



Press Release

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Vassilios Psaltis at the 6th Delphi Economic Forum: “Hesitations come at a cost. Alpha Bank is taking the lead in the course of change of the Greek economy”

The CEO of Alpha Bank, Vassilios Psaltis, from the panel of “**Big Bank Theory: Leading the Greek Economy and Banking through the straits of the pandemic**” of the 6th Delphi Economic Forum, referred, inter alia, to the important opportunity provided by the **National Recovery and Resilience Facility (RRF)** for the restart of the economy and the change of the country’s productive model, to the catalytic role that the banks will play, as well as to **the readiness of Alpha Bank to take up the lead in the new era of the Greek economy and society**.

The RRF as a trigger for a new productive model

Mr. Psaltis stressed that Greece has the unique opportunity to achieve **the economic, technological and institutional transformation of the economy and the public administration**, whilst, at the same time, closing the investment gap of the preceding ten-year crisis. He went on by adding that the National Recovery and Resilience Facility (RRF), combined with funding resources from other European programs and structural funds amounting to Euro 72 billion, comes at a particularly favorable time, since the pandemic accelerated the implementation of technological capabilities and developments, activated the dynamic intervention of the fiscal and monetary policy with the aim of supporting demand at a global level, while, as the vaccination campaign is unfolding, euphoria and high expectations for the post-pandemic environment prevail. He added that the major structural change, in comparison with the past, lies in the fact that the envisioned growth will be triggered mainly by the **high proportion of investment capital**, and not through the increase of consumption, while the possibility of leverage by the banking system generates additional dynamics.

When asked about the readiness of the **banks, the State and the private sector as key stakeholders in the implementation of the RRF**, the CEO of Alpha Bank **praised the government’s choice to channel investment funds of Euro 31 billion that correspond to the RRF loan strand through the assessment of investment plans by the banks, which “act as a reliable mechanism as well as a trustworthy advisor to companies looking to absorb the European funds available”**.

Regarding the State, Mr. Psaltis noted that the 167-action plan submitted is a thorough and complete one, thus achieving to receive praise from Brussels, and went on to add that, nonetheless, consistency is required on the “forefront” of the reform project, so that **important horizontal reforms can be implemented** in a timely manner, such as a stable tax regime and the speeding up of the process of dispensing justice.

The CEO of Alpha Bank expressed the opinion that “**the private sector will bear a significant weight**”, as the EU fund-channeling criteria do not aim to maintain the status quo; rather, they inevitably lead to a change in the current structure of the economy and to a shift of orientation towards export activity, Research and Innovation, as well as towards the perspective of Mergers and Acquisitions, **in order to increase the average size of Greek companies and to utilize the economies of scale**. At the same time, more prominence will be given to sectors that make growth more sustainable and less vulnerable to external disturbances, such as the sectors of Energy production and storage, Manufacturing – specifically the Agri-food sector –, Construction, Logistics and Informatics.



Mr. Psaltis also noted that **small and medium-sized enterprises must adapt to the new requirements** by effecting the necessary upgrades in terms of investment plans, corporate governance, staffing and the integration of new technologies.

Alpha Bank's achievements in the last year are a strong guarantee for its readiness to support the recovery of the Greek economy

Speaking about the readiness of Alpha Bank, Mr. Psaltis underlined that its current ability to stand by the Greek businesses is the result of a preparation that started months ago, with the aim of *“creating value for our country and our Customers”*. Among other things, he noted that the new financing needs have been thoroughly mapped and analyzed and that the support of business plans has been diligently prepared, while he stressed the long, successful experience of the Bank in this particular field.

“We are already prepared to support emblematic business initiatives, as we have done in the past”, said the CEO of Alpha Bank, adding: *“All our planning for the last 2 years has been focused on allowing us to be at this very point now: relieved of the long crisis that bore heavily on our shoulders, being on our Customers' side, having proceeded with the implementation of our corporate transformation in terms of technology, structures and an enriched executive workforce. I believe that our achievements in the last 12 months, let alone in the midst of a pandemic, allow us to look ahead with conviction and confidence!”*

“We are changing to meet the new demands of society”

Asked by the moderator of the forum about the prevalent public opinion about banks, Mr. Psaltis referred to the redefining of the relationship between society and banks, the main parameters of which are the digitalization of the products and services provided and the identification of new trends within society. *“At Alpha Bank we have mapped out these new trends, so as to properly reposition ourselves in the new reality. Through a big nationwide survey, we have confirmed, inter alia, that confidence in the banking sector is gradually being restored, reaching 43% of positive opinions, compared to only 20% in the previous decade, while 70% of our fellow citizens require from banks to pave the way towards a sustainable future through their investment choices”*, noted Mr. Psaltis.

He went on to explain that **the new dynamic social groups that emerge in Greek society believe in the modernization of the productive model, require the provision of advanced digital solutions that will “meet” their needs and, eventually, view the banking system, beyond its traditional role, as a vehicle towards change and progress.**