch operation procedures.	During 2016, meetings of Executives from Regional Divisions with local Branch Personnel members were held on-site at the Branches of the Bank.

**TARGETS FOR 2017**

To continue and expand the two-way communication between Personnel and Executives of the Human Resources Division.

To automate certain processes of the Human Resources Division, as part of the continuous improvements made to the services provided to Employees.

To upgrade the management of CVs with access to social media for professional networking.

To continue the Reward Programme for the Bank's Volunteer Blood Donors.

To expand cooperation between the Human Resources Division and other educational institutions, in addition to the Athens University of Economics and Business and the University of the Aegean, in the framework of the internship programmes.

To expand the tools for talent identification among other Employee population groups and to record alternative career paths in other Units of the Bank.

To create a new Outpatients Group Medical Insurance Plan for the Bank's Personnel.

**TOGETHER FOR THE ENVIRONMENT****TARGETS FOR 2016****PERFORMANCE IN 2016**

To continue to support the "Earth Hour" initiative by participating in it. To extend the Bank's participation to its buildings in Patra.

Achieved.  
(see Initiatives to Reduce our Environmental Footprint).

To centralise monitoring of water bills issued by EYDAP S.A. (the Athens Water Supply and Sewerage Company), in order to ensure a more complete monitoring of the consumption of drinking water.

Achieved. (see Energy Consumption and Dealing with Climate Change - Systematic Monitoring).

To improve the methods used to calculate environmental performance indicators/data (electricity consumption, water consumption etc.).

Achieved. (see Energy Consumption and Dealing with Climate Change - Systematic Monitoring).

To abolish the use of the active Alpha Web Banking subscribers' paper statements, aiming to save paper and protect the environment.

Achieved.  
(see Initiatives to Reduce our Environmental Footprint).

## TARGETS FOR 2017

To continue to support the “Earth Hour” initiative by participating in it. To extend the Bank’s participation to its buildings in Larissa.

To take steps in order to further reduce our environmental footprint.

To implement, as a pilot programme, an astro timer for the lighting signs in the Branches of the Bank’s Network.

## TOGETHER FOR THE SOCIETY

### TARGETS FOR 2016

### PERFORMANCE IN 2016

To continue our sponsorship programme in order to help fulfil social needs.

Achieved. (see Social Contribution, 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 Support of Culture)

To promote the concept of Volunteerism by raising the awareness of Employees and by increasing the number of the relevant programmes and initiatives.

Achieved. (see Volunteerism - Participation of Employees)  
During 2016, the dedicated section on the Alpha Bank Intranet, via which the Bank’s Employees are informed about Corporate Social Responsibility activities, was enhanced.

### TARGETS FOR 2017

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

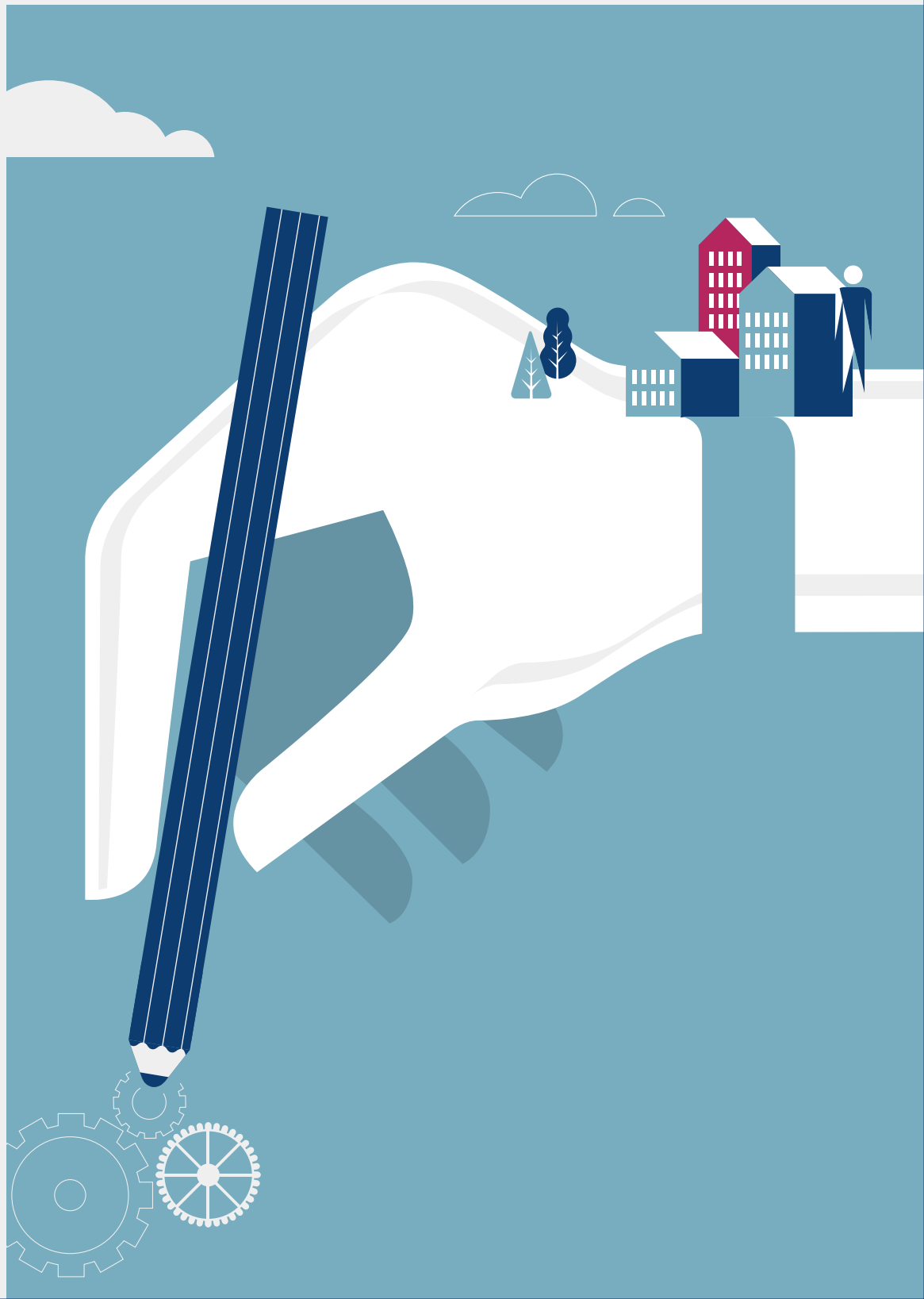
To continue our sponsorship programme in order to help fulfil social needs.

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

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

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# RESPONSIBLE OPERATION





## ECONOMIC PERFORMANCE OF THE BANK

The Bank's Economic Performance is significant, as in 2016 the Bank continued with the implementation of its Business Plan and fully preserved its high capital adequacy.

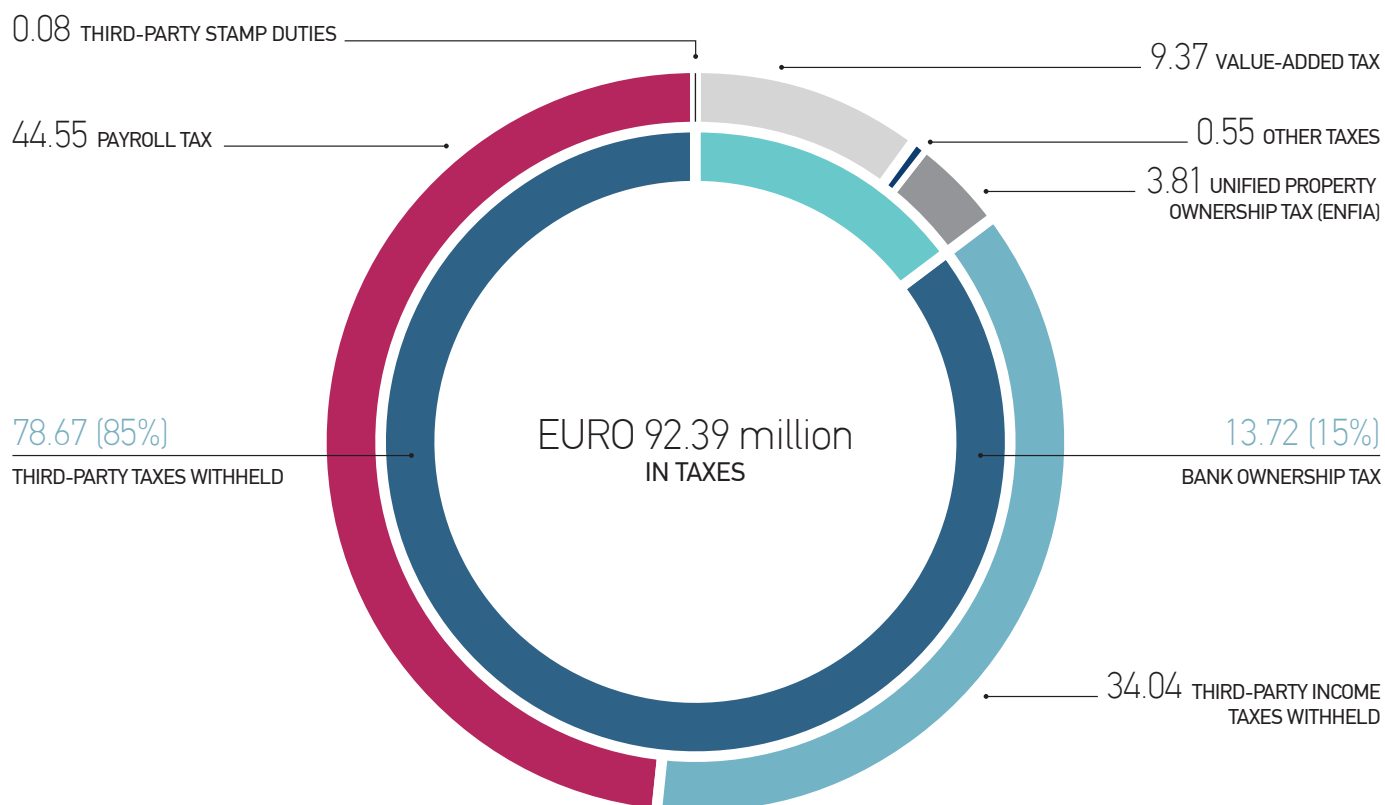
The main corporate events of 2016 were the following:

- In December, Alpha Bank successfully completed an SME securitisation transaction, achieving medium-term funding of Euro 320 million, by placing the Senior Notes to the European Investment Bank (EIB), the European Bank for Reconstruction and Development (EBRD) and an International Investment Bank.
- In May 2016, an agreement was signed with KKR Credit. It should be noted that the joint venture for the management of non-performing retail portfolios, of which Alpha Bank is part, was the first of its kind to be granted a license from the Bank of Greece in order to start operating in the beginning of 2017.
- During 2016, the Bank continued to implement consistently and efficiently its Business Plan, fully preserved its high capital adequacy, improved its efficiency and achieved its goal of returning to profitability.
- In 2016, the sale of Alpha Bank's activities in Bulgaria and F.Y.R.O.M. was successfully concluded, further rationalising the Bank's international presence.

### ALPHA BANK 2016: DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

	In thousand Euro
Total Income	2,227,636
<b>Direct economic value generated</b>	<b>2,227,636</b>
General administrative & other expenses	447,678
Employees (salaries and bonuses, including Cost/Provision for compensations under the voluntary separation scheme)	400,921
Income & other tax expenses	1,688
Social contribution	1,633
<b>Economic value distributed</b>	<b>851,920</b>
<b>Economic value retained</b>	<b>1,375,716</b>

## TAXES PAID IN 2016



## CAPITAL ADEQUACY

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

The capital adequacy is supervised by the ECB's Single Supervisory Mechanism, to which reports are submitted on a quarterly basis. As of 1 January 2014, Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013, which was transposed into Greek law by Law 4261/2014, and Regulation 575/2013 of the European Parliament and of the Council of 26 June 2013 ("CRD IV"), both entered into effect, gradually introducing the new capital adequacy framework for credit institutions, in accordance with Basel III.

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 compares the Group's regulatory capital with the risks assumed by the Group (risk-weighted assets).

The Group's capital adequacy ratios as of 31.12.2016 are shown in the following table:

GROUP RATIOS	31.12.2016
Common Equity Tier 1 (CET1) Ratio	17.1%
Tier 1 Capital Ratio	17.1%
<b>Capital Adequacy Ratio</b>	<b>17.1%</b>
<b>Leverage Ratio</b>	<b>13.1%</b>

## CORPORATE GOVERNANCE, RISK MANAGEMENT AND COMPLIANCE OF THE BANK

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, as well as to propagate this spirit across the Group created by the Bank's business growth both in Greece and abroad. The Bank complies with the applicable legal and regulatory frameworks at the national as well as at the European level, and monitors and manages systematically 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, is 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 effected in November 2015 introduced, among other things, new arrangements with regard to the composition of the Boards of Directors of the Greek banks, in addition to the provisions of Law 4261/2014.

In 1994, Alpha Bank adopted and has since been applying the 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 adopted, even before these were introduced as regulatory requirements in connection with corporate governance, the following: the separation of the Chairman's duties from those of the Managing Director - CEO; the presence in the Board of Directors of a higher number of Independent Members than the one provided in the law; the independence of the Board's Vice Chairman, even when the Chairman of the Board is a Non-Executive Member, as is the case today; the establishment of an Audit Committee under the Board of Directors; the monthly meetings of the Board's Risk Management Committee; the development of detailed Charters

of the Board's Committees with clearly defined and distinct responsibilities; the provision to the new Members of the Board of a comprehensive and detailed introductory informational programme on Corporate Governance, Risk Management, Internal Audit, Compliance, Capital Adequacy, and Financial Services; and the provision to the Members of the Board of training seminars, when required. Lastly, 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 Audit rules.

The Management of the Bank is exercised by the Board of Directors, the Managing Director - CEO, the General Managers, the Executive General Managers, the Executive Committee and the Operations 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 highest executive body. It convenes at least once a week and is chaired by the Managing Director - CEO. The Executive Committee is composed of 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. 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 development of the Group and proposes the Rules and Regulations of the Bank and the budget and balance sheet of each Business Unit. Finally, it proposes the Human Resources policy and the participation of the Bank or of Group Companies in other companies. The Operations Committee convenes at least once a week and is chaired by the Managing Director - CEO. This Committee is composed of the General Managers, the Executive General Managers and the Committee's Secretary. Depending on the items on the agenda, other Executives or Members of the Management of Group Companies also attend. The Operations Committee carries out a review of the market and of the economic activity sectors and examines the course of business and the results of new products. It resolves on the Network and Group development policy and determines the credit policy. Finally, it decides on the management of liquidity, the level of interest rates, the Terms and Conditions for deposits, loans and transactions. 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 annual Business Reviews and on its website ([www.alpha.gr](http://www.alpha.gr)).

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. The Code's last revision, which took place in July 2014, incorporated as Annexes to the Code the Charters of the Audit Committee, the Risk Management Committee, the Remuneration Committee and the Corporate Governance and Nominations Committee.

The Corporate Governance Code of Alpha Bank 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 published on the Bank's website.

Matters of Corporate Governance, as well as the management of matters concerning sustainability in general, are determined by the Board of Directors based on the recommendations submitted by the competent Divisions. The Code of Ethics 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 enhance effectively the principles of integrity and transparency in its operations and to ensure optimal management of risk.

Lastly, the Bank attaches great importance to matters of ethics and transparency and has in place clear rules and regulations, established by the Staff 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 course of performing their official duties, and potential cases of conflict of interests in conducting transactions.

## 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 and is further strengthened with the incorporation of the "**Environmental and Social Risk Management Policy on Legal Entities Lending**" in the Group's existing Credit Risk Management Framework and Credit Policy. 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 sectors 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 relevant international standards, while assessment and monitoring of environmental and social risk have been incorporated into the Bank's existing risk management processes.

In order to brief the competent Officers of the Bank on the assessment of environmental risk and social responsibility risk, an internal information meeting was held in 2016, in which relevant training material was presented to the following Units and Group Companies: Corporate Banking Division, Business Centres Division, Business Centres, Shipping Division, Structured Finance Division, Small Business Banking Division, Wholesale Credit Division - Greece, Retail Credit Division, Wholesale Banking Workout Management Centre, Alpha Leasing, ABC Factors, International Wholesale Banking Division, Wholesale Credit Division - International and Wholesale Banking Lending Division). A corresponding information meeting was also held with the competent Officers of Alpha Bank Cyprus Ltd, while the relevant training material was sent to the rest of the Group Companies located abroad.

It is pointed out that, as part of banking operations, the implementation of environmental and social policies with regard to products and services lies within the Audit Universe of the Bank, in which 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 of 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 regard to the applicable regulatory framework.

Throughout 2016, Alpha Bank conducted audits of transactions and Customers for compliance with the regulatory framework, aiming 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, during 2016 the Market and Operational Risk Division and the Compliance Division examined all cases which could represent a risk in connection with the Bank's efforts to combat corruption and bribery.

The Bank's training programme also placed emphasis on compliance and anti-money laundering, in order to raise awareness of these issues among its Executives. More specifically, during 2016 a total of 36 training programmes on anti-money laundering and anti-corruption policies and procedures were carried out, attended by 856 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 Section and the Due Diligence Measures and Suspicious Transactions Administration Section of the Compliance Division, to ensure that they are able to identify and handle such incidents. After 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.

Moreover, in 2016 the Bank released its new Circular on anti-money laundering, with which the following updated manuals were communicated:

- Anti-Money Laundering and Combating the Financing of Terrorism Procedures Manual;
- User Manual of the Siron AML Information System.

The above manuals include all changes to the regulatory framework and provide detailed instructions to the Executives and Branch Officers on how to handle issues and on the administration of the information system.

The Group's Anti-Money Laundering Policy provides, among other things, 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 in relations with third parties.

The Bank has put in place documented procedures on the strict adherence to the legal provisions regarding the protection of individuals against the processing of their personal data. This matter was part of the subjects covered by a training programme delivered by the Compliance Division and attended by Managers and Officers from the Branch Network, as well as from the Non-Performing Loans - Wholesale Banking Divisions.

The Bank applies strictly the regulatory provisions in force with regard to informing the 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 regard to the provision to Customers of correct and transparent information on each product it designs and offers. Similar steps are also taken with regard to informing Customers in connection with the conduct of investment transactions, by incorporating in the Bank's policies and procedures the relevant provisions of the regulatory framework concerning financial instruments markets.

In parallel, 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, between the borrowers and the Bank, of the necessary information, 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 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.

During 2016, no report was made of violations involving anti-monopolistic and monopolistic practices.

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 Personnel become aware, in order to safeguard its integrity and good reputation.

During 2016, no report was made of cases involving bribery of Employees.

The Bank imposed disciplinary penalties (representing 1.8% of its total number of Employees) on various grounds, such as irregularities in transactions, deviations in the application of the Legislative Acts on the Banking Holiday, negligent control and supervision, negligence in the performance of duties, inappropriate and unethical conduct, refusal to perform duties, violation of established guidelines and procedures, breach of the Group Information Security Framework and of banking secrecy, unjustified late morning arrival for work etc.

The Bank's Personnel are informed of their obligations in connection with matters concerning corruption, from the texts mentioned above as well as through the relevant training activities, which also include subjects on combating corruption.

Finally, it should be stressed that the Bank did not fund any political party or political figure.

## RESPONSIBLE PROCUREMENT

The purpose of Alpha Bank's procurement process is to ensure delivery to the Bank's internal network of services/materials to the specifications required, at optimal cost and within schedule.

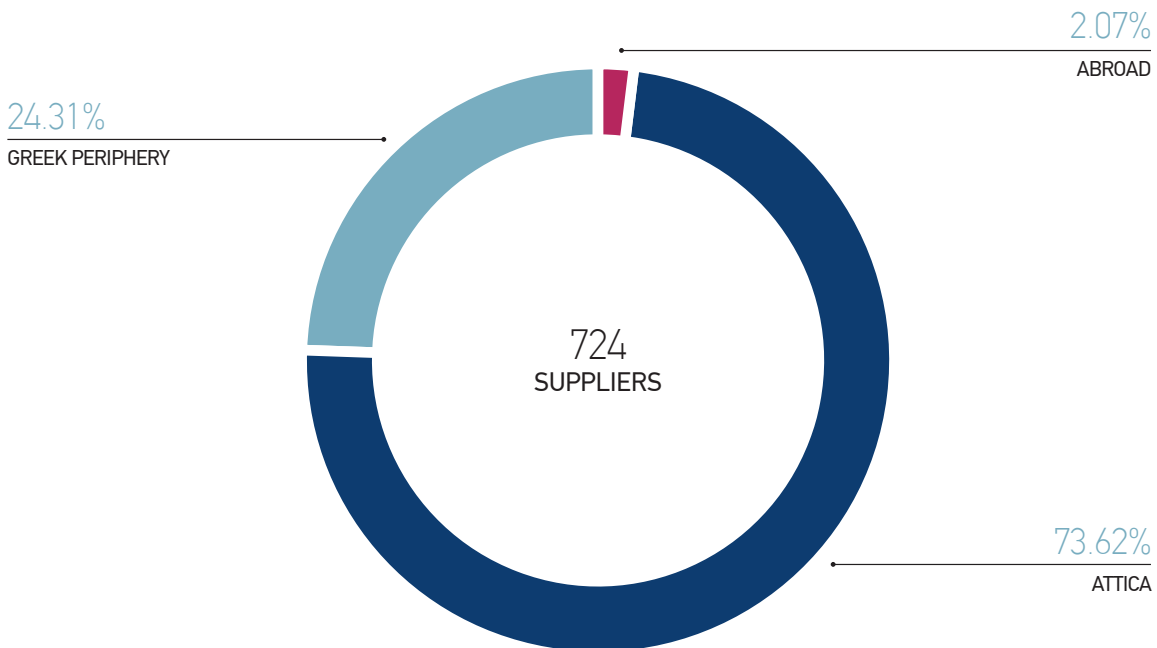
To this end, the following are carried out:

- Actions to reduce the operating costs of the Bank and of the Group Companies, as well as planning and monitoring of the implementation of these actions.
- Market research to identify and evaluate candidate suppliers and keeping of a record with up-to-date 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 regard 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 conduct 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), and 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 of the smooth operation of the Bank's warehouses and of the warehouses of third parties who supply the Bank's Network.

The register of suppliers kept by the Procurement, Property and Security Division contains entries for around 724 Suppliers in Greece and abroad, with which the Division can cooperate. Cooperation 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 the entire supplier typology (contractors, consultants, distributors, logistical support partners, sales representatives, manufacturers). Suppliers are evaluated regularly, in accordance with their performance and economic activity. It is pointed out that efforts are being 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





## DISTINCTIONS IN 2016

### “Best Bank in Greece” for 2016

Alpha Bank was named “Best Bank in Greece” for 2016, in the context of the “**Awards for Excellence 2016**” of the “Euromoney” magazine, the prestigious international financial publication, in a special event held in London on 6 July 2016. The award is given to banks whose dynamic presence in the international and regional markets in which they operate sets them apart from the competition and are chosen following an in-depth analysis of their qualitative and quantitative figures. According to the selection committee, the award went to Alpha Bank as the Bank is already back on a path to profitability, as well as for its strong capital base after its successful Share Capital Increase in November 2015, which was covered solely by private investors.

### Financial Services

In June 2016, in the framework of the **Extel’s** annual international survey conducted to **highlight the best European financial institutions**, Alpha Bank gained major distinctions:

- Alpha Bank’s **Investor and Analyst Relations Division** ranked **first in Greece** for the third consecutive year out of 28 companies and eleventh in Europe out of a total of 137 European banks (versus twelfth last year).
- The General Manager - CFO Mr. Vassilios E. Psaltis was voted Best CFO in Greece and ranked ninth in Europe, out of a total of 97 CFOs.
- The Manager of the Investor and Analyst Relations Division, Mr. Dimitrios I. Kostopoulos, was voted Best IR Professional in Greece and 13th in Europe, while the Division’s Assistant Manager, Ms Eleni G. Katopodi was voted second Best IR Professional in Greece and 14th in Europe. In addition, the Division’s Senior Relations Officer, Mr. Marios V. Deportou, was voted third Best IR Professional in Greece and 19th in Europe.
- Finally, the Managing Director - CEO of the Bank, Mr. Demetrios P. Mantzounis, was voted Best CEO in Greece and 18th at a pan-European level, out of a total of 106 CEOs.

### E-banking services and digital presence

In 2016, Alpha Bank received a number of major distinctions for its **advanced e-banking services** and for its overall **digital presence**. These included the following:

- The “**Digital Bank of Distinction for Western Europe**” award at the annual competition “**Best Digital Banks 2016**”, organised by the prestigious **Global Finance Magazine**. This distinction ranks Alpha Bank amongst the most important “digital banks” worldwide.
- **Gold Prizes at the Mobile Excellence Awards 2016**, in the “**Mobile Banking Services**” category for the Alpha Mobile Banking service and in the “**Redesign-Prelaunch Mobile app**” category for the redesigned transactions platform of Alpha Mobile Banking.
- The “**Banking Innovation of the Year**” distinction for the new “interface” of **Alpha e-Banking for Individuals**, in the framework of the E-Bizz Awards 2016.
- **Gold Prizes** in the “**Digital Experience**” and “**Design/Branding**” categories for “The evolution of everyday banking” event at **TEDxAcademy 2015**, and **Silver Prize** in the “**Event of the Year**” category for the organisation of “**Dine Athens**”. These awards were presented in the **Event Awards 2016** ceremony organised by Boussias Communications.
- Six important distinctions for the “**my Alpha wallet**” and “**Alpha e-Commerce**” services, as well as for the electronic payment services, in the award ceremony of the “**Lighthouse e-volution awards 2017**”:
  - **Gold award** in the **Innovative Banking Services** category for the new digital wallet **my Alpha Wallet**.
  - **Gold award** in the **Electronic Systems for Payments** category for **my Alpha wallet**.
  - **Silver award** in the **Usability** category for **my Alpha wallet**.
  - **Silver award** in the **e-business Application Redesign** category for the upgraded **Alpha e-Commerce** electronic commerce platform.
  - **Silver award** in the **e-Strategy** category in **electronic payments**.
  - **Silver award** in the **B2C Payment** category for **Alpha e-Commerce**.



- Honorary distinction in the **Customer Experience Innovation** category at the seventh awards ceremony of the “**National Customer Service Awards**”.

- The **Gold awards at Ermis Awards 2015**, organised by the Hellenic Association of Advertising and Communication Agencies (EDEE), in the “**Brand sites**” category for the new **Alpha e-Banking for Individuals** and in the “**Mobile Banking apps**” category for the new **Alpha Mobile Banking app** (iOS, Android).

### Best practices and quality management

In 2016, the European Society for Quality Research (ESQR) Organisation awarded to Alpha Bank, for the second consecutive year, the honorary distinction “European Award for Best Practices 2016”, in recognition of its efforts for the systematic upgrading of the quality of its services and operations. More specifically, the Bank received two awards for 2016: (a) **ESQR’s European Award for Best Practices 2016** and (b) **ESQR’s Quality Choice Prize 2016**.

### Information security

Alpha Bank was singled out for successfully conforming to **international data security standards**. More specifically:

- In the framework of the annual evaluation by the independent certification body Bureau Veritas, the Information Security Division maintained its certification in accordance with the **ISO/IEC 27001:2013 International Standard**, for the **design, development, operation, management and support of information security for the Alpha Bank Group**. The standard sets strict requirements in all areas concerning the confidentiality, integrity and availability of corporate information at all stages of its “lifecycle” (creation, use, processing, transmission, storage and destruction).

- In July 2016, the Bank was recertified in accordance with the **PCI DSS (Payment Card Industry Data Security Standard)**, as a Level 1 Service **Provider** and a Level 4 **Merchant**. The standard provides for the maintenance in effect by the Bank of strong security measures in twelve different areas.

### Major distinction for Alpha Leasing in the “Business IT Excellence Awards 2016”

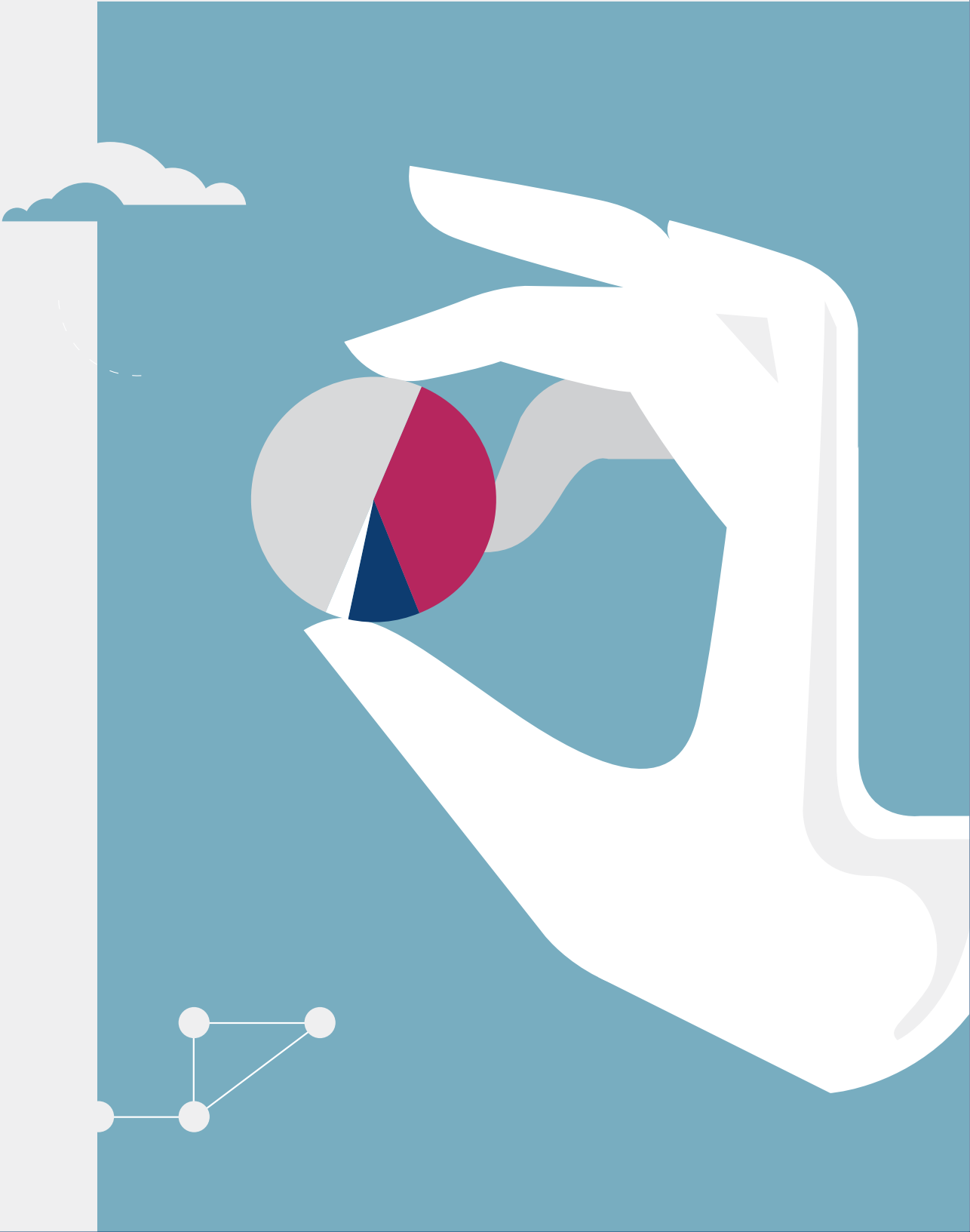
Alpha Leasing, an Alpha Bank Group Company, achieved a major distinction in this year’s “**Business IT Excellence Awards 2016**” event, as it received an award for its participation in the category “**Business Awards for the best use of communications and information technologies**”.

## MAJOR EVENTS IN 2016

- The Bank completed key partnership agreements throughout the year for the support of Small and Medium-sized Enterprises. These included the SME securitisation transaction, achieving funding of Euro 320 million by placing the Senior Notes to the European Investment Bank (EIB), the European Bank for Reconstruction and Development (EBRD) and an International Investment Bank.
- Alpha Bank’s Bonus Loyalty Programme, the biggest Loyalty Programme in the Greek market, has completed ten years of successful operation.
- Alpha Bank introduced “my Alpha wallet”, the integrated digital wallet that offers Customers maximum security, speed and ease in their transactions. It was also the first bank in the Greek market to offer to collaborating businesses the innovative MasterPass payment service.
- In the context of its collaboration with AXA Insurance S.A., Alpha Bank launched the new, innovative health insurance plan “Alpha Global Medical Care”.
- Alpha Bank and Eurobank concluded a binding agreement with KKR Credit for the assignment to the latter of the management of selected wholesale credit and equity exposures.
- Alpha Bank received 17 distinctions for its advanced e-banking services and for its overall digital presence, including the “Digital Bank of Distinction for Western Europe” award from the Global Finance international magazine.
- Alpha Bank sponsored two major exhibitions of works by Delacroix and Philippoteaux in Thessaloniki.
- “The defacements that hurt”, the programme for the restoration of sculptures and monuments that has been running since 2013 as a part of the Bank’s Corporate Social Responsibility, was expanded to Thessaloniki, with the volunteer initiative titled “Let’s give Nea Paralia its old glow back”.

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TOGETHER FOR THE MARKET



## STRATEGY AND OPERATION OF THE BANK

The strategy and operation of the Bank are key to developing and offering quality products and services with consistency and speed. 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.

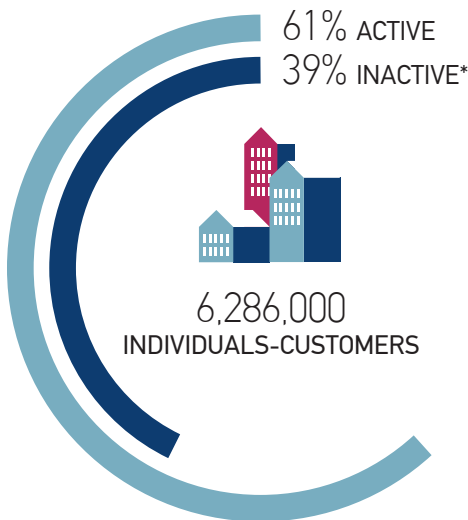
Alpha Bank offers a wide range of high-quality financial products and services, including retail banking, wholesale banking, asset management and private banking, insurance products, investment banking, brokerage and real estate management.

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

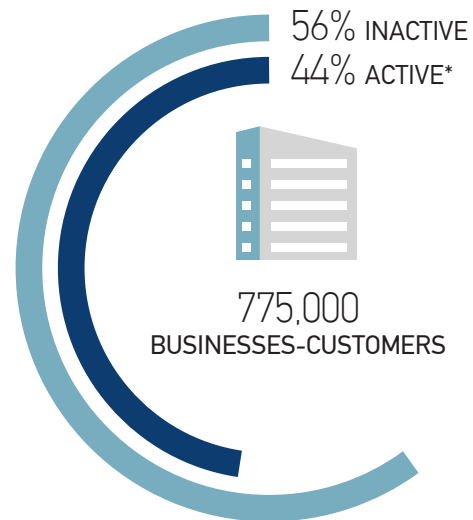
In 2016, the Bank had a total of **7,061,000** Customers (both Individuals and Legal Persons).

Of this total number, **59%** (4,178,000 Individuals and Legal Persons) are active Customers.

### ALPHA BANK CUSTOMERS IN 2016



\*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).

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 them and to 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 offered by all the ATMs of the Bank.

## Branch Network

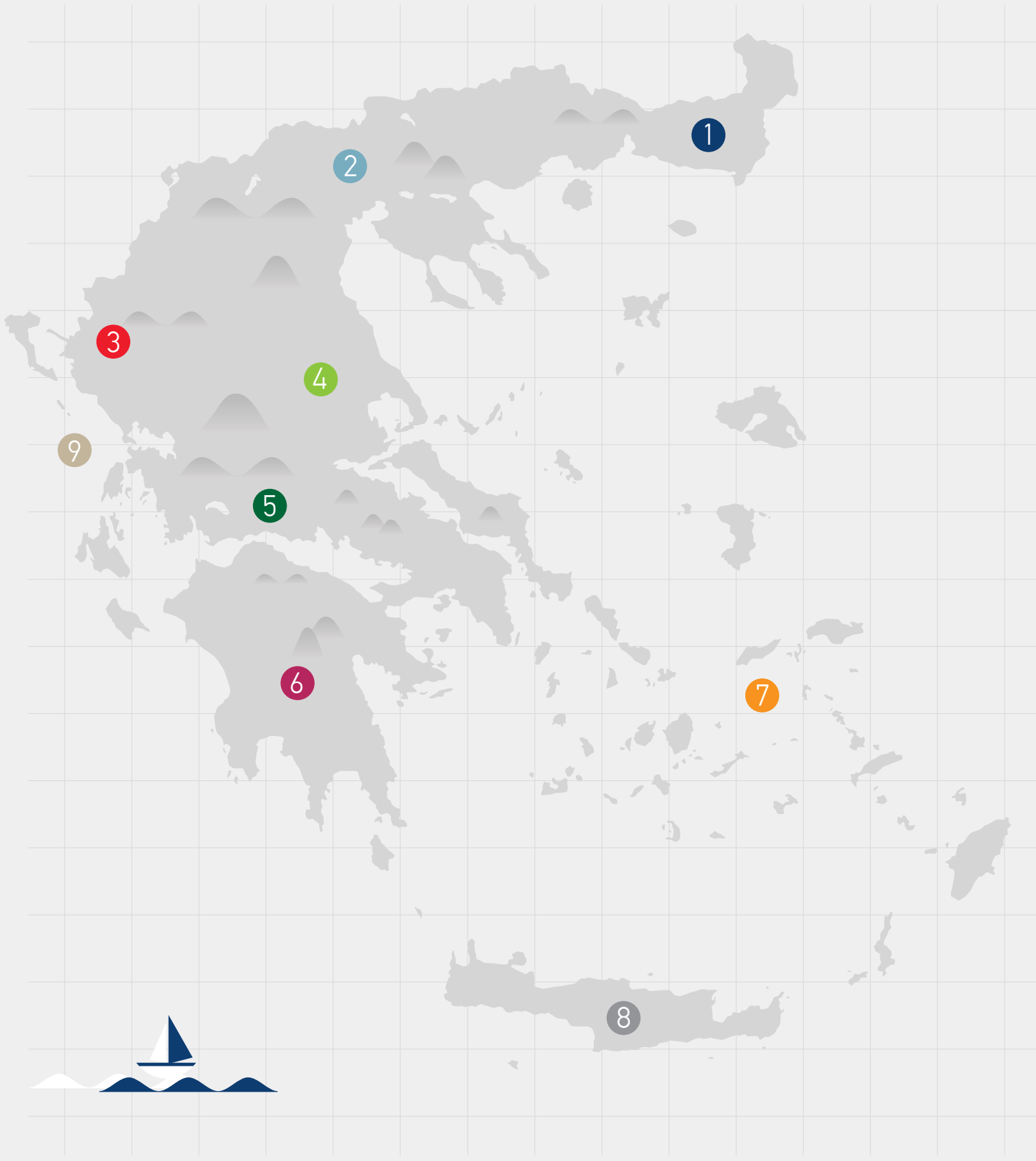
On 31.12.2016, the Branch Network of the Bank consisted of 517 Branches in Greece and one Branch abroad (UK), (excluding Business Centres and Alpha Private Bank Centres), which covered all of Greece and served major conurbations as well as less densely populated and financially robust areas.



517  
BRANCHES



284  
BRANCHES  
ACCESSIBLE  
BY PwD



**1** Thrace  
NUMBER OF BRANCHES: 9

**2** Macedonia  
NUMBER OF BRANCHES: 93

**3** Epirus  
NUMBER OF BRANCHES: 12

**4** Thessaly  
NUMBER OF BRANCHES: 22

**5** Central Greece  
NUMBER OF BRANCHES: 256

**6** Peloponnese  
NUMBER OF BRANCHES: 43

**7** Aegean islands  
NUMBER OF BRANCHES: 50

**8** Crete  
NUMBER OF BRANCHES: 19

**9** Ionian islands  
NUMBER OF BRANCHES: 13

Of the total number of Branches, 284 are accessible by people with disabilities (PWD), of which 115 are fitted with a fixed ramp, 3 with a movable ramp and 3 with a special elevator.

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

BRANCH NAME	PREFECTURE	MUNICIPALITY
NISYROS	DODECANESE	NISYROS
KASSOS	DODECANESE	KASSOS
LIPSI	DODECANESE	LIPSI
TILOS	DODECANESE	TILOS
POLYCHNITOS	LESVOS	POLYCHNITOS
KYTHNOS	CYCLADES	KYTHNOS
ANTIPAROS	CYCLADES	ANTIPAROS
PHALERAKION	DODECANESE	KALLITHEA
LINDOS	DODECANESE	RHODOS
EVDILOS	SAMOS	IKARIA

## 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 of the Bank with visual impairments are offered the following options:

### Customer service at Branches without the need to be accompanied by witnesses

To facilitate Customers with visual impairments in conducting specific transactions, the witnesses who are required to accompany them may be replaced by two Officers of the Branch (excluding those who represent the Bank or act in a binding capacity for it in the specific transaction/activity by signing the relevant transaction slips/documents).

### Printing of Bank documents in Braille

Customers with visual impairments may obtain, if they so wish, the following documents printed in Braille:

- Transaction Terms: Terms of Conduct of Banking Transactions.
- Transaction Terms: Commissions and Other Charges.
- Transaction Terms: Deposit and Loan Interest Rates.
- Transaction Terms via Alternative Networks.

The estimated time required to satisfy the relevant requests is seven (7) calendar days.

## ALTERNATIVE NETWORKS

77% of money transactions are carried out via the Alternative Networks

In 2016, Alpha Bank continued to enhance its digital identity by designing and offering new products to its Customers. As a result, 77% of the Bank's money transactions are carried out via its Alternative Networks.

In 2016, the Bank proceeded to a number of operational upgrades in line with its annual targets, laying strong foundations for new, innovative services that focus on meeting its Customers' needs.

Two key projects, involving the full redesign of **Alpha Web Banking for Businesses** and the expansion of **Alpha Mobile Banking** with new capabilities, are at a final stage and are expected to be completed in early 2017.

## ALPHA E-BANKING SERVICES

In 2016, the Bank continued its efforts to provide its Customers with an e-banking experience that will help them in their daily life, with the integration of 85 new payments and transactions in its electronic services and the introduction of several improvements in terms of product information, service functionality and customer service.

Key additions to the new features were the integration into **Alpha e-Banking** of the new option for the immediate transfer of funds to other Greek banks in real time and, in particular, within 15 minutes of the transfer transaction being successfully submitted, as well as the introduction of **MyBank**, the electronic service which allows Customers to make purchases online over the Internet by directly debiting their bank account through the secure **Alpha e-Banking** environment.

The Bank's electronic services were enriched with new features enabling users to **apply online for a debit card** and to also **open online a term deposit**. The new option for **issuing a new Password for Alpha e-Banking subscribers**, which they receive by SMS on their mobile phone without having to visit a Branch, is particularly helpful.

## ALPHA WEB BANKING FOR INDIVIDUALS

+23% in active subscribers  
+44% in money transactions

**Alpha Web Banking for Individuals** usage levels continued on an upward trend in 2016, as the service's customer base grew by 23% in terms of active subscribers and the number of money transactions increased by 44%.

On average, the active Alpha Web Banking subscribers log in to the service twice a week and carry out four money transactions per month.



## ALPHA MOBILE BANKING

+45% in active subscribers  
+122% in money transactions

The **Alpha Mobile Banking** service's customer base grew by 45% in terms of active subscribers, while the number of money transactions increased by 122%.

It is worth noting that in 2016 one out of every three subscribers to the Bank's Alternative Networks used the mobile app on a monthly basis and one out of ten exclusively used the mobile service to obtain updates and carry out transactions.

The Bank, committed to the continuous evolution of all its mobile applications, is planning to upgrade the **Alpha Mobile Banking** service in early 2017, with the introduction of three new features: the option for the immediate transfer of small amounts (**Alpha Quick Transfer**), a quick login option using **fingerprint authentication or a 4-digit code (PIN)** and the "Tax deduction" option, using which Alpha Bank Customers will be able to see detailed information about the transactions which count in building the tax deduction amount for salaried employees, pensioners and farmers and have been made using Alpha Bank electronic payment means.

## ALPHA WEB BANKING FOR BUSINESSES

+13% in active subscribers  
+25% in money transactions

Similarly, the customer base of **Alpha Web Banking for Businesses** grew by 13% in terms of active subscribers while the number of money transactions increased by 25%. Aiming at developing new services and improving the existing ones, the Bank in 2017 will **redesign the Alpha Web Banking for Businesses** service, which will be modelled after the recently revamped Alpha Web Banking for Individuals.

Enriched with new functions, the new Alpha Web Banking for Businesses will place emphasis on the user's browsing experience, as well as on ease and responsiveness in executing transactions, as the interface will automatically adapt to the requirements of all users (self-employed persons as well as enterprises with several different approval levels).

In 2016, the Alpha e-Banking services were enriched with the introduction of the new **IRIS Online Payments Service**, which enables the immediate execution of interbank fund transfers within Greece via Alpha Web Banking and Alpha Mobile Banking. More specifically, Alpha Web Banking subscribers can choose to execute immediately a fund transfer (for an amount up to Euro 12,500) to another bank in Greece, provided that this bank participates in the IRIS Online Payments System. The fund transfer message is sent to the beneficiary's bank 15 minutes after the transaction is successfully submitted.

## ALPHAPHONE BANKING SERVICES

+10% in money transactions  
carried out via Alphaphone  
Banking

To provide Customers with support over the telephone regarding the provision of information and carrying out transactions, the **Alphaphone Banking** service is offered, available via an automated service system or with the assistance of a Call Centre Agent. In 2016, the money transactions carried out by phone increased by 10% compared to 2015. It should be noted that this Service is particularly helpful in providing access to banking services for Customers with motor disabilities or visual impairments.

## ELECTRONIC PAYMENT SERVICES

### my Alpha wallet

In the context of developing innovative electronic banking services, Alpha Bank in 2016 launched my Alpha wallet, the first integrated digital wallet in Greece for payments and online purchases.

My Alpha wallet offers comprehensive services for online transactions and for managing the user's cards and details, such as:

- Online **purchases** using a simple log in process with maximum security at over 250,000 e-shops with the MasterPass trademark, in Greece and all over the world.

- One-click online **payments** using an extensive and ever-expanding network of partner organisations and businesses.
- The option to register debit, credit and prepaid cards issued by any bank and to specify a default (main) card for **quick transactions**.
- User profile with multiple debit/delivery addresses and invoice issuance facility.

**my Alpha wallet** is the only digital wallet in Greece that can store debit, credit and/or prepaid American Express®, Visa, MasterCard, Maestro and Diners Club cards issued by any bank – not just by Alpha Bank – and, therefore, the first integrated digital wallet solution.

In addition, it is a fully versatile application for electronic transactions, which allows users to choose, each time they carry out a transaction, which one of their cards they wish to use or even add new cards, not already registered in my Alpha wallet.

#### Online redemption of points under loyalty programmes

Using **my Alpha wallet**, users can not only inquire the balance of their **points** available under the Alpha Bank loyalty programmes, but also for the first time they can **redeem them online**, using a process as simple as making an online payment. The points redeemed can be used in making donations to charities or in purchasing goods and services from the programmes' partner merchants.

#### Mobile App

The **my Alpha wallet** mobile app for Android, iOS and Windows Phone devices is even more user-friendly, as it offers:

- User login to the application using fingerprint authentication (recognition of the user's fingerprint, making the process quicker and more secure).
- Full functionality adapted to the capabilities and features of smartphones, with an even quicker response.
- "Scan to Pay" functionality for reading barcodes printed on bills.

- Authentication of the user's device for even greater security.
- Push notifications.

Within just a few months following its promotional campaign, my Alpha wallet already numbers over 34,000 users, of which 26,000 have added their cards to the digital wallet. Additionally, the service's app for mobile devices has been downloaded 26,000 times from the App Store, Google Play and Windows Marketplace.

## ELECTRONIC SERVICES FOR BUSINESSES

### Alpha e-Commerce

Alpha Bank, the largest payment cards acquirer in Greece, proceeded to fully revamp and upgrade its "**Alpha e-Commerce**" service.

During 2016, Alpha e-Commerce posted a significant growth compared to 2015, as:

- the number of active subscribers increased by 37%, and
- the number of transactions increased by 38%.

These changes were also due to the increasing consumer awareness of electronic payments.

### MasterPass

On 4.4.2016, Alpha Bank was the first bank in the Greek market to give all businesses cooperating with the Alpha e-Commerce service the option to accept the MasterPass payment service, providing them with even higher speed, ease and security in their transactions.

### MyBank

MyBank is a Europe-wide solution for online payments that offers the customers of an e-shop the ability to complete their electronic purchases by debiting their bank account, through the secure web banking environment of their cooperating bank.

The integration of this service into **Alpha e-Commerce** aims to provide comprehensive e-commerce solutions to the participating businesses, by offering them the most up-to-date payment methods based on any payment means (card, digital wallet, bank account).

As regards the other electronic services for businesses, the use of the **Alpha Web International Trade** service posted an increase by 3% in the number of registered subscribers compared to 2015.

## AUTOMATED BANKING SERVICES

1,081 ATMs  
393 ATMs offering special settings 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 around 280 feasibility studies were carried out during 2016, concerning requests primarily for **off-site ATMs** (withdrawals, relocations, new installations, replacements, rental adjustments etc.). Furthermore, cost-benefit reports were also carried out with regard to the operation of all **off-site ATMs**.

Subsequently, the Bank installed **49 new ATMs** (33 off-site and 16 on-site) and **withdrew 65 ones** (15 off-site ATM withdrawals and 50 ATM withdrawals due to changes in the Branch Network).

Moreover, **two new transactions were added to the ATM network**, primarily in order to address customer needs that arose from the imposition of capital controls. However, transactions at ATMs declined by 7% compared to 2015 (when transactions had increased significantly by 13%, as a result of the capital controls imposed).

Out of the total number of 1,081 ATMs, **393 (36%) offer special settings** allowing use by persons with **visual impairments**.

To improve customer service levels and relieve congestion involving payments in cash at the Branch Cashiers' Desks, **three (3) new payment types were added to those supported by the Automated Cash Transaction Centres (ACTCs)**.

Nevertheless, transactions at ACTCs declined by 8% compared to 2015, mainly due to the restrictions in the use of cash as a result of the imposition of capital controls.

## ELECTRONIC INFORMATION UPDATES

+209% in the number of e-statements sent

The **Alpha e-statements** service continued to help limit significantly the use of paper and ink and achieve savings in resources, as an important number of Customers of the Bank continues to opt for electronic account statements over paper-based ones. It is pointed out that 2016 witnessed an increase by 209% in the number of e-statements sent, calculated on the basis of the number of deposit and housing loan accounts, as well as of debit, credit and prepaid cards, that have been included in the Alpha e-statements service.

During 2016, the Bank continued with the implementation of its project of automatically including all the accounts of **Alpha e-Banking** subscribers in the **Alpha e-statements** service, thus replacing the monthly or quarterly account/card statements with corresponding monthly electronic ones. This activity, in combination with the consistently high number of new subscribers joining the Alpha e-Banking services, resulted in significant savings in resources made possible by the discontinuation of printing jobs, as **1.2 million Alpha Bank products (deposit, loan and card accounts)** were included in this Service in 2016.

As part of its efforts to provide its Customers with updates using modern means, the Bank created the new **Alpha alerts pension notification** product, using which pensioners who are Customers of the Bank are notified when their pension is paid into their bank account, by means of a text message (SMS) sent to their mobile phone and/or via e-mail message, free of charge. In this way, they are immediately informed of the payment of their pension, without having to visit an Alpha Bank Branch or ATM for this purpose.

The **Alpha alerts** and **Alpha e-statements** services offer even greater security in transactions and are also available via **my Alpha wallet**, the new digital wallet of Alpha Bank.

## TRAINING IN THE USE OF ALTERNATIVE SERVICES

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

The training material for Customers included the following:

- Creation of a demo of the Alpha Web Banking interface, to allow subscribers (or non-subscribers) to familiarise themselves with all available functions/transactions.
- Integration of a demo of the Alpha Mobile Banking interface (iOS/Android) in the relevant application, prior to logging in to the service, aimed at allowing Alpha e-Banking subscribers (or non-subscribers) to familiarise themselves with all available functions/transactions.
- Creation of a series of audiovisual materials (videos) with the title #me2logia, for posting in social media (YouTube channel, twitter account), aimed at highlighting the ease of use and simplicity of the transactions offered via Alpha e-Banking.
- Pilot programme (for ten Branches), designed for the on-site provision of practical information to Customers at the Branches, using tablets, by the Branch Customer Relationship Officers (CROs).

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

- Full redesign of two new e-learning courses for electronic services – Alpha e-Banking for Individuals and Alpha Web Banking (for Individuals/Businesses) – in the in-house training application of Alpha Bank.
- Integration of the "Electronic services for Individuals" course in the "New Customer Relationship Officers (CROs)" training programmes. During 2016, a total of five training sessions (with 15-20 participants in each session) were carried out and a total of approximately 80-100 new Employees holding the position of CRO were trained.
- Creation on the new Alpha Bank Intranet of information pages about the services of the Alternative Networks Division, focusing on the needs of Branch Network Employees, and creation of a separate page with support information intended as reference for the Branch Network (FAQs, useful telephone numbers, useful documents etc.).

## DEBT SETTLEMENT

The operation of [www.vriskoumelyseis.gr](http://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 during 2016.

### VISITS TO [www.vriskoumelyseis.gr](http://www.vriskoumelyseis.gr) in 2016

77,990  
visits

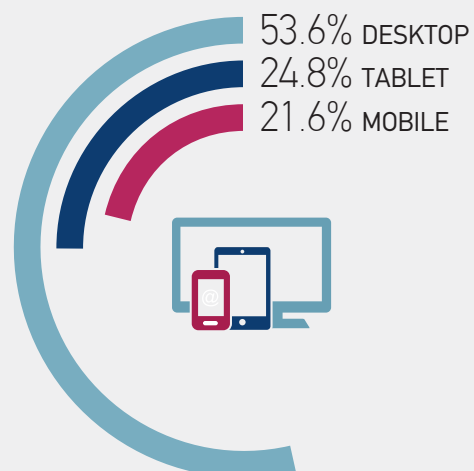
68,202 users

1,051 applications  
submitted for debt settlement

978 accepted

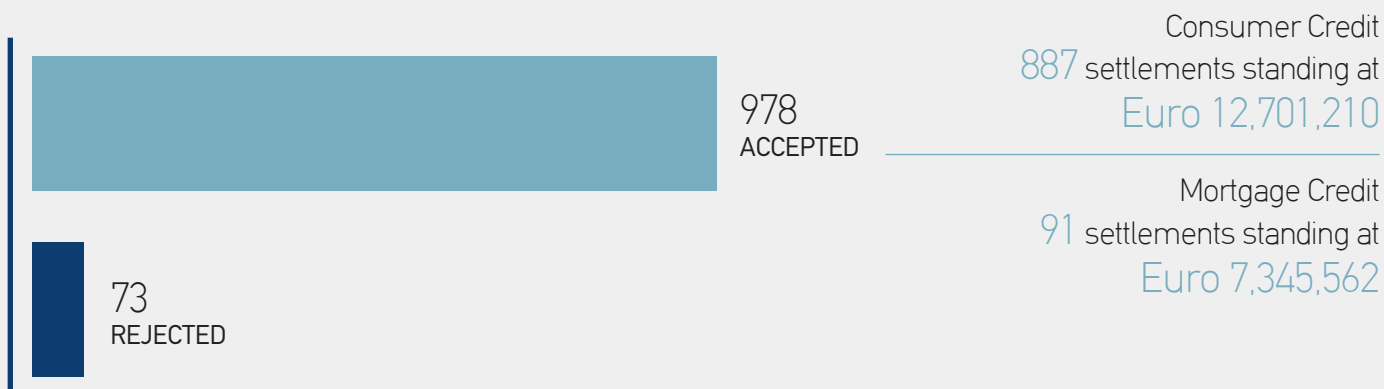
13,242 requests in total  
handled by the support team

### VISITS BY TYPE OF DEVICE USED

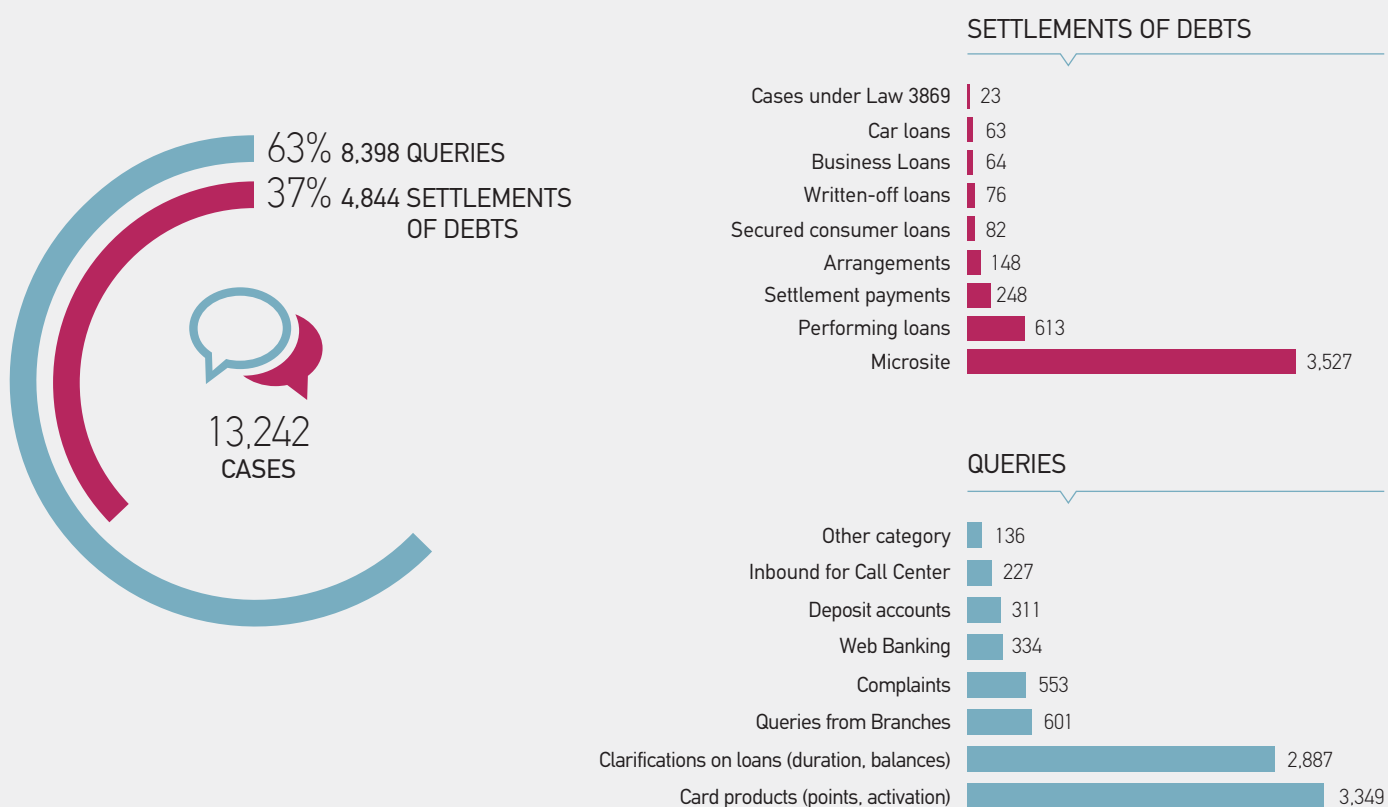


## SETTLEMENT OF DEBTS VIA www.vriskoumelyseis.gr in 2016

1,051 applications in total for housing loans, consumer loans and cards debt settlements



## CASES RESOLVED VIA www.vriskoumelyseis.gr in 2016



## RESOLUTION OF DEBTS IN ARREARS

In the context 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 was continued for all types of Retail Banking debts for which a period of more than 30 days in arrears (and, following the amendment, 60 days in arrears) had elapsed.

It is pointed out 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, during 2016 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
1st Standardised Notification for Legal Persons	8,202
1st Standardised Notification for Natural Persons	262,791
<b>Total for 2016</b>	<b>270,993</b>

Debtors were invited to respond by submitting the data on their financial condition at the Branch they conduct business with or by calling a dedicated customer support call centre (operating within the Retail Collections Division). 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 416 million were settled.



## SOCIAL CONTRIBUTION SERVICES



Alpha Bank, always committed to assisting the work and the initiatives undertaken by public benefit organisations and aimed at providing relief to people in need, continued to provide its support also in 2016, through its Loyalty Programmes. In particular, the holders of the Alpha Bank Bonus, Alpha Bank Visa Gold, American Express® (Membership Rewards® Programme) and Diners Club Unicef cards, can redeem the points which they have earned in order to support the work of various foundations.

In 2016, a total amount of Euro 145,550 was made available to the following 23 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
- FLOGA
- Greek Alliance for Rare Diseases
- Hatzikyriakio Child Care Institution
- KETHEA
- Life Line Hellas
- MDA
- 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
- 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 provided to those cardholders throughout the year, online (at [www.alpha.gr/cards](http://www.alpha.gr/cards)), via the Loyalty Programmes catalogues and by means of leaflets mailed together with the cardholders' account statements.

Alpha Bank also supported the **Visa Solidarity** initiative of Visa Hellas, under which the participating banks donated Euro 0.2 for each transaction made using Visa cards. As a result, Euro 1 billion was raised in order to support 15 charity organisations.

Alpha Bank Visa cardholders were informed about this initiative by messages included in their monthly account statements, as well as online at [www.alpha.gr/cards](http://www.alpha.gr/cards).

Moreover, the Bank provided Customers, for the seventh consecutive year, with the possibility to make **donations for social purposes** using the "Alpha Web Banking" and "Alphaphone Banking" electronic banking services. Prospective donators may choose among 70 charitable foundations and museums, after first reviewing a summary of the objectives and purposes of their entity of interest. Donations are made easily and swiftly, by debiting a deposit account on the donator's date of choice. The donator decides whether the donation will be anonymous or not. In the latter case, the donator's personal details are communicated to the recipient entity. During 2016, the total number of donations made through the Bank's alternative banking networks posted an increase by 25% compared to 2015.

Finally, it should be mentioned that in the context of the "Dine Athens" restaurant week, held from February 1 to February 7, 2016, part of the proceeds from the event's transactions were made available to the non-profit organisation "Boroume" ("We Can").



## PRODUCT PORTFOLIO

The Bank's Product Portfolio encompasses the products and services that Alpha Bank offers in line with its commitment to sustainable development and to catering to its Customers' needs in a responsible manner. The complete products and services of the Bank are listed on its website at [www.alpha.gr](http://www.alpha.gr).

## SUPPORT OF HOUSEHOLDS

### ALPHA GREEN SOLUTIONS

The Alpha Green Solutions line of loan products, with the products "Energy Efficiency at Household Buildings", "Energy Saving Home" and "Green Transport", which represented loans totalling more than Euro 5 million, offered to Customers the opportunity to upgrade their homes and vehicles, making them more environment-friendly and also benefiting from the savings achieved in the consumption of resources.

### ALPHA FACILITATION

The Alpha Facilitation programme, with more than Euro 260 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 offers 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 2016, Alpha Bank, in the context of its corporate responsibility and in line with its heightened social awareness, focused on supporting households by financing their purchase of their own home.

Particular attention was paid to further development of housing loan restructuring and settlement products. Alpha Bank designed a number of pioneering debt settlement products for housing loan Customers in serious financial difficulty.

What is more, in line with its commitment to the provision of substantial support to its Customers, the Bank 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 could be planned on time. In this way, Customers are offered personalised solutions that aim to ensure their financial viability and promote in practice the principles of responsible lending.

In 2016, Alpha Bank received 37,985 applications for the settlement of debts, the vast majority of which were approved.

### BANCASSURANCE PRODUCTS

During 2016, Alpha Bank, in collaboration with AXA Insurance Company S.A., the world's leading insurance Group, created three new bancassurance products, in order to cater to the modern needs of Customers:

#### Alpha Global Medical Care



This is a comprehensive and flexible healthcare plan that can be adjusted and personalised according to each Customer's personal needs and financial capability. The Programme covers the complete range of needs (prevention schemes and expenses before, during and after hospitalisation), through high-profile, reliable and specialised hospitals and medical centres, as well as through the provision of top-quality medical services.



In particular, the Programme offers the following:

- Complete protection before, during and after hospitalisation.
- A wide network of associated hospitals, with 100% coverage of expenses in Greece and in Europe and 80% for the rest of the world.
- Innovative benefits, such as second medical opinion from abroad, coverage of rehabilitation expenses after serious incidents and coverage of hospitalisation at home.
- 38 combinations of programmes so that Customers can choose according to their needs and financial capabilities.

#### Alpha Feel Safe



“Alpha Feel Safe” is an insurance plan addressed to Alpha Bank credit or debit card holders, involving the voluntary insurance of credit or debit cards and

compensating insured Customers in the event of theft or loss of the following items: (a) keys, (b) official documents, (c) wallet and/or bag, (d) tablet and/or mobile phone, including illegal use of the card and cash withdrawals made under the use of violence, but only if the insured card is lost or stolen at the same time.

#### Alpha Credit Protection



The “Alpha Credit Protection” insurance plan for credit cards provides insurance coverages that concern the card’s payments (debit balance and

pending instalments) in case of unforeseen events, with the aim of assisting Customers by assuming a part of their financial obligations, when they most need this.

## SUPPORT OF BUSINESSES

Alpha Bank offers products and services specifically developed to meet the requirements of Greek businesses.

### SMALL BUSINESSES

In 2016 Alpha Bank implemented an integrated strategic framework for supporting entrepreneurship and bolstering the competitiveness of Small Businesses, by promoting modern solutions focused on meeting the requirements of Small Businesses in their daily operation well as on strengthening their prospects for development.

At the end of 2016, the total balance of loans to Small Businesses (with credit limits up to Euro 1 million), stood at Euro 6.5 billion.

### NEW INITIATIVES

Throughout the year, and in order to strengthen business relationships with its Customers, the Bank organised a series of **one-day informative events** in major Greek cities (Chania, Iraklio, Kerkyra, Patra, Tripolis, Thessaloniki, Athens), as well as a series of **focused personal meetings** with Small Businesses-Customers of the Bank in the Greek periphery. The participants to these Events, which included representatives of Small Businesses and Self-Employed Persons, expressed their strong interest, as also evidenced by the increased participation of Businesses-Customers of the Bank. The topics covered focused on the challenges and opportunities that emerge in the sector of Small Businesses, with accompanying presentations of successful business practices that help strengthen competitiveness. Other topics discussed covered issues regarding the organisation and operation of a small business, marketing practices, sales and customer service, financial management principles etc.

Furthermore, Small Business Banking entered dynamically the digital world. The transition to the new digital era was based on the use of modern digital communication networks that allow remote meeting and communication with Customers, made possible by the “Skype for Business” application and other applications that provide real-time information. The initial use of the new applications covered 40 Branches of the Bank’s Network, with plans for its extension later on to more Branches.

In late 2016, Alpha Bank introduced the new “**Alpha Bank Gold Business Banking Service**”, marking the next step in the evolution of the service provided to affluent Customers, which is based on their personalised approach by a Specialised Advisor in their respective Alpha Bank Branch of cooperation. This initiative was taken with a view to enhancing the Bank’s customer-centric approach and promotes the Advisory Banking services to distinguished Small Businesses - Customers. In addition to ensure the provision to Customers of an optimal service, the ultimate aim is to develop and consolidate high added-value business relationships with them.

## PROGRAMMES AND SERVICES FOR SMALL BUSINESSES

Alpha Bank, aiming to provide Small Businesses with modern and comprehensive solutions, created the programme **My Alpha POS Credit Line**, which secures immediate liquidity for businesses using the Bank for clearing their card transactions. With this Programme, the business can obtain access to working capital financing, depending on the amount of card transactions via its My Alpha POS terminal, which is "upgraded" from a card acquiring terminal to a liquidity strengthening tool for the Business concerned.

In April 2016, Alpha Bank, wishing to boost Small Business active in the tourism sector, as well as in tourist areas in the Greek islands and mainland Greece, and seeking to provide them with comprehensive coverage of their needs and to reward their business relationship with it, designed the **Alpha Tourist Entrepreneurship programme**. The Programme consisted of a set of products, services and privileges, designed to facilitate the daily operation of businesses and to meet their particularly increased needs during the tourist season.

Despite the capital controls, 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 31.12.2016, it handled a total of 120,453 such requests, totaling Euro 924.4 million in value.

In parallel, the promotion of the **Alpha In Business** line of products to all Businesses-Customers of the Bank was continued, with the aim of responding effectively to all new applications for financing short-term working capital and/or investments in business premises and equipment.

Demonstrating in tangible terms its commitment to providing continuous and consistent support to Greek farmers and to businesses active in the primary sector, Alpha Bank continued to promote the **Flexible Contractual Entrepreneurship Programmes**.

Through these Programmes, in combination with the special partnerships for financing the purchase of mechanical equipment (agricultural machinery) by agricultural producers, the Bank now provides Greek farmers with access to financing for all their production expenses.

In this way, it offers sustainable, long-term solutions to the primary sector and contributes to the creation of sound conditions that will allow further modernisation and development of agricultural production.

## INVESTMENT PROGRAMMES FOR SMEs

Alpha Bank participated actively in the promotion of the following Hellenic Fund for Entrepreneurship and Development (ETEAN) Actions, remaining committed to the promotion of modern financing tools to strengthen the competitiveness of Greek Small and Medium-Sized Enterprises.

- **Entrepreneurship Fund - Business Restarting**, which offers to Small and Medium-sized Enterprises interest-free loans subsidised at 50% for financing their fixed assets and working capital requirements. By 31.12.2016, applications totalling Euro 167.68 million had been approved, while total disbursements stood at Euro 130.83 million.
- **Entrepreneurship Fund - Guarantee Fund**, which grants Small and Medium-sized Enterprises loans guaranteed up to 80% by ETEAN, for financing investment plans and working capital requirements. By 31.12.2016, applications totalling Euro 51.56 million had been approved, while total disbursements stood at Euro 40.96 million.

Moreover, August 2016 saw the conclusion of the offer of the **JEREMIE FRSP - ENTREPRENEURSHIP (JEREMIE IV) Programme**, under which the Bank offered Small and Medium-sized Enterprises access to interest-free co-funded loans subsidised at 50% for financing their investment and business development plans as well as working capital requirements, thus contributing substantially to the provision of additional financing options to Small and Medium-sized Enterprises. By 31.8.2016, loan applications totalling Euro 15.56 million had been approved, while total disbursements stood at Euro 14.6 million.

Furthermore, in the context of its continuous and successful collaboration with the European Investment Fund (EIF), in December 2016 Alpha Bank obtained the EIF's approval for participating in the promotion of the **COSME-LGF and INNOFVIN (HORIZON 2020) Programmes** – two new guarantee programmes whose placement on the market is scheduled within 2017. These two programmes are addressed to innovative Small and Medium-sized Enterprises, as well as to Enterprises with limited access to bank funds due to their lack of collateral, and offer bank loans for investments in fixed assets, business development loans and working capital financing.

## MEDIUM-SIZED ENTERPRISES

Despite the signs of stabilisation in the Greek Economy, 2016 was a fairly difficult year, during which the consequences of the prolonged recession were clearly manifested. 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 diagnose 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 2016, the total balance of loans to Medium-sized Enterprises and their owners by the Bank's Business Centres **stood at Euro 5 billion**, including Letters of Guarantee and Letters of Credit. In parallel, new credit limits of approximately **Euro 152 million were approved for new Medium-sized Enterprises-Customers** of particular banking interest (mainly export-oriented enterprises and enterprises active in the processing of agricultural products and in tourism), while **Euro 49 million** were disbursed under the European Investment Bank's Programme (**ALPHA BANK GROUPED LOAN FOR SMEs I-b - WORK FOR YOUNG PEOPLE**) to existing Businesses-Customers.

Additionally, in the context of the improvement of the investment climate, investment loans totalling **Euro 350 million** were approved in 2016 (mainly concerning investments in the hotel sector), under which **Euro 70 million** have already been disbursed.

In assessing credit requests, the fulfilment of the criteria of the new "Environmental and Social Risk Management Policy on Legal Entities Lending" is also taken into account.

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

## LARGE CORPORATIONS

During 2016, transactions carried out for Large Corporate Customers of the Bank totalled approximately Euro 600 million and involved new loans, as well as modifications to existing ones. In parallel, the Corporate Banking Division gradually gathered under its responsibility the provision of services to Multinational Groups-Customers of the Alpha Bank Group, aiming to provide them with a targeted service and to cater to specialised banking needs. On 31.12.2016, the total balance of loans under management by the Corporate Banking Division stood at Euro 8 billion, including Letters of Guarantee, Letters of Credit and lending to the Division's Customers by Group Companies in Greece and abroad.

## RESPONSIBLE INVESTMENTS

Alpha Bank offers its Customers the possibility to invest in socially and environmentally responsible companies and is itself participating in the financing of investments in projects aimed at sustainable development.

### Investment Choices

The Bank's collaboration with fifteen of the world's largest Undertakings for Collective Investments in Transferable Securities (UCITS) provides investors with access to a large number of investment choices across the entire investment range. With the aim of providing Customers who are offered **advisory portfolio management** services with appropriate solutions, the Investment Portfolio Analysis Division establishes a structured set of lists of assessed UCITS products. These lists reflect an **optimal subset of assessed choices** in Mutual Funds, using as a criterion the achievement of returns in tandem with the best possible management of risk (guided open architecture).

In particular, the **Thematic and Sectorial** list contains assessed choices of investments in UCITS, offering comprehensive coverage in financial sectors and thematic investments in accordance with strict specifications. A significant part of the choices in this list **involves investments that support sectors and themes with a significant positive impact on humanity as a whole.**

From the investors' point of view, the question that often arises is whether socially responsible investments that have a direct or indirect positive impact on humanity (Socially Responsible Investing), in the broad sense of the term, are accompanied by attractive returns. On the occasion of the **completion of more than one year from the compilation of the Thematic and Sectorial list**, efforts are made to answer the above question by listing **indicative annual returns for corresponding investment choices** included in the list.

The **Global Agriculture** Mutual Fund offered by the asset management firm Amundi achieved returns of **12.96%**, while **Parvest Global Environment**, which invests in shares of companies that operate in environmental markets and comply with the United Nations recommendations, and **Parvest Smart Food**, which invests in shares of socially responsible companies active in the food supply chain, both of them offered by BNP Paribas, achieved returns of **12.95%** and **10.21%**, respectively. The **Water Fund** Mutual Fund offered by the Swiss asset management firm Pictet, which invests in the provision of fresh and clean water, posted returns of **8.40%**. Investing in global infrastructures through the **Morgan Stanley Global Infrastructure** Mutual Fund achieved returns of **14.36%**, while a selection from the list which invests in robotics, which constitutes an industry with multiple applications in the health sector, posted returns of **11.00%** through the **Pictet Robotics** Mutual Fund.

From the above, it becomes obvious that **it is possible to combine** the focus on **socially responsible investments** with the **achievement of particularly attractive returns**. Yet the investment risk (fluctuation) which accompanies every investment should not be overlooked. The Investment Portfolio Analysis Division takes care to ensure that the investment risk is mitigated, with the selective inclusion of choices, such as those mentioned above, **in structured investment portfolios**, as well as with the **lists of assessed investment products**, whose selection is based on structured procedures and strict specifications.

Finally, it is worth mentioning that in order to ensure correct and efficient promotion of investment products and create a shared investment culture and approach, as well as relationships of trust between the Bank and its Customers, during 2016 training presentations and seminars were organised, attended by more than 2,000 persons.

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

### Project Finance

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

Over the last five years, the Project Finance Unit has arranged financing for a number of investments with a total budget exceeding Euro 0.9 billion, affirming the Bank's dominant position in these sectors.

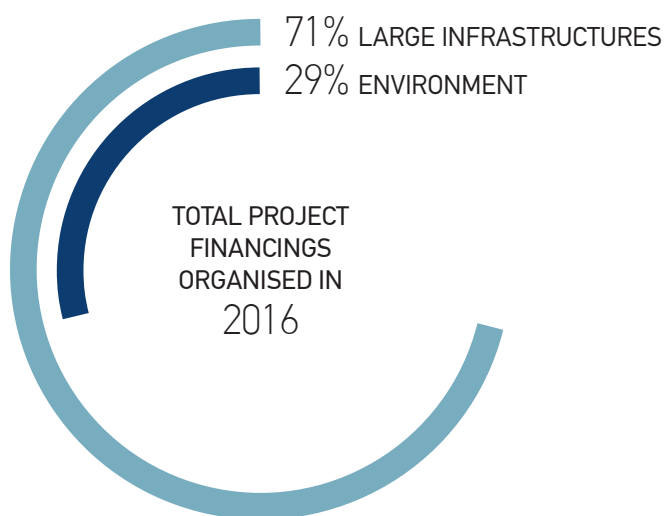
Additionally, the Project Finance Unit is actively participating in financing social infrastructures (school buildings, energy performance upgrades of public buildings etc.).

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 impacts, 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.

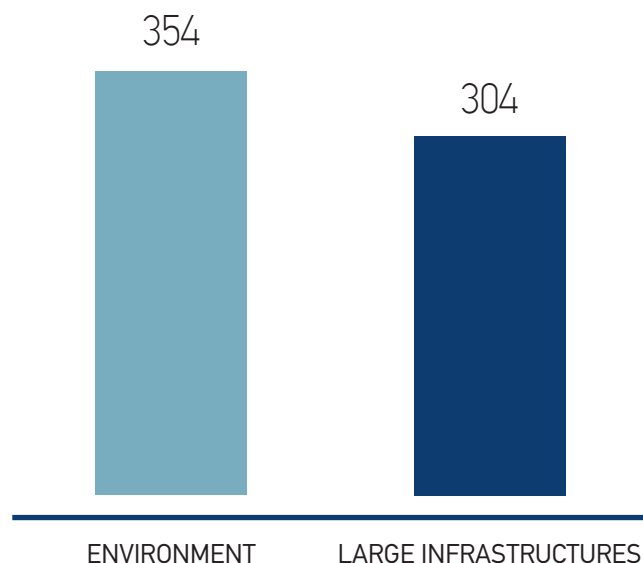
In all financing arrangements, compliance with special environmental and social performance standards (EIB's Environmental and Social Standards/IFC Equator Principles) is required. After disbursement of the credits, adherence to environmental terms and commitments is certified on an annual basis, throughout the long duration of the said financings.

The Bank invests in projects in the following areas:

- Environment
- Large Infrastructures



## ORGANISATION OF PROJECT FINANCING 2014-2016 (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 air pollutant emissions.

The Bank contributes substantially to the efforts for the achievement of the national energy planning target, so that the final electricity consumption in RES stands at least at 20%.

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

Until 2016, the Project Finance Unit had financed RES projects with a total installed capacity over 500 MW.

### ENVIRONMENT - WASTE MANAGEMENT

During 2016, the Bank continued to arrange financing on a syndicated basis and to provide exclusive Financial Advisor services to the contractor of the largest waste management project in Greece and one of the most important projects of its kind in the European Union, the Peloponnese Region Waste Management PPP, with a total budget of Euro 160 million. It also undertook to arrange financing, on a syndicated basis, of the implementation body responsible for the Epirus Region Waste Management PPP, with a total budget of Euro 40 million.

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

- Uncontrolled waste disposal areas are rehabilitated, setting right a practice that incurred dozens of millions of Euro in fines over the recent years.
- The natural environment is fully upgraded and protected.

- Recycling is maximised (at least 35%) and the quantities of waste destined for disposal at controlled landfills (at least 60%) are significantly reduced. In addition, compost-like output (CLO) materials are used in the environmental rehabilitation of the PPC's disused mines.
- The citizens' quality of life is improved and public health is fully protected.

In 2016, the Project Finance Unit continued its successful activity in the sector of environmental project financing, organising new financings, on a syndicated or bilateral basis, with a total value of Euro 118 million.

#### LARGE INFRASTRUCTURES (TRANSPORTATION, SOCIAL INFRASTRUCTURES)

In the infrastructure sector, the Project Finance Unit participates actively in syndicated loan arrangements for all road networks in Greece which are constructed under concession contracts, with the Bank's participation in these arrangements currently being estimated at Euro 300 million.

These projects have greatly improved road safety for thousands of users, as demonstrated by the significant reduction in the number of road accidents (higher than 50% in certain road networks). It is 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.

In 2016, the Bank undertook (as exclusive commercial bank), jointly with the International Finance Corporation (IFC), the European Bank for Reconstruction and Development (EBRD) and the European Investment Bank (EIB), to organise the financing for the implementation body responsible for the concession and upgrade 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 being required to submit special environmental reports on the reduction of traffic noise, the measurement of air pollution, the use of natural resources etc.

## PROTECTION OF CORPORATE INFORMATION

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

The data of the Bank's Customers are an important part of corporate information and are protected in compliance with 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 regard 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 handles all matters pertaining to information security at the 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) of the Bank's systems, such as its electronic banking systems, and assesses continuously 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.
- Creation of a custom mechanism for access logging and for protecting systems on which 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 custom document shredders in all the Branches and Head Office Units of the Bank for the secure shredding of documents containing confidential information, such as documents with customer data.
- Use of a custom 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 2016, on the basis of corresponding annual evaluations:

- The Bank's certification as a Level 1 Service Provider and Level 4 Merchant, in accordance with v3.1, of the PCI DSS International Data Security Standard, which concerns data protection of Customers' cards.
- 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 to raising their awareness of security issues. Training presentations on security were given to all new Personnel and specific groups of Officers.

The custom personnel awareness programme is evolving continuously, 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, offering information on known threats, advice and security practices, news from all over the world on security incidents and advances in technology, as well as training videos. Additionally, a distance training (e-learning) programme on the protection of information and on general security principles is currently under development.

It is pointed out that during 2016, five (5) customer requests on privacy issues were investigated, for which no evidence was established and, as a result, the responses provided were negative.

## FAIR MARKETING PRACTICES AND CUSTOMER SATISFACTION

Fair marketing practices and customer satisfaction are material, as the provision of high-quality and integrated service to Customers is the Bank's primary goal, while addressing all banking needs of Customers in a modern and responsible manner is the daily concern of its Employees.

Responding to the needs of its Business Units, the Bank processes data on transactions and analyses the transaction behaviour of Customers, in order to:

- **investigate market trends and identify the key comparative advantages of the Bank's products and services** over those offered by the competition;
- **design and develop new products** of a high quality;
- **improve its existing products, services and processes;**
- develop a **focused design** for centrally planned campaigns that address different customer segments;
- **promote personalised products and services**, in line with the needs and requirements of specific customer segments.

In addition to the above, the Bank's CRM Division, building on the feedback received in response to the activities it carries out, is able to check and assess the efficiency and acceptance of the products and services offered to Customers.

The results of this feedback and of the analyses that follow are taken into consideration in the planning of the next activities. This approach facilitates decision-making by Customers based on the satisfaction of their actual needs, which guarantees trust and helps build long-term relationships. As a result of the above, the communication of Customers with the Bank allows constant gains in positive experiences, leading to the continuous strengthening of the relationship between them.

### CMART Portal: The Key Tool for the Implementation of the Bank's Customer-Centric Approach

The **CMART Portal** is the main strategic and business tool, which is used daily by authorised Officers in the Branch Network in order to serve Customers, as well as in specific Divisions of the Bank. **Being a combination of processes, technology and human effort, the CMART Portal** has been a catalyst in data analysis and in the extraction of useful conclusions regarding the design and implementation of the Bank's strategy and customer-centric approach.

Via this particular information tool and leveraging to the maximum all the information drawn from it, Alpha Bank was able to:

- analyse the behaviour of Customers and identify specific needs and requirements;
- carry out centrally planned targeted campaigns;
- monitor and assess the evolution in sales figures;
- optimise the services and products provided.

At the same time, the **CMART Portal** is an important tool for **optimising the Bank Officers' response times to customer requests**, as it displays online and in real time the relevant information as well as the historical data it maintains for the contacts made.

Finally, the above tool is updated, is constantly evolving and is interconnected with the Bank's core operational and information systems, so that customer service levels can be further enhanced.



In line with its commitment to provide full and transparent information to its Customers, the Bank ensures that the principles that govern customer service and assure customer satisfaction are communicated to them in written or oral form. In addition, a key means used to identify customer needs and to measure and enhance customer satisfaction is carrying out surveys at regular intervals.

Finally, 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 offers.

### QUALITY ASSURANCE – RECOMMENDATIONS' MANAGEMENT

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

- Planning and development of the policy and procedures regarding the uniform and standardised customer service tasks for the Bank's Customers in Greece and in the Group Companies abroad.
- Optimisation of customer experience, via the recommendations' management.
- Implementation of ISO 9001 Quality Management Standards in the Bank's Business Units.

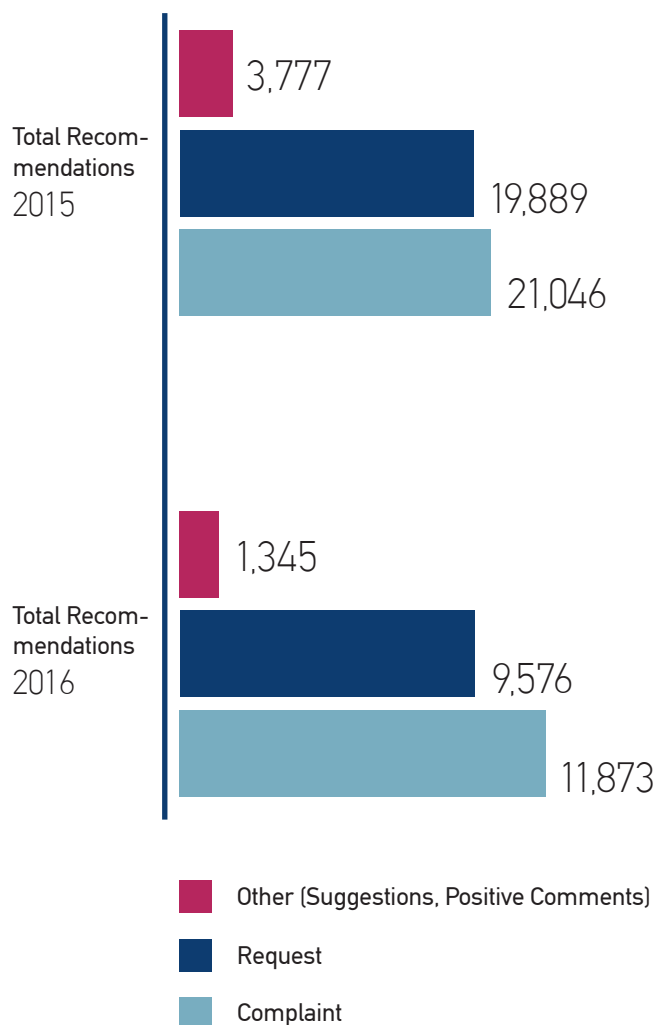
In 2016, incoming recommendations stood at a total of **22,794**, decreased by **49%** compared to 2015 (44,712).

This decrease is due to:

- The lower number of **customer requests for exempting transactions from the restrictions applying under the capital controls.**
- The **discontinuation of the documentation of the one-stop resolution of, mostly verbal, complaints/requests** by the Citibank Branch Network and Call Centre in Greece, a practice that continued until the operational integration of the two Banks (21 to 31 July 2015 for Citibank and 30 September 2015 for Diners Club).

### TRENDS IN RESOMMENDATIONS COMPARED TO 2015

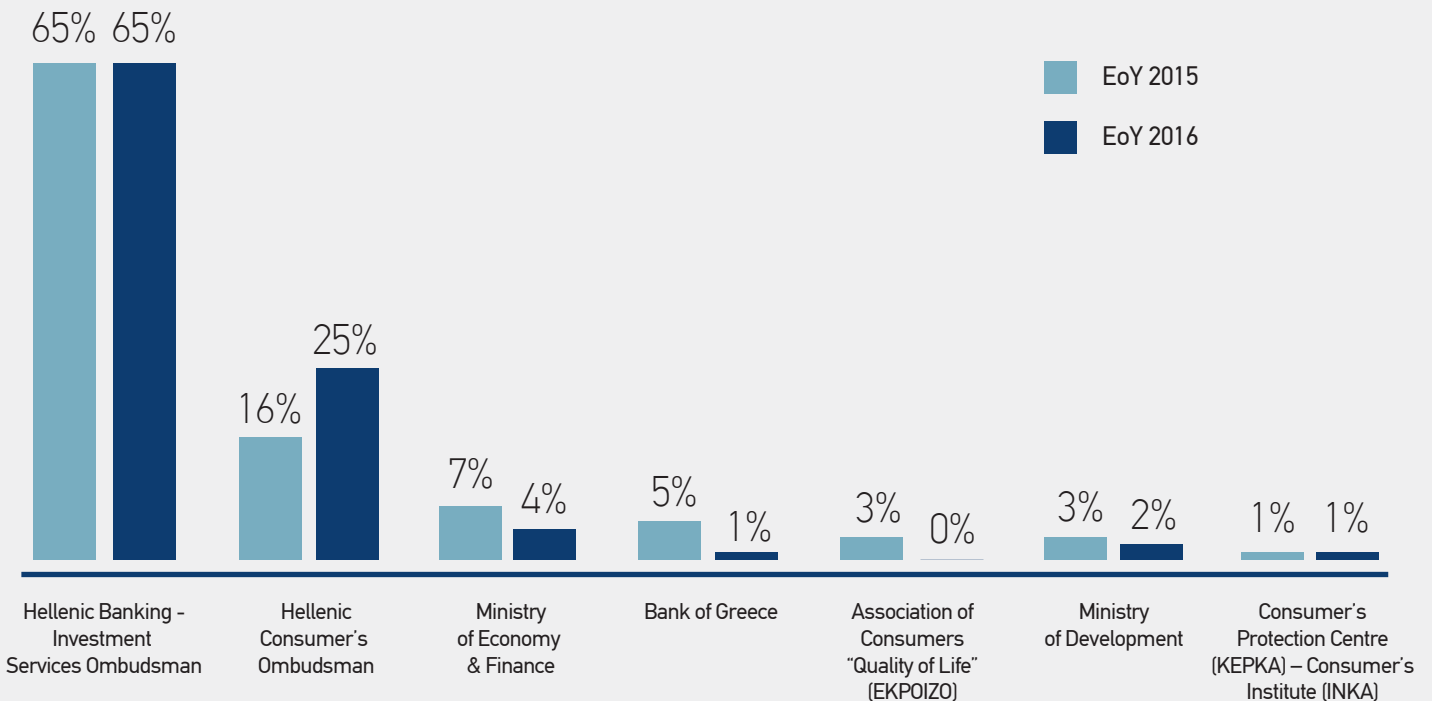
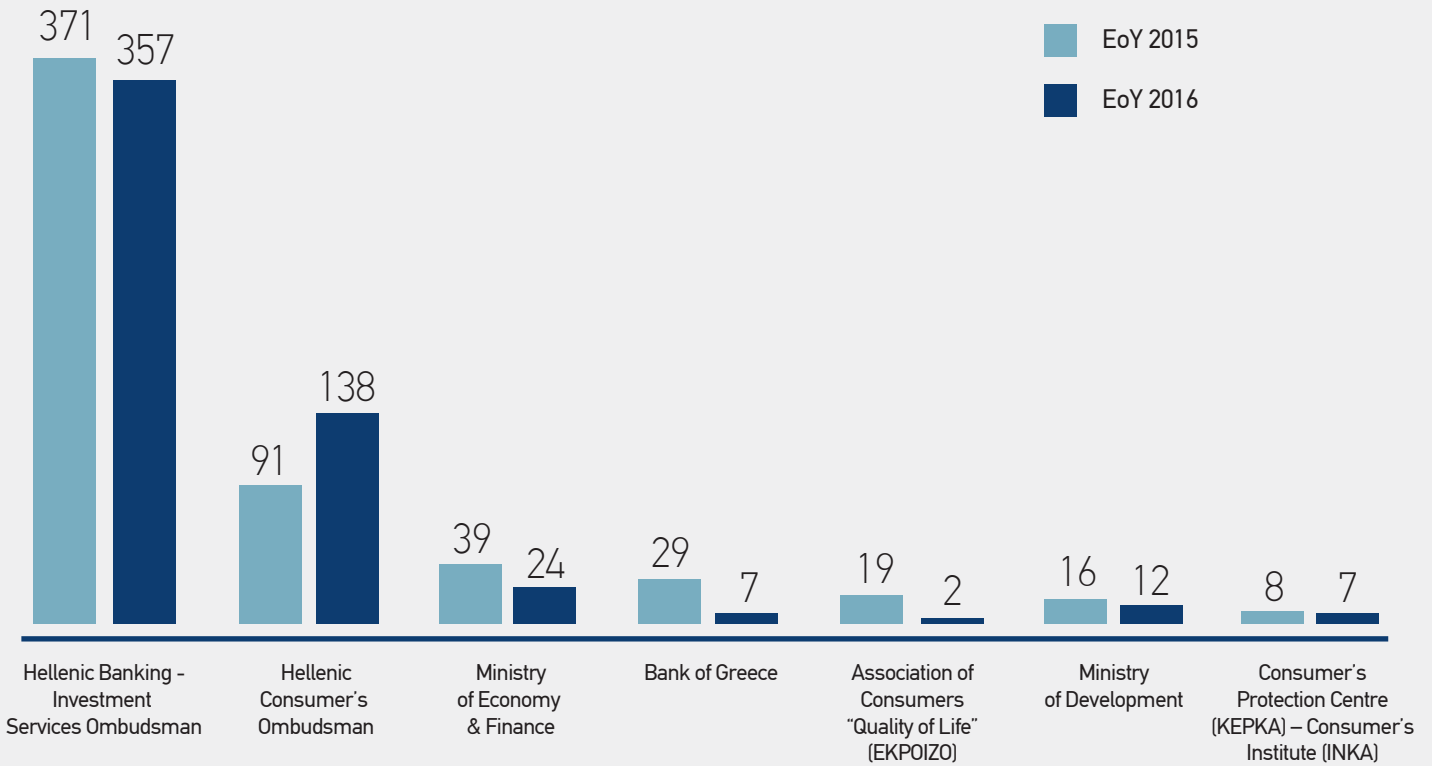
-44% in complaints  
-52% in requests  
-64% in other recommendations  
(suggestions/positive comments)



Data Sources: [RECOMMENDATIONS APPLICATION](#)

As regards **incoming complaints through third parties** (supervisory and non-supervisory), these amount to **547 cases in 2016, down by 5% compared to 2015 (573 cases)**. They also account for **4% of the total number of complaints for the year**, compared to 5% for 2015.

The **Hellenic Ombudsman for Banking-Investment Services** is the main source of the complaints submitted through third parties, **accounting for 65% of such complaints in 2016, comparable to that for 2015**.



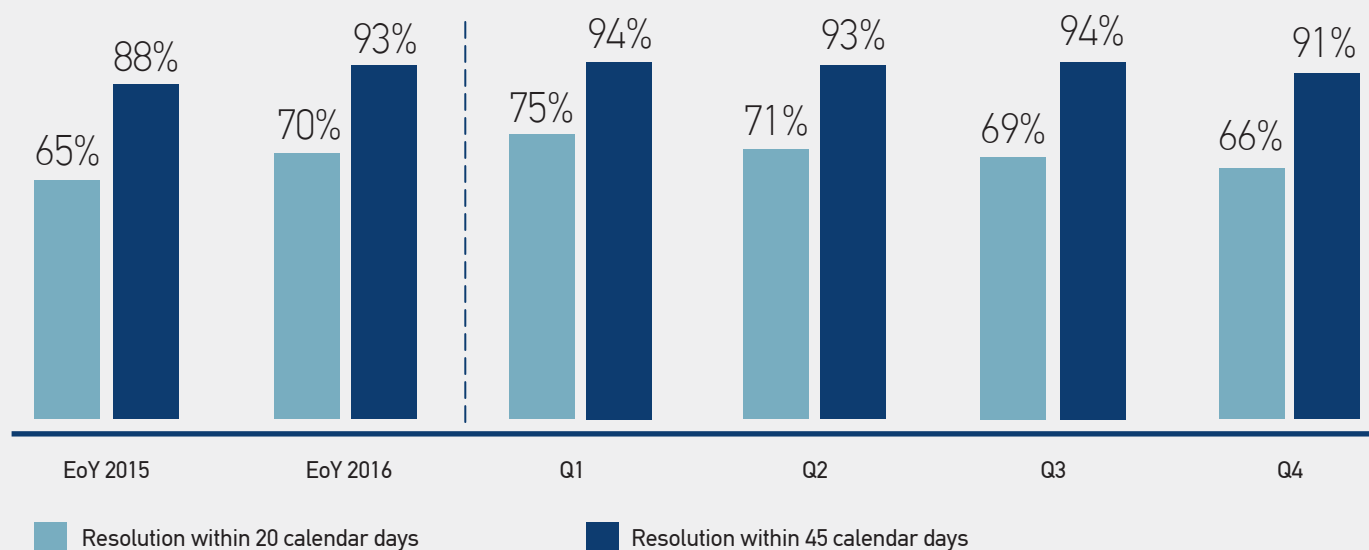
Data Sources: [RECOMMENDATIONS APPLICATION](#)

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”.

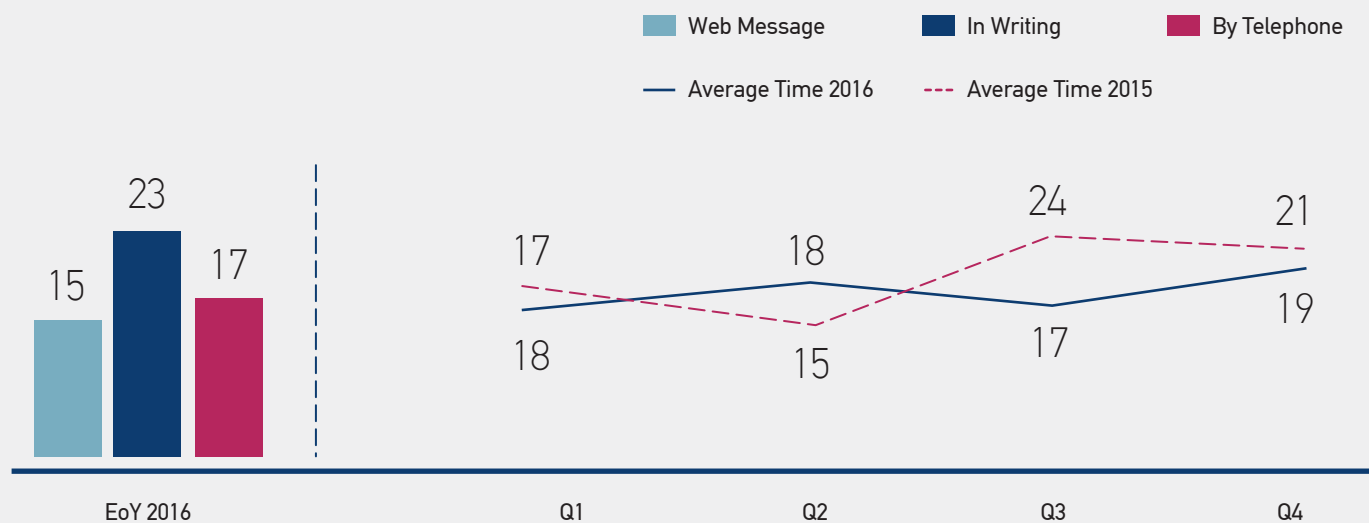
As regards the aforementioned obligation, the **Complaint Response Time within the time limit of 45 days stood at 93% of total cases, compared to 88% in 2015.**

The Bank’s goal is to resolve complaints within 20 calendar days from the time they are logged in the Recommendations’ Application.

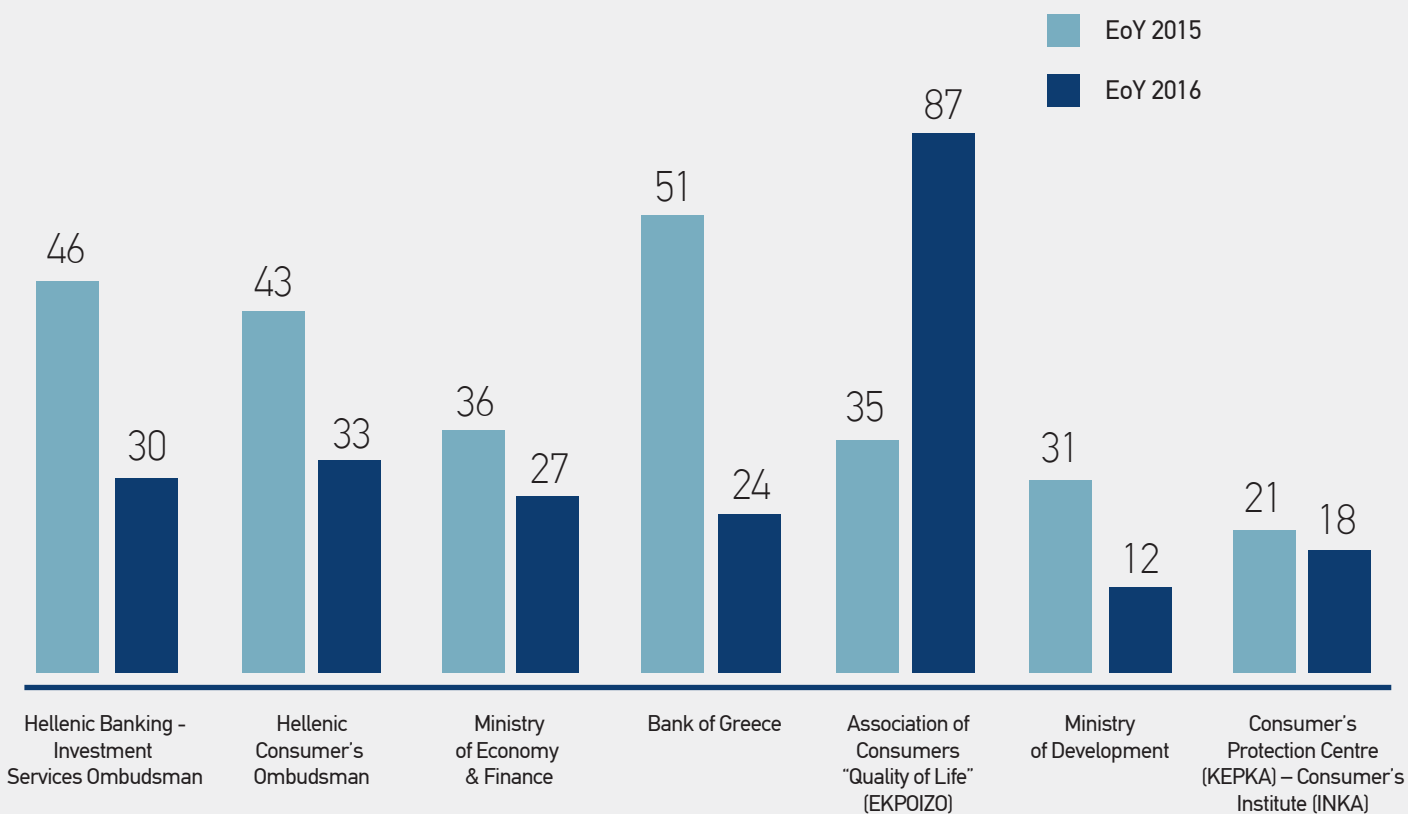
The relevant indicator for 2016 stood at 70% of total cases, compared to 65% for 2015.



The **Average Complaint Resolution Time in 2016** registered an improvement and **stood at 18 calendar days, compared to 20 in 2015.**



## AVERAGE RESOLUTION TIME OF CASES REFERRED BY THIRD PARTIES

Data Sources: [RECOMMENDATIONS APPLICATION](#)

## SATISFACTION SURVEY OF CUSTOMERS SUBMITTING COMPLAINTS

In 2016, 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=818 interviews conducted in 2 phases, including all categories of Individual Customers (natural persons), irrespective of deposit balance, type of account etc.

## RESULTS OF KEY INDICATORS IN 2016

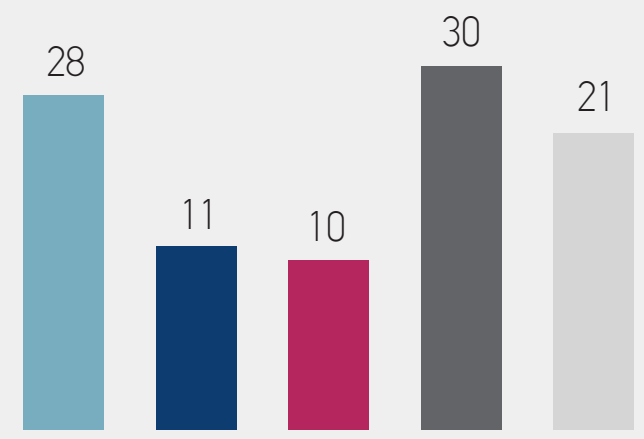
### TRI\*M Index

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 was 31, a value considered to be low.

## CUSTOMERS' PERCEPTION OF COMPLAINT RESOLUTION

The survey showed that, although the Bank may consider that a Customer's complaint has been resolved, the majority of Customers report that the issue of their complaint has not been fully resolved. A Customer complaint that is resolved on-the-spot, without any particular processing, is considered to be a "one-stop resolution" complaint.

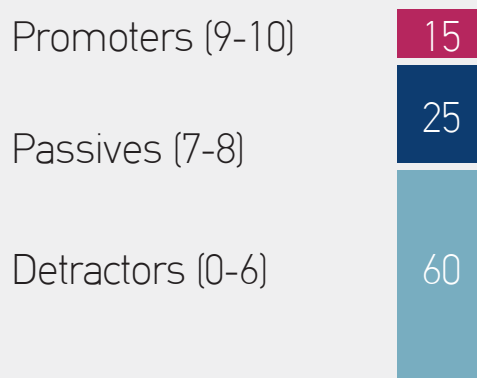


- The Bank replied and the issue was fully resolved
- The Bank replied and the issue was partially resolved
- The Bank replied that the issue is at the processing stage
- The Bank replied, but the issue was not resolved
- The Bank did not reply at all

## 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, with four in every ten Customers being "Detractors".



## KEY FINDINGS

The 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 characterised by **courtesy and the willingness to find a solution** to the issue of the Customer's complaint.
- **Low satisfaction** is expressed with regard to the **complaint processing time, the information provided on the progress in complaint processing, and the clarity of the answers provided.**

## CONSUMER RESEARCH SURVEYS

In 2016, Alpha Bank, in line with its goal to always remain tuned in to the needs of its Customers, completed successfully, for yet another year, a full-scale consumer research plan.

The research plan sought to monitor the needs of Customers and the changes in their transaction behaviour, as well as to assess the products and services offered by the Bank to its Customers, in the light of the requirement for their continuous improvement.

During 2016, and in parallel with its single or multiple-wave quantitative surveys ("Barometer" and "Customer Satisfaction Survey"), the Bank investigated individual issues of crucial significance for its Customers (such as the use of alternative networks for transactions with the Bank, including electronic banking). The implementation of the Bank's consumer research plan for 2016 relied on the use of quantitative and qualitative survey methods.

In 2016, the effect of the capital controls imposed in 2015 is reflected in, among other things, the growth in the usage of the means available for electronic banking transactions. In this regard, 2016 can be considered as a key year for the transition in the use of alternative networks for carrying out banking transactions<sup>1</sup>.

In 2016, the use of electronic banking registered an increase (by 17%)<sup>1</sup>. Based on the Customers' statements, the usage rates of Alpha e-Banking doubled compared to 2015<sup>1</sup>. In particular, the use of Alpha Mobile Banking, which had not been particularly widespread before the imposition of capital controls, registers consistently pronounced growth rates (+5%)<sup>1</sup>, as also does the number of visits to the Bank's website (+6%)<sup>1</sup>.

Additionally, after the adoption of the functionally and aesthetically upgraded Alpha Web Banking, the Customers' satisfaction rates regarding Alpha e-Banking<sup>1</sup>, Alpha Mobile Banking<sup>1</sup> and the Bank's website [www.alpha.gr](http://www.alpha.gr)<sup>1</sup> were high.

Moreover, already since the first semester of 2016 the positive assessment rates for Alpha e-Banking have been significantly increasing, with the service registering high satisfaction levels for its "ease of use" <sup>1</sup> (76% "excellent/very good" ratings on a scale from 1 to 5) as well as for the "range of transactions" it offers (66% "excellent/very good" ratings on a scale from 1 to 5) <sup>1</sup>.

Thus, the users of the Bank's electronic networks, with a high level of satisfaction from their experience of using them, attributed to the Bank qualities such as that it applies "simple/easy procedures" and is "a Bank that leverages technology for the benefit of its Customers"<sup>2</sup>.

Overall, the Customer Satisfaction (TRI\*M) Index for the Bank followed an upward trend, with a score for "efficiency/preference" of (58) among all Customers of the Bank and of (65) for the Customers having Alpha Bank as their primary bank. These specific results are strengthened by the results of the monthly "Barometer" survey, where the Bank's positive assessment ratings in 2016 increased in the category of Customers cooperating with the Bank (+3%) as well as in the category of those stating that Alpha Bank is their primary bank of cooperation (+8%)<sup>3</sup>.

Moreover, the improvement in the indicators shows that the Bank is responding successfully to the challenges of the current times and takes on added strength from its momentum and extroversion<sup>3</sup>. As a whole, Individuals-Customers support the view that the Bank has increased its ability to "offer products and services that make daily life easier" and to "invest in new technologies"<sup>3</sup>.

In 2016, Alpha Bank achieved an increase in its Customers' trust towards it and, in contrast with the generally low optimism expressed by the general public<sup>3</sup>, Customers acknowledge Alpha Bank as a "healthy, financially stable" bank and a bank "for all people"<sup>3</sup>.

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### Identity of the Research Surveys

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#### Quantitative Customer Satisfaction Survey for 2016

Company: TNS

Country-wide survey via telephone interviews with Customers aged 18-75. Survey sample N=3,100 individuals (Alpha Bank Customers N=1,900/Competition Customers N=1,200).

Survey period: February-March 2016

#### Alpha Bank Barometer Quantitative Survey

Company: QED

Single-wave telephone Survey (CATI) using a sample of N=400 individuals/wave, consisting of men and women aged 25-54, in Athens, Thessaloniki and urban centres. Eleven (11) monthly survey waves took place during 2016.

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1 Source: Quantitative Customer Satisfaction Survey

2 Source: Quantitative Customer Satisfaction Survey

3 Source: Alpha Bank Barometer Quantitative Survey

## RESPONSIBLE MARKETING

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

The Bank's advertisements provide all the details necessary to inform the public about its available products and services. In the case where a particular advertising medium cannot convey adequate details due to space or time limitations, the Bank's website address ([www.alpha.gr](http://www.alpha.gr)) and the Bank's Call Centre number or a QR code are always provided as an option for accessing more detailed information.

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

It is 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 competent Personnel of the Bank.

Finally, no incidents of non-compliance with regulations concerning advertising communication and Marketing in connection with the Bank's products and services occurred in 2016.

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TOGETHER WITH OUR PEOPLE



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 capabilities. 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 high-quality, upgraded services, as well as to the Employees' personal development and advancement.

It is worth mentioning that the Alpha Bank Intranet was fully redesigned in 2016. With modern aesthetics, a new content structure and a more user-friendly navigation, its principal aim is to support even more effectively the daily work and the internal communication and information sharing needs of Personnel. For the convenience of Personnel, the new Alpha Bank Intranet has several important new features, such as microsites with contents organised by Division, grouping of useful links and direct access from the homepage, quick search across the entire Intranet (pages and files) and a special informative section for the Group Companies, which is also available in English.

## MANAGEMENT OF HUMAN RESOURCES

Management of Human Resources is significant, especially given the difficult economic conditions that prevailed in Greece during 2016 as well. The creation of a healthy work climate, the working hours, the renewal of Personnel through new recruitments, and the provision of fair remuneration, are of the utmost importance. These factors help build an effective work environment and allow Employees to contribute more efficiently to the Bank's everyday operation.

In 2016, the Human Resources Division updated its Rules and Regulations, aiming to link in a more effective way the targets of the Human Resources Division with the targets of the Group's Business Plan. To this end, it organised its structure by creating a greater number of functional areas, specifying its operations in detail and seeking to ensure their continuous adjustment to modern-day requirements. Beyond the achievement of savings in costs, the aim was to simplify the processes and the systems involved, so that the Division can operate more efficiently and, most importantly, the quality of the services it provides can be enhanced.

The Personnel Time Management Section of the Human Resources Division obtained the certification of its Quality Assurance System in accordance with the ISO 9001:2015 International Standard.

This Certification confirms the control of the compliance with the attendance recording and leave management procedures for Personnel and, on the other hand, the adoption of practices for measurement and improvement practices using performance indicators and satisfaction questionnaires.

Furthermore, the Savings Plan has been extended to all Personnel, while 2,104 Employees participated in events, guided exhibition tours, classes held by Elefthero Panepistimio (USPEL) at the Books' Archway and theatre shows. Additionally, during the Christmas season 3,187 gift vouchers were sent to Bank Employees across Greece, for their children aged up to 6. Older children had the opportunity to attend theatre shows.

## EMPLOYMENT

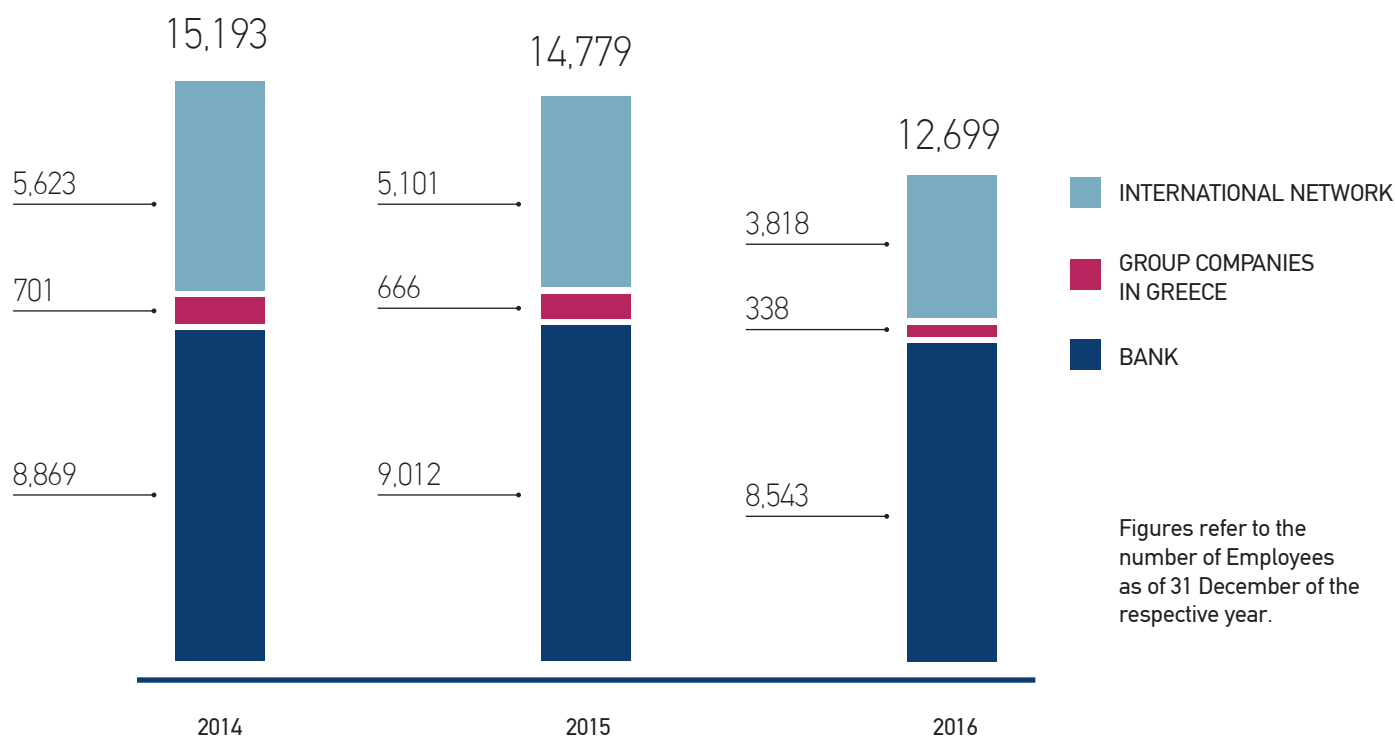
In Greece, drawing on the results of the performance evaluation system and in line with the corporate practice of internal circulars on vacancies, approximately 500 persons were promoted, thus broadening their scope of work and their areas of responsibility.

As a responsible employer and despite the adverse economic environment, the Bank has honoured its obligations towards its Personnel and has granted, on certain conditions and in accordance with its business needs and business practice, numerous employee requests for improvement in their work conditions and in their financial situation, such as requests for transfers (granting 65% of a total of 299 requests), financing of postgraduate studies, debt settlements etc.

In 2016, the Bank continued its consistent efforts to collaborate with Universities. More specifically, the Bank participated in University career days, an initiative aimed at helping young people remain in touch with the labour market, and employed final-year undergraduate and postgraduate students through its partnership with the Athens University of Economics and Business.

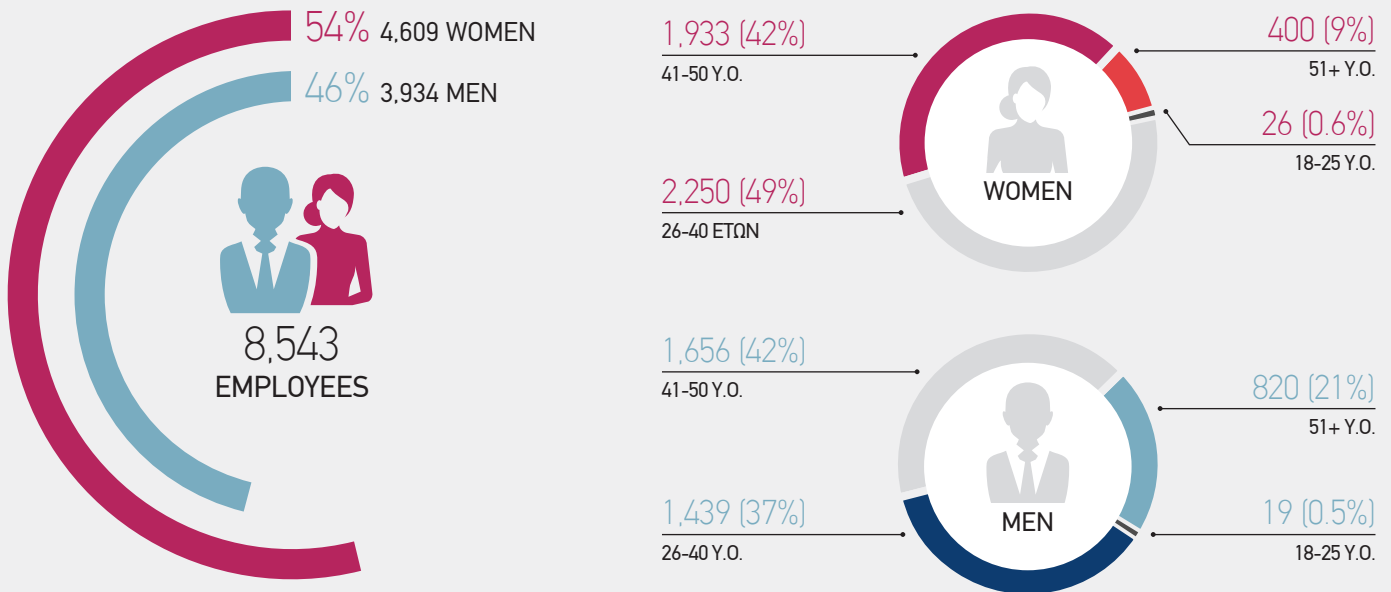
Finally, around 45 young people were employed by the Bank, under traineeship or fixed-term employment contracts, in order to gain work experience.

## EVOLUTION OF ALPHA BANK GROUP HUMAN RESOURCES

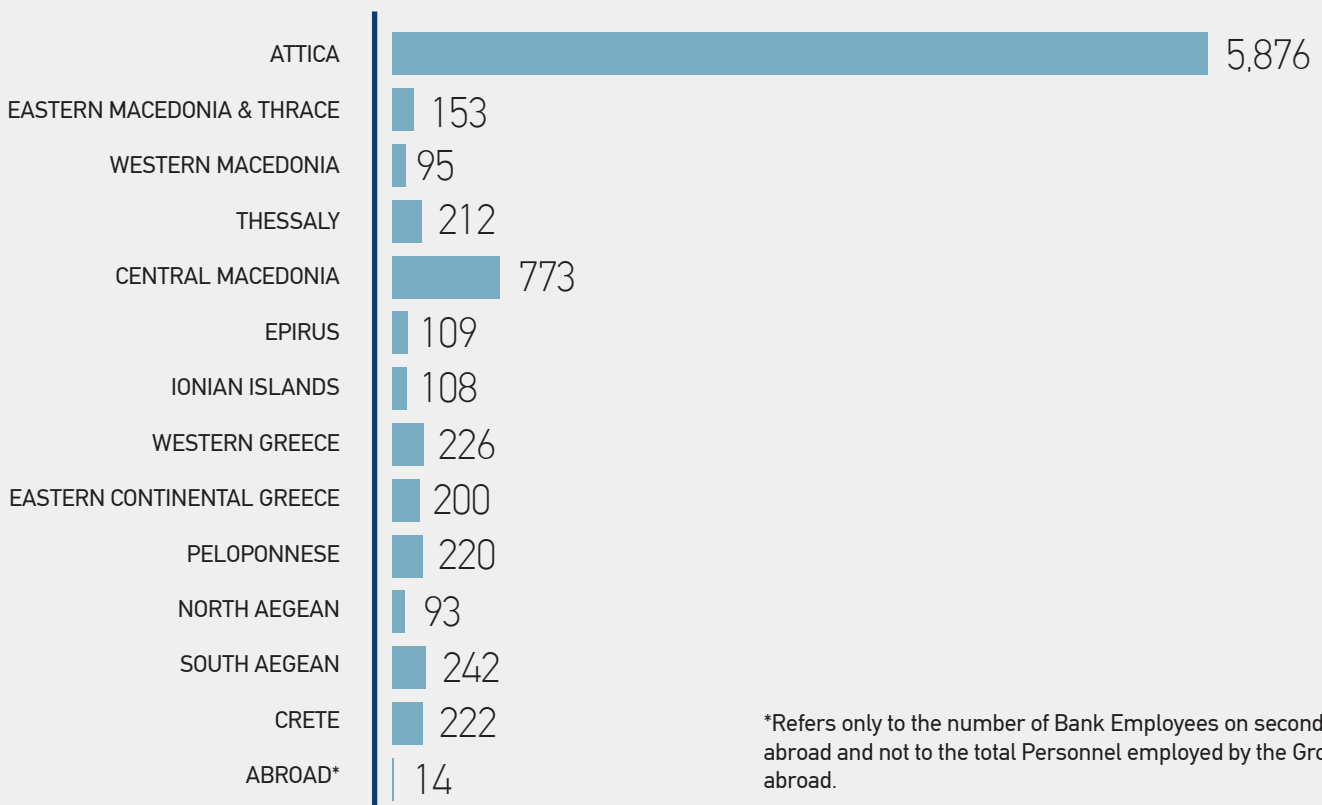


It is pointed out that the reduction in Personnel numbers in Greece and abroad is due to the implementation of the Restructuring Plan aimed at reducing operating costs.

## ALPHA BANK PERSONNEL BREAKDOWN AS OF 31.12.2016

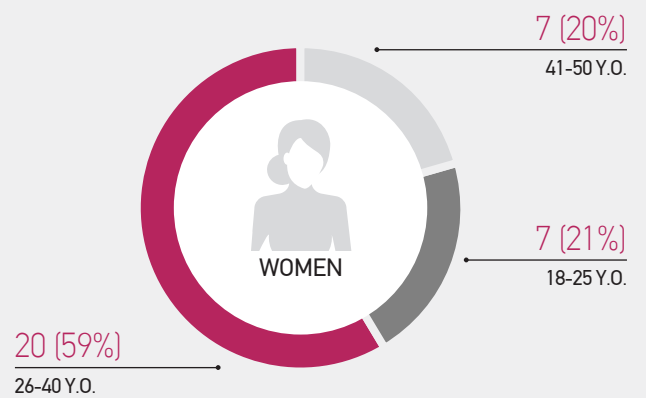
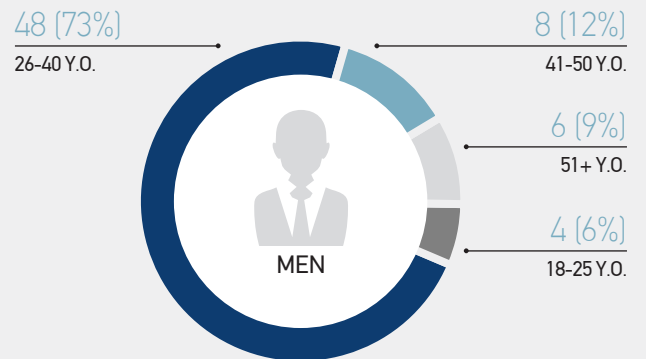


## ALPHA BANK PERSONNEL - BREAKDOWN BY GEOGRAPHIC REGION AS OF 31.12.2016



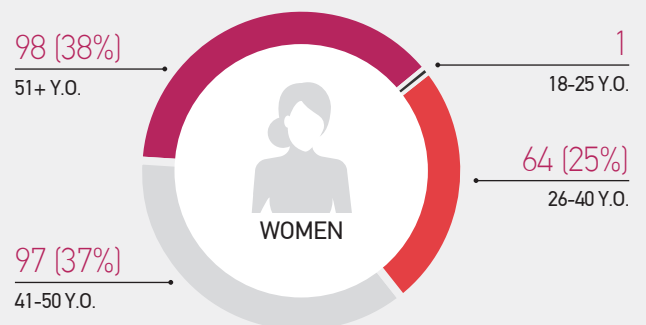
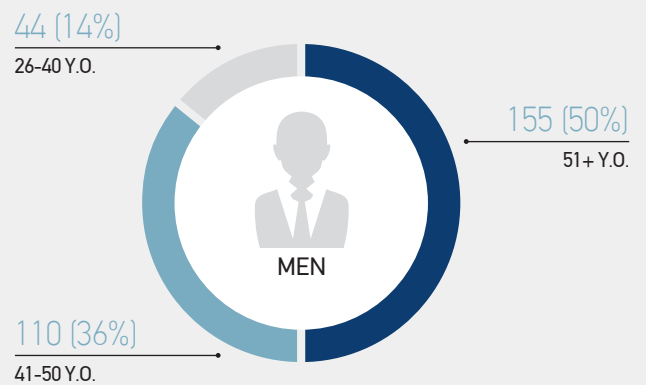
## REGULAR PERSONNEL RECRUITMENT 2016

• Recruitment of new employees as a % of all Personnel **1.2%**



## REGULAR PERSONNEL DEPARTURES 2016

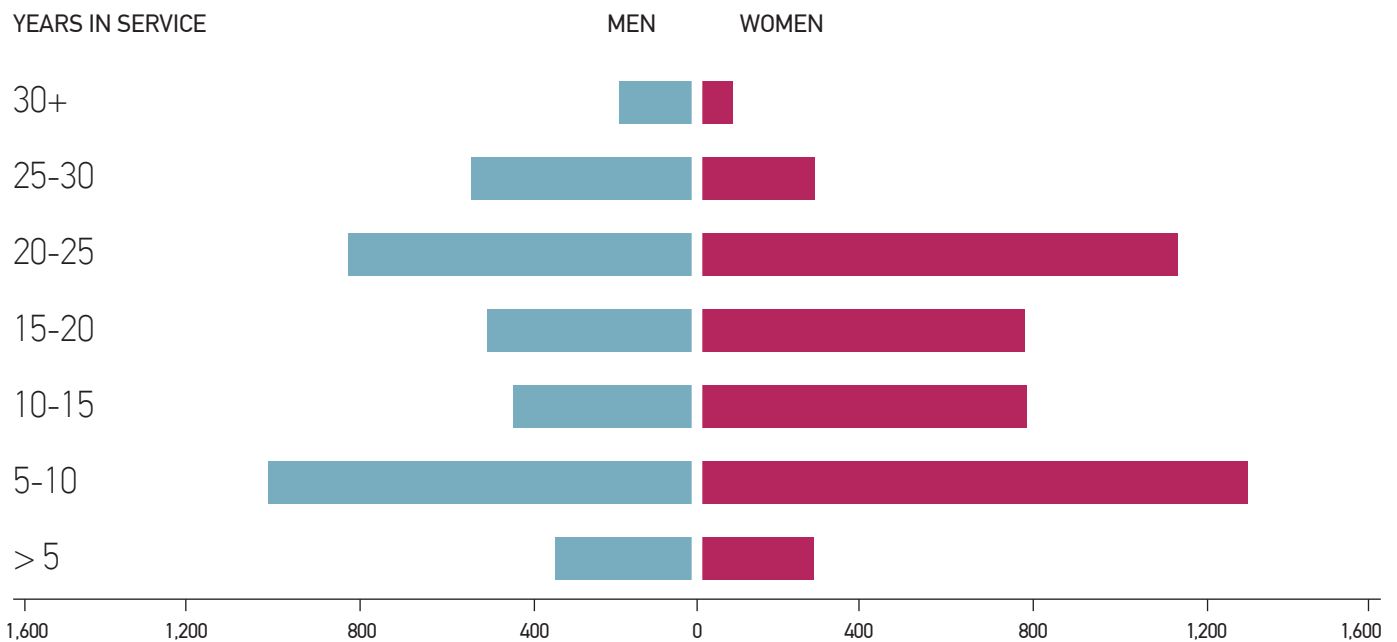
• Departures as a % of all Personnel **6.7%**



## EMPLOYEE COMMITMENT INDICATOR (YEARS OF SERVICE)

Alpha Bank's employees are the driving force behind the Group's successful course and growth. With their professionalism, commitment and hard-working attitude, they create value for the Bank, as well as for society.

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.



## CARING FOR OUR EMPLOYEES

Recognising the importance and the contribution of its Human Resources to its success, Alpha Bank offers a varied additional benefits scheme to its Personnel, which includes a number of allowances, coverages and services for the Employees and their family members and demonstrates in practice the Bank's actual care for its Employees.

In 2016, a total of 242 Employees were granted reduced working hours due to childcare obligations, in the form of accumulated continuous paid leave. Since 1.9.2016, when the Corporate Collective Agreement was signed for the years 2016-2019, the days of fully-paid Maternity Leave were increased from 119 (granted by the Health Insurance Fund) to 149 (an additional 30 days granted by the Bank). A total of 49,569 days of maternity leave were granted since the start of the year.

Furthermore, in an effort to strengthen the family budget of Employees, the day care benefit was increased from Euro 280 to Euro 320. The day care benefit is currently granted to a total of 1,700 Employees.

Additionally, 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, pursuant to the Sectoral Collective 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 reduction in wages. This benefit was granted to 97 Employees. Moreover, a special monthly welfare allowance has been provided to 48 Employees – in active employment or retired – facing health problems (blindness or kidney disease).

Since 2011, the Bank has been applying a Group Savings Plan for Employees, which was initially addressed to Employees who were firstly insured after 1.1.1993. 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 Personnel who have joined this Plan currently account for 78% of total Personnel. The Plan provides for payment of a lump sum upon retirement and is successfully implemented by the Bank in partnership with AXA Insurance S.A., 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. On 31.12.2016, this consisted of the "Alpha Money Market", "Alpha Greek Bond", "Alpha Greek Corporate Bond" and "Alpha Global Allocation Balanced" Funds.

Finally, wishing to provide psychological support to Employees who, at a given moment, had difficulty in handling crisis situations on a personal, family and professional level, the Bank continues its collaboration with experts (Psychologists, a Social Worker - Therapist and a Neurologist-Psychiatrist), offering its Employees the opportunity to meet with them free of charge in order to seek counselling, support and treatment.

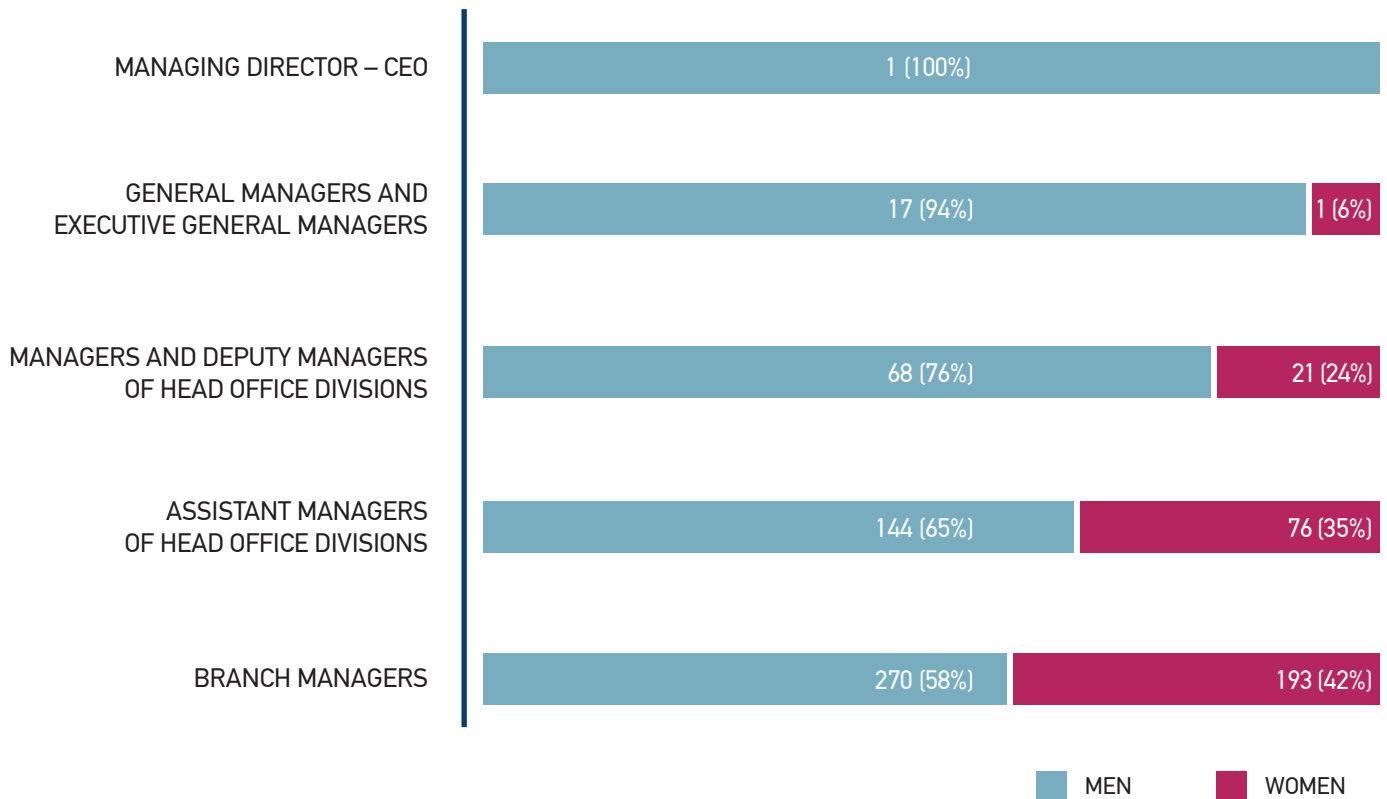
## FAIR LABOUR PRACTICES

The Bank respects and defends the diversity of its Employees (in terms of age, gender, race, nationality, religion, 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 ensures compliance with the respective national regulations on minimum pay, working hours and the granting of leave.

DIVERSITY INDICATORS	2014	2015	2016
Women Employees	4,746 (53.51%)	4,833 (53.62%)	4,609 (53.95%)
Women in the Board of Directors	2 (13.33%)	3 (20%)	3 (23%)
Women in the Bank's Management*	1 (6.25%)	1 (6.67%)	1 (5%)
Women in Management positions (Branch Manager or higher)	302	312	291
Employees belonging to minority groups	7	3	4
Managers belonging to minority groups	1	2	2
Employees with disabilities	161	166	166

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

## ALLOCATION OF MANAGEMENT POSITIONS IN 2016



Moreover, the Bank defends human rights, recognises the right to union membership and to 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 Agreements apply to the entire banking sector, whereas the Corporate Collective Agreements apply to all of the Bank's regular Personnel. The effect of both sectoral and corporate collective agreements 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 the Sectoral and Corporate Collective Agreements, as explained above.

There are a total of four (4) Employee unions at Alpha Bank, representing 94.2% of the Bank's Human Resources. Of these, the most representative one is recognised as the competent body to represent Employees in labour negotiations with the Management.



## EMPLOYEE TRAINING AND DEVELOPMENT

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

The Bank has established a Performance Evaluation System, based on which nearly all its Personnel is evaluated annually. The System includes an evaluation based on targets and characteristics/attributes, depending on the particular job position.

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

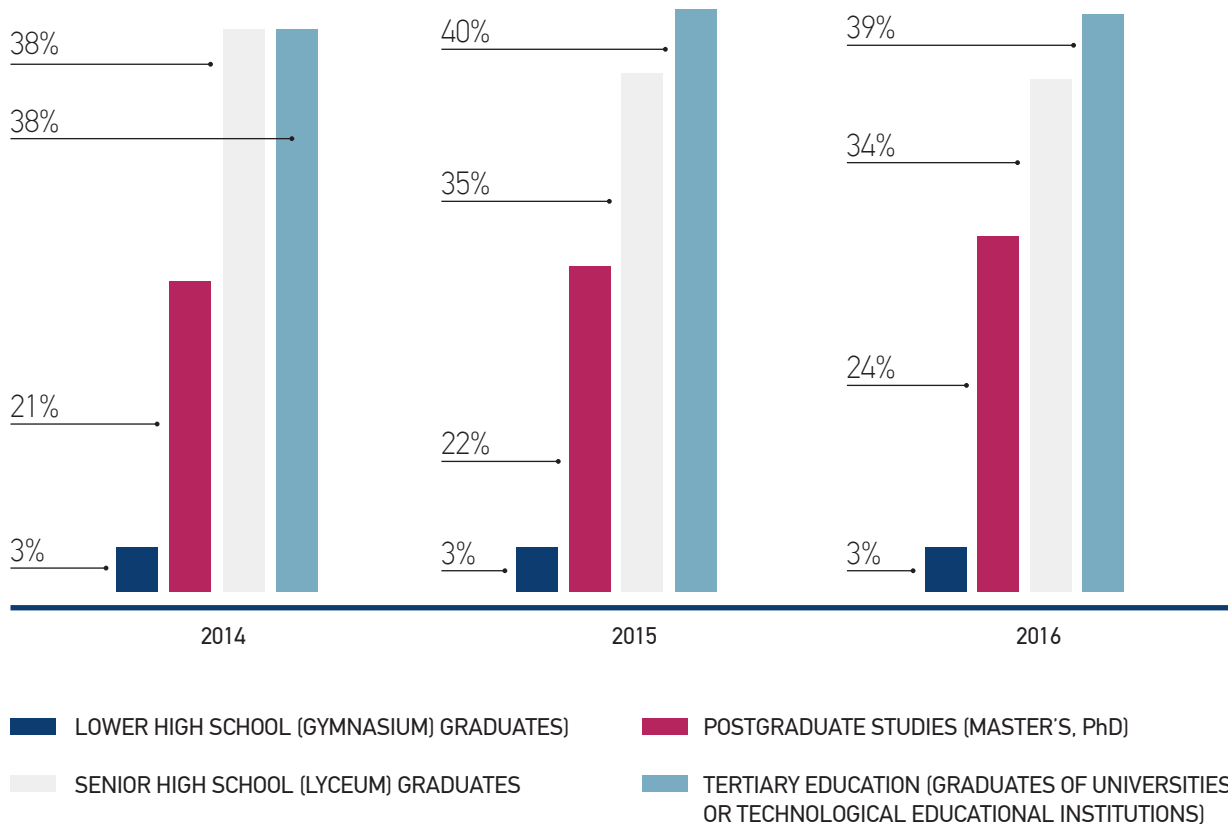
EVALUATION FORMS FOR THE YEAR 2016*	QUANTITY
TOTAL EVALUATION FORMS RECEIVED	7,977
EVALUATION FORMS RECEIVED - MEN	3,766
EVALUATION FORMS RECEIVED - WOMEN	4,211
<b>TOTAL POPULATION</b>	<b>9,260</b>

\*The total population evaluated also includes Employees who had not been included in the Bank's workforce on 31.12.2016 but have been evaluated for the previous year.

The data on the total numbers and corresponding percentages of Employees by educational level indicate that:

- Employees who are tertiary education graduates (Universities and Technological Educational Institutions) continue to represent the largest share (62.64%) of the Bank's Personnel in 2016, for yet another year. More specifically, 23.65% of Personnel hold postgraduate diplomas, including PhDs.
- The percentage of Lower High School (Gymnasium) graduates represents a small share of all Personnel, i.e. 2.83%.

## EVOLUTION OF THE EDUCATIONAL LEVEL OF EMPLOYEES



Bank Employees who attend undergraduate courses of study are granted 30 days of leave each year, while from 1.9.2016 onwards, ten of these days are paid. A total of 142 requests for student leave were approved.

During 2016, the Bank's regular annual Training Programme included many training presentations covering these four areas of training policy:

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

The annual Training Programme, which is addressed to all Bank Personnel, in combination with the training programmes organised (in-house or at premises outside of the Bank) to cover the specialised needs of the Head Office Divisions, as well as with the training programmes for Internal or External Certifications, form Alpha Bank's overall Training Policy.

The innovative training activities of 2016 included:

- The delivery of the updated induction training programme entitled "European Foundation Certificate in Banking", provided by the Hellenic Bank Association. Alpha Bank was the only Greek bank to hold this training programme in 2016, after it was redesigned by the European Banking Training Network. The programme is concluded with a Certification exam.

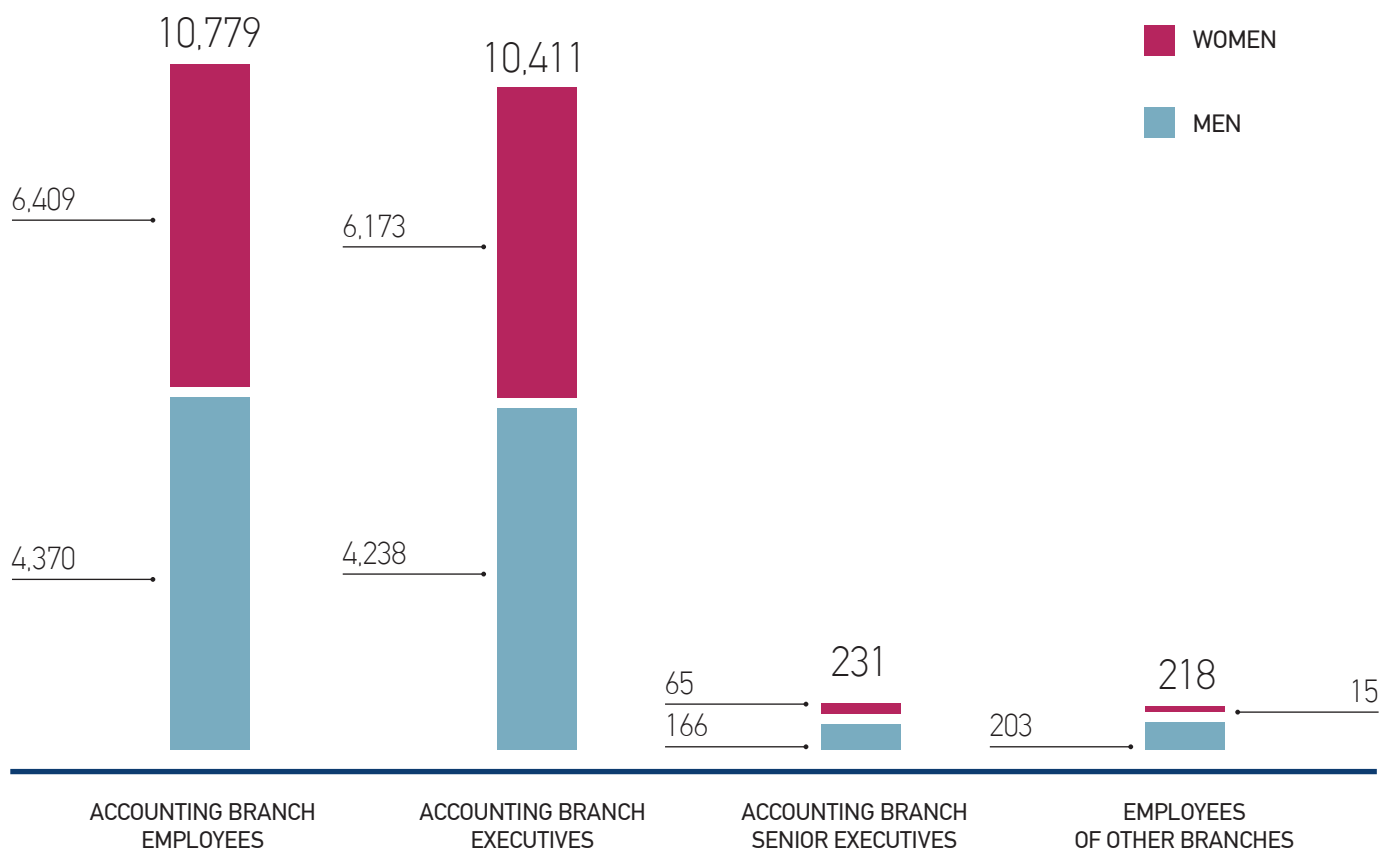
- The enriched subject coverage of the management and skills training programmes with the addition of many new titles. Demand for these particular programmes has been exceptionally high.
- The increase in the number of distance training programmes available. The online library numbers 48 titles (38 courses and 10 mock exams), including Corporate Social Responsibility programmes, as well as Occupational Health and Safety programmes.

With regard to the required compliance of the Bank's Training Programmes concerning the renewal of certifications for bancassurance operations with the regulatory framework laid down by the Bank of Greece, it must be pointed out that all Programmes have been approved by the said regulatory authority. It is also worth noting that the conduct of these Programmes for the approximately 2,000 Certified Employees of the Bank, takes place using online distance learning (e-learning).

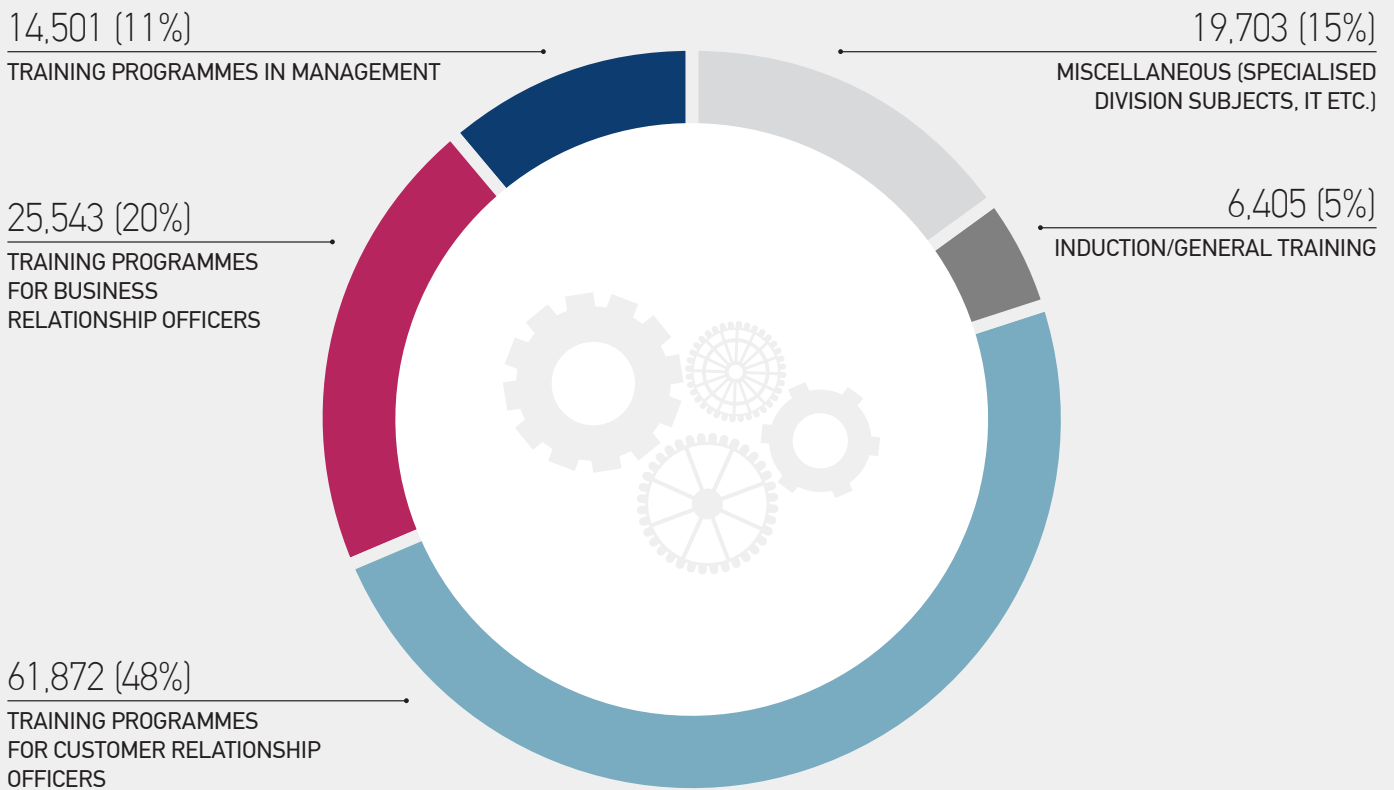
In 2016, participations in training programmes stood at 21,639, representing 143,584 training hours in total. Thus, the average training person-hours per Employee of the Bank are calculated at 16.8 hours (16.3 hours for men and 17.2 hours for women).

Of the total number of participants in training programmes, 21,421 were Employees of Alpha Bank's accounting branch. The training programmes cover the needs of Personnel, which are identified by following either the global approach (i.e. on the basis of audit findings, of the needs expressed in the course of collecting the training needs of Bank Divisions etc.) or the personalised approach (i.e. on the basis of requests submitted during the circulation of the annual training programme and of needs that arise from the information contained in the Evaluation Forms). The detailed breakdown by gender and position in the management hierarchy (Employees/Executives) is presented in the following diagram.

### PARTICIPATION IN TRAINING PROGRAMMES IN 2016



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



\*for in-house training programmes of the Bank



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, was continued during 2016 as well. This 18-month Programme covers Monetary Policy, Banking and Finance. Since 2010, a total of 116 Employees have successfully completed their postgraduate studies. During 2017, a further 21 Employees are expected to graduate and obtain their Postgraduate Studies Certificate, while another 20 are about to begin their postgraduate studies.

## HEALTH AND SAFETY AT THE WORKPLACE

Health and safety at the workplace are significant for the Bank, as well as for 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 everyday operation and in the provision of high-quality services and takes care to ensure a safe and healthy workplace, in which the measures applied are over and above the ones stipulated in the relevant legislation.

With regard 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, as follows:

- Provision of safety technician and occupational physician services to the Bank's Personnel by external contractors, as well as by specialised Bank Officers, who visit Bank Units and brief Employees regularly on health and safety issues.
- Implementation of a training programme on safety-related issues addressed to all Personnel.
- Permanent presence of occupational physicians in work premises with large personnel numbers.
- Participation of 79 Security Guards (68 from Attica and 11 from the Greek Periphery) in the "CROWD MANAGEMENT" training programme carried out at the Bank's Training Centre by the company CBI Training Center, with the Assistant Manager of the Procurement, Property and Security Division as the coordinator in charge.
- Training of the Assistant Manager of the Procurement, Property and Security and eight (8) Security Guards on safe motorcycle driving, by the company CBI Training Center.
- Six (6) shooting practice sessions with the participation of 95 Security Guards (82 from Attica and 13 from the Greek Periphery) at the Hellenic Police Shooting Ranges in Markopoulo, Attica, and in Thermi, Thessaloniki, with the Assistant Manager of the Procurement, Property and Security Division and a Senior Hellenic Police Officer as supervising trainers.
- Participation of Employees from the Bank's Head Office Divisions in three training programmes delivered by Fire Department Officers.
- Training delivered by the Procurement, Property and Security Division and the Human Resources Division to 2,452 Employees from the Head Office Divisions and the Branches on robbery, hostage-taking, fire safety, earthquake and building evacuation.
- Development of 42 evacuation plans for Buildings and Branches.

HEALTH AND SAFETY INDICATORS	NUMBER OF INCIDENTS			DAYS LOST DUE TO THESE INCIDENTS		
	2014	2015	2016	2014	2015	2016
Persons injured	2	-	1	14	-	7
Fatalities	-	-	-	-	-	-
Other illnesses*	4,409	4,719	4,862	39,840	45,846	43,071
Absenteeism rate (AR)	1.80%	2%	2%			

\*Does not include pregnancy leave.

It should be pointed out that in 2016 the absenteeism rate\* (work days lost) due to injury and illness remained low, at 2% of total working days.

In 2016, a total of 242 Employees made use of accumulated parental leave for a total of 24,751 days.



84/85

TOGETHER FOR THE ENVIRONMENT





Raising awareness of environmental issues and protecting the environment are key priorities for the Bank.

Alpha Bank is aware of the consequences of climate change and of the way these consequences affect every aspect of human activity. This is why it develops and offers products that allow investing in actions aimed at the achievement of savings in energy, the development of renewable energy sources and the modernisation of production processes by businesses (including Small and Medium-sized Enterprises), as well as corresponding initiatives by households (presented in the "Product Portfolio" section). Additionally, the Bank supports the management of the environmental dimension of its financing operations by incorporating new processes for the assessment of environmental risk in its Credit Risk Management Framework (presented in the section on "Corporate Governance, Risk Management and Compliance of the Bank").

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

### SYSTEMATIC 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 assured through the guidance provided by the Executive Committee, which remains responsible for all decisions on environmental matters related to the Bank's operation.

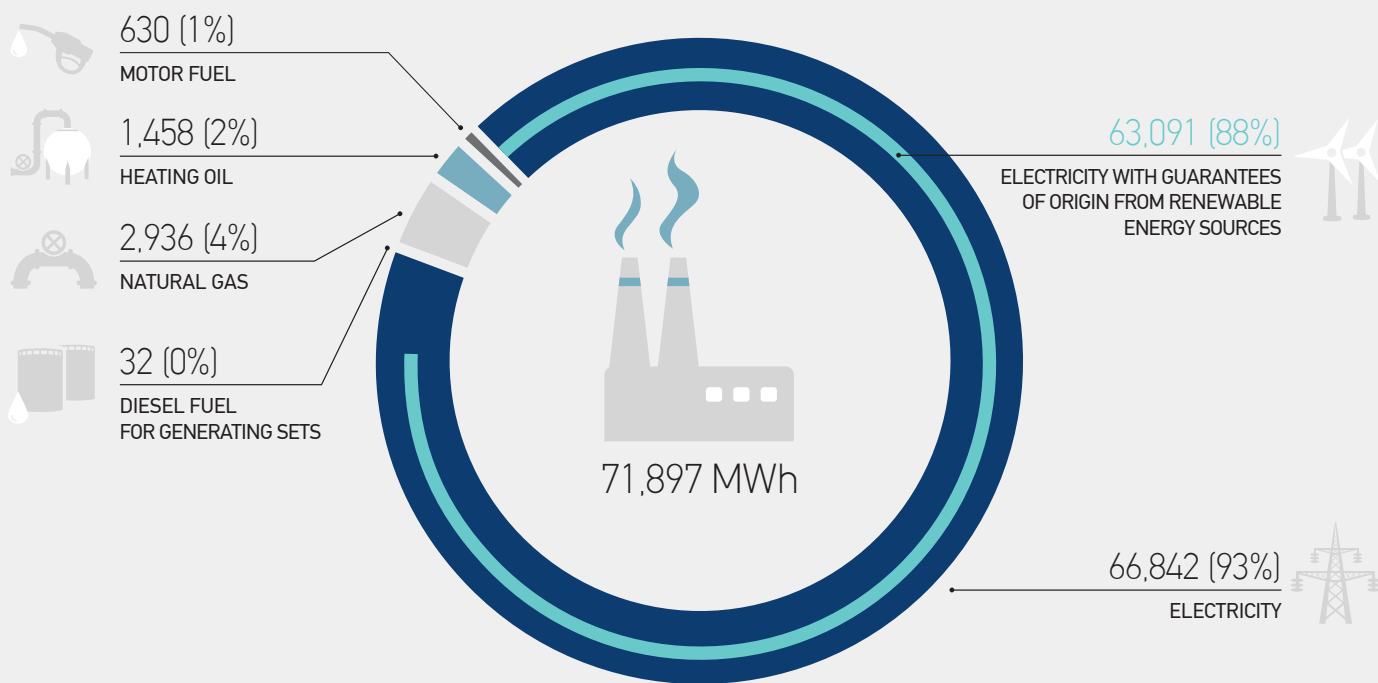
The Bank systematically monitors energy consumption at its premises and the corresponding greenhouse gas emissions, in line with the requirements of the Greenhouse Gas Protocol. This systematic practice aims to improve the accuracy of the Bank's performance data and to identify areas for improvement,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

In the figures given for 2016, the energy consumption and emissions calculations include the motor fuels for the Bank's vehicles, the coolants that have been topped up in air conditioning systems, as well as the indirect emissions from the business air travels of Employees and the posting of material by the Bank to its Customers. Greenhouse gas emissions are based on calculations of the emission of CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O and f-gases from the air conditioning systems. In addition, the Bank has secured the external assurance of its energy consumption items and of its corresponding direct (scope 1) and indirect (scope 2) greenhouse gas emissions.

### ENERGY CONSUMPTION

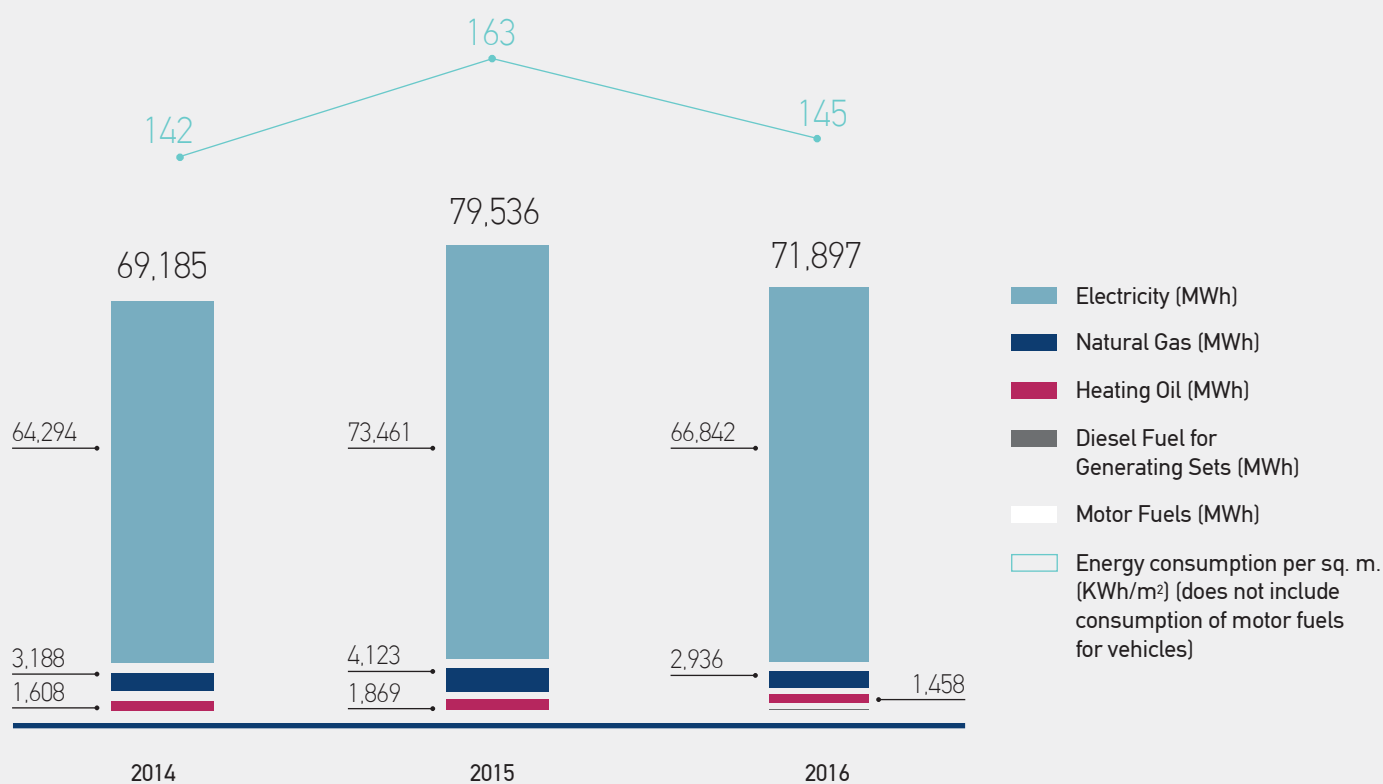
In 2016, Alpha Bank's total energy consumption from the consumption of electricity, natural gas, heating oil, diesel fuel for generating sets and motor fuels (petrol and diesel) for vehicles, stood at 71,897 MWh (259 TJ).

## ENERGY CONSUMPTION IN 2016



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

## ENERGY CONSUMPTION OVER TIME



## ELECTRICITY



ELECTRICITY CONSUMPTION	2014	2015	2016
Electricity Consumption (MWh)*	64,294	73,461	66,842
<b>Space for which electricity consumption is measured (m<sup>2</sup>)</b>			
• Active spaces		461,442	436,696
• Closed Branches and empty spaces		25,634	56,030
<b>Total</b>	<b>487,064</b>	<b>487,076</b>	<b>492,726</b>
Space for which electricity consumption is measured, as a percentage of total space	91.8%	100%	100%
<b>Annual electricity consumption per m<sup>2</sup> of space (kWh)</b>			
• Active spaces		154.91	148.81
• Closed Branches and empty spaces		77.16	33.11
<b>Total</b>	<b>132.0</b>	<b>150.82</b>	<b>135.66</b>

\* Every year the Bank measures and records electricity consumption in more Bank Buildings, Offices and Branches, whose number and total surface constantly increase. In the table above, the figures given for 2016 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 building 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 its share of the respective consumptions 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 3.3% of the total surface occupied by the Bank, for which data were not recorded, has also been included.

For 2016, 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 63,091 MWh of the electricity consumed by the Bank during 2016 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 early any deviations. 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 to reduce electricity consumption as much as possible.

During 2016, the Bank continued to install LED lighting units in its Branches and Buildings, with the intention of expanding this measure to more locations as the technology advances. Additionally, the replacement (where necessary due to age or obsolescence) of old, energy-consuming air conditioning systems with new inverter technology ones of a much lower energy consumption, was also continued. These activities took place either as a part of general renovation work in Branches and Buildings of the Bank or in isolated cases where only the lighting or the air conditioning system was replaced, where necessary.

Since 2013, the internal lighting units of the signs in 50% 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 have been 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.

Additionally, in 2016, the electricity consumption at empty properties owned by the Bank was also measured. This is why the total space for which electricity consumption was measured is greater (by 5,650 square metres) compared to 2015. Electricity consumption per square metre in the Bank's active spaces has been reduced by 4.2%, due to the mild weather conditions, and to the prudent use and the actions taken by the Bank.

## NATURAL GAS



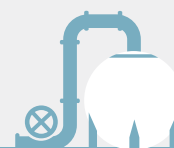
NATURAL GAS CONSUMPTION	2014	2015	2016
<b>Natural Gas Consumption</b>			
• Nm <sup>3</sup>	250,934	315,570*	252,463
• kWh	3,187,769	4,122,830	2,936,102
Office space for which natural gas consumption is measured (m <sup>2</sup> )	96,662*	104,545	107,797
<b>Annual natural gas consumption per m<sup>2</sup> of office space</b>			
• Nm <sup>3</sup> per m <sup>2</sup> office space	2.60	3.02	2.34
• kWh per m <sup>2</sup> office space	32.98	39.44	27.24

\* Due to oversight, the figures in the 2015 Report did not include the correct converted consumption in m<sup>3</sup>. This did not affect the remaining figures. The figures for 2015 given above are the correct ones.

In 2016, one of the Bank's Main Buildings was connected to the natural gas installation and, at the same time, the heating oil boiler was decommissioned.

In 2016, consumption (Nm<sup>3</sup>/m<sup>2</sup>) was reduced by 22.41%, as a result of both the mild weather conditions and the more complete recording of data, which has taken place for 99.7% of the Bank's Buildings and Branches with a natural gas installation.

## HEATING OIL



HEATING OIL CONSUMPTION*	2014	2015	2016
<b>Heating Oil Consumption</b>			
• litres	160,259	186,323	145,280
• kWh	1,607,769	1,869,445	1,457,638
Office space for which heating oil consumption is measured (m <sup>2</sup> )	58,448	58,448	67,645
<b>Annual heating oil consumption per m<sup>2</sup> of office space</b>			
• litres per m <sup>2</sup> of office space	2.74	3.19	2.15
• kWh per m <sup>2</sup> of office space	27.51	31.98	21.55

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

The calculation of heating oil consumption for the Bank's Main Buildings was based on an estimation 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.

Consumption (L/m<sup>2</sup>) for 2016 was reduced by 32.6%.

## DIESEL FUEL FOR GENERATING SETS



CONSUMPTION OF DIESEL FUEL FOR GENERATING SETS*	2014	2015	2016
<b>Consumption of Diesel Fuel for Generating Sets</b>			
• litres	9,501	8,305	3,203
• kWh	95,327	83,327	32,137

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

The Bank uses 45 generating sets (G/S) in 41 Main Buildings and Branches, to ensure uninterrupted operation of its Services in the case of a 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 by the diesel fuel reserves stored in the tanks from purchases made in previous years.

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

The Bank uses owned and leased vehicles for transportation needs with regard to its operating activities. In 2016, the fuel consumed for such transportation amounted to 58,883 litres of petrol and 9,336 litres of diesel fuel.



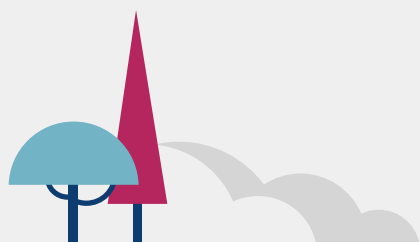
VEHICLES	2016		
	PETROL (L)	DIESEL FUEL (L)	TOTAL (L)
BANK-OWNED	36,351.00	0.00	<b>36,351.00</b>
LEASED	22,532.00	9,336.00	<b>31,868.00</b>
<b>TOTAL</b>	<b>58,883.00</b>	<b>9,336.00</b>	<b>68,219.00</b>

## GREENHOUSE GAS AND OTHER GAS EMISSIONS

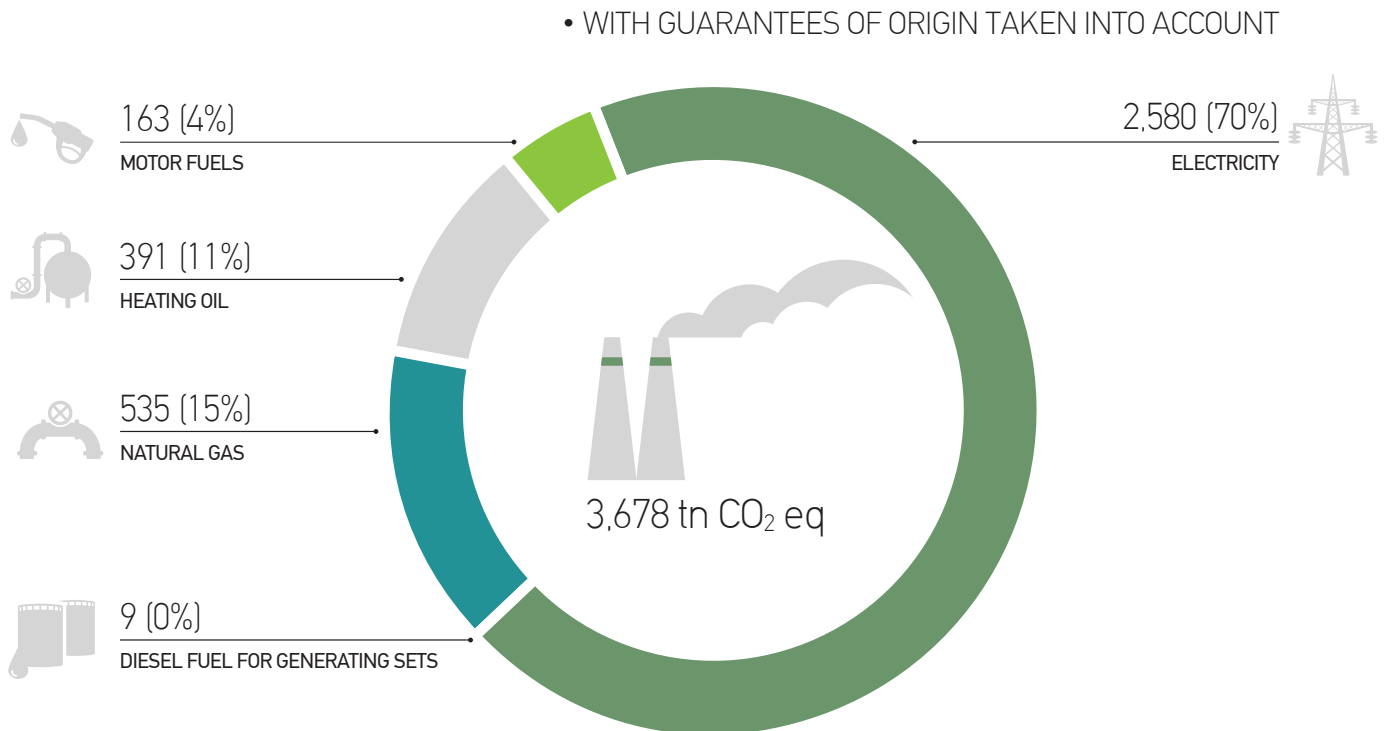
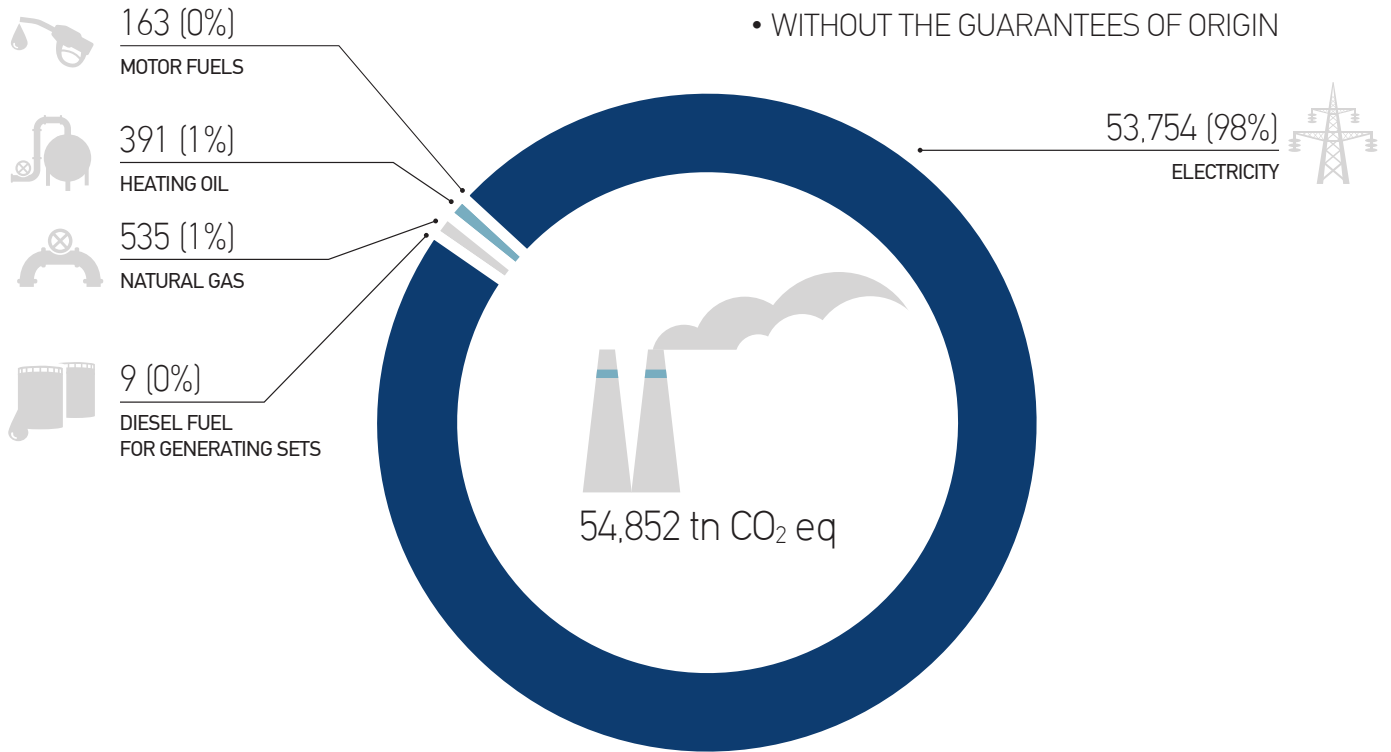
### GREENHOUSE GAS EMISSIONS FROM ENERGY CONSUMPTION

In 2016, Alpha Bank's greenhouse gas emissions from the above activities were calculated at 54,852 tn of 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 3,678 tn CO<sub>2</sub> eq.



## GREENHOUSE GAS EMISSIONS IN 2016

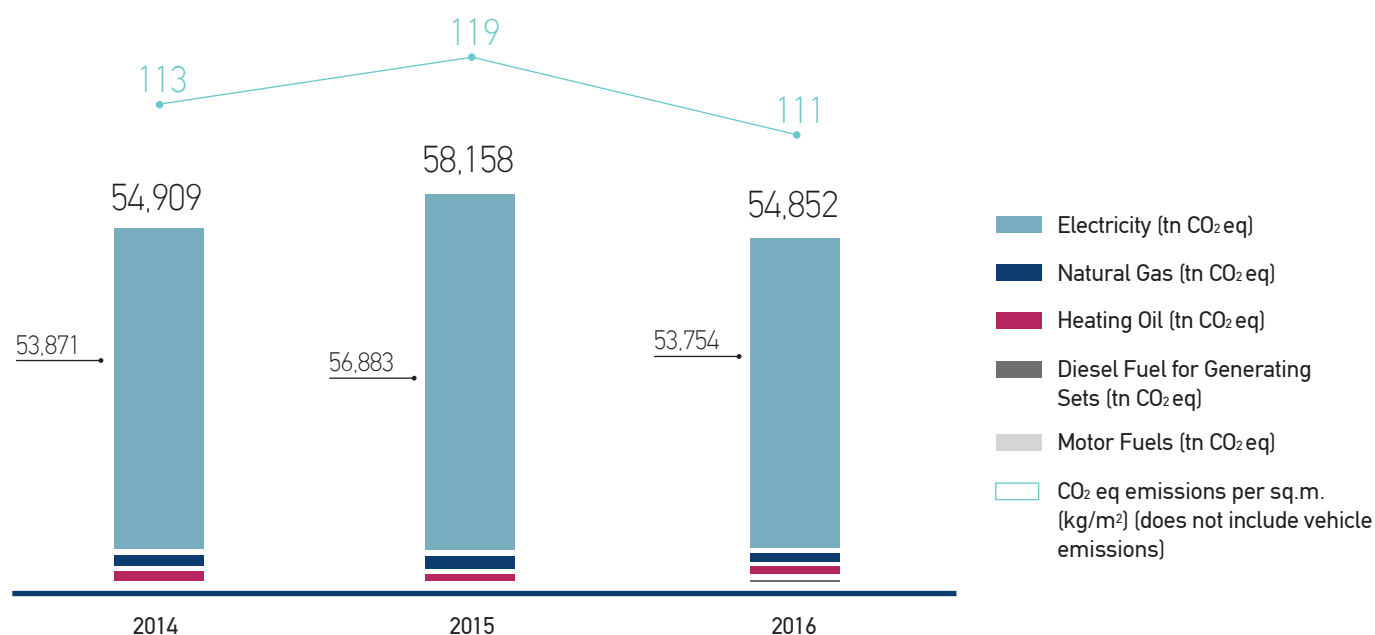


To calculate CO<sub>2</sub> emissions from the consumption of natural gas, heating oil, diesel fuel for generating sets and motor fuels (petrol and diesel), the emission coefficients of the Greenhouse Gas Protocol were used. The calculation of CO<sub>2</sub> emissions from the consumption of electricity 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 time horizon, as included in Decision 24/CP.19 by the Parties of the United Nations Framework Convention on Climate Change (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 2015.

### 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 2016, the Bank's emissions due to the business air travels of its Employees amounted to 110 tn CO<sub>2</sub>. In addition, the posting of material by the Bank to its Customers (account, card and loan statements) is estimated to have caused the release of 35 tn CO<sub>2</sub> of emissions. The emission coefficients of the Greenhouse Gas Protocol were used for these calculations.

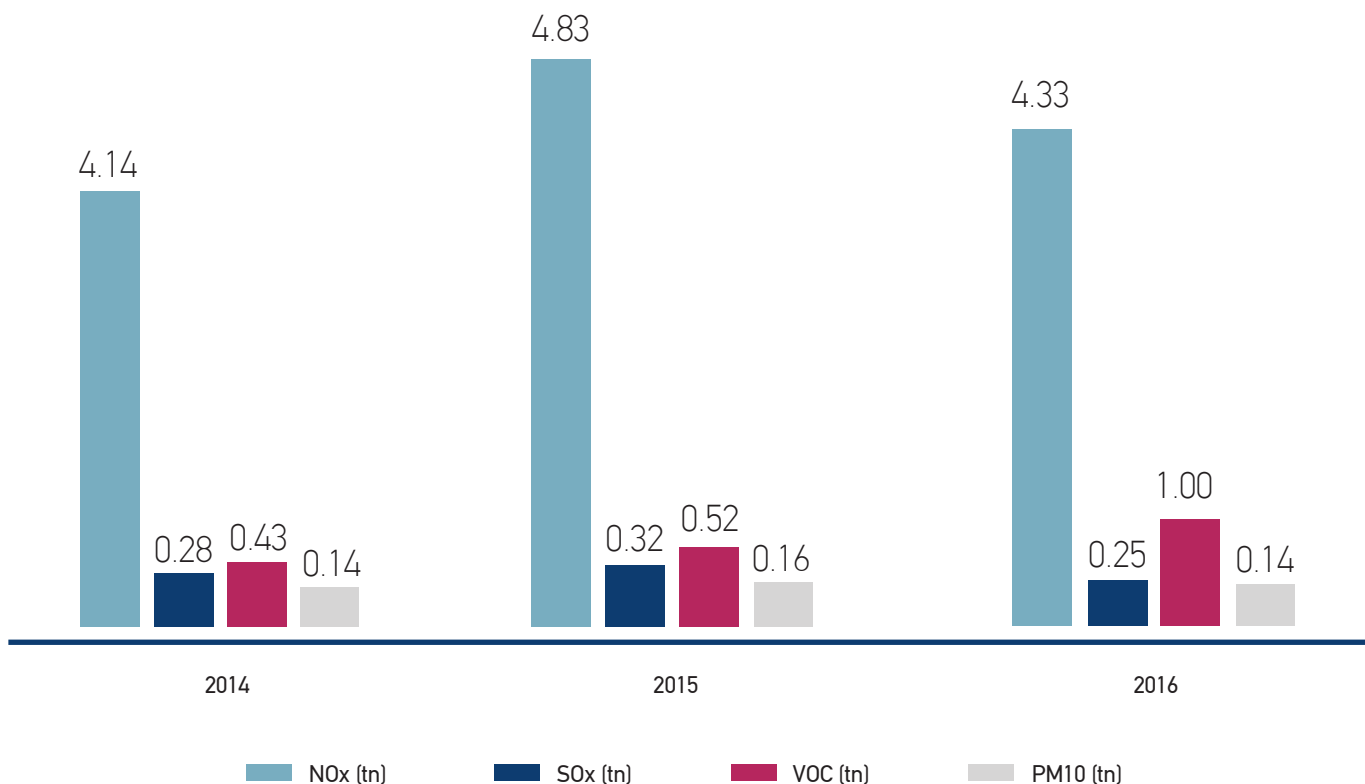


## OTHER GAS EMISSIONS FROM ENERGY CONSUMPTION

For 2016, 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 4.33 tn of NO<sub>x</sub>, 0.25 tn of SO<sub>x</sub>, 1.00 tn of VOC and 0.14 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



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 2016, the Bank used a total of 960.25 kg of coolants in order to top up air conditioning units (topping up due to leakage). This quantity corresponds to 1.8 kt CO<sub>2</sub> eq of greenhouse gas emissions, which make up 3% of all the (direct and indirect) greenhouse gas emissions due to the use of energy.

### COOLANTS ADDED TO ALPHA BANK'S COOLING INSTALLATIONS IN 2016

R407 (kg)	313.40
R407c	307.70
R410	136.95
R410a	167.70
R422	25.50
R422d	9.00
<b>Total</b>	<b>960.25</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 training 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 2016, by sending out electronic account statements (e-statements) for cards, deposit accounts and housing loans, instead of mailing printed copies by post, the Bank saved **71.65 tonnes of paper**, whose production would have required 1,218 trees to be cut down, and that the emission of **7.21 tn of CO<sub>2</sub>**, which would have been caused by posting the hard-copy statements to the Customers, **has been avoided**.

Additionally, in March 2016 the Bank participated, for the eighth 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.

## OTHER ENVIRONMENTAL IMPACTS

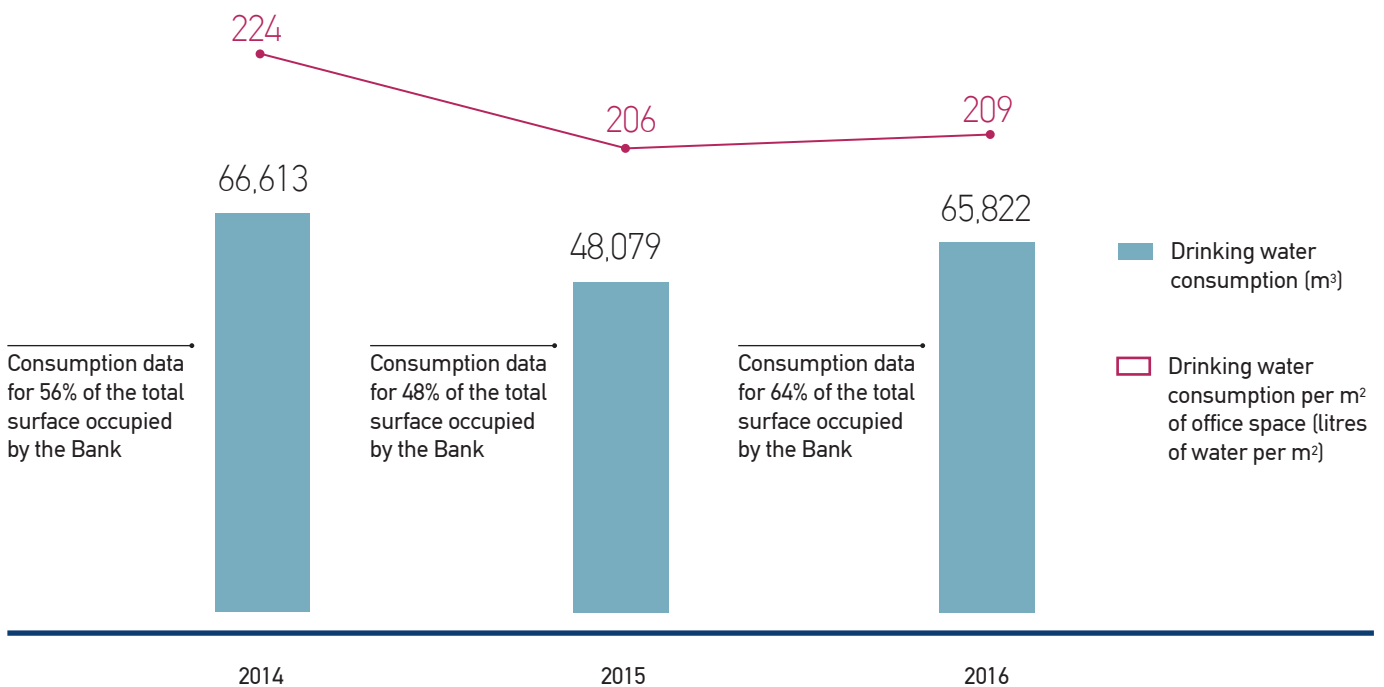
### USE OF RESOURCES AND WASTE MANAGEMENT

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 2016 are based on measurements taken at Buildings, Branches (Network) and other facilities of the Bank, as well as of 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 2016, the Bank centralised the monitoring of the water bills issued by EYDAP S.A. (the Athens Water Supply & Sewerage Company), in order to centrally monitor and record the consumption of drinking water at an ever-increasing number of Buildings and Branches.

2016 saw an increase by 4.5% (in terms of litres per m<sup>2</sup>) in the consumption of drinking water in the Bank’s active spaces.

### PAPER AND CONSUMABLES

The Bank continued, for the sixth 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 2016, a total of 189,238 packs of A4 paper were used, down by 3% compared to the previous year.

Also, 2016 saw the expansion of the pilot implementation of the Managed Printing Services Programme for the management of printing operations, presenting multiple benefits for the Bank, such as low consumption of paper, consumables and fixed equipment. This Programme was successfully implemented to 5 Central Buildings and 17 Bank Branches.

Additionally, with regard to the effort to reduce the use of consumables, the following actions were taken:

- The Bank sent out 18,421 Additional Password generation devices (tokens) to Businesses-Consumers to promote the use of the Alpha Web Banking service for transactions.
- The highly effective project for the electronic ordering of consumables and printed material by the Bank's Units was continued for the 10th consecutive year:
  - Total orders of printed material: 4,158  
Total boxes dispatched: 43,036
  - Total orders of consumables: 3,938  
Total boxes dispatched: 76,454

## WASTE MANAGEMENT

In 2016, 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.

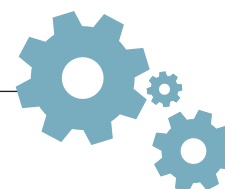
## WASTE MANAGEMENT IN 2016

### RECYCLING



270,800 kg of paper for pulping (and then recycling)  
 56,735 kg of copier paper (shredded from 29 Main Buildings)\*  
 53.50 kg of aluminium and plastic  
 15,608 kg of lead-acid batteries (from UPS devices)  
 5,431 kg of batteries  
 2,488 kg of light bulbs  
 8,808 pieces pieces of obsolete equipment (servers, PCs, monitors, printers, telephones, scanners, POS terminals, notebook, etc.)  
 4,799 pieces of printer consumables (toners, cartridges and drums)  
 1,212 pieces of miscellaneous equipment (refrigerators, fax machines, banknote counters, photocopiers, calculators etc.)

### OTHER DISPOSAL



23,010 kg of old metal and scrap for sale  
 4,507 pieces of obsolete POS terminals for sale  
 1,461 pieces of retired office equipment (1,455 items of furniture and utensils, 5 photocopiers and 1 fax machine) to be donated.

No special practice is applied to municipal waste. This waste is taken to controlled 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 Trees) and the American Farm School, in the organisation of environmental events.

More specifically, during 2016, **two environmental events** took place, along with **Olive Picking** events at the Kessariani Aesthetic Forest and the American Farm School. A total of **114** volunteers from the Bank's Personnel, together with members of their families, participated in these environmental events.

\*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.

98/99

TOGETHER FOR THE SOCIETY



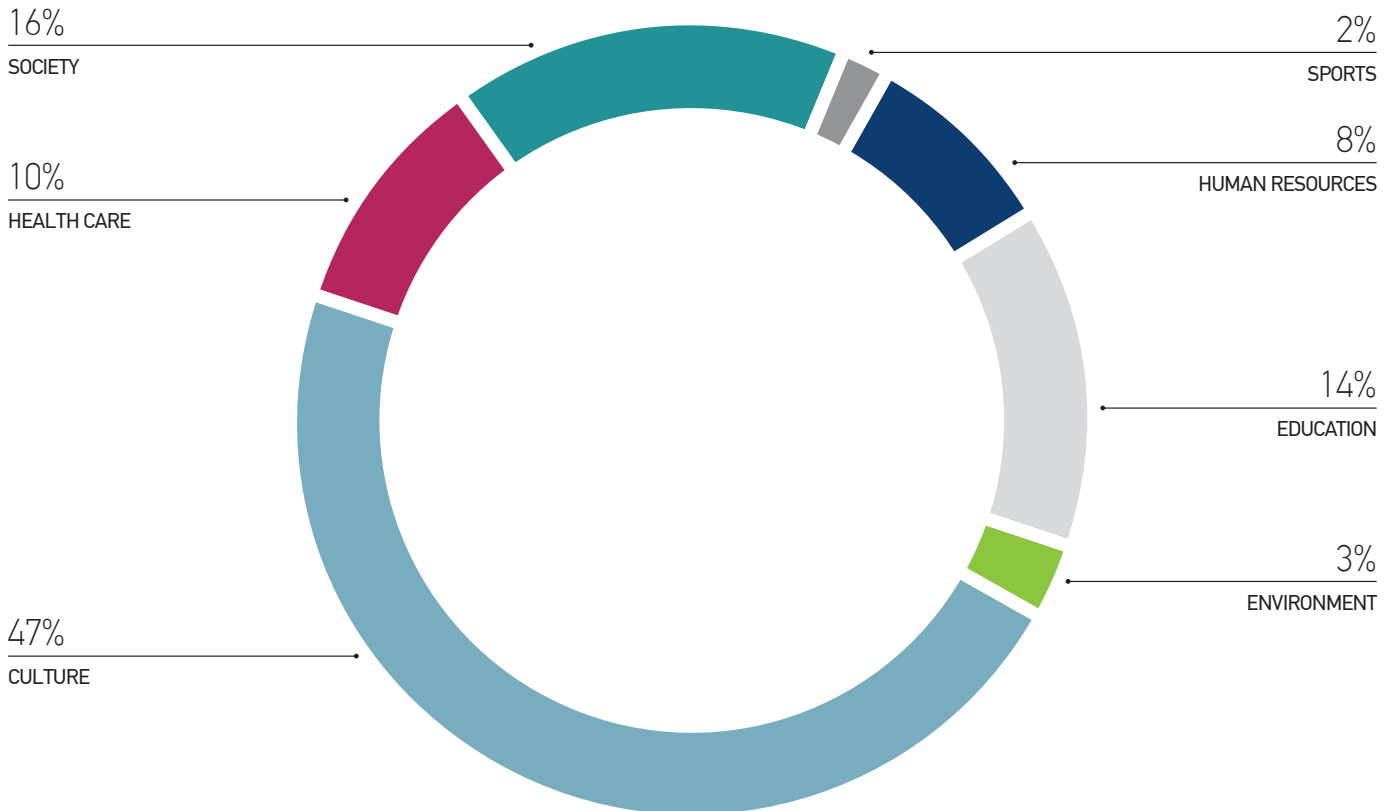
## SOCIAL CONTRIBUTION

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 2016, a total of 1,209 sponsorship requests were received from Greece, out of which 788 were granted.

Furthermore, Alpha Bank continues to invest in activities and initiatives that support education, culture, the environment and health care. In 2016, under its sponsorship programme, the Bank allocated the amount of Euro 1,633,274 as indicated below:

### SOCIAL CONTRIBUTION



## SUPPORT OF SOCIETY AND LOCAL COMMUNITIES

In 2016, 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 significant 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 the provision of health services in the Greek islands, in designing this Programme the Bank wanted to offer medical and pharmaceutical supplies and equipment. The main goals of the Programme are to assist in practice the difficult work of the local health centres and to **strengthen the feeling of security for 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 last three years of its implementation, **128,030 items of medical supplies and equipment** with a total value of Euro 200,000 approximately have been donated to a total of **20 islands**. This has significantly improved the ability to cater for the medical needs of the residents and visitors of 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 to **Patmos, Symi, Astypalaia, Karpathos, Chalki, Leros, Kalymnos and Kos**. In 2016, it was expanded to **8 more islands** representing a total population of **75,937 local residents**, namely **Thassos, Andros, Tinos, Folegandros, Kythnos, Samos, Icaria and Fourni**.

Specifically, in 2016 the Programme offered its support to:

- **four (4) Health Centres** (Andros, Icaria, Prinos in Thassos, Tinos);
- **three (3) General-purpose Regional Surgeries** (Dryopida in Kythnos, Folegandros, Fourni);
- **one (1) Hospital** (Samos),

which were provided with:

- **50,715** items of medical consumables;
- **399** items of medical equipment;
- **71** medical devices;
- **5** items of miscellaneous equipment.

In addition to the cost of the medical equipment, approximately **50 Bank Employees** contributed a total of **573 man-hours** of work for the Programme’s implementation and an amount equal to 6% of the equipment’s cost was spent for ensuring its delivery to the islands. Employees of “Agoni Grammi Gonimi” also worked for the Programme, contributing **1,716 man-hours**.



## PROGRAMME IMPACT ON THREE OF THE ISLANDS THAT RECEIVED SUPPORT IN 2016

**Ikaria:** According to data from the Health Centre, out of 90 cases that were dealt with, 38 cases (42% of all cases in that year) received better care thanks to the Programme. It is estimated that, without the Programme's support, 20 cases would have been referred to a private medical practice on the island and 30 cases to a clinic/hospital outside the island, including eight (8) cases that might have required air transport.

**Thassos:** According to data from the Prinios Health Centre, out of 12,470 cases, 120 cases were attended to thanks to the Programme. It is estimated that, without the Programme's support, 100 cases would have been referred to a private medical practice on the island and 30-40 cases to a clinic/hospital outside the island, including two (2) or three (3) cases that might have required air transport.

**Folegandros:** According to data from the General-purpose Regional Surgery, out of 1,193 cases, 235 cases (one out of five) were attended to thanks to the Programme. It is estimated that, without the Programme's support, 177 cases would have been referred to a private medical practice on the island and 58 cases to a clinic/hospital outside the island.

## "HELPING HAND"



The "Helping Hand" programme was launched in 2012 as one of Alpha Bank's Corporate Social Responsibility Programmes, in the context of its social contribution activities.

The Programme's key objective is to donate food supplies to vulnerable social groups (the destitute, large families and elderly persons in need) throughout the country, as well as to support Greek products, since the food supplies donated are purchased from Greek businesses.

In 2016, the Programme provided help to the Holy Church of the Transfiguration of the Saviour in Kordelio (Thessaloniki), the Family Support Centre in Ano Platanos, Istiaia (Evia), the Cultural Centre of the Diocese of Nikaia (Attica), The Food and Clothes Bank "Theoprosfora" of the Diocese of Korinthos, the Diocese of Lefkas and Ithaki, the Diocese of Monemvasia and Sparti, the Hospice in Pyrgos, Ilea (Peloponnese) and the Holy Church of Aghios Nikanor in Kastoria. Additionally, in the context of the Programme, food supplies were offered to the Social Groceries of the Municipalities of Halandri, Pallini and Thermo, as well as to the Foundation of the Aghios Ioannis Home for the Elderly in Talanta, Syros.

Since the launch of the Programme, a total of 19,000 carts with food supplies have been delivered.

## “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 πηλγώνουν**

Εμβληματικοί κτίριοι του κέντρου της Θεσσαλονίκης έχουν υποστεί φθορές κατά τα τελευταία χρόνια.  
 Η Alpha Bank, με την πολύτιμη ορατή του **Δήμου Θεσσαλονίκης**, του **Κολlegίου Ανατόλια** και της **Κ.Α.Ν.Θ.**, συμμετέχει στο πλαίσιο του προγράμματος “**Οι φθορές που πηλγώνουν**” και αναλαμβάνει τον καθαρισμό και την απομάκρυνση των κτιρίων στη νέα παρολιά Θεσσαλονίκης.  
 “Οι φθορές που πηλγώνουν” είναι ένα πρόγραμμα που σεβάζεται με σεβασμό στην παράδοση και τον πολιτισμό η Alpha Bank, για την αποκατάσταση και τη συντήρηση ιστορικών κτιρίων και μνημείων.

ΕΠΙΧΕΙΡΗΣΙΑΚΟ ΣΧΗΜΑ ΜΕΛΛΟΝΙΣΜΟΥ

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Following the completed restoration of 25 sculptures and monuments in Athens, in **2016** the Programme was expanded to **Thessaloniki** for the embellishment of local monuments and their surrounding area, by providing the Municipality of Thessaloniki with a graffiti removal and surface restoration machine, together with the supplies required for its operation.

The Programme’s activities were continued in 2016 with the initiative “**Let’s give Nea Paralia its old glow back**”, in a partnership among Alpha Bank, **Anatolia College, Thessaloniki’s Y.M.C.A.** and the **Municipality of Thessaloniki**. Its objective is to revitalise and improve the Nea Paralia area, which is a landmark for the city.

In 2017 the Programme will be continued with the restoration and maintenance of the **National Theatre of Northern Greece**, the **historic building of the Royal Theatre in Thessaloniki** and the **Athens Conservatoire**.

## COLLECTION OF FOOD SUPPLIES – APRIL 2016

On Saturday, April 9, 2016, social contribution events were organised in Athens, Thessaloniki, Larissa and Patra, in order to support organisations active in social work.

Thanks to the broad participation of the Bank’s Employees, a total of 680 boxes with food and other necessities were collected. Additionally, the Bank offered 140 packages of ecological laundry powder of the “Planet” brand.

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

## COLLECTION OF SCHOOL SUPPLIES – SEPTEMBER 2016

In the context of the Bank’s Corporate Social Responsibility initiatives, on Saturday, September 10, 2016, social contribution events were organised in **Athens, Thessaloniki, Larissa, Patra and Mytilene**, aiming to collect **school supplies for the children sheltered in local Children’s homes and foundations.**

A total of **261 cartons with school supplies** were collected from Bank Employee donations. Additionally, the Bank donated **250 ARCTUROS pencil boxes** for the needs of the children sheltered in Children’s homes and foundations.

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

In the framework of the programme “Together with the Children at the Museum and the Theatre”, which involves the organisation of theatre shows and guided tours to museums, exclusively for children sheltered in children’s Homes and Foundations, on Sunday, December 18, 2016, two events were held in Athens and Thessaloniki. More specifically, in Athens, children from Hatzikyriakio Child Care Institution, Lyreio Children’s Foundation and “Friends of the Child” Charity Association attended the performance of the play “A Dragon... but which Dragon?” at Porta Theatre.

In Thessaloniki, children from the Association of Friends of Children with Rheumatic Diseases, “Melissa” Orphanage for Girls and SOS Children’s Village in Plagiari, Thessaloniki, visited Thessaloniki Concert Hall, where they attended the performance of Karmen Rouggeri’s play “The Barber of Seville”.

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

Additionally, in 2016 **Shadow-Theatre shows** were held at the **Hatzikyriakio Child Care Institution in Athens** and the **SOS Children's Village in Plagiari, Thessaloniki**. The shows were run by specialised shadow-theatre performers, who entertained the children.

In the context of the Alpha Bank Group Volunteer Day, events were held at the Eugenides Foundation – Planetarium in Athens and at Noesis - Science Centre & Technology Museum in Thessaloniki, in which, children sheltered in Children's homes and foundations.

On Saturday, November 5, 2016, **MOYSA – the Megaro Youth Symphony Orchestra of Thessaloniki** visited the **SOS Children's Village in Plagiari, Thessaloniki**, in order to raise social awareness through music, as well as to give joy to all the children who attended this performance and entertain them. Finally, on Saturday, November 12, 2016, children from **"The Smile of the Child"** visited the **Goulandris Natural History Museum** for a guided tour of the live reptiles' and amphibians' exhibition.



Since the Programme's launch in 2015, 14 cultural events have been held to this day, in all of which children have participated with great enthusiasm.

## EDUCATION - TECHNOLOGY

In line with its commitment to supporting education and technology, the Bank shipped **2,823 books** and **173 PCs** to **schools and other Foundations all over Greece**.

Additionally, the Bank sponsored the TEDx2016 event, which included a presentation by the acclaimed writer and journalist John Andrews, on "The World in 2030", given at the Museum of Cycladic Art, as well as a presentation by Mr. John Danner, entitled "How to put innovation at work in the Banking Sector", given at the Bank's Main Building. Members of the General Management and Executives from all the Divisions of Bank attended Mr. Danner's speech.

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

In the context of the Bank's contribution to society and to education in particular, school student visits to the Bank's Branches and university student visits to the Bank's Main Building are frequently organised, where they are given presentations about financial issues and the operation of the banking system. These presentations are followed by guided tours to key areas where the Bank's operations take place, such as the Dealing Room, the safe deposit box vaults etc.

During 2016, a total of 121 school and university students visited the Bank.

## SUPPORT OF CULTURE

Alpha Bank evidences its concern for Art and Culture and actively participates in the Greek cultural life not only through the financial support of the corresponding 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 during 2016 had 8,295 visitors.

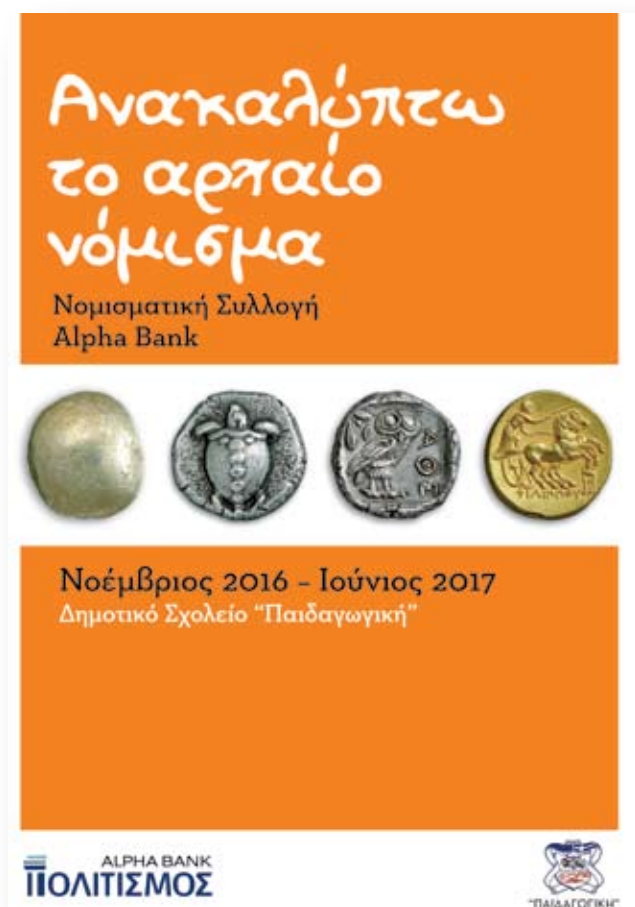
ALPHA BANK  
**CULTURE**

Although the visual identity of Alpha Bank Culture is part of the Bank's general visual identity, it carries some special characteristics that serve its communication needs.

## EXHIBITIONS

### “DISCOVER ANCIENT COINAGE”

“Discover ancient coinage”, an exhibition organised by the Alpha Bank Numismatic Collection, has been on display at the Museum Area of the “Pedagogiki” Elementary School in Piraeus, since November 2016. The exhibition takes students on a tour through the history of Coinage, from the time of its invention (late 7th/early 6th century BC) through the end of the Hellenistic era (2nd century BC). A total of 47 copies of ancient coins from the Alpha Bank Collection are on display.



### “ATHENIAN OWLS” (ONLINE EXHIBITION)

The Exhibition “Athenian Owls” by the Bank’s Numismatic Collection was continued during 2016 at the “Politismos Museum of Greek History” (an online museum). The Exhibition is a reference to the best-known coin of antiquity, the tetradrachm of the city of Athens, which circulated beyond the boundaries of the issuing authority and was widely used in international transactions for a long period of time.

The online Exhibition received **2,678 visitors**.



## EDUCATIONAL PROGRAMMES

### “LEARNING ABOUT ANCIENT COINS”

The educational programme “Learning about Ancient Coins”, intended for Elementary School and Lower High School (Gymnasium) students, is conducted in the permanent Exhibition Space of the Numismatic Collection and, if requested, at the premises of the schools.

During 2016, the Programme was attended by:

- third - and fourth-grade students of the Psychico College Elementary School;
- third-grade students of the 3rd Elementary School of Spata.



The Programme was also presented at the Goulandris Natural History Museum – GAEA Centre, as well as at the “Hellenic Police Campsites” Foundation.



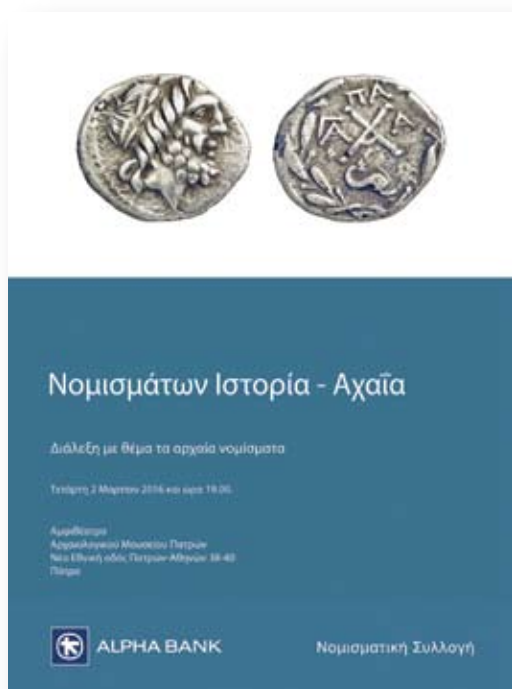
The Training Programme was attended by a total of **485 children**.

## LECTURES

### “HISTORY OF COINS – ACHAIA”

On Wednesday, March 2, 2016, a lecture entitled “History of Coins – Achaia” was successfully organised at the Auditorium of the Archaeological Museum of Patra, in collaboration with the Ephorate of Antiquities of Achaia.

The event was attended by **180 persons**.



## OTHER ACTIVITIES

### EDUCATIONAL LECTURES ON ANCIENT COINS



In 2016, educational lectures on ancient coins were organised in the premises of the Bank’s Numismatic Collection. The lectures were attended by:

- postgraduate Classical Archaeology students from the University of Sydney (January 13, 2016);
- students of the Archaeology Department of the Aristotle University of Thessaloniki (March 21, 2016);
- students of the History and Archaeology Department of the National and Kapodistrian University of Athens (March 28, 2016);
- postgraduate Archaeology students from the University of Edinburgh (May 19, 2016);
- postgraduate students from the Belgian School at Athens (October 5, 2016).

### STATER 360<sup>2</sup> – AN INTERACTIVE SYSTEM FOR THE PRESENTATION OF ANCIENT COINS

The interactive system Stater 360<sup>2</sup>, which allows the public to become familiar with selected ancient coins from the Alpha Bank Numismatic Collection, is 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 20 coins are represented. The user can view all of them at high-resolution magnification, choosing one coin at a time. He/she can examine the coin under a magnifying glass, read its description and use the map to locate the city that issued it. On the nearby display, he/she can also read the history of the issuing authority. To see the reverse side of the coin, the user can just flip the disc over.



The system's concept, design, core technology, as well as the display construction aesthetics have been implemented by the Foundation for Research and Technology – Hellas (FORTH) at the request of the Alpha Bank Numismatic Collection.

## BANKNOTE MUSEUM OF THE IONIAN BANK - CORFU

During 2016 the Museum had a total of 6,125 visitors, out of which 4,024 were Greek and 2,101 were foreign visitors.

## NEW PERMANENT EXHIBITION

### “GREEK BANKNOTES. HISTORICAL EVIDENCE”

In May 2016, the opening event of the new permanent Exhibition at the Banknote Museum of the Ionian Bank in Corfu was held. The Exhibition presents the paper money that was circulated throughout the history of the newly-established Greek State: banknotes, coin notes and related material spanning 180 years of history. Major events in Greek history, which are directly linked to the numismatic circulation, are presented by means of a timeline. The Exhibition is accompanied by a fully illustrated catalogue of the same name, in Greek and English versions, featuring introductory texts and entries.

## EDUCATIONAL PROGRAMMES

### “BANKNOTES – THE GREEK BANKNOTE”

The Educational Programme entitled “Banknotes – the Greek Banknote” has been underway since October 2016 as part of the new permanent exhibition “Greek Banknotes. Historical Evidence” at the Banknote Museum of the Ionian Bank in Corfu. 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). Two publications have been designed for the purposes of the Programme, addressed at two different education levels (Primary School and Lower High School).

**Χάρτινο νόμισμα**  
το ελληνικό χαρτονόμισμα  
Μουσείο Χαρτονομισμάτων Ιονικής Τραπεζικής-Κέρκυρα

**ΕΚΠΑΙΔΕΥΤΙΚΟ ΠΡΟΓΡΑΜΜΑ  
ΓΙΑ ΜΑΘΗΤΕΣ Δ΄-ΣΤ΄ ΔΗΜΟΤΙΚΟΥ  
ΚΑΙ ΓΥΜΝΑΣΙΟΥ**

Τα παιδιά γνωρίζουν σημαντικές στιγμές της ελληνικής ιστορίας, τα ελληνικά χαρτονομίσματα και την εικονογραφία τους.

Η συμμετοχή στο Πρόγραμμα είναι δωρεάν.  
Διάρκεια: 1 ώρα / Αριθμός παιδιών έως 25 / Ημέρες: Πέμπτη και Παρασκευή

Πληροφορίες και δηλώσεις συμμετοχής:  
**ΜΟΥΣΕΙΟ ΧΑΡΤΟΝΟΜΙΣΜΑΤΩΝ ΙΟΝΙΚΗΣ ΤΡΑΠΕΖΗΣ**  
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Τηλέφωνο: 266 304 1933  
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**ALPHA BANK**  
**ΠΟΛΙΤΙΣΜΟΣ**

**417 children** participated in the Educational Programmes in 2016.

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

### EXHIBITIONS



- The exhibition entitled **“The Alpha Bank Collection. Greek Art from 1950 until today”** was presented at the New Annex of the Modern Greek Art Museum of the Municipality of Rhodes. It showcased 38 paintings, prints and sculptures. A guided tour of the Exhibition took place for the Bank’s Personnel.
- The exhibition entitled **“The Alpha Bank Collection. Greek Art from 1950 until today”** was transferred to the Museum of Contemporary Art in Rethymno. It showcased 53 paintings, prints and sculptures. A guided tour of the Exhibition took place for the Bank’s Personnel.
- An exhibition entitled **“Printmaking conversations. Young Greek printmakers face past Greek printmakers”** was organised in partnership with the Athens School of Fine Arts and the Contemporary Greek Art Institute (ISET), showcasing 41 prints by young artists. The Exhibition was hosted in the ISET premises.
- The educational exhibition **“Myth: Ancient and Contemporary Greek Art from the Alpha Bank Collections”**, for Primary and Secondary Education School students, continued during 2016 at the Alpha Bank Cultural Centre in Nafplio, in cooperation with a museum education specialist who designed the Exhibition’s guides and the special publications accompanying it. During 2016, a total of 1,719 students visited the Exhibition.
- After the above Exhibition was over, the Exhibition area of the Cultural Centre 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 cooperation with a museum education specialist from PFF, who designed the Exhibition’s guides and the special publications accompanying it.

### VARIOUS ACTIVITIES

- In collaboration with Corporate Social Responsibility, the **“Alpha Bank Award”** was established as part of the Young Designers Competition organised by the “Gr Design” magazine at Benaki Museum (23.4.2016). The winner also designed the poster for the Alpha Bank Group Volunteer Day 2016.
- Participation of the Alpha Bank Cultural Centre - Nafplio in the **“Night of Museums”**, on 21.5.2016.
- Support of the annual **Art Athina** event, held at the Tae Kwon Do Indoor Hall, in Faliro. As one of the two sponsors of the event, the Bank was present with a central stand, in which the work “Plegma” by Nikos Alexiou was exhibited. Art Athina duration: 27-29.5.2016.
- The large-size wall composition by Yannis Moralis was removed from the Korai Branch and, after undergoing maintenance, it was installed on the ground floor of the Main Branch of the Bank.
- Hosting of the international postgraduate programme **“Olympia Summer Academy”** of the European International Studies Association, by 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.
- The Alpha Bank Art Collection participated in the **“Synergies and new Perspectives on Collaboration”** international symposium organised by the International Association of Corporate Collections of Contemporary Art at the Stedelijk Museum of Amsterdam on November 25, 2016.

### WORKS OF ART ON LOAN

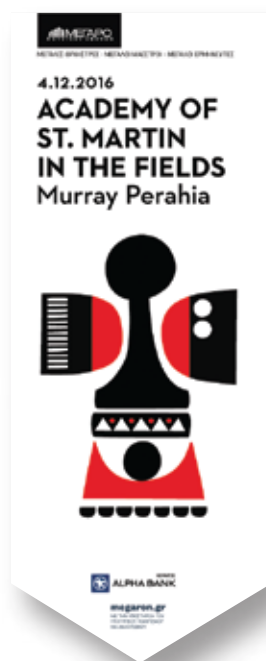
- Lending of a work by G. Steris to the **“Hypnos Project”** exhibition, organised by the Onassis Foundation at the Onassis Cultural Centre.
- Lending of a work by V. Kaniaris to the exhibition **“Vlasis Kaniaris. To Tinos III”**, organised by the Cultural Foundation of Tinos Island in its exhibition space in Chora, Tinos.
- Lending of seven works to the exhibition **“Eleftherios Venizelos. 80 years from his death”**, organised by the Municipality of Heraklion in Crete.



- Lending of nine works by Yannis Moralis to the exhibition **“The Aegina of Yannis Moralis”**, organised by the Municipality of Aegina at the Archaeological Museum of Kolona.
- Lending of one work by Yannis Moralis to the exhibition **“Yannis Moralis – Christos Kapralos”**, organised by the National Gallery at the Stavros Niarchos Foundation Cultural Centre.
- Lending of two works to the exhibition **“Genii Loci. Greek art from 1930 to the Present”**, organised by the Ministry of Culture and Sports at the Manege Central Exhibition Hall in Saint Petersburg, in the context of the Cross-Cultural Year of Greece in Russia.
- Lending of five works to the exhibition **“Divided memories 1940-1950. The distance between history and experience”**, organised at the Macedonian Museum of Contemporary Art in Thessaloniki.

## SPONSORSHIPS

### THE ATHENS CONCERT HALL – “ACADEMY OF ST. MARTIN IN THE FIELDS AND MURRAY PERAHIA”



Alpha Bank sponsored a concert by the leading chamber orchestra “Academy of St. Martin in the Fields”, featuring renowned American pianist Murray Perahia as soloist and conductor. The concert was held at the Athens Concert Hall. The orchestra, which comprises outstanding British musicians, has been carrying out a series of concerts with Murray Perahia titled “Perahia Plays Beethoven”, at the most important European concert halls.

### ONASSIS CULTURAL CENTRE - “THE ENCOUNTER”

The Bank sponsored the performance “The Encounter”, which was presented by Simon McBurney at the Onassis Cultural Centre.



The performance is a solo recital by the performer, director and founder of the “Complicite” theatre company and an international co-production with the Edinburgh International Festival, the Onassis Cultural Centre, the Théâtre de Vidy-Lausanne and three other important European theatres.

The performance is inspired by a book McBurney read twenty years ago, narrating the true story of a “National Geographic” photojournalist, Loren McIntyre, who in 1969 disappeared into the rainforests between Peru and Brazil on an assignment. Rescued by the members of an unknown tribe, he was initiated through their rituals into an unprecedented, consciousness-expanding experience.

### TELOGLION FINE ARTS FOUNDATION - EXHIBITIONS OF WORKS BY DELACROIX AND PHILIPPOTEAUX

Alpha Bank, consistent in its support of Arts and Culture, sponsored two major Exhibitions of works by prominent 19th century French artists Eugene Delacroix and Henri Felix Emmanuel Philippoteaux, on display at the Aristotle University of Thessaloniki’s Teloglion Fine Arts Foundation.

The Exhibitions highlighted two landmark moments in the history of Greece and France, namely the 1821 Greek War of Independence and the 1870 Siege of Paris, stressing the friendship, support and cultural interaction between the two countries.





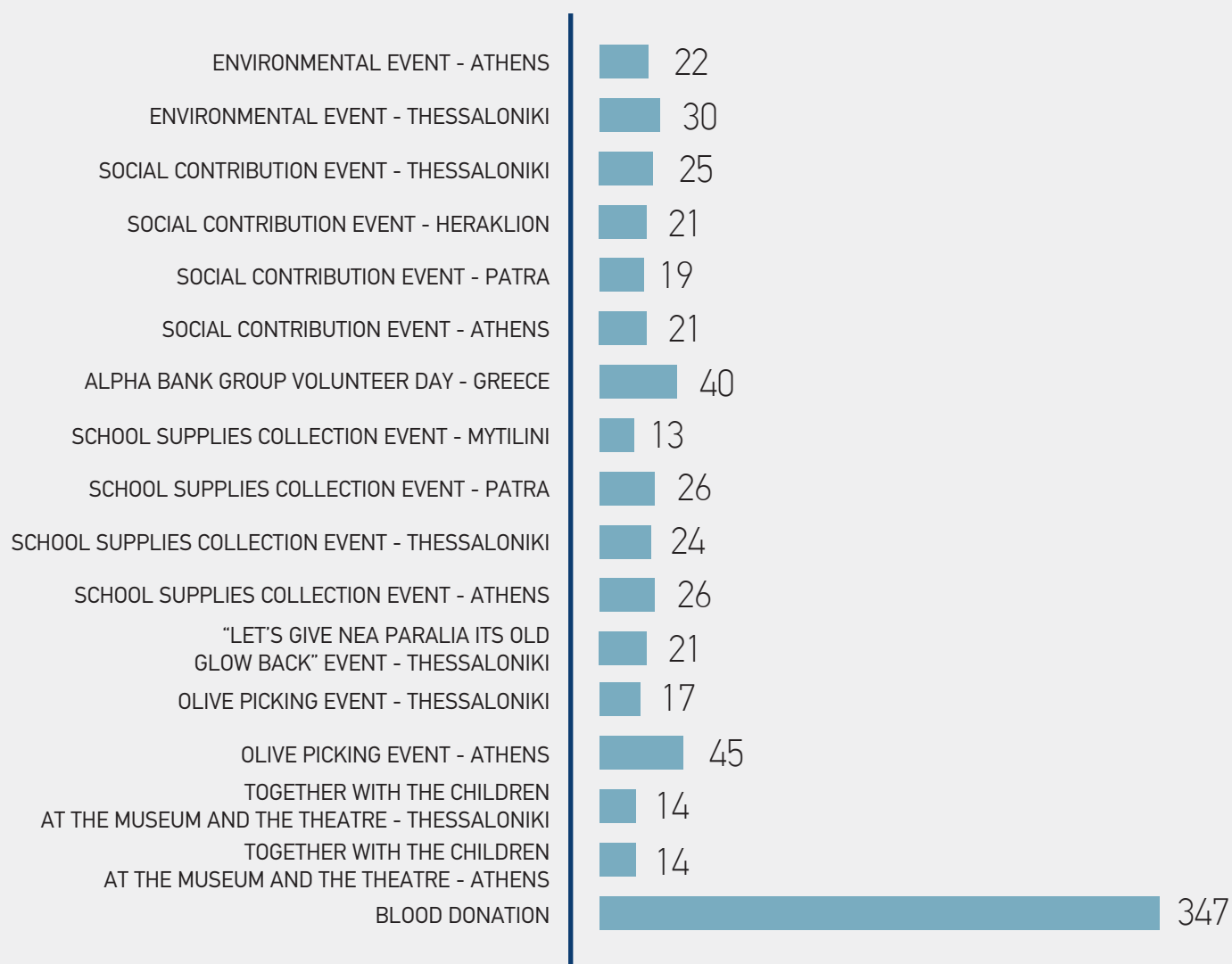
## VOLUNTEERISM – PARTICIPATION OF EMPLOYEES

725 Employees participated  
in 18 volunteer events

During 2016, the Bank's Personnel continued to take active part in blood donation and social solidarity and environmental events organised in cities where the Bank is present. In particular, members of Personnel participated in **18** volunteer events, with the total number of participants standing at **725**. Of these, **378** participated in social and environmental events while **347** in blood donation. Employees are kept informed of the opportunities for participation 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 during 2016 is indicated in detail in the table below:

### EMPLOYEE PARTICIPATION IN VOLUNTEER EVENTS DURING 2016



## ALPHA BANK BLOOD BANK



Since 2001, Alpha Bank has established a blood bank, through which the Bank's Employees, as Volunteer Blood Donors, assist 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 472 blood units were donated in 2016 and are at the disposal of Bank Personnel in cases of emergency.

## ALPHA BANK GROUP VOLUNTEER DAY

The "Alpha Bank Group Volunteer Day" has been established since 2009 as a Group-wide initiative that aims to further sensitise its people to social and environmental issues.

In 2016, **approximately 1,000 volunteers** from the Bank's Personnel, together with members of their families, participated in actions of social or environmental nature **in five (5) countries**, Greece, Cyprus, Romania, Serbia and Albania.

**In Greece**, the "Alpha Bank Group Volunteer Day" was held on Sunday, May 22, 2016, in Athens and Thessaloniki, with the participation of **60 volunteers** from the Bank's Personnel. During this year's Volunteer Day, events for children were organised at the Planetarium of the Eugenides Foundation in Athens and at the Noesis Science Centre and Technology Museum in Thessaloniki, with the participation of children sheltered in Children's Homes and other Foundations in the two cities. The volunteers welcomed the children and, together, they followed the guided tours given and watched scientific shows and presentations, after which they offered gifts to the children. The children's enthusiasm and joy were particularly touching, not only for the volunteers but also for the children's escorts, who congratulated the Bank for this initiative.

**In Cyprus**, a group of volunteers hosted events in restaurants and playgrounds for children from shelters, foundations and special schools. About **50 volunteers** in total took part in these activities, playing with the children, having fun together and distributing gifts on behalf of the Bank.

**In Romania**, **128 volunteers** from the Bank's Personnel, together with members of their families, participated in tree planting and embellishment activities in the Botanical Garden of Bucharest. The volunteers planted trees and decorative plants and also placed new benches and waste bins. In addition, in the framework of Alpha Bank Romania S.A.'s cooperation with the Romanian SOS Children's Villages, 15 children from the SOS Children's Villages in Bucharest participated in the above activities by helping the Bank's volunteers in their work to embellish the Botanical Garden.

**In Serbia**, **volunteers** from the Bank's Personnel participated in the "Wall of Kindness" initiative. This initiative, already well-established in Serbia, seeks to encourage people to offer clothes and food supplies to those in need. The particular event was held simultaneously in six (6) cities across Serbia with the participation of **250 volunteers**, who contributed food supplies, personal hygiene items and articles of clothing, bringing them to eight (8) designated locations. In total, more than 60 cartons of supplies were collected.

**In Albania**, on the occasion of the "Alpha Bank Group Volunteer Day", volunteers from Alpha Bank Albania SHA undertook to clean up the Kepi I Rodonit cape area, in order to restore the natural beauty of the site. More specifically, 110 volunteers, united by the slogan "Together, we make the environment cleaner", collected about 300 bags of litter. In addition, on Sunday, June 5, 2016, about **100 volunteers** from Alpha Bank Albania SHA undertook to plant 3,100 pine trees at the Lura National Park. The park is home to seven (7) natural lakes and tree-planting drives to landscape the area are often carried out.

## LIBRARY COLLECTION, SUBSCRIPTIONS AND SERVICES TO USERS

In 2016, the Alpha Bank Library Collection was enriched with 1,260 new titles of publications in various categories, as well as with informational material, and now comprises more than 29,670 book titles. In addition to Greek and foreign encyclopaedic and lexicographical 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, while it also offers lending services for the Group's Personnel, with more than 939 active members today and with 110 new members having been added in 2016.

During 2016, over 1,100 books and 50 sectoral studies were lent out, whereas 41 researchers visited the Library in order to gather information and study in the Reading Room.

Finally, the Library managed the subscriptions to the daily Press, magazines and journals in order to cater for the needs of the Bank's Units.

## MANAGEMENT OF THE BANK'S PUBLICATIONS

The Publications of the Bank, currently numbering more than 170 titles covering various areas of Greek history, economy and art, were sold to bookshops and publishing houses.

In the context of the Bank's policy regarding the promotion of Greek culture, the Library proceeded to donate 4,644 copies of Bank Publications and 575 copies of third-party publications to public and academic libraries, cultural foundations and organisations, as well as to Units of the Bank in order to cover corporate needs.

More specifically, the Bank continued to donate publications to a series of municipal libraries, such as the Library of the border village of Metaxades in the Evros region, the Papadiamanteios and Moraitideios Library of Skiathos, the "Athanasios Christopoulos" Municipal Library of Kastoria, the Public Library of Vytina, the "Koraes" Central Public Historical

Library of Chios, the Municipal Library of Beirut, to which the donation was conducted with the mediation of the Greek Embassy in Beirut, and to many more, acknowledging their significant contribution towards the intellectual cultivation of their visitors.

Similarly, publications were dispatched to university libraries and in particular to the Library of the University of Piraeus, the Library of the Technological Educational Institute of Epirus, the Library of the Athens School of Fine Arts and the Library of the International Hellenic University.

Books were also donated to 69 primary and secondary schools nationwide and to cultural institutes and organisations, such as the Folklore Association of Arachova, the Agricultural History and Folk Art Museum in Crete, the "Philip" Historical and Folklore Society of Giannitsa, the Greek Guiding Association, the Association of the Fanarites of Olympia et al.

Furthermore, in order to support the Gennadius Library, the Bank in 2016 donated 141 copies of its Publications to support the book bazaars organised by the Association of Friends of the Gennadius Library. At the same time, it donated Publications to the book bazaar of the Association "Friends of the Goulandris Museum of Natural History", to support the aims of the Museum.

In the context of Alpha Bank's social contribution, the Library donated 360 copies of its Publications to Christmas bazaars of charity associations and organisations, such as the Hatzikyriakio Childcare Institution, the Therapeutic Riding Association of Greece, the Charity Association "FRIENDS OF THE CHILD" and the "THEOTOKOS" Foundation.

## HELLENIC ECONOMIC LIBRARY NETWORK

During 2016, the Hellenic Economic Library Network (H.E.L.I.N.), of which the Bank's Library is a member, organised successfully the First Series of Economics-oriented Lectures for Libraries, featuring five subject areas presented in the course of ten lectures. 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.

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.

## “ALPHA BANK – CULTURE STORE” - CULTURAL FOUNDATION OF THE IONIAN BANK

During 2016, a total of 1,185 persons visited the “ALPHA BANK – CULTURE store”, where they had the opportunity to learn about the Bank’s cultural activities and purchase the Alpha Bank and the J.F. Costopoulos Foundation publications. Since December 2014, copies of ancient coins from the Alpha Bank Numismatic Collection have also been available for sale at the “ALPHA BANK – CULTURE store”. The copies, available in limited quantity, are made of 925-grade silver and bear an incised “A” on the reverse.

## E-SHOP

In the context of continuously improving and modernising the services offered by the “ALPHA BANK – CULTURE store”, the e-shop was launched in November 2016. The e-shop is targeted at the general public and allows interested parties to obtain swiftly and directly the Publications of Alpha Bank, as well as copies of a limited number of ancient coins from the Alpha Bank Numismatic Collection. Furthermore, it provides information on the new products and the current offers and discounts.

The e-shop can be accessed at [www.alpha.gr/alphapolitismos](http://www.alpha.gr/alphapolitismos).



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# INTERNATIONAL NETWORK



## 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 2016, the Bank supported and/or participated in the following events:

- Sponsor of events organised by the “ELIPDA” (“HOPE”) Association, on the occasion of the World Day against Childhood Cancer. The “ELPIDA” Association supports children with cancer and leukaemia, seeking to provide within Cyprus the best possible care and treatment conditions for children and adolescents with malignant diseases.
- Sponsor of the 16th “Love Route” organised by the Cyprus Association for children with cancer and related diseases “One Dream One Wish”. As part of the Event, members of the Association and volunteer bikers visit all the districts of Cyprus, in order to inform the public about the problems that children and young people suffering from various forms of cancer are facing. The proceeds from donations collected are used to fulfil the wishes of the children supported by the Association.
- Sponsor of the “17th Fête of Joy and Contribution” organised by the Cyprus Association for children with cancer and related diseases “One Dream One Wish”, in order to raise funds in aid of its work.
- Official Sponsor of the Annual Awareness and Prevention Week on Kidney Disease, organised for a number of years by the Cyprus Kidney Association (PSFN). During this week, a Cyprus-wide fundraising event took place, with the aim of financially supporting the Association. In addition, informational presentations and discussions were organised.
- Financial assistance to the Cyprus Paraplegic Association (OPAK), which contributes to the alleviation of the difficulties faced by paraplegics.
- Provision of financial support to students in need, through the Students Welfare Association of the University of Cyprus, by sponsoring events organised by the University, such as the staging of the play “Q.E.D.” or “What did Mr. Feynman prove”.
- Offer of financial awards to graduating and top students of Public High Schools.
- Support of the 3rd Annual Alpha Bank Lecture, which was organised by the University of Cyprus and was given as part of the Literacy Day Celebrations.
- Sponsor of the Cyprus Youth Symphony Orchestra Programme of the Cyprus Symphony Orchestra Foundation.
- 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.
- Donation of food supplies and other basic necessities during the Easter and Christmas holiday seasons, to social groceries, public benefit institutions, charities and other organisations that support families and people in need in all Cyprus districts.
- Sponsor of the Solar Car Race, organised by the Cyprus Institute in collaboration with the Nicosia Municipality, in Nicosia city centre. The event’s key objective was to raise awareness in the Cypriot society, especially the youth, of the use and exploitation of renewable energy sources.

Additionally, the Bank sponsors conferences on subjects related to its activities and supports sport events, such as the Limassol International Marathon GSO. Alpha Bank Cyprus Ltd participated in the 5 km Corporate Run of the above-mentioned event with a team of 42 people.

Finally, the Bank organises several times a year the Staff Blood Donation Day, which is conducted with the voluntary participation of the Personnel in all Cyprus districts, in collaboration with the Blood Bank.

## ROMANIA

During 2016, in the context of Corporate Social Responsibility, Alpha Bank Romania S.A. continued to support initiatives in the domains of education, culture and the protection of the environment.

In particular, the main initiatives supported in 2016 were the following:

- **Business events:** Alpha Bank Romania S.A. sponsored events for the development of bilateral relations between Greece and Romania, organised by the Hellenic-Romanian Chamber of Commerce and attended by representatives of the Romanian and Greek business communities.
- **Support of the “Little Bankers Olympiad”:** Alpha Bank Romania S.A. continued to support the “Little Bankers Olympiad” contest, in the framework of an educational programme on financial issues, carried out each year with increasing success. Moreover, in the autumn of 2016, the Bank organised an open lesson about its deposit and loan products, for the benefit of fourth grade schoolchildren of a Bucharest primary school.
- **Sponsor of the largest fundraising event aimed at reducing school dropout rates:** At the end of 2016, Alpha Bank Romania S.A. participated as a sponsor in the “Christmas Tree Fair”, Romania’s largest fundraising event, organised under the auspices of the “Save the Children” organisation in order to raise money that will help combat early school dropout in poor communities. Thanks to the contribution of Alpha Bank Romania S.A. and of the event’s other sponsors, more than 25,000 children from poor families will be able to continue their school studies.
- **Support of the Sibiu International Theatre Festival:** Alpha Bank Romania sponsored the Sibiu International Theatre Festival, the most complex 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.
- **Main sponsor of the first urban natural park in Continental Europe:** Alpha Bank Romania S.A. supported, for the third 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. More specifically, on May 14, 2016, Alpha Bank Romania S.A. organised, within the Vacaresti Natural Park, the second edition of the Alpha Bank Photo Safari, an event for the Bank’s Personnel, dedicated to all photo enthusiasts and nature lovers. Twenty (20) Employees of the Bank participated in this event.

## SERBIA

During 2016, Alpha Bank Srbija a.d. continued to support initiatives in the context of the Corporate Social Responsibility, as follows:

**Donation to the Sports Club for the blind “Dodir”:**

The donation was used to cover the participation costs for the Club’s members, who are blind and partially sighted athletes from the Moravički District, in the competitions that took place in Slovakia, Croatia and Bosnia and Herzegovina during the first quarter of 2016.

**Donation to the Association of Paraplegics and Quadriplegics PARAKVAD VŠ:** Through one of its programmes currently under implementation, the Association offered, with the support of Alpha Srbija a.d., a custom-built vehicle to be used in the daily transportation of schoolchildren with disabilities from their homes to school and back.



**“Hvala” Programme:** In 2016, Alpha Bank Srbija a.d. continued its partnership with the Ministry of Health of the Republic of Serbia in the “Hvala” programme, which is based on the MasterCard Hvala card. In the previous years, the Programme, which collects money for donations to the health sector on the basis of the use of the MasterCard Hvala by cardholders in their daily transactions, has helped raise a significant amount of money.

**Sponsorship of the “Pink Run” Race:** On the occasion of the National Day of Fighting Breast Cancer, on March 27, 2016, the Natalis Foundation, with the support of Alpha Bank Srbija a.d., organised the third annual “Pink Run” Race at Belgrade’s Ada Ciganlija lake, aiming to raise the public’s awareness of the importance of breast cancer prevention.

**Donation to UNICEF - October 2016:** A member of UNICEF since 2011, Alpha Bank Srbija a.d. continued to support the Organisation during 2016 as well. This cooperation takes place through the Bank’s membership in the UNICEF Club of Friends.

**Sponsorship of the “ALPHA Happy Tree” charitable event - December 2016:** Alpha Bank Srbija a.d. was the main sponsor for the “ALPHA Happy Tree” charitable event. The objective of the event was to help the children hosted by “The Children’s Shelter” to feel the magic of the Christmas holiday season.

**Sponsorship of the 46th International Jeunesses Musicales Competition:** From 21 to 30 March 2016, a prestigious international music event, which has been taking place for the last 46 years, was held in the Ilija M. Kolarac Foundation, a concert hall in Belgrade. As one of the competition’s patrons and sponsors, Alpha Bank Srbija a.d. offered a special award for the best performance of a Mozart concerto.

**Museums Night:** The thirteenth “Museums Night” in Serbia offered notable and diverse exhibitions and content to lovers of culture, arts and architecture at more than 60 locations in Belgrade. For the sixth consecutive year, Alpha Bank Srbija a.d. worked successfully together with the event’s organisers in order to promote culture in Serbia, providing the public with the opportunity to visit its Main Building for the third consecutive year. This Building, which has become one of the event’s most popular sights, is located at the very centre of the city and is a masterpiece of Serbian architecture, for whose construction the most prominent architects, painters and sculptors of the interwar period worked together. Visitors had the opportunity to see the Building’s interior and the many sculptures that decorate it, created by major sculptors such as Dolinar, Pallavicini and Rosandić.

**Sponsoring SASA:** As a socially responsible company, Alpha Bank Srbija a.d. continued to support the activities and the work of the Institute of Musicology of the Serbian Academy of Sciences and Arts (SASA).

## ALBANIA

In line with the Corporate Social Responsibility policy of the Group, during 2016 Alpha Bank Albania SHA took a number of initiatives in support of society, culture and the environment, as follows:

**Support of Hospitals:** To support the health sector, which is of major importance, Alpha Bank Albania SHA assisted – by purchasing and donating medical and pharmaceutical supplies and equipment or by undertaking the full or partial renovation of premises – the following hospitals: **Berat Hospital, Librazhd Hospital, Permet Hospital, Lac Hospital.**

**“Christmas is about love and family”:** Alpha Bank Albania SHA donated 250 bags which contained basic food packages in all the cities where the Bank operates local Branches.

**Support of children in need:** The Bank purchased 100 copies of the book entitled “The art of communication”, with the proceeds from the sale donated as financial assistance to help children in need and their families.

**“The road to success”:** The Bank’s Employees took part in the event “The road to success”, whose aim was to strengthen the Employee’s interpersonal skills and experiences. All the proceeds from this event were made available to charities.

**Sponsorship of the 4th annual International Tirana Guitar Festival:** The Albania Guitar Foundation organised the 4th annual International Tirana Guitar Festival, which was sponsored by Alpha Bank Albania SHA. Well-known foreign artists took part in this four-day festival and special awards were given to the participants.

**The Entrepreneurs of Tomorrow:** The Tirana International Airport hosted the competition “The Entrepreneurs of Tomorrow”, which is organised by the non-profit organisation Junior Achievement Albania, in collaboration with the Ministry of Education. Alpha Bank Albania SHA was one of the competition’s main sponsors.

**Leader for a Day:** Alpha Bank Albania SHA participated in “Leader for a Day 2016” – a major event organised by the non-profit organisation Junior Achievement Albania. In total, 46 senior high school students with top academic performance from schools all over the country shadowed 46 high-profile leaders of the business and diplomatic communities.

**“If I was a Banker” competition:** In the context of the Money Week, celebrated worldwide as the European Money Week and Global Money Week, the Albanian Association of Banks, in cooperation with the Bank of Albania and the Ministry of Education and Sports, organised educational and awareness-raising activities for children and young people. Alpha Bank Albania SHA sponsored the competition “If I was a Banker”, which took place at the University of Integrated Studies (FASTIP) in Durrës. The students who participated in this competition presented innovative banking services, which they had developed for prospective businesses (the competition’s jury).

**Cape of Rodon:** Situated on the Adriatic coast, north of the city of Durrës, the Cape of Rodon is well-known for its many bays with the almost unspoilt nature. More than 100 Employees of Alpha Bank Albania SHA, divided in small groups, undertook to clean the bays from plastic bottles and litter. The key communication message for this activity was: “Together for a cleaner environment”.

**Lura National Park:** The Lura National Park, located in the Municipality of Dibër in Northeastern Albania, occupies an area 1.28 hectares and is renowned for its twelve lakes and wildlife. In order to address the effects of the massive deforestation, which was caused by illegal logging and forest fires and has severely affected the local ecosystems, 100 Alpha Bank Employees took part in a reforestation event, planting 3,100 black pine saplings, in an attempt to restore the area’s natural flora and fauna. The key communication message for this activity was: “Together for Lura”.

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

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In preparing 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 2016 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 also contains references to Alpha Bank’s Annual Financial Report 2016, Alpha Bank’s Business Review 2016, 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 2016**



**see Alpha Bank Business Review 2016**

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  Business Review: <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	Strategy and Operation of the Bank  page: 62, 138-139	✓
G4-5	Location of the Organisation's headquarters	- 40, Stadiou Street GR-102 52 Athens - <a href="http://www.alpha.gr/page/default.asp?la=2&amp;id=11">http://www.alpha.gr/page/default.asp?la=2&amp;id=11</a>	✓
G4-6	Number of countries where the Organisation operates	- Alpha Bank and Corporate Social Responsibility - International Network - <a href="http://www.alpha.gr/page/default.asp?la=2&amp;id=16">http://www.alpha.gr/page/default.asp?la=2&amp;id=16</a>  page: 127-130, 139-140	✓
G4-7	Nature of ownership and legal form	Société Anonyme	✓
G4-8	Markets served	- Strategy and Operation of the Bank - International Network - <a href="http://www.alpha.gr/page/default.asp?id=16&amp;la=2">http://www.alpha.gr/page/default.asp?id=16&amp;la=2</a>  page: 139-140	✓
G4-9	Scale of the reporting Organisation	- Economic Performance of the Bank - Strategy and Operation of the Bank - Management of Human Resources - <a href="http://www.alpha.gr/page/default.asp?la=2&amp;id=548">http://www.alpha.gr/page/default.asp?la=2&amp;id=548</a> - <a href="http://www.alpha.gr/page/default.asp?la=2&amp;id=2763">http://www.alpha.gr/page/default.asp?la=2&amp;id=2763</a> - <a href="http://www.alpha.gr/page/default.asp?la=2&amp;id=57">http://www.alpha.gr/page/default.asp?la=2&amp;id=57</a>  page: 45-50, 367	✓
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  page: 118-120 - <a href="http://www.alpha.gr/page/default.asp?la=2&amp;id=548">http://www.alpha.gr/page/default.asp?la=2&amp;id=548</a>	✓
G4-14	Report whether and how the precautionary approach or principle is addressed by the Organisation	- Alpha Bank and Corporate Responsibility - Corporate Responsibility Policy - Corporate Governance, Risk Management and Compliance of the Bank - 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 - Memberships in Associations, Organisations and Initiatives - Corporate Governance, Risk Management and Compliance of the Bank - 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	✓
IDENTIFIED MATERIAL ISSUES AND BOUNDARIES			
G4-17	Entities included in the Organisation's consolidated financial statements or other equivalent documents	Corporate Responsibility Report Methodology  page: 22-25	✓
G4-18	Process for defining the Report's content and the Aspect Boundaries	- Corporate Responsibility Report Methodology - 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) - 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) - 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 - 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 2016 (1.1.2016-31.12.2016)	✓
G4-29	Date of most recent previous Report	<b>30.6.2016</b> (for the period 1.1.2015-31.12.2015)	✓
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 - GRI Content Index for this option	- Corporate Responsibility Report Methodology - Presentation of Sustainability Disclosures in accordance with the GRI G4 Guidelines	✓
G4-33	Organisation's policy and current practice with regard to seeking external assurance for the Report	- Corporate Responsibility Report Methodology - 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 - Corporate Governance, Risk Management and Compliance of the Bank	✓



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 - Corporate Governance, Risk Management and Compliance of the Bank	✓
<b>SPECIFIC STANDARD DISCLOSURES</b>			
<b>ECONOMIC PERFORMANCE</b>			
G4-DMA	Disclosure on Management Approach	Economic Performance of the Bank 📄 <b>Business Review:</b> - Letter from the Chairman - Letter from the Managing Director - CEO - Major Events in 2016	✓
G4-EC1	Direct economic value generated and distributed	Economic Performance of the Bank 📄 <b>Business Review:</b> - Key Indicators - Operating Segment and Geographical Sector Analysis - Capital Adequacy	✓
<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	✓
<b>LABOUR PRACTICES AND DECENT WORK</b>			
G4-DMA	Disclosure on Management Approach	Employee Training and Development	✓

GRI CODE	DESCRIPTION	LOCATION OF THE RELEVANT INFORMATION, ADDITIONAL COMMENTS	EXTERNAL ASSURANCE
G4-LA1	Total number and rates of new Employee hires 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	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.  - 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	Fair Marketing Practices and Customer Satisfaction	✓
G4-PR5	Results of surveys measuring Customer Satisfaction	Fair Marketing Practices and Customer Satisfaction (Consumer Research Surveys)	✓
<b>CUSTOMER RESPONSIBILITY - MARKETING COMMUNICATIONS</b>			
G4-DMA	Disclosure on Management Approach	Fair Marketing Practices and Customer Satisfaction	✓

GRI CODE	DESCRIPTION	LOCATION OF THE RELEVANT INFORMATION, ADDITIONAL COMMENTS	EXTERNAL ASSURANCE
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	Fair Marketing Practices and Customer Satisfaction (Responsible Marketing)	✓
<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	✓
<b>PRODUCT RESPONSIBILITY - COMPLIANCE</b>			
G4-DMA	Disclosure on Management Approach	Corporate Governance, Risk Management and Compliance of the Bank	✓
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>- During 2016 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 the national as well as at the european level</li> </ul>	<p>✓</p> <p>✓</p>

GRI CODE	DESCRIPTION	LOCATION OF THE RELEVANT INFORMATION, ADDITIONAL COMMENTS	EXTERNAL ASSURANCE
<b>PRODUCT RESPONSIBILITY - PRODUCT PORTFOLIO</b>			
G4-DMA	Disclosure on Management Approach	- Corporate Responsibility Policy - Product Portfolio	✓
FS8	Monetary value of Products and Services designed to deliver a specific social benefit, by business line and purpose	Product Portfolio (Responsible Investments)	✓

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# 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 2016” (referred to as “the Report”) of the Bank for the reporting period 1 January 2016 – 31 December 2016.

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).
  - Product Responsibility - Product Portfolio (DMA and Indicator G4-FS8).

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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 2016 – 31 December 2016 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.

<sup>2</sup> 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 2016 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 2016 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 2016 – 31 December 2016, 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, June 12, 2017



