



PRINCIPLES FOR
RESPONSIBLE
BANKING



ALPHA BANK

First Self-Assessment Report

March 2021



Reporting and Self-Assessment Requirements	High-level summary of bank's response (limited assurance required for responses to highlighted items)	Reference(s)/ Link(s) to bank's full response/ relevant information completion
<p>Principle 1: Alignment We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.</p>		
<p>1.1 <i>Describe</i> (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.</p>	<p>The Alpha Bank Group is one of the leading financial Groups in Greece. The Alpha Bank Group is active in the domestic and international banking, with a presence in Albania, Cyprus, Romania and Luxembourg. It also has an extensive network of correspondents (banking institutions) in Greece and abroad.</p> <p>The Group is also present in the United Kingdom through its London Branch and the Group Company, Alpha Bank London Ltd.</p> <p>We provide products and services in the following operating segments:</p> <ul style="list-style-type: none"> • Retail Banking, including loans, deposits products and bancassurance services; • Wholesale Banking, including small business and corporate, shipping finance, leasing and factoring activities; • Investment Banking and Treasury Management, including personal and private banking, corporate and structured finance, treasury and brokerages services; and • Other activities such as real estate management, venture capital and equity financing. <p>Our main geography of activity is Greece and its islands, which represented 88% of the Group's total income as at end of 2019. In 2019, new loan disbursements increased to EUR 3.5 billion, out of which 91% were business loans and 9% were loans to individuals. New disbursements were mainly allocated to sectors such as transportation, manufacturing, trade and tourism.</p>	<p>Business Review 2019 (alpha.gr) p. 42-43</p> <p>Annual Report- Non Financial Report 2020 (available after March 23, 2020)</p>
<p>1.2 <i>Describe</i> how your bank has aligned and/or is planning to align its strategy to be consistent with and contribute to society's goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.</p>	<p>Alpha Bank's Sustainability Strategy is based around 4 pillars: market, people, environment, and society. As part of this strategy and for the purpose of implementing the Principles, Alpha Bank has reviewed its contribution to society's goals in reference to the SDGs, Paris Agreement and relevant regional frameworks such as the European Union Action Plan on Sustainable Finance and Greece's national strategy for sustainable development.</p> <p>The analysis of the Bank's activities, using the tools provided by UNEP-FI, concluded that our most significant impacts relate to the following four areas (of the Impact Radar) and society's goals:</p> <ul style="list-style-type: none"> • Water - aligning with SDG 6 – "Clean water and sanitation". The portfolio of Alpha Bank shows a significant association with sectors impacting water availability. Furthermore, this area of alignment has been identified as a major Greek country need by the UNEP-FI analysis. Therefore, we have the potential to achieve a significant impact by aligning our strategy towards SDG 6, for example by 	<p>Corporate Responsibility Policy ALPHA BANK</p> <p>Corporate Responsibility Report 2019 (alpha.gr)</p>

	<p>supporting the increase of water use efficiency and ensuring sustainable withdrawals and supply of freshwater to address water scarcity (Goal 6.4).</p> <ul style="list-style-type: none"> • Employment - aligning with SDG 8 – “Decent work and economic growth”. The portfolio of Alpha Bank shows a significant association with sectors potentially impacting employment and economic growth. This area of alignment has also been identified by UNEP FI as a key challenge for the Greek economy especially considering the current employment rate. Therefore, we could achieve a significant impact by aligning our strategy towards SDG 8, for example by supporting the increase of youth employment rate. • Waste - aligning with SDG 11 – “Sustainable cities” and SDG 12 – “Responsible consumption and production”. The portfolio of Alpha Bank shows a significant association with sectors potentially impacting the circular economy development, particularly the management of waste. Therefore, we could achieve a significant impact by aligning our strategy towards SDG 11, for example by reducing the adverse impact of cities through the financing of waste management activities (Goal 11.6) and towards SDG 12, for example by reducing waste generation through prevention, reduction, recycling and reuse (Goal 12.5). This strategy would also support the European Circular Economy Action Plan of 2020. • Climate change -, aligning with SDG 13 – “Climate action”. The portfolio of Alpha Bank shows a significant association with sectors having a significant impact on climate change. Climate change is also identified as the defining challenge of the decade. The Bank has a role to play in fighting climate change through aligning its strategy towards SDG 13 and the Paris Agreement with the development of a green offering and the reduction of its own and financed emissions to net-zero. <p>To align the strategy with these goals, we have identified a first set of SMART targets in these areas. These strategic orientations have been validated by the General Management of Alpha Bank and will be further detailed and monitored in the coming months, while continuing the implementation of the Principles.</p>	
<p>Principle 2: Impact and Target Setting We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.</p>		
<p>2.1 Impact Analysis: Show that your bank has identified the areas in which it has its most significant (potential) positive and negative impact through an impact analysis that fulfills the following elements:</p> <p>a) Scope: The bank’s core business areas, products/services across the main geographies that the bank operates</p>	<p>Alpha Bank continuously works on identifying some of the most significant economic, social and environmental materiality issues through an annual materiality analysis, which is the process followed, for the identification and mapping of the most material issues for its responsible operation. Key Stakeholders and Senior Management Executives are being involved in the process, in accordance with best practices (i.e. the GRI Standards).</p> <p>For the purpose of implementing the Principles, we completed the analysis using the UNEP-FI Portfolio Impact Analysis tool for banks. We identified positive and negative associations between our portfolio and the 23 environmental, economic and social areas of the “Impact Radar”.</p>	<p>Corporate Responsibility Report 2019 (alpha.gr)</p>

<p>in have been as described under 1.1. have been considered in the scope of the analysis.</p> <p>b) <u>Scale of Exposure:</u> In identifying its areas of most significant impact the bank has considered where its core business/its major activities lie in terms of industries, technologies and geographies.</p> <p>c) <u>Context & Relevance:</u> Your bank has taken into account the most relevant challenges and priorities related to sustainable development in the countries/regions in which it operates.</p> <p>d) <u>Scale and intensity/salience of impact:</u> In identifying its areas of most significant impact, the bank has considered the scale and intensity/salience of the (potential) social, economic and environmental impacts resulting from the bank's activities and provision of products and services.</p> <p>(your bank should have engaged with relevant stakeholders to help inform your analysis under elements c) and d))</p> <p>Show that building on this analysis, the bank has</p> <ul style="list-style-type: none"> • Identified and disclosed its areas of most significant (potential) positive and negative impact • Identified strategic business opportunities in relation to the increase of positive impacts / reduction of negative impacts 	<ul style="list-style-type: none"> • Scope and scale of exposure <p>For this first assessment, we focused the analysis on our Greek activities, across Retail, Small and Medium Businesses, Wholesale, and Investment activities. Southern Europe activities have not been covered in the analysis yet but will be included at a later stage.</p> <p>Each of our Greek portfolios has been analysed to identify potential association with the impact areas.</p> <ul style="list-style-type: none"> • Context and relevance <p>Through the use of the UNEP-FI's country need cartography and the review of international, European, and national resources, Alpha Bank was able to take into account the most significant challenges and priorities in Greece.</p> <ul style="list-style-type: none"> • Scale and intensity/salience of impact <p>We identified the Bank's potential most significant impacts based on the scale of our exposures in sectors that are key contributors to these areas and based on the priorities and challenges identified, mainly in Greece.</p> <p>Where possible, we then assessed the current performance of the Bank against international or local policy targets to identify our most significant areas of impact.</p> <p>In parallel, the same approach was followed to determine direct impacts of our operations, using the UNEP-FI's Corporate Impact Analysis Tool.</p> <p>Alpha Bank concluded that Water, Employment, Waste and Climate areas were the Bank's areas of most significant impact to be addressed through target-setting.</p> <p>For the purpose of this impact analysis, Alpha Bank did not engage with additional stakeholders at this stage. However, as part of previous GRI reporting work, the Bank conducted focus groups with Key Stakeholders for the purpose of its Materiality Analysis. The Bank will work further with relevant stakeholders to identify strategic business opportunities in relation to the increase of positive impacts / reduction of negative impacts, while continuing the implementation of the Principles.</p>	
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Impact Analysis.</p>		
<p>For this first year of implementation, Alpha Bank has completed the impact analysis and identified the most significant impacts associated with its Greek activities. Alpha Bank prioritised 4 areas of most significant impact: Water, Employment, Waste and Climate. Alpha Bank will continue to make progress in assessing and</p>		

disclosing its impacts following the development of tools and methodologies in collaboration with UNEP-FI and its peers.

2.2 Target Setting

Show that the bank has set and published a minimum of two **Specific, Measurable** (can be qualitative or quantitative), **Achievable, Relevant and Time-bound (SMART)** targets, which address at least two of the identified "areas of most significant impact", resulting from the bank's activities and provision of products and services.

Show that these targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks. The bank should have identified a baseline (assessed against a particular year) and have set targets against this baseline.

Show that the bank has analysed and acknowledged significant (potential) negative impacts of the set targets on other dimensions of the SDG/climate change/society's goals and that it has set out relevant actions to mitigate those as far as feasible to maximize the net positive impact of the set targets.

For the purpose of implementing the Principles, key business Divisions (Business Centres Division; Card and Personal Loans Division; CSR Division; Human Resources Division; Investment Portfolios Management Division; Procurement, Safety and Property Division; Small Business Division; Structured Finance Division etc.), and Senior Management of Alpha Bank worked on setting SMART targets supporting society's goals and addressing the most significant impacts identified.

As a result, the Bank decided to set 11 SMART targets. These targets address the 4 most significant areas of impact of the Bank and relate to our business activities as well as our own operations:

• **To support Climate-related objectives**

In relation to our business activities:

- We will develop products and financial instruments for the agricultural sector in cooperation with European institutions, aiming to reach 5% of new disbursements by 2025;
- We will increase Alpha Green Loan Products penetration to double the 2020 percentage of Total New Disbursements by 2022;
- We will increase our ESG-related assets (such as Green Bonds) by 5% on a yearly basis or 25% cumulative until 2025; and
- We will increase our funding of Renewable Energy Systems ("RES") by € 40 million, equivalent to approximately 70 MW by 2025.

In relation to our own operations:

- We will continue to procure 100% renewable electricity for all our buildings and branches.

• **To support Waste-related objectives:**

In relation to our own operations:

- We will further reduce our annual rate of paper usage by 7% until the end of 2025; and
- We will reach 30% annual rate of recycled vs used toners by the end of 2025.

• **To support Water-related objectives:**

In relation to our business activities:

- We will decrease the funding of activities that contribute to water scarcity and pollution by 2% by 2030.

• **To support Employment-related objectives:**

In relation to our business activities:

- We will design a Corporate Responsibility program to support young people and entrepreneurship by 2025.

Annual Report- [Non Financial Report 2020 \(available after March 23, 2020\)](#)

	<p>In relation to our own operations:</p> <ul style="list-style-type: none"> ➤ We will increase youth hiring by 20% by 2025; and ➤ We will reach a 12% increase in branch accessibility for persons with mobility disability by 2025. <p>These SMART targets will be further defined in the coming months, while continuing the implementation of the Principles.</p>	
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Target Setting.</p>		
<p>Alpha Bank has set 11 SMART targets for its business activities and own operations, addressing its most significant areas of impact. We are at the early stage of setting our targets but are working towards a more long-term and ambitious approach aligning with the Principles. Alpha Bank will monitor and review its targets implementation, following the evolution of its business model and environment and the methodologies development.</p>		
<p>2.3 Plans for Target Implementation and Monitoring</p> <p>Show that your bank has defined actions and milestones to meet the set targets.</p> <p>Show that your bank has put in place the means to measure and monitor progress against the set targets. Definitions of key performance indicators, any changes in these definitions, and any rebasing of baselines should be transparent.</p>	<p>Alpha Bank is currently working on the definition of a detailed roadmap and appropriate milestones to initiate the development and the implementation of its targets.</p> <p>Therefore, our plan for implementing and monitoring the targets will be disclosed in the next report.</p>	
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Plans for Target Implementation and Monitoring.</p>		
<p>Alpha Bank will define and agree a detailed roadmap and monitoring processes for the implementation of its targets in 2021. We will continue to improve the monitoring and the definition of performance indicators / relevant actions in order to achieve these targets, in collaboration with UNEP-FI and its peers. Therefore, our progress on implementing the targets will be disclosed in the next report.</p>		
<p>2.4 Progress on Implementing Targets</p> <p><u>For each target separately:</u></p> <p>Show that your bank has implemented the actions it had previously defined to meet the set target.</p> <p>Or explain why actions could not be implemented / needed to be changed and how your bank is adapting its plan to meet its set target.</p> <p>Report on your bank's progress over the last 12 months (up to 18 months in your first reporting after becoming a signatory) towards achieving each of the set targets and the impact your progress resulted in. (where feasible and appropriate, banks</p>	<p>In this first year of implementation of the Principles, the Bank has focused on assessing its impacts on environment and society and setting SMART targets for positive impact.</p> <p>The Bank is now in the process of designing a detailed implementation roadmap to structure its work towards achieving targets.</p> <p>Following the finalisation of the roadmap (scheduled in April 2021), the Bank will initiate close monitoring of its progress against targets.</p> <p>We will therefore be in a position to report on progress made against our targets in our next report.</p>	

<p>should include quantitative disclosures)</p>		
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing Targets</p>		
<p>Alpha Bank will initiate the close monitoring of its targets in 2021 according to the roadmap defined for implementation. Therefore, our progress on implementing the targets will be disclosed in the next report.</p>		
<p>Principle 3: Clients and Customers We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.</p>		
<p>3.1 <i>Provide an overview of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers. This should include high-level information on any programmes and actions implemented (and/or planned), their scale and, where possible, the results thereof.</i></p>	<p>Alpha Bank continuously develops its policies and practices to promote responsible conduct and responsible relationships with its customers as referenced in the Bank's public reporting.</p> <p>For the purpose of implementing the Principles, at this early stage of the implementation, the Bank has been focusing on the definition of targets which themselves take into consideration the needs and interests of our customers.</p> <p>It is envisaged that while defining the implementation roadmap of each target, further actions promoting responsible relationships with our customers will be developed. As an example, when setting our action plan for the target relating to reducing impacts on water-related areas, we will consider updating our onBoarding and lending policies for relevant sectors and customers. Also, it is envisaged that actions could include developing appropriate pricing structures for clients to make more sustainable investment and financial decisions, building capacity among bank employees to better engage with clients and customers about sustainable finance, establishing internal guidelines for supporting clients on sustainability considerations, engaging with customers about our commitment to sustainability and responsible banking etc.</p> <p>The detailed actions for implementing these targets, including updating of policies to foster responsible conduct, will be defined in the coming months.</p>	<p>Annual Report- Non Financial Report 2020 (available after March 23, 2020)</p>
<p>3.2 <i>Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. This should include information on actions planned/implemented, products and services developed, and, where possible, the impacts achieved.</i></p>	<p>Alpha Bank continuously promotes responsible practices among its customers and clients by:</p> <ul style="list-style-type: none"> raising awareness and incentivising more sustainable choices; and improving its products and services to address its customers' banking needs in a modern and responsible manner. <p>For example, Alpha Bank:</p> <ul style="list-style-type: none"> informs its customers, through events, about investment opportunities in mutual funds that meet ESG criteria; has developed services and products for its Retail Banking clients and Small/ Medium Enterprises to support their transition towards sustainable 	<p>[Links to be provided by the Bank]</p> <p>Corporate Responsibility Report 2019 (alpha.gr) p.77</p>

	<p>activities. Some examples of offering are disclosed in the reporting references such as green solutions for households (e.g. the “Energy Saving Home” offering, a repriced housing loan which covers home buying with favourable pricing and interest discounts for higher energy efficiency class properties) and responsible investments in our Asset Management activities through the implementation of the Principles for Responsible Investment (PRI) framework.</p> <p>Further action in relation to enable sustainable economic activities will be identified in the coming months.</p>	
<p>Principle 4: Stakeholders We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society’s goals.</p>		
<p>4.1 Describe which stakeholders (or groups/types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank’s impacts. This should include a high-level overview of how your bank has identified relevant stakeholders and what issues were addressed/results achieved.</p>	<p>The Bank already participates in local stakeholder initiatives to ensure a full understanding of local challenges and further increase its contribution to society’s goals, for example by:</p> <ul style="list-style-type: none"> participating in the Hellenic Network for Corporate Social Responsibility association that aims to promote Corporate Social Responsibility to both the business community and the social environment; participating in the Sustainable Development Committee of the Hellenic Bank Association that aims to represent the Greek banks and their involvement in Corporate Responsibility and Sustainable Development; and conducting focus groups with Key Stakeholders in the context of its Materiality Analysis. <p>For the purpose of implementing the Principles, Alpha Bank did not engage with additional stakeholders at this stage of the analysis. Further action in relation to stakeholders will be identified in the coming months, while continuing the implementation of the Principles.</p>	<p>Corporate Responsibility Policy ALPHA BANK</p>
<p>Principle 5: Governance & Culture We will implement our commitment to these Principles through effective governance and a culture of responsible banking</p>		
<p>5.1 Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.</p>	<p>The Marketing and Communications Division (CSR section) which reports directly to the CEO, supports the Bank’s Management on CSR issues, by proposing related policies and strategies and by developing and promoting the Bank’s CSR activities.</p> <p>In 2019, Alpha Bank established an Environmental Council and an Environmental Management Team for the practical implementation of the Management’s decisions within the scope of ISO14001.</p> <p>The Environmental Council is responsible for informing the Procurement, Property and Security Manager, whenever climate related issues arise, and support him in managing them efficiently.</p> <p>The Procurement, Property and Security Manager has the highest level of responsibility on environmental and climate related issues. He has the overall oversight of the design and implementation of the Bank’s Environmental Policy and Environmental Management System. He informs the Senior Management for any climate related risks and opportunities, while he is also responsible for approving the environmental objectives.</p>	<p>Annual Report- Non Financial Report 2020 (available after March 23, 2020)</p>

	<p>The Environmental Council is formed by representatives (Managers or Assistant Managers) from the following Divisions: a) Procurement, Property & Security, b) Marketing & PR, c) Organisation, d) Credit Risk Policy and Control Division, e) Group Companies.</p> <p>For the purpose of implementing the Principles, Alpha Bank identified that its current practices could better align with industry best practice and UNEP-FI's guidelines in some areas, notably:</p> <ul style="list-style-type: none"> • the overall responsibility for sustainability that should be allocated at committee and Board level; and • the oversight of sustainability matters that should be underpinned by adequate training programmes. <p>As a first step to be implemented in 2021, Alpha bank is considering enhancing its governance structure for sustainability matters by establishing a Board Sustainability Committee and a Sustainability Unit with clear roles and responsibilities on ESG issues.</p> <p>This structure will provide the Board with clear oversight responsibilities, allowing the Bank to take a more strategic, forward-looking view of sustainability, and manage sustainability initiatives such as the implementation of the Principles and EU regulations more efficiently.</p>	
<p>5.2 Describe the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees.</p> <p>This should include a high-level overview of capacity building, inclusion in remuneration structures and performance management and leadership communication, amongst others.</p>	<p>Alpha Bank is also working towards further strengthening its culture of responsible banking. This can be seen in the incorporation of responsible values throughout the group vision and the identification of responsibilities for sustainability initiatives and training programmes and the integration of sustainability criteria in recruitment processes, performance assessment and/or remuneration of Management and the Board. In the context of implementing the Principles, Alpha Bank also involved senior management and representatives of our key business lines to review impacts and decide which targets to set. For this purpose, the Bank held a series of workshops with subject matters experts across more than 25 Divisions such as:</p> <ul style="list-style-type: none"> • The business Divisions, including but not limited to the retail, small business, corporate, private banking and investment Divisions; • The Secretariat of the Board of Directors; • The Strategic Planning Division; • The Risk Divisions; • The Compliance Division; • The Internal audit Division; • The Digital Networks Division; • The Property, Procurement and Safety Division; • The Human Resources Division and • The Marketing and Communications (CSR) Division. <p>Further action in relation to fostering a responsible culture, including through training programmes and incentives, will be considered in the coming months.</p>	

<p>5.3 Governance Structure for Implementation of the Principles</p> <p>Show that your bank has a governance structure in place for the implementation of the PRB, including:</p> <p>a) target-setting and actions to achieve targets set b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected.</p>	<p>If and when approved by the Board, a Sustainability Committee will be implemented with the following responsibilities: setting sustainability goals and targets, and the monitoring of reporting and progress against these;</p> <ul style="list-style-type: none"> identifying potential short- and long-term trends, and impacts of ESG issues on the business; and integrating sustainability issues into the Bank's Code of Ethics and relevant documentation. <p>To fulfil its mandate, the Sustainability Committee will collaborate with other committees such as the Audit Committee and the Risk Management Committee as relevant.</p> <p>The Sustainability Committee will be supported by the creation of a Sustainability Unit allowing for better ownership and accountability for sustainability matters. The Sustainability Unit's main responsibilities regarding the Principles for Responsible Banking implementation will be to:</p> <ul style="list-style-type: none"> monitor reporting and progress against targets; report progress and escalate potential issues to the relevant committee(s); draft the annual self-assessment report and provide information for public disclosure; and periodically review and re-assess the most significant areas of impact of the Bank. 	
<p>Please provide your bank's conclusion/ statement if it has fulfilled the requirements regarding Governance Structure for Implementation of the Principles.</p>		
<p>Alpha Bank is considering enhancing its governance structure and oversight of sustainability initiatives through the creation of a Sustainability Committee and Unit. It also continues to foster a culture of responsible banking among its employees by involving them in decision-making processes relating to the implementation of Principles. Further actions such as training programme will be considered in the upcoming months, while continuing the implementation of the Principles and our targets.</p>		
<p>Principle 6: Transparency & Accountability We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.</p>		
<p>1.1 Progress on Implementing the Principles for Responsible Banking</p> <p>Show that your bank has progressed on implementing the six Principles over the last 12 months (up to 18 months in your first reporting after becoming a signatory) in addition to the setting and implementation of targets in minimum two areas (see 2.1-2.4).</p> <p>Show that your bank has considered existing and emerging international/regional good practices relevant for the implementation of the six Principles for Responsible Banking. Based on this, it has</p>	<p>As highlighted in each section of this self-assessment , Alpha Bank made some progress in implementing the Principles over the first 18 months. The Bank assessed its current state and undertook a gap analysis for each Principle. It identified areas for improvement based on the Principles' requirements and industry best practices. Following the review and validation of this preliminary analysis with various Divisions of the Bank, the General Management of the Bank has taken decisions in order to remediate identified gaps with respect to the Principles.</p> <p>As a summary,</p> <ul style="list-style-type: none"> Regarding Principle 1 - Alignment, the Bank decided on a strategic alignment with SDGs 6, 8, 11, 12 and 13 and relevant international, European and local objectives. Regarding Principle 2 - Impact assessment and target setting, the Bank performed a portfolio and corporate impact analysis using UNEP-FI's tools. As a result, it set 11 SMART targets (for its 	<p>Annual Report- Non Financial Report 2020 (available after March 23, 2020)</p>

<p>defined priorities and ambitions to align with good practice.</p> <p>Show that your bank has implemented/is working on implementing changes in existing practices to reflect and be in line with existing and emerging international/regional good practices and has made progress on its implementation of these Principles.</p>	<p>business activities as well as its own operations) addressing its most significant areas of impact. As previously explained, the key business Divisions of the Bank have been involved in this process through multiple workshop sessions fostering awareness and engagement for implementation.</p> <ul style="list-style-type: none"> Regarding Principle 5 - Governance and culture, the Bank is considering to implement a dedicated governance structure for sustainability with responsibilities at Board level through the creation of a Board-level Sustainability Committee. It is also being considered to increase education and training for employees and the General Management on the Bank's sustainability strategy and targets. Finally, the Bank will examine whether to embed sustainability targets within its remuneration and performance management system to achieve the Bank's long-term strategic objectives and align with industry leading practices. <p>Regarding Principle 6 - Accountability and transparency, the Bank will leverage its current reporting standards to report on its implementation of the Principles. Alpha Bank has already implemented sustainability reporting standards such as the Global Reporting Initiative (GRI), Core options and Financial Sector Supplement, the European Non-Financial Reporting Directive (Directive 2014/95/EU) and the Carbon Disclosure Project (CDP).</p> <p>The Bank is also considering any emerging reporting practices that might improve transparency, such as the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, in line with the European Commission's guidelines on non-financial reporting.</p> <p>Further action in relation to implementation of good sustainability practices will be considered in the coming months, as we continue to implement the Principles.</p>	
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing the Principles for Responsible Banking</p>		
<p>Alpha Bank will improve its responsible reporting, leveraging the sustainability reporting standards it has already implemented. The Bank is also considering any emerging reporting practice that might improve transparency to its stakeholders, such as the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.</p>		

Annex: Definitions

- a. Impact: An impact is commonly understood as being a change in outcome for a stakeholder. In the context of these Principles this means (aligned with GRI definition) the effect a bank has on people/the society, the economy and the environment and with that on sustainable development. Impacts may be positive or negative, direct or indirect, actual or potential, intended or unintended, short-term or long-term.
- b. Significant Impact: Impact that in terms of scale and/or intensity/salience results in a particularly strong/relevant change in outcome for a stakeholder. In the context of these Principles, the concept of *significant* impact is used to ensure banks focus where their actions/business (can) matter most for people, economy and environment and to provide a reasonable and practical threshold for what issues need to be considered/included, similar to the concept of "materiality".