



NATIONAL BANK  
OF GREECE

# Corporate Social Responsibility Report 2016



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## Message from the Chairman of the Board of Directors and from the CEO of the Bank

National Bank of Greece, backed by its history of 177 years of business operations, has consistently played a leading and institutional role in the economic and social progress of the country, undertaking key initiatives, particularly when times were hard. In addition, it develops structures and policies that generate high standards of professional conduct and business ethics.

Against this backdrop, and fully aware of the vital significance of Corporate Social Responsibility (CSR) for the attainment of the sustainable growth of our business, the Bank systematically cultivates the concept of Social Responsibility as one of its key priorities, incorporating it into its strategy. Accordingly, it undertakes initiatives and implements actions that meet a wide range of important needs and requirements, thereby enhancing the overall contribution of the Group to society at large.

2016 was a year of significant challenges for the Greek economy. Despite the stagnant macroeconomic environment, the banking system successfully carried out the recapitalization process at the end of 2015 and managed to maintain its strong capital position and reach a new equilibrium.

The NBG Group, backed by its noteworthy tradition, reputation, pioneering role and significant contribution to the economic and social transformation of Greece, and above all by the solid and long-standing trust of shareholders, customers, depositors and employees alike, serves as a pillar of stability and confidence for the Greek economy and society.

As part of this ongoing endeavor, NBG upgraded its CSR procedures and applied – for the fifth year – the AA1000 APS standard, which aims at analyzing and evaluating the basic expectations of stakeholders and, at the same time, enabling a more effective response to these expectations. At the same time, and within the framework of implementing the new GRI STANDARDS, NBG designed and successfully completed a materiality analysis in collaboration with an independent external body, using personal interviews and a materiality workshop, placing special emphasis on the opinion of all interested parties so as to design a larger stakeholder engagement program and define ways to meet their expectations.

Standing by its commitments, in 2016 NBG maintained – within the scope of its strategy – its broader social actions, supporting efforts to foster sustainable growth, backing actions for environment-friendly development and sustainability, enhancing the caliber of its human resources and the provision of its services, and its overall contribution to the society in which it operates.

Accordingly, the Bank supported a wide range of initiatives, successfully attaining key and demanding targets, including the following:

- Support for SMEs and large corporations, with rescheduling of debt servicing obligations, as well as the granting of new financing facilities so as to help them meet the challenges of the economic crisis.
- Efforts to enhance the competitiveness of SMEs, having secured participation in the Community funding initiative JEREMIE (which is being implemented in cooperation with the European Investment Fund and involves co-funded loans), as well as participation in the funding schemes of ETEAN SA.
- Participation in the JESSICA programme (Joint European Support for Sustainable Investment in City Areas) by managing the Urban Development Funds of Attica, Western Greece, the Ionian Islands and the Environment through an agreement with the European Investment Bank.
- Financing of Contract Farming Program channelling €4.1 million in 2016 to farmers to help them cover the production cost of their produce.
- Support, through credit facilities, of investment in RES so as to contribute to the country's efforts to achieve a positive environmental footprint.
- Support for tens of thousands of households in their efforts to meet their debt obligations, under the pressure of reduced incomes and unemployment.
- Stepping up staff training through a variety of training programs. In this context, a series of special anti-corruption training programs were held, in which 2,867 officers and employees of the Bank participated.
- Support for equal opportunities for all our employees, and ensuring first class health and safety conditions in the workplace.



- Support for initiatives and actions that encourage participation by our staff in voluntary actions and community service.
- Disclosure, via the Carbon Disclosure Project, of data relating to our strategy regarding climate change, as well as data on water use and greenhouse gas emissions.
- The reduction of indirect greenhouse gas emissions generated by our business operations, with the registration of 233,333 new users to our Internet–Phone–Mobile Banking services.
- Offering of new “green” products aimed at, inter alia, improving the energy efficiency of buildings and expanding the use of RES.
- Implementation of our “Responsibility” CSR programme by means of which we backed activities and initiatives supporting the community, the cultural heritage and the environment.
- Continuation of the pioneering crowdfunding initiative act4Greece which aims at the financial support and promotion of social and development initiatives.
- Continuation of the construction works on the new surgical wing of Evangelismos Hospital.
- Supporting the Ministry of Health by supplying urgent care equipment to 38 hospitals around the country, amounting to circa €1.3 million.
- Continuation of servicing the beneficiaries of the “Solidarity Card” for buying food in specific food stores.
- Continued support for the NBG Cultural Foundation and our Historical Archives, both of which are model institutions of their kind in Greece.

In any event, despite the adverse economic and social climate, we are committed to continuing our contribution to society at large, in a spirit of respect for our shareholders, our customers, our employees and Greek society as a whole.

The Chairman  
of the Board



P. Thomopoulos

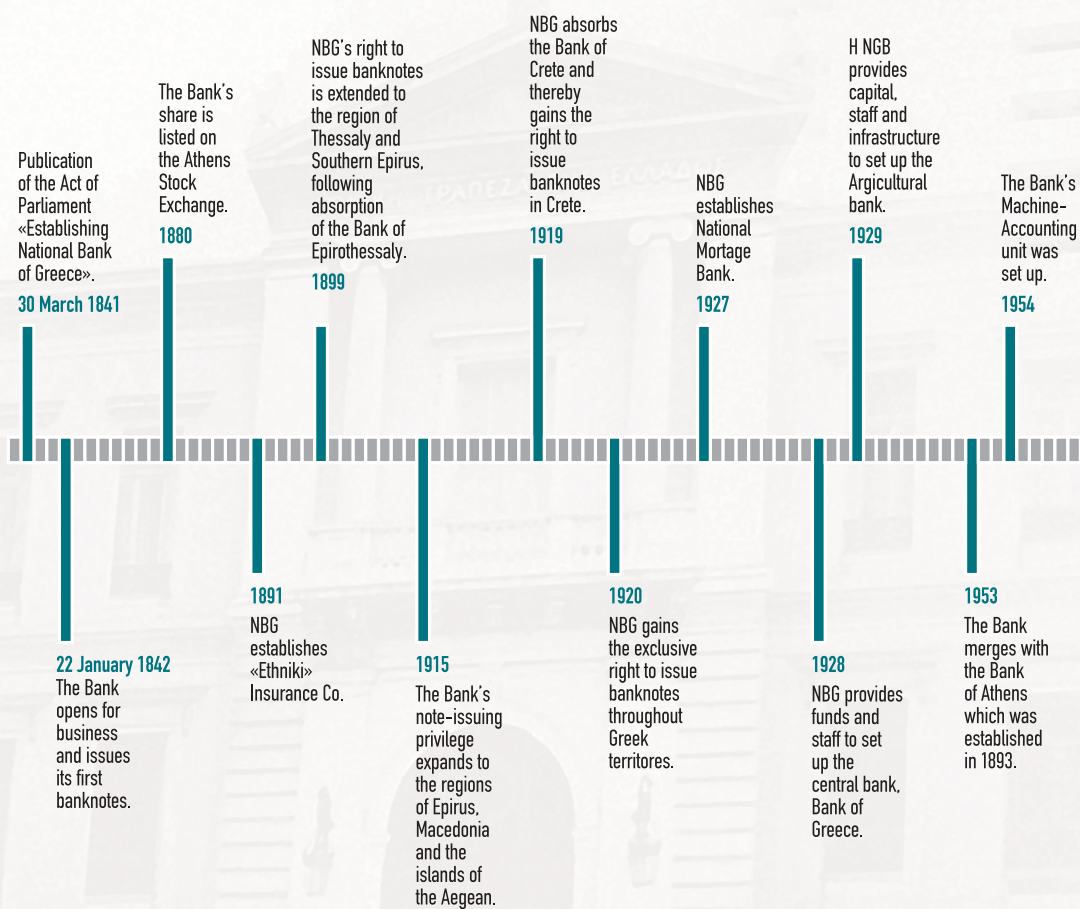
The Chief Executive Officer



Leonidas Fragkiadakis

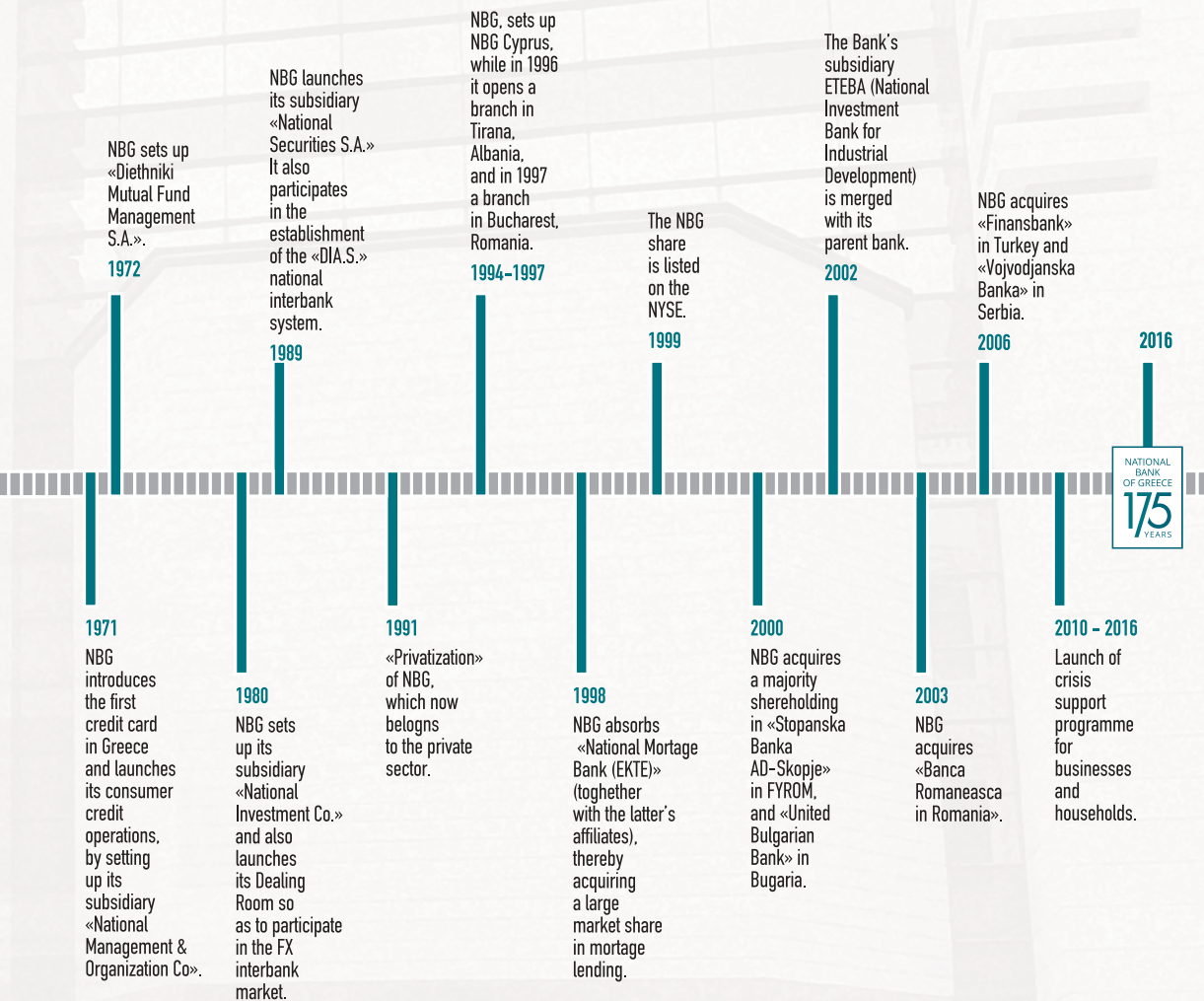
## Milestones in the History of NBG

NBG was established in 1841. Its early business focused on lending and discounting while it also enjoyed the right to issue banknotes, until the establishment of the Bank of Greece in 1928. The Bank's stock was listed on the Athens Stock Exchange in 1880 when the latter was first established, while in October 1999, it was listed on the New York Stock Exchange.





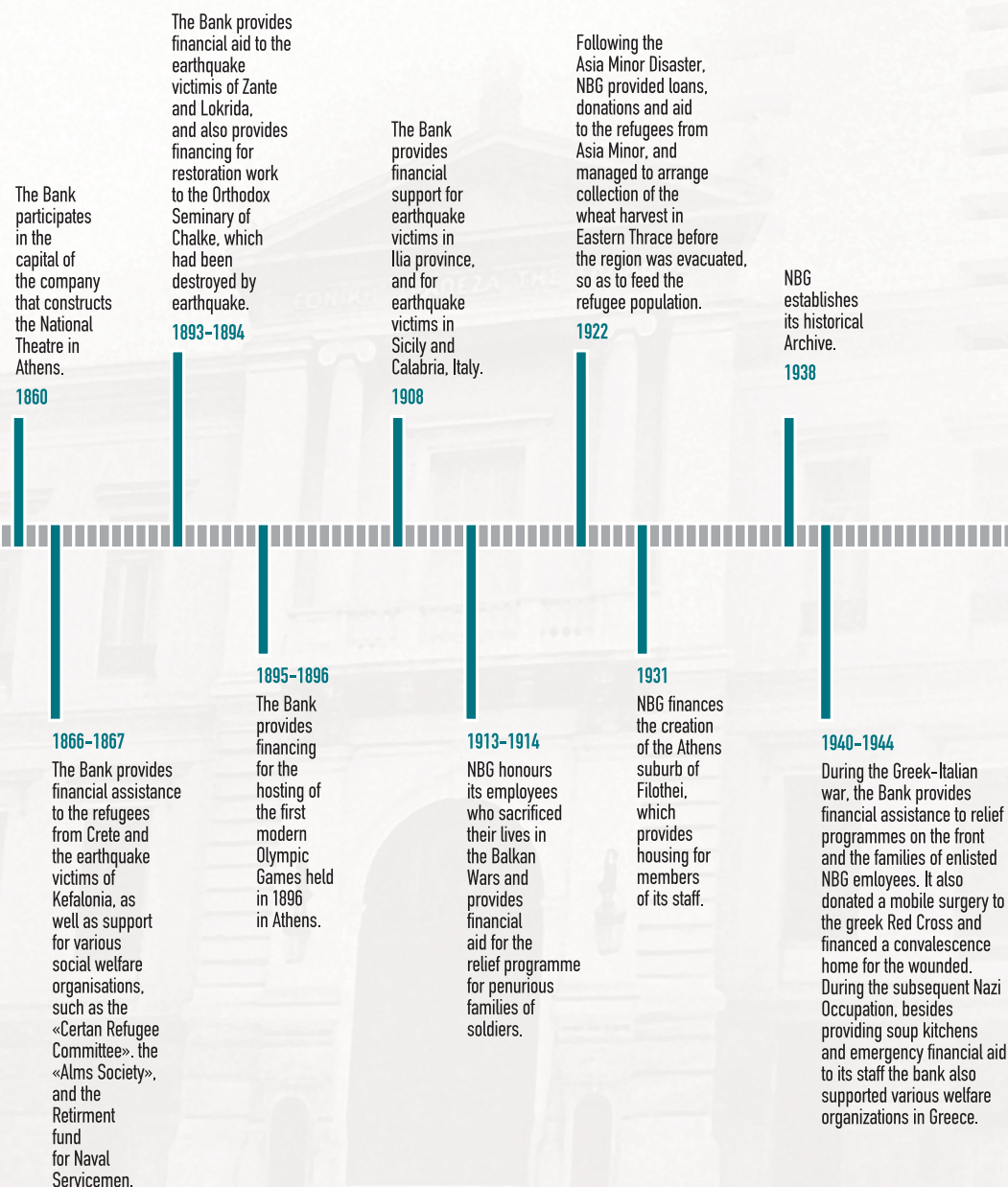
## 177 years of supporting the Greek economy



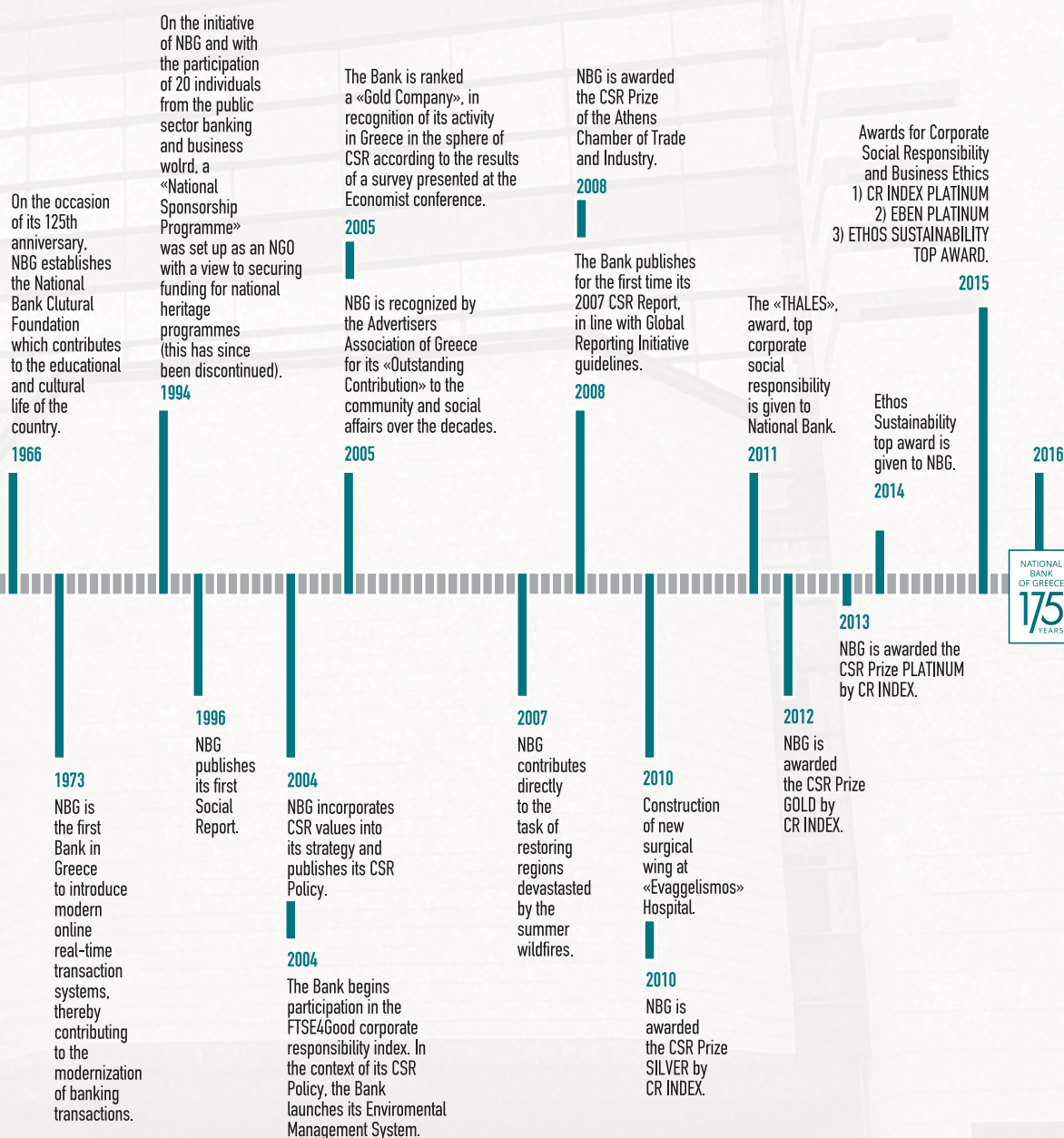


## CSR Milestones in the History of NBG

Throughout the course of its history since 1841, NBG has consistently demonstrated its commitment and spirit of responsibility in all sectors of the Greek economy and society, as well as in its everyday dealings with the public.



# 177 years of supporting the Greek society









## CORPORATE PROFILE

The vision of the NBG Group is to enhance its leading position in Greece and further strengthen its role of supporting the Greek economy, working with dedication, consistency and transparency for customers, shareholders and employees alike, while backed by full awareness of its responsibility to society at large.

In 2016, the NBG Group was operating in 11 countries (Greece, Bulgaria, Romania, FYROM, Serbia, Cyprus, South Africa, Malta, Albania, Egypt and the UK).

Boasting an extensive network of 509 branches, 49 representative offices and 1,448 cash machines, NBG covers the entire geographical extent of Greece. It has also launched, and develops systematically, alternative networks for the promotion of its products, including mobile, phone and internet banking.

At the end of 2016, in all the countries where the Group is present, its international network numbers 515 units (Branches & Agencies) and 1,181 ATMs.

More than 12 million deposit accounts and over 1.5 million loan accounts serve to reflect the trust that the Bank enjoys among the public; at the same time they also comprise the driving force behind its business strength.

NBG ranked 180<sup>th</sup> among 1,000 top banks worldwide, according to "The Banker - Financial Times" rating for 2015.

With a view to sustaining its strong position in Greece and to meeting in full the needs of its customers, while also further enhancing its business performance, NBG seeks to modernize its processes on an ongoing basis by investing in new technologies.

The Bank's headquarters are located in its own historic building at 86 Aiolou Street, overlooking Kotzia Square, downtown Athens, where it has been based since 1845.

*For more information see the Bank's Annual Financial Report 1.1.2016-31.12.2016 and the Bank's website [www.nbg.gr](http://www.nbg.gr) (under: The Group / Investor Relations / Financial information / Annual and Interim financial statements).*

## MEMBERSHIPS

NBG, in the context of its business operations and its engagement in social responsibility, participates – either as a regular member or as a member of Board – in associations, unions and organizations whose purpose is to promote sustainable development.

### Global Reporting Initiative

NBG has been publishing a Corporate Social Responsibility Report in line with GRI G3 since 2007, and GRI G3.1 since 2012. It has provided the Financial Sector Supplement since 2010 through to 2013, for which it has received a score of B+. In 2014, NBG was upgraded to level A+ for its 2013 CSR Report, in line with the GRI G3.1 standard. Since 2015

#### Key financials / Sizes (31.12.2016)

	NBG Group	NBG (Greece)
Human Resources (*)	18,614	9,478
Customers served	12,500,000	
Branches	1,024	509
Assets (€ billions)	78.5	68.3
Profit/(loss) (€ millions)	(2,887)	9
Turnover (€ millions)		
– New operating income	2,064	1,769
Turnover: GDP (Greece) (%) (**)	1.17	1.01

(\*) NBGs staff numbers include staff of companies in which NBG has a shareholding that does not exceed 50%.

(\*\*) The ratio expresses NBG GROUP Turnover / GDP Greece.

*For more information see the Bank's Annual Financial Report 1.1.2016 - 31.12.2016 and the Bank's website [www.nbg.gr](http://www.nbg.gr) (under: The Group/Investor Relations/Financial information/Annual and Interim financial statements).*



NBG has applied the GRI G.4 standard regarding CSR Reports for the years 2014 and 2015. The 2016 CSR Report is prepared in line with the new GRI Standards.

### **The Hellenic Network for Corporate Social Responsibility**

The Hellenic Network for CSR – the national representative of the CSR Europe Network – was set up in 1999.

NBG has been a core member of the Hellenic Network for CSR since December 2008.

In 2015, at the Network's General Meeting an NBG executive was elected member of the Network's Board for a three year term.

### **Hellenic Bank Association (HBA)**

NBG is a core member of the Hellenic Bank Association, the body representing collectively banks, both Greek and international, operating in Greece.

Through its participation in the HBA, NBG takes part in the regulatory process and the decision making process regarding the drafting of relevant legislation.

With regard to actions related to sustainable development, the HBA has set up an interbank Committee of which NBG is a member. The HBA Sustainable Development Committee aims at:

- Formulating the banks' policy on Environmental Protection and Sustainable Growth;
- Analyzing bank legislation regarding the Environment and Sustainable Growth;
- Cooperating with the United Nations Environment program Finance Initiative (UNEP FI);
- Supporting the activities of the UNEP FI European and Regional Task Force, and the Interbalkan Forum of Banking Associations, so as to raise awareness among banks in the Balkan region;
- Collaborating with business organizations active in sustainable growth, especially with the World Business Council for Sustainable Development and the Global Reporting Initiative;
- Sharing know-how and best practices, and supporting the training of bank officers on Management of Environmental Dangers;
- Monitoring the developments and informing banks on issues regarding compliance with European and international environmental standards;
- Studying market trends, such as Microfinance, Ethical Banking, Fair Trade, Socially Responsible Investment.

## “Sustainable Greece 2020” Initiative

The Sustainable Greece 2020 Initiative, launched by the QualityNet Foundation in partnership with the leading business associations of Greece, aims to raise awareness among the Greek business community and society at large on issues relating to Sustainable Development, Responsible Entrepreneurship and Social Responsibility. The Initiative's strategic goal is the development of a systematic dialogue and the creation of methodologies and tools that would support national efforts towards sustainable development on the micro and macroeconomic level.

NBG continues to support this initiative as Sustainability Ambassador. This Initiative was launched in collaboration with international and national institutions, 33 business associations, 227 companies, 57 local authorities and 81 organizations of the Civil Society.

The Sustainable Greece 2020 Initiative aims at:

- raising awareness and providing information in the Greek market about Sustainable Development in an attempt to promote a development model that will support the establishment of a sustainable economy - community;
- establishing tools and methods that will support the Organizations' efforts towards Sustainable Development;
- changing the "profile" of our country outside Greece through Sustainable Development actions backed by individuals.

NBG participates actively in all phases of the Initiative by:

- Recording its best practices in the Sustainable Development Observatory that fosters exchange of know-how among organizations.
- Participating in social dialogue in the context of the "BRAVO" institution and on the basis of the initiatives undertaken with a view to providing further information to a large number of social partners and active citizens about Sustainable Development issues, and winning distinctions for the initiatives and programs developed.
- Enriching the Greek Sustainability Code that is a structured reporting system regarding transparency and self commitment of companies in matters relating to Sustainable Development and Responsible Entrepreneurship, and responding to the need to measure its economic, environmental and social performance with a view to supporting the Organization's extroversion and competitiveness.

## Junior Achievement Greece (SEN)

NBG is a founding member, and is represented on the Board, of Junior Achievement Greece (SEN). It is a non-profit organization that was set up in November 2005 on the initiative of the Hellenic Federation of Enterprises (SEV), and is supported by 60 members from the business world. SEN is the national representative in Greece of the International Organization Junior Achievement.





## Other Memberships

In addition, NBG is a member of the following associations, unions and organizations:

### **Board Member (Participation of the Bank's senior executives in the BoD of the following Bodies):**

- Children's Hospital P. & A. Kyriakou
- Julia and Alexander N. Diomedes Botanic Garden
- Kosta and Eleni Urani Foundation
- Sofokleous Achillopoulou Foundation
- The Charitable Foundation of Stamatis and Eleni Vafiadaki for the Protection of Maternal Works
- The National Gallery - Alexandros Soutzos Museum
- Bageios Foundation
- Aggelikis Papazoglou Bequest
- Supporting Institution of the Ecumenical Patriarchate
- American-Hellenic Chamber of Commerce

### **Ordinary Member of the:**

- Athens Club
- International Council of Museums (ICOM)
- Greek Archival Society
- Hellenic Marine Environment Protection Association (HELMEPA)
- Hellenic Management Association
- Hellenic African Chamber of Commerce and Development
- Hellenic Bulgarian Chamber of Commerce and Industry
- Hellenic British Chamber of Commerce
- Hellenic French Chamber of Commerce and Industry
- Hellenic Institute of Customer Service
- Hellenic Chinese Chamber of Commerce and Industry
- Hellenic Russian Chamber of Commerce
- Hellenic Turkish Chamber of Commerce
- Athens Chamber of Commerce and Industry
- Union of Listed Companies
- Hellenic - Australian Business Council
- Hellenic - Serbian Business Forum
- Piraeus Marine Club
- Public and Private Limited Liability companies Association
- Hellenic Federation of Enterprises (SEV)
- Greek People Management Association (GPMA)
- Junior Achievement Greece (SEN)
- Institute of Energy of South East Europe (IENE)
- Hellenic Retail Business Association (ELPE)
- Diazoma Association
- ATM Industry Association (ATMIA)
- Endeavor Greece
- European Association of Long Term Investors (ELTI)
- Guide Share Europe (GSE)
- International Council on Archives (ICA)
- International Institute for Conservation of Historic and Artistic Works (IIC)
- International Trade & Forfaiting Association - (ITFA)
- Institute of International Finance (IIF)
- The European Association for Banking and Financial History E.V.
- The Propeller Club of the United States

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## SUSTAINABILITY INDEXES

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### FTSE4GOOD Emerging Index

NBG, following its evaluation, was included in the FTSE4Good Emerging Index, which was launched in December 2016 by the rating agency FTSE Russel Group.

The FTSE4Good Emerging Index is a pioneering international index of responsible investment, which was designed to foster those companies that comply with internationally recognized standards in the field of environmental, social and governance (ESG) practices.



### Ethibel EXCELLENCE Investment Registers

Forum Ethibel is an independent organization that aims at forging a society that respects the balance between economic progress, social fairness and gives due attention to the environment. To achieve this objective it develops tools and methodologies for responsible investing (RI), encouraging companies and organizations as they apply their CSR policies. At the same time, it consults with all parties involved (companies, NGOs, governments, investors, financial institutions and trade unions) to reach socially accepted criteria with regard to CSR and RI.

The international organization Forum Ethibel confirmed by letter the inclusion of NBG in the Ethibel EXCELLENCE Investment Registers as of 11 June 2015 until 17 August 2017.

This selection by Forum ETHIBEL indicates that the company performs better than average in its sector in terms of CSR. Note that NBG has participated in the said index since 11 June 2013.



### Carbon Disclosure Project

NBG has participated in this voluntary initiative since 2007, for the 10<sup>th</sup> consecutive year, providing detailed information for investors on its environmental activities and environmental performance.

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## Awards – Distinctions

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In recognition of its ongoing endeavour to meet the needs of its customers and shareholders, who have placed their trust in it, and to provide full and transparent information on its CSR actions and its wider contribution to the community at large, NBG received a number of important awards and distinctions in 2016.





#### ■ Social Responsibility Award by CR INDEX 2016-2017

The Corporate Responsibility Institute rewarded NBG's initiatives to integrate CSR in its business strategy by fostering activities that generate benefits for the community, the environment, its employees, and the market.

NBG, which participated for the sixth time in the Corporate Responsibility (CR) Index, succeeded in gaining a PLATINUM category award for 2016-2017, while at the same time the Bank also received special recommendation in the category "AWARD FOR THE COMMUNITY". The CR Index is an important international rating index of the performance of corporations in the area of CSR and is used as a national CSR index in various countries. A key rating tool, it also serves as a benchmark for comparative evaluation of CSR performance in four specific areas: Community, Environment, Employees and Market.

#### ■ Award for NBG in the context of "BRAVO" institution

The Bravo Sustainability Awards aim at promoting and rewarding "best practices" launched in Greece for Sustainability, Social Cohesion, standards for responsible behaviour, and improvement in the quality of life. NBG submitted its entry as a candidate for "Best Practices" which it implements within the framework of CSR actions. The following entries were assessed and won distinctions:

- In the "Governance category": "Procedures and Policies implemented by NBG for combating corruption".
- In the "Society category": "Long-running sponsorship program for The construction of a New Surgical Wing at Evangelismos General Hospital".
- In the "Market category": "NBG Customer Service Sector".
- In the "In Action category": "The act4Greece program: The power of many in action - a crowdfunding program for the economy and community".

#### ■ "Environmental Awards 2016"

As part of "Environmental Awards 2016", NBG received two significant awards. In particular:

- GOLD Prize for "Multiannual sponsorship for the Botanical Garden of J. & A.N. Diomedes" in Section C: Organization & Process Innovation of the Environmental CSR category.
- SILVER Prize in the Human Environment Section of the "Sustainable Built Environment" category.

#### ■ "Best Corporate Governance - Greece 2016" award

The Bank received the "Best Corporate Governance - Greece 2016" award by Capital Finance International (CFI) following the assessment of its adopted Corporate Governance practices. The said assessment was carried out upon the relevant proposal submitted by third parties and on the basis of the available published data.





As a result, NBG was named the company with the "Best Corporate Governance - Greece" by CFI, which made special mention of NBG's strong and effective corporate governance framework.

#### ■ "Global Banking and Finance Review"

NBG was named the Bank with the best corporate governance in Greece for the year 2016 by the *Global Banking and Finance Review* upon the assessment of its corporate governance practices and on the basis of its available published data.

#### ■ "EFMA Innovation Awards 2016"

The NBG i-bank pass service won a distinction at the 4<sup>th</sup> "Distribution and Marketing Innovation Awards 2016", the international competition for financial services held by EFMA, one of the world's leading organizations in partnership with the Accenture company. The i-bank pass service gained 1<sup>st</sup> prize in Physical Distribution category. NBG is the first Greek bank winning a prize in this competition upon the assessment of 460 proposals submitted by 200 banks and financial institutions from 61 countries worldwide.

#### ■ "Cyta Mobile Excellence Awards 2016"

At the "Cyta Mobile Excellence Awards 2016" organized for the second consecutive year, by Boussias Communications in cooperation with the ELTRUN e-Business Research Centre of Athens University of Economics & Business, NBG's i-bank services won the following distinctions:

- GOLD prize for retail i-bank pay service (former i-bank Social Pay), the first Greek banking app for Peer-to-Peer payments via mobile phones, in the "Use of Mobile for P2P Payment" category.
- GOLD prize for i-bank pass service, the first Greek app for issuing e-queuing tickets in the Branches, in the "Mobile App for Retail Banking" category.
- SILVER prize for go4more app, the first total reward program in Greece, in the "Use of Mobile for Customer Loyalty" category.

#### ■ "BITE Awards 2016"

At the "Business IT Excellence (BITE) Awards 2016" held by *Netweek* magazine of Boussias Communications and the ELTRUN e-Business research Centre of the Athens University of Economics & Business, NBG's i-bank services won the following distinction:

- GOLD prize for its pioneering i-bank Social Pay P2P app in the "Banks/ Insurance Companies" category.

- GOLD prize for i-bank API.
- SILVER prize for the Act4Greece Crowdfunding Platform in the "CSR Strategy Support" category.
- SILVER prize in the category ICT Business Transformation for the project Premium banking solution for NBG's Premium Banking Branches.
- SILVER prize in the section "Strategy, Innovation & Extroversion" for the Initiative "Digital actions aiming at showcasing the activity of NBG Historical Archive via the internet - New enriched webpage".

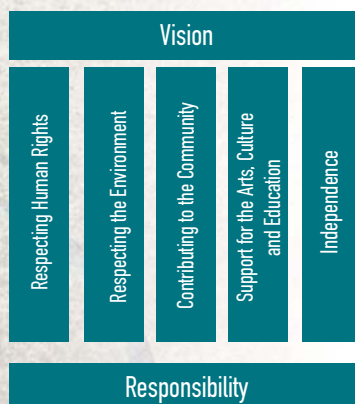
#### ■ "Marketing Excellence Awards 2016"

- "Marketing Excellence Grand Award" for go4more, Customer Loyalty Program in the Customer Relation Development and Administration category.
- 1<sup>st</sup> prize for go4more, Customer Loyalty Program in the Customer Relation Development and Administration category.
- 1<sup>st</sup> prize for Premium distribution model in the Distribution Network Development and Administration category.

#### ■ "Lighthouse e-volution Awards 2016"

At the "Lighthouse E-volution Awards 2016" held by Boussias Communications and the ELTRUN e-Business research Centre of Athens University of Economics & Business, NBG's i-bank services won three distinctions:

- SILVER prize for i-bank "Mobile Banking" in the "Mobile Banking" category.
- SILVER prize for cutting edge security initiatives of i-bank internet / mobile / phone banking in the "Security Initiatives" category.
- SILVER prize for the "i-bank Simple Pay Spot network" in the Combining Digital & Natural Channels (Multi - Channel Commerce) category.



## NBG AND CORPORATE SOCIAL RESPONSIBILITY

The Bank's responsible operation is reflected in the Organization's Vision and Key Values, which places special emphasis on Corporate Social Responsibility.

The vision of the NBG Group is to enhance its leading position in Greece and further strengthen its support role in the Greek economy, working with dedication, consistency and transparency for customers, shareholders and employees alike, while backed by full awareness of its responsibility to society at large.

The values governing NBG's operations are the following:

<b>Respecting Human Rights</b>	The Bank and its subsidiaries fully comply with decisions that prohibit collaboration with countries, businesses or individuals that foster violence or terrorism.
<b>Respecting the Environment</b>	The Bank and its subsidiaries believe that environmental responsibility forms an integral part of good corporate conduct and accordingly adopts and implements specific policies designed to protect the environment.
<b>Contributing to the Community</b>	The Bank and its subsidiaries contribute to social cohesion and progress in the countries where it is active. The Group supports efforts to address global problems related to social and economic development.
<b>Support for the Arts, Culture and Education</b>	The Bank and its subsidiaries support a variety of actions and initiatives in the arts and education in the countries where it is active.
<b>Independence</b>	The Corporate Social Action of the Bank and its subsidiaries is independent of the various interests of customers, shareholders or others. The Bank and its subsidiaries do not support or sponsor political parties, whether directly or indirectly.

## Organizational Structure for CSR and Environmental Policy Issues

The Bank's Management decided in June 2017 to further upgrade the monitoring framework for CSR and Environmental Policy and Management actions, and accordingly established the Group Corporate Governance and Social Responsibility Division.

The Group Corporate Governance and Social Responsibility Division is under the supervision of Mr. P. Dasmanoglou, General Manager of Group Compliance & Corporate Governance, who was appointed by NBG management as NBG's Environmental and Social Management System Officer (ESMS Officer) in December 2015.

The Head of the Environmental Management System of the Bank and Head of CSR, has the required authority and is responsible for the development and implementation of the strategy of NBG's Environmental Management and CSR System, monitoring the implementation of the Environmental Management and CSR Policy, as well as ensuring the Bank's goals are achieved and reporting regularly on the System's performance and the actions taken for its improvement.

These decisions by NBG's Management reflect its longstanding commitment and strategic decision to enhance on an ongoing basis the role of CSR, within the context of NBG's activities and operations.

*For further information on Environmental Policy and Management see the chapter on "Responsibility to the Environment".*





## Stakeholders

NBG's stakeholders are comprised of natural persons and legal entities who influence and are influenced or are likely to be influenced by its business decisions, activities and its operation in general. The Bank applies specific procedures in order to identify its stakeholders. Accordingly, it recognizes the following basic groups as stakeholders:

- Investors and Shareholders
- Customers
- Employees
- The Business Community
- Local Communities
- Suppliers
- Non-governmental and Non-Profit Organizations (NGOs)
- The State, Regulatory Authorities
- The Media

NBG runs departments charged with the task of communicating on a regular basis and managing the flow of information to each group of its stakeholders.



## NBG's commitment to stakeholders

The following table presents the basic matters of concern and expectations of stakeholders for 2016, as recorded through the Bank's communication channels and analyzed / assessed by the Bank in the context of implementing the AA1000APS standard.

Stakeholders	Participation - Communication Channels	Main issues of concern - expectations
Investors and Shareholders	<ul style="list-style-type: none"> <li>• Presentation of profit &amp; loss on quarterly, half-yearly and yearly basis</li> <li>• Annual report</li> <li>• Annual CSR Report</li> <li>• Annual General Meeting of Shareholders</li> <li>• Shareholders' Services Department</li> <li>• Investor Relations Department</li> <li>• Roadshows in foreign countries and special information events</li> </ul>	<ul style="list-style-type: none"> <li>• Group Annual Financial Statements</li> <li>• Increase in share price / Dividend yield</li> <li>• Group business plan and strategic targets</li> <li>• Further development and expansion of activities in developing countries</li> <li>• Adequacy of financial data and quality of financial reports</li> <li>• Transparency and equal information to investors</li> <li>• Compliance with market rules</li> </ul>
Customers	<ul style="list-style-type: none"> <li>• Annual Customer Satisfaction Surveys</li> <li>• Customer Contact Center</li> <li>• Sector for Governance of Customer Issues</li> <li>• Website</li> <li>• Development of a new promotional service for basic insurance products through the web, by Ethniki Insurance</li> <li>• "Show them" program to reduce digital literacy</li> <li>• Infotainment screens in 45 NBG branches</li> <li>• School tours at Branches of the Bank</li> </ul>	<ul style="list-style-type: none"> <li>• Upgrade services in Branches</li> <li>• Transparent financial terms, reliability and honesty in transactions, products and services</li> <li>• Pricing policy</li> <li>• Offering flexible products / services, that meet their needs most efficiently, better services</li> <li>• Flexible procedures / cutting of red tape</li> <li>• Covering financial needs of businesses and individuals</li> <li>• Provision of products / services that contribute to the promotion of environmental and social targets</li> <li>• Bridge the digital divide</li> <li>• Facilities / Rescheduling of customer debts</li> <li>• Protection of consumers, personal data and banking secrecy</li> </ul>
Employees	<ul style="list-style-type: none"> <li>• Representation on the Bank's Board of Directors</li> <li>• <i>Leading Ahead</i>, NBG's in-house magazine</li> <li>• Internal e-communication network of the Bank (intranet)</li> <li>• Internal Communication announcements</li> <li>• Website of Group HR and HR Development Division</li> <li>• Website of the NBG's Staff Insurance Funds</li> </ul>	<ul style="list-style-type: none"> <li>• Signing of sectoral and business labor agreement</li> <li>• Further improvement of education and training programs</li> <li>• Planning needs in human resources to strengthen Branches and Management Units;</li> <li>• Upgrade of internal processes and regulations.</li> <li>• Opportunities for development and growth</li> <li>• Further strengthening of the staff's Health and</li> <li>• Security at workplace and ongoing efforts for the improvement of working conditions</li> </ul>



Stakeholders	Participation - Communication Channels	Main issues of concern - expectations
	<ul style="list-style-type: none"> <li>• Submission system for recommendations/ complaints</li> <li>• Regular meetings and communication between NBG Employee unions and the Management and meetings with special associates on work-related issues</li> <li>• Annual review (in collaboration between rated employee and rating officer)</li> <li>• The "i-dea" annual competition where the staff's innovative ideas are appraised</li> </ul>	<ul style="list-style-type: none"> <li>• Provision of support to employees involved in violent incidents or robbery and additional social provisions</li> <li>• Transparency, equality and meritocracy</li> <li>• Facilities / Rescheduling of employee debts</li> <li>• Remuneration – Benefits</li> </ul>
Business Community	<ul style="list-style-type: none"> <li>• Meetings</li> <li>• Conferences</li> <li>• Business organizations (participation in Boards of Directors)</li> <li>• "i-bank Innovation &amp; Technology" competition</li> </ul>	<ul style="list-style-type: none"> <li>• Increase funding</li> <li>• Support for investment initiatives of environmental nature</li> <li>• Participation of the Bank in European and Greek business programs</li> <li>• Support for professionals and businesses</li> <li>• Better terms of business relationship</li> <li>• Facilities – Rescheduling of customer debts</li> </ul>
Non-governmental and non-profit Organizations (NGOs)	<ul style="list-style-type: none"> <li>• Briefings and exchange of views on issues of common interest</li> <li>• Information campaigns and participation in common actions for social and environmental issues</li> <li>• Main member of CSR Hellas</li> </ul>	<ul style="list-style-type: none"> <li>• Further promotion of their actions</li> <li>• Direct assessment procedures for their proposals</li> <li>• Participation of the Bank in voluntary actions</li> <li>• Assessment and criteria for the selection of organizations and actions</li> <li>• Accountability and transparency of beneficiary NGOs</li> <li>• Energy saving / natural resources / climate change / recycling / biodiversity</li> </ul>
Local Communities	<ul style="list-style-type: none"> <li>• Consultation with local representatives</li> <li>• Cooperation with the local authorities</li> <li>• Sponsorships / donations of goods and services, on an annual basis, after studying the needs</li> <li>• "i-bank Innovation &amp; Technology" competition</li> <li>• School tours at Branches of the Bank</li> <li>• "Show them" program to increase digital literacy</li> </ul>	<ul style="list-style-type: none"> <li>• Hiring staff from the local communities in which it operates</li> <li>• Selection of local suppliers</li> <li>• Support for social contributions of local organizations (social, cultural, sports etc.)</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>• Consultation meetings</li> <li>• Assessment process with eligibility criteria</li> <li>• Online participation in competitions</li> <li>• Inclusion of environmental criteria and CSR principles in agreements</li> </ul>	<ul style="list-style-type: none"> <li>• Fair and objective evaluation</li> <li>• Support for local suppliers</li> <li>• Payments</li> <li>• Implementation of labor / environmental legislation</li> </ul>

Stakeholders	Participation - Communication Channels	Main issues of concern - expectations
State, Supervisory Authorities	<ul style="list-style-type: none"> <li>• Regular meetings for cooperation between and consultation with institutional representatives of the State, the Bank of Greece and Supervisory Authorities</li> <li>• Conferences regarding the banking sector</li> <li>• Reporting to Regulatory Authorities</li> </ul>	<ul style="list-style-type: none"> <li>• Participation in designing and effectively applying the national economic policy</li> <li>• Initiatives to support the Greek economy, stimulate the market and provide funding to critical sectors of the economy</li> <li>• Support for actions and programs of the State</li> <li>• Compliance with the applicable legal and regulatory framework</li> </ul>
The Media	<ul style="list-style-type: none"> <li>• Direct contact and collaboration on an ongoing basis</li> <li>• Interviews</li> <li>• Press releases</li> <li>• Advertisements</li> <li>• NBG Web Portal</li> </ul>	<ul style="list-style-type: none"> <li>• Further enhancement of the cooperation with the Media</li> <li>• Press conferences with regard to the implementation of social responsibility projects</li> </ul>

Aiming at the uninterrupted and more efficient collection of data, the Bank uses different channels to communicate with stakeholders, as the case may be, such as:

- Customer Satisfaction Surveys
- Special communication and complaint services
- Meetings with staff associations and unions
- Corporate presentations, training days, information meetings etc.
- Long-term market monitoring survey
- Survey on SMEs and micro businesses



## MATERIALITY ANALYSIS

### Responding to Stakeholder Concerns

NBG's response to the concerns and expectations of stakeholders contributes to the ongoing improvement in its operations, the upgrade of its products and services, as well as improvements in the overall results of its business operations.

In the context of upgrading its CSR procedures, the Bank implemented, for the fourth year running, the AA1000APS standard, which aims at analyzing and evaluating the key expectations of stakeholders and assessing the Bank's response to these expectations.

### Schematic outline of Stakeholders

The specific process aims at strengthening the dialogue of the Bank with all stakeholders in the context of its wider strategic approach regarding its commitment to promote Sustainable Development and Responsible Entrepreneurship in our country, and develop a constructive dialogue with all stakeholders to identify material issues which fall within the field of interest in the internal and external environment of the Organization.

In this context, based on the AA1000APS standard and in order to align with the latest Reporting trends, in accordance with the Standards of the Global Reporting Initiative, the Bank improved its materiality analysis from external stakeholders.

Applying the said standard, the contents of the Bank's CSR Report 2016 is defined based on the outcome of the materiality process, by:

- Measuring the significant impacts of the Group on the financial, environmental and social levels.
- Considering their effect on decisions and evaluations of stakeholders.

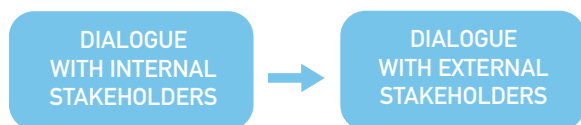
The method that was applied included:

- The development of a dialogue with internal stakeholder groups (Internal Materiality Analysis).
- The development of a dialogue with external stakeholder groups (External Materiality Analysis), which was carried out in two phases.

The first phase included an external materiality workshop with a larger group of participants, and was followed by a series of face to face interviews with eligible stakeholders of the Bank.

The dialogue process and the identification of material issues, as well as their prioritization was carried out by an independent third party, the QualityNet Foundation, in order to follow the methodology and maintain the reliability of results.

## Schematic Outline of the Dialogue Development Framework



### Dialogue with Internal Stakeholders (Internal Materiality Analysis)

The Group Corporate Governance and Social Responsibility Division first identified and described in detail the issues relating to the Bank's sustainable operation, by incorporating in the relevant process the provisions of the Sustainability Reporting Guidelines of GRI Standards, the relevant Financial Services Sector Supplement (FSSS) and the corresponding experience gained from its participation in organizations which engage with business responsibility and business ethics (CSR Hellas, EBEN GR, HBA Sustainable Development Committee and the Sustainable Greece 2020 Initiative).

Thereafter and based on the above, the Group Corporate Governance and Social Responsibility Division - in collaboration with 24 central divisions of the Bank - carried out a joint study and detailed processing/assessment of issues relating to the Bank's sustainable operation, as collected through all available communication channels with stakeholders, thus reflecting also the regular communication between officers and stakeholders. From this process resulted 143 issues, of which 68 related to the sustainable operation of the Bank, and were finally classified in 34 relevant thematic groups.

### Dialogue with External Stakeholders (External Materiality Analysis)

The External Materiality Analysis was carried out in two phases. The first phase was implemented in a materiality workshop with a larger group of participants including representatives of all groups. The second phase included a qualitative approach with a series of face to face interviews with eligible stakeholders of the Bank who have in-depth knowledge of the financial market, as well as CSR and business ethics.

1. Materiality workshop: The subject of the workshop was the development of a dialogue between representatives of the Bank's stakeholders on issues which are specified by the Bank as relevant according to the internal materiality analysis conducted in collaboration with the competent central divisions. Thereafter, the relevant issues were assessed and classified by the participants based on a commonly accepted scale. For material issues that arose, the extent of their impact was specified within and outside the Organization. The participants of the said workshop represent almost all groups of the Bank's stakeholders (business Community, Regulatory and Supervisory



bodies, Media, NGOs, Customers and Employees, Suppliers and Academic Community).

In particular, the issues that were presented and analyzed to participants at the materiality workshop were assessed by NBG in line with the business aspects specified in the GRI Standards. Moreover, the Bank presented a first approach / correlation of its actions and impact related to the 17 Sustainable Development Goals (SDGs) and their attainment. Stakeholders were invited to prioritize the relevant issues by activity area according to a predefined evaluation scale. After the material issues were classified, their range of impact was defined, i.e. the impact of each issue within and outside the Organization on each stakeholder group, respectively. Their general comments on the contents of material issues will be taken into consideration for the future improvement of the Bank's impact on the aspects of responsible entrepreneurship.

2. Personal interviews: The aim was to record how material issues of the Bank are prioritized, by individuals with knowledge and experience either in corporate responsibility and sustainable development, or in issues falling in the banking and financial sector.

The overall dialogue process, as described in detail above, led to the review of 34 relevant issues by the Bank, which are connected to the economic, environmental and social impacts or affect the evaluations and decisions of its stakeholders. From these issues and based on the methodology to define material issues applied by the Bank, arose 16 material issues. Below are presented the table of material issues, their range of impact, as well as the materiality matrix:

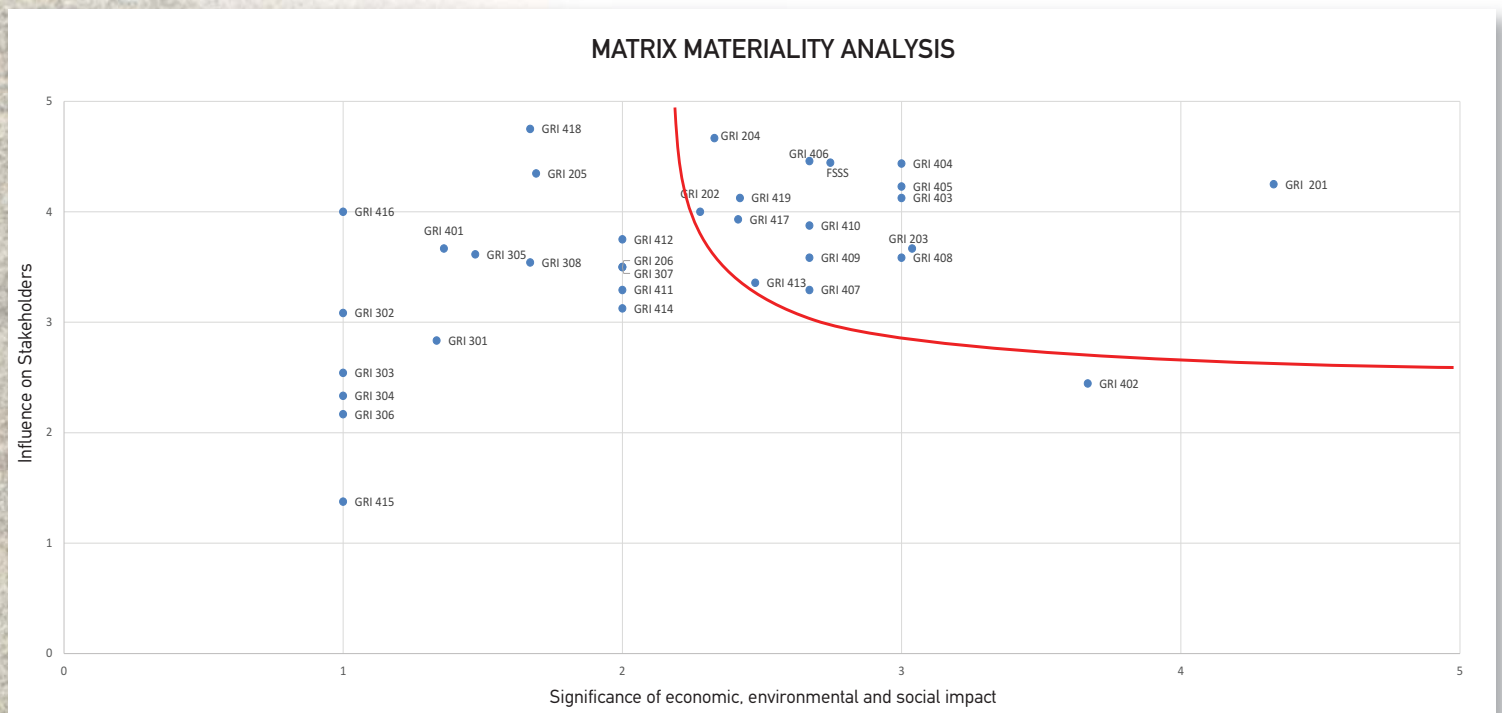
**TABLE OF RELEVANT AND MATERIAL ISSUES AND EXTENT OF IMPACT\***

	Issues	Limits	
		Within Organization	Outside Organization
GRI 201	Economic Performance	Shareholders, Employees, Management, Branch Network	Suppliers, Customers, Government, Media, Business Community, Society, Investors
GRI 404	Education & training	Employees, Management, Branch Network	Customers, Business Community, Supervisory Authorities, Local Communities
GRI 405	Equal opportunities, diversity & equal remuneration	Employees, Management	
FSSS	Product Portfolio	Management, Employees, Shareholders	Customers, Government, Institutional Bodies & Supervisory Authorities, Local Communities, Business Community
GRI 406	Avoidance of any kind of discrimination	Management, Employees	Customers, Suppliers
GRI 403	Health and Safety in the Workplace	Employees, Management	Customers
GRI 204	Supply practices	Management, Employees	Suppliers
GRI 203	Indirect economic impact	Management, Employees	Local Communities, Customers, Government, Business Community
GRI 408	Child labor	Management, Employees	Suppliers
GRI 419	Socio-economic compliance	Management, Employees, Shareholders	Government, Institutional Bodies & Supervisory Authorities, Investors
GRI 410	Security practices	Management, Employees	Suppliers
GRI 418	Customer Privacy	Management, Employees, Branch Network	Customers, Business Community, Government, Institutional Bodies & Supervisory Authorities
GRI 417	Marketing & Product and Service Labelling	Management, Employees, Branch Network	Customers, Business Community, Institutional Bodies & Supervisory Authorities, Local Communities, NGOs, Academic Community, Suppliers, Media
GRI 202	Market Presence	Shareholders, Management, Branch Network, Employees	Customers, Investors, Business Community, Government, Investors, Academic Community, Institutional Bodies & Supervisory Authorities, Suppliers, Society, Media
GRI 409	Forced and compulsory labor	Management, Employees	Suppliers
GRI 402	Staff - Management Relations	Management, Employees	
GRI 205	Combating corruption	Shareholders, Management, Branch Network, Employees	Suppliers, Customers, Government, Media, Business Community, Investors, Institutional Bodies & Supervisory Authorities
GRI 407	Freedom of association and collective bargaining	Management, Employees	
GRI 413	Local Communities	Employees	NGOs, Society, Business Community, Media, Institutional Bodies & Supervisory Authorities, Academic Community, Customers
GRI 412	Evaluation of human rights to suppliers	Management, Employees	Suppliers, Local Communities
GRI 206	Anticompetitive Behavior	Management	Institutional Bodies & Supervisory Authorities, Business Community
GRI 307	Environmental Compliance	Management, Shareholders, Employees	Suppliers, Local Communities, Business Community, Investors, NGOs
GRI 411	Rights of indigenous people	Management, Employees	Suppliers, Local Communities
GRI 308	Environmental evaluation of suppliers	Management	Suppliers
GRI 414	Evaluation of suppliers based on social criteria	Management	Suppliers
GRI 305	Greenhouse Gas Emissions	Employees, Management	Local Communities, Supervisory Authorities, Government, Customers, NGOs, Suppliers
GRI 401	Labor Practices	Employees, Management, Shareholders	Customers, Academic Community
GRI 416	Health and Insurance of Customers	Employees, Management	Customers



GRI 301	Solid waste	Management	Customers, Local Communities
GRI 302	Energy Management	Employees, Management	Customers
GRI 303	Water	Employees, Management	Local Communities
GRI 304	Biodiversity	Management	Local Communities, Customers
GRI 306	Trash & waste	Employees, Management	Local Communities
GRI 415	Public Policy	Management, Shareholders	Media, Investors

\* The material issues that were identified by that process are 16 and are highlighted in bold.



The material issues identified by that process are 16 and are highlighted in bold, as presented in detail in the following Matrix of relevant and material issues and extent of impacts.

**GRI 201** Economic Performance  
**GRI 404** Education and training  
**GRI 405** Equal opportunities, diversity and equal remuneration  
**FSSS** Product Portfolio  
**GRI 406** Avoidance of any kind of discrimination  
**GRI 403** Health and Safety in the Workplace  
**GRI 204** Supply practices  
**GRI 203** Indirect economic impact  
**GRI 408** Child labor  
**GRI 419** Socio-economic compliance  
**GRI 410** Security practices  
**GRI 417** Marketing & Product and Service Labelling  
**GRI 202** Market Presence  
**GRI 409** Forced and compulsory labor  
**GRI 407** Freedom of association and collective bargaining  
**GRI 413** Local Communities

### Materiality - MATRIX OF MATERIAL ISSUES

Material issues		Significance of economic, environmental and social impacts	Impact on Stakeholders	AVERAGE TOTAL
GRI 201	Economic Performance	4.333	4.250	4.292
GRI 404	Education and training	3.000	4.437	3.719
GRI 405	Equal opportunities, diversity and equal remuneration	3.000	4.229	3.615
FSSS	Product Portfolio	2.745	4.445	3.595
GRI 406	Avoidance of any kind of discrimination	2.670	4.459	3.565
GRI 403	Health and Safety in the Workplace	3.000	4.125	3.563
GRI 204	Supply practices	2.330	4.667	3.499
GRI 203	Indirect economic impact	3.038	3.667	3.353
GRI 408	Child labor	3.000	3.584	3.292
GRI 419	Socio-economic compliance	2.421	4.125	3.273
GRI 410	Security practices	2.670	3.875	3.273
GRI 417	Marketing & Product and Service Labelling	2.415	3.931	3.173
GRI 202	Market Presence	2.279	4.000	3.140
GRI 409	Forced and compulsory labor	2.670	3.584	3.127
GRI 407	Freedom of association and collective bargaining	2.670	3.292	2.981
GRI 413	Local Communities	2.476	3.357	2.917

*In this context, the Bank chose to obtain from any external body 7 of the aforementioned ratios concerning material issues. In addition, for purposes of comparability with previous years and for reasons of materiality, the Bank included 2 more ratios relating to employment / labor.*

### NBG's response to its Stakeholders' concerns

The Bank undertook specific actions in 2016 to meet stakeholder needs and expectations. The table below sets out the actions, programs and procedures that the Bank put into effect in 2016, in order to enhance its collaboration with each group of stakeholders and to meet as effectively as possible their concerns and expectations.



Stakeholders	NBG's Response to Main Stakeholders' Concerns
<b>Investors and Shareholders</b>	<ul style="list-style-type: none"> <li>• The NBG Group manages actively its capital base in such a way as to ensure that its companies maximize shareholder returns by means of an optimum debt/equity balance. The Group utilizes all available sources of capital in order to maintain its capital adequacy.</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>• We continued the operation of our Sector for Governance of Customer Issues in order to improve the quality of customer services, the communication with customers and to optimize the products and services offered.</li> <li>• We continued in 2016 our branch network renovation program, which aims at producing a more friendly, comfortable and functional environment for the provision of services.</li> <li>• We launched financing products for the acquisition of photovoltaic systems by both retail and business customers, responding to the interest of customers in new environmentally friendly investments that also generate economic benefits.</li> <li>• We launched products on particularly favorable terms and conditions to improve the environmental footprint of homes, and also make the acquisition of hybrid technology cars more attractive.</li> <li>• In 2016, we continued lending in general to households and businesses.</li> <li>• We offered specialized loan rescheduling and restructuring products to various categories of borrowers and households</li> <li>• We endeavoured to ensure ongoing compliance with the applicable institutional framework governing consumer protection, transparency in transactions, personal data protection and the provision of investment products and services.</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• We continued our staff training programs throughout the year, with both in-house training and externally run courses.</li> <li>• We continued, through targeted programs, to further fortify the security of the staff, customers and the assets of the Bank.</li> <li>• The "First Aid" e-learning seminar continues to be available to the Bank's and the Group's personnel.</li> <li>• Special training programs on fire safety and protection issues for employees were and continue being carried out.</li> <li>• We continued the strict implementation of the Bank's employment, regulatory and legal obligations regarding labor-related issues, as well as the full implementation of NBG's Group Code of Ethics, with a view to avoiding discriminations of any kind r, providing equal opportunities, safeguarding collective bargaining, preventing child labor etc.</li> </ul>
<b>Business Community</b>	<ul style="list-style-type: none"> <li>• The Bank offered specialized loan rescheduling and restructuring products to business borrowers experiencing temporary liquidity problems.</li> <li>• As part of its efforts to support the Greek economy and boost SME competitiveness, the Bank continued participating in the Community JEREMIE business funding initiative (co-funded loans) in Greece, in collaboration with the European Investment Fund (EIF), as well as in ETEAN S.A. programs and the European Investment Bank (EIB).</li> <li>• The Bank participates in the JESSICA program by managing the Urban Development Funds of Attica, Western Greece, the Ionian Islands and the Environment through an agreement with the European Investment Bank.</li> <li>• The Bank supported, through credit facilities, investments in RES so as to contribute to our country's efforts to achieve a positive environmental footprint.</li> </ul>

Stakeholders	NBG's Response to Main Stakeholders' Concerns
<b>Non-governmental and Non-Profit Organizations (NGOs).</b>	<ul style="list-style-type: none"> <li>• We worked alongside various NGOs (for more info, see sections "Responsibility to the Market", "Responsibility to the Community", "Responsibility to the Environment").</li> <li>• We developed voluntary actions.</li> <li>• We continued supporting act4Greece initiatives.</li> </ul>
<b>Local Communities</b>	<ul style="list-style-type: none"> <li>• We continued our extensive sponsorship program, with an emphasis on the Community, Culture, and the Environment, supporting actions and initiatives throughout the country, while taking into consideration the specific needs of local communities.</li> <li>• We developed voluntary actions.</li> <li>• We continued supporting act4Greece initiatives.</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Since 2013, the Bank has included corporate responsibility terms and rules in all invitations for bids and supply contracts, as provided for in the relevant EU directives on environmental protection, respect for human rights and child labor, health and safety at work, and social equality and solidarity.</li> </ul>
<b>The State, Regulatory Authorities</b>	<ul style="list-style-type: none"> <li>• Standing by its time-honoured role, NBG maintained in 2016 its financing to households and businesses (mortgages, lending to SMEs, and consumer loans).</li> <li>• NBG endeavoured to ensure ongoing compliance with the applicable institutional and regulatory framework governing the functioning of the Bank and the Group.</li> <li>• The Bank stepped up its efforts to maintain effective communication and rapid response to questions / requests posed by regulatory and other independent authorities.</li> </ul>
<b>The Media</b>	<ul style="list-style-type: none"> <li>• Support for publishing and television programs.</li> <li>• Ongoing collaboration and communication.</li> <li>• Upgrading of the Bank's web portal.</li> </ul>



## TARGETS RECAP FOR 2016

Responding to the needs and expectations of its stakeholders, NBG sets targets for each area of CSR in which it is involved on an annual basis.

The table below lists the results of the targets set for 2016, and indicates the section in the CSR Report where relevant information can be found.

TARGETS 2016	RESULTS	CSR REPORT SECTION
<b>ECONOMY - CSR IN NBG</b>		
External verification of the modules contained in NBG's CSR Report.	Achieved	Section: "Independent Assurance Statement", Materiality Analysis.
Participation in the UN initiative on Sustainable Development and inclusion of the Bank in the UN Environment Program Finance Initiative.	Under way	
Materiality assessment/analysis for CSR evaluation of key issues of the Organization.	Achieved	Section: "Independent Assurance Statement", Materiality Analysis.
Enhancing the Bank's positive corporate image and providing information to all those interested in CSR issues, by planning and implementing all necessary steps and actions.	Under way	

TARGETS 2016 MARKET	RESULTS	CSR REPORT SECTION
<p>Expansion of the healthy and innovative clientele base and increase of credit facilities to same:</p> <ul style="list-style-type: none"> <li>- Via systematic visits by specialized personnel to customer premises to approach-attract and inform business clientele.</li> <li>- Via organization and active participation in domestic and international conferences and trade fairs in the areas of entrepreneurship and sustainable growth.</li> </ul>	Achieved	Chapter: "Responsibility to the Market" (sections: "Supporting SMEs", "Supporting Medium and Large Enterprises").
<p>Provision of financing and consultation services for the implementation of new productive and development investments by existing and new customers, including the sector of Renewable Energy Sources (RES), energy-saving and new technologies, in which NBG has a long-standing tradition leading ahead with its advanced knowhow.</p>	Achieved	Chapter: "Responsibility to the Market" (sections: "Supporting SMEs", "Supporting Medium and Large Enterprises").
<p>Support for the liquidity, activity and efficiency/profitability of existing and new business customers, despite the adverse economic environment, via:</p> <ul style="list-style-type: none"> <li>- The uninterrupted provision of credit lines that meet real operating needs, with heightened awareness of the need to keep the financial cost of businesses at the lowest possible levels.</li> <li>- The uninterrupted performance of all Banking intermediary services supporting the liquidity and smooth performance of all business clientele functions</li> <li>- The constant updating and offering of new liquidity management, risk mitigation, and electronic banking products developed by other product Units of the Bank.</li> <li>- The ongoing implementation of actions regarding debt settlement of business customers whose future prospects are positive.</li> </ul>	Achieved	Chapter: "Responsibility to the Market" (sections: "Supporting SMEs", "Supporting Medium and Large Enterprises").



TARGETS 2016	RESULTS	CSR REPORT SECTION
<b>MARKET</b>		
In 2016, the Bank continued its strategy to support the business plans of medium enterprises facing the impact of economic recession, by providing the liquidity needed to sustain the operations of its corporate customers that present a positive business outlook.	Achieved	Chapter: "Responsibility to the Market" (sections: "Supporting SMEs", "Supporting Medium and Large Enterprises").
Systematic support to existing business customers by providing essential – under the current adverse economic circumstances – liquidity through new credit facilities and/or restructured loans.	Achieved	Chapter: "Responsibility to the Market" (sections: "Supporting SMEs", "Supporting Medium and Large Enterprises").
For yet another year, the Bank will continue to support the growth of Greek entrepreneurship by providing liquidity to healthy SMEs, leveraging available Financial Engineering Instruments under the National Strategic Reference Framework 2007-2013 (the deadline for the absorption of said funds has been extended until 30.9.2016) and enabling SMEs to access credit facilities on favorable terms, aiming at the implementation of their investment and business plans. In addition, within the context of designing and developing innovative products and services for the enhancement of entrepreneurship, NBG seeks to broaden its partnerships with developmental bodies and organizations, aspiring to leverage any potentially available source for the financial strengthening of SMEs, deriving either from the new programs implemented in 2014-2020, or the European Investment Fund (EIF) etc.	Achieved	Chapter: "Responsibility to the Market" (sections: "Supporting SMEs", "Supporting Medium and Large Enterprises").
Provision of new housing loans to households and substantial upgrade of the relevant services by establishing faster processes for submitting and assessing mortgage loan applications.	Under way	

TARGETS 2016	RESULTS	CSR REPORT SECTION
<b>MARKET</b>		
Enhancing the information material on mortgage loans that is provided to customers.	Achieved	Chapter: "Responsibility to the Market" (section: "New Services and Pioneering initiatives via NBG i-bank alternative networks").
Continuous updating of its household debt settlement programs, by adjusting them to the new economic circumstances.	Under way	Chapter: "Responsibility to the Market" (section: "Support to Households: Dept Work-out - Rescheduling Framework").
Implementation of impending legislation that requires adoption by banks of the EU Directive on Mortgage Credit. This Directive ensures even greater transparency regarding the products offered by the Bank and the related risks for the borrower based on the individual features of said loans.	Achieved	Chapter: "Responsibility to the Market" (section: "Mortgage Lending Actions").
Expansion of the i-bank statements service with a view to further reducing the printed credit card statements and encouraging customers to get their information via the i-bank (internet banking) service, thus achieving reduction of paper consumption and enhancing NBG's contribution to saving natural resources.	Achieved	Chapter: "Responsibility to the Environment" (section: "Management and recycling of paper").
Further improvement of procedures through centralization, simplification and automation so as to more efficiently support NBG personnel, improve the operational model's flexibility, increase productivity, reduce operating costs and enhance distribution of resources, as part of the efforts to provide uninterrupted top quality services to customers and better protect the customer's and the Bank's interests.	Under way	
Continue the info center project, i.e. the new knowledge management application, which collects, classifies and processes the sum of information/guidelines regarding the operation of the Branch Network and the procedures related to transactions, and upgrade infrastructures for performing electronic payments.	Under way	



TARGETS 2016	RESULTS	CSR REPORT SECTION
<b>MARKET</b>		
<p>Restructuring of the Branch Network for the support of the Bank's Strategy, aiming at more efficient utilization of resources and upgrading the services provided to the clientele.</p> <p>The optimal size of the branch network (by the end of 2017) has been set at 550 branches in total for Greece, restructured on the basis of financial and social criteria.</p>	Under way	
<p>Further enhancement of the customer-focused approach in the Branch Network and optimization of procedures, infrastructures and systems to support the new customer-oriented operation model.</p> <p>Systematic and targeted customer management for all clientele segments.</p>	Under way	
<p>Provision to the public of systems for the optimization of services provided at the cash desks, via specialized applications (e.g. electronic ticket issuance) and implementation of solutions for providing the best possible customer service (prognostic model for the workload at the cash desks).</p>	Under way	
<p>Implementation of targeted actions through NBG's branch network to encourage maximum use of online networks by the clientele.</p>	Under way	
<p>Systematic monitoring of customer satisfaction through the installation of devices that enable instant feedback from customers.</p>	Under way	
<p>Systematic monitoring of the smooth and effective operation of internal security controls aiming at reducing the Network's exposure to operational risks and minimizing related losses, through the ongoing monitoring of procedures that according to the Bank's auditing authorities and the regulatory authorities entail high operational risk.</p>	Under way	

TARGETS 2016	RESULTS	CSR REPORT SECTION
<b>MARKET</b>		
Detection of weaknesses and oversights in operations and procedures implemented by branches and the submission of proposals for the adoption and proper implementation of corrective measures that involve the review of the specific controls, placing emphasis on the four-eye principle in branch procedures and the separation of incompatible duties.	Under way	
Performance of on-site controls, by operational risk level, at selected branches in order to control their compliance with the Bank's circulars and the provision, where necessary, of consultation services regarding adherence to internal control procedures.	Under way	
Reduction of complexity and simplification of procedures performed in the branch network by using the Bank's state-of-the-art IT systems, with a view to improving the flexibility of the operating model, increasing productivity, and further reducing operating costs.	Under way	
Replacing the remaining older generation ATMs (1/3 of the fleet) with latest generation units (gradual completion within 2015-2016), and upgrading the software of older ATMs in 2016.	Achieved	76 ATMs remain to be replaced (5.2% of the total fleet).
Inclusion of new transactions on the menu of ATMs (accepting the new Prepaid VISA) and restructuring the ATM payment menu to improve customer services.	Achieved	Implemented in January 2016 in line with the relevant circular of the Bank.
Displaying the transaction menu in English at the Bank's ATM network by the end of the year.	Under way	

TARGETS 2016 MARKET	RESULTS	CSR REPORT SECTION
Installation of 40 additional ATMs by the end of 2016, to expand services to new regions and corporate customers. 10 ATMs are scheduled to be installed in remote areas/small islands, providing the local clientele also the option to make on-line cash deposits.	Achieved	37 ATMs were installed.
Expansion of the ATM facade adjustment project nationwide in line with the current corporate profile, so as to enhance the visibility of the NBG brand among the public and, by extension, customer visits.	Under way	
Expansion of the APS Network to 100 Units for better customer service.	Under way	
Development of a new, shared ATM software platform which will enable interactive communication with the customer.	Under way	
Improvement of internet banking's functionality by adding new services both for individuals and businesses with a view to increasing users and transactions.	Under way	Chapter: "Responsibility to the Environment" (section: "Reducing indirect emissions").
Major expansion of the i-bank Simple Pay Spot network to over 800 locations in Greece.	Under way	
Expansion of the i-bank Pay service for making payments of small amounts between natural persons (P2P – Person to Person Payments) and payment services from natural persons to businesses (P2B – Person to Business Payments).	Achieved	Chapter: "Responsibility to the Market" (section: "New Services and Pioneering Initiatives via the NBG i-bank alternative networks").
Development of NFC mobile payments in collaboration with Vodafone and Cosmote telecom companies.	Not Achieved	



TARGETS 2016	RESULTS	CSR REPORT SECTION
MARKET		
Upgrading the i-bank stores.	Achieved	Chapter: "Responsibility to the Market" (section: "New services and pioneering initiatives via the NBG i-bank alternative networks").
Revising the Bank's Regulations for Supplies.	Under way	
Further utilization of the potential of the software e-auctions (WEB auctions) and RFX.	Under way	
Completion of the preparation of a Code of Conduct for Suppliers and of relevant audit procedures concerning its implementation during the periodic evaluation of Suppliers, as per the Bank's respective Regulations for Suppliers & Technical Works.	Under way	
HUMAN RESOURCES		
Implementation of the staff's voluntary retirement scheme.	Achieved	Chapter: "Responsibility to the Employee" (section: "Voluntary Retirement Scheme").
Completion of the single Manual for the Bank's Specialized Personnel.	Under way	
Completion of the project regarding formulation of proposals on the Staff's loan portfolio and updating the Consumer Loans Regulation.	Under way	
Implementation of PMS for the assessment of the Bank's senior executives, as well as for the officers of Vojvodjanska Banka and National Securities SA.	Under way	Chapter: "Responsibility to the Employee" (section: "HR Evaluation").
Transfers of staff and integration of Special Associates.	Under way	Chapter: "Responsibility to the Employee" (section: "HR Evaluation").
Staff promotions, appointment to vacant positions of Manager and Deputy Manager in the Bank's Network and Management.	Achieved	Relevant procedures have been completed and the respective Administration Acts were issued.

TARGETS 2016	RESULTS	CSR REPORT SECTION
<b>HUMAN RESOURCES</b>		
Further enhancement of safety of the staff, customers and assets of the Bank, in the framework of ongoing actions conducted by the Fire Security Sector of the NBG Group HR Division. These actions included training/information of staff, visits of Fire Security officers in the Bank's buildings, fire security labelling and placement of portable fire safety systems, drafting of rescue and emergency escape plans, as well as evacuation drills etc.	Achieved	Chapter: "Responsibility to the Employee" (section: "Physical Safety Regulation").
Listing on the ATLAS system by TSPETE of the insurance past of the NBG employees (electronic display of all insurance stamps before 8/2008 of all TSPETE members).	Under way	The insurance past of the employees insured with the former TSPETE from the time they were hired until 8/2008 was launched. In 2016 all the insurance history for 2002 was delivered and the subsequent years should be prepared over the coming period.
Internship program for students in positions in the Bank's Administration and Network.	Achieved	Chapter: "Responsibility to the Employee" (section: "Practical Training for Undergraduate Students of Universities and Technological Educational Institutions").
Certification of the Bank on staff health and safety issues by an external independent body.	Under way	
Renewal of NBG's support for professional certification programs for staff.	Achieved	Chapter: "Responsibility to the Employee" (section: "HR Development Programs").
Renewal of NBG's support for foreign language learning by staff.	Achieved	Chapter: "Responsibility to the Employee" (section: "Foreign Languages").
Design and implementation of new programs aiming at maintaining/renewing the existing certifications prescribed by Law (MiFID Community Directive) in bancassurance and investment products and services.	Achieved	Chapter: "Responsibility to the Employee" (sections: "Staff Training and Development", "Accreditation of Professional Skills required by the current legal framework").
Enrichment and expansion of the long-term program "Credit Academy".	Achieved	Chapter: "Responsibility to the Employee" (section: "Credit Academy").

TARGETS 2016	RESULTS	CSR REPORT SECTION
<b>HUMAN RESOURCES</b>		
Design of special courses tailored to the needs of Special Assets Units.	Achieved	Chapter: "Responsibility to the Employee" (sections: "External Training", "Staff Training and Development").
Establishment of the New Branch Managers Programs.	Achieved	Chapter: "Responsibility to the Employee" (section: "Staff Training and Development").
Developing training courses for each specific job position.	Achieved	Chapter: "Responsibility to the Employee" (sections: "Staff Selection", "Staff Training and Development").
Continuation of the systematic review of the employees' qualifications, skills and professional abilities and enhancement of the HR Selection Sub-division as Advisor and Mentor.	Achieved	Chapter: "Responsibility to the Employee" (section: "Staff selection").
Design and pilot implementation of Group HR Career, Succession and Talent Management Programs.	Under way	Chapter: "Responsibility to the Employee" (section: "Targets 2017").
Designing a Leadership Development Program for Senior Executives.	Under way	Chapter: "Responsibility to the Employee" (section: "Staff Training and Development").
Development of new training programs: a) "Human Rights and Entrepreneurship", in collaboration with the Group CSR Division and b) "Code of Ethics" (e-learning).	Under way	Chapter: "Responsibility to the Employee" (sections: "Staff Training and Development", "Credit Academy").
Ongoing upgrade and expansion of the e-learning services provided (training videos produced in-house, webinars, etc.) while enhancing the commitment and motivation of employees.	Achieved	Chapter: "Responsibility to the Employee" (section: "E-learning") and Chapter: "Responsibility to the Environment" (section: "Reducing direct emissions").
The Job Description project for the remaining job positions and the update of existing ones in light of NBG's organizational changes will continue.	Developing due to the target's dynamic character	Chapter: "Responsibility to the Employee" (section: "Job Description").
Support will be provided to Group companies to prepare their Job Descriptions.	Achieved	Chapter: "Responsibility to the Employee" (section: "Job Description").



TARGETS 2016	RESULTS	CSR REPORT SECTION
<b>HUMAN RESOURCES</b>		
Completing the annual business planning in terms of HR, while taking into consideration the priorities set and the resources available.	Achieved	Chapter: "Responsibility to the Employee" (section: "Planning for HR needs").
Participation in Committees for staff assessment regarding the possibility to meet specialized needs of the Bank or the Group, either through hiring or transfer of staff among the Group Companies.	Achieved	Chapter: "Responsibility to the Employee" (section: "Staff Leverage Program").
Development / revision of HR policies and procedures, as follows: -Submission for approval of the NBG Group Staff Training and Development Policy to the Bank's Board and its dissemination in the Group. -Completion of the drawing up of the procedures for describing job positions in the Bank. -Review of NBG Group Remuneration Policy, Travel Policy, as well as statutory texts regarding benefits and expenses.	Achieved	Chapter: "Responsibility to the Employee" (section: "Development and Revision of the Group's HR Strategy Division Policies").
Monitoring of particular funds earmarked for benefits, expenses and special equipment, as well as submission of administrative reports and proposals on rationalizing costs or other relevant issues, when deemed necessary.	Achieved	Chapter: "Responsibility to the Employee" (sections: "Monitoring the implementation of the benefits-expenses framework for NBG staff", "Rationalizing Travel of Officers and Travel Policy").
Matching of the benefits and costs paid up with the statutory texts of the Group subsidiaries with a view to enhancing monitoring in respect of expenditure forecasts at the company and/or Group level.	Achieved	Chapter: "Responsibility to the Employee" (section: "Development and Revision of the Group's HR Strategy Division Policies").
Planning the new Job Rotation Program 2016-2017.	The program has not been realized due to the pending voluntary retirement scheme which would result the deduction of NBG's staff and by extension the weakening of the Administration Units	

TARGETS 2016	RESULTS	CSR REPORT SECTION
<b>HUMAN RESOURCES</b>		
Upon completion of the first IKY - NBG Scholarship Program, the scholarship holders, who successfully completed Phase A of the Program, entered a two-year full-time dependent employment contract.	Achieved	Chapter: "Responsibility to the Employee" (section: "IKY – NBG Scholarship Program").
Implementation of new Internship Programs "i-work@nbg".	Achieved	Chapter: "Responsibility to the Employee" (section: "Internship Programs "i-work@nbg"").
Continuation of the practical training program for undergraduate students at Greek universities.	Achieved	Chapter: "Responsibility to the Employee" (section: "Practical Training for Undergraduate Students of Universities and Technological Educational Institutions").
Participating in Career days and other events organized by selected Universities / Departments.	Achieved	Chapter: "Responsibility to the Employee" (section: "Participation in Career days").
Participation of Bank officers in a special task force aiming at promoting and implementing "European Pact4Youth" in Greece, which includes, inter alia, the following targets: -Promotion of internships and vocational training programs. -Effective linkup between the educational community and the labor market.	Achieved	Chapter: "Responsibility to the Employee" (section: "Participation in "European Pact4Youth").
Assistance to Management by means of: - Provision of administrative information on HR issues. - Provision of qualitative and quantitative data. - Budget monitoring regarding staff's payroll and training costs on a monthly basis for the coming year.	Achieved	Chapter: "Responsibility to the Employee" (sections: "Provision of qualitative and quantitative data", "Provision of regular management reporting on the Bank and the Group", "Provision of the Bank staff's payroll budget for the period 2017-2019").
Completion of phase 2 of the upgrading of the surveillance system at the Bank's branches, via the Bank's Control Room.	Under way	Chapter: "Responsibility to the Employee" (section: "Safety Issues").
Ongoing upgrading of the shuttering of the Bank's branches, with technical interventions (security roller shutters, fortification of central safe facilities, as the case may be etc.).	Under way	

TARGETS 2016	RESULTS	CSR REPORT SECTION
<b>HUMAN RESOURCES</b>		
Installation of IP locks on safes at Regional Branches.	Under way	
Fortification of the Bank's buildings, as the case may be, in the event that this is deemed necessary following respective audits or official requests.	Fortification of the Bank's buildings, as the case may be, in the event that this is deemed necessary following respective controls or official requests, is in progress	
<b>ENVIRONMENT</b>		
Providing financial support to the RES industry by selectively financing viable investments of large enterprises, supporting investments by applying new RES technologies (e.g. solar thermal, biomass etc.) and financing medium scale investments through available EIB funds.	Achieved	Chapter: "Responsibility to the Environment" (section: "Renewable Energy Sources").
Selectively participating in viable investment programs related to the management and utilization of industrial and urban waste, energy saving etc.	Achieved	Chapter: "Responsibility to the Environment" (section: "Inclusion of environmental and social terms in funding contracts").
Channelling financing to medium-sized companies for investment in RES via new loans to SMEs, arranged between NBG and the EIB.	Achieved	Chapter: "Responsibility to the Environment" (section: "Green Products").
Forwarding plan approvals to be incorporated in the JESSICA program for their financing by the Environmental Fund.	Achieved	Chapter: "Responsibility to the Market" (section: "Products and Services") and Chapter: "Responsibility to the Environment" (section: "Green Products").
Participating in financing waste management investments implemented by PPPs.	Achieved	Chapter: "Responsibility to the Environment" (section: "Green Products").
Supporting customers by financing changes, interventions, etc. that help reduce energy consumption and increase the use of renewable energy sources.	Achieved	Chapter: "Responsibility to the Environment" (sections: "Inclusion of environmental and social terms in funding contracts", "Green Products").



TARGETS 2016	RESULTS	CSR REPORT SECTION
<b>ENVIRONMENT</b>		
Increasing i-bank transactions by transferring operations to electronic service networks and expanding the capabilities of i-bank payment services by improving the functionality of IT systems.	Achieved	Chapter: "Responsibility to the Environment" (section: "Reducing indirect emissions").
Taking appropriate measures to reduce complaints/referrals regarding degradation of the environment due to waste left by third parties in properties owned by the Bank.	Achieved	Chapter: "Responsibility to the Environment" (section: "Resolving environmental complaints").
Expanding and productively running the next phases of the SAP-SRM system (e-training and management of agreements, electronic dispatch and management of orders).	Achieved	Using the Reqmonitor electronic system that monitors the flow of tasks involved in preparing and negotiating contracts, recording in detail the stages of implementation and the time required per stage, and P-Data, which records and monitors the executed agreements of the Bank.
Expanding paper and toner recycling programs to as many Bank Units as possible.	Achieved	Chapter: "Responsibility to the Environment" (sections: "Management and recycling of paper", "Toner Management").
Developing a portal for the Procurement Division.	Under way	
Expansion of electronic pricing.	Developing due to the target's dynamic character	
Technical improvements in the Bank's building infrastructures.	Developing due to the target's dynamic character	
In the sphere of SMEs', guided by the conviction that investments in green energy and saving natural resources contribute to the financial development of Greece and the protection of the environment, NBG is financing investment plans that aim at improving energy saving in business facilities, as well as electric power production via RES.	Achieved	Chapter: "Responsibility to the Environment" (section: "Green products").

TARGETS 2016	RESULTS	CSR REPORT SECTION
<b>SOCIETY</b>		
NBG intends to complete the actions of its "Responsibility" program that are still under way, and to further enhance its sponsorship program placing special emphasis on health, education and measures against the humanitarian crisis.	Achieved	Chapter: "Responsibility to the Society" (section: "'Responsibility' Corporate Social Action program").









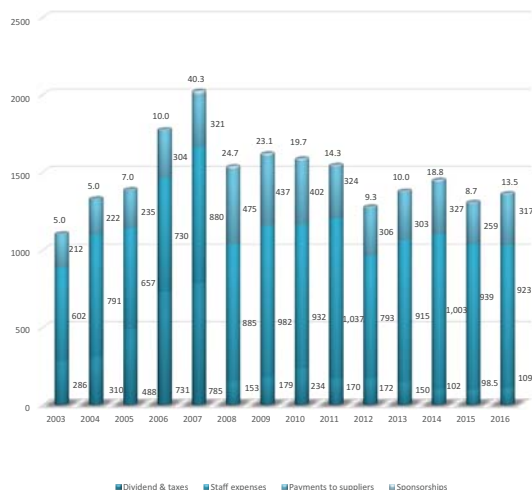




## Responsibility to the Economy

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### Annual Contribution to Social Growth in € millions



### Economic Value Withheld in € millions (31.12.2016)

	Amount in € millions
Net operating income	1,769
Less	
Operating costs (excluding provisions)	(332)
Salaries and staff related benefits	(577)
Dividends	0
Taxes	(109)
Sponsorships	(13.5)
<b>Economic value withheld in € millions (31.12.2016)</b>	<b>737.5</b>

The creation of value for shareholders, customers, employees and the community at large is a top priority for NBG, coupled with socially responsible practices and actions in its general operations.

The Bank's strategic priorities include the growth and further development of its retail banking and SME business, meeting the needs of Greek households and increasing the volume of loans granted to attractive domestic business sectors. At the same time, the Bank is stepping up its active management of NPLs, while also lending support to sustainable businesses. It will thereby further enhance operating profitability, through the redesign of processes and optimization of administrative functions.

## GENERATING VALUE

The Group's business activity has a particularly positive economic impact on the Greek economy, and on social growth in general.

In 2016, NBG's social contribution amounted to € 1.4 billion, in terms of taxes and dividends, staff expenses, payments to suppliers and sponsorships.

## KEY FINANCIALS

NBG's key financial results for 2016 are set out in the table below.

Key Financials	2016	2015	2014	2013	2012	2011	2010	2009
Net operating income (in € millions)	1,769	1,430	1,323	1,872	840 <sup>(7)</sup>	2,306.9	2,112.2	2,636.3 <sup>(1)</sup>
Profit/(loss) before tax NBG (in € millions)	27	(3,853)	(2,050)	(501)	(3,015) <sup>(7)</sup>	(13,135.6)	(333.6)	403.6
Net profit/(loss) after tax (in € millions)	24	(2,846)	(382)	618	(2,926) <sup>(7)</sup>	(12,144.7)	(360.9)	225.0 <sup>(1)</sup>
Total operating costs (in € millions)	(923)	939	(1,003)	1,347	1,219 <sup>(7)</sup>	1,479.5	1,401.3	1,439.1
Total capitalization (in € millions)	2,268	3,100	5,194	9,228	1,242.9	1,548.9	5,784.3	10,987.1 <sup>(1)</sup>
Total assets (in € billions)	68.3	77.1 <sup>(11)</sup>	81.9	84.2	77.9	87.2	96.3	91.2
Liabilities to financial institutions (in € millions)	18,389	25,240	20,481	26,473	33,287 <sup>(7)</sup>	33,870.9	28,869.5	18,390.7
Dividends (in € millions)	-	-	-	-	-	0.7	71.6	42.2
Taxes (in € millions)	109	98.5	1,668 <sup>(9)</sup>	1,119 <sup>(8)</sup>	89 <sup>(6)</sup>	990.8 <sup>(5)</sup>	(27.2) <sup>(2)</sup>	178.6
Profit/(loss) per share (in €)	(0.02)	(2.26)	(1.83) <sup>(10)</sup>	0.45	(15.41) <sup>(7)</sup>	(12.7)	(0.57)	0.28 <sup>(3)</sup>
Depreciation (in € millions)	(70)	70	78	88	92 <sup>(7)</sup>	90.4	87.3	99.6 <sup>(4)</sup>

(1) Revised due to erroneous rounding

(2) The amount of €(27.2) million includes deferred tax benefit of € 64.8 million, income taxes of € (17.2) million and extraordinary contribution for Social Solidarity of € (74.9) million.

(3) The amount of € 0.32 was restated at € 0.28, due to share capital increase.

(4) The amount of € 105.6 million was restated at € 99.6 million due to reclassification of impairment of tangible assets from the depreciation account to the provision account.

(5) The amount includes deferred tax benefit of € 1,008.3 million and income tax of € (17.5) million.

(6) The amount includes deferred tax benefit of € 103 million and income tax of € (14) million.

(7) Amendment of items due to restatements and rounding ups.

(8) The amount includes deferred tax benefit of € 1,104 and € 15 million from refund of taxes withheld and write-back of provisions against income taxes of previous years.

(9) The amount includes deferred tax benefit of € 1,664 million.

(10) As restated in the Financial Statements 31.12.2015.

(11) As restated in the Financial Statements 31.12.2016.



## CAPITAL STRENGTHENING AND RIGHTS ISSUE

The NBG Group manages its capital base in such a way as to ensure that its companies maximize shareholder returns in light of the risks undertaken. The Group utilizes all available sources of capital in order to maintain and enhance its capital adequacy.

In 2015, the European Central Bank (ECB) carried out the "Comprehensive Assessment Exercise 2015" for all 4 systemic Greek banks. The findings of the Exercise indicated that NBG's capital shortfall was in the order of € 4,482 million. The Bank did not manage to cover the capital shortfall through private sources (including the Liability Management Exercise), thus resulting in submitting a request for state aid ("State Aid"). With the approval of the State Aid and its granting to the Bank, the Hellenic Financial Stability Fund (HFSF) proceeded to register new shares valued at € 676 million and financial instruments contingently convertible into shares worth € 2,029 million. On 15 December 2016, the Bank pursuant to the competent Board resolution and according to the Commitments of the Revised Restructuring Plan, as approved by the European Committee on 4 December 2015, paid up in full the CoCos (€ 2,029 million) issued to HFSF in December 2015, following relevant prior approval by ECB SSM in compliance with the applicable regulatory framework.

At 31.12.2016 the HFSF held 40.4% of the Bank's total share capital.

*Further information can be found in the Supplementary Report on the Financial Statements 31 December 2016.*

## SHAREHOLDER STRUCTURE, LEGAL STATUS AND REGISTERED OFFICE

The Bank's official name (and company status), as described in its Articles of Association, is "National Bank of Greece SA". National Bank of Greece SA has its registered office in the municipality of Athens, Greece, at 86 Aioulou Street.

The Bank's shareholder structure presents a wide dispersion of ownership, as it includes 194,919 institutional and retail shareholders.

According to the shareholder structure as at 31.12.2016, the HFSF held 40.4% of its share capital, while 47.7% was held by international institutional and retail investors, and 7.9% by domestic retail investors. Not taking into consideration the HFSF's shareholding, the participation of international institutional and retail investors stood at 79.7% while that of domestic retail investors stood at 13.3%.

*Further information can be found in the Supplementary Report on the Financial Statements 31 December 2016.*

<b>NBG shareholder structure (31.12.2016)</b>	<b>%</b>
Insurance Funds (Public Legal Entities)	0.3
International legal entities	47.5
Individuals outside Greece	0.2
Private investors in Greece	7.9
Institutional investors in Greece	2.2
Other shareholders*	1.5
HFSF	40.4
<b>Total</b>	<b>100.0</b>

(\*) Including NBG subsidiaries, banks, insurance companies, hospitals, associations etc.

<b>NBG shareholder structure (excluding HFSF) (31.12.2016)</b>	<b>%</b>
Insurance Funds (Public Legal Entities)	0.4
Only international legal entities	79.7
Individuals outside Greece	0.3
Private investors in Greece	13.3
Institutional investors in Greece	3.7
Other shareholders*	2.6
<b>Total</b>	<b>100.0</b>

(\*) Including NBG subsidiaries, banks, insurance companies, hospitals, associations etc.

## Participation of NBG in Stock Market Indices

The NBG share participates, inter alia, in the following Stock Market indices:

Participation of NBG in Stock Market indices		
Bloomberg Code	Index	08.08.2017 Coefficient of significance (%)
ASE	ASE General Index	5.255
ASEDTR	FTSE/Athex Banks	24.864
BIERBSEC	BI Europe Regional Banking Europe SEE	8.266
MEDI	FTSE Med 100 Index	0.193
MXCXNRTA	MSCI Northern Trust ESG Index	0.049

## CORPORATE GOVERNANCE

The Bank's corporate governance framework is aligned with the requirements of Greek and European legislation, the decrees of the Hellenic Capital Market Commission ("HCMC"), the Corporate Governance Code and the Bank's Articles of Association and regulations. In addition, the Relationship Framework Agreement (RFA) between the Bank and the HFSF, as amended in December 2015, has been implemented since 2013 together with the Bank's obligations towards the Monitoring Trustee that are incorporated in the Bank's Restructuring Plan as approved by the European Committee. Moreover, because of the fact that the US Securities and Exchange Commission ("SEC") continues to supervise the Bank in the USA, NBG is required to comply with the US legal and regulatory framework (Sarbanes-Oxley Law, SEC regulations and NYSE regulations).

NBG's corporate governance includes all the principles and regulations governing the relationships between shareholders, NBG Management and other stakeholders.

With a view to attaining a high level of corporate governance and strengthening its existing risk management framework, the Bank has adopted the following key corporate governance practices and policies, which are in harmony with the Bank's activities and ensure the transparency and efficiency of its operations:

- Directors' Nomination Policy
- Diversity Policy re the Bank's administrative, managing and supervisory bodies
- Conflict of Interest Policy for Board Members, Senior Executives and other Related Parties
- Policy for Related Borrowers
- Code of Ethics
- Code of Ethics for Financial Professionals

- Whistle Blowing Policy
- Bank and Group Anti-Bribery Policy
- Bank and Group Remuneration Policy
- Bank and Group CSR Policy
- Insurance Cover for members of the Board of Directors of the Group companies

*The Corporate Governance Code can be viewed on the Bank's website at [www.nbg.gr](http://www.nbg.gr) (section: The Group/Corporate Governance/Regulations and Principles).*

#### ■ Corporate Governance Distinctions

Note that in 2016 the Bank won two prizes for its Corporate Governance. In particular, NBG won the following prizes:

(a) "Best Corporate Governance Greece 2016" awarded by Capital Finance International (CFI).

Following a proposal submitted by third parties on the basis of publicly available data, NBG competed in the internal corporate governance category, and was awarded this prize receiving the best possible reviews from the CFI, with special emphasis on the proper and effective compliance and corporate governance framework implemented.

(b) "Best Corporate Governance Bank Greece 2016" awarded by *Global Banking and Finance Review*.

NBG won this prize for 2016 in the Global Banking and Finance Review Awards, following the assessment of the Bank's corporate governance framework based on publicly available data.

The main achievements of 2016 and during the first half of 2017 in terms of corporate governance are summarized below:

- Update of the Policy for the nomination of candidates to the NBG Board in order to incorporate the new criteria that need to be met by the members of Board and its Committees in line with the amendments to the applicable legal framework.
- Adjustment of the membership of the Board and its Committees through the appointment of new members with significant experience and expertise. As part of the recomposition of its Board membership, NBG initiated an open tender process by advertizing the posts in Greece and abroad in order to fill the directorships in line with eligibility criteria under Law 3864/2010, as amended.
- Review of the Charters of the Board Committees with a view to incorporating the developments of the applicable framework. Update of the Rolling Agendas of the Board Committees and preparation of Actions Plans.
- Review of the Bank's Code of Corporate Governance in line with the new provisions of Law 3864/2010 and the revised Relationship Framework Agreement (RFA) between the Bank and the HFSF, as well as in accordance with the regulatory developments on the national and European legislative and regulatory framework re corporate governance.



- Preparation of the revised Policy for the annual evaluation of the Board of Directors and Board Committees; the self-assessment of the Board and its committees was performed with the assistance of an external advisor, while the HFSF carried out an evaluation of the Bank's corporate governance.
- Adoption of the Policy on Donations, Sponsorships, Charity Contributions and other Relevant Actions by the Bank and NBG Group, which aims at the implementation of best practices, taking into consideration the applicable legislative and regulatory framework, update of the Conflict of Interest Policy for Board members, senior executives and other Related Parties of the Bank, as well as amendment of policies and procedures related to market abuse legislation.

*Detailed information on the corporate governance practices, Policies, the proceedings of the General Meeting, the Board of Directors and the Board Committees are described in Corporate Governance Report, which constitutes an integral part of NBG's Group Annual Report 2016, posted on NBG's website [www.nbg.gr](http://www.nbg.gr) (section: The Group/Investor Relations/Annual and interim financial statements/Financial statements for the Group and the Bank for the period ended 31.12.2016).*

## Regulatory Compliance

The mission of Regulatory Compliance is the Bank's and NBG Group's timely compliance with the applicable regulatory framework, ensuring a high level of corporate governance and safeguarding the reputation and credibility of the Bank and its Group companies in the eyes of its shareholders, customers, investors and supervisory and other independent authorities, by:

- Establishing a compliance and ethics culture.
- Keeping the Group in step with new legal and regulatory provisions.
- Preventing and avoiding risks related to any breach of them.
- Establishing an adequate and effective corporate governance environment in the Bank and the Group.
- Establishing an adequate and effective compliance monitoring environment in the Bank and the Group.
- Establishing a CSR culture.

In 2016, the Greek banking system continued to face challenges, thus rendering the Regulatory Compliance decisive in terms of managing matters that emerged throughout the year and the alignment with the regulatory environment.

Within this context and with a view to appropriately incorporating the current regulatory framework and best practices into the Group's operation, the Group Compliance & Regulatory Affairs and Group Compliance Monitoring Divisions, which fall under the responsibility of the General Manager of Group Compliance and Corporate Governance, played an active role during 2016 for always keeping track of the applicable regulatory framework and best practices relating to their fields of responsibility, providing guidelines and support to the Group's Units and monitoring the proper implementation of the applicable framework.

It is worth noting that during 2016 and under extraordinary conditions generated by the imposition of capital controls since June 2015, the Compliance Units contributed to the effective management of issues that emerged.

In particular, the Group Compliance & Regulatory Affairs Division contributed to the Bank's alignment with the applicable operation framework following the imposition of the capital controls regime, providing guidance and responding to questions filed by the Bank's Units re the proper implementation of the regulatory framework.

In addition, the Unit provided guidelines to other Bank's Units and contributed to the updating of the information material addressed to the clientele (pre-contractual documents, brochures, texts posted on the Bank's webpage etc.) stressing that the transactions are subject to restrictions, as set out in the competent Acts of Legislative Content. Also, the Unit screened the internal Bank's circulars prepared for providing guidelines to the Bank's Branch Network.

In 2016, the Compliance Divisions focused mainly on issues of corporate governance, consumer/investor protection, data protection, AML and CFT, investigation of customer assets, attachment of property in the hands of the Bank as third party, management of customer complaints, staff training, monitoring of the implementation of the regulatory framework and communication with supervisory authorities.

It worth mentioning that the current social and economic conditions in Greece and abroad require the enhancement of AML/CFT system. In particular, the country's strategic targets that include: (a) attracting of investments, (b) tackling of corruption and tax evasion, as well as (c) social inclusion of immigrants, require the Bank's support and participation for their successful execution.

Against this backdrop, the Group Compliance Monitoring Division adopts new compliance mechanisms, while adjusting existing ones in line with the applicable regulatory framework.



In 2016, special focus was placed on addressing and preventing tax evasion by adjusting the Bank's audit environment (i.e. policies, procedures, systems, regulatory audits - monitoring, training) while treating the said risk as being of major importance.

In addition, the procedure for examining the source of foreign funds has been standardized aiming at immediate customer / investor service, by applying a risk-based approach, so as to identify any suspicious/unusual transactions.

Last, the Group Compliance Monitoring Division is expanding the services provided to immigrants/refugees demonstrating its sense of responsibility to society, and aiming at their smooth social inclusion by facilitating the exercise of their social and labor rights.

It should be noted that in light of the emphasis placed on customer-orientation as regards the Bank's activities, as well as the current economic conjuncture, customer protection remained in 2016 an issue of special interest, both for the development of products and services of the Bank, as well as for their advertising and promotion.

Note that the Bank has established a special process for thorough control of particular features of the new products and services before they are placed on the market, including controls to ensure that such products and services are fully compliant with the current institutional and regulatory framework.

At the same time, recognizing that the first step of communication with the wider public is usually achieved through advertizing and with a view to always maintaining smooth cooperation with existing customers while building relationships of mutual trust with future customers, the Bank takes special care to ensure its advertizing and promotional actions are compliant with the relevant institutional and regulatory framework. Accordingly, a specific control procedure for advertizing campaigns and communications, in general, is implemented by the Bank, according to which prior to any advertizing of a product or service in brochures or electronic means, it is controlled, inter alia, by the Group Compliance & Regulatory Affairs Division both with regard to content and the presentation method as per the applicable legal and regulatory framework so as to ensure customer protection and transparency of transactions.

In seeking to efficiently manage, and consistently address complaints filed by the Bank's customers either directly or via the competent Supervisory Authority or Body and ensure quality and swift response by the Bank to issues emerging in its customer relations, as per the deadlines set in the regulatory framework each time applicable, the Sector for Governance of Customer Issues was set up under the oversight of Group Compliance & Regulatory Affairs Division.



Any disputes between customers and the Bank are examined fairly and impartially by means of transparent procedures so as to pursue their settlement. At the same time, it undertakes the processing, brief description and qualitative and quantitative handling of complaints filed by Bank customers to identify any malfunctions, while also submitting proposals to the relevant Bank Units and Group companies for the improvement of services and products offered.

Moreover, particular attention is given to monitoring the level of compliance of the Group and the Bank with the applicable institutional framework (Compliance Monitoring). Specifically, the relevant unit monitors the implementation of the regulatory framework for ML/FT prevention, the Directive on markets in financial instruments (MiFID), the timely submission of reports to the Supervisory Authorities, processes findings regarding compliance issues from reviews by the Group Internal Audit Division and the findings of Supervisory Authorities and External Auditors, while at the same time a schedule has been developed for monitoring the level of compliance by Group companies via a specific app.

Furthermore, in 2016 emphasis was placed on making sure that the Group subsidiaries receive and adopt NBG Group's Code of Ethics, in the context of ensuring the Group's high ethical standards and following the Code's update in December 2015. Note that this Code aims to meet the basic principles of transparency, consistency and responsibility (accountability) and serve as a key point of reference for the officers and staff of the Bank and the Group, as well as for third parties such as shareholders, customers and associates, so that they all fully understand and accept ownership of the Group's corporate tradition and philosophy.

As in previous years, in 2016 particular attention was paid to the training programs held in collaboration with NBG's Group HR Development Division. Specifically, staff training of the Bank, international Branches and Group companies remained a key priority in 2016, so as to develop a compliance culture and at the same time raise staff awareness about work-related regulatory developments, so as to understand the risks and events that might have an impact on the Bank's reputation. Particular emphasis was placed on training related to AML/CFT, including customer due diligence and the adoption of the risk-based approach, the institutional framework of the capital market, protection of personal data, transparency of transactions, consumer protection, the principles of the Group's Code of Ethics, and the Group's Code of Ethics for Financial Professionals, etc. In 2016, the Bank's staff attended two special e-learning seminars on the updated Group's Code of Ethics, and the



Group's Code of Ethics for Financial Professionals. These seminars include detailed guidance, scenarios and QAs, so as to ensure that the Codes have been properly read and understood.

In 2016, the Bank also carried out all necessary actions as regards the implementation of the revised Code of Ethics of Law 4224/2013, in collaboration with the Group Compliance & Regulatory Affairs Division. Within this context, the Arrears Resolution Procedure that includes the Appeals Review Process, as well as the relevant information and training material (letters, information brochure, content of the training seminar) were updated.

In the same year the Bank revised its Retail Credit Policy and prepared the draft of its Divestment Policy re Loans - Claims from Corporate Special Assets. Note that the Group Compliance & Regulatory Affairs Division revised the said Policies in line with the applicable regulatory framework and the provisions of RFA.

In 2016, the said Division also assisted the competent Bank Divisions in examining any future collaboration between the Bank and Credit Servicing and Credit Acquiring Firms by providing advice as regards the right implementation of the respective regulatory framework and the due diligence procedure implemented.

Furthermore, other issues were handled, including the implementation of the US Foreign Account Tax Compliance Act, monitoring of the developments in the application of the OECD Standard on automatic exchange of information and adopting the relevant European Directive, compliance with the new regulatory framework governing the Bank's participation in the calculation of Euribor, and the monitoring of obligations that derive from the Relationship Framework Agreement with the HFSF, as well as the Monitoring Trustee Agreement, support and contribution to the implementation of the act4Greece crowdfunding program, handling of money and capital markets issues, compliance with the regulatory framework re mortgage lending, while at the same time the Unit has been operating as the Bank's contact point with the



Regulatory and other authorities.

Furthermore, in 2016, a series of actions took place aiming at further updating the CSR framework and ensuring that the Group incorporates best practices and standards internationally applied in the CSR area.

In conclusion, given that the most significant threat for the reputation of a credit institution is its potential failure to comply with the applicable operational and regulatory framework, NBG is vigilant in ensuring the ongoing strengthening and enhancement of regulatory compliance of all its Group Companies.

## **Risk Management framework**

### **Key Principles and Standards of the Group's Risk Management Framework**

Risk management and control play a vital role in the Group's general strategy aiming to materially monitor existing and potential risks for the organization, and complying with the legal and regulatory requirements.

The Group has clearly defined its risk profile and appetite and has developed its risk strategy and management policy accordingly. The body that is ultimately responsible for the mix and observance of the general risk management framework at Group level is the Board of Directors (hereinafter BoD), in particular the BoD Risk Management Committee (RMC), supported directly by the Audit Committee.

The RMC submits for approval to the BoD the risk appetite and the risk management strategy of the Bank and the Group, on an annual basis. In addition, it establishes the principles, approves the risk management policy, and supervises the appropriateness of risk management. The Committee, which numbers at least three members, is composed exclusively of non-executive members of the Board, of whom the majority (including the Chairman) are independent members of the Board. The members and the Chairman of the Committee are elected by the BoD upon recommendation of the Corporate Governance and Nominations Committee. The RMC is responsible for reviewing reports and evaluating the overall risk exposure of the Bank and the Group on a regular basis, taking into consideration the approved risk assumption strategy and the Group Business Plan. The proposals are submitted to the Committee by the CRO, i.e. the General Manager Group Risk Management Division. In 2016, the RMC convened 14 (fourteen) times.

*A detailed description of the responsibilities, composition and modus operandi of the Committee is available on the Bank's website [www.nbg.gr](http://www.nbg.gr) (section: The Group/Corporate Governance/Board of Directors/Committees).*

Playing a key role in the context of the risk management framework, consisting of risk identification, assessment, monitoring and control of all risks undertaken by the Group, are the two following Risk Management Units:



The NBG Group Risk Control & Architecture Division ("GRCAD") and Market & Operational Risk Management Division ("GMORMD"). These Units identify the risks in the Group's portfolio and activities and provide oversight of all subsidiary companies of the NBG Group that are active in the financial sector.

In addition, an independent Model Validation Sector reporting directly to the CRO, has been set up and brought into operations.

With a view to effective management of the risks undertaken by the Bank and the Group, the two Risk Management Units support, supplement and collaborate with:

- The Bank's Asset & Liability Committee ("ALCO") which sets out the Bank's strategy and policy in matters of Asset & Liability Management, taking into consideration market conditions and the risk limits specified by the Bank.
- The competent Group Compliance & Regulatory Affairs and Group Compliance Monitoring Divisions, which are responsible for all issues re compliance with regulations and supervisory authorities. Specifically, by rules and supervisory authorities the following are meant: the applicable Greek legislation, the Basel Committee on Banking Supervision, the European Central Bank and the Single Supervisory Mechanism, the European Banking Authority, the Bank of Greece, the Hellenic Capital Market Commission, as well as the decisions of the competent authorities supervising the Group companies. The Division reports to the Board via the Audit Committee.
- The Group Internal Audit Division reports to the Board via the Bank's Audit Committee. This Division rounds out the risk management framework, acting as an independent control body that ensures the effectiveness of the risk management framework.

Furthermore, the two Risk Management Units of the Group work with the Credit Units, which supervise the Group's Credit Business Units and participate in their Credit Approving Bodies. The Credit Units, due to their independence, ensure unassailable control over the assumed credit risk on the first level. The Credit Units are also responsible for the Credit Policies.

### **"Four-line defence" model in Group Risk Management**

Group Risk management is divided into four different levels, to create four defence lines, as follows:

- On the first level, the risk assumption Units (e.g. Business Units, the Treasury Division) are responsible for evaluating and mitigating risks to a predefined level of anticipated performance, by establishing and applying new internal regulations during the course of their work.
- On the second level, the Credit Units, which are independent

from the Business Units, participate in the approval process with veto right, and ensure impartial control of credit risk through the four eyes principle.

- On the third level, the two Risk Management Units of the Group identify, monitor, control and quantify any kind of risks at portfolio and / or company level. In addition, they support the risk assumption Units (credit units and other) and ensure the provision of the appropriate pricing and risk management tools. Finally, they propose mitigation measures for risk exposures.
- This level includes also support for the Group Compliance & Regulatory Affairs and Group Compliance Monitoring Divisions, which control compliance with regulations and supervisory authorities.
- On a fourth level, the Group Internal Audit Division is responsible for the independent control of compliance for procedures carried out in line with internal and external regulations.

The responsibilities of all defence lines are clearly defined and separated, and the Units that carry them out are sufficiently independent.

## Group Risk Management Units

All risk management Units of Group companies duly report to the two aforementioned Group Risk Management Units, which are headed by the CRO, i.e. the General Manager of the Risk Management Division.

The mission of the Group Risk Control & Architecture Division is to:

- Specify and implement credit risk policies emphasizing rating systems, risk assessment models and risk parameters, according to the guidelines set by the Bank's BoD.
- Plan, specify, implement and introduce capital management policies, under the guidelines of the Bank's BoD.
- Assess the adequacy of methods and systems that aim to analyze, measure, monitor, control and report credit risk undertaken by the Bank and other financial institutions of the Group and periodically validate them.
- Estimate Regulatory and Economic Capital required in respect to all banking risks and prepare relevant internal and MIS reports.
- Set the guidelines for developing the methodology for estimating expected loss (EL) and its risk parameters, i.e. probability of default (PD), loss given default (LGD) and exposure at default (EAD) for each category of corporate and retail portfolio.
- Implement best practices and procedures for developing and updating all of the Group's credit risk control models.



Accordingly, the Group Market & Operational Risk Management Division is responsible for:

- Planning, specifying, proposing and implementing market, counterparty, liquidity and operational risk management policies in line with the Board's guidelines.
- Assessing the adequacy of methods and systems that aim to analyze, measure, monitor, control and report the aforementioned risks undertaken by the Bank and other financial institutions of the Group and periodically validate them.
- Independently evaluating financial products, assets and liabilities of the Bank and the Group.
- Regularly handling issues relevant to market, counterparty, liquidity and operational risks, under the guidelines and specific decisions of the Board's Risk Management and Asset & Liability Committee (the "ALCO").

Last, the independent Model Validation Sector is responsible for ratifying and calibrating all of the Group's credit risk control models, with a view to ensuring their reliability and compliance with the principle of independence required by supervisory authorities.

*For more information please see the Annual Report 2016 and the Pillar III Disclosures on a Consolidated Basis 31.12.2016. See: [www.nbg.gr](http://www.nbg.gr) (sections: 1. Group/Investor Relations/Annual reports and Offering circulars Annual Report 2016 and 2. Group/Investor Relations/Annual reports and Offering circulars Pillar III Disclosures on a Consolidated Basis 31.12.16).*

## Key Features of the System of Internal Controls

The Bank has an effective system of internal controls that helps provide secure and effective conduct of operations. Specifically, NBG has set up:

- Board Committees and Bank Committees
- NBG Group Internal Audit Division
- NBG Group Risk Control and Architecture Division
- NBG Group Market and Operational Risk Management Division
- NBG Group Compliance & Regulatory Affairs Division
- NBG Group Compliance Monitoring Division
- NBG Group Taxation Division

To safeguard the reputation and credibility of the Group in the eyes of its shareholders, customers, investors, as well as supervisory and other independent authorities, the Bank constantly enhances and strengthens, at Group level, the System of Internal Controls (SIC) which encompasses the overall control mechanisms and processes that cover all activities on an ongoing basis and contribute to the effective and secure operation of the Group. The SIC refers to the set of controls and processes that cover all activities on an ongoing basis and is designed to ensure that the Bank and the Group operate effectively.



The Bank's SIC seeks to achieve the following objectives:

- Consistent implementation of the Group's business strategy via effective utilization of all resources available.
- Identifying and managing assumed risks of all types, including operational risk.
- Ensuring the fullness and reliability of information required to give an accurate and timely picture of the Group's financial status and produce reliable financial statements to be submitted to Greek and international authorities.
- Compliance with national and European legal directives (e.g. Law 3016/2002, Bank of Greece Governor's Act 2577/2006, Sarbanes-Oxley Act), which regulate the operation of the Bank and the Group, including internal principles and procedures, IT systems and code of ethics.
- Adoption of international best principles and practices of corporate governance.
- Preventing and averting undue actions and irregularities that could jeopardize the reputation and the interests of the Bank and its shareholders and customers.

The Board, with the assistance of its Committees, in the context of the review of the corporate strategy and the significant business risks, adopts appropriate policies aiming to ensure an adequate and effective S.I.C. for the Bank and the Group. The Management has undertaken to develop and incorporate the appropriate control mechanisms and procedures depending on the scope, the risks and the nature of the Group Units' operations, to assess any weaknesses that may arise, and take the required corrective measures.

*Further information is included in the Annual Report 2016. See: [www.nbg.gr](http://www.nbg.gr) (section: Group/Investor Relations/Annual reports and Offering circulars Annual Report 2016).*

## Taxation

Effective collection of tax is a key component in the workings of an orderly, well-governed state, and the fair allocation of the tax burden is one of the state's principal roles in society. As a going business concern, the Bank and the Group are subject to income tax, and must pay it duly and on time.

The constantly changing financial environment, which results in changes in Greek tax law, requires continuous monitoring to ensure that the Group always responds to and complies with the applicable tax legislation. In view of the particularly adverse economic environment, the Taxation Division monitors tax developments on a constant basis and assumes an advisory and supervisory role to shield the Group from tax risk and protect its Management from any serious charges or penal liability.

Accordingly, the Group Taxation Division carries out a critical mission, as it is the Bank's Unit entrusted with the task of meeting all its tax liabilities and monitoring and assisting in all tax matters of the Group subsidiaries in Greece and abroad and the companies in which the Bank participates.

In order to keep the Group in step with new legal and regulatory provisions, NBG Group Units have been provided with guidelines for preventing and avoiding tax risks related to any breach of applicable legal and regulatory provisions.

The comprehensive framework of procedures established and implemented by the Taxation Division ensures that NBG Group companies in Greece and abroad fully comply with their tax liabilities, tax risk is minimized, tax risks related to the Bank's operation are identified and effectively managed, and the Bank and the Group contribute to the needs of society via the tax it pays or collects from third parties. Moreover, the entire staff is updated on the most significant tax developments, and this contributes considerably to achieving the highest possible level of NBG Group compliance with the applicable tax framework.

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## MANAGEMENT AND ITS COMMITTEES

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### Board of Directors

NBG is governed by the Board of Directors, which is responsible for formulating the Bank's strategy, supervising its management and controlling the Bank in general, its long-term target being to maximize the Bank's long-term value and protect its general interests pursuant to the current legislative and regulatory framework, including the provisions of the RFA entered into between the Bank and the HFSF and the Bank's obligations to the Monitoring Trustee.

Board members are elected by the Company's GM for a term that cannot exceed three years. All members can be re-elected pursuant to the relevant legislation and the Bank's Articles of Association.

NBG's Board is composed of executive, non-executive and independent members. The Chairman of the Board is a non-executive member. Until 30.6.2017, NBG's Board was composed of 11 members, of whom at least three members were executive members and eight non-executive members, including the Board Chairman, of whom 5 members are non-executive and independent.

As per Law 3864/2010, as amended and applicable, and the Relationship Framework Agreement (RFA) between the Bank and the HFSF, the latter participated in the Bank's Board through its appointed representative. In accordance with the new RFA between the Bank and HFSF signed in December 2015, the HFSF holds the right to appoint an observer (non-voting) on the Bank's Board. On 30 March 2017, Ms. Panagiota Iplixian was appointed as the new HFSF Representative on the

Bank's Board in replacement of Mr. Panagiotis Leftheris who was appointed in replacement of the resigned Mr. Charis Makkas. The HFSF Representative is entitled to participate in the Board's Committees and committees that are not composed exclusively of executive members, and has the rights and powers in line with Law 3864/2010, as amended and applicable, and within the framework of RFA between National Bank of Greece and HFSF. In addition, an HFSF observer attends the Committees' meetings. The observer is non-voting and appointed by HFSF as per the procedure specified in the revised RFA between the Bank and the HFSF. Mr. Panagiotis Leftheris has been appointed as HFSF observer.

Pursuant to Law 3864/2010 (article 10) and the RFA with the HFSF, the HFSF representative has, inter alia, the right to veto any decision of the credit institution's board regarding allocation of dividends and provision of bonuses to the Chairman, the CEO, the Deputy CEO and the other Board members, the General Managers and their substitutes.

Furthermore, by 22 July 2016, in the framework of the Bank's participation in the liquidity enhancement plan of the Greek economy under Law 3723/2008, the Hellenic Republic participates in NBG's Board via a representative who has the right to veto any decision regarding allocation of dividends and provision of bonuses to members of senior management, as well as to influence the strategic decisions regarding the Group. Ms. Angeliki Skandalari was appointed as representative of the Hellenic Republic on the Board, pursuant to the aforementioned law.

Since 22 July 2016, the securities issued by NBG under Hellenic Republic guarantees, as per article 2 of Law 3723/2008, have been fully paid up and written off. Accordingly, following the definitive expiry of these guarantees, NBG is no longer subject to the provisions of Law 3723/2008 and, furthermore, the representation of the Hellenic Republic on NBG's Board of Directors has been terminated.

For the purpose of monitoring implementation of the banking sector's restructuring plan and, more specifically, the Hellenic Republic's compliance with its commitments regarding the Bank's operation, Grant Thornton has been appointed as a Monitoring Trustee assigned to monitor the Bank's compliance with these commitments. Specifically, the Monitoring Trustee has undertaken to monitor compliance with the commitments regarding maintenance of an effective internal audit system, implementation of proper credit, deposit and risk management policies, limitation of state aid, implementation of restrictions in allocation of dividends and coupons, and purchase of own financial instruments. He also has access to all the relevant records and the right to interview credit analysts and risk management officers. The Monitoring Trustee attends the Meetings of the Board and its Committees as an observer.

*The Board's tasks, key responsibilities and authorities are stated in the Bank's Articles of Association and Corporate Governance Code which are available on the Bank's website, at [www.nbg.gr](http://www.nbg.gr) (section: The Group/Corporate Governance/Regulations and Principles).*



The membership of the Board of Directors as at 30.6.2017 was as follows<sup>(1)</sup>:

Full Name	Position in Board
Panagiotis (Takis) - Aristeidis Thomopoulos	Chairman (Non-executive member) <sup>(2)</sup>
<b>Executive members</b>	
Leonidas Fragkiadakis	CEO
Dimitrios Dimopoulos	Deputy CEO
Paul Mylonas	Deputy CEO
<b>Non-executive members</b>	
Eva Cederbalk	Member <sup>(3)</sup>
<b>Independent non-executive members</b>	
Mike Aynsley	Member <sup>(4)</sup>
Marianne Økland	Member <sup>(5)</sup>
Petros K. Sabatacakis	Member
Charis Makkas	Member <sup>(6)</sup>
Claude Piret	Member <sup>(2,7)</sup>
<b>Representative of the Hellenic Financial Stability Fund (HFSF)</b>	
Panagiota Iplixian	Member <sup>(8)</sup>

(1) On 9.11.2016 the BoD convened and resolved upon its reconstitution into a body. Mr. Panagiotis-Aristeidis Thomopoulos serves as Chairman of NBG Board, Mr. Leonidas Fragkiadakis as CEO, and Mr. Dimitrios Dimopoulos and Mr. Paul Mylonas as Deputy CEOs. Mr. Panagiotis Dasmanoglou, General Manager of Group Compliance & Corporate Governance serves as Secretary of the Bank's Board and its Committees.

(2) On 2.11.2016 Ms. Loukia-Tarsitsa Katseli resigned as Chair of the Board. Also, Mr. Dimitrios N. Afendoulis and Mr. Spyridon I. Theodoropoulos resigned as non-executive Board members on the same date. At the same meeting the Board elected Mr. Panagiotis (Takis)-Aristeidis A. Thomopoulos as Chairman of the Board - non-executive member, Mr. Claude Piret as independent non-executive member and Mr. Spyridon L. Lorentziadis as non-executive member to fill the vacant posts following the resignations of the non-executive Board members.

(3) Ms. Eva Cederbalk was elected as non-executive Board member on 27.12.2016, in replacement of Mr. Efthymios Katsikas who resigned as non-executive member.

(4) On 26.5.2016 Mr. Kurt Geiger and Mr. Mike Aynsley were elected by the Board as independent non-executive members.

(5) Ms. Marianne Økland was elected as independent non-executive Board members on 29.6.2016 in replacement of Mr. Kurt Geiger who resigned as independent non-executive Board member.

(6) On 19.7.2016, Mr. Charis Makkas resigned as HFSF Representative. Mr. Charis Makkas was elected on 28.7.2016 as non-executive Board member, and on 9.11.2016 he was elected by the Board as independent non-executive member.

(7) Mr. Claude Piret was appointed as independent non-executive Board member on 2.11.2016.

(8) Ms. Panagiota Iplixian was appointed on 30.3.2017 as the new HFSF Representative on the NBG Board in replacement of Mr. Panagiotis Leftheris who was appointed as HFSF Representative on 19.7.2016 and now participates in the Board under the capacity of the HFSF Observer.

On 22.7.2016 the securities issued by NBG under Hellenic Republic guarantees, as per article 2 of Law 3723/2008, were fully paid up and written off. As a result, NBG is no longer subject to the provisions of Law 3723/2008 and, furthermore, the representation of the Hellenic Republic on NBG's Board of Directors through Ms. Angeliki Skandaliari has been terminated.

On 26.1.2016, Mr. Andreas Boumis submitted his resignation as independent non-executive member of the Board.

On 19.6.2017 the non-executive member Mr. Spyros Lorentziadis also informed the Board on his resignation as of 30/06/2017.

In addition, Mr. Stavros Koukos resigned from his position as non-executive member of the Board on 7.6.2017 and participates under his new role as an Observer Representative of the Bank's Staff to the Board.

The term of the current Board expires in 2018.

#### Breakdown of Board Membership by Category and Gender

Category	Number	Percentage of men - women per category	Members
Executive members	3	3 men (100%)	Leonidas Fragkiadakis Dimitrios Dimopoulos Paul Mylonas
Non-executive members	3	1 man (33.3%) 2 women (66.6%)	Panagiotis (Takis) - Aristeidis Thomopoulos Eva Cederbalk Panagiota Iplixian
Independent non-executive members	5	4 men (80%)  1 woman (20%)	Petros Sabatacakis Mike Aynsley Claude Piret Charis Makkas Marianne Økland

27,3% (3 out of 11) of the Board Members are women.

All Board members are over the age of 50.

#### Breakdown of Board Membership by Age Group and Gender

Age Group	Number	Percentage of men - women per category	Members
Over the age of 50	11	8 men (72.7%)  3 women (27.3%)	Panagiotis (Takis) - Aristeidis Thomopoulos Leonidas Fragkiadakis Dimitrios Dimopoulos Paul Mylonas Mike Aynsley Petros Sabatacakis Charis Makkas Claude Piret Eva Cederbalk Marianne Økland Panagiota Iplixian
Under the age of 50	-	-	-

During 2016, the Bank's Board convened twenty-eight times and its Committees sixty seven times.

NBG keeps the role of Board Chair distinct from that of Chief Executive Officer in line with the applicable legislative and regulatory framework. The Board elects by absolute majority, from its members, the Chair. During his or her term of office, the Chair of the Board is a non-executive member. Accordingly, under NBG's Articles of Association and Corporate Governance Code, the Chair presides over the Board's meetings, manages the Board's operations and ensures that it fulfils its duties, its agenda is properly prepared, meetings are held effectively, and makes the best use of the time available for discussion and the competencies of its members, while the CEO oversees the company's business and is responsible for the operations of the Bank and its

Group and the attainment of the strategic targets that have been set by the Board.

Executive members of the Board are those members charged with the day-to-day running of the company, while non-executive members are those concerned with the advancement of all corporate issues, who are not Company employees and are not involved in its daily business. Under Law 3016/2002, the number of non-executive members must not be less than 1/3 of the total number of Board members. Non-executive Board members are distinguished further as independent and non-independent. Independent members are appointed by the General Meeting of shareholders and must number at least two (2), unless they are expressly appointed and participate in the Board as representatives of the minority shareholders, in which case the existence of non-executive independent Board members is not mandatory.

As set out in the Relationship Framework Agreement (RFA) between the Bank and the HFSF, the majority (at least half of the members plus one) of the Bank's Board are non-executive members at least half of which and not less than three non-executive Board members (not including HFSF Representative) are independent, as set out in the Corporate Governance Code, and at least 2 of the Board's members are executive members. According to law, independent directors are appointed by the GM. In addition, an Observer of the HFSF is appointed by HFSF on the Bank's Board. An Employees' Representatives is appointed as Observer on the Bank's Board. The role and responsibilities of the Employees' Representatives appointed as Observer, are stated in the Bank's Corporate Governance Code.

*The Corporate Governance Code that can be viewed on the Bank's website at [www.nbg.gr](http://www.nbg.gr) (section: The Group/Corporate Governance/Regulations & Principles) sets out in detail the criteria of independence as per Law 3016/2002.*

## Responsibilities and Authorities of the Board of Directors

The Bank's Board is responsible for ensuring strategic direction, management supervision and adequate control of NBG, with the ultimate goal of increasing the long-term value of the Bank and protecting the corporate interest at large, in compliance with the provisions of the law.

The Board is, indicatively, responsible for:

- Reviewing and approving the strategic direction of the Bank and the Group, including the long-term business plan, the annual budget and the key strategic decisions as well as providing guidance to the Bank's and the Group's Management.
- Reviewing the Group's corporate structure, monitoring its embedded risks and ensuring the cohesiveness and effectiveness of the Group's corporate governance system.
- Acquiring shareholdings in other banks in Greece or abroad, or divestment thereof.



- Establishing Branches, Agencies, Representation Offices in Greece and abroad.
- Establishing associations and foundations under Article 108 and participating in companies falling under Article 784 of the Greek Civil Code.
- Approving the Bank's internal Labor Regulation.
- Appointing General Managers and other officers of the Bank, upon proposal submitted by the relevant bodies of the Bank and in line with all provisions, as applicable by the effective framework.
- Reviewing and approving the annual and interim financial statements of the Bank and the Group.
- Issuing Bond Loans, with the exception of those for which the Bank's GM is exclusively responsible in accordance with the Greek law.
- Approving and reviewing the Code of Ethics for the employees of the Bank and the Group and the Code of Ethics for Financial Professionals.
- Approving the Bank's and the Group's CSR Policy.
- Approving and reviewing the NBG Group Remuneration Policy upon decision of its non-executive members, following recommendation by the HR & Remuneration Committee of the Board.

The Bank's Board is supported by competent Committees, which have been established and operate for this purpose, the operation of which is in accordance with the legislative and regulatory framework, including the provisions of the Relationship Framework Agreement between the Bank and the HFSF and the obligations of the Bank towards the Monitoring Trustee.

Pursuant to Law 3864/2010 (article 10) and the RFA with the HFSF, the HFSF representative has, inter alia, the right to veto any decision of the credit institution's board regarding allocation of dividends and provision of bonuses to the Chairman, the CEO, the Deputy CEO and the other Board members, the General Managers and their substitutes.

As per Article 22 of the Bank's Articles of Association, the BoD represents the Bank in court and out of court and may delegate its powers and functions, in all or in part, including the right of representation, to the CEO, the Deputy CEOs, one of its members, the Bank's general managers and managers, Company employees or other persons properly qualified, lawyers or third parties in general, also specifying the matters in respect of which the said powers are delegated. Excluded are any such matters as may require collective action by the Board.

*Detailed information on the responsibilities and authorities of the Board is set out in the Bank's Articles of Association and Corporate Governance Report, which constitutes an integral part of NBG's Group Annual Report 2016. The Bank's Articles of Association and the Annual Report 2016 are posted on NBG's website [www.nbg.gr](http://www.nbg.gr) (under the sections: Corporate Governance/Regulations and Principles and The Group/Investor Relations/Annual and interim financial statements/Financial statements for the Group and the Bank for the period ended 31.12.2016, respectively).*

## Nomination Procedure for Board Membership

The nomination process for membership on the Board (except for the representative of the HFSF) are subject to specific rules laid down in Laws 4261/2014, 3016/2002, 3864/2010, as amended, BoG Executive Committee Act No 22/12.7.2013, EU Regulation 468/2014, the RFA between the Bank and the HFSF, the Bank's Articles of Association, Corporate Governance Code and Nominations Policy for Board Membership. Each nominee should meet criteria that ensure in general the optimum governance and guidance for the Bank's strategy in financial, business and policy issues, so as to secure the required approval of the relevant national and European supervisory authorities.

Pursuant to article 9.1.2 of the Bank's Articles of Association, the GM of the Bank's shareholders is the sole corporate body vested with authority to decide on the election of the members and any substitute members of the Board, and to appoint independent non-executive members. Exceptionally, pursuant to article 18.3 of the Bank's Articles of Association and article 18.7 of Codified Law 2190/1920 ("the Companies Act"), in the event that as a result of resignation, death or forfeiture for whatever reason a Director ceases to be on the Board, and his replacement by substitute Directors elected by the GM is not feasible, the remaining Directors of the Board may either provisionally elect another Director to fill the vacancy for the remaining term of office of the Director replaced, or continue to manage and represent the Bank without replacing the missing Director(s), provided that the number of the remaining Directors shall be at least nine.

In addition, pursuant to Codified Law 2190/1920 ("the Companies Act"), each shareholder can propose a candidate for the Board at the GM of Shareholders; the same right (i.e. to propose candidates at the GM) is also granted to the BoD. To this end, according to the Corporate Governance Code of the Bank, the BoD, assisted by the Corporate Governance & Nominations Committee, proposes to the GM the candidates for participation in the BoD based on the NBG Board Nomination Policy, according to which candidates for the Board should meet "fit and proper" requirements and not have a systematic conflict of interests with the Bank. There are no prerequisites for the Board to submit a separate proposal for the positions of the BoD Chairman and the CEO.

Following the election of the new Board Members at the GM of Shareholders, the BoD at its first meeting shall elect by an absolute majority, from its members, the Chairman and the CEO, who manages the Bank. Pursuant to the Bank's Code of Corporate Governance, the Bank keeps the role of Board Chairman distinct from that of Chief Executive Officer. In addition, the BoD may elect Vice-Chair and Deputy CEO(s).



When selecting and proposing to the General Meeting a new director, or appointing new members in replacement of resigned members, the Board endeavours to propose candidates who meet the requirements specified in the Nomination Policy for Board Membership, do not have a systematic conflict of interests with the Bank, and whose election will ensure that the Board, as a collective body, will be well qualified to fulfil, in particular, the following key tasks:

- It shall have a sound knowledge of the banking system, and will include among its members individuals who serve or have served in high-ranking posts in financial organizations.
- Possesses significant business and professional experience and is socially distinguished, including, among its members, individuals that are serving or have served as Chairmen, Chief Executive Officers or senior managers of large organizations and have built a reputation that demonstrates the ability to form judgments over important and sensitive matters upon which the Board is called to decide;
- It shall have a full understanding of the structure and dynamic of the Bank's customer base, as well as the key markets in which NBG today operates.
- It shall have substantial international experience and will be in a position to contribute to the growth potential of the Bank in the specific geographical region where it conducts business.
- It shall have such experience regarding financial matters that will enable it to exercise effective supervision of a business group that offers a wide range of financial services and conducts business on an international level.
- It shall endeavour to balance, as far as possible, its membership across both genders.

The Code of Corporate Governance as well as the Nomination Policy for Board membership set out specific fit and proper criteria that the candidates for Board membership must meet, including professional capacities that are not compatible with their position on the Board, criteria regarding the independence of the non-executive members, the participation of the candidates in other Boards, as well as other cases that are incompatible with their capacity as an NBG Board member. All the above aim to ensure the best composition of the Bank's Board.

## **Ongoing Training of, and Provision of Information to the Directors**

NBG offers to the new members of the Board an induction course including inter alia an information session on the Bank's Corporate Governance framework and organization, and meetings with the competent officers. As part of this session the new members are updated on topics regarding governance and compliance, the key developments at Group level, internal audit, as well as financial and accounting issues. In addition, following their appointment they receive detailed information material including the rights and obligations of the Bank's Board members under the applicable legislation, the Bank's core policies, and other relevant documents regarding the obligations of the Bank deriving from the RFA with the HFSF and these vis-a-vis the Monitoring Trustee. Furthermore, competent Bank officers briefly inform the Board on topics its members should be aware of, such as the de-



velopments of the applicable corporate governance framework, risk management and NPE issues. External training courses, e.g. training of the Audit Committee members by external Bank auditors on the future changes in accordance with IFRS 9, are carried out, if deemed necessary.

## Directors Remuneration

The Board develops a proposal on the remuneration of its members for the services they provide, which is submitted to the GM. This proposal is prepared, in compliance with the applicable regulatory framework and the Bank's obligations vis-a-vis the Monitoring Trustee, on the basis of the Bank's Remuneration Policy, the regulation of the HR & Remuneration Committee, and best banking practices, in a manner both reflecting the time dedicated and the endeavours made by the members in support of the Board and with a view to enhancing their performance. The remuneration of the Board's Chairman, the CEO and the Deputy CEOs are determined by non-executive members of the Board.

Pursuant to Article 10 of Law 3864/2010, the HFSF representative has, inter alia, the right to veto any decision of the credit institution's board regarding allocation of dividends and provision of bonuses to the Chairman, the CEO, the Deputy CEOs and the other Board members, the General Managers and Assistant General Managers. Pursuant to the Recapitalization Program for Greek banks, as amended, the Bank is not allowed to provide bonuses to the members of the Board, the CEO, Deputy CEOs, General Managers or Assistant General Managers. Under no circumstances can the remuneration of the hereinabove personnel exceed the remuneration of the Governor of the Bank of Greece. As regards the executive members of the Board, the Bank has adopted, within the overall remuneration framework, a Remuneration Policy for senior executive officers designed to promote meritocracy and strengthen a performance-oriented culture. In addition, it is noted that the remuneration paid to Board members is in compliance with the Bank's commitments to the Monitoring Trustee and the Relationship Framework Agreement between the Bank and the HFSF.

In 2016 no variable remuneration was awarded to the Chairman and the executive members of the Board, while the remuneration of the non-executive Board members did not include bonuses, in accordance with the Remuneration Policy of the Bank.

On 30 June 2016, following relevant approval by the Board and a re-



commendation by the HR & Remuneration and Corporate Governance & Nominations Committees, the AGM approved the remuneration of the Board members for the financial year 2015 according to Article 24.2 of Companies Act 2190/1920, and determined the remuneration of the Chairman, the CEO, the Deputy CEOs and the remuneration of the non-executive members of the Board through to the AGM 2017. It also approved for 2015 the remuneration of the Board members for their participation in the Audit, Corporate Governance & Nominations, HR & Remuneration, Risk Management and Strategy Committees, and determined their remuneration through to the AGM 2017, in accordance with the applicable regulatory framework.

## **Evaluation of the Performance of Board Members**

In the context of the NBG Corporate Governance Code, the Board runs a self-evaluation system regarding the performance of its tasks as well as those of its Committees, on the basis of a methodology formulated and approved by the Corporate Governance & Nominations Committee.

The Policy and the Procedure re the evaluation of the performance of Board members have been updated in May 2016 in conformity with the reviewed RFA between the Bank and the HFSF. This Policy defines the evaluation procedure re the performance of Board and Committees as collective bodies, as well as the individual contribution of their members.

In 2016, the self-evaluation of the Board and its Committees and the individual evaluation of the Board members were performed in accordance with the provisions of the said Policy, by using questionnaires including questions re the Bank's priorities, the applicable regulatory framework and best corporate governance practices. These questionnaires have been sent to all Board members. Note that in 2016 the Board's self-evaluation was carried out with the assistance of an external advisor.

Also, in the same year the HFSF completed the Board evaluation via independent advisors pursuant to article 10 of Law 3864/2010, as amended and applicable. In particular, in line with article 10 of Law 3864/2010 the HFSF, assisted by an independent, prestigious and specialized advisor, assesses the corporate governance regulations deployed by the credit institutions that entered into RFA. Article 10 of Law 3864/2010 requires that the evaluation covers the size, structure and allocation of duties and responsibilities within the Board and its Committees, in line with the business needs of each credit institution, as well as the members of the Board and its Committees on an individual basis.

The outcomes of both these evaluations were reviewed and discussed at Board level by the competent Corporate Governance & Nomination Committee. In 2016, a detailed Action Plan was prepared following the two Board evaluations. This Plan is closely monitored by the competent Board Committee, and has highlighted the significant improvements observed after the evaluations.



In 2016, it is also worth noting that the Board membership was adjusted by means of the appointment of new members with significant experience and expertise to the Board and its Committees, as per the applicable legislative and regulatory framework, particularly Law 3864/2010 as amended and applicable, as well as the Bank's internal corporate governance regulations. Further, in 2016 the desired Board Profile was reviewed in accordance with the eligibility criteria of Law 3864/2010 as amended and applicable, and was embedded in the Bank's new Nomination Policy. The desired Profile is regularly updated and revised, if deemed necessary, in line with the developments and requirements for specific specializations as may be applicable from time to time.

Moreover, in 2016 the membership of the Board Committees was adjusted by appointing independent non-executive expert members as per Law 3864/2010, as amended and applicable, and in compliance with RFA between the Bank and HFSF.

The Board Committees updated their Rolling Agendas, reviewed their Regulations and prepared Action Plans monitored on a regular basis and including details on further actions that each Committees shall undertake in the future, as well as the timeframe of each action. They also follow the developments and review the aforementioned documents with a view to ensuring that the operations of each Committee remain relevant, and in accordance with the applicable requirements. Special emphasis was placed on the Committees' regular briefing re issues that fall within their sphere of responsibility. For example, the Risk Management Committee receives special monthly reports on the NPLs/NPEs within the framework of its dual role and its special responsibility for such loans / exposures.

## Climate Change – Sustainable Development

In the framework of its activity, the Bank's Board was informed of, and intends to review, issues regarding climate change and the relevant risks and opportunities emerging for the Bank in 2017, as well as issues regarding the Bank's performance in the field of sustainable development.

The Bank's Board is updated on financial, environmental and social issues by the competent officers, while during the course of their work, and so as to be able to seek information and consultation, the members of the Board have access to all Senior Executives of the Bank and the Group.

The Bank's Management has appointed the General Manager for Group Compliance & Corporate Governance as ESMS (Environmental and Social Management System Officer) i.e. Head of NBG's Environmental Management and CSR System. The General Manager of Group Compliance & Corporate Governance serves as Secretary of the Bank's Board and its Committees, as well as non-voting Member of the Execu-



tive Committee of NBG and reports to the CEO, the Audit Committee and the Board. The Head of the Environmental Management System of the Bank and Head of CSR, has the required authority and is responsible for the development and implementation of the strategy of NBG's Environmental Management and CSR System, as well as ensuring the Bank's goals are achieved and reporting regularly on the System's performance and the actions taken for its improvement.

## Board Committees

The Board has established, and is assisted in its operations by, the following Committees:

- Audit Committee
- Corporate Governance & Nominations Committee
- Human Resources & Remuneration Committee
- Risk Management Committee
- Strategy Committee

The committee members are remunerated annually for their participation in each of these Committees.

*The committees' charters can be viewed on NBG's website [www.nbg.gr](http://www.nbg.gr) (section: The Group/Corporate Governance/Board of Directors/Committees).*

## Audit Committee

This Committee was set up in 1999 and operates in accordance with the provisions of Bank of Greece Governor's Act 2577/2006, Article 37 of Law 3693/2008, Article 44 of Law 4449/2017 and the provisions of the Sarbanes-Oxley Act.

The members of the Committee are elected by the GM upon recommendation of the Corporate Governance & Nominations Committee to the Chairman of the Board. The Chairman and the Vice Chairman of the Committee are appointed by the Board. The Committee consists of six non-executive members of the Board; four are independent and one is the HFSF representative on the Board. The member's term of office is one year and can be renewed without limitation. The Audit Committee employs a specialized advisor who reports directly to its Chairman. The Committee meets on a regular basis, at least six times a year, and on an extraordinary basis if required, it keeps minutes of its proceedings and reports to the Board every three months or less, if deemed necessary.

In 2016, the Audit Committee convened fifteen times.

*Detailed information on the responsibilities, composition and modus operandi of the Committee is included in the Committee's charter posted on the Bank's website, at [www.nbg.gr](http://www.nbg.gr) (section: The Group/Corporate Governance/Board of Directors/Committees).*

**Membership of the Audit Committee (30.6.2017)**  
(4 independent non-executive members, 2 non executive members)

<b>Chairman of the Committee</b>	Claude Piret
<b>Vice Chairman of the Committee</b>	Petros Sabatacakis
<b>Members</b>	Mike Aynsley Marianne Økland Eva Cederbalk Panagiota Iplixian (HFSF representative)

## Human Resources & Remuneration Committee

The Human Resources & Remuneration Committee was set up by resolution of the Board (meeting No 1259/5 May 2005).

In 2016, the Human Resources and Remuneration Committee convened eight times.

*Detailed information on the responsibilities, composition and modus operandi of the Committee is included in the charter of the Committee posted on the Bank's website, at [www.nbg.gr](http://www.nbg.gr) (section: The Group/Corporate Governance/Board of Directors/Committees).*

**Membership of the Human Resources & Remuneration Committee (30.6.2017)**  
(5 independent non-executive members, 1 non-executive member)

<b>Chairman of the Committee</b>	Marianne Økland
<b>Vice Chairman of the Committee</b>	Mike Aynsley
<b>Members</b>	Claude Piret Charis Makkas Petros Sabatacakis Panagiota Iplixian (HFSF representative)

## Corporate Governance & Nominations Committee

The Corporate Governance & Nominations Committee was set up by virtue of NBG Board resolution (meeting No 1259/5 May 2005).

In 2016, the HRRC convened twenty-three times.

*Detailed information on the responsibilities, composition and modus operandi of the Committee is included in the charter of the Committee posted on the Bank's website, at [www.nbg.gr](http://www.nbg.gr) (section: The Group/Corporate Governance/Board of Directors/Committees).*

**Membership of the Corporate Governance & Nominations Committee (30/06/2017)**  
(5 independent non-executive members, 1 non-executive member)

<b>Chairman of the Committee</b>	Marianne Økland
<b>Vice Chairman of the Committee</b>	Claude Piret
<b>Members</b>	Petros Sabatacakis Mike Aynsley Charis Makkas Panagiota Iplixian (HFSF representative)

## Strategy Committee

The Strategy Committee was set up by resolution of the Bank's Board (meeting No 1387/29 September 2009).

In 2016, the Strategy Committee convened seven times.

*Detailed information on the responsibilities, composition and modus operandi of the Committee is included in the Committee's charter posted on the Bank's website, at [www.nbg.gr](http://www.nbg.gr) (section: The Group/Corporate Governance/Board of Directors/Committees).*

**Membership of the Strategy Committee (30/06/2017)**  
(5 independent non-executive members, 2 non-executive members and 1 executive member)

<b>Chairman of the Committee</b>	Panagiotis (Takis) - Aristeidis Thomopoulos
<b>Vice Chairman of the Committee</b>	Charis Makkas
<b>Members</b>	Leonidas Fragkiadakis Mike Aynsley Petros Sabatacakis Marianne Økland Claude Piret Panagiota Iplixian (HFSF representative)

## Risk Management Committee

The Risk Management Committee was set up by resolution of the Bank's Board (meeting No 1308/20.7.2006) on the basis of the provisions of Bank of Greece Governor's Act 2577/9.3.2006. The Committee has a double mission as it operates as (a) Risk Management Committee and (b) Committee responsible for NPLs/NPEs as specified in Article 10.8 of Law 3864/2010 as amended.

In 2016, the Risk Management Committee convened fourteen times.

Since 19.12.2013 the Committee has been composed exclusively of non-executive Board members, at least three in number, and the majority (including the Chairman) are independent members of the Board, in accordance with the definition of independence specified in the Bank's Corporate Governance Code, while one member is the HFSF representative on the Board. The members and the Chairman of the Com-



mittee are appointed thereto by the Board of Directors upon recommendation of the Corporate Governance & Nominations Committee. All members must have adequate knowledge and experience in banking and financial matters, while at least one member (expert) should have significant experience in the management of risks and capital, as well as knowledge of the domestic and international regulatory framework.

*Detailed information on the responsibilities, composition and modus operandi of the Committee is included in the Committee's charter posted on the Bank's website, at [www.nbg.gr](http://www.nbg.gr) (section: The Group/Corporate Governance/Board of Directors/Committees).*

Membership of the Risk Management Committee (30/06/2017) (4 independent non-executive members, 1 non-executive member)	
Chairman of the Committee	Mike Aynsley
Vice Chairman of the Committee	Marianne Økland
Members	Claude Piret
	Charis Makkas
	Panagiota Iplixian (HFSF representative)

## GENERAL MEETING OF SHAREHOLDERS

The Bank's Articles of Association set out the modus operandi of the GMS, its key powers and authorities as well as the shareholders' rights and their exercise, while taking into consideration the provisions of Codified Law 2190/1920, Law 3864/2010 and the RFA between the Bank and the HFSF.

Pursuant to NBG's Articles of Association, the GM is the Bank's supreme body. Its lawful resolutions are binding on all Shareholders, even those absent or dissenting. All of the Bank's Shareholders are entitled to participate in the GM. Shareholders may be represented at the GM by other, duly authorized persons, in line with the applicable provisions of law. Each share shall entitle the holder to one vote, as stipulated by law. Each shareholder is entitled to a number of votes equal to the number of shares held. The Bank shall ensure equal treatment of shareholders who are in the same position.

*The modus operandi of the GMS, its key powers and authorities, and shareholders' rights and how they are exercised are set out in the Bank's Articles of Association, available on the Bank's website, at [www.nbg.gr](http://www.nbg.gr) (section: The Group/Corporate Governance/Regulations and Principles).*

## Minority Shareholders

Minority shareholders' rights are implemented pursuant to Codified Law 2190/1920, as amended and the relevant provisions of the Bank's Articles of Association.

At the request of Shareholders representing 1/20 of the paid-up share

capital, the Board is obliged to convene an extraordinary GM setting the date thereof not later than forty-five (45) days as of the date on which the request was submitted to the Chairman of the Board. The request shall indicate the items on the agenda.

At the request of shareholders representing 1/20 of the paid-up share capital, the Board can add to the agenda of the General Meeting that has been convoked additional items provided the respective request is submitted to the Board at least 15 days prior to the said General Meeting and is in line with the requirements of article 31.2 of the Bank's Articles of Association.

If the company's shares are listed on the stock exchange, by request of shareholders representing 1/20 of the paid-up share capital, the Board shall, pursuant to article 27.3 of the Companies Act 2190/1920, provide shareholders at least 6 days prior to the date of the General Meeting draft resolutions on the items included in the initial or the revised agenda, provided the respective request has been submitted to the Board at least 7 days prior to the date of the General Meeting. The Board is under no obligation to take any of these steps if the content of the respective request clearly infringes the law and decent conduct. In particular as regards the General Meetings held pursuant to article 7 of Law 3864/2010, the said 6 and 7-day deadline is shortened to 3 and 4 days respectively.

At the request of shareholders representing 1/20 of the paid-up share capital, the Chairman of the GM shall postpone, only once, decision-taking by the GM, whether annual or extraordinary, for a new GM to be held on the date indicated in the shareholders' request, but not later than 30 days as of the said postponement. In particular as regards the General Meetings held pursuant to article 7 of Law 3864/2010, the said 30-day deadline is shortened to 3 days.

The GM held following such postponement, being a continuation of the previous GM, is not subject to publication requirements as regards the invitation to shareholders, and new shareholders may also participate therein, subject to the provisions of Articles 27.2, 28 & 28.a of Companies Act 2190/1920.

At the request of shareholders representing 1/20 of the paid-up share capital, decision-taking on the GM agenda shall be by roll-call.

At the request of any Shareholder filed to the Bank at least five (5) full days before the date of the GM, the Board provides the GM with any such specific information on the Bank's business as may be requested, insofar as it serves for real assessment of items on the agenda. In particular as regards the General Meetings held pursuant to article 7 of Law 3864/2010, the said 5-day deadline is shortened to 3 days. The Board may provide a single answer to shareholders' requests that are of similar content. The obligation to provide information does not apply



in the event that such information is already available through the Bank's website, particularly in the case of frequently asked questions. Moreover, at the request of shareholders representing 1/20 of the paid-up share capital, the Board shall inform the GM, provided it is an Annual Meeting, of the moneys paid by the Bank to each director or the managers of the Bank over the last two years, and of any benefits received by such persons from the Bank for whatever reason or under any agreement with the Bank. In all of these cases the Board is entitled to decline the provision of the information requested, for good reasons, which are recorded in the minutes. Depending on the circumstances, one such good reason may be the requesting Shareholders' representation on the Board as per par. 3 or 6 of Article 18 of the Company Law 2190/1920.

At the request of Shareholders representing 1/5 of the paid-up share capital, filed with the Bank at least five (5) full days before the GM, the Board shall provide the GM with information on the current status of corporate affairs and assets. Given that the deadline applied is at least five (5) full days before the GM, as specified in article 39.4 of the Companies Act 2190/1920, specifically in the case of General Meetings held pursuant to article 7 of Law 3864/2010 the aforementioned shortened 3-day deadline shall apply. The Board may decline to supply the information requested for good reasons, which are recorded in the minutes.

In the cases of subparagraph 5 of par. 6, and of subparagraph 2 of par. 7 of Article 31 of the Bank's Articles of Association, any dispute as to the validity of the Bank's reason for declining to provide the information requested to the Shareholders shall be settled by a judgement rendered by the competent court of the place of the Bank's registered office. By virtue of the said judgment, the Bank may be required to provide the information it had declined.

In all aforesaid cases, when requesting shareholders exercise their right, they are required to produce proof of their shareholder capacity and number of shares. A certificate to this effect from the organization where the relevant securities are held or verification of shareholder status through direct electronic link-up between the records held by such organization and the Bank may also serve as such proof.

In accordance with the procedure provided for by law, shareholders of the Bank representing at least 1/20 of the paid-up share capital are entitled to file with the competent court a petition for an audit of the Bank. The audit shall be ordered if the acts alleged by the petitioners are deemed likely to contravene provisions of the law, or of these Articles of Association, or of GM resolutions. Under all circumstances, audit requests as above shall be filed within three (3) years of approval of the annual financial statements for the year in which such acts allegedly occurred.

Shareholders representing 1/5 of the paid up share capital may file with the competent court a petition for an audit if the overall corporate performance suggests that the management of corporate affairs has not been based on sound or prudent practices. Shareholders requesting



an audit shall provide the court with proof of ownership of the shares entitling them to the audit request.

*Minority rights are documented in the Bank's Articles of Association, which can be viewed on the Bank's website [www.nbg.gr](http://www.nbg.gr) (section: The Group/Corporate Governance/Regulations and Principles).*

*The powers and authorities of the General Meeting of Shareholders can be viewed on the Bank's website [www.nbg.gr](http://www.nbg.gr) (section: The Group/Corporate Governance/Regulations and Principles/Articles of Association).*

## **Targets 2017**

- External verification of the modules contained in NBG's CSR Report.
- Participation in the UN initiative on Sustainable Development and inclusion of the Bank in the UN Environment Program Finance Initiative.
- Materiality assessment/ analysis for CSR evaluation of key issues of the Organisation.
- Enhancing the Bank's positive corporate image and providing information to all those interested in CSR issues, by planning and implementing all necessary steps and actions.










## Responsibility to the Market

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NBG – the oldest financial institution in Greece with a 176-year history and a wide branch network – endeavours to conduct its business in full compliance with CSR principles, while it constitutes a pillar of stability and growth for Greece. We adhere to our commitment to ensure maximum security in transactions, seeking the highest possible satisfaction on the part of our customers and at the same time providing state-of-the-art products and services while also making it a priority to undertake initiatives to support Greek businesses and households in the current adverse economic environment.

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## PRODUCTS AND SERVICES

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Our products and services aim at covering fully and effectively the needs of our customers. Accordingly, in response to the ever-changing needs of businesses and individuals, we have developed a wide range of products and services, including:

- Consumer and mortgage loans.
- Credit Cards.
- Bancassurance plans for insurance and care programs for children, pension, health and property.
- Business credit.
- Deposit products and debit cards.
- Investment products and services.
- Portfolio management.
- Financing of major development projects. Structured financing (Public Private Partnerships PPPs – Project Finance).
- Financing of urban development and regeneration projects under the JESSICA initiative (Joint European Support for Sustainable Investment in City Areas). NBG has undertaken the Urban Development Fund for the regions of Attica, Western Greece and Ionian Islands and the Environment Fund.
- Financial advisory services.

Within the framework of its business capabilities and the sense of responsibility that governs its business culture, NBG has designed and launched a series of “socially & environmentally responsible” products:

- **“NBG Children”**: NBG Children is a deposit program available for children up to 17 years old, which has been designed to help parents create the financial security that children need at the beginning of their adult life. In addition, this program helps the child become familiar with the banking sector and embrace the values of saving and managing money.
- **“STUDENT LIFE”**: An integrated pack of products for school and university students regardless of their age, as well as for primary and secondary education students to cover their needs in the course of the student life. The Bank offers a wide range of facilities, among others the option to send remittances for studying purposes at privileged terms.

- **"Green Loan":** A loan offered to customers who wish to install energy-saving technologies and products with the aim of improving energy efficiency of homes or for the purchase of new hybrid technology cars. NBG's "Green Loan" is designed to contribute to energy saving, providing customers the possibility to participate actively in the protection of the environment by substantially improving their living conditions. During 2016, the Bank received 12 "Green Loan" applications amounting to € 65,240.99. Of these, five applications were approved amounting to € 27,949.08.
- **"ESTIA Green Home":** NBG offers "ESTIA Green Home", a mortgage loan for the purchase or construction of an energy efficient residence or the repair of a house in order to upgrade it in terms of its energy consumption. The level of funding is up to 100% of the purchase price or cost of construction or repair works and real security is obtained as collateral for the loan. The interest rate on the loan is floating throughout the loan term based on the 3-month Euribor rate, the minimum being the ECB rate, plus margin. A 0.20% - 0.80% discount is offered on the said rate, depending on the purpose of the loan and the energy category of the asset being financed upon the time of the purchase or after the completion of construction or repair works. In addition, a 50% discount is offered on the loan application review fee. On 31.12.2016 the balance of "ESTIA Green Home" loans stood at € 4.1 million.
- **"Energy Saving at Home" Program:** NBG was ranked first in terms of disbursements under the "Energy Saving at Home" Program which was launched in February 2011 with the aim to improve energy efficiency of homes. In particular, the Program is aimed at home owners in areas of zone price up to € 2,100/m<sup>2</sup> and who wish to make home alterations so as to gain a certified reduction in their energy consumption. In 2016, NBG received 2,887 loan applications for participation in the "Energy - Saving at Home" program of a total amount of € 14.5 million. Of these, 2,091 were approved at a total value of € 10.6 million.
- **Investment in energy production via PV systems:** This is a program by which NBG offers attractive financing options to individuals or businesses who wish to benefit from incentives set out in Law 3468/2006, Law 3734/2009, Law 3851/2010 and Law 3889/2010 and invest in PV power generation.

## Cards

One of the Bank's strategic targets in 2016, given the adverse economic situation (capital controls), was to generate increase in the use of debit cards with POS devices for the purchase of products and services.

Accordingly, the Bank continued to replace ETHNOCASH PLUS cards with Debit MasterCard and Debit MasterCard Business Cards that enable contactless transactions at businesses equipped with the special readers.



In the context of Law 4320/2015 ("Regulations for taking immediate measures to tackle the humanitarian crisis, the organization of the Government and Governmental Institutions and other provisions"), NBG, in cooperation with the Ministry of Labor, Social Insurance & Social Solidarity, continued to manage the prepaid "Solidarity Card" granted to circa 150,000 beneficiaries of food subsidies. The card is credited pursuant to the Ministry's records. Moreover, within the context of participation in "Social Solidarity Income" programs, the Bank issued and marketed the prepaid rechargeable contactless card PRE-PAID VISA KA.

Last, NBG issued a rechargeable prepaid Visa card with incorporated contactless technology to meet the needs of a specific category of customers. The product was widely welcomed by the Bank's clientele and recorded strong growth rates throughout the year. The card has a 5-year duration and participates in the go4more program.

With regard to the credit card portfolio, the Bank issued new cards with a chip and pin / contactless technology while the replacement of the existing portfolio also started through early renewals. In the meantime, the Bank continued its efforts to expand the credit card portfolio on a quality basis by supporting reward and loyalty programs. Emphasis was placed on the go4more program, the only customer loyalty program in Greece that rewards the overall customer-Bank relationship and not just the use of cards.

In 2016, special emphasis was placed on the sphere of acceptance, management and clearing of card transactions at businesses. This service was provided via electronic card acceptance readers (POS), the cost of which is met either by the business (i-bank POS) or the Bank subject to conditions. To this end, the Bank sought to attract new businesses and enhance and upgrade existing business relationships. NBG implemented a comprehensive action plan (promotion and advertisements) and continued to assign the supply, maintenance and technical support of devices to specialized companies. The modernization of the existing network and the development of new business relationships and cooperation with business sectors that did not previously accept card transactions (e.g., taxis, kiosk owners and others), was one of the Bank's key objectives.

*For further information on the products and services provided by the Bank, visit NBG's website [www.nbg.gr](http://www.nbg.gr). Details on NBG "green" products are available in the Chapter "Responsibility to the Environment".*

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## SUPPORTING MEDIUM AND LARGE ENTERPRISES

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Keeping the same orientation in 2016, NBG supported accordingly the development of Greek economy via the provision of liquidity to healthy



businesses which carried out sustainable investments so as to enhance competitiveness, innovation, export orientation, and the creation of new jobs.

To this end, the Bank:

- Actively participated in the use of financial tools offered by the National Strategic Reference Framework 2007-2013, in cooperation with European and Domestic Developmental Organizations, ensuring favorable financing terms for Greek businesses, including low-interest loans for the implementation of investment and business plans, startups and existing businesses, via the Actions "Business Restarting" and "Island Tourism Entrepreneurship" with the co-funding of the Hellenic Fund for Entrepreneurship and Development (ETEAN), as well as the JEREMIE initiative of the European Investment Fund (EIF), contributing to the absorption of the funds available in 2016.
- Successfully completed the "Grouped Loans for SMEs" program in collaboration with the European Investment Bank (EIB) providing € 130 million in total for the implementation of investment and business plans of Greek businesses on favorable financing terms, thus contributing to the reduction of the cost of financing for businesses.
- In the context of the "Grouped Loan for SMEs" program and with a view to addressing the problem of unemployment among the young, NBG implemented the "Jobs for Youth" Initiative, providing competitive interest rates to businesses that promote employment for young people by creating and maintaining circa 300 jobs for young people under 25.
- NBG signed with the European Investment Fund (EIF) the first agreement in Greece, for the amount of € 100 million, in implementation of the COSME Loan Guarantee Facility, with the support of the European Fund for Strategic Investments (EFSI), a core feature of which is the substantially reduced requirement for collateral, so as to support more SMEs.

## ENHANCEMENT OF SMEs (for Businesses with Turnover up to € 2.5 million)

The Bank continued to take up initiatives within the context of supporting SMEs and professionals (with turnover up to € 2.5 million) given the adverse economic environment and the need to encourage their developing business activities. Specifically:

- In the area of SMEs financing, against an extremely adverse economic backdrop, the Bank - fully recognizing the problems faced by SMEs - continued to support healthy enterprises that have been put under strain by the domestic financial crisis, by providing essential liquidity, as well as enterprises facing difficulties in servic-

### SMEs Loans and Reschedulings (2016)\*

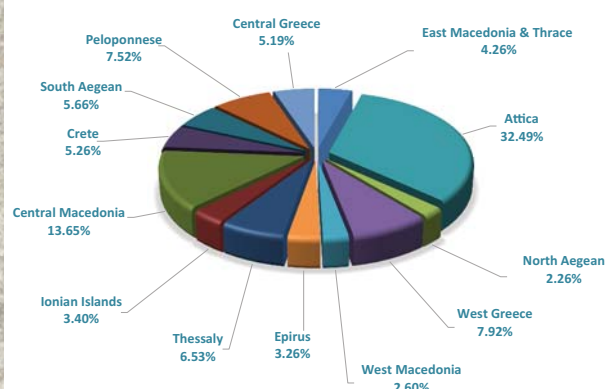
	€ million
Working capital loans	744.72
Fixed assets loans	297.62
Loans via ETEAN S.A. and JEREMIE	60.13
Work-out loans	399.80
<b>Total</b>	<b>1,502.27</b>

*\* Cumulative balances as at 31.12.2016*

### Geographical allocation of SMEs credit portfolio (2016)

Prefecture	Amount (in € millions)	%
East Macedonia & Thrace	64	4.26
Attica	488	32.49
North Aegean	34	2.26
West Greece	119	7.92
West Macedonia	39	2.60
Epirus	49	3.26
Thessaly	98	6.53
Ionian Islands	51	3.40
Central Macedonia	205	13.65
Crete	79	5.26
South Aegean	85	5.66
Peloponnese	113	7.52
Central Greece	78	5.19
<b>Total</b>	<b>1,502</b>	<b>100.00</b>

### GEOGRAPHICAL ALLOCATION OF SMEs CREDIT PORTFOLIO (2016)



For further information visit NBG's website [www.nbg.gr](http://www.nbg.gr).

ing their financial obligations, by offering favourable terms regarding their debts. In addition, NBG continued to support the liquidity of enterprises and, by extension, their operations by enabling them to restructure debts that are in an early phase of arrears, and by offering packages designed to facilitate the repayment of debts in arrears. Restructuring / rescheduling / reprofiling of customer debts handled by the Small Business Loans Division as at 31 December 2016 totalled € 399.8 million. These do not include restructured/ rescheduled / reprofiled debts that have in the meantime been transferred to bad debt.

- The Bank provided liquidity to SMEs through participation in "Co-funded Schemes" that granted loans / credit at particularly low interest rates and with remarkable results so far, including in 2016, through:
    - The JEREMIE General Entrepreneurship initiative aiming at meeting the needs for working capital of healthy micro, small and medium-size domestic enterprises or at financing the acquisition of fixed assets. Such loans are co-funded 50% by the European Investment Fund (EIF) via the National Strategic Reference Framework (NSRF) 2007–2013 and 50% by NBG funds.
    - ETEAN SA funding programs, and specifically:
      - ACTION VII "TEPIX - Business Restarting" to meet working capital needs for business growth and to finance investment plans of micro, small and medium enterprises.
      - Action VIII "TEPIX - Island Tourism Entrepreneurship" aiming at supporting micro and small enterprises which are active in the tourism sector in the Greek islands.
    - The new loans granted under the ETEAN SA funding programs and the JEREMIE initiative for 2016 amounted in total to €9.05 million.
  - NBG signed with the European Investment Fund (EIF) the first COSME agreement in Greece as part of the COSME Loan Guarantee Facility program. The loans provided via this program are 50% guaranteed by the EIF, and accordingly there are substantially reduced requirements for provision of collateral by the businesses seeking financing.
- Approvals totalled € 2.4 million between the program's commencement on 10.10.2016 and 31.12.2016.
- In 2016, NBG continued to implement the assistance program for the cross-border commerce of healthy domestic SMEs and MidCap Businesses whose trading partners face problems accepting Greece country risk. This program is backed by the provision of EIB guarantees in favor of NBG with selected foreign Correspondent Banks, with a view to carrying out eligible international com-

mercial transactions on behalf of the Bank. The EIB provides guarantees to the correspondent bank for 85% of the transaction's amount while the other 15% is covered by the correspondent bank against cash collateral by NBG. At the same time, the Bank offers to SMEs and freelancers its comprehensive service platform "Ethniki Sight Account", which enables them to carry out their banking transactions and enjoy various benefits and favourable terms.

- In addition, recognizing the dynamic and growth potential of the agricultural sector as a key pillar of the primary sector of the Greek economy, the Bank in recent years has applied an expanded action plan for the sector's support and growth, using funding tools and solutions across the entire range of banking operations. Within this framework, NBG continued in 2016 its Contract Farming financing program by which it finances farmers and livestock breeders who collaborate with selected agricultural product trading and processing companies for the production of products that are bought by the latter on the basis of sales agreements between both parties. As a result, the production and trading cycle of the buyers and farmers is upgraded, and both sides enjoy significant benefits (reduction of production cost, better planning of inventories). In the production period of 2016 more than 1,000 farmers enjoyed the benefits of the program. Within the framework of NBG's Contract Farming Program, € 4.1 million were granted to farmers to help cover the production cost.

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## ENHANCEMENT OF SHIPPING

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Shipping, as a different business sector, is governed by a very strict international statutory and regulatory framework, ensuring to a large extent the actions that are necessary for the protection of the environment, as well as social responsibility.

The Bank's interest on the environmental and social risks related to Shipping is indirectly connected to the financing of shipping companies. The full compliance of the shipping / managing companies as well as the ships under financing with the international regulations on safe management and operation constitutes part of the criteria for granting and maintaining a loan.

In particular, a shipping loan is disbursed subject to delivery of a clean class certificate, issued by a classification society, member of the IACS, insurance by acceptable insurance companies, and presentation of certificates evidencing the compliance of the ship and the shipping/ managing company with the international safety regulations. In addition, it is the customers' contractual obligation to renew the insurance and certifications submitted before the disbursement, as well as to inform accordingly the Bank throughout the duration of the loan.

Failure to comply with the international regulations governing Shipping shall constitute material as well as procedural grounds for termination of the Loan Agreement.

*Further details are available in the Chapter "Responsibility to the Environment".*



## CORPORATE SPECIAL ASSETS UNITS

With a view to optimizing the handling of loans that require special management and providing real support to Greek businesses and the economy in general, NBG set up a number of Corporate Special Assets Divisions. The said Units seek to formulate effective rescheduling and restructuring programs that help companies that are facing operational and financial problems and are having difficulty paying their dues, to get back on a sustainable trajectory. The Corporate Special Assets Divisions carry out assessment of the firms in question by considering various data such as the viability of the firms, their ability to service their debts, market conditions, competition, the sector of activity and so on. Thereafter, they propose loan rescheduling solutions to the firms in the framework of their financial and operational restructuring efforts. Backed by the operation of these new units, NBG is pursuing faster and more effective handling of its distressed loan portfolios so as to remove obstacles to the growth and development of the Greek economy. At 31.12.2016 the total balance of rescheduled customer dues handled by the Corporate Special Assets Units was circa € 2.0 billion.

## SUPPORT TO HOUSEHOLDS: DEBT WORK-OUT – RESCHEDULING FRAMEWORK

For yet another year, NBG continued in 2016 the implementation of a policy regarding favorable measures for borrowers facing difficulty in repaying normally their debts. The programs offered were adjusted to the new market conditions, ensuring sustainable solutions to the Bank's customers, by offering personalized repayment plans based on the borrowers' current income. Accordingly, instalments were rescheduled in line with the borrowers' current income and with a view to rewarding their consistency.

The relevant NBG Divisions monitor financial developments and adjust the said products, reviewing their features on a regular basis. Specifically:

### Mortgage work-out / Rescheduling / Restructuring Products (2016)\*

	€ million
Debt work-out products	651.00
Rescheduling products	159.80
Restructuring products	6,160.60
<b>Total</b>	<b>6,971.40</b>

*\* The above amounts concern balances in the Mortgage Loan Portfolio as at 31.12.2016.*

### Debt work-out / Rescheduling / Restructuring Products (2016)\*

	€ million
Debt work-out products	521.08
Rescheduling products	112.40
Restructuring products	1,664.56
<b>Total</b>	<b>2,298.04</b>

*\* The above amounts concern refinancing balances in the Card and Consumer Loan portfolio as at 31.12.2016.*

Mortgage Lending Actions	Consumer Credit Actions
<p>In 2016, the Bank continued to offer programs aimed at assisting housing loan borrowers facing difficulties in smoothly repaying their debts. The products offered depend on the loan's days past due, while in some cases the Bank has developed specific products for unemployed customers. In particular:</p> <ul style="list-style-type: none"> <li>→ Customers with performing or slightly delayed dues are offered the option of an interest-only payment period for a specific period of time and extension of their housing loan term. Specifically, for unemployed customers, the said program is offered in combination with a particularly low, fixed interest rate for a specific initial term.</li> <li>→ Customers with loans in arrears are offered the option to reschedule their dues by readjusting the instalment to their current financial status and rewarding the smooth repayment of the loan as per the rescheduling arrangement.</li> <li>→ In addition, through the rescheduling program "Split &amp; Freeze", NBG launched a long term viable repayment plan by splitting the loan in two parts. The 1<sup>st</sup> part is repaid through instalments throughout the period of the rescheduling, and is calculated on the basis of the instalment that the borrower can pay ("split" part), while as regards the 2<sup>nd</sup> part, including the remaining amount of the restructured debt, there is no obligation to pay any instalments for a specific period of time ("freeze" part). In addition, this program rewards the smooth repayment of the loan as per the rescheduling arrangement, in the form of write-off of principal.</li> <li>→ Lastly, NBG enables the consolidation of debts arising from consumer loans and credit cards under favorable repayment terms.</li> </ul> <p>It is noted that the Bank has implemented the Code of Conduct under Law 4224/2013.</p>	<ul style="list-style-type: none"> <li>■ Customers with performing dues are offered the option: <ul style="list-style-type: none"> <li>→ to extend the repayment period of their consumer loan and</li> <li>→ debt consolidation in respect of consumer loans and credit cards under favorable repayment terms and an interest-only payment period, depending on the security supplied.</li> </ul> </li> <li>■ In addition, NBG offers special debt restructuring products aimed at customers whose consumer loans or credit cards are in arrears, so that they can reduce their monthly instalments and consequently facilitate the normal repayment of debts.</li> <li>■ NBG continued successfully to offer updated restructuring programs for debts deriving from consumer credit aimed at customers whose consumer loans are long overdue and which aim at devising a realistic and sustainable repayment schedule. As an additional opportunity to settle their debts, NBG offered its customers the option to incorporate anew the Restructuring, Arrangement, Rescheduling and 2<sup>nd</sup> Rescheduling loans already granted into the new Restructuring programs. The said programs provide reward incentives for the customer's compliance with the agreement, such as longer repayment term and an instalment amount adapted to the customer's family income, and during this term the customer shall pay a specific fraction of the monthly instalment (fractional instalment payment). Unemployed borrowers, who have been included in the rescheduling programs for debts deriving from Consumer Credit and credit cards, enjoy special treatment as regards the pricing policy (exemption from fees) and the instalment, which is particularly low.</li> <li>■ The aforementioned programs were provided throughout the year, and can be arranged with the option of registering a mortgage prenotation on the borrowers' property. In this case, the combination of a much lower interest rate and longer repayment term leads to the reduction of the instalments to very low levels as well as of the total credit cost and increases the likelihood of normal debt repayment. The Bank's clientele chooses at a consistently high rate (21.4% for 2016) to offer mortgage prenotation on property as collateral to improve the financial terms of the arrangement.</li> <li>■ Law 4224/31.12.2013 provided for the introduction, by decision of the Bank of Greece, of the Code of Conduct for Banks for the management of non-performing private debt, as enacted by BCCD 116/25.8.2014, with a view to creating a permanent mechanism for the settlement of non-performing debt of individuals, legal persons and businesses, and providing for the launch of a Government Council for Private Debt Management. The Government Council for Private Debt Management specified the meaning of a "cooperating borrower" vis-à-vis his/her lenders and proceeded to define "reasonable living expenses". The key concepts of the Code of Conduct are: the Arrears Resolution Procedure, the Standardized Statement of Financial Information submitted by the borrowers and the Dedicated Contact Points.</li> <li>■ The Bank, in the context of complying with the legislative framework, went ahead with all the necessary and proposed actions, i.e. development of special debt rescheduling products, in line with the concepts and values of the new Code of Conduct, the implementation of the necessary adjustments in the Bank's IT systems, the mailing, via a centralized procedure, to all parties involved in agreements of amounts due and payable, including all co-borrowers and/or guarantors involved in loans 30+ dpd, of personalized letters stating the total debt of each person involved. In addition, the relevant procedure manuals were prepared and detailed instructions given to the Bank's Branch Network regarding the steps to be followed to ensure full information and top quality services are provided to the borrowers. In the event that the borrower appears either on his own initiative, or within the context of standard management actions or following an Information or Warning letter, the competent Branch Officer will proceed to take all proposed legal actions.</li> </ul>





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## i-BANK DIGITAL CHANNELS

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A key strategic objective for NBG is the ongoing upgrading of the i-bank digital channels. Accordingly, i-bank focuses on enhanced customer-oriented services via state-of-the-art digital networks that provide round-the-clock services wherever the customer may be (via landline or mobile phone, internet, ATM and APS). Our electronic banking services benefit all of our customers, whether individuals or businesses, and at the same time help reduce our environmental footprint. NBG's alternative networks include the following:

- 1,448 cash machines throughout Greece.
- The i-bank internet, phone & mobile banking, i-bank Pay eWallet, i-bank Simple Pay platform, and the i-bank Simple Pay Spot network.
- 48 APS (Automated Payment Systems) centers.

### Reduction of the Bank's Environmental Footprint via Alternative Networks

*For further information see "Responsibility to the Environment".*

### Access to NBG Products and Services by Special Non-privileged Population Groups

Since 2003, the Bank has provided for the supply of ATMs which meet ADA Standards (appropriate for individuals with special needs), so as to facilitate access to its products and services by non-privileged groups among the population. In 2016, approximately 1,400 such ATMs are operating (corresponding to 96% of NBG's ATM Network).

### Secure Internet Transactions via Credit Cards

In October 2012, NBG launched the MasterCard® SecureCode™ / Verified by VISA service to all of its debit and credit cardholders. MasterCard® SecureCode™ / Verified by VISA is a new authentication service for the identity of the cardholder, which provides additional protection during online purchases. By using a unique personal Password, which the cardholder creates for himself, MasterCard or VISA credit cards can be used with even greater safety and security during online internet purchases. At the same time, customers can also make purchases with their Debit Mastercard at participating authorized merchants.

The registration is fast, easy and free of charge for NBG cardholders. The process which involves three simple steps, can be conducted either via NBG's web portal, [www.nbg.gr](http://www.nbg.gr), or through a participating authorized merchant during the customer's first online purchase.



When the customer uses his Password, the Bank can confirm the cardholder's identity for every purchase at participating authorized merchants while the cardholder ensures that he / she is indeed in communication with the Bank, thus preventing any unauthorized use of the card or exposure of credit card particulars to an unsecure environment.

### **i-bank Internet & Mobile Banking**

The use of i-bank internet & mobile banking continued to increase rapidly in 2016 as well. i-bank internet banking registered users totalled 1.3 million and money transactions totalled € 29 million, while active users of i-bank mobile banking amounted to 194,000.

In addition, the i-bank Alert service provides instant alerts on account and card activity, via e-mail and / or SMS, ensuring higher flexibility and security.

### **i-bank Pay**

In 2016, the Bank launched i-bank Pay, a cutting-edge electronic wallet, the only such service in the Greek market that combines payments and collections through mobile phone / tablet. i-bank Pay users can send amounts of money to friends through their phone contact list or friends list on Facebook (P2P), without having to know bank account numbers and make payments to merchants and businesses (P2B) in three pioneering ways: to the merchant's mobile phone, to the merchant's i-bank POS through a QR code, or at the payment desk via the i-bank Connector device. Also, the application allows the donations to Public Benefit Foundations, Bodies and Organizations through mobile phone, by selecting actions for people in need. At the end of the year, more than 47,000 people downloaded the i-bank Pay app carrying out transactions that totalled € 900,000.

### **i-bank Simple Pay Spot**

In 2016, the i-bank Simple Pay Spot network enabling payment of third-party bills (public utilities, telecoms, insurance companies etc.) was expanded at small retail stores (mini markets, kiosks etc.) totalling 500 throughout Greece, as well as at 382 Agencies-Members of Hellenic Cooperative of Lotteries' Agents.

### **i-bank Statements**

In addition, the new i-bank statements service enables i-bank Internet Banking users to view and manage their NBG loans and credit card accounts online. By replacing the printed monthly statements with the electronic i-bank statements, NBG contributes significantly to saving natural resources. Within the year, more than half a million printed loan and card statements were replaced by electronic i-bank statements via the i-bank statements service.

## **i-bank Stores**

In 2011, NBG was the first bank in Greece to set up the pioneering concept store, i-bank store. In 2016, five i-bank stores were launched, two in Athens (in The Mall Athens and at Kifisia) and two in Thessaloniki (Aristotelous Sq. and Mediterranean Cosmos) and one in Larisa. i-bank stores are multi-purpose e-banking facilities, where visitors can familiarize with the use of the Bank's digital channels and carry out banking transactions through all NBG i-bank electronic channels (i-bank internet banking, i-bank mobile banking, phone banking, i-bank Pay, i-bank Simple Pay, ATM, APS). Customers can also attend educational events held in the purpose-designed areas operating in 2 of the 5 i-bank stores, as well as interact through augmented-reality apps. The i-bank stores continue to attract more and more public interest with over 1 million visits within 2016, carrying out over 140,000 banking transactions.

Also, in the beginning of 2016, the Bank's house loans products and the respective granting procedures were presented in the i-bank stores in Athens and Thessaloniki.

*For further information see our Bank's website: [www.nbg.gr/ibank-store](http://www.nbg.gr/ibank-store).*

## **i-bank Social Media**

NBG's i-bank services continue to have a strong presence in popular social networks, including Facebook (/ibanknbg), Twitter (@ibanknbg) and YouTube (/ibanknbg), aiming at further developing the online community of i-bank friends. Through the said platforms, i-bank users can find out about electronic services of NBG and the ways they can improve our daily life; users stay updated with regard to technological developments, innovation, young entrepreneurship as well as the "i-bank Innovation & Technology" competition; are updated on events held in i-bank stores; participate in lotteries and competitions with a variety of prizes; get on-the-spot answers to any questions and comments they may have.

Throughout 2016, i-bank continued to have a strong presence on Social Media, especially on Facebook, where i-bank has more than 21,000 followers, who in their majority belong to younger age groups. The content transmitted through the social networks relates mainly to i-bank's various actions, focusing on events held in i-bank stores, as well as the NBG Business Seeds and be finnovative events - actions.

Moreover, NBG set up a company page on the business-oriented social network LinkedIn (<https://www.linkedin.com/company/national-bank-of-greece>), aiming at enhancing the Bank's business communication and further promotion of its news, actions, surveys and services. More than 10,000 Followers are currently following the Bank's business page and interact with its content, while the NBG staff is offered the opportunity, through NBG's intranet, to visit the Bank's page and enrich their knowledge on the business sector of their interest.



The Total Reward Program go4more maintains its Facebook page (/go4more.gr), aiming at further promoting the program and building a live group of go4more friends. The go4more friends are provided with information, via this page, on the advantages and benefits that go4more offers to its members, as well as on the regular and one-off offers of the program. They participate in lotteries and competitions with a variety of prizes and get on-the-spot answers to any questions and comments they may have.

### **Deixtous (“Show them”) Action**

In 2016, NBG continued its Deixtous (“Show them!”) initiative, a campaign that gives practical substance to the belief that everyone, regardless of age, should and can participate in the digital age and new technologies. For the Deixtous training courses organized by the Athens i-bank store teams, volunteers-trainers from the IB program of the American College of Greece (Athens) conveyed their digital knowledge to participants over the age of 50. The duration of the courses was 4 weeks in total, while from the outset the program was welcomed enthusiastically. Through the “Deixtous” Action young people are encouraged to impart their knowledge and show senior citizens the many benefits that can be derived from use of the internet.

### **i-bank POS & Micropayments**

i-bank POS is an innovative approach to acceptance of card payments. The i-bank POS service is intended for businesses, merchants, and self-employed professionals, aiming at enabling them to accept customer payments via their debit, credit or prepaid cards. Via the i-bank POS service, NBG offers the chance to acquire a Point-of-Sale (POS) terminal for carrying out card payments in a cheap, easy and fast way, by adopting a model that has been implemented successfully in many countries around the world over the past years. In this way, businesses and professionals enhance the quality of their customer service, while also boosting their competitiveness and achieving greater speed and security in their transactions. In short, i-bank POS offers the chance to accept the most commonly used card payments in the market, effect contactless transactions, add value services such as instalment payment programs, and the option to participate in NBG's go4more program while backed by continuous support and upgrades. Recently, NBG also launched the i-bank POS economy, a new solution to acquire a full package of services for accepting card payments for a fixed monthly cost. In this way, professionals and businesses with smaller turnovers have the option to accept payments at a low cost that can be estimated in advance. Last, i-bank POS is combined with very low bank fees for the clearing of small transactions. More specifically, for card transactions (credit, debit and prepaid cards of any bank) amounting up to € 10 effected at POS terminals of small and medium businesses (sole proprietorship, general partnership and limited partnership), the low fee applies, amounting to 0.50%. Accordingly, accepting card payment transactions is in the best financial interest of even smaller businesses.



### 3<sup>rd</sup> i-dea Innovation Competition for NBG Personnel

The competition was organized in the first quarter of 2017 due to the voluntary retirement scheme that ran at the end of 2016.



#### Supporting Innovation and Technology: "NBG Business Seeds": a Program designed to foster Entrepreneurship

In June 2014, NBG launched NBG Business Seeds in order to enhance innovative business activity and to encourage the creation of dynamic outward-looking businesses that contribute to the growth of the Greek economy and job creation, regardless of their stage of development.

Ideas that have not yet been transformed into a business plan, business plans that need improvements, firms taking their first steps with a ready or pilot product, firms that already have a customer base and turnover, and mature SMEs with significant income can participate in the program.

NBG Business Seeds is an integrated program designed to foster innovative and export-oriented entrepreneurship. NBG Business Seeds includes actions that aim at showcasing innovative ideas and projects, training and mentoring young entrepreneurs, and providing infrastructures, networking and financing.

Once the annual competition Innovation & Technology is over and the awards given, NBG supports the implementation of selected proposals that are distinguished.

Selected proposals attend the training programs on entrepreneurship in collaboration with Athens University of Economics & Business. In addition, they receive free-of-charge services and products of Amazon and Microsoft, while services are provided in partnership with SEV and 1776, an incubator based in the U.S.A.

As regards financial support for businesses, NBG provides targeted lending programs and participation in company equity. Particular weight is given to mentoring actions provided in cooperation with Google, Grant Thornton, Watson Farley and Williams, McKinsey & Company, Israel Advanced Technology Industries (IATI), Center of Greek Volunteer Managers (KEMEL) and networking initiatives provided in cooperation with Endeavor Greece and the Hellenic American Chamber.

Emphasis is placed on the mentoring of the teams by NBG's experienced staff who, backed by professional experience of more than 20 years in various fields, propose targeted solutions to improve each innovative endeavor.

Within the framework of the initiatives aiming at encouraging the growth of new entrepreneurship, innovation and extroversion, NBG has launched a new initiative to support Start-Ups active in e-commerce via the i-bank e-commerce service, completely free of charge the first year and at exceptionally low rates from the second year on.

The program supports not only businesses in the fields of IT, green energy and biotechnology but also businesses in traditional sectors (agriculture, livestock breeding, food processing, tourism) with an emphasis on standardization, accreditation, innovation in production and, thereafter, sales of products in Greece and abroad.

## 1<sup>st</sup> part of the NBG Business Seeds Program: "Innovation & Technology" Competition

Companies can join this program mainly via the NBG "Innovation & Technology" competition (<https://www.nbg.gr/competition>), which initially helps with the incubation of the business ideas. The assessment of the proposals is conducted in collaboration with the following Universities:

- National and Kapodistrian University of Athens
- National Technical University
- Athens University of Economics and Business
- Aristotle University of Thessaloniki
- University of Piraeus
- University of Patras
- University of Crete
- University of Macedonia

NBG awards significant money prizes to the ten short-listed proposals (the first winner is offered € 20,000) as well as extensive media promotion. Over the seven years that this Competition has been held, 2,700 proposals have been submitted, and the number of participants totalled 4,340. 559 individuals participated, submitting 400 individual and group proposals.

*For further details with regard to the NBG "Innovation & Technology" competition, visit NBG's website [www.nbg.gr/competition](http://www.nbg.gr/competition).*

## 2<sup>nd</sup> part of the NBG Business Seeds Program: Financing for Start-up Businesses & Partnerships

On an initial budget of € 15 million, short-listed teams are supported by means of loans and bank participation in their firm's equity. NBG has invested so far in 9 firms (Sourcelair, Insybio, giaola.gr, ITBOOMS, nest-cargo, goodvidio, covve and mist.io, fieldscale) while its participation in 6 more businesses has been approved.

The approved funds for financing by means of participation in equity is around € 3.6 million, of which € 1.52 in 2016, in various sectors such as tourism, biotechnology, educational games. NBG has granted special purpose loans for the development of business activities to 6 companies participating in the program. Through the Bank's collaboration with Endeavor Greece, the program provides to mature businesses with substantial turnover networking and support in seeking ways into markets abroad. The Bank has granted loans (amounting to € 2 million) to four firms that are part of the Endeavor network and are involved in activities related to tourism services, IT and agricultural produce processing, while the financing of another two is under consideration.

The Bank has developed special business partnerships with companies, either by using, on a pilot basis, their products / services, as is the case with the ismood company, or by promoting said companies to selected NBG customers (incrediblu), or by providing use of the i-bank stores for events (nannuka), or by granting access also to value added services (inverse, RTsafe, nestcargo, kinems).



*For more information with regard to NBG Business Seeds, visit the program's website: [www.nbg.gr/el/nbgseeds](http://www.nbg.gr/el/nbgseeds).*

### **Fintech hackathon and "be finnovative" Business Accelerator Program**

The NBG i-bank #fintech crowdhackathon was held in April 2016. This was the first Greek fintech hackathon in partnership with Crowdpolicy, an open innovation company. In the course of a hectic weekend, 16 teams competed on modern issues such as blockchain, chatbots and e-wallets, for cash prizes. NBG was the first Bank in Greece and one of only a handful in Europe to "open" its applications publicly through Open Bank API (Application Programming Interface), giving developers the opportunity to try their ideas and propose innovative business models.

And following the success of this event, NBG announced and implemented the specially designed "be finnovative" program for fintech startups. During a six-month period, the selected teams are offered the opportunity to gain knowledge, experience and networking options with significant market executives, as well as access to venues and other technological infrastructure with a view to developing their ideas and presenting them to investors on a Demo Day.

*More information can be viewed at [befinnovative.com](http://befinnovative.com).*

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## **CUSTOMER RELATIONSHIP MANAGEMENT**

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Our customers comprise a key stakeholder group, with a direct interest in our operations. The enhancement of our services in terms of range and quality, and related customer satisfaction, are constant pursuits of the Bank.

In addition, the Retail Segments Division whose mission is to manage and increase NBG's retail clientele, has moved ahead with:

- The classification of the clientele into 3 segments (premium, business, retail).
- The Development of targeted products and services for each of these segments.
- The Design of a different service model for each segment.

The main objective is to offer the customers products and services tailored to their individual needs, to develop and sustain a long-term relationship with them.

The following Divisions are also active in this context:

- Corporate Key Account Services
- Corporate Finance
- Private Banking
- Business Credit
- Northern Greece Business Credit



In addition, in December 2011, the Group IT Operations and Infrastructure Division was awarded certification in line with international standard ISO 20000-1 for IT services provided to the Group's Subsidiaries abroad; the certification is valid through 2016. Furthermore, certification in line with international standard ISO 27001 of the Group IT Operations and Infrastructure Division, IT Applications and Group IT Governance Sector, in respect of Information Security Management, is valid through 2016.

## Initiatives through Alternative Networks: "6 steps to a Housing Loan!"

The new e-guide "6 steps to a Housing Loan!" has been available on NBG webpage since March 2016. It enables potential borrowers to get an overview by following the six basic steps for applying for a housing loan, and is supplementary to the online loan calculator which has been available since February 2015 and has already attracted many prospective customers (more than 70,000 hits in 2016).

## Branch Network in sparsely populated or economically weaker Areas

As at 31.12.2016, the NBG Branch Network included 509 Branches and 49 Transaction Offices with a broad geographical spread.

On the national level, at 31.12.2016 NBG was running approximately 23% of the total number of banking units (Branches and Transaction offices) in the country, while NBG's natural presence in the 13 prefectures indicated as economically weak, stood at 28% (HBA, HEBIC archive).

In these regions, as at 31.12.2016, NBG's network included 38 Banking Units, i.e. 31 Branches and 7 Transaction Offices corresponding to 7% of its banking network.

Besides the said regions which are defined as economically weaker, the Bank maintains a presence in frontier regions and on small islands (with a population less than 5,000 people), as per the relevant table. In some cases, NBG is the only bank there (e.g. on Megisti, Oinousses, Alonnisos and Skyros), despite the fact that the relevant financial capacity indices in these places are low. In these regions, as at 31.12.2016, NBG's network included 20 Banking Units, i.e. 17 Branches and 3 Transaction Offices, which represents 4% of its banking network.

In addition, the Bank has set up 32 off-site ATMs in sparsely populated and remote areas (5.02% of its total 638 off-site ATMs), both in mainland Greece and on islands.

The Bank also, applies preferential pricing (zero charges) on transactions carried out via the ATM network of other banks on small islands where NBG has no presence: Kasos, Kythnos, Astypalaia and Paxi, by assuming the DIAS charges.

The Bank considers as non-privileged population groups, population groups residing in low-populated remote areas. The Bank has set up off-site ATMs in 32 regions, the breakdown of which is presented in the following table.

**Breakdown of NBG off-site ATMs in sparsely populated or remote areas (31.12.2016)\***

Prefecture	Number of off-site ATMs
Arcadia	1
Achaia	1
Voiotia	1
Dodekanisos	3
Evros	1
Evoia	1
Irakleio	1
Kavala	1
Kilkis	1
Cyclades	4
Laconia	1
Lesvos	1
Lefkada	1
Magnesia	2
Piraeus	1
Rodopi	1
Samos	4
Serres	1
Phthiotida	1
Fokida	1
Chania	1
Chios	2
<b>Total</b>	<b>32</b>
<b>Total NBG off-site ATMs</b>	<b>638</b>
<b>As a % of the Bank's off-site ATMs</b>	<b>5.02%</b>

\*In 2016, there was positive change vs. the previous year by 2.24% as regards the regions listed in the above table.

**Distribution of off-site ATMs in sparsely populated or economically disadvantaged areas, by geographical region and in proportion to the respective Branches (31.12.2016)\***

ATM site location- - Region	Number of ATMs	Number of Branches	%
East Macedonia & Thrace	3	23	13.04
Attica	1	195	0.51
North Aegean	7	13	53.85
West Greece	1	31	3.23
West Macedonia	0	11	0.00
Epirus	0	14	0.00
Thessaly	2	30	6.67
Ionian Islands	1	10	10.00
Central Macedonia	2	74	2.70
Crete	2	22	9.09
South Aegean	7	23	30.43
Peloponnese	2	29	6.90
Central Greece	4	34	11.76
<b>Total</b>	<b>32</b>	<b>509</b>	<b>6.29</b>

\*In 2016, there was positive change vs. the previous year by 0.4% as regards the regions listed in the above table.

**ATM access points by geographical region\* (2016)**

Geographical District	Number of ATMs 2016	Change % vs. 2015
East Macedonia & Thrace	49	2.08
Attica	635	-0.47
North Aegean	33	0.00
West Greece	88	8.64
West Macedonia	30	3.45
Epirus	36	2.86
Thessaly	70	7.69
Ionian Islands	28	-3.45
Central Macedonia	199	5.29
Crete	67	1.52
South Aegean	72	4.35
Peloponnese	71	7.58
Central Greece	70	6.06
<b>Total</b>	<b>1,448</b>	<b>2.40</b>

\* The classification of the regions was based on geographical criteria, matching the regional distribution adopted by the Ministry of the Interior & Public Administration ("Kallikratis"), combined with demographic and economic activity data, so as to classify specifically the remote/economically disadvantaged regions.

**Breakdown of NBG Branches and Transaction Offices in sparsely populated and economically disadvantaged areas (31.12.2016)\***

Economically Disadvantaged Areas	Branches	Transaction Offices	Number of Units
Evrytania	1	1	2
Lefkada	1	-	1
Grevena	2	-	2
Fokida	4	1	5
Kastoria	2	-	2
Samos	3	1	4
Thesprotia	3	-	3
Kefalonia	3	1	4
Preveza	3	2	5
Chios	4	1	5
Arta	1	-	1
Zakynthos	2	-	2
Florina	2	-	2
<b>Total</b>	<b>31</b>	<b>7</b>	<b>38</b>
<b>Total number in Greece</b>	<b>509</b>	<b>49</b>	<b>558</b>
<b>As a % of the Bank's total Units</b>	<b>6%</b>	<b>14%</b>	<b>7%</b>

\* Areas defined as economically disadvantaged are those ranked in the bottom 25% of the Bank's Business Activity Index. For the year 2016, the Economic Activity Index was prepared on the basis of the minimum GDP level.

**Breakdown of NBG Branches and Transaction Offices in frontier regions and on small islands (remote areas) (31.12.2016)\***

Frontier Areas and Small Islands	Branches	Transaction Offices	Number of Units
Alonnisos	1	-	1
Antiparos	-	1	1
Ios	1	-	1
Ithaka	1	-	1
Kea	1	-	1
Kythira	1	1	2
Megisti	1	-	1
Milos	1	1	2
Oinousses	1	-	1
Patmos	1	-	1
Poros	1	-	1
Samothraki	1	-	1
Sifnos	1	-	1
Skopelos	1	-	1
Skyros	1	-	1
Spetses	1	-	1
Symi	1	-	1
Hydra	1	-	1
<b>Total</b>	<b>17</b>	<b>3</b>	<b>20</b>
<b>Total number in Greece</b>	<b>509</b>	<b>49</b>	<b>558</b>
<b>As a % of the Bank's total Units</b>	<b>3%</b>	<b>6%</b>	<b>4%</b>

\* In 2016, there were no changes vs. the previous year as regards the municipalities listed in the above table.

## Sector for Governance of Customer Issues

In 2009, NBG set up a Customer Service Department (that since December 2014 has been renamed to Sector for Governance of Customer Issues with the same duties and responsibilities), as part of its general endeavour to upgrade the quality of customer services offered, enhance communication channels with customers, and optimize the services and products provided.

In December 2012, the Sector was incorporated in the Group Compliance & Corporate Governance Division aiming at ongoing compliance with the current regulatory framework and efficient customer complaints management.

The Sector undertakes to promptly respond to grievances or complaints filed either directly by the Bank's customers or by other bodies, considering them fairly, impartially and openly.

In addition, the Bank's Management can access all related data via the Bank's Customer Management System (CMS), while concurrently, it assesses qualitatively and quantitatively the grievances it has addressed, and submits proposals for the improvement of services and products offered.

Within this context, NBG has launched the following:

- For all NBG Units, an electronic complaints form that can be accessed in the CMS.
- For the customers:
  - A customer hotline
  - Electronic complaints form available on the NBG website ([www.nbg.gr](http://www.nbg.gr))
  - E-mail address

Also, complaints can be sent by mail or fax.

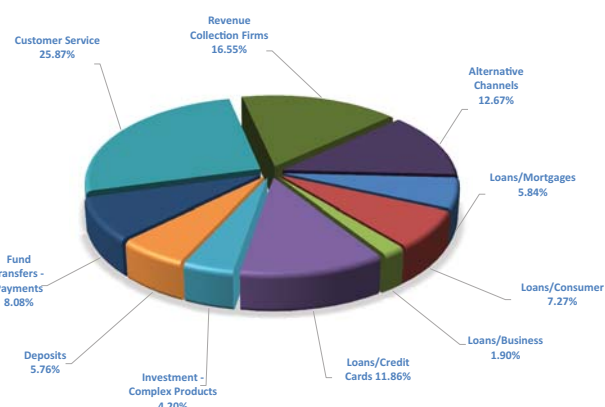
Specifically, in 2016, 4,689 complaints were filed and processed by the Sector for Governance of Customer Issues.

### Categories of Customer Complaints (2016)

Customer Complaints by category	%
Loans / Mortgages	5.84
Loans / Consumer	7.27
Loans / Business	1.90
Loans / Credit Cards	11.86
Investment - Complex Products	4.20
Deposits	5.76
Fund transfers - Payments	8.08
Customer Service	25.87
Revenue Collection Firms	16.55
Alternative Channels	12.67
<b>Total</b>	<b>100.00</b>



### CUSTOMER COMPLAINTS BY CATEGORY (2016)



In 2016, 10 complaints were submitted by community bodies and were resolved within the year, according to the CMS data.

The aforementioned complaints were mainly related to customer service and mergers and / or cease of operations of network branches or transactions offices.

In addition, 4 of the customer complaints filed in 2016 could be considered as "substantiated complaints regarding violations of the customers' confidentiality" on the basis of the reports of the parties involved and the relevant findings of the Group's Internal Audit Division, which are relayed also to NBG's Group HR Division.

Note that in 2016 the Bank made every possible effort to ensure its compliance with regulations and current legislation regarding information provided and products and services labelling.

### Customer Complaints Management Policy of the Bank

To manage effectively customer complaints and in order to avoid potential negative impact on the Bank's goodwill, the Bank has introduced a Customer Complaints Management Policy.

### Customer Complaints Management

The procedure implemented is as follows:

- The complaint is received via NBG's communications channels (Central Services, Branch, customer's letter by mail or fax, e-mail: customerservice@nbg.gr, Contact Center), or via Supervisory and other Authorities.
- The complaint is registered in the CMS.
- The complaint is classified by product and banking function.
- The complaint is forwarded to the relevant Bank Units.
- The relevant Units send back their opinion or draft a response.
- A letter of response is prepared and sent to the customer, or the complaint is handled verbally.
- A record is kept of the complaints along with all associated materials.

### Procedure of Submitting Proposals for the Improvement of Products / Services

The Sector for Governance of Customer Issues submits to the competent Bank Units its proposals for the improvement of products and services offered, on the basis of the process of the complaints' statistical data that are available to the Management, as well as of case studies. This procedure aims at preventing the re-occurrence of such incidents and upgrading the customer service level in general.

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## CUSTOMER OPINION AND SATISFACTION SURVEY

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NBG considers the constant monitoring of customer perspectives on CSR issues and customer satisfaction from banking with NBG as an enduring priority and strategic tool in its effort to meet effectively customer expectations and needs.

### Customer Survey regarding CSR

Within the context of its business research, in 2016 the Bank conducted a quantitative survey with regard to CSR (October through December 2016, with a sample size of 1,050 retail banking customers). According to the survey, the public ranks social contribution via sponsorships (for activities focusing mainly on the Community), transparency, reliability and honesty in transactions with customers as the most important areas of CSR in the banking sector. Note that in both areas, NBG holds a leading position among its peers. The offering of flexible products/services that best meet customer needs is ranked third in terms of significance, with NBG maintaining its strong position.

The Social Awareness Index, as stated by NBG's clientele, recorded an increase given that in 2016 it stood at 196 points compared with 160 in 2015, while our Bank holds a leading position with regard to the working environment and investment in new technologies. Last, according to the survey, people recognize the Bank's contribution to culture and the national heritage in general, especially through the outstanding work of the Bank's Cultural Foundation and Historical Archives.

### Tracking Survey on Retail Banking Customers

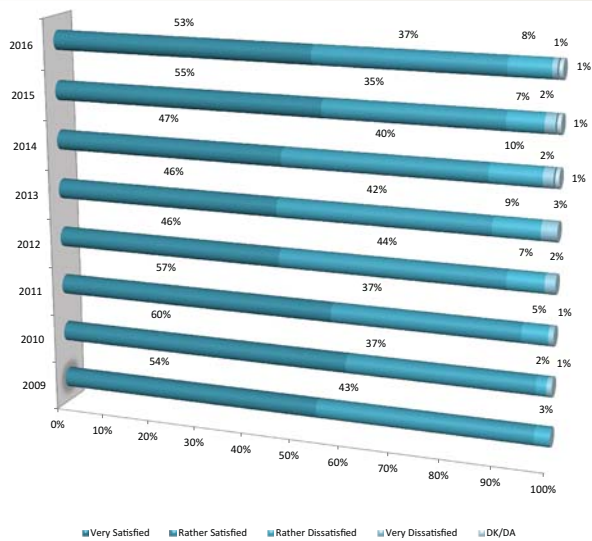
For yet another year the Bank carried out its regular surveys (ongoing banking market survey, January through December 2016, with a sample of 3,150 retail banking customers) on customer perceptions and the level of customer satisfaction, with a view to enhancing the quality of services offered and retaining customer trust. According to the results of these surveys, NBG is the leading Greek bank in terms of Good Name, Reliability and Trust, while it is ranked by bank customers as a "Dynamic Bank" with a Leading Position in the banking market, setting the standards for the future banking sector. NBG's corporate DNA is founded on the certainty and reliability instilled in consumers and constitutes a reason why customers choose or recommend our Bank.

In addition, at the level of public perception, NBG continues to hold a leading position in the Banking Market. NBG holds the highest rankings among bank customers, as they state that:

- They have developed a business relationship with NBG
- They have chosen NBG as their main banking partner



### OVERALL CUSTOMER SATISFACTION FROM NBG AS PRINCIPAL PARTNER BANK



Last, NBG is the first bank, that comes to people's minds when asked "which bank comes to their mind first". This "Top of Mind" index constitutes a powerful tool for measuring awareness, revealing those banks that are most popular among the public.

### Customer Satisfaction

NBG's Overall Customer Satisfaction Index stands at high levels, as 90% of its customers state that NBG is their main partner bank and declare themselves to be satisfied, despite the current adverse social and financial climate. Notably, in the first quarter of 2016 there was a stability in NBG's level of customer satisfaction compared with the previous year (the rating scale was changed in the second quarter of 2016).

Specifically, high satisfaction level (one of the highest in the banking market) is recorded as regards NBG's i-bank, not only by the internet banking registered users but also by the customers carrying out transactions via NBG's ATM network.

Last, the banking customers who perform transaction via ATM network think that:

- The ATM network enables them to carry out day-to-day banking transactions.
- The ATM network operates problem-free.

As a result such elements are recorded as key components of NBG's corporate image.

### Tracking Survey to SMEs

Another area of ongoing monitoring and research for our Bank is business banking. With a view to supporting SMEs, for yet another year NBG carried out regular surveys (SME monitoring on an ongoing basis, January through December 2016, with a representative sample businesses in Athens, Thessaloniki and 5 large urban areas) in order to record SME market business attitudes and trends, review its image and the relations between enterprises and NBG or its competitors.

According to the results of the Tracking survey, NBG's strong points as evaluated by its customers are its Good Name, Living up to its Promises, Access to Business Information, its range, Competitive Interest Rates, and building trust with customers.

NBG maintains its strong position with regard to overall collaboration, and at the same time posts very high performance in the sphere of deposits, financing and other products in the market.

As part of the Bank's ongoing endeavour to enhance its role as a key financing player in the SME segment, since 2012 the Bank has developed a Business Confidence Index in line with business confidence indices of EU country members. The said index closely tracks the progress of SMEs over time.



## Practices aimed at assessing and sustaining Customer Satisfaction Levels

- Frequency of customer satisfaction evaluation, on a regular basis, 3 times p.a.
- Tracking study in the form of C.A.P.I. (Computer Aided Personal Interviews), using a structured questionnaire.
- Inclusion in the said questionnaire of the aforementioned survey:
  - I. Open questions with spontaneous comments by the customer (Reasons of satisfaction/ Dissatisfaction).
  - ii. An evaluation of customer satisfaction with respect to delivery channels (Branch, internet/phone/mobile banking, ATM, Contact Center) is carried out on a regular basis by means of feedback surveys from regular customers.

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## COMMUNICATION AND RESPONSIBLE REPORTING

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### Transparency in Contracts and Pricing

NBG places special emphasis on the provision of accurate information to customers and ensures, through its staff and procedures, transparency and objectivity.

### Advertisement Committee

With a view to coordinating the actions required to promote the Bank's corporate identity, the Bank has established an Advertisement Committee whose duties include the approval of the programs regarding the promotion of the Bank's corporate image, products and services, as well as the research of proposals for the best development of the Bank's website and alternative channels as a means of marketing its products and services.

### Responsible Reporting to Customers

In endeavouring to fully comply with national and European legislation, internal regulations and voluntary codes which it has adopted, the Bank implements a specific control procedure for its advertising campaigns and communications.

The Bank follows specific audit processes before taking any information / promotional action as regards existing and / or new products and/ or services, relevant guidelines for which are provided, with a view to complying with the regulatory framework in force at any given time.

Specifically, before advertising any products or services in printed or electronic form, the content and format of the relevant materials are reviewed by the Group Compliance and Corporate Governance and Legal Services Divisions. In particular, their content and format are reviewed on the basis of:

- The applicable national and European legislative and regulatory framework for consumer protection and transaction transparency, i.e.:

- BoG's Governor's Act No 2501/2002, "Credit institutions' disclosure requirements to retail customers with regard to terms and conditions governing the provision of bank services".
- Banking and Credit Committee Decision No 259/2.5.2008 "Clarifications of BoG's Governor's Act No 2501/31.10.2002, as amended".
- Banking and Credit Committee Decision No 263/21.7.2008 "Implementation of Banking and Credit Committee Decision No 259/2.5.2008".
- Code of Ethics of the HBA regarding the marketing of credit products and services by credit institutions.
- Hellenic Advertising – Communication Code of the Hellenic Association of Advertising – Communication Agencies.
- Code of Ethics of the Hellenic Bank Association.
- Law 2251/1994 on "Consumer Protection", as amended.
- Joint Ministerial Decision Z1 – 699/23.6.2010 on the "Adaptation of Greek legislation to the 2008/48/EU Directive of the European Parliament and Council of April 23, 2009 with regard to consumer credit agreements.
- The Communications Control Council's Circular – Directive on television advertising (May 2010).
- Recommendation No 1/3.5.2008 – Circular of the Greek National Council for Radio and Television (NCRTV).
- The Bank's principles, internal Regulations and Policies.

Moreover, in the context of the implementation of law 3606/2007 (transposing into Greek legislation the EU Directive on Markets in Financial Instruments – MiFID), the Bank has drawn up and implements a "Policy for the control of Credit Instrument Advertisements" which sets out the principles governing advertisements, and the actions required of Bank Units involved in creating such advertisements, through to the production and final approval stages.

The texts of agreements governing transactional relations between customers and the Bank are carefully reviewed by the Bank's Legal Services. In addition, when new products are being launched, the Group Compliance & Corporate Governance Division controls the relevant forms containing pre-contractual information on the said products.

Considering the recent judicial developments and the applicable regulatory framework, NBG has reworded the contractual terms of its loans in plain and intelligible language. The template contracts for the Bank's core loan products (housing and consumer loans) are posted on its website ([www.nbg.gr](http://www.nbg.gr)) so as to be easily and instantly accessible to any party interested in obtaining information prior to signing any agreement.

In addition, through the (general and specific by product) information leaflet handed out to customers in line with the Voluntary Code of Conduct on pre-contractual information, customers are informed on the individual features of housing loans offered, as well as the terms and provisions under which they can obtain such a loan.

Customers can also get information via the constantly updated website of the Bank.

Similarly, NBG provides detailed descriptions and useful information on all products, such as deposit products, credit cards, business loans and so on, through its website at [www.nbg.gr](http://www.nbg.gr).

The Bank has also incorporated in its Corporate Credit policy procedures by which customers, when carrying out trading in financial instruments (such as hedging against interest rate or F/X risks), must confirm (by means of a relevant statement) that they possess sufficient knowledge and financial management skills to address the credit risk undertaken when conducting such trades.

Accordingly, the Bank ensures that it supplies clear, timely, complete and comprehensive information to its customers when providing its services. NBG does not market products or services that have been banned from certain markets or might be objected to by its stakeholders or cause public controversy; accordingly, it has not received relevant complaints or questions.

## **Branch Merger Program**

The Bank has deployed a special communication plan (action plan) which includes, as the case may be:

- Information letters to customers.
- Announcements posted in the Branches affected by merger.
- Uniform way of managing communication by the staff of the branches under merger.
- Personal contacts and information to targeted customer groups.
- Customer information on state-of-the-art, alternative transaction channels with the Bank.
- Maintenance of off-site ATM or Transaction Office to facilitate transactions in the area.

Taking into consideration the prevailing conditions and in line with leveraging opportunities, the Bank shall continue to evaluate further actions on branch network rationalization on the basis of the economic dynamic of each region, with a view to ensuring best customer service.

## **Compliance with Legislation, Regulations and Voluntary Codes**

Note that, throughout 2016, the Bank took every step to ensure full possible compliance with the applicable Legislation, Regulations and Voluntary Codes concerning inter alia information, labelling of products and services, and marketing practices, including advertising and promotion of products and sponsorship actions.

As regards the Bank's products and / or services particular attention is given to the compliance with the applicable statutory framework concerning the ensuring of confidentiality and security of personal data



processing, protecting banking secrecy and consumers, as well as any specific obligations deriving from this framework. Specifically, aiming at a thorough quality control of the Group's products and services on the basis of customers' protection, NBG Group has determined in detail all actions that the Bank Units shall take as regards any new product. Further, a specific control procedure is followed before the implementation of any information / promotional activity regarding the Bank's existing and / or new products and/or services. However, the type of the Bank's products and services does not have an impact on health and safety.

In 2016, NBG received 15 fines totalling € 114,000, i.e:

- 14 fines of an aggregate amount of € 104,000 for late reply to a customer requests by the Ministry of Economy, Infrastructure & Tourism - General Secretariat of Trade and Consumer Protection. (Article 2, par. 4 of Law 3869/2010).
- 1 fine of € 10,000 for incorrect customer information on a future investment by the Hellenic Capital Market Commission (Provisions of Article 25, par. 2 of Law 3606/2007).

### **Launching New Products & Services and Updating of existing ones**

In its endeavour to remain fully compliant on an ongoing basis with its legal and regulatory requirements, the Bank also implements a procedure for controlling newly-launched products and services. Accordingly, the contents of agreements (terms of use) and forms providing pre-contractual information that are intended for contractual agreements between the Bank and its customers are updated on the basis of new guidelines, legislation or business decisions by the Legal Services, Group Compliance Monitoring and Group Compliance & Corporate Governance Divisions and communicated to customers, subject to the applicable regulatory framework. Moreover, template agreements (terms of use) can be viewed on the Bank's website. In this sense, NBG has done away with "small print".

In addition the New Products Committee was set up in 2013 to ensure compliance of every new product and service with the applicable legislative and regulatory framework. The Committee aims at reviewing and approving the new products and services, including their expansion to new markets upon recommendation of the competent business Unit, ensuring at the same time the compatibility of such new products with the current risk appetite and proper and prudent capital and liquidity management.

In this context any new product, service or procedure, from its design through its disposal to customers, is checked at least by the Divisions - Members of the aforementioned Committee, and in any case by the Group Compliance Monitoring, Group Compliance & Corporate Governance and Legal Services Divisions, ensuring the harmonization of the banking products and services with the European and national regulatory framework, as well as the requirements of the Supervisory Au-

thorities and the guidelines / recommendations of International Bodies.

## **Information and Raising of Customer Awareness**

In this context, in 2015, NBG set up a company page on the business-oriented social network LinkedIn (<https://www.linkedin.com/company/national-bank-of-greece>), aiming at improving its corporate image and further promoting its news, activities, surveys and services, with more than 10,000 followers.

## **Ensuring Legality & Protecting Financial Activities, AML/ CFT**

NBG considers the prevention and suppression of money-laundering and countering of financing of terrorism (AML / CFT) a top priority, as well as compliance with the relevant European and International Organizations' Guidelines (FATF, Moneyval, etc.) and the applicable national regulatory framework incorporating said guidelines, as defined by Law 3691/2008 and the BCCD Decision of the BoG 281/17.3.2009, as amended from time to time.

Consequently, the Bank's Board has approved the key policies that are further specialized in relevant circulars, so as to effectively meet all legal requirements:

- i. AML / CFT Policy, which includes the Acceptance Policy for New Customers.
- ii. AML / CFT Policy on Cross-border correspondent banking relationships.

These policies aim at:


- Setting up an effective and harmonized framework for communicating to Group companies, Central Administration Units, the Branch Network in Greece and overseas, the management and staff the principles, rules and standards governing AML / CFT.
- Ensuring compliance with the requirements set by the Regulatory Authorities in countries in which the Group is active.
- Protecting the Group's reputation by taking every measure required to prevent the use of its services for ML / FT purposes.
- Averting the possibility of penal or administrative sanctions being imposed on the Group for any involvement in ML / FT activities.

The AML / CFT regulatory framework is monitored on a continuous basis and is taken under consideration when evaluating and launching new products and services, and designing or revising existing procedures.

## **Specialized Training for AML / CFT Prevention**

Apart from the implementation of Policies and procedures related to the prevention of AML / CFT, NBG places emphasis on the provision of





specialized training (e-learning, classroom seminars) to its staff in general, depending on the employee's work post, to facilitate the identification and prevention of transactions or activities considered suspicious or unusual.

*For further information see "Responsibility to the Employee".*

### **Anti-fraud Policy**

The Bank has adopted a comprehensive Anti-Fraud Policy which is binding on the entire staff of the Bank and its Group.

The Policy aims primarily at:

- Raising Group employees' awareness of fraud deterrence and prevention issues.
- Training employees and promoting a uniform anti-fraud business culture across the Group.
- Identifying and describing the actions to be taken by the relevant NBG officers in the event that fraud is detected.
- Development of systems, procedures and control mechanisms for preventing and combating fraud.

### **Anti-bribery Policy**

In order to be fully compliant with the current legal and compliance framework and in accordance with international best practices and guidelines regarding combating bribery, the Bank has adopted a Group Anti-Bribery Policy. NBG Board Members, Managers, employees and any other person working for the Group, whether under a labor contract or otherwise, fall within the scope of the said Policy which aims to further enhance the current corporate governance procedures of the Group, and in particular, the current framework that the Group has adopted in order to root out any cases of bribery by setting out key principles by which to prevent, avert and combat bribery.

In accordance with the Group Anti-Bribery Policy, the Group shall not intervene in political issues or issues regarding political parties. The Bank does not make grants and donations to political parties, and does not offer contributions or other facilities to public office candidates or political parties or other political bodies.

### **Protection of Personal Data**

In order to protect the confidentiality of customers', employees', suppliers' and shareholders' personal data, the Bank takes every step to ensure lawful and safe collection and processing of personal data, according to Law 2472/1997 and in compliance with the requirements of the Hellenic Data Protection Agency.



The relevant regulatory framework is constantly monitored so that all necessary adjustments are made to NBG procedures and documents, while the staff is updated on personal data issues through regularly hosted seminars.

With a view to ensuring full compliance of the Bank and the Group with the applicable legislative and regulatory framework, as well as with international best practices and guidelines regarding the management of personal data, by decision of the Bank's Board the NBG Group Data Protection Policy has been introduced.

This Policy aims at defining clearly the principles and rules governing the processing of personal data coming to the knowledge of the Bank and the Group companies regarding a business or other relation.

The Policy further enhances the existing framework of rules adopted by the Bank for the proper and effective management of data protection collected, while at the same time it sets out a uniform framework of principles and rules at Group level, by observing the applicable respective national statutory law of the country where each Group Company is active.

All executives and employees of the Bank and the Group companies are obliged to fully comply with the said Policy, as well as with the internal regulations and official circulars relating to its implementation.

The NBG Group Compliance & Corporate Governance Division is responsible for overseeing effective implementation of the Policy and the submission or proposals to the Bank's Management, whenever required, regarding its revision.

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## **TRANSACTIONS SECURITY IN NBG's ALTERNATIVE NETWORKS**

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Fully aware of the risks entailed in transactions carried out by its customers using ATMs, the Bank has taken a number of specific measures to enhance security. The Division responsible for the monitoring of ATMs, has created a special department for the prevention and combating of fraud by combining data related to transactions and other alternative channels; the said department works alongside the National Fraud Squad to promptly and effectively deal with such cases of financial crime.

The Division responsible for the security of transactions via credit cards, has set up special departments:

- A Disputed Transactions Department, for the investigation of any dispute or complaint made by credit cardholders.
- An Authorization Management and Transactions Investigation Department, for the prevention of illegal transactions through credit cards.

## Protection Measures

- All ATMs of the Branch Network are checked daily and offsite ATMs periodically for evidence of violation or other attempts to tamper with them. These checks aim at preventing PIN disclosure by deception (such as fitting a spy camera in order to maliciously intercept confidential PIN numbers).
- Cards are deactivated in the event that a PIN number is entered incorrectly 5 times consecutively.
- Transactions effected at ATMs are monitored round the clock via a specialized application for the monitoring of suspicious transactions (Anti-fraud System, Prevention-Detection Mode).
- The SMS i-code service is the service that i-bank internet, phone, mobile Banking and i-bank Simple Pay customers can use to perform transactions with maximum security, and it comes to replace the use of the i-code device that had previously been supplied to customers.
- Customers can also carry out secure credit card transactions online via our MasterCard®, SecureCode™ / Verified by VISA service.

Accordingly, in 2016:

- Illegal transactions worth € 3,112,242.63 were averted.
- 5,540 cards were blocked, 723 of which due to cardholder dispute (debit and credit cards). Furthermore, 6,189 credit cards were blocked with stop-use codes: Lost (L), Stolen (S), Fraud (F) and Undelivered (U). Disputed withdrawals with NBG credit cards totalled € 0 (concerning withdrawals through non-NBG ATMs) due to Capital Controls.
- 69 statements to police and judicial authorities were made.
- 2 arrests were carried out.
- 50 appearances before court were made regarding cases of fraudulent transactions.

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## TRANSPARENCY IN SUPPLIES

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Standing by its longstanding commitment to responsible operations, the Bank has adopted policies, regulations and processes which are given formal substance in relevant Codes of Conduct ensuring transparency and impartiality as well as avoidance of conflicts of interest in its supplies and implementation of technical projects. NBG uses a state-of-the-art Suppliers Relationship Management System (SRM-

SAP), which facilitates cooperation with circa 25,000 suppliers.

The appropriate Unit employs highly qualified staff so as to ensure the best possible results. The Bank's suppliers include all entities providing NBG with every kind of service, such as engineers, lawyers, bailiffs/process servers and others. The Bank's Suppliers are classed as domestic or international, representing the majority of business sectors. Within the context of procedure automation, transparency and reduction of paper use, the Purchasing Division has been using a new platform for electronic tenders (e-RFx) since October 2011, receiving bids in electronic instead of printed format. From 1.1.2016 through 31.12.2016, the total number of tenders implemented in this way was 70.

The number of the Bank's suppliers for 2016 totalled 29,979 (including self-employed professionals, engineers, lawyers, notary public, and other), 832 of which were international suppliers. Payments via SAP system for domestic suppliers in 2016 totalled € 275,024,463. Remittances to international suppliers in 2016 totalled € 41,766,007.41. Meanwhile, Business Card payments for the same year totalled € 15,978.93. For 2,699 requests by NBG Units, the corresponding supplies were carried out.

Group subsidiaries' requests totalled 627 and they were satisfied accordingly by an equal number of orders. NBG Unit requests for consumables or stocked items totalled 12,622.

## **Environmental Supplies Criteria**

Besides economic and technical criteria on which the selection of a supplier is based, other criteria such as appropriate certification are also considered. These criteria serve as indirect pressure that aims at enhancing the responsibility of the Bank's suppliers.

*For further information see "Responsibility to the Environment".*

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## **POLICY, REGULATIONS, AND FRAMEWORK FOR PURCHASING AND TECHNICAL WORKS MANAGEMENT**

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In 2010, the relevant corporate documents (Policy, Regulations, Framework for Purchasing and Technical Projects Management) were approved by the NBG Executive Committee and Board of Directors. Pursuant to the institutional framework, all parties involved in procurement and technical projects must be aware of and conform with the Bank's and the Group's Code of Conduct, which now also applies to purchasing and technical projects.



### Procedures related to supply Management at Group level

- To deploy as effectively as possible an integrated method for managing all cases of purchasing goods and services from third parties.
- To allocate responsibilities for carrying out procedures related to purchasing.
- To secure the bargaining power of the Group's companies vis-a-vis Suppliers with a view to reducing the overall purchasing costs of the Group.
- To achieve effective decision-making, with the provision, at all times, of the required information on procurement to all levels of Management.
- To minimize the time required to carry out each purchase and to reduce paperwork.
- To set out basic guidelines regarding the entire purchasing process so as to achieve standardization/ homogenization of such procedures throughout the Group.
- To ensure reliability and transparency of the purchasing process across the Group as a whole.
- To minimize potential risks arising from the procurement processes implemented.
- To seek out synergies with regard to procurements at Group level.
- To achieve more efficient management of suppliers.

### Procedures for outsourcing Technical Projects at Group level

- Adopting a uniform policy for the management of all technical projects in the Group.
- Ensuring transparency, objectivity and integrity throughout the technical project production process.
- Allocating roles and responsibilities in the implementation of processes related to technical projects.
- Enabling effective decision-taking at all times by providing the information required to all management levels in respect of technical projects.
- Ensuring that the time and paperwork required to carry out each technical project are kept to a minimum.
- Setting out guidelines that homogenize and standardize the processes required to carry out technical projects throughout the Group.
- Minimizing the potential risks entailed in technical project processes.
- Ensuring best possible management of contractors (whether individuals or companies).
- Providing support to the management of all Group companies in the implementation of technical projects.

## Management of Relationships with Suppliers

In the context of the centralized management of complaints now deployed by the Bank, complaints lodged by suppliers (such as objections to tender procedures, pending invoice payments etc.) are handled centrally by NBG.

## Supplier Evaluation

The Bank reviews and evaluates its suppliers (in terms of quality, certifications etc.) on an ongoing basis. In the event that inspections of plant / facilities and data security are required, special teams visit the facilities and certify their suitability (e.g. visit to the plant that produces and prints personalized sight account cheques for NBG). Regular sample controls for quality and quantity are carried out for every order and delivery of goods / works etc. NBG controls its suppliers with regard to respect for human rights. For instance, the appropriate Bank Unit is regularly updated and provided with all the required legalization documents concerning staff employed by cleaning contractors.

## Targets 2017

- Ongoing support to the existing clientele of the Corporate Finance Division and its further expansion taking also into consideration the financial situation in the Greek and international market. The strategy to attain this target is summarized as follows:
  - Detection of customers' needs and provision of customized solutions for supporting their liquidity and rescheduling their loans.
  - Ongoing contact, communication with and information to existing and new customers as regards developments in the market where they are active, as well as existing and new financing and other products.
  - Provision of financing and consultation services for the implementation of new productive and development investments by existing and new customers, including the sector of Renewable Energy Sources (RES), energy-saving and new technologies.
- In 2017, the Bank continued its strategy to support medium enterprises facing the impact of economic recession and at the same time to help the growth of Greek entrepreneurship, by providing to healthy SMEs the liquidity needed to implement viable investment and business plans on favorable financing terms.



- Leveraging the benefits of the securitization of business loans carried out in 2016, NBG entered into an agreement with the European Investment Bank (EIB) that enhances access by SMEs and MidCaps to bank financing, on the basis of which it is expected that the amount of € 215 million will be channelled on particularly favorable terms, thereby helping to reduce the high cost of financing faced by Greek companies, and enabling them to enhance their competitiveness.
- The Bank will continue to grant financing with reduced requirement for collateral, in cooperation with the European Investment Fund and the COSME Loan Guarantee Facility.
- In 2017, the Bank aims at leveraging available Financial Engineering Instruments under the National Strategic Reference Framework 2014-2020, and at enhancing and ensuring the access of SMEs to financing on favorable terms. In addition, within the context of designing and developing innovative products and services for the enhancement of entrepreneurship, NBG seeks and examines to broaden its partnerships with European and national developmental bodies and organizations, aspiring to leverage any potentially available source for financing on favorable terms.
- Support to financing of new housing loans to households as well as substantial improvement of the relevant services by completing the upgrade of processes for submitting and assessing mortgage loan applications.
- Continuous updating of its household debt settlement programs, by adjusting them to the new economic circumstances.
- Completion of the implementation of legislation that requires adoption by banks of the EU Directive on Mortgage Credit, resulting in the future loanholders' fuller information on the features and cost of a housing loan.
- For yet another year, the Bank will continue to support the growth of Greek entrepreneurship:
  - By providing liquidity to healthy SMEs.
  - By participating in Actions as part of its efforts to facilitate access by SMEs to financing on favorable terms, e.g. EIB, COSME.
  - By developing innovative products and services.
- In addition, in cooperation with other European and domestic bodies, the Bank is exploring participation in new programs such as EASI that concerns micro-credit, while it is also participating in the development of products in cooperation with ETEAN in the context of the new programs implemented in 2014-2020.



- The remaining 60% of the branch merger plan that commenced in 2016, is expected to be completed in the first quarter of 2017.
- Preparation of the annual report on the procedures of the Branch Network Strategy Division involving basic operational risks, that shall be completed and submitted electronically in the first half of 2017.
- 4<sup>th</sup> i-dea innovation competition for NBG personnel.
- Automation of the issuance of certificates regarding deposit balances, investment products (in general) and other data requested by Bank customers in order to submit their declaration of assets (source-of-wealth). The aim is to improve customer service by providing free-of-charge detailed information and immediate response.
- Upgrade of the quality of customer service within the context of the Code of Conduct for Banks for the management of non-performing private debt, by creating a permanent mechanism (systems and procedures for the branch network) for the settlement of non-performing private debt of individuals, legal persons and businesses.
- Continue to service the beneficiaries of the "Solidarity Card".
- Further improvement of procedures through centralization, simplification and automation so as to more efficiently support NBG personnel, improve the operational model's flexibility, increase productivity, reduce operating costs and enhance distribution of resources, as part of the efforts to provide uninterrupted top quality services to customers and better protect the customer's and the Bank's interests.
- Systems, available to customers, for optimum customer service at branch cashier points:
  - Expansion of the i-bank pass service to 70% (vs. 55%) of NBG branches.
  - Implementation of solutions aiming to optimum customer service (prognostic model for the workload at the cash desks) in 70% of the Branches.
- Implementation of targeted actions through NBG's branch network to encourage maximum use of online networks by the clientele.
- Expansion of the systematic monitoring of customer satisfaction at network branches through the devices installed or an electronic questionnaire.
- Replacement of the older generation ATMs in the branch network, including 13 ATMs with envelope slot that will be replaced by ATMs

with online deposit mechanism (76 ATMs/ 5.2% in total) - completion within the year 2017.

- Installation of 55 additional ATMs by the end of 2017, to expand services to new regions, regions where merged branches operated and corporate customers.
- Activation of the online cash deposit option in selected locations as above, of which 11 in border regions/small islands/locations where correspondents operate.
- Expansion of the APS network to 148 units for better customer service.
- Display of the transaction menu in English at the Bank's ATM network by the end of 2017.
- Inclusion of Union Pay card in the cards serviced via the ATM network, and activation of new service options regarding the cards issued abroad (balance inquiry, withdrawal amount, PIN change - PIN unblock).
- Expansion of the implementation of the new, shared ATM software platform which will enable interactive communication with the customer - its completion is estimated in the end of 2017.
- Reforming of the ATM payment menu and rewording and redesign of the screens in an attempt to improve the level of customer satisfaction / service - expected to be completed in the end of 2018.
- Continuation of the ATM façade adjustment project nationwide in line with the current corporate profile, so as to enhance the visibility of the NBG brand among the public and, by extension, customer visits.
- Specification study regarding the implementation of cardless & mobile transactions via ATM.
- Interbank payment option through IRIS online payments on NBG's i-bank Pay.
- Linking of NBG prepaid cards to the i-bank Pay app.
- Tax threshold calculator via i-bank internet & mobile banking.
- Expansion of i-bank stores network in new locations throughout Greece.
- Option to carry out mobile payments using NBG debit card.
- Acceptance of payments to NBG's POS from Alipay, the largest Chinese electronic payment service.
- Redesigning of the Bank's website [www.nbg.gr](http://www.nbg.gr) and i-bank internet banking in accordance with cutting-edge standards for functionality and UI/UX.
- Increase in i-bank transactions by transferring everyday operations (payments / transfers) to NBG's electronic delivery channels.
- Review of the Bank's Regulations for Supplies.

- Further exploitation of the capabilities of the e-auctions (WEB auctions) and RFX software applications.
- Completion of the preparation of a Code of Conduct for Suppliers and of relevant audit procedures concerning its implementation during the periodic evaluation of Suppliers, as per the Bank's respective Regulations for Suppliers & Technical Works.
- Performance of targeted regulatory audits with a view to ensuring legality of products and transactions, as well as the Bank's compliance with the applicable statutory framework.









## Responsibility to the Employees

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NBG recognizes the special importance of its people, since they are the key to the Bank's progress and business success. In 2016, the Bank's staff consisted of 9,478 employees in Greece and 18,614 in all the countries where the NBG Group operates, making NBG one of the major employers in the Balkans. Accordingly, job satisfaction, training, advancement and rewarding of employees were matters of top priority for the Bank in 2016.

Breakdown of NBG Group staff (2016)		
Company	2016	%
National Bank of Greece	9,478	50.92
International subsidiaries	7,951	42.71
Domestic subsidiaries	1,185	6.37
<b>Total</b>	<b>18,614</b>	<b>100.00</b>

## Code of Ethics

The Code of Ethics is one of the most important and crucial texts of NBG, as it sets out the core principles and values underlying its internal regulations and policies and the conduct of its employees.

The Code of Ethics has been formulated on the basis of the fundamental values that the Bank upholds in its business activities, and therefore concerns NBG staff throughout the Bank and its Group.

In December 2015, the revised / updated Code was approved by the Bank's Board and forwarded to the other Group companies in order to be adopted within 2016.

This Code sets out clearly the moral principles and values, as well as the relevant rules that frame the actions of the Staff and the Management. It also provides the necessary guidelines for taking the right decisions in compliance with the corporate governance rules and the legal and regulatory framework of every country where the Group is active.

In particular, the NBG Group's key Principles and Values are as follows:

- Integrity and honesty
- Respect and sincerity for our customers
- Top quality staff and top quality services
- Team spirit
- Acting proactively, we keep ahead of developments
- Transparency in our relationships
- Corporate Commitment
- High level of Corporate Governance and Compliance
- Corporate Social Responsibility

For further details: NBG Group's Code of Ethics: [www.nbg.gr](http://www.nbg.gr) (under The Group/Corporate Governance/Regulations and Principles).



## **NBG Corporate Governance Code**

This Code includes the detailed description of the Bank's corporate governance system that aims to protect its long-term interests for the benefit of its depositors and customers, shareholders and other investors, employees and any other stakeholders, as well as to ensure the Bank's compliance with the applicable European and national regulatory framework and the regulatory and contractual obligations undertaken by the Bank as part of the state aid received. In addition, CGC seeks to adopt the international best practices in corporate governance.

The CGC provides a framework, although not required by Law, for promoting the continuity, consistency and effectiveness of the NBG Board's workings, and constitutes a key component of effective governance.

Starting from the Greek statutory and regulatory framework and taking into consideration all international statutory obligations of the Bank, the CGC is based on best international practices, as included in relevant European Codes and the recommendations of the EU Commission, which do not substitute the regulatory and/or statutory requirements, but rather complement them. The corporate governance key principles described in NBG's CGC do not include all corporate governance principles adopted by the financial institutions receiving state aid.

Although the Code concerns the Bank and its Board, the NBG Group subsidiaries (the "Group") shall, under the guidance of the Group's management, comply with it as regards their corporate governance structure.

## **Conflict of Interest Policy for the Bank's Senior Executives**

With a view to preventing and managing real or potential conflicts of interests between the Bank and top/senior executive officers that may have an adverse impact on the reputation and interests of the Bank, its clients, shareholders and employees, the aforementioned Policy was established as part of the obligations arising from the institutional, statutory and regulatory framework, at national and international level, and aims to enhance the Bank's Internal Audit System.

Its provisions shall be implemented by all NBG top/senior executive officers along with the relevant NBG Group Policies and Regulations.

The Boards of Directors of Group Companies are obliged to adopt similar policies so as to comply with these basic principles.

## Conflicts of Interest Policy

As per this Policy, the Group's Management is responsible for establishing a policy for the avoidance, identification and management of conflicts of interest between the Bank and the Group, managers, staff, partners and customers, as well as between the customers themselves. NBG Group's human resources shall be aware of this Policy and act in accordance with it. The said Policy is reviewed by Management following a proposal by the Compliance Division, if so required.

In the event that the staff becomes aware of a potential or real conflict of interest, this shall be immediately reported to the Head of the relevant Business Unit, and the responsible Compliance Unit shall be informed accordingly. Identified conflicts are recorded at Business Unit and NBG or Subsidiary level. Business Units review the adequacy of their internal audits, and, in the event that the existing measures and procedures are not deemed satisfactory, they inform, if necessary, the Compliance Unit in order to jointly adopt alternative or additional corrective measures and procedures.

## NBG Group Anti-bribery Policy

In order to be fully compliant with the current regulatory framework and in accordance to international best practices and guidelines, following a decision of the Board, the Bank has adopted a Group Anti-Bribery Policy.

NBG Board members, managers, employees and any other person working for the Group, whether under a labor contract or otherwise, fall within the scope of the said Policy, which aims to establish basic principles for ensuring high legal and ethical standards as regards the Group's services and activities.

The Boards of NBG Group Companies are responsible for adopting the Group Anti-Bribery Policy, taking also into consideration the applicable regulatory framework governing the operation of each Company.

## NBG Group Data Protection Policy

This Policy sets out a uniform framework of principles and rules governing the processing of personal data coming to the knowledge of the Bank and the Group companies regarding a business or other relation, in compliance with the applicable regulatory framework and in accordance with international best practices.

The Policy aims at enhancing the IT governance system at Group Level and ensuring the management of personal data as per the statutory and regulatory framework applicable from time to time. NBG Board members, managers, employees and any other person working for the Group, whether under a labor contract or otherwise, fall within the scope of the said Policy.

The Boards of the Group companies are responsible for adopting the Data Protection Policy, adjusted appropriately to the nature, scope and complexity of their activities, taking also into consideration the currently applicable regulatory framework that governs their operation.

## **NBG Group Code of Ethics for Financial Professionals**

This Code sets out the key ethical requirements and standards of conduct applying to persons who are involved in preparing, compiling and filing financial statements and other financial disclosures of the Bank and the Group companies.

The Group companies have adopted this Code and further developed, where necessary, the procedures concerning its appropriate implementation.

## **NBG Group Whistleblowing Policy**

The Policy describes the key principles and procedures applying to reporting any irregularities identified, and aims, inter alia, at stressing the particular importance that the Group places on whistleblowing regarding misconduct that comes to the attention of staff members, as well as strengthening the trust of its staff in the established reporting procedures and the protection of whistleblowers who submit reports in good faith, by ensuring that they will be afforded the utmost protection and confidentiality.

## **NBG Group Anti-fraud Policy**

The revised NBG Group Anti-Fraud Policy was implemented with a view to further enhancing the existing corporate government framework, ensuring the Bank's full compliance with the applicable statutory and regulatory framework at national and international level, observing high legal and ethical standards, as well as preventing and handling the potentially harmful impact of actions that could jeopardize the reputation and the interests of the Bank.



NBG considers combating fraud, as well as any other irregular act or accounting and auditing practice incompatible with international practices and provisions, activities that are contrary to the Group's fundamental values and principles governing its business operations, to be a top priority. Thus, through this Policy, NBG sets out the Group's anti-fraud framework, formulates a uniform anti-fraud culture and ensures awareness and vigilance among the Group's staff with regard to identifying and avoiding fraud-related acts.

In addition, the Group Anti-Fraud Policy completes the Group's framework of principles and moral conduct and ethics, as set out under the Group's Code of Conduct and Ethics, as well as the Group Policies in place (Anti-bribery Policy, Whistleblowing Policy, Conflict of Interest Policy for Senior Executives).

## **NBG Policies pursuant to Law 3606/2007 on Markets in Financial Instruments (MiFID)**

With a view to complying with the rules and principles of Law 3606/2007 and the relevant statutory framework, NBG has adopted Policies regarding the following issues:

- Best Execution of Orders
- Conflicts of Interest
- Personal Transactions
- Customer Classification
- Suitability and Appropriateness Assessment
- Reporting
- Control of Advertizing Framework
- Order Management
- Inducement Management
- Safekeeping of customer assets and selecting a Custodian
- Outsourcing
- Preparation of Business Continuation Plans
- Customer Complaints

The said Policies are adopted by all NBG Group's financial companies depending on the nature of their operations.

## **Other documents binding on the Bank's Human Resources**

Moral conduct and ethics rules are also included in the Bank's Labor Regulation, which is binding on the Bank's staff. Furthermore, such

principles are included in the relevant Service Circulars that are issued by NBG and posted on the Bank's intranet for the staff's information.

## NBG's Labor Regulation

The Bank's Labor Regulation was drafted and came into force in 2001. It has been revised by a series of collective labor agreements that followed, and regulates issues concerning the staff's obligations and entitlements, from the time they are hired until retirement, e.g. promotions, appointments, remuneration, vacations, disciplinary issues and other issues concerning the general working status of the Bank's staff.

## NBG HUMAN RESOURCES

In 2016, NBG employed 9,478 staff in Greece, 51.39% of whom were men and 48.61% women. Compared with 2015, the Bank's total staff was less by 9.47%, due to the recruitment of 144 employees and the retirement of 1,139 employees, including those who participated in the voluntary retirement scheme.



Breakdown of NBG Human Resources in Greece by Gender (2016)										
Human Resources	2016	2016 %	2015	2014	2013	2012	2011	2010	2009	2008
Men	4,871	51.39	5,547	5,299	6,845	6,007	6,289	6,648	6,853	7,725
Women	4,607	48.61	4,923	4,648	5,430	5,223	5,351	5,569	5,681	5,938
<b>Total workforce</b>	<b>9,478</b>	<b>100.00</b>	<b>10,470</b>	<b>9,947</b>	<b>12,275</b>	<b>11,230</b>	<b>11,640</b>	<b>12,217</b>	<b>12,534</b>	<b>13,163</b>

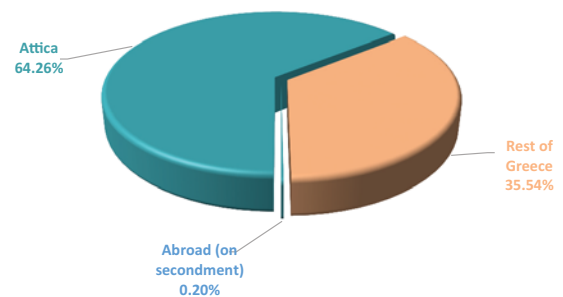
BREAKDOWN OF NBG STAFF BY GENDER (2016)



Breakdown of NBG HR by Geographical Region (2016)

Geographical Region	2016				2015	2014	2013	2012	2011	2010	2009
	Men	Women	Total	%	Total	Total	Total	Total	Total	Total	Total
Attica	3,134	2,957	6,091	64.26	6,666	6,139	7,640	6,841	7,030	7,466	7,334
Rest of Greece	1,721	1,647	3,368	35.54	3,783	3,785	4,609	4,360	4,581	4,712	5,163
Abroad (on secondment)	16	3	19	0.20	21	23	26	29	29	39	37
<b>Total</b>	<b>4,871</b>	<b>4,607</b>	<b>9,478</b>	<b>100.00</b>	<b>10,470</b>	<b>9,947</b>	<b>12,275</b>	<b>11,230</b>	<b>11,640</b>	<b>12,217</b>	<b>12,534</b>

Breakdown of NBG HR by Geographical Region (2016)



Geographical Breakdown of NBG HR by Age and Gender (2016)

Age	18-25		26-40		41-50		51+		Total	%	Total	%	Grand Total
	M	W	M	W	M	W	M	W	M	M	W	W	
Attica	20	35	1,052	1,212	960	1,182	1,118	531	3,150	33.23	2,960	31.23	6,110
Rest of Greece	16	12	619	779	429	596	657	260	1,721	18.16	1,647	17.38	3,368
<b>Total</b>	<b>36</b>	<b>47</b>	<b>1,671</b>	<b>1,991</b>	<b>1,389</b>	<b>1,778</b>	<b>1,775</b>	<b>791</b>	<b>4,871</b>	<b>51.39</b>	<b>4,607</b>	<b>48.61</b>	<b>9,478</b>
%	0.38	0.49	17.63	21.01	14.65	18.76	18.73	8.35					



### Breakdown of HR by Rank in Management Hierarchy and Gender (2016)

Rank in Management Hierarchy	Men	%	Women	%	Total
Executive					
BoD members	3	100.00	0	0.00	3
General Managers	6	85.71	1	14.29	7
Assistant General Managers	13	92.86	1	7.14	14
Central Managers	39	69.64	17	30.36	56
Branch Managers	277	69.08	124	30.92	401
Other Management Ranks	4,533	50.38	4,464	49.62	8,997
<b>Grand Total</b>	<b>4,871</b>	<b>51.39</b>	<b>4,607</b>	<b>48.61</b>	<b>9,478</b>

### Breakdown of NBG HR by Type of Employment and Employment Contract

Type of Employment	2016	2016 %	2015	2014	2013	2012	2011	2010
Full time	9,441	99.61	10,432	9,909	12,235	11,186	11,596	11,502
Part time	37	0.39	38	38	40	44	44	50
<b>Total</b>								
<b>NBG Staff</b>	<b>9,478</b>	<b>100.00</b>	<b>10,470</b>	<b>9,947</b>	<b>12,275</b>	<b>11,230</b>	<b>11,640</b>	<b>12,217</b>
Seasonal employees	100		91	28	0	252	267	380

### Seasonal Staff Employed in NBG Units\*

Year	2016	2015	2014	2013	2012	2011	2010	2009	2008
Employees	100	91	28	0	252	267	380	270	378
Units where they were employed	91	87	27	0	219	250	317	232	315

\* Hiring of seasonal employees on 4-month contracts.

#### Breakdown of HR by Type of Employment and Gender (2016)

Type of Employment	Men	Women
Full time	4,871	4,570
Part time		37
<b>Total</b>	<b>4,871</b>	<b>4,607</b>
<b>Total NBG Staff</b>	<b>9,478</b>	
Seasonal employees	23	77

#### HR by Employment Contract and Gender (2016)

HR by type of employment and employment contract	Men	Women	Number
<b>Under CLA</b>	<b>4,502</b>	<b>4,263</b>	<b>8,765</b>
<b>Without CLA, of which:</b>	<b>369</b>	<b>344</b>	<b>713</b>
Open-Ended contract	325	278	603
Fixed-Term contract	44	66	110
<b>Total NBG Staff</b>	<b>4,871</b>	<b>4,607</b>	<b>9,478</b>

#### HR by Employment Contract and Geographical Region (2016)

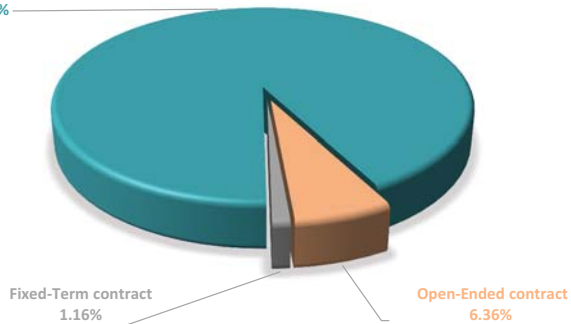
HR by type of employment and employment contract	Attica	Rest of Greece	Abroad (on secondment)	Total
<b>Under CLA</b>	<b>5,463</b>	<b>3,292</b>	<b>10</b>	<b>8,765</b>
<b>Without CLA, of which:</b>	<b>628</b>	<b>76</b>	<b>9</b>	<b>713</b>
• Open-Ended contract	540	58	5	603
• Fixed-Term contract	88	18	4	110
<b>Total NBG Staff</b>	<b>6,091</b>	<b>3,368</b>	<b>19</b>	<b>9,478</b>

#### HR by Employment Contract

Type of Employment Contract	2016	2015	2014	2013	2012	2011
<b>Under CLA</b>	<b>8,765</b>	<b>9,364</b>	<b>9,316</b>	<b>10,778</b>	<b>10,319</b>	<b>10,529</b>
<b>Without CLA, of which:</b>	<b>713</b>	<b>1,106</b>	<b>631</b>	<b>1,497</b>	<b>911</b>	<b>1,111</b>
• Open-Ended contract	603	1,051	579	1,426	833	964
• Fixed-Term contract	110	55	52	71	78	147
<b>Total NBG Staff</b>	<b>9,478</b>	<b>10,470</b>	<b>9,947</b>	<b>12,275</b>	<b>11,230</b>	<b>11,640</b>

#### HR BY TYPE OF EMPLOYMENT AND EMPLOYMENT CONTRACT (2016)

Under CLA  
92.48%



#### Breakdown of HR Attrition by Gender and Age\* (2016)

Age	18-25	26-40	41-50	51+	Total	% of NBG Staff
Men	0	46	63	627	736	7.77
Women	1	39	86	277	403	4.25
<b>Total</b>	<b>1</b>	<b>85</b>	<b>149</b>	<b>904</b>	<b>1,139</b>	<b>12.02</b>
<b>% of total NBG Staff</b>	0.01	0.90	1.57	9.54	12.02	The percentage refers to the total NBG Staff, amounting to 9,478 as at 31.12.2016.

\* (e.g. retirement, termination of contract)

#### Geographical Breakdown of HR Attrition by Age\* (2016)

Age	18-25	26-40	41-50	51+	Total	% of NBG Staff
<b>Geographical Region</b>						
Attica	1	52	104	530	687	7.25
Rest of Greece	0	33	45	374	452	4.77
<b>Total</b>	<b>1</b>	<b>85</b>	<b>149</b>	<b>904</b>	<b>1,139</b>	<b>12.02</b>
<b>% of total NBG Staff</b>	0.01	0.90	1.57	9.54	12.02	The percentage refers to the total NBG Staff, amounting to 9,478 as at 31.12.2016.

\* (e.g. retirement, termination of contract)



### Geographical Breakdown of HR Attrition by Age Group and Gender\* (2016)

Age Geographical Region	18-25		26-40		41-50		51+		Total	
	M	W	M	W	M	W	M	W	M	W
Attica	0	1	30	22	40	64	349	181	419	268
Rest of Greece	0	0	16	17	23	22	278	96	317	135
<b>Total</b>	<b>0</b>	<b>1</b>	<b>46</b>	<b>39</b>	<b>63</b>	<b>86</b>	<b>627</b>	<b>277</b>	<b>736</b>	<b>403</b>

\* (e.g. retirement, termination of contract)

### Geographical Breakdown of New Hirings by Age (2016)

Age Geographical Region	18-25	26-40	41-50	51+	Total	% of NBG Stuff
Attica	29	59	10	6	104	1.10
Rest of Greece	10	23	7	0	40	0.42
<b>Total</b>	<b>39</b>	<b>82</b>	<b>17</b>	<b>6</b>	<b>144</b>	<b>1.52</b>
<b>% of total NBG Stuff</b>	0.41	0.87	0.18	0.06	1.52	

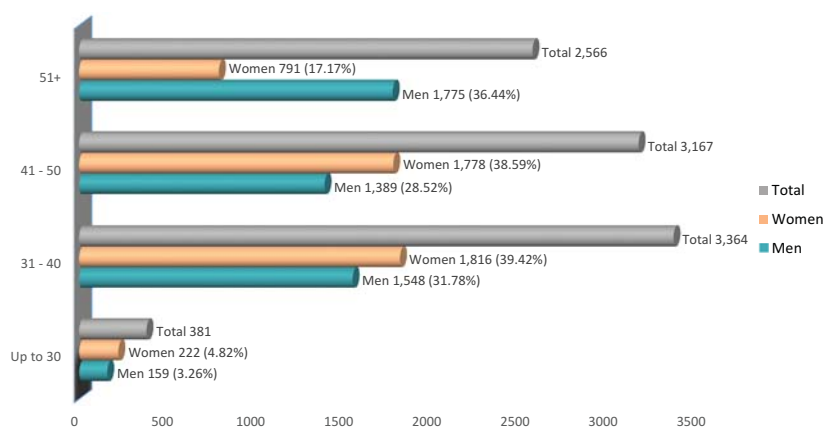
### Breakdown of New Hirings by Gender and Age Group (2016)

Age	18-25	26-40	41-50	51+	Total	% of total NBG Stuff
Men	14	29	11	5	59	0.62
Women	25	53	6	1	85	0.90
<b>Total</b>	<b>39</b>	<b>82</b>	<b>17</b>	<b>6</b>	<b>144</b>	<b>1.52</b>
<b>% of total NBG Stuff</b>	0.41	0.87	0.18	0.06	1.52	

### Geographical Breakdown of New Hirings by Age and Gender (2016)

Age Geographical Region	18-25		26-40		41-50		51+		Total	
	M	W	M	W	M	W	M	W	M	W
Attica	9	20	18	41	5	5	5	1	37	67
Rest of Greece	5	5	11	12	6	1	0	0	22	18
<b>Total</b>	<b>14</b>	<b>25</b>	<b>29</b>	<b>53</b>	<b>11</b>	<b>6</b>	<b>5</b>	<b>1</b>	<b>59</b>	<b>85</b>

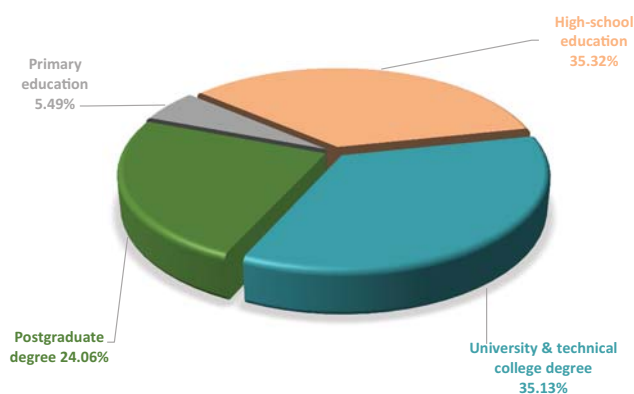
### BREAKDOWN OF NBG HR BY GENDER AND AGE (2016)



### Breakdown of NBG HR by Gender and Age Group (2016)

Age	Men	%	Women	%	Total	%
Up to 30	159	3.26	222	4.82	381	4.02
31 - 40	1,548	31.78	1,816	39.42	3,364	35.49
41 - 50	1,389	28.52	1,778	38.59	3,167	33.42
51+	1,775	36.44	791	17.17	2,566	27.07
<b>Grand Total</b>	<b>4,871</b>	<b>100.00</b>	<b>4,607</b>	<b>100.00</b>	<b>9,478</b>	<b>100.00</b>

#### EDUCATIONAL LEVEL OF NBG HR (2016)



#### Educational Level of NBG HR (2016)

Level	Total	%
Primary education	520	5.49
High-school education	3,348	35.32
University & technical college degree	3,330	35.13
Postgraduate degree	2,280	24.06
<b>Total</b>	<b>9,478</b>	<b>100.00</b>

#### Breakdown of Educational Level of NBG HR by Gender (2016)

Level	Men	Women	Total
Primary education	296	224	520
High-school education	1,819	1,529	3,348
University & technical college degree	1,649	1,681	3,330
Postgraduate degree	1,107	1,173	2,280
<b>Total</b>	<b>4,871</b>	<b>4,607</b>	<b>9,478</b>
<b>Grand Total</b>	<b>9,478</b>		



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## HUMAN RESOURCES MANAGEMENT

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In 2016, the Bank stepped up its efforts to upgrade the administrative and management systems of its Human Resources.

### Strategy Issues

#### Bank and Group Remuneration Policy

By decision of the Board following a proposal by the HR & Remuneration Committee (composed of non-executive members), the Bank adopted the Group Remuneration Policy, which complies with the provisions of Law 4261/2014 (that transposed Directive 2013/36/EU (CRD IV) and with Bank of Greece Governor's Act 2650/19.1.2012 and constitutes an integral part of the Group's corporate governance framework. In addition, the remuneration practices adopted by the Bank comply with Law 3864/2010, as amended, the Relationship Framework Agreement (RFA) between the Bank and the HFSF and the Bank's obligations towards the Monitoring Trustee.

This Policy sets out the key guidelines for the management and provision of remuneration to the staff of the Bank and its Group companies, ensures reliability and transparency in the staff remuneration-related principles and procedures and contributes to the avoidance or minimization of cases of conflict of interest or influences that could have a negative impact on the sound and prudent management of the risks undertaken.

At Group level, the Bank supervises the policies and practices implemented by the Group companies in order to ensure that they follow the Group principles, irrespective of their field of activity. This Policy has been forwarded to the Group subsidiaries with a view to adopting a similar Remuneration Policy, taking into account the requirements of the regulatory framework of the country where they operate, as well as the nature, scope and complexity of each company's business activities. Accordingly, taking into consideration the diversity of the Group companies, some of them implement purpose-designed policies and practices aiming at their compliance with the governing institutional framework, while others respond in a simpler way.

The Bank closely follows developments as regards the applicable statutory and regulatory framework, and carries out adjustments as deemed necessary, in line with the best practices.

#### Development and Revision of the Group's HR Strategy Division Policies

The Bank prepares HR Policies concerning the Bank and / or the Group depending on the issue and the Management strategy. The HR Policies

are approved by the Bank's Board and/or the competent Committees to which such responsibilities have been assigned by the Bank's Board (e.g. HR & Remuneration Committee "HRRC"). The HR Policies cover the entire range of the relevant issues in order to avoid overlapping with other Bank and/or Group Policies, and to satisfy the requirements of the supervisory authorities (if any), as well as these of the Management strategy. Each HR Policy is implemented by the Bank Unit(s) whose responsibilities fall within the scope of each Policy. The HR Policies are prepared in line with best practices and revised when required by service needs and/or best practices.

In 2016, the NBG Group Human Resources Strategy Division, in collaboration with the relevant Divisions, took the following actions:

- Reviewed the Group's Training Policy seeking its establishment in 2017.
- Prepared / Reviewed more than 36 HR policies and procedures of the Group's subsidiaries, aiming at the homogenization and observance of the key principles at Group level.

#### **Monitoring the Implementation of the Benefits-Expenses Framework for NBG Staff**

In 2016, the Group Human Resources Strategy Division continued to monitor the implementation of the Benefits Policy for NBG officers and the Bank's work-related expenses framework.

Within this context, the Division ensured that the provisions of the Policy were observed and any divergences properly handled. Also, it provided advisory services as regards the amendment of the expense management systems aiming to enhance the automation of data production and administrative reports.

#### **Voluntary Retirement Scheme**

The Group Human Resources Strategy Division in cooperation with the consulting firm HAY GROUP SA prepared a comprehensive proposal regarding the Voluntary Retirement Scheme, as part of the Bank's strategic plan concerning the number of staff employed in the Group's domestic companies. The proposal was submitted for approval to the Management and other Supervisory Authorities.

Having obtained the necessary approvals, the Group HR Strategy Division worked along with the other Group Units involved, for the smooth working of the Scheme, which was completed at the end of the year.

A similar Voluntary Retirement Scheme, based on that of NBG, was also implemented by two of the Group's domestic subsidiaries (NBG Bancassurance and NBG Securities).

Some 1,166 domestic employees participated in the Voluntary Retirement Scheme.

### **Planning for HR Needs**

In the framework of Annual Planning for HR needs and taking into account that the Bank's operational needs have increased, the Bank's General and Assistant General Managers specified the needs for staff in terms of quantity and quality in the Units under their supervision, as well as surplus personnel that could be better employed in other Bank's Units. The Group HR Strategy Division prepared and submitted to the Executive Committee the relevant Information Memo.

## **Management Issues**

### **Job description**

To facilitate the functions related to HR management, as well as to ensure the Bank's compliance with the regulatory framework in force and deployment of HR management best practices, the Group HR Strategy Division continued and expanded the "Job Description" project. In particular, in 2016 concerning the Bank:

- 81 new Job Descriptions were prepared.
- 87 Job Descriptions were processed and finalized.
- 8 Job Descriptions were updated.
- Efforts were made to prepare 39 additional Job Descriptions in different Divisions.

Note that the number of jobs to be described is variable depending on the frequency and range of organizational changes in the Bank's structure and operation.

In 2016, a Manual for Preparing and Updating Job Descriptions was completed and came into force seeking to develop and establish harmonized procedures, as well as to incorporate them in the Group's strategy.

In addition, as part of the assistance provided to domestic and international Group Subsidiaries regarding Job Description harmonization, the Bank offered its know-how to 3 subsidiaries (SABA, Ethniki Leasing SA and AOPETE), while it reviewed and commented on the Job Descriptions of 3 more subsidiaries (Ethniki Insurance SA, Banca Romaneasca, BankTeco).



### Hiring of Personnel in NBG

In 2016, a total of 144 new staff were hired, as presented in detail in the following Table:

New staff hired in 2016	
Category	Total
Chairman	1
Deputy CEOs	0
General Managers / Assistant General Managers	0
Special Associates (under open-end contract)	50
Special Associate (under fixed-term contract)	1
Advisors to Management (under open-end contract)	0
Advisors to Management (under fixed-term contract)	1
Junior clerk (pursuant to the 2010 recruitment competition - court decision)	1
Employees - former IKY scholarship holders (under fixed-term contract)	82
Children of deceased Employees	8
<b>Total</b>	<b>144</b>

Note also that, besides the aforementioned 144 hirings, following relevant resolutions, the 18 employees of the former Ethniki Kefaleou were incorporated in the regular staff of the Bank due to the absorption of the said subsidiary.

### Recruiting Staff from the Labor Market

Seeking to recruit highly qualified staff, the Group HR, HR Strategy and HR Development Divisions performed work skills tests and interviews with candidates from the labor market, in line with specific requirements and conditions.

### Internal Staff Transfers within the Group

Aiming at optimum use of the Group's workforce, the Group HR Strategy Division, in cooperation with the Group HR Development Division, examines and identifies employees that could be transferred to other Units of the Bank in order to meet ascertained needs.

Officers of the Group HR Strategy Division participated in Committees that conducted interviews in the final stage of the recruiting process, pursuant to the relevant invitations.

As regards staff transfers pursuant to Article 10 of the Bank's Labor Regulation, a 20-day deadline is set for transfers in Greece and a 30-day deadline for transfers abroad.

The Bank employees leave service to retire after establishing pension rights, or as a result of resignation for personal reasons, or dismissal following the commission of improper acts, with or without compensation,

as provided for by the relevant laws. Accordingly, there is no need for transition programs offering support to employees who are going to retire or were dismissed.

### **Practical Training for Undergraduate Students of Universities and Technological Educational Institutions**

The Bank throughout the duration of the year welcomes senior students of Greek Universities to do an internship from 1.5 to 3 months mainly at the Branch Network but also in Administration Units. In 2016, the Group HR Strategy Division collaborated with 15 Greek Universities and 46 different departments. In 2016, the Bank employed 305 university students, 24% more students in comparison with 2015.

In 2016, NBG offered 1,200 students of Universities (305 students) and Technological Educational Institutions (895 students) versus 1,176 students in 2015, i.e. up by 2.04%, the opportunity to acquire work experience at the beginning of their career, through its practical training program at various Units of the Bank around the country.

### **IKY - NBG Scholarship Program**

In 2016, NBG continued to implement the pioneering and widely recognized IKY-NBG Scholarship Program. The Program was launched in Greece by NBG in collaboration with State Scholarship Foundation (IKY), at the end of 2014. The said program involves the following two stages:

- a. Granting IKY Scholarships to 100 graduates who achieved distinctions (80 in Athens and 20 in Thessaloniki, depending on the city where they study) for postgraduates studies from 18 to 24 months, while at the same time gaining professional experience in NBG (Phase A).
- b. Hiring the scholarship holders under a two-year employment contract with NBG (Phase B).

On the basis of the Program's development character, during their internship, HR officers are responsible for providing systematic support to the scholarship holders, arranging their job rotation, in-house and e-learning training, as well as the assessment of their performance. In addition, to help them with their studies, the Bank offered them the opportunity to arrange specially designed work schedules, and to collaborate with expert Bank officers as they prepare their dissertation.

Note that the Program was positively assessed by all parties involved (scholarship holders and Reception Units) as regards its design, implementation and efficiency.

In 2016, upon successful completion of the first phase of the Program, the Bank hired 82 scholarship holders under a two-year full-time employment contract (Phase B).

### **Internship Programs "i-work@nbg"**

With a view to rewarding excellence on the basis of meritocratic and transparent criteria, halting the brain drain and creating an effective link between the education and the labor market, NBG implements the Internship Programs "i-work@nbg".

In the context of the Internship Programs "i-work@nbg", highly qualified senior students and graduates are offered the chance to gain professional experience on areas related to their studies through full-time salaried practical training of 6 to 12-month duration, facilitating the participants' integration in the labor market.

In 2016, 12 persons participated in such Programs. The participants were employed in the Reception Units and provided with guidance by the competent Officers in charge in order to efficiently perform their tasks, while enhancing their technical knowledge and developing their professional skills. Further, HR officers offered systematic support to all parties involved and constructive feedback to the participants, and provided for the assessment of their performance, as well as their attending e-learning training seminars to gain specialized / technical know-how.

Following the successful completion of the aforementioned Programs, the new "i-work@nbg" internship program was developed and announced in the beginning of 2017.

### **Participation in Career Days**

HR officers took part in the Career Days organized by the Athens University of Economics & Business and ALBA. In this context, interviews with selected iMBA students and graduates were carried out and interviews with graduates of various ALBA postgraduate programs.

### **Participation in the "European Pact 4 Youth"**

Bank officers participated in a special project team along with representatives of different companies seeking to attain the European Pact 4 Youth targets. This Pact aims at the effective linkup between the academic community and the labor market, and the establishment of a new model providing internships and apprenticeship to young people.

### **Extroversion of "Group HR General Division"**

In 2016, NBG continued its active participation in the Greek People Management Association (SDADE) through the enrolment of new members (currently amounting to 17 officers of the Group HR Division, 7 officers of the Group HR Strategy Division and 10 officers of the Group HR Development Division) and the participation of its members in a series of one-day conferences held by SDADE. In these conferences the participants were provided with accurate and timely information on financial, insurance, labor and other related issues, and at the same



time their participation strengthened collaboration with HR officers from various companies and bodies.

In 2016, 4 executives of the Group HR General Division were certified on HR issues upon passing the final exams after attending the SHRM-CP Program (Society for Human Resources Management – Certified Professional) of the US SHRM Organization, run by ICAP. The said certification presupposes training in almost all fields related to HR (HR Competencies, People, Organization, Workplace, Strategy), enhances the officers' expertise and comprises international, trusted and acknowledged certification for HR experts. As a result, the Bank has even more expert and certified HR officers.

Last, in 2016 the Bank presented its best HR practices to postgraduate students of Panteion University. Also, some of them enjoyed coaching by specialized officers of the HR Development Division.

### **Provision of Regular Management Reporting on the Bank and the Group**

With a view to enhancing the processes of control, overall monitoring and management of budgeted staff costs, as well as for better reporting to Management, relevant reports were prepared with financial and quality data related to the Group's workforce. Said reports mainly included data regarding:

- The number of the Group's employees.
- The payroll cost at Bank and Group level.
- The staff's unused regular days of leave of the current year.
- Specific data reflecting the qualitative breakdown of the Bank's staff, e.g. age, educational background, grade etc.

In 2016, special emphasis was placed for yet another year on effective planning of regular days of leave in the same year, with a view to using up all unused days by 31.12.2016. This target was achieved at the best possible level.

Unused Regular Days of Leave of Current Year (in days)	
1.1.2016	264,023
31.12.2016	2,023

### **Provision of Qualitative and Quantitative Data**

To support the Management's project regarding the development and implementation of the NBG Group's HR strategy, qualitative and quantitative data of the NBG Group staff were processed, with a view to pro-

viding relevant information to:

- The Management (extraordinary and/or special reporting needs, preparation of various scenarios, investigation of the impact on total staff cost).
- The competent regulatory authorities (Bank of Greece and the HFSF through the Managing Trustee).
- Consulting firms in the context of the Bank's participation in general and sector surveys conducted by such firms.

#### **Overhaul of the Bank Staff's Records - Digitization of Documents**

The NBG Group HR Division remains firmly committed to its operational modernization implementing effective solutions that contribute to automation and reduction of its operating costs. In this context, the said Division set up a Project Team responsible for the digitization of all NBG staff documentation kept in the staff's Personal Files. The Project Team started its operation in July 2016 and by the end of the same year digitized almost 10% of the files of the active personnel. Upon completion of the project, the inherent operational risks will be reduced or even eliminated. As a result, the workload will be simplified with a view to reducing operational cost.

#### **Preparation of the Staff's Payroll Budget for the Years 2017-2019**

Within the context of complying with the requirements of the Supervisory Authorities re the preparation of updated and detailed financial provisions for the years 2017-2019, the Group HR Strategy Division prepared the Bank staff's payroll budget for the said period. This budget was included in the business plan that was submitted to the Supervisory Authorities. Also, it was a great help to the Management Reporting Division in monitoring, on a monthly basis, any deviations from the budgeted cost for the year 2016.

#### **Rationalizing Travel of Officers and Travel Policy**

Since January 2013 the Bank has instituted and put into force a travel policy for its senior officers, enabling centralization of account monitoring and clearing by the Group HR Division. In 2015, aiming at faster and more accurate management / clearing of business travel, the Group HR Division completed in partnership with the IT Division the parametrization of the SAP Travel Management application. Thereafter, as from 1.1.2016 the clearing and payment of the staff's business travel are managed through the said application, resulting in:

- Reducing drastically the clearing and payment time of the staff's business travel through the automation of processes.
- Reducing drastically human error, through simplification of processes and central control.

- Enhancing the service offered to the staff.
- Building an effective database for extracting statistical data.
- Reducing administrative costs.
- Providing significant potential for further automation.

### **Handling of Court Actions**

The Group HR Division processed data and drafted detailed notes sent to Legal Services Division regarding actions and appeals both by and against the Bank for a total of 123 cases (including: compensation for retirement, requests for promotion, termination of employment contracts, allowances, not hiring successful candidates from the NBG recruitment examination, injunctions against the Bank etc.) In addition, 3 Proposal Memoranda to the Management were prepared regarding approval of out-of-court settlement. Furthermore, 21 court decisions were executed, for which 28 notices were sent to the Bank's Accounting Department.

As regards the combating of corruption, the Bank filed 3 complaints and 20 penal cases are pending, many of which ended with convictions.

### **Administrative Support to the NBG Health Fund (TYPET)**

In this ongoing effort to rationalize costs, as from 2012 the Group HR Division has implemented a special procedure for filing applications for employees' children to join TYPET's summer camps, thereby ensuring better service to both TYPET and the employees. In this context, 1,231 applications to join TYPET's summer camps were delivered to and processed by the Division in 2016.

### **HR Issues of NBG Domestic Subsidiaries**

In 2016, cooperation between Domestic Subsidiaries and the NBG Group HR Division continued on whatever issue needed prior consultation, approval or, in general, the contribution of the said Division. Accordingly, the mode of addressing HR issues at the Group's Domestic Subsidiaries was aligned with the Group's principles, and accurate and prompt reporting to the Group's Management on relevant issues was ensured. As a result, all requests submitted in 2016 by the Domestic Subsidiaries were satisfied.

### **HR Issues at NBG International Subsidiaries**

The Group HR Division continued in 2016 to cooperate closely with the International Subsidiaries' local HR Divisions for the purposes, on the one hand, of monitoring and, on the other hand, handling any HR issues. The Group HR Division's contribution to resolving, in a timely and



proper manner, agreement, tax and social security issues of Bank Officers abroad on secondment, safeguarded the Bank's reputation and standing at Group level.

In the context of their duties, Business Partners (BPs) carried out 10 trips to countries where international units of the Group are based to oversee the works of local HR Divisions. During the said business trips, BPs performed follow-up visits to 16 Subsidiaries.

### **Staff Evaluation**

In seeking to foster staff opportunities for personal development, the optimal utilization of their skills and the identification of areas for improvement, the Bank has developed an Internal Staff Evaluation & Development System, which has been running for several years. The said system is implemented on an annual basis and has also been deployed by a number of the Group's subsidiaries, in cases where this was considered expedient. The employee plays an active role in the evaluation process and, following its completion, has full access to the results. All employees evaluated have access to the evaluation results and participate in the completion of their performance review forms. Employee assessment is carried out at the beginning of each year, and reviews their performance over the previous year, while the assessment for the employees subject to the Bank's Labor Regulation is performed on 1 July of the assessment year. In 2016, 8,412 employees (4,634 men - 55% and 3,778 women - 45%) were assessed for the year 2015 in line with the annual review process (80% of the total 10,470 employees as at 31.12.2015). The above data do not include the following 2,058 persons, i.e.:

#### **A. Core Group Employees**

- General/ Assistant General Managers, employees of 1<sup>st</sup> and 2<sup>nd</sup> grade and Deputy Managers A).
- New employees after 1.7.2015.
- Retired employees before 1.7.2015.

#### **B. Non-core Group Employees**

- Management Advisors, Special Associates, Attorneys, Cleaning Staff etc.

As regards the new Performance Management System-PMS, the following are noted:

1. Implementation of PMS in the subsidiary company Stopanska Banka A.D. Skopje (SB): In 2016, the implementation of the new PMS in the Group's subsidiary Stopanska Banka was continued by taking the following steps:

- Annual assessment of all SB staff for the year 2015, followed by processing and analysis of the collected data by officers of the Group HR Division, which resulted in providing the relevant guidelines to the subsidiary, where required.
- Preparation of the "Annual Report on the Procedures and Results of the SB staff Assessment for the year 2015" by the competent officers of the Group HR Division, with a view to informing the Bank's Management and the Subsidiary's CEO.

- Target-setting and allocation of KPIs / targets for year 2016, preparation of KPIs list and entering them in the SAPHCM application of the subsidiary, as well as development of the procedures for their monitoring and measurement, on behalf of SB, wherever necessary.
- Assessment of SB staff for the first half of 2016, preparation of the respective Report by the subsidiary and sending it to Group HR for review and comment by the Division's competent officers.

2. Implementation of PMS for the assessment of the Bank's Senior Executives: In Q4 2016, an interdivision Project Team was set up comprising officers of the Group HR, HR Strategy and Strategy Divisions, with a view to coordinate the necessary actions for the implementation of the new Performance Management System (PMS) within the Bank and pilot assessment of NBG Senior Management (General Managers, Assistant General Managers, Heads of Divisions / Independent Heads of Sectors) for the year 2016. The total number of the aforementioned officers, upon completion of the voluntary retirement scheme, amounted to 74. The Assessment Procedure started in December 2016 in order to be completed in Q1 2017. In 2017, the Project Team continued working on the development of PMS, the design of the required material (i.e. preparation of the assessment regulation, assessment forms) and finalization of the number of the officers assessed for the said year, that is going to expand. In addition, a series of "Performance Management Coaching" workshops is scheduled to be organized in collaboration with Mercer Consulting firm, setting as target a modern, complete and as reliable as possible assessment of business performance on the basis of the staff's constant personal development. NBG aims at gradually adopting the proper philosophy and culture applying to HR assessment that will contribute in a substantial manner to the Bank's results and growth prospects.

3. Implementation of PMS in other Subsidiaries: In 2016, no action was taken towards the implementation of PMS in the following Group Subsidiaries: Vojvodjanska Banka and NBG Securities. The expansion of the application in the Group subsidiaries will be re-examined.

### **Staff Selection**

For yet another year NBG continued to systematically review employees' qualifications, skills and professional abilities, for their best possible leverage to meet the Group's needs for specific job positions.

In this context, 35 Selection Programs were held through the conduct of 1,096 targeted interviews and 1,546 IQ tests, personality profiles and written examinations.

At the same time, the role of the Selection Sub-Division as advisor and mentor was significantly reinforced through individualized feedback meetings with the Bank's employees and officers, while enhancing the systematic assessment and the creation of a pool of employees with great potential and/or suitability for the Organization's key positions through HR Evaluation and Development Centers.



Also, emphasis was placed on formulating the Branch Manager Profile Standard using a special tool, as well as on continuing the integrated program re the Internal Auditors' development through the preparation of personal development plans for all specialized staff. Finally, Selection assisted significantly the Group subsidiaries, and further enhanced its outward-looking orientation by presenting its work, methodology and best practices to postgraduate students of Panteion University and by participating in Career Fairs.

## Training

### Staff Training and Development

The Bank, in the context of its strategic targets and priorities, invests in training programs that develop and enhance the employees' professional skills and knowledge and ensures their continuous development.

The in-house training is provided to all employees through both open and special seminars aiming at the highest participation.

### Main Activities in 2016:

- A training program for new Branch Managers was designed and established aiming to develop and enhance their professional and administrative skills in order to enable them to meet the requirements of their role. The topics presented included the current financial condition, the Bank's target-setting and business policy, operating issues regarding Branch management, Management etc.
- A course offering specialized knowledge and enhanced personal skills to the staff of the Corporate Special Assets Divisions was carried out. The special programs presented were the following:
  - Restructuring Solutions for NPLs and Procedures under the Bankruptcy Code (30 participants / 480 man-hours).
  - Accounting and Greek Accounting Standards (361 participants & 3,276 man-hours in total).
  - Effective Negotiations, a program seeking to develop the officers' skills on negotiation; it was designed in partnership with the Athens University of Economics and Business (AUEB) to correspond to the exact needs of the respective Units (35 participants / 432 man-hours).
- Continued the preparation of officers for the certification required by the current institutional framework regarding certification and re-certification, pursuant to the MiFID Community Directive, in investment services and insurance mediation issues. Through 60 seminars (24,822 man-hours) 1,322 employees were trained, in total.
- 14 sessions on the training of the Premium Banking Team (348 officers / 3,612 man-hours) and 19 sessions on the training of the Business Banking team (295 participants / 7,670 man-hours) were carried out.
- 92 branch employees (1,656 man-hours) participated in 6 sessions



of the "Branch Physical Security" seminar to effectively deal with emergency situations in the workplace.

- To cover special training needs of the Group Internal Audit - Inspection Division, seminars were organized on the following fields: Basics of Credit Auditing, IFRS, Presentation Skills, Stress Management, Communication, Influence & Negotiation and Teamworking (131 participants / 1,379 man-hours).
- "Development of Management Skills I & II" attended by 246 officers serving in the Administration and Branch Network (3,408 man-hours).
- Besides the specialized personal skills development programs, 20 training programs were held on communication, negotiation, sales techniques, stress management in the workplace (in cooperation with the scientific staff of TYPET) and time management. The sessions were attended by 256 employees (3,408 man-hours), 14 of which served in Group subsidiaries abroad.
- A great number of specialized training programs were held, such as: Treasury Products, Contract Management, Oracle Database, Fusion Middleware & Reports Development, Adobe Photoshop & Illustrator, ACL, Communication on Progress (COP), Social Style System, Prince 2: Foundation & Practitioner, Project Management Professional (PMP/PMI), ITIL for IT Service Management, SAP BW, Operational Risk Management System (Opvar), Mentor Coaching, The Extraordinary Trainer & Coach, Legal Cases Management System (ALMA).
- The seminar courses for the training of new employees included 8 sessions of "Communication & Negotiation" seminar (3,348 man-hours), attended by 141 new employees who completed their training on personal skills development.
- Last, NBG organized 20 information meetings for 363 students of technical universities who do their internship in the Bank, with a view to providing them training on professional conduct skills, team work and quality customer service.

In the context of the staff's awareness on Human Rights issues, the Group HR Development Division organized CSR training sessions with reference, direct or indirect, to Human Rights. Specifically:

- "CORPORATE SOCIAL RESPONSIBILITIES IN PERIODS OF CRISIS", Institution: Association of Chief Executive Officers (ACEO) (2 hours, 14 man-hours, 7 participants).
- "CORPORATE SOCIAL RESPONSIBILITY IN ACTION 2016", Institution: BOUSSIAS COMMUNICATIONS (8 hours, 24 man-hours, 3 participants).
- "CREDIT ACADEMY": The content of this training program was enriched with the section "CORPORATE SOCIAL RESPONSIBILITY" (4 teaching hours per cycle).

Finally, the new e-seminar "NBG GROUP CODE OF ETHICS" is available since May 2016 and mandatorily attended by all NBG staff. This seminar provides a clear framework within which all Group employees are expected to conduct themselves and work with a view to ensuring the respect to all customers' human rights (i.e. personal data, racial or other discrimination, racism etc.).

Training Data								
Year	2016	2015	2014	2013	2012	2011	2010	2009
<b>Number of courses run</b>	<b>1,036</b>	<b>1,009</b>	<b>1,042</b>	<b>588</b>	<b>641</b>	<b>549</b>	<b>557</b>	<b>480</b>
Participations in in-house training courses	5,381	6,067	8,688	4,538	6,719	6,150	8,713 <sup>(2)</sup>	9,800 <sup>(2)</sup>
Participations in outsourced seminars	650	625	581	724	374	210	510 <sup>(2)</sup>	600 <sup>(2)</sup>
Participations in e-Learning seminars	13,790	15,892	13,530	6,015	6,356	4,207		
Participations in outsourced distance learning seminars	407	28	16	6				
<b>Total participations in training courses</b>	<b>20,228</b>	<b>22,612</b>	<b>22,815</b>	<b>11,283</b>	<b>13,449</b>	<b>10,567</b>	<b>9,223</b>	<b>10,400</b>
Training man-hours (participations by hours)	200,389	244,310	216,830	113,631	228,831	173,901	130,838	206,000
Average training hours per employee <sup>(1)</sup>	21.14 <sup>(7)</sup>	23.33 <sup>(6)</sup>	21.80 <sup>(5)</sup>	9.25 <sup>(4)</sup>	14.65 <sup>(3)</sup>	14.90	10.70	16.40
<b>Training expenditure (€ millions)</b>	<b>3.9</b>	<b>4.2</b>	<b>3.6</b>	<b>3.5</b>	<b>3.06</b>	<b>3.8</b>	<b>3.8</b>	<b>3.8</b>

<sup>(1)</sup> Breakdown of calculation: Total training hours (man-hours) of employees in Greece/ total number of employees in Greece.

<sup>(2)</sup> Including participation in distance-learning courses.

<sup>(3)</sup> For the calculation of this figure, 64,279 training man-hours (1,603 participations) that concern other staff associates were not taken into account.

<sup>(4)</sup> For the calculation of this figure, 11,283 training man-hours (731 participations) that concern other staff associates were not taken into account.

<sup>(5)</sup> For the calculation of this figure, 14,157 training man-hours (2,121 participations) that concern other staff associates were not taken into account.

<sup>(6)</sup> For the calculation of this figure, 15,180 training man-hours (1,629 participations) that concern other staff associates were not taken into account.

<sup>(7)</sup> For the calculation of this figure, 12,167 training man-hours (1,418 participations) that concern other staff associates were not taken into account.

### Credit Academy

In 2016, 7 "CREDIT ACADEMY" courses, launched in 2015, were successfully completed and attended by 123 credit officers. The duration of each course was increased to 248 hours following its enrichment with issues related to international operations, Greek Accounting Standards and Business Valuation.

Also, 69 officers currently attend 4 new courses that are scheduled to be completed within 2017.

#### Staff Training Data by Gender and Category (2016)\*

Employee Category	Men	Women
Employees without supervision responsibilities	23.91%	20.43%
Employees with supervision responsibilities	25.78%	29.82%
General Managers and Assistant General Managers	0.05%	0.01%

\* Breakdown of percentage: Participations by category / Total training participations.

#### Staff Training Data by Gender and Category (2016)\*

Employee Category	Men	Women
Employees without supervision responsibilities	76.42%	71.26%
Employees with supervision responsibilities	86.63%	89.55%
General Managers and Assistant General Managers	31.58%	50.00%

\* Breakdown of percentage: Individuals by category / Total of employees by category.

#### Average Annual Training Hours by Category and Gender (2016)\*

Employee Category	Men	Women	Total
Employees without supervision responsibilities	18.4%	17.02%	17.74%
Employees with supervision responsibilities	22.68%	26.69	24.68%
General Managers and Assistant General Managers	6.95%	5.5%	6.81%
Total average	20.41%	21.92%	21.14%

\* Breakdown of calculation: Total training hours (man-hours), by employee category / Total number of employees, by corresponding category.

#### Staff Training Data by Category and Gender (2016)

Staff training data by category	Number of participations			Number of individuals		
	Total	Men	Women	Total	Men	Women
Employees without supervision responsibilities	8,969	4,837	4,132	3,536	1,919	1,617
Employees with supervision responsibilities	11,247	5,214	6,033	4,120	2,028	2,092
General Managers and Assistant General Managers	12	10	2	7	6	1
Other associates trainees	1,418	704	714	1,177	622	555
<b>Total</b>	<b>21,646</b>	<b>10,765</b>	<b>10,881</b>	<b>8,840</b>	<b>4,575</b>	<b>4,265</b>

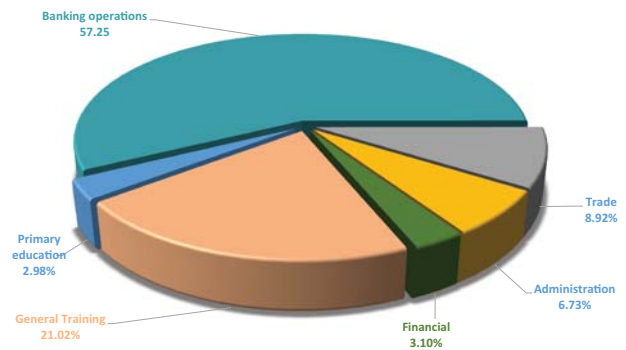
#### Participation and Training Hours by Subject Category and Gender (2016)\*

Training subject	Total participation of the Bank's staff			Total training hours		
	Men	Women	Total	Men	Women	Total
Primary education	144	120	264	3,334	2,636	5,970
Banking operations	3,819	4,042	7,861	55,893	58,827	114,720
Trade	581	621	1,202	8,960	8,921	17,881
Administration	489	662	1,151	5,704	7,776	13,480
Financial	304	277	581	3,066	3,150	6,216
General Training	4,724	4,445	9,169	22,453	19,669	42,122
<b>Total</b>	<b>10,061</b>	<b>10,167</b>	<b>20,228</b>	<b>99,410</b>	<b>100,979</b>	<b>200,389</b>

\* 12,167 man-hours (1,418 participants) in respect of other associates are not included.



BREAKDOWN OF TRAINING MAN-HOURS (2016)



In-house Training by City (2016)

City	Courses	Participations
Athens	269	4,077
Thessaloniki	93	1,483
Patras	23	344
Halkida	1	22
Nafplio	2	34
Larisa	3	67
Ioannina	3	53
Komotini	2	32
Irakleio	4	66
<b>Total</b>	<b>400</b>	<b>6,178</b>

## HR Development Programs

To develop the competencies of its workforce, NBG continued to run professional certification programs, thus enabling NBG employees to obtain international accreditation by providing them with the necessary financial support. This program has a two-year duration and refers to years 2016 and 2017.

Participation in Professional Certification Programs  
(enabling Employees to obtain International Accreditation)

2016	2015	2014	2013	2012	2011	2010
15*****	9****	9***	10**	7*	10	10
* CFA, ACCA, CIPD ** CFA, ACCA, CISA *** CFA, ACCA, CAMS **** CFA, ACCA, PRM, FRM, CIPD ***** CFA, PRM, FRM, CIPD, CPWA, SHRM, CIA						

Participation in Postgraduate Studies  
in Combination with Professional Certification Programs

2016	2015	2014	2013
-	2**	2**	2*
* "MSc in Finance" by ALBA in combination with CFA certification. **"MSc in Finance" by ALBA in combination with CFA certification and MBA in Shipping by ALBA in combination with ICS certification			

Participations in International Professional Certification Programs (through Self-study)			
2016	2015	2014	2013
6****	9***	18**	22*
* CIA, CISA, CFE, CFSA			
** CIA, CISA, CFE			
*** CIA, CFE			
**** CIA, CISA, CFE			

## Foreign Languages

In the context of supporting life-long language learning, as basic communication skill, NBG continues to support foreign languages learning by financing general and business English programs, as well as the learning of languages of countries where the NBG Group operates. In the previous year the participants recorded steady success in exams with 40 employees obtaining the B1-C2 level certificate (very good-excellent knowledge).

Participations in Foreign Languages Courses						
2016	2015	2014	2013	2012	2011	2010
122	105	125	117	105	149	268

## Accreditation of Professional Skills required by the Current Legal Framework

In 2016 the relevant bodies held 19 series of exams, 9 of which concerned professional accreditation of credit institutions' employees and officers providing investment services, and 10 accreditation of candidates in insurance intermediation.

- As regards accreditation of expertise in insurance intermediation (level A), 358 NBG employees participated in the exams. The success rate was 82.68%.

In addition, NBG has initiated since 2015, the renewal process of the certifications in Insurance Intermediation through the staff's participation in a customized e-learning program offered by the Hellenic Banking Institute of the Hellenic Bank Association. This process will be completed within a five-year period.

- As regards investment services, under MiFID, 635 NBG employees participated in professional skills exams to obtain the following certificates: The employees participated in the exams to obtain the following certificates or to renew the relevant existing certifications:
  - A1 "receiving and forwarding orders for financial instruments"
  - A2 "receiving and forwarding orders for derivatives"
  - B1 "provision of investment advice for transferable securities"
  - B "provision of investment advice"
  - C "management of customers' portfolio"
  - D "analyses related to financial instruments or issuers"

In 2016, the results by certificate are:

Accreditation of Professional Skills required by the Current Legal Framework	
Section	NBG participants' success (%)
The institutional framework	66.77
A1	55.55
A2	74.46
B1	70.67
B	52.42

#### Additional Support for Staff who participate in the above Exams

The following are available through the e-training platform:

- Training material and electronic database of questions covering the material to be examined for each certification level regarding investment services, giving candidates the opportunity to obtain interactive feedback.
- Simulation of the re-certification exams.

	Exams for Accreditation of Employees and Officers with regard to the Provision of Investment Services	Exams for Accreditation of Knowledge in Insurance Intermediation
Certificates	774	296

#### Anti-fraud Training

In 2016, alongside the Group Special Audits and Anti-fraud Unit of the Group Internal Audit Division, our Bank continued to provide for training of staff on preventing fraud and corruption. The Bank held three-hour presentations as part of core banking operations seminars and New Branch Managers Programs.

Anti-corruption Training by Employee Category (2016)					
Employee Category	Number of participations	% of total employees by category	% of staff training data by category	Man-hours	% man-hour by total of employee category
Employees without supervision responsibilities	1,259	43.91	23.10	14,182	45.73
Employees with supervision responsibilities	1,579	55.08	27.71	16,485	53.16
General Managers and Assistant General Managers	1	0.03	4.76	14	0.05
Other associates trainees	28	0.98	-	329	1.06
<b>Total</b>	<b>2,867</b>	<b>100.00</b>	<b>25.33</b>	<b>31,010</b>	<b>100.00</b>



#### Anti-corruption Training by Employee Category (2016)

Employee Category	Anti-fraud	Regulatory compliance	AML	Number of participations
Employees without supervision responsibilities	20	73	1,166	1,259
Employees with supervision responsibilities	120	73	1,386	1,579
General Managers and Assistant General Managers	0	0	1	1
Other associates trainees	3	6	19	28
<b>Total participations by subject matter</b>	<b>143</b>	<b>152</b>	<b>2,572</b>	<b>2,867</b>

#### Anti-corruption Training by Subject Matter (2016)

Seminars	Number of participations	Man-hours
Anti-fraud courses (at classroom)	143	477
Regulatory compliance and AML courses (at classroom)	461	1,493
AML/CFT courses (e-learning)	2,262	29,010
AML/CFT courses (distance learning)	1	30
<b>Total</b>	<b>2,867</b>	<b>31,010</b>

#### AML/CFT Issues

The Group HR Development Division, in cooperation with the Group Compliance Monitoring Division, continued to hold courses on AML/CFT issues via e-learning sessions and 3-hour relevant presentations in classroom seminars. At the same time, the Division continuously updates the training material to keep employees informed on said issues.

#### The features of genuine Euro and Foreign Banknotes

NBG continued to provide for training of staff working in front-line posts and central cashiers posts, through seminars that enable them to identify authentic Euro and Foreign banknotes. 5 courses were held in Athens and Thessaloniki, where 71 employees were trained.

#### Internal Audit and Adoption of Anti-Corruption Measures

The Bank considers the protection of customer interests and, by extension, its own interests to be a basic obligation. To this end, the Bank applies full punitive force in dealing with cases of corruption and any employee involved in such cases. In 2016, NBG's Internal Audit identified 8 cases of employee corruption, and the Bank took immediately all the necessary and appropriate measures. Specifically:

- 1 employee was dismissed without pressing charges.
- 1 employee was dismissed in the beginning of 2017 as a result of his improper actions detected at the end of 2016.
- 3 employees resigned from the Bank in 2016, following detection of their improper acts, and the Bank pressed charges against one of them.
- 1 employee, the actions of whom were detected by the Law Enforcement Authorities in 2016, was dismissed in the beginning of 2017 upon completion of the inquiry and setting of the relevant hearing date.
- 2 employees are liable for improper actions detected in 2016. The Bank will decide their punishment after the completion of the applicable procedures (legal and financial audits).

The staff subject to the NBG Labor Regulation falls within the scope of the said Regulation. In particular, employees are strictly forbidden to be involved in any manner whatsoever in financial transactions with customers of the Bank in order for the customers to be facilitated financially by the employees or for the employees or any of their family members to be facilitated financially by the customers. Employees are also strictly forbidden to take advantage of their employee capacity to secure advantages or other benefits for themselves or their family members (such as facilitating business activities based on NBG Group products).

As regards the other employees, the respective term (heightened fiduciary duty) is included in the employment agreement entered into between them and the Bank.

The Group HR Division ensures the disciplinary control of the staff subject to NBG 's Labor Agreement, as part of the efforts to protect the Bank's and its customers' interests by:

- Punishing improper actions, setting an example for the other employees and motivating them to comply with the Management's rules and orders.
- Delaying the career development of employees subjected to disciplinary penalties for breaches of discipline.
- Launching actions in order to press charges against or dismiss employees whose actions affected the Bank or eroded the Bank's trust in them.

The Group HR Division is kept up-to-date by the Group Internal Audit or other Division or an independent Branch, and then decides on how to address each case. In the event it decides that disciplinary proceedings are required, the case is forwarded to the Disciplinary Committee.

### **Training Programs on CSR**

In the context of its HR development, the Bank trained 35 officers (504 man-hours) involved in preparing the CSR Report, in collaboration with external organizations.

Training Programs on CSR (2016)			
Corporate Social Responsibility issues	Seminars	Participants	Man-hours
	External	10	38
	In-house	35	504
	Training programs on the staff's information and environmental awareness.		-
<b>Total</b>		<b>45</b>	<b>542</b>

## External Training

Besides in-house training, and in the context of covering ever increasing special training needs and institutional obligations, the Bank invests, develops and works on its staff's training covering a wide range of issues, in cooperation with institutions in Greece and abroad. In 2016, special focus was placed, inter alia, on the following issues:

- Credit Restructuring, Negotiations and debt management in general.
- Retail Banking Development, mobile, internet banking & Fintech Issues.
- Anti-fraud, Compliance, AML/CFT and Internal Audit issues.
- IT Security, Management & Development.
- HR issues and practices.

## e-learning

In 2016, as regards e-training:

- In accordance with the applicable legislative framework, the First aid e-seminar was available to all NBG Group staff for yet another year.
- The Credit Academy program was supported via e-seminars to best prepare the participants.
- As part of its drive to ensure that it uses the latest learning techniques, NBG continued for the second year a series of live webinars, that were attended by 186 employees, in total.
- The Bank developed and launched e-seminars related to a great range of Banking Operations such as Techniques for International Operations and NBG's Investment Products & Services, as well as applications e.g. Mortgage Lending i-Apply and Remedy.
- A new e-seminar was developed on Bancassurance Products aiming at providing additional knowledge to the competent officers and renewing their certification in Insurance Mediation.
- The new e-seminar "NBG Group Code of Ethics" was completed and is now available to all NBG staff. It incorporates efficient cutting edge training methods and new motivation techniques. This seminar seeks to raise NBG staff's awareness on issues detailed in the revised Code of Ethics (basic principles, philosophy, rationale, actions, compliance with the instructions etc.) and was awarded Silver HR Award 2016 by an independent body.



- The Bank launched the e-seminar on go4more, its new and prize-winning total reward program.

Thanks to the projects outlined above, costs were significantly reduced and large numbers of participants were trained in a short period of time. The number of participants in e-training programs remained high, i.e. at 68.15% of the total number of participants, thus achieving the 2016 target that had been set for further enhancement of this training method.

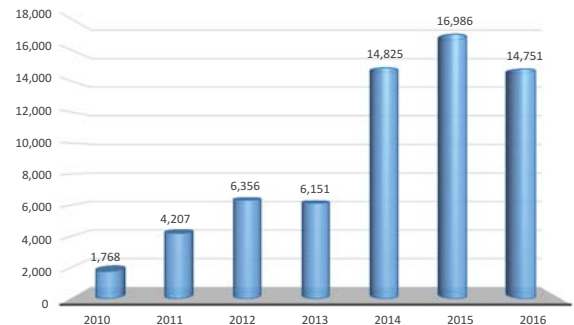
Besides providing a cutting-edge training approach, e-learning also helps environmentally by reducing staff travel (and CO<sub>2</sub> emissions) and saving natural resources (paper, ink, etc.).

**NBG Staff Participation in Distance Learning\***

Year	2016	2015	2014	2013	2012	2011	2010
E-learning	14,343	16,958	14,809	6,145	6,354	4,133	1,592
Distance learning	408	28	16	6	2	74	176
<b>Total</b>	<b>14,751</b>	<b>16,986</b>	<b>14,825</b>	<b>6,151</b>	<b>6,356</b>	<b>4,207</b>	<b>1,768</b>
<b>% of total courses</b>	<b>68.15</b>	<b>70.07</b>	<b>59.45</b>	<b>51.50</b>	<b>47.30</b>	<b>39.80</b>	<b>19.20</b>

\*Everyone who received training (staff at NBG and subsidiaries, as well as others).

**PARTICIPATION IN DISTANCE LEARNING**



### Keep Learning...

With a view to ensuring ongoing renewal of knowledge and enhancing lifelong learning for the Bank's Human Resources, the Bank continued

to republish articles, achieving high levels of e-visits, including inter alia presentations held by NBG officers and articles by the INSEAD Business School, etc.

### Educational leave

The Bank, in supporting employee development, allows for its employees to take time off from work for specific periods in order to complete their studies.

Educational Leave									
<b>Educational leave</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
Employees	634	547	400	360	720	416	523	630	636
Days of leave	9,552	7,005	5,286	4,759	6,193	6,681	6,528	8,116	8,386
<b>Unpaid time off for studies</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
Employees	14	11	15	14	18	12	19	32	57
Days of leave	1,235	1,488	2,592	2,416	3,316	3,191	1,897	2,718	2,015

## SOCIAL BENEFITS FOR STAFF

As a balance between work and personal life has a beneficial impact on employee performance, the Bank has established and implements a range of benefits and relevant policies for employees and their families, as described below.

### Support for Employees' Families

The Bank:

- Provides financial awards to employees' children for outstanding school performance
- Assists employees by providing the option of flexi-time when there is a need.
- Provides benefits for care of children of employees during working hours.
- Provides general childcare allowance to employees.
- Provides one-off financial benefit to its active and retired employees whose children are accepted, after successfully passing university entrance exams, in a university in a different city from their place of residence.
- Provides special annual paid leave of ten business days, besides the regular days of leave, to employees: (a) parents of children with disability over 67% or children suffering from insulin-dependent diabetes mellitus (type 1), with disability over 50%, (b) whose spouse has disability over 80% and is supported by the employee

and (c) have been appointed as curators of persons with disabilities who are declared under full privative judicial support and are supported by the said employees.

All NBG staff (only full-time, not seasonal or part-time employees) are provided with additional insurance cover by Ethniki Insurance in the event of death or accident (partial or total disability), besides the obligatory insurance in TYPET, IKA, etc. Also, the Bank provides specific personnel categories (e.g. senior executives) with additional medical care schemes through Ethniki Insurance. The cost of the aforementioned insurance schemes is covered by NBG and amounted to € 1,180,450.99 in 2016.

The Bank provides maternity / paternity leave to employees (full-time, not seasonal or part-time staff).

In 2016, the Bank, as a sponsor and organizer of diverse cultural and educational events, offered for yet another year 840 free tickets to employees who wished to attend various cultural events (such as the Athens and Epidaurus Festival, theatrical productions for adults and children etc.).

#### Support for Employees' Families

Year	2016	2015	2014	2013	2012	2011	2010	2009	2008
Childcare benefits (nurseries, kindergartens) (€)	3,462,898.66	2,738,135.14	2,314,459.75	1,988,494	2,172,033	1,043,542	2,555,194	2,877,633	976,625
Childcare (€)	3,967,760.51	4,894,363.61	4,972,520.46	5,445,228	5,814,435	7,948,633	9,853,547	13,987,899	12,825,940

#### Benefits via TYPET

In addition to the above, and having fully met the legislative requirements regarding staff pay and other benefits, within the context of its far-reaching social policy the Bank has chosen to offer a range of further benefits to its employees. The additional benefits available to the Bank's employees via TYPET include the following:

- Children's summer camps hosted in facilities owned by the Bank or other facilities on long-term base.
- The opportunity for families to spend their vacations at TYPET summer camps.
- Support for seriously ill employees (4 sessions for the seriously ill, with the provision of € 152,001.53).
- Cultural and sporting events.
- Medical care support worth € 8,109.27 was paid to 4 beneficiaries.



## NBG STAFF HEALTH FUND (TYPET)

The NBG Staff Health Fund (TYPET) is the insurance body that provides for the healthcare of NBG employees and pensioners, as well as the majority of the Bank's subsidiaries staff. It was founded in 1930, with primary aim to provide medical, hospital and social care to its insured members and their families, approximately 50,000 individuals today.

In developing a new model of multifaceted actions, TYPET constantly upgrades and expands its benefits to all its members, enabling it to rank among the most sophisticated and pioneering European health funds.

Its success is mainly due to the fact that it is self-administered and self-governed, as well as to the confidence shown by its insured members. The primary concern of TYPET's 25-member management is to ensure the fund's sustainability, stability and transparency in management.

Continuing its efforts, TYPET's Board took decisions in endeavouring to implement guidelines for good operation as well as transparency at every level:

- Implementation and update of the new Insurance and Benefits Regulation, which rationalizes expenditure and enhances the best provision of essential healthcare services.
- Implementation of the integrated SAP platform, fully supported by NBG, for monitoring any expenses.
- Monitoring pharmaceutical expenditure through the e-prescription system of IDIKA S.A. (E-Governance in Social Insurance SA), which, in combination with the reduction in the prices of medicines, contributed to a substantial reduction in pharmaceutical expenditure.
- Ongoing reduction in hospital expenditure through the implementation of clinical audit of hospitalization in hospitals and clinics by auditors Accurate.
- Abolition of compensation for hospitalization in private clinics or state hospitals, when cases can be treated in staff fund's own hospital "HYGEIAS MELATHRON".
- Rationalization of the over-prescribed blood tests that constitute a heavy burden for TYPET.
- Entering into a business agreement with the Panhellenic Pharmaceutical Association for the supply of medicines, with the payment of only the respective prescription charge, thus achieving economies of scale.
- Entering into agreements with private diagnostic centres throughout Greece, thereby bringing about a reduction in prices by 20%-30% over the state's pricing list.
- Expansion of the relationship with prescribing and other related doctors throughout Greece with a view to controlling cost and promoting customer service without additional charges for TYPET members not living in Athens, Thessaloniki and Patras.
- Signing of agreements with Eye Clinics in Athens and Ioannina for

operations and medical treatment not performed in the "HYGEIAS MELATHRON" facilities.

- Ongoing process for the certification process for the Primary Healthcare and Dental Sectors, in order to obtain the relevant ISO, while certification for the Medical Imaging Laboratory and Safe Food Management at "HYGEIAS MELATHRON" clinic has been completed.
- Renovation of the Medical Imaging Laboratory in "HYGEIAS MELATHRON" clinic.
- Completion of the implementation of the unified licensing of the three medical buildings in Therianou str., so that "HYGEIAS MELATHRON" can operate as unified fully integrated medical complex over a 20-year horizon.
- Renovation and improvement works in TYPET Medical Complex in Thessaloniki, and completion, on behalf of the National Bank, of the construction works in the clinics to be used by TYPET in Patras.
- Implementation of the electronic monitoring and safekeeping of agreements signed between TYPET and partners – suppliers via SAP application.
- Completion of project by relevant committee to prepare the new Organization Chart with a view to streamlining and restructuring TYPET's services.
- Appointment of permanent Committee for Evaluation and Hiring of medical, nursing and paramedical staff of all specialties.
- Insurance of almost all staff of the NBG Group's subsidiaries, besides the personnel of Ethniki Insurance and ASSET Management.
- Decision on the necessity of the collaboration with a specialized company in the health sector, for the preparation of a study regarding the viability of TYPET.

The implementation of the above measures led, for yet another year, to a surplus economic outcome for TYPET at year end.

TYPET's clinic, "HYGEIAS MELATHRON", is currently a model complex providing primary and secondary healthcare services. The primary concern of the clinic's management is the ongoing upgrading of the services offered, with a view to safety, quality and efficiency.

"HYGEIAS MELATHRON" provides excellent quality health services using state-of-the-art medical equipment, advanced know-how and the long-standing scientific experience of its staff. The development planning of "HYGEIAS MELATHRON" was based on two main goals, on one hand on ensuring access of its members to modern and upgraded health services and on the other hand on creating an integrated network of primary and secondary healthcare for their benefit.

The "BLUE" code operates successfully in the clinic with a view to ensuring maximum safety conditions, while the High Dependency Unit has been upgraded to Intensive Care Unit with the appropriate staff and equipment.

The Urology and ENT wards were enhanced upon hiring Managers with long-standing experience and high scientific background.

The Cardiology Department is continuously on duty (24/7), providing

full coverage in cardiology issues and increasing the health safety for TYPET members. Note that the Clinic is available to the insured members of TYPET 24/7, even on holidays, for pathology, cardiology and surgery A&Es, medical tests and surgical procedures.

In 2016, nosocomial infections caused by multi-resistant bacteria were reduced by 8.5%, while the use of common and restricted antibiotics was kept at the same low levels of 2015, which was the main goal of the Surveillance Group for the Consumption and Proper Use of Antibiotics (OEKOXA). Also in 2016, the mortality index was stabilized to the same low levels of 2015. Compared to the results of 2014, both 2015 and 2016 results have significantly improved.

According to the Medical Imaging Laboratory, which operates under ELOT EN ISO9001:2008 standard, in 2016 the number of insurees visiting the laboratory significantly increased. More specifically, in 2016 7,687 CT scans, 36,092 ultrasounds, 11,183 x-rays, 3,945 digital mammography screenings and 3,249 bone mass measurement tests were carried out.

As regards primary healthcare, the outpatient facilities on the 1<sup>st</sup> and 6<sup>th</sup> floor of the Sofokleous str. building, the Medical Complex in Thessaloniki and in Patras, as well as the peripheral minor facilities located at the Piraeus, Psychiko, Athinon ave. and Gerakas units, at the former Computer System Center and at the Pireos 74 str. building (the medical facility of which was launched in 2015) provided outstanding healthcare services to the insured staff at the hands of medical highly specialized staff of all specialities. The ever increasing visits at the peripheral and outpatient clinics of TYPET serve as a guarantee of the insured members' confidence in the primary healthcare services offered.

Both the TYPET Dental Center in Athens and the multi-dental clinics, operating on the 2<sup>nd</sup> floor of the Sofokleous str. building, provided dental services to thousands of members, operating 12-hours a day. In addition, the Regional Dental clinics served members living outside the city center. The Dental Center in Thessaloniki, staffed by dentists of all dental specialities successfully meets the needs of members residing in the Thessaloniki prefecture and the surrounding areas, also operating on a 12-hour basis.

In 2016, the Quit-Smoking Center was visited by 340 individuals, 259 of which (76%) managed to quit smoking for a period longer than 3 months.

In the same year, 110 individuals visited TYPET's Weight Center and attended customized programs to help them lose weight. Of these individuals, 74 (67%) managed to reduce their weight by more than 10% within 6 months. Note that the majority of overweight and obese members are referred to the TYPET's dieticians. In 2016, the Hypertension, Dyslipidemia & Diabetes clinic was visited by 4,100 individuals, 3,280 of which (80%) managed to achieve their therapeutic goals.



Regarding psychological support services to NBG employees, 1,542 individual sessions were held at the Psychological Support Clinic, by the fund's psychologists. 406 sessions took place in "HYGEIAS MELATHRON", 30 of which concerned hospitalized members, and 50 sessions were held in the context of neurological assessments (memory testing) that had been ordered by the Neurology Department of "HYGEIAS MELATHRON" clinic.

In addition, "Work-related Stress Management" seminars were held for NBG employees, two of them in Athens and one in Thessaloniki.

As regards the Family Counselling Programs, there were held 30 sessions.

The Bank granted € 23,630 for hospitalizations abroad and € 45,700 for hospitalizations in Greece.

TYPET's site ([www.typet.gr](http://www.typet.gr)) is the main channel providing visitors/members with accurate and timely information. The website is linked with two microsites ([typet.gr/camps](http://typet.gr/camps) & [typet.gr/melathron](http://typet.gr/melathron)), with information on TYPET summer camps and the services offered by the "HYGEIAS MELATHRON" Clinic. The purpose of this project is to provide prompt, easily accessible, and up-to-date information.

Over the course of the years, TYPET has confirmed its social awareness, providing, besides services to its members, a remarkable work operating in an innovative and pioneering way. It is active not only in Greece but also abroad, operating as a highly effective self-managed health institution both on national and international levels. Today, TYPET is a founder member of Federation of Greek Mutualities (OATYE) and a member of International Association of Mutual Benefit Societies (AIM) and International Camping Fellowship (ICF).

### **TYPET's Social Contribution**

In 2016, as part of its social role, TYPET hosted 3,531 children in its summer camps. In particular, 1,509 children of NBG and TYPET employees, 1,345 children of employees of other organizations, 452 of individuals and 163 children who participated in the vacation exchange programs, and 62 children from various institutions or municipalities. In 2016, the total number of children hosted increased by 15.4% compared with 2015. Also, at the camp's facilities in Chalkidiki and Loutsia Prevezas, 729 people had the opportunity to spend their vacations with their families.

### **NBG Staff Insurance Organizations (AOPETE)**

NBG Staff Insurance Organizations (AOPETE) are constantly evolving and modernizing their methods, to ensure the constant quality upgrade of their services.

With a view to offering reliable, prompt, full and immediate information to all Bank's employees and pensioners, the AOPETE website

([www.aopete.gr](http://www.aopete.gr)) has been launched and in 2016 completed seven consecutive years of operation.

The website is constantly updated and enriched with information related to insurance issues. By clicking on a special link, the visitor can browse all laws enacted since 1920 and today govern the insurance framework, entered and listed under their Government Gazette number. Under the same link, there are also available Presidential Decrees, circulars of the relevant Ministries and IKA (Social Insurance Foundation), as well as ministerial decisions regarding labor and pension issues. Besides the option to print forms and applications, the visitors can also calculate the amount of their supplementary pension using a special e-calculator.

Its fullness and reliability is reflected by the high level of visits by members looking for information on social security problems:

In 2010 the initial number of visits to the website was 386,000, in 2011 the visits amounted to 404,000, reached 587,000 in 2012 and soared to 1,077,000 in 2013, especially after the announcement of the 2013 voluntary retirement scheme. Over the last three years, the high number of visits was sustained, reaching at the end of the year a total of 910,000 visits.

AOPETE's actions and contribution is not limited to their webpage but covers other sectors as well, such as the expansion of the services offered to their members and training of their staff.

As regards the services offered, it was ascertained that there is a need to include the pension clearance statements of the pensioner members in the Bank's Internet Banking platform, just as with the working staff payroll statements. The implementation of the project was conducted in collaboration with the competent Bank Divisions, and since November 2015 pensioners of the NBG Supplementary Insurance Fund (LEPETE) and NBG former staff's Special Supplementary Insurance Fund (ELEPETE - PPETHNAK) will no longer receive a printed payroll clearance statement but they will find it online via their e-banking service. Payroll statements continue to be sent by mail only to pensioners who do not have access to internet banking.

There are several benefits arising from the implementation of this new digital service, including the upgrade of the services provided to the Bank's pensioners and the reduction in consumption of natural resources so as to minimize the Bank's environmental footprint.

The project of the digitization of its members' records continues unabated and is nearing completion, upon which data and records currently kept in physical form will be digitally displayed. When the project is completed, the electronic records will be linked with the Bank's e-banking app, thereby ensuring that all members can access their personal insurance record, the same way they access their payroll and bank account information.

With this pioneering and innovative project, implemented for the first time in a bank insurance fund in Greece, the AOPETE are attaining yet

another double goal. Implementing electronic records and making them accessible online shall:

- Reduction of the services' workload and faster issuance of Administration Acts.
- Faster customer service, due to the shorter and simplified process of granting pension benefits.
- Immediate information on all NBG pensioners, wherever their residence (Greece or abroad) and whenever they wish to.

The AOPETE are now kept in digital form. Thus, all bodies collect and keep a digitized record with the minutes of the BoD and Management Committee, Manager's Acts, court decisions, etc., i.e. all documents regarding their operation and history. As a result, secure storage of key data is achieved, transparency in operation and management is ensured, and the search and extraction of data are facilitated, particularly when preparing actuarial studies and processing various requests arising from AOPETE's members.

As part of the efforts to maintain the high quality standards of the services offered to insurees and the quality of AOPETE's operations, it is essential to ensure that their staff is properly updated and trained with regard to the continuous amendments to the insurance, labor and tax legislation. AOPETE are under the obligation to duly implement and observe the insurance and tax legislation due to the nature of their task (granting supplementary and one-off benefits to the beneficiaries), otherwise they incur heavy fines. Therefore, it is important that AOPETE keep track of the constantly changing relevant legislation and adjust instantly to such changes by incorporating them into their staff's working conditions as well as in the IT systems of the Insurance Organizations.

To this end, a field specialization Day Conference was held on Wednesday, 9.11.2016 in the Press Room of Melas Building with the participation of AOPETE officers and staff that focused on the applicable legislative framework.

During the conference a short overview of the changes in the insurance system over the last decade focusing on the maximum limits and reductions of pensions was presented using a slide show. Special emphasis was placed on the new age limits. Moreover, concepts and terms of the insurance legislation that often puzzle the insurees were highlighted and explained in detail.



## Other matters

### Voluntary Work

Throughout its long history, NBG has adhered to its core principal of commitment to the community. This commitment is demonstrated by the fact that the Bank supports, promotes and rewards voluntary actions by its employees.

### Social Actions

During the summer of 2016, the employees of NBG Branch Network I Division, organized a food donation day for refugees temporarily staying at the Piraeus harbour.

Moreover, as every year, the employees of NBG Branch Network II Division supported the banking sector blood donation sessions organized by the Cultural Club of Patras Bank Employees. This action was materially supported by their Division. They also participated at the Solidarity Week (held from 18 to 23 April 2016), organized by the "Peloponnisos" regional newspaper with the collaboration of National Bank. The main purpose of the action was to supply people in need with essential items, to perform free medical tests to children and adults, and to improve central spots of the city. On the last day of Carnival, Sunday 13.3.2016, the staff of the Kythira branch visited the Retirement Home of Potamos Kythiron, talked with each of the 48 elderly, donated gifts to everyone, and covered the cost of the meal of the day.

### Blood Donation

NBG gives active support to blood donation efforts via its Staff Health Fund, TYPET. TYPET's blood bank covers the needs of its employees and their families. The Bank rewards voluntary blood donations by its employees by granting 2 extra days leave to employees who donate blood as part of its Voluntary Blood Donation Scheme.

Voluntary Blood Donations (2016)		
Geographical region	Blood donation sessions	Blood bottles collected
Attica	20	969
Thessaloniki	2	238
<b>Total</b>	<b>22</b>	<b>1,207</b>

In this context, the "Blood Donation Office", which belongs to the Department of Social Welfare of TYPET, collaborating with the Athens General Hospitals "Elpis" and "Georgios Genimatas", has organized 20 blood donation programs in Athens, and collected 978 bottles of blood. More specifically, in collaboration with the "Elpis" General Hospital, 16 blood donations were organized and 780 bottles of blood were collected, while from 4 blood donations in collaboration with the "Georgios Genimatas" General Hospital 189 bottles of blood were collected. Moreover, TYPET provided 269 bottles of blood to patients hospitalized in various hospitals in Attica and throughout Greece. Of these, 26 units were allocated to patients hospitalized in HYGEIAS MELATHRON whose

blood bank is kept at the "Elpis" General Hospital. The blood bank of the aforementioned hospital had served 100 patients at the TYPET clinic by allocating 2,001 blood units [blood transfusion, plasma and PLT (different blood components)]. It is noted that the families, the family environment and other blood banks had also covered the needs of the aforementioned patients with 595 bottles of blood and plasma.

In addition, TYPET Medical Complex in Thessaloniki, jointly with Hippocrateio Hospital, organized 2 blood donation sessions and collected 238 blood bottles. Of these, 191 blood bottles were allocated to patients.

#### Voluntary Blood Donation over time

Year	2016	2015	2014	2013	2012	2011	2010	2009	2007-2008	Total
Blood donations sessions	22	20	17	18	16	23	25	22	44	207
Blood bottles collected	1,207	1,217	977	901	799	1,136	1,136	809	1,900	10,082

#### Participation by Officers in Programs run by the "Young Entrepreneurs Association"

Junior Achievement Greece (JA Greece) is a member of Junior Achievement Worldwide, the international training and entrepreneurship organization and organizes training programs in Greece also.

The said programs have been recognized by the EU Entrepreneurship Office as the "Best Practice Implementation in training for entrepreneurship". JA Greece aims at supporting educational school programs -approved by the Ministry of Education - promoting entrepreneurship, innovation, enhancement of students' awareness about the concepts of economics and the principles and values of modern and healthy entrepreneurship in a creative and hands-on way.

During the school year 2016-2017, 37 NBG officers visited on a voluntary basis private and public schools throughout Greece and participated as trainers in the "Economy and Me", "Virtual Enterprise", "My Enterprise", "Banks in Action" and "Job Shadow" programs, designed by JA Greece to impart to students knowledge and experiences from the volunteers' work background and to communicate important aspects of transactional conduct.

For its contribution to this effort, the Bank was awarded by JA Greece the Voluntary Work Prize for the 7<sup>th</sup> consecutive year, which reaffirms NBG staff's professionalism and sense of social awareness.

#### "Together for Children": NBG employees support Voluntary Actions

NBG continued its participation in the successful initiative "Together for Children". In 2016, working alongside SKAI, it contributed to the organ-



ization of three voluntary actions and a total of 24 events were held in Athens and other regions.

Our staff played a key role in these actions as volunteers, by supporting and promoting with whole-hearted interest the close ties between NBG and the society in which it operates. Specifically:

- At Easter, NBG invited parents and children to offer clothes, shoes, Easter candles and toys to children in need under the campaign slogan: "This Easter you too can feel like a godparent!". For this purpose, 8 events were held and no less than 910 boxes containing essentials were collected and were given to children of deprived families in Athens and Patra, as well as to children in care homes supported by "Together for Children" association.
- At the beginning of the school year in September, in order to meet the real needs of children in school material, the Bank organized 8 events in Athens and Thessaloniki. The campaign slogan was: "Let's fill up their school backpacks with smiles!". NBG together with parents and children collected school backpacks, notebooks, pens and pencils, every little item a pupil might need during the school year. All the school supplies gathered –480 boxes in total– were given to children in care homes supported by "Together for Children" and "The Ark of the World", as well as to children of deprived families in Athens and Thessaloniki. Furthermore, enhancing this action, NBG decided to offer a further 20,000 notebooks to various institutions and community bodies.
- Under the slogan "Feel like Santa" 8 events in all were held last December aiming at the collection of toys and clothes for children in need. No less than 2,050 boxes containing toys and clothes were collected and were distributed to thousands of poor families in Athens and Thessaloniki, as well as to the children of institutions supported by the "Together for Children" and "The Ark of the World" charities.

## Internal Communication

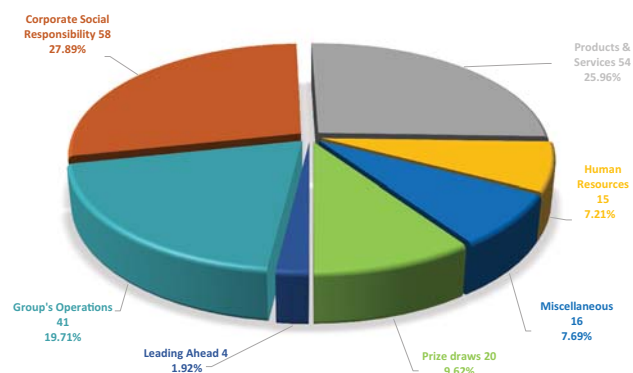
To shape a common, shared culture for all its staff and facilitate communication between management and employees both in Greece and overseas, NBG publishes an in-house magazine (*Leading Ahead*) and has created a relevant two-way communication site on the intranet.

The "INTERNAL COMMUNICATION" intranet page enables employees to get prompt and full information on all key matters regarding NBG Group's developments and operations. In 2016, 208 messages were posted under "Internal Communication".





### BREAKDOWN OF INTERNAL COMMUNICATION MESSAGES BY SUBJECT MATTER (2016)



### Monthly Data of Visits to Internal Communication Announcements (2016)

Month	Announcements	Visits	Homepage	Prize draws	Participation of NBG employees in prize draws	Tickets
January	10	28,305	12	0	0	0
February	11	37,680	14	1	119	80
March	20	52,187	20	0	0	0
April	17	50,929	17	1	557	150
May	24	41,056	20	1	275	180
June	27	34,054	20	2	1,126	200
July	19	32,688	19	1	289	30
August	8	41,610	11	0	0	0
September	26	50,819	21	1	148	75
October	15	45,399	16	1	152	125
November	17	53,933	18	0	0	0
December	14	64,414	15	0	0	0
<b>Total</b>	<b>208</b>	<b>533,074</b>	<b>203</b>	<b>8</b>	<b>2,666</b>	<b>840</b>

### Visits to Internal Communication Announcements over the course of Time

Year	Announcements	Visits
2005*	10	-
2006	90	40,000
2007	109	225,400
2008	129	329,300
2009	217	458,800
2010	182	370,500
2011	145	257,200
2012	218	366,100
2013	212	441,800
2014	220	463,542
2015	188	499,940
2016	208	533,074
<b>Total</b>	<b>1,928</b>	<b>3,985,656</b>

\*as from 29.09.2005

In addition, regarding the announcements posted by the Group HR Strategy Division during 2016, the details per announcement category are set out below:

**Breakdown of Internal Communication Announcements by Subject Matter (2016)**

Announcement categories	Number of announcements	Reads per category
Group's Operations	41	33,984
Corporate Social Responsibility	58	21,532
Products & Services	54	31,170
Human Resources	15	28,793
Miscellaneous	16	4,831
Prize draws	20	14,216
<i>Leading Ahead</i>	4	4,202
<b>Total</b>	<b>208</b>	<b>138,728</b>

### **Leading Ahead Magazine**

With a view to maintaining open channels of communication between the staff and the Management, the Group HR Strategy Division, during 2016, was responsible for collecting material from the Bank's units, editing, preparing and designing the Greek version of the magazine on a quarterly basis, and posting it on the Internal Communication web-page. In addition, the said 4 issues of the magazine were also posted on its English version after being re-edited and redesigned.

*Leading Ahead*, NBG's in-house staff newsletter, is published on a quarterly basis and is also posted on the Bank's intranet in Greek, as well as on the Bank's internet site, [www.nbg.gr](http://www.nbg.gr), both in Greek and English. Within the frame of reducing paper consumption and protecting natural resources, the newsletter is published in electronic format only. The newsletter posts mainly topics on all activities of NBG in Greece but also on the Group's overseas companies and domestic subsidiaries. The newsletter also deals with issues regarding the Bank's CSR Policy and Environmental Policy and Management.

### **Message Reception Center of the NBG Group Human Resources Division**

NBG Group Human Resources Division is responsible for the Message Reception Centre's operation, which receives NBG employees' concerns, proposals and questions, with a view to improving the procedures and operation systems.

The Service, after having evaluated the messages received, forwards them electronically, without mentioning the message sender to the Heads of the competent Units. Thereafter, it undertakes to collect the answers, which it forwards electronically to the message senders.

In 2016, the Service received 471 messages: 213 were directly related to payroll issues after the implementation of the new payroll system,





257 were related to general issues, proposals and requests on behalf of the staff, while the other 1 was a complaint that was answered / settled within the year.

**Table of recorded Complaints of Employees (2016)**

Total number of employees complaints	Subject	Number of complaints answered	Answer by the competent Division
1	Travel expenses to workplace	1	NBG Group Human Resources Division

Regarding the Message Reception Center, the operation of which is supervised by the NBG Group HR Division, no formal complaint has been received concerning human rights or discrimination incidents.

#### **“Communication Desk” for Internal Customers**

Since November 2013, the Bank has been running the “Communication Desk” for internal customers, which serves to provide staff with information on questions and requests submitted to the NBG Group HR Division, regarding personal or work-related issues that fall within the purview of the said division. Accordingly, 250 requests / questions and 500 phone calls regarding the voluntary retirement scheme were submitted in 2016 and answered by the relevant officers of the said Division, within the framework of servicing internal clientele.

#### **Handling Ethics and Integrity Issues reported by NBG Staff**

In the event that any issue / concern / question / inquiry etc. occurs regarding ethics and integrity, there is an open line of communication with the Group Compliance & Corporate Governance Division.

Specifically, any staff member can contact the Group Compliance & Corporate Governance Division (Reporting Office), by pursuing one of the routes described below:

- By letter or fax
- Electronically through the Bank’s intranet, to which all employees have access
- By email (to a specific address provided to this end) from computers that are within or even outside the workplace

Also a direct line has been set up with the Group HR Division for reporting and communicating such issues.



### **Handling Issues coming from Regulatory and Independent Authorities**

Audit issues and other requests from Regulatory and Independent Authorities as well as the competent Ministries, as the case may be, must be disclosed to the relevant Divisions, with a view to monitoring and effectively coordinating relevant actions.

Note that the level of response to such audits and requests is crucial for evaluating the Bank and protecting its reputation. Therefore, handling these issues requires particular diligence in order to ensure the quality and fullness of the information provided within the deadline each time specified.

### **Handling Issues reported by NBG Customers and other Individuals**

The Bank provides for the operation of a special mechanism for submitting comments, suggestions or complaints by its customers and other individuals.

More specifically, the following communication options are available:

- With Branch officers
- With NBG's Sector for Governance of Customer Issues (via phone, electronic form, email, letter or form sent by post or fax)

### **Communication with the Audit Committee**

Note, that as described in the Bank's webpage ([www.nbg.gr/el/the-group/corporate-governance/contact](http://www.nbg.gr/el/the-group/corporate-governance/contact)), the Bank has adopted mechanisms to enable its staff, the Group companies and other stakeholders to report irregular actions and accounting / auditing practices incompatible with international practices and provisions. The Audit Committee of the Bank is responsible for the adoption and ongoing monitoring of the implementation of these procedures, which safeguard the confidentiality and anonymity of the received reports or remarks. For this purpose, the ways in which these reports can be sent, in written or electronic form are set out in detail.

### **"Creativity Box": Process for Leveraging new Ideas and Proposals**

In October 2013, the Bank launched "Creativity Box", a process for leveraging new ideas and proposals, which includes the collection, processing and exploitation of new ideas and proposals developed by the HR Division staff for the Division itself. To this end, a Team for Leveraging Creative Expression was set up, whose key task is to process the ideas and proposals collected, to submit substantiated recommendations to the Unit's Manager for approval, and to inform the relevant departments responsible for the deployment of the approved proposals. As in the previous year, again in 2016 innovative ideas were sub-

mitted by the Division's staff with positive impacts on the Division.

### **Equal Opportunities and Diversity**

The Bank is committed to promoting equal opportunities and the right to be different. According to the Bank's Code of Ethics:

"The Bank:

- Develops a meritocratic system for the assessment of performance, promotions and remuneration of staff.
- Provides pleasant and safe working conditions, respecting the balance between work and personal life, and ensuring that equal opportunities are provided to employees.
- Believes in the constant improvement of the staff's skills and holds significant training and educational programs for the staff's professional development. Within this context, NBG covers the expenses of staff enabling their participation in training courses in Greece and abroad".

Another aspect of the Bank's concern for social issues is its support for vulnerable members of the population, reflected by the fact that it hires a significant number of individuals with special needs (IWSN). The Bank's concern for this specific group of the population is reflected by the fact that the number of IWSNs hired by NBG exceeds the number provided for by law.

In addition, no incident of discrimination has been recorded, as National Bank seeks and ensures equal treatment of the employees, and that there is no discrimination with regard to gender, religion, color and country of origin or social status etc.

The Bank fully conforms with the provisions of article 4, PD. 62/1998, pursuant to which child labor is forbidden (i.e. children under 15 years old). Moreover, the Bank does not employ adolescents under the same PD. (i.e. individuals between 15 and 18 years old). Also, no incident of forced or compulsory labor has been recorded. Given the nature and operations of NBG, as well as its business culture, there is no risk of such incidents occurring.

National Bank of Greece, throughout its operation, lays down rules that are based on the principle of equal treatment. For instance, the open competitions for the recruitment of employees through ASEP. Also, regarding the criteria of staff promotion and participation in training courses, details considered are the employee's work performance and the Bank's needs. Last, any employee benefits are determined by the Bank's Policy and related to his position at the Bank's hierarchy, without any type of discrimination (for example, on the basis of gender, religious views, nationality etc.).

The Bank, implementing the Laws, and in order to regulate leaves and working hours, has issued Service Circulars for:

- Monitoring and modification of the staff working hours
- Overtime
- Granting regular leaves

The formal first NBG salary / compulsory minimum wage ratio stands at 160.4%. The compulsory minimum wage stands at € 940 regardless of gender, age and geographical region in line with the last Business Collective Labor Agreement. In accordance with the last National Collective Labor Agreement, the compulsory minimum wage stands at € 586 for employees older than 25 years.

There is no salary discrimination by gender and geographical region. In 2016, the total compensation of the highest paid Bank executive in 2016 was 8.79 times higher than the average annual compensation of the Bank's employees. In 2016, there was no salary increase in the Bank.

During 2016, in the "Internal Communication" intranet page, announcements regarding "International Children's Day" and "Against Child Labor" world days have been posted, in order to inform the Bank's staff accordingly.

### **Gender and Equality**

In 2016, 48.61% of the total staff were women, vs. 47.02% in 2015. NBG is strongly opposed to any form of discrimination and makes sure that there is no discrimination in terms of pay or other matters between men and women.

As regards individuals with special needs in the Bank's premises, the following actions were taken:

- Installation of a special elevator at the Bank's Head Offices (Eolou 86), so that individuals with special needs can easily access said building, and placement of relevant signs informing the public that there is an entrance for individuals with special needs at Eolou str.
- Installation of a special ramp at the Units to facilitate access for Individuals with Special Needs.
- Installation of handrails in the Bank's Units for easier access.
- Placement of non-slip strips in the Bank's Units to prevent falls.

In addition, staff with disability over 50% are entitled, besides regular leave, to an additional 10-day special paid leave.

The Bank provides, in any case, the legal time off to its employees who are parents with or about to have a new child. In 2016, 336 women working at the Bank were entitled to and granted maternity leave (each mother is entitled to 134 consecutive calendar days). Note that after the end of maternity leave, mothers are entitled to choose between a reduced work schedule (by 2 hours for the first 2 years and 1 hour for the next 2 years) or a cumulative leave of equal time (6+3 months, respectively). Fathers are also entitled to the said reduced work schedule or cumulative leave, if the mother waives this benefit. Moreover, in 2016



421 employees, 374 women and 47 men, were entitled to and granted cumulative shorter working hours. All employees who are granted one of the aforementioned time off categories, continue to work for the Company after the lapse of 12 months as of their return to work.

In 2016, 1,019 men and 1,598 women were entitled to parental leave, of which 964 men and 1,555 women made use of this benefit.

*NOTE: "Parental leave" in NBG is the right to 6 days off annually, in order to monitor the progress of children at school. This right was increased by 2 days for each child beyond the first, pursuant to article 4-B of CLA 2016-2018.*

#### Support for Vulnerable Members of the Population in Cooperation with the Competent Bodies

Human Resources	2016	2015	2014	2013	2012	2011	2010	2009	2008
IWSN	236 (2.5%)	262 (2.5%)	267	286	292	308	333	352	362

#### Employee and Customer Health and Safety

The Bank has set up the NBG Staff Health and Safety Committee (pursuant to Administration Act 573/04.10.2013 "Regulation for the Protection of the Health and Safety of NBG Employees" and L. 3850/2010) which convenes within the first ten days of every quarter, on a day and hour agreed upon by all parties, to resolve issues regarding the Network and Administration Units and in general regarding the Bank's facilities that fall under the committee's responsibilities. A Qualified Safety Technician and the Workplace Doctor participate in the joint meetings. The agenda of each meeting is determined one day before the joint meeting by the NBG Staff Health and Safety Committee and shall be furnished to each member at least 3 working days in advance. At said meetings minutes are kept in duplicate copies, one for the Bank and another one for the Committee.

The NBG Staff Health and Safety Committee is responsible for:

- Examining the working conditions in the Bank and especially in every building housing bank employees, following their request, proposing measures to improve the working environment, monitoring the observance of the health and safety measures and contributing to their implementation.
- Receiving by the Bank's Management, data on work-related accidents and days of illness occurring in the work place.
- Submitting proposals to the competent Administration Bank Units, while in cases of serious work-related accidents or similar events, the committee ensures that the appropriate measures are taken to prevent them from re-occurring.
- Pointing out to the competent Administration Bank Units, hazards at the workplace and proposing prevention measures, thus participating in the formulation of the Bank's Policy regarding the prevention of professional hazards.
- Being up to date on the integration into the operations of the Bank's Units of new production process, machinery, equipment and ma-

terials, for the operation of installations and examining how all the above may affect the health and safety work conditions.

- Informing the Bank's Management in case of an immediate and serious risk, in order to take all the necessary measures, without excluding even the shutdown of a machine, installation or production process.
- If deemed expedient, the committee can ask the advice of experts on health and safety issues at work, following approval of the Management.

The NBG Staff Health and Safety Committee is an advisory body and is composed of:

- The General Manager, Group HR, appointed by the Bank's BoD and other competent Bank Executives.
- Elected representatives, whose number depends on NBG's staff number (7 members in companies with more than 2,000 employees L. 3850/2010, article 6).

NBG's workforce is represented in the NBG Staff Health and Safety Committee by elected representatives that make up for more than 75% of the committee's votes.

In implementation of Law 3850/2010, the Bank put into effect the Regulation for the Protection of the Health and Safety of NBG employees, according to which work-related accidents are reported to the competent Regional Inspection Divisions for Health and Safety.

The role of the Internal Service for the Protection of the Health and Safety of NBG Employees (ESYPP – Administration Act 730/18.12.2001) is to monitor compliance with the "Regulation for the Protection of the Health and Safety of NBG Group's employees".

The Service, inter alia:

- Meets the Bank's needs in collaboration with the External Service for Protection and Prevention (EXYPP), pursuant to NBG's Regulations for supplies,
- Files with the competent service of the Ministry of Labor:
  - Once a year, nominal aggregate tables containing the names of all safety technicians and workplace doctors
  - A report on their actions
  - Each semester, detailed records of their visits
- Prepares detailed tables containing the Bank Units' data, number of employees by gender and total visits by Workplace Doctors and Safety Technicians, in hours per year and relay said tables to the local competent Regional Inspection Divisions for Health and Safety at Work for notarization.
- Gathers and draws up the Safety Technicians and Workplace Doctors' visitation schedules, which are then submitted for approval to the Regional Inspection Divisions for Health and Safety at Work.

- Is informed and cooperates with all competent NBG Units (i.e. NBG's Technical Services Sector etc.) on technical matters within the Bank's buildings, in order to evaluate and resolve them.

Note that, the actions to be taken by the Head of each Division in the event of a work-related accident are set out in Service Circular 177/8.7.2014; such actions include reporting the accident to the said Regional Divisions and notifying accordingly the Internal Service for Protection and Prevention.

With a view to implementing the provisions of the applicable legislation regarding Staff Health and Safety topics, the NBG Group Human Resources Division -inter alia- proceeded to:

- Monitors current applicable practices and events taking place in the health and safety field, while cooperating with the competent state bodies and providing relevant guidelines to all NBG Units.
- Convenes to discuss issues arising from the Bank's Units and provide the appropriate guidelines for their solution.
- Gathers and draws up the Safety Technicians and Workplace Doctors' visitation schedules, and submit them for approval to the Regional Inspection Divisions for Health and Safety at Work.
- Forwards the approved Workplace Doctors' and Safety Technicians' visitation schedules to the entire Branch Network and to all Administration Divisions, in order to be timely informed and to receive the respective Good Performance Certificates regarding the Workplace Doctors' and Safety Technicians' visits, pursuant to the procedure established.
- Gets updates and monitors the resolve of technical issues of all NBG's Units, through the Sap Plant Maintenance of the Technical Services Sector.

According to the NBG Workplace Doctors and Safety Technicians' observations-suggestions for 2016, there is no record of musculoskeletal disorders, work-related stress or other similar diseases in the Bank's Units.

In addition, the selection procedure for an outside agency that will provide the Bank with the appropriate certification on Health and Safety issues is still in progress.

### **Cases of Injury, Occupational Illness and Death**

In 2016 there were 13 work-related accidents that caused the loss of 179 calendar days. Total deaths in 2016: 13

The IR ratio stands at 0.29 ( $R = 26/18,235,672 \times 200,000 = 0.29$ ).



Note:  $IR = (Total\ number\ of\ injuries) / (Total\ working\ hours) \times 200,000$ . IR ratio also includes deaths.

The Bank, in implementation of Law 3850/2010, put into effect the Regulation for the Protection of the Health and Safety of NBG employees, which covers all its staff.

#### Visits by Workplace Doctors and Safety Technicians to NBG Units

Year	Total of buildings visited	Total visits by workplace doctors	Total visits by safety technicians
2016	636	1,351	1,474
2015	657	1,331	1,453
2014	664	1,267	1,418

In seeking to address health and safety issues as efficiently as possible, NBG holds seminars on related issues, such as fire safety, crisis management and fire-safety legislation. In their turn, personnel who have participated in the said seminars pass on their knowledge to the Bank's staff by means of presentations that are scheduled on a regular basis.

#### Breakdown of Work-related Accidents by Gender and Geographical Region (2016)

Geographical region	Men	Women
Attica	6	4
Rest of Greece	1	2
Total	7	6
<b>Grand Total</b>	<b>13</b>	

#### Health and Safety Indicators in the Workplace\*\*

Indicator	2016	2015	2014	2013	2012	2011	2010	2009
Absences – lost days due to health reasons	58,157	51,172	43,819	67,993	83,630	73,349	72,266	88,045
Absences – lost man-hours due to health reasons	436,177.5	383,790	328,643	509,948	627,225	542,783	534,768	651,533
Annual number of injuries or accidents during work time	13	7	2	1	2	3	0	0
<b>Total man-hours (*)</b>	<b>18,235,672</b>	<b>20,144,280</b>	<b>19,138,028</b>	<b>23,617,100</b>	<b>21,606,520</b>	<b>22,395,360</b>	<b>23,505,508</b>	<b>24,115,416</b>

(\*) 37 hours/week \* 52 weeks/year = 1,924 hours/year/employee

1,924 hours/year/employee \* 9,478 employees = 18,235,672 man-hours.

(\*\*) Days of illness are counted from the first day thereof.

In addition since 2014, NBG has offered to its employees a mandatory e-learning seminar on First Aid issues through the Group HR Development Division.

Training on First Aid Issues (2016)		
Year	Trainings on Health and Safety issues in the Workplace	No of trainees
2016	First-aid e-seminar	617

Health and Safety Issues governed by Agreements between Staff and Management		
Personal Protective equipment		✓
Health & Safety committees composed of management and staff representatives		✓
Participation by staff in health and safety inspections, controls and investigations in the event of accident	Staff representatives participate in the NBG Staff Health and Safety Committee	
Education and training		✓
Mechanism for submitting complaints		✓
Right to refuse tasks considered unsafe		✓
Periodical inspections		✓
Compliance with International Labour Organization (ILO) treaties	Certification by an external body in progress (currently in planning phase)	
Settlement or Committees for the resolution of problems		✓
Commitment on the standards of performance targets or the level of practice applied	Currently in planning phase	

### Days of Illness – Geographical Breakdown by Gender (2016)

Prefecture	Men	Women	Total
Aitolokarnania	164	217	381
Argolida	337	496	833
Arcadia	238	224	462
Arta	77	63	140
Attica	16,608	19,752	36,360
Achaia	619	471	1,090
Voiotia	93	214	307
Grevena	23	13	36
Drama	63	82	145
Dodekanisos	137	217	354
Evros	215	331	546
Euboea	929	217	1,146
Evrytania	1	89	90
Zakynthos	106	148	254
Ilia	142	257	399
Imathia	204	28	232
Irakleio	415	183	598
Thesprotia	18	56	74
Thessaloniki	1,720	1,775	3,495
Ioannina	216	258	474
Kavala	530	49	579
Karditsa	157	137	294
Kastorias	44	8	52
Corfu	189	140	329
Kefallonia	151	27	178
Kilkis	28	128	156
Kozani	49	139	188
Corinthos	236	432	668
Cyclades	327	267	594
Laconia	50	130	180
Larisa	224	166	390
Lasithi	171	171	342
Lesvos	106	143	249
Lefkada	20	39	59
Magnesia	263	287	550
Messinia	214	279	493
Xanthi	233	223	456
Piraeus	372	340	712
Pella	117	284	401
Pieria	400	66	466
Preveza	162	97	259
Rethymno	235	243	478
Rodopi	204	76	280
Samos	336	353	689
Serres	131	99	230
Trikala	266	81	347
Fthiotida	353	153	506
Florina	29	12	41
Fokida	32	16	48
Chalkidiki	81	87	168
Chania	146	81	227
Chios	54	78	132
<b>Total</b>	<b>28,235</b>	<b>29,922</b>	<b>58,157</b>



## Physical Safety Regulation

The Regulation aims at:

- Recording the actions needed to prepare for and address cases of fire, emergencies and natural disasters.
- Defining the roles of all people involved in physical safety procedures by specifying the framework of tasks and responsibilities, and specifically:
  - The Branch network officers and staff
  - The Technical Services Sector officers
- Compliance with the applicable legal and regulatory framework.
- Protecting the good name, competitive advantage and trust of the Bank.
- Minimizing time and paperwork in the implementation of actions of any kind related to the Bank's physical safety issues.
- Upgrading control mechanisms regarding the procedures related to and/or concerning the Bank's physical safety issues.

The Technical Services Sector is responsible for:

- Monitoring current applicable practices and events taking place in the fire protection, and emergency and natural disasters field, while cooperating with the competent state bodies and providing relevant guidelines to all NBG Units.
- Addressing all issues related to the prevention of fire in the Central Services and Branches of the Bank's Network.
- Assessing the adequacy, effectiveness and efficiency of the policies and procedures established for emergency and natural disaster issues and concerning the protection of the Bank's employees and customers.

In line with the above responsibilities, the Technical Services Sector seeks to:

- Maintain, through collaboration with outside firms, and testing for good working order of the portable fire extinguishing equipment.
- Carry out regular and extraordinary controls in the Bank's Units in order to check the proper functioning of fire safety systems and the observance of the rules by the Bank's staff and collaborating firms, as provided under legislation, the regulations and the fire protection certificate.
- Train the Bank's staff on issues regarding fire protection, firefighting, use of portable extinguishing equipment and carrying out fire safety drills, with a view to preventing and addressing emergencies and natural disasters, such as fire, flood, earthquake, heavy

snow and frost, in cooperation with competent state or other bodies and the Group HR Division.

- Provide instructions and information material to the Heads of the Units regarding fire protection in general, or other emergencies, with a view to taking relevant proactive and preventive measures.
- Receive and evaluate quarterly reports submitted by the Heads of the Units on the basis of a checklist sent by the Division via the Internal Electronic Document Management System (SHDA).
- Place, in cooperation with the Safety Technician, the special labelling required by legislation in all premises housing the Bank's Units.
- Promptly visit any Unit of the Bank where a fire may have occurred, following fire caused by any reason (such as arson etc.) or other emergency or disaster.
- Provide, in cooperation with the relevant state bodies, instructions to the Bank's Units that have been designated as Independent Civil Defence Institutions (ICDIs) for the organization and coordination of teams in the context of the Civil Emergency Plan.
- Carry out standby exercises (test drills) at the ICDIs with the assistance of the NBG Group Security Division and the competent state bodies, so that the staff is effectively trained in the deployment of the Civil Emergency Plan should an actual event occur.

In 2016, the following tasks were carried out concerning all buildings of the Bank (Administration Units and Branches):

- Marking and hanging the portable fire safety systems (Administration Act 105/1995), in order to permanently mark the firefighting equipment (implemented in 616 Buildings / Branches in total).
- Drafting of rescue and emergency escape plans (Law 3850/2010), in order to indicate escape routes and exits (implemented in 463 Buildings/Branches in total).
- Preparing Emergency and Evacuation Plans (Law 3850/2010) against fire and earthquake risks and performing evacuation exercises (415 evacuations exercises were performed in 2016).

Additionally, staff training on fire prevention continued. During 2016 2,188 people were trained.

Lastly, the annual maintenance of all NBG buildings and Branches' portable fire safety systems, wherever necessary, was done through coordinated actions with NBG's Technical Services Division to speed up the issuance of the fire protection certificates (630 protection certificates of total 635 Buildings / Branches).

## Safety Issues

In 2016, the Group Security Division carried out the following:

- Phase 2 of the upgrading of the surveillance system at the Bank's Branches, via the Bank's Control Room is in progress.
- The upgrading of the shuttering of the Bank's Branches is in progress, with technical interventions (security roller shutters, fortification of the safe deposit boxes areas in ALLEN branches, as the case may be, installation of 400 small safes in selected Branches etc.).
- Installation of IP locks on safes at Regional Branches is scheduled.
- Fortification of the Bank's buildings, as the case may be, in the event that this is deemed necessary following respective controls or official requests, is in progress.

With regard to the incidents of robberies at the Banks' branches, a program of psychological support is in place for all staff who have endured such incidents.

### Breakdown of NBG Security Division Staff (2016)

Special Associates	3
NBG Security Division staff	121
Private Company Security Staff in the Bank and the Group	207
<b>Total</b>	<b>331</b>

## Support for Staff in the Event of violent Incidents including Robberies

The Bank's top priority is the health and safety of its employees. To this end, it monitors and enhances working conditions by ensuring a safe working environment. However, although the number of robberies at the Bank's Branches has decreased since previous years, the treatment of such incidents is still considered to be significant. Accordingly, the Bank has launched a series of procedures, programs and actions to support employees who have been traumatized by the experience of violent incidents (such as bank robberies and verbal or physical violence by customers), including:

- Installation of Access Control Vestibules in the Branches
- Presence of security guards in selected Branches and installation of controlled access system in other buildings
- Publishing of instructions for:
  - Prevention and management of robberies
  - Course of action and behavior in case of robbery
  - Actions subsequent to a robbery
  - Program for the psychological support of employees that have experienced such incidents

Victims involved in such incidents may suffer from post-traumatic stress immediately afterwards or some months later; symptoms may last one to two months, while the intensity of the symptoms depends on the degree of danger to which victims were exposed or their general psychological profile. The aim of the psychological support program is to support employees who have experienced incidents of robbery and suffer from post-traumatic stress, and protect their psychological health in the workplace. A special network of psychologists



is involved in this program, which is implemented either in group or in individual sessions, depending on employees' needs. Moreover, the Bank has incorporated, in the Physical Safety Regulation, techniques for coping before and after a robbery.

In 2016, 4 robberies were committed at NBG Branches.

## **Union Organizations – CLAs**

The Bank respects and promotes the unquestionable constitutional right of employees to freedom of association, i.e. to form and participate in associations and unions. In 2016, 87.67% of the Bank's staff were members of a staff union, while 92.48% are covered by CLAs.

There is no NBG activities or geographical regions in which the staff's freedom of association and collective bargaining is placed in question. National Bank of Greece respects and promotes the unquestionable constitutional right of employees to participate in staff associations and unions.

The Bank's policy is to cooperate and communicate with its employees both on an institutional level (Board meeting, unions and associations) as well as on a personal level, via the Bank's intranet page "Internal Communication".

The Bank respects the staff's right to participate in union organizations and supports in various ways their operation when requested. To this end, NBG works with staff associations and unions to address any issues of concern to them. The active participation of employees in decision-making and their ongoing communication with senior management is ensured, in line with statutory procedures, through the participation of staff representatives on the Bank's Board. Following deliberation and negotiations with the employee Unions, minutes of agreements, CLAs and Business CLAs that cover a wide range of labor relations are entered into. Furthermore, employee representatives participate in panels that take decisions on issues that involve employees, such as disciplinary issues, promotions, appointments and so on, as established in the Bank's Labor Regulation.

In all collective labor agreements signed by the Bank, there is no period of notification, and the relevant time for consultation and negotiation shall be 3 months after the lapse of the period of continued effect.

### **Negotiations with Employees' Representatives for the Signing of a Special CLA**

In 2016, the Business CLA for the period 01.04.2016 to 31.03.2019 was signed. In addition, an annex to the said agreement establishing rewards to NBG staff holding performing loans, as well as minutes defin-

ing the specific conditions and requirements for the accession of the staff of the former Ethniki Kefaleou in the terms of the existing Work Regulation of NBG, were executed.

The following unions operate within the framework of bank staff representation:

- NBG Staff Union (SYETE): Established in 1917. According to its charter, "it aims at protecting and advancing its members' ethical, financial and professional interests".

*More information on SYETE can be viewed on the web at [www.syete.gr](http://www.syete.gr)*

- NBG Workers' Union (SYTATE): Established 1945 under the name "NBG Teller, Technician and Security Staff Union" (SYTATE). Since 2001, the union has operated under a revised charter.

*More information on SYTATE can be viewed on the web at [www.sytate.gr](http://www.sytate.gr)*

- NBG Graduate Staff Union (SEPETE): Established in 1975 to represent the Bank's employees who are holders of university degrees.

*More information on SEPETE can be viewed on the web at [www.sepete.gr](http://www.sepete.gr)*

- Staff Union of former NBG Real Estate (SYPETE-PPETHNAK): Established in 1945, to represent employees of the former NBG subsidiary "Ethniki Real Estate S.A.".
- Staff Union of former National Administration and Organization S.A.-Ethnokarta (SEETE-PPE): Established in 1975, to represent employees of the former NBG subsidiary "Ethnokarta S.A.".
- NBG Staff Union of former Ethnodata: Established in 2010, to represent employees of the former NBG subsidiary "Ethnodata S.A.".

#### Staff by Employment Contract and Type of Employment

Staff by Employment Contract	2016
Staff whose payment is subject to the CLA	8,765
Staff whose payment is not subject to the CLA (in the form of an individual contract package) of which:	713
• Open-ended contract	603
• Fixed-term contract	110
<b>Total workforce</b>	<b>9,478</b>
Full time	9,441
Part time	37
<b>Total workforce</b>	<b>9,478</b>
Others (students doing practical training)	1,200
Seasonal employees	100

## Targets 2017

- Continuation (tacit extension) of the Voluntary Retirement Scheme.
- Establishment of a Succession Planning Policy and revision of the job posting.
- The Job Description project and the update of existing Job Description will continue in light of NBG's organizational changes. Support to Group companies to prepare their Job Descriptions will continue too.
- Implementation of a new Internship Program "i-work@nbg".
- Continuation of the practical training program for undergraduate students at Greek universities and technological educational institutions.
- Completion of the NBG Group Training Policy revision.
- Completion of the NBG Group Remuneration Policy pursuant to the new regulatory framework.
- Renewal of NBG's support for foreign language learning by staff.
- Design and implementation of new programs aiming at maintaining / renewing the existing certifications prescribed by Law (MiFID Community Directive) in bancassurance and investment products and services.
- Enrichment and expansion of the long-term program "Credit Academy".
- Design of special courses tailored to the needs of Special Assets Units.
- Continuation of the internal auditors' training and development program.
- Programs for New Branch Managers.
- Finalization of the Branch Manager profile and use of it through targeted interviews for the evaluation and development of Branch managers.
- Ongoing upgrade and expansion of the e-learning services provided (training videos produced in-house, webinars etc.) while enhancing the commitment and motivation of employees.
- Continuation of the systematic review of the employees' qualifications, skills and professional abilities and enhancement of the HR Selection Sub-division as Advisor and Mentor.
- Completion of Phase 2 of the upgrading of the surveillance system at the Bank's Branches, via the Bank's Control Room.
- Upgrading of the shuttering of the Bank's Branches, with technical interventions (security roller shutters, fortification of the central safes in ALLEN Branches, as the case may be, installation of 400 small safes in selected Branches, fortification of safe deposit boxes etc.).



- Installation of IP locks on safes at Regional Branches.
- Fortification of the Bank's buildings, as the case may be, in the event that this is deemed necessary following respective audits or official requests.
- Connection of selected off-site ATMs with the CCTV of the Security Division.
- Upgrading of the Alarm Signal Reception Center CCTV 960.
- Enhancement of selected ATMs with glass breakage detectors, gas and vibration detectors etc.









## Responsibility to the Environment

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## ENVIRONMENTAL POLICY

The protection of the environment is a basic precondition for sustainable development and a key CSR pillar. Accordingly, NBG continuously incorporates through coordinated actions relevant processes into its business activity and undertakes actions aiming at minimizing its environmental footprint.

To this end, an Environmental Management System has been deployed. In addition, the protection of natural habitats, the enhancement of staff and customer awareness, plus various other environmental actions integrated into the Bank's corporate culture, have further limited the direct and indirect impact of the Bank's operations on the environment.

NBG's commitment to environmentally responsible conduct is formulated both in the Bank's Environmental Policy Statement, which it implements in its business operations, as well as in the Group's Code of Conduct.

The Bank signed with the International Finance Corporation (IFC) and European Bank for Reconstruction and Development (EBRD) an agreement in the context of their participation in its recapitalization, which was completed in December 2015. According to the above mentioned agreement, the Bank will adopt the IFC's and EBRD's Standards as regards implementation of its Environmental and Social Management System (ESMS).

*For further details:*

- *NBG Group CSR Policy: [www.nbg.gr](http://www.nbg.gr) (under: Group/Corporate Social Responsibility/CSR Framework/CSR Policy of NBG and its Group).*
- *Environmental Policy Statement of NBG: [www.nbg.gr](http://www.nbg.gr) (under: Group/Corporate Social Responsibility/Responsibility to the Environment/Environmental Policy Statement of NBG).*
- *NBG Group Code of Ethics: [www.nbg.gr](http://www.nbg.gr) (under: Group/Corporate Governance/Regulations and Principles).*

### Principle of Prevention

In its decision-making, NBG takes into account the principle of proactive prevention both in its business planning and in developing new products.

The Bank's business as a financial institution does not inherently generate increased likelihood of direct environmental risk (such as in the case of a heavy industry). Nevertheless, NBG undertakes proactive measures adopting the key principles of the applicable legal and regulatory framework. For instance, by means of its Environmental Management System the Bank carries out an evaluation of environmental risk during the assessment stage, prior to granting loans to corporate customers.

## CARBON DISCLOSURE PROJECT

Through the independent, not-for-profit organization Carbon Disclosure Project, which holds the largest database of primary corporate climate change information, NBG published, for the 10<sup>th</sup> consecutive year, information about its strategy regarding global warming, and data on its water consumption and CO<sub>2</sub> emissions. In 2016, NBG was classified D.

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## CLIMATE CHANGE: THREATS AND OPPORTUNITIES

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NBG pays particular attention to potential risks that may arise as a result of climate change and are associated with sustainability on a broader level. According to a report by the United Nations Environment Programme Finance Initiative (UNEP FI), "Climate Change & the Financial Services Industry – Threats and Opportunities", the impact of climate change is already evident globally in the banking and insurance sectors. Climate change entails significant risks for both banks and their customers/borrowers, due to stricter legislation regarding the management of greenhouse gases, increased insurance premiums and negative public opinion regarding polluting industries, and natural disasters.

Risks arising from climate change include the following:

- Natural risks
- Business risks
- Risks due to non-compliance with the applicable legal and regulatory framework

Nevertheless, while the risks arising from climate change are evident, a number of significant growth opportunities are emerging, which NBG intends to leverage. For example, the development of an economy that produces fewer pollutants on both the national and international level will generate competitive advantages for organizations that have already taken precautionary measures to this end, and at the same time new markets and innovative products designed to reduce greenhouse gas emissions will comprise a new area of business activity.

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## ENVIRONMENTAL MANAGEMENT SYSTEM

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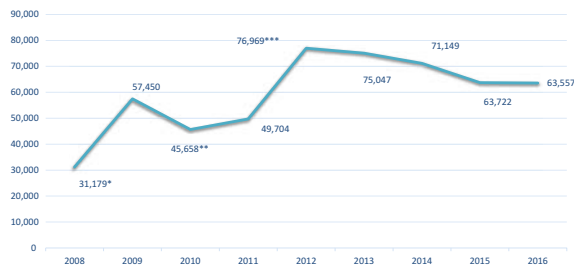
In line with our commitment to environmentally responsible operations, since 2004 we have developed and implemented an Environmental Management System, in compliance with international standard ISO 14001.

*See also the section "ENVIRONMENTAL POLICY".*

In the context of the Environmental Management System, the Bank's overall environmental footprint was analyzed and the results served as the basis for the formulation of the following 5 key pillars in NBG's Action Program:



### ELECTRIC POWER CONSUMPTION (in MWh)



\* Measurements in 2008 reflect consumption in bank premises that cover an area larger than 1/3 of the total area of its premises in Greece.

\*\* Note that the figures for electric energy consumption in 2010 have been adjusted to include further consumption identified in 2012 as back-dated charges in electricity bills.

\*\*\* Total electricity consumption appears higher in 2012 vs. 2011, due to centralization of the monitoring and recording of NBG's respective expenses. By means of this process the Bank now monitors cumulatively the total consumption of electric power. Accordingly, the 2012 consumption measurements include the power consumption of buildings of the Bank for which there were previously no data available.

1. Conservation of natural resources and energy
2. Rationalisation of work-related travel and commuting
3. Effective management of paper and solid waste
4. Deployment of environmental standards in purchasing
5. Deployment of an environmental risk assessment policy in investment and credit processes

For further details: [www.nbg.gr](http://www.nbg.gr) (under: Group/Corporate Social Responsibility/Responsibility to the Environment/Environmental Management System).

## Conserving Energy and Natural Resources

In its efforts to reduce consumption of natural resources and related operating costs, the Bank has decided to deploy an electronic system for monitoring such consumption. The development of the said system was completed in 2015 and it was put into operation in January 2016. This system recorded retroactively all natural resource consumption data from 2013 to 2015. To this end natural gas, heating oil, electricity and water consumption have been placed under centralized monitoring.

## Energy Management

Effective energy management and reduction in energy consumption are significant components of our CSR endeavours. To this end, in 2016 the following actions were taken:

- Issuance of energy efficiency certificates for Bank owned buildings comprises the first phase of technical intervention to make energy improvements to buildings which record a low energy rating. Energy upgrades in 12 administration buildings were completed, while in 6 more buildings they are still in progress (all in the region of Athens and Piraeus).
- The contract assignment for the energy management of the Bank's DATA CENTER is in progress.
- In 33 buildings of the Bank the lifts have been renovated and operate with INVERTER motors. The estimated total annual energy savings stand at circa 38,400 kWh.
- The energy upgrades in 8 buildings have been completed.

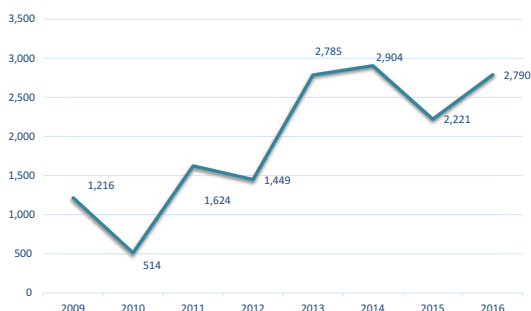
The Bank was awarded SILVER Prize in the Human Environment Section of the Sustainable Built Environment category, within the framework of "Environmental Awards 2016".

The Bank's total energy consumption for 2016 was 266,235.69 GJ.

Specifically, the Bank's total consumption for electricity and heating in 2016 stood at 253,328.41 GJ. Specifically:

- In 2016, the electricity consumption measured at 698 of the Bank's Administration Buildings and Branches and at 638 offsite ATMs, was 63,556.50 MWh (228,803.40 GJ). Of this overall con-

### NATURAL GAS CONSUMPTION (in MWh)





sumption it is estimated that the percentage of energy deriving from RES amounts to circa 18%, as such is stated by the providers in respect of the total fuel mix.

#### Energy Consumption from Cars (2016)\*

Type of fuel	Quantity (lt)	Energy consumption from cars
Oil	73,578.70	758.60
Gasoline	293,979.52	2,810.44
LPG	2,298.18	16.32
<b>Total</b>	<b>369,856.40</b>	<b>3,585 MWh (12,907 GJ)</b>
Number of cars		
Oil	61	
Gasoline	193	
LPG	1	
<b>Total</b>	<b>255</b>	

\* The Bank measures in detail the energy consumption of the cars it uses with a fuel card for their supply.

■ In addition, in 2016, consumption of:

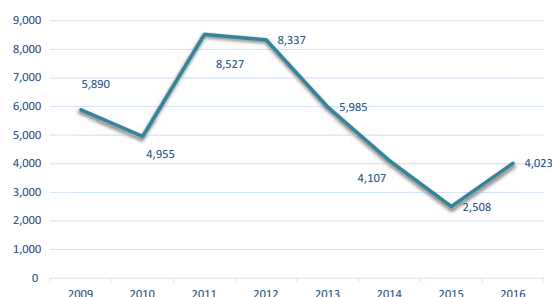
- Natural gas (242,584.84 m<sup>3</sup>) totalled 2,789.73 MWh (10,043.01 GJ).
- Heating oil (383,121.54 lt), estimated at 4,022.78 MWh (14,481.99 GJ).

## Central Shutdown of PCs in the Bank's Units

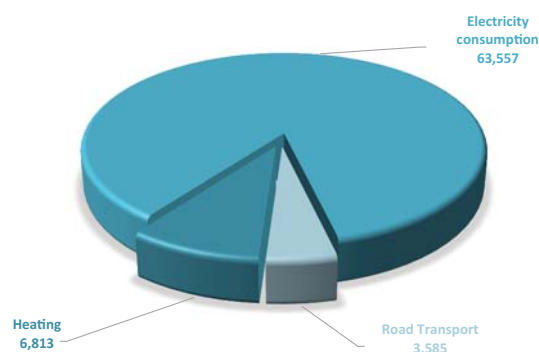
Centrally triggered shutdown of PCs is effected after 19:00 or 22:00, depending on the needs of each Unit. It is estimated that as a result the Bank conserves energy amounting to circa 772,200 kWh p.a.

In addition, as part of the "End Users Desktops Upgrade" project and due to the installation of new workstations, 21 servers were deactivated, thereby resulting in a respective reduction in electricity consumption.

#### OIL CONSUMPTION (in MWh)



#### ENERGY CONSUMPTION (MWh) in 2016



#### CO<sub>2</sub> Emissions related to Energy Consumption\* (2016)

Type of energy	CO <sub>2</sub> emissions in t
Electricity (1)	62,857.38
Heating [Natural Gas (2) + Heating Oil (3) (4)]	546.79 + 1,062.01 = 1,608.80
Road transport (5)	946.53
<b>Total</b>	<b>65,412.71</b>

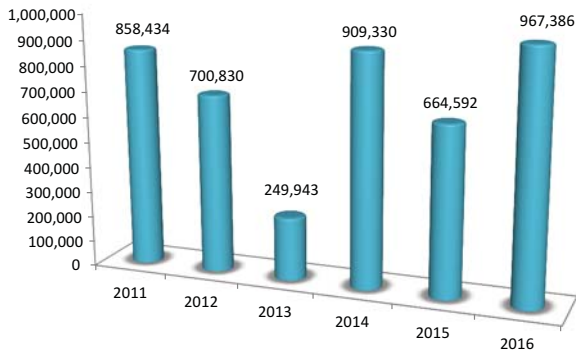
\* Conversion rates for calculation of CO<sub>2</sub> emissions:

- (1) Conversion rate 0.989 kg CO<sub>2</sub>/kWh [According to Buildings' Energy Performance Regulations (Article 5, par. 6)].
- (2) Conversion rate 0.196 kg CO<sub>2</sub>/kWh [According to Buildings' Energy Performance Regulations (Article 5, par. 6)].
- (3) Conversion rate 0.264 kg CO<sub>2</sub>/kWh [According to Buildings' Energy Performance Regulations (Article 5, par. 6)].
- (4) Conversion rate 10.5 kWh/lt for heating oil [According to Buildings' Energy Performance Regulations (Article 5, par. 6)]. In 2015, the applicable conversion rate was 10.136 kWh/lt according to GHG Protocol, while up to 2014, the applicable conversion rate was 9.9 kWh/lt.
- (5) Conversion rate 10.31 kWh/lt for diesel fuel [According to GHG Protocol].

Direct greenhouse gas emissions (scope 1) were calculated at 2,584.74 t CO<sub>2</sub> eq (The CH<sub>4</sub> and N<sub>2</sub>O emission rates derive from IPCC 2006 Guidelines).

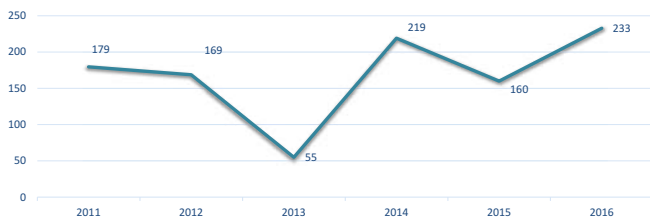
Indirect emissions were 63,090.29 t CO<sub>2</sub> eq. (the CH<sub>4</sub> and N<sub>2</sub>O emission rates derive from the greenhouse gas emission records and data of EUROSTAT).

#### AIR TRAVEL MILES\*



\* GHG Protocol Conversion rate: 1.852 km/mile.

#### CO<sub>2</sub> EMISSIONS FROM AIR TRAVEL (IN TONNES\*)



\* GHG Protocol Conversion rate: 0.00013 t CO<sub>2</sub>/km.

## Reducing Emissions

NBG continued in 2016 its effort to reduce CO<sub>2</sub> emissions by taking measures aiming at:

- Reducing consumption of energy for the operation of its premises
- Acquiring and upgrading equipment
- Rationalizing its officers' and customers' travel

## Rationalizing Travel and "NBG Travel Policy"

To rationalize staff travel, the Bank launched in 2013 its "NBG Travel Policy", aiming at establishing a single framework regulating long distance travel by the Bank's staff. The objective of this policy is to ensure:

- A uniform and equitable treatment for all employees.
- Safe and comfortable travel and accommodation for the staff.
- A more efficient management of the cost of employees' business and other travel.
- More rational management of business travel via a central management system.
- Harmonization with the principles of the Bank's Environmental Management System.

At the same time, to meet the needs of its workforce and minimize its environmental footprint, the Bank rents buses to transport its employees to and from the workplace for some Bank premises located outside the center of Athens. Specifically:

#### Transport of Employees to and from the Workplace by Buses rented by the Bank (2016) \*

Route / Bank premises	Annual routes
Amfithea - Gerakas building	500
Piraeus - Gerakas building	500
Agios Ioannis - Gerakas building	500
Ilion - Gerakas building	500
Doukissis Plakendias - Gerakas building	250
Kerameikos - Piraeus str. building	504
Metaxourgeio - Leoforos Athinon building	1,512
<b>Total routes</b>	<b>4,266</b>

\* The total number of the employees transported by shuttle buses on a daily basis stands at ~470 persons.

## Reducing Direct Emissions

In striving to rationalize staff commuting, in 2016 the Bank took a number of measures, including:

- Distance training courses (e-learning) offered to staff increased, now amounting to 49.
- In order to limit executive travel, the Bank has installed 40 video conference systems in some of its Units in Greece and in subsidiary companies overseas.
- In 2016, NBG used 19 hybrid cars to meet transport needs of its employees. Hybrid cars record the lowest fuel consumption and the lowest gas emissions.
- In 2016, as part of its drive to ensure that it uses the latest learning techniques, the Bank carried out a large number of webinars. These webinars cover most of the Bank's products and enable attendance of trainees via teleconference. The specific method offers the participants the opportunity to be trained and interact with the trainer in real time without having to leave their post, thus contributing drastically to the reduction of the relevant impact on the environment.
- In the context of decentralization of the training process and with a view to reducing the trainees' travel, a lot of training sessions were carried out in various cities around Greece wherever premises are suitable for hosting the seminars. In particular, 130 training events were carried out in Thessaloniki, Komotini, Patras, Nafplio, Chalkida, Larisa, Ioannina and Iraklio (Crete).
- To reduce staff travel needs, the Bank's HR Selection Subdivision combined in many cases interviews with training on the same day and at the same time as the scheduled in-house training courses attended by employees (e.g. induction seminars for new NBG employees). Also, interviews for the Bank Units in Greece and its subsidiaries abroad were carried out via video conference.



#### Alternative Network Users and relevant Simple Pay and Simple Pay Spot Transactions

Simple pay	2016	2015	2014
Registered	83,054	57,343	25,486
Number of transactions	103,930	85,304	60,553
Volume of transactions (€ millions)	15	14	11
Simple pay spot	2016	2015	
Registered Merchants	882	393	
Number of transactions	905,118	182,451	
Volume of transactions (€ millions)	77	18	

## Reducing Indirect Emissions

The provision of services by the Bank is directly linked to travel and transport needs of customers who visit its Branches. The Bank has enabled the reduction of such travel by reducing the need for frequent visits by customers to its branches, as well as the distances that need to be covered, thanks to the installation of ATMs at key locations all over the country.

As regards the Bank's role in reducing unnecessary travel, this is aided by increasing the number of transactions available through internet and phone banking services and by upgrading mobile banking services. Accordingly, customers are not required to visit a branch or ATM, as they are able to carry out transactions remotely, and as a result the Bank achieves an indirect reduction in greenhouse gas emissions, making a positive impact on climate change.

Mileage is reduced by the rationalization and broader geographical dispersion of the Bank's network (509 Branches, 56 Transaction Offices, 1,448 ATMs and 48 APS). In its network development strategy, the Bank takes into account such criteria as the mileage between its Units and the frequency of visits to a Unit, accordingly minimizing the travel required for daily services to customers.

For more details, read the section "Responsibility to the Market" and the Bank's website [www.nbg.gr](http://www.nbg.gr) (under: Branches & ATMs).

#### Users of alternative Delivery Channels and related Transactions\*

##### internet – phone – mobile banking

	2016	2015	2014	2013	2012	2011	2010	2009	2008
New users	233,333	236,280	92,209	102,338	101,142	72,085	67,367	97,000	75,000
Total users	1,339,569	1,106,236	869,956	777,747	675,409	574,267	502,182	434,000	337,000
Number of transactions (money)**	30,054,269**	21,543,316**	14,711,744**	62,947,504	54,791,000	44,667,000	37,200,000	30,944,000	23,620,000
Volume of transactions (€ millions)	40,617	30,623	25,190	20,000	18,245	17,233	19,187	17,314	14,757

##### ATM

	2016	2015	2014	2013	2012	2011	2010	2009	2008
Number of transactions	134,368,555	130,209,691	111,893,090	103,350,728	100,528,878	100,642,625	110,157,582	90,486,147	86,435,487
Volume of transactions (€ millions)	16,868	17,347	16,509	15,601	16,255	17,949	21,437	18,026	17,572

\* Data concern purely the use of internet, phone, and mobile banking in aggregate, as well as the ATM network. In 2016, more than 164 million transactions were effected via i-bank service networks, amounting to circa €57.5 billion. The new users of internet, phone and mobile banking alone were 233,333, raising the total number of users by 21.09% vs. 2015. Accordingly, cash transactions through these channels are now 30 million, valued at € 40,617 million.

\*\* The number of transactions up to 2013 represented the total cash and information transactions. From 2014 the numbers include only cash transactions.

## Ozone Layer

To try and address the problem of ozone layer depletion, the Bank focuses on its air-conditioning and fire-fighting systems. Most of the air-conditioning units at the Bank's premises have been replaced with new technology units, while any obsolete unit that cannot be repaired is replaced by a new one containing environmentally friendly liquid refrigerants (such as R134, R407 and R410).

Also, the replacement of 39 air-conditioning units operating in buildings of the Bank, with new ones that run on refrigerants such as Freon R22, R410 or R134a is now in progress and is expected to be completed in the year 2017.

Moreover, as provided for by law, all fire-fighting systems using Halon have been replaced with new environmentally friendly materials. Instead, the environmentally friendly FM200 material is now used.

Specifically:

- Fixed units containing FM200, which is an extinguishant with a short atmospheric lifetime, zero Ozone Depletion Potential (ODP), and extremely low Global Warming Potential (GWP).
- Portable units containing the inert gas carbon dioxide (CO<sub>2</sub>).

By means of these actions the Bank aims at running systems containing chemical substances that pose the lowest possible pollution threat for the environment.

## Water Management

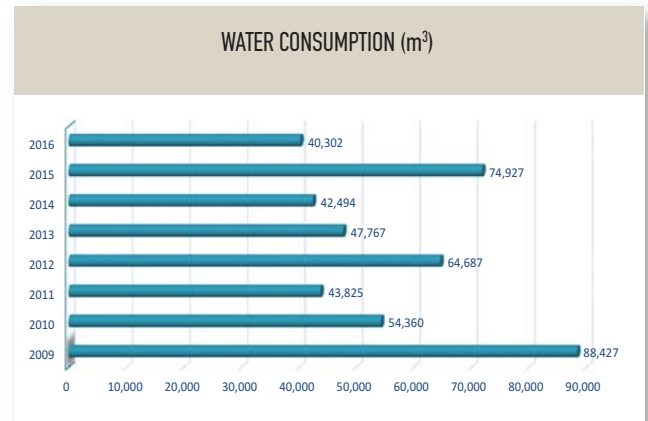
NBG fully recognizes the importance of effective drinking water management, as this is an extremely important natural resource, which will gradually be under pressure as a result of the impact of climate change in Greece and abroad.

The Bank's water supply comes from the public water supply network. Because of the nature of the Bank's activities, the water is mainly used in rest room facilities and for cleaning work areas, while the use of water-cooled air-conditioning systems is limited. The Bank's actions in this field focused mainly on preventing and avoiding leakages by regularly maintaining its piping network.

In 2016, total water consumption amounted to 40,302 m<sup>3</sup> and was recorded in 620 locations.

Locations where Water Consumption was recorded

Year	2009	2010	2011	2012	2013	2014	2015	2016
Water consumption	88,427	54,360	43,825	64,687	47,767	42,494	74,927	40,302
Locations	319	253	227	219	309	309	309	620



## Management of Solid Waste

As a financial institution, the Bank uses and is supplied with materials which mainly concern office equipment and consumables. The main categories of the Bank's office supplies are: writing materials, light bulbs, UPS, batteries, office consumables (including toner and ink cartridges for printers), printing forms, computers and other electrical and electronic devices.

## Management and Recycling of Paper

In NBG's business activity, the bulk of the Bank's solid waste is paper. Since 2011, the Bank's correspondence (internal and to third parties) is fully managed by the Internal Electronic Document Management System, resulting in a significant reduction in printing and paper consumption. In 2016, 814,990 documents were exchanged through the Internal Electronic Document Management System, thus saving almost 1,613,680 page prints.

New procedures / transactions were developed in 2016, substituting others that required extensive printing, accordingly reducing the total consumption of paper. In this context, 10 new templates were developed in the Internal Electronic Document Management System. NBG's alternative networks were further developed and adopted also by customers, accordingly reducing considerably the printing of transaction documents at branches.

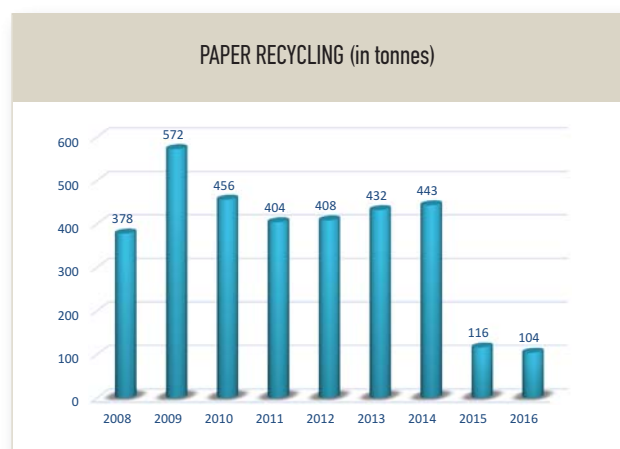
The Bank has since 2015 planned to discontinue the dispatch of printed notices for consumer loans and credit cards and replace them with electronic i-statements through NBG's i-bank internet banking services, thus saving natural resources (i.e. limiting the use of paper).

In addition, the new i-bank statements service enables i-bank internet banking users to view and manage their NBG loans and credit card accounts online. By replacing the printed monthly statements with the electronic i-bank statements, NBG contributes significantly to saving natural resources. In 2016, more than half a million printed loan and card statements were replaced by electronic i-bank statements via the i-bank statements service.

In 2016, the Bank continued its paper recycling program in Administra-



tion Buildings and Branches. As a result, a total of 104 t of paper were recycled. The Bank deposits every year the proceeds of the recycling of paper to NBG staff's Supplementary Insurance Fund. In 2016 this amount stood at € 8,747.64.



**Staff Participation in e-learning Courses and Saving of Paper (2010 - 2016)**

Year	Number							% of total courses						
	2016	2015	2014	2013	2012	2011	2010	2016	2015	2014	2013	2012	2011	2010
Courses	446	439	244	151	159	88	66	43.05	43.51	23.42	25.21	24.80	16.03	11.85
Participations	14,343	16,958	14,809	6,145	6,354	4,133	1,592	66.26	69.96	59.39	51.44	47.20	39.11	17.26
A4 pages saved	954,691***	2,661,281**	2,303,849*	1,330,450	676,728	733,493	288,666	-	-	-	-	-	-	-

\* The calculation of paper savings was based on 244 sessions of 29 internal training courses.

\*\* The calculation of paper savings was based on 439 sessions of 43 internal training courses.

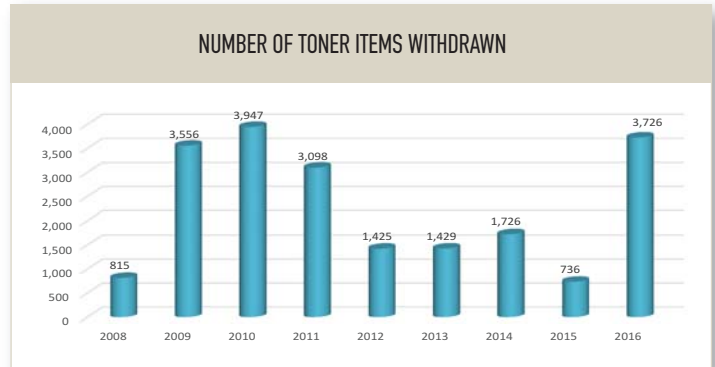
\*\*\* The calculation of paper savings was based on 446 sessions of 49 internal training courses.

## Toner Management

In 2016, the Bank purchased in aggregate 331 toner and ink cartridges for printers and photocopiers. The quantity of items recycled amounts to 3,726, collected from Bank Units where the respective recycling program is applied, while at the same time the companies supporting the MPS program recycled 1,323 toners.

Since 2014, the Bank has arranged the outsourcing of MPS printing needs of Central NBG Services hosted in central buildings and its Branch Network. The Administration Units are housed in nearly 40 buildings and the Branch Network includes 567 locations, distributed geographically throughout Greece. The environmentally friendly management of waste originating from the device consumables, is also part of this outsourcing arrangement. This program leads to the reduction of printouts and, as a consequence, the reduction of paper and toner consumption. The project establishes centralized manage-

ment of printing needs. The number of the system's current users amounts to circa 10,500 individuals. In addition, the project has been expanded to subsidiary companies of the NBG Group (such as National Securities SA, Asset Management Mutual Funds SA, Ethniki Factors SA & former Ethniki Insurance SA) that are co-housed with Administration Units of the Bank or operate independently. It is anticipated that the future benefit for the Bank will be a 25-35% reduction in printing costs.

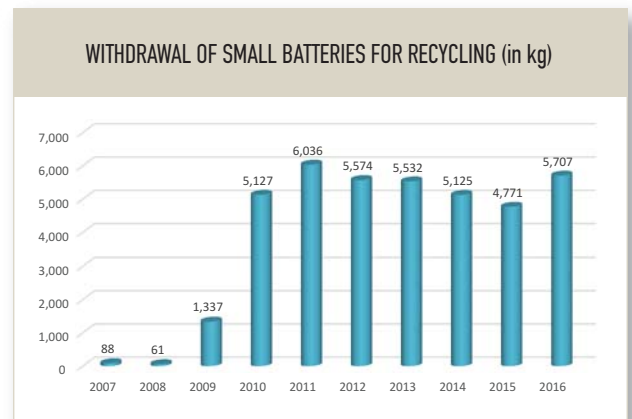


### Accumulator Management

Via partner companies, the Bank systematically sends for recycling the accumulators it uses, to SYDESYS SA - an accredited recycling organization. From 2014 to 2016, it was not deemed necessary to withdraw any accumulators as non obsolete from the Bank's premises.

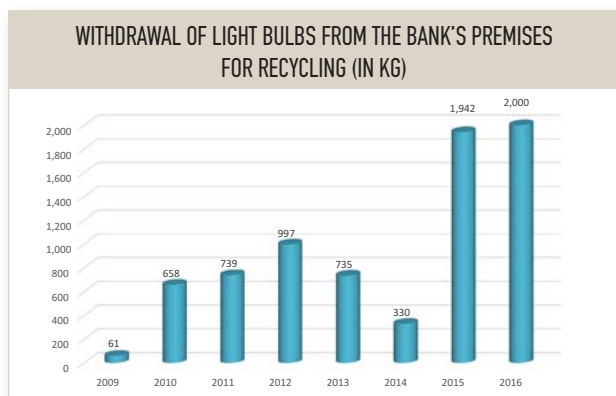
### Small battery Management

In 2016, via AFIS SA, 5,707 kg of small batteries were sent for recycling from 647 collection points that cover all the premises of the Bank, as well as TYPET's summer camps.



### Management of Waste Lighting Items and Bulbs

In the framework of the Bank's Environmental Management System, the program for the recycling of low-energy light bulbs was continued in 2016 in all its premises (461 collection points at Administration and Branches). Via accredited organizations, 2,000 kg of light bulbs were withdrawn by means of an alternative collection management system for light bulb disposal.

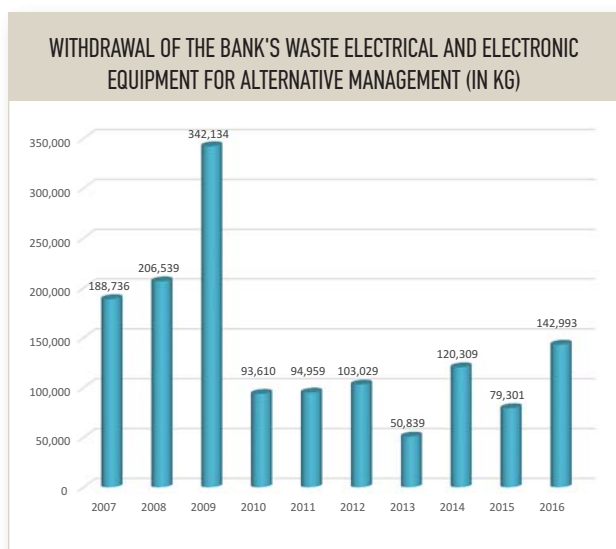


## Management of Equipment

In seeking to effectively manage the environmental impact of its electrical and electronic equipment (such as PCs, monitors and printers), the Bank endeavours to recover reusable materials and deliver discontinued or obsolete equipment to external accredited bodies for their further handling and recycling.

In 2016, NBG delivered over 142,993 kg of electrical and electronic appliances from Bank's installations (187 collection points 230 recycle bins) to "Appliances Recycling S.A." ("Anakyklosi Syskevon S.A.").

In addition, 1,168 items of computers and other electrical equipment, as well as 313 items of furniture and appliances were donated to various organizations.




## Environmental Supplies Criteria

Besides its other CSR actions, NBG seeks to act responsibly in the sphere of purchasing, with a view to reducing its own environmental footprint and exercising indirect pressure on its suppliers to improve their own CSR.

Accordingly, it strives to promote best practices within its sphere of influence, including among others its suppliers and associates. To do this, NBG evaluates its suppliers in terms of environmental criteria, including:



- 
- Technical specifications of the products (i.e. low energy consumption).
  - Compliance with legal requirements concerning environmental issues (e.g. avoiding the use of harmful chemicals).
  - Participation in alternative management and recycling systems for obsolete equipment.

From 2013, the Bank included corporate responsibility terms in all invitations for bids and supply contracts, as provided for in the relevant EU directives on environmental protection, respect for human rights and child labor, health and safety at work, and social equality and solidarity.

### **Paper Recycling**

To meet all its needs for paper (A4, A3, and special printing), in 2016 the Bank purchased recyclable paper awarded the EU Ecolabel logo for certified sustainable forests: FSC (Forest Stewardship Council) or PEFC (Programme for the Endorsement of Forest Certification). This paper is bleached using environmentally friendly methods (ECF, PCF, TCF) and not using elemental chlorine that is very harmful. The total weight of recyclable A3 and A4 paper purchased amounted to 436,746.7 kg.

### **Electrical and Electronic Equipment**

To minimize the impact of its electrical and electronic equipment on the environment, the Bank applies a number of environmental criteria, on both the mandatory and optional levels:

- Mandatory criteria include the supplier's declaration that the equipment in question meets legal provisions regarding recycling / alternative management.
- Optional criteria include an environmental management certificate issued by the manufacturer or any other document evidencing environmental actions taken by the manufacturer or supplier.

### **Responsible Financing - Environmental Risk Evaluation and Management**

NBG uses the Risk Advisor Model included in the Risk Analyst system developed by Moody's KMV to assess the credit ratings of most enterprises (large and medium-sized) included in its corporate loan book. Alongside various other criteria, the said model includes industry risk

due to adverse events, with three score levels (high, moderate and low-risk) regarding the environmental impact and risks associated with the industry sector.

*Also, see "ENVIRONMENTAL POLICY".*

In addition, the Bank places special emphasis on approvals of loans that serve to support business activities that will enhance employment and protect the environment. Failure on the Borrower's or the Guarantor's part to comply with the environmental and sanitary legislation may lead to termination of the loan contract by the Bank. Polluting businesses that do not take any protective measures are deemed undesirable on the basis of the Bank's credit policy.

The Bank supports business activities that boost the overall environmental potential of Greece, such as:

- Production of "green", traditional and biological products.
- Infrastructures (local government organizations etc.).
- Investment in environmental protection, "clean" technology, certification of environmental management systems, saving energy and natural resources.
- Participation in joint funding packages for "environmental" programs for the enhancement of entrepreneurship.
- R&D of environmental products and practices.


The Bank does not undertake the funding of activities banned by EU regulations. Specifically: trade in protected wild fauna, production and trade of radioactive materials and chemicals that have been banned by international protocols, transportation and release of genetically modified products into the natural environment, etc.

NBG channels funding into a variety of business activities, taking into consideration assessments and studies by relevant authorities, as well as by independent bodies specializing in the evaluation and supervision of environmental risks. Moreover, in line with its credit policy, the Bank assesses risks on the basis of the Risk Analyst platform (which includes, inter alia, environmental criteria). The assessment is carried out every 12 months (in certain cases more frequently, i.e. every 4-6 months), including inter alia visits by Relationship Managers to the premises of the borrowers.

NBG also monitors, on an annual basis, borrowers' compliance with the relevant contractual terms by sending specialized teams from its Technical Services Division to borrowers' premises to reassess their property and industrial facilities.

Note that in the case of funding handled by the Bank's Sector for Structured Finance & Syndicated Loans, environmental risks are assessed ad hoc by specialized environment advisors who act for the account of the lending banks. These advisors carry out relevant reviews on pro-





jects to be financed and certify that the project in question complies with the requirements of environmental legislation and that relevant permits are obtained. Such specialized environment advisors have been employed for most of the 29 projects included in the Project Finance Division's portfolio, while compliance and the obtaining of relevant environmental permits are among the prerequisites for the loan disbursement.

### **Protecting Biodiversity**

For the Bank, responsibility to the environment and the implementation of an Environmental Policy are cornerstones of good corporate conduct and encourage businesses to pursue sustainable development and reduce global warming. To this end, NBG implements a policy for the analysis and assessment of environmental risks involved in investment and credit processes, and is committed to fully complying with the relevant environmental legislation, turning down applications for financing in protected regions. In addition, in line with its traditional awareness of social and environmental responsibility issues, each year NBG donates funds for the protection and best management of some of the country's most important nature reserves.

### **Inclusion of Environmental and Social Terms in Funding Contracts**

To receive financing for works and investments, the firm or owner of the works or investments has to provide the Bank with documentation confirming authorization by the competent authorities, which include a study of the environmental and social impact of the project (e.g., in the case of financing of Renewable Energy Sources, infrastructure projects, national highways, subway networks etc.). Compliance with environmental specifications is a precondition for the disbursement of the loans. In the case of syndicated loan contracts, the Bank specifies in the terms that the Issuer and any Guarantors must observe environmental and health legislation, while its breach constitutes grounds for Event of Default. Following disbursement, any impact of the financed works on the environment is covered by insurance policies.

### **Resolving Environmental Complaints**

Following a complaint / referral, the Bank took all appropriate measures to clean buildings and repair any damages. In this framework, it initiated all necessary procedures to immediately address these 15 cases.

The Bank always makes every possible effort to comply with the relevant regulations or the applicable legislation.

11 out of 15 complaints registered in 2016 have already been addressed within the same year, while the remaining 4 complaints should be settled shortly.



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## PROMOTING GREEN BANKING

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NBG is fully aware of its customers' increasing interest in services and products that contribute to environmental protection. Accordingly, the Bank endeavours to finance environmentally friendly projects.

### Green Products

In response to the signs of the times, and giving full consideration to the risks resulting from climate change and the deterioration of the environment and perceiving the new opportunities offered by the development of green banking products and services that encourage and reward green entrepreneurship, NBG has taken a range of initiatives in financing projects and technologies that contribute to fighting climate change.

NBG offers environmentally friendly products aiming at promoting "green banking":

- Loan for participation in the "Energy-Saving at Home" program in collaboration with the National Fund for Entrepreneurship and Development ("ETEAN", former TEMPME); 2,091 loan applications were approved in 2016.
- "Green Loan": a loan granted under favourable terms and conditions for financing the purchase and installation of energy-saving products.
- "Estia Green Home": a loan for the purchase, repair or construction of energy upgraded homes.

In 2016, the ratio of the environmentally friendly retail loans ("Energy-Saving at Home" and "Green Loan") to the total amount of the Bank's retail lending (except for rescheduling overdue debts) stood at 7%.

In 2016, the Bank also participated in JESSICA (Joint European Support for Sustainable Investment in City Areas), a European funding initiative under which NBG has undertaken the management of Urban Development Funds for Attica, Western Greece, the Ionian Islands and the Environment Fund by signing with the European Investment Bank a contract for funds amounting to € 41.2 million.

The actions supported by the JESSICA funding scheme included, for example, improvement of energy efficiency, upgrade of the natural environment, increased use of RES, development of state-of-the-art energy networks and infrastructure technologies etc. The projects that are considered eligible for financing under the initiative include:

- Reuse of abandoned areas.
- Urban infrastructures (parking areas, green areas, road infrastructures etc.).
- Public networks (transport, water supply, energy supply).
- Infrastructures for the development of entrepreneurship (technology parks).
- Health and education (hospitals, rehabilitation centers etc.).
- Tourism (hotels, leisure centers).



- Restoration of historical buildings.
- Cultural centers and multi-purpose leisure areas.

In this context, in 2015 NBG participated in the financing of a project for the development of an Integrated Waste Management System in West Macedonia, amounting to € 5,320,000 (VAT funding). In 2016, the approvals regarding 2 Waste Management units (Serres and EPADYM) for up to € 27.7 million were renewed.

*For more details on NBG's green products, see the section Responsibility to the Market and the Bank's website at [www.nbg.gr](http://www.nbg.gr) (under: Retail/Eco banking solutions), (under: Business & SMEs/Co-funded loans), (under: Corporate/Specialized lending) and (under: Corporate & Financial Institutions/Project Finance).*

## Renewable Energy Sources (RES)

One of the Bank's strategic targets for 2016 was to increase financing of RES, a sector displaying high growth potential. NBG focused on investment initiatives presenting innovation and strong know-how, and on financing research programs for technologies that contribute to the country's efforts to improve its environmental footprint. Accordingly, it has set up a special team that handles investment applications for funding of RES projects and provides advice to potential project finance investors as well as to SMEs. Loans for investment in RES and regular management of urban and industrial waste contribute to a reduction in CO<sub>2</sub> emissions.

Approvals for participation in financing RES investments (€ millions)

RES Investments	2016	2015	2014	2013	2012	2011	2010	2009	2008
Wind Farms	94.80	122.20	277.00	109.50	12.10	0.00	200.80	303.40	121.70
Hydroelectric Projects		0.50							
Photovoltaic Projects	17.19	2.22	31.72	266.82	232.20	267.31	174.64	63.70	30.40
Other	1.74	0.80	2.00	1.70	1.30	7.20	0.00	10.00	0.00
<b>Total Projects</b>	<b>113.73</b>	<b>125.72</b>	<b>310.72</b>	<b>378.02</b>	<b>245.50</b>	<b>274.51</b>	<b>375.44</b>	<b>377.10</b>	<b>152.10</b>

Specifically, in 2016 NBG approved a total of € 26 million for financing RES projects undertaken by large corporations whose aggregate budgeted cost is € 35 million and anticipated power generation will be 27 MW for wind farms and photovoltaic stations. Respectively, financing RES projects undertaken by medium-sized enterprises amounted to 0.20% of the total of the Bank's financing activity. In 2016, new approvals for participation in financing RES investments amounted to € 4.2 million.

## Shipping

In Shipping, NBG aimed at supporting its existing portfolio, given the ongoing recession in the market for dry cargo vessels, focusing mainly on loan rescheduling / restructuring, as well as on selectively and carefully financing its existing clientèle.

The Shipping Division's portfolio on 31.12.2016 amounted to € 2,317 million, represents 19.4% of the Bank's domestic corporate portfolio and includes 281 financed vessels through bilateral or syndicated loan facilities, thereby serving 100 financed customers.

Loans to vessels aged 0-5 years amount to € 793.6 million, of which € 349.4 million concern tankers and € 383.5 million bulk carriers.

The ongoing effort to enhance the age of the financed vessels constitutes a part of the broader strategy of the Shipping Division. In particular, as regards bulk carriers, the Bank seeks to foster modernization of the fleet, and accordingly tends to finance young vessels that are energy saving and more efficient. Moreover, special emphasis is placed on tankers, due to the nature of their cargo, so that financing is granted only to vessels that comply with the latest requirements on the prevention of pollution, in line with the applicable international conventions and regulations on environmental protection, while the relevant loan agreements stipulate that non-compliance with the environmental regulations by the vessel owner may lead to termination of the loan agreement by the Bank.

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## ENHANCING STAKEHOLDER AWARENESS

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With a view to improving, on an ongoing basis, implementation of our Environmental Management System, enhancing our business environmental culture, and promoting stakeholder awareness of environmental protection issues, we carried out the following actions in 2016:

### Staff

To enhance effective application of its Environmental Management System, the Bank has appointed since 2011 EMS officers in all its Units (Administration and Branches). In addition, through 13 intranet announcements, the Bank's staff was provided with updates on CSR, on environmental issues related to the Bank's environmental management (1 article and 4 announcements), as well as on general environmental themes.







### “Find out your energy footprint!”: Development of an e-tool for calculating the energy footprint, via the Bank’s webpage, thereby promoting green products

In its desire to promote “green” financing products and raise customers’ environmental awareness, the Bank has designed and developed, since 2012, an e-quiz that enables website visitors to calculate their energy footprint under the Eco Solution page, so as to easily identify which of their everyday practices are not eco-friendly.

By means of the energy footprint calculator anyone can access information on their environmental impact by calculating their carbon dioxide (CO<sub>2</sub>) emissions by entering data regarding their home energy consumption and their daily commuting habits. Then, visitors can find out how and to what extent they can save energy. They are informed on specific energy interventions regarding their house and travel/commuting practices, as well as on the implementation of each of them using the Bank’s “green” financing tools.

To ensure the best technical and scientific effectiveness of this tool, as well as reliability of its results, the calculator was developed in collaboration with the Laboratory for Environmental Policy & Strategic Environmental Management, Department of Environment, University of the Aegean.



### WWF’s global “Earth Hour” campaign

The Bank participated for the eighth year in the WWF’s global “Earth Hour” campaign, by switching off the electric power for one hour in 5 of its central premises as a symbolic gesture and encouraging its human resources and customers to support this significant initiative.

### Targets 2017

- Expanding and productively running the next phases of the SAP-SRM system (e-training and management of agreements, electronic dispatch and management of orders).
- Expanding paper and toner recycling programs to as many Bank Units as possible.
- Developing a portal for the Procurement Division.
- Formulation of a Suppliers’ Code of Conduct and of relevant audit procedures concerning its implementation during the periodical Suppliers evaluation, according to the Bank’s corresponding Regulations for supplies and Technical Projects.
- Expansion of electronic pricing.
- Increasing i-bank transactions by transferring everyday opera-

tions (payments / transfers) to NBG's electronic delivery channels.

- Renovation of the lifts continued in circa 100 Bank properties.
- Systematic replacement of the fluorescent lamps in the Bank's premises with LED PANEL lights.
- Completion of the connection of the photovoltaic system of 27 kWp, already installed in Kifissia Branch (141), to the medium-voltage power grid.
- Connection of the same system of 48 kWp installed in the NBG's Pireos building (74 Pireos St.).
- Replacement of the air-conditioning units operating with R22 liquid refrigerant by others operating with R410 or R134a liquid refrigerants in various Bank's premises (39 in total).
- Providing financial support to the RES industry by selectively financing viable investments of large enterprises, supporting investments by applying new RES technologies (e.g. solar thermal, biomass, etc.) and financing medium scale investments through available EIB funds.
- Selectively participating in viable investment programs related to the management and utilization of industrial and urban waste, energy saving, etc.
- Channelling financing to medium-sized companies for investment in RES via new loans to SMEs, arranged between NBG and the EIB, as well as via COSME, the loan guarantee facility of the EIF.
- Participating in financing waste management investments implemented by PPPs.
- Supporting customers by financing changes, interventions, etc. that help reduce energy consumption and increase the use of renewable energy sources.
- Taking appropriate measures to reduce complaints / referrals regarding degradation of the environment due to waste left by third parties in properties owned by the Bank.
- In the sphere of SMEs', guided by the conviction that investments in green energy and saving natural resources contribute to the financial development of Greece and the protection of the environment, NBG is financing investment plans that aim at improving energy saving in business facilities, as well as electric power production via RES.







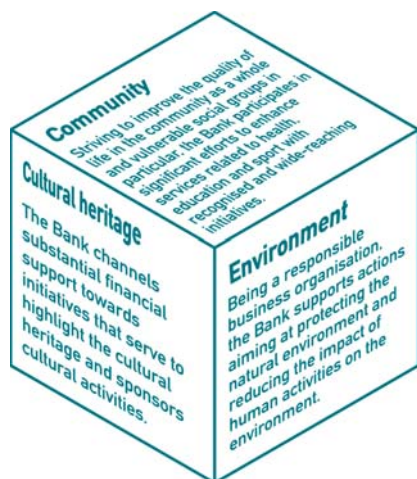


## Responsibility to Society

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# ΕΥΘΥΝΗ

ΕΤΑΙΡΙΚΗ ΚΟΙΝΩΝΙΚΗ ΔΡΑΣΗ  
ΑΝΘΡΩΠΟΣ | ΠΟΛΙΤΙΣΜΟΣ | ΠΕΡΙΒΑΛΛΟΝ



Development of NBG's Sponsorship Program

Financial Data	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Sponsorship Program (€ millions)	13.5	8.71	18.8	9.96	9.3	14.3	19.7	23.1	17.6*	15.3*

\* These amounts do not include the sponsorship for the support of regions devastated by fire, given that this was an emergency (years 2007 and 2008).

In the context of responsible business operations, NBG continues to undertake actions with a view to supporting the community. In 2016, NBG contributed substantially to economic growth, social development and prosperity, environmental protection and preservation of the Greek cultural heritage.

In 2016, despite the particularly adverse economic climate, NBG - standing by its commitment to social support - continued its sponsorship program, with funds amounting to € 13.5 million. In this context, NBG supported a wide range of corporate, social and cultural responsibility initiatives, both directly as a bank, and via its Cultural Foundation (MIET) and Historical Archives.

## "RESPONSIBILITY" CORPORATE SOCIAL ACTION PROGRAM

NBG's "Responsibility" Corporate Social Action program is based on three core lines of action: the Community, the Cultural Heritage and the Environment. Aggregate sponsorships granted in 2016 through the "Responsibility" program for a variety of actions amounted to € 13.5 million.

In 2016, a total of 835 requests for sponsorships were submitted to the Bank, 134 of which were approved. The total amount of new sponsorship approvals for 2016 stood at € 4.5 million.

### Responsibility to the Community

This part of the "Responsibility" program entails actions that include sponsorships and initiatives focusing on:

- Vulnerable social groups (such as children and the elderly), individuals with special needs, and health issues relating to the general public.
- Sports.
- Education, training, research and development of sciences.

### Vulnerable Social Groups, Health, Social Contribution

The main aim of NBG's sponsorship program is to contribute to society at large. In this context, a key priority for the Bank is to provide for the welfare of vulnerable social groups. To this end, through its significant financial contribution, it systematically promotes the work of bodies with distinguished track records in the alleviation of social problems, and has backed actions for improvements in the health sector and the development of social solidarity programs. The list below includes activities that were launched or completed in 2016:

- **Vulnerable Groups**
- **"Solidarity Card"**: To effectively confront the fallout from the Humanitarian Crisis, the Bank designed, implemented and supported financially the issuance of the "Solidarity Card" for the benefit of those entitled to it. This action is part of the Bank's business strategy to implement initiatives and actions that support households as well as society more generally. Thus, NBG has once again given

tangible evidence of its social role, standing by the public in times of hardship and giving a positive signal for the times ahead.

The "Solidarity Card" is a modern and safe way for people entitled to a food benefit to make purchases. It bears the name of the holder and has the form of a prepaid card with "chip and pin" technology. It can be used exclusively for buying food in over 5,000 food stores, all over Greece, equipped with POS terminals accepting all Bank cards.

The "Solidarity Card", issued by NBG in cooperation with the Ministry of Labor, Social Insurance & Social Solidarity, was granted to 150,000 families for buying food in food stores, in the context of Law 4320/2015 "Regulations for taking immediate measures to tackle the humanitarian crisis, the organization of the Government and Governmental Institutions and other provisions".

In 2016 NBG continued to service the beneficiaries of the "Solidarity Card". At the same time, various social benefits are rendered, e.g. heating, oil benefit etc. (which are also excluded in case of seizure/attachment), as actions enhancing social cohesion and protection. Detailed information is set out in the table below:

	2016
<b>Number of Prepaid Solidarity Visa cards</b>	25,006
Number of incoming credit orders (either to an account or a Prepaid Solidarity Visa card)	182,340
<b>Total amount of the said credits</b>	<b>27,508,436.24</b>

- **Action: "School meals in West Attica":** NBG supports the reinforcement and implementation of the Ministry of Labor, Social Insurance & Social Solidarity programs, aiming to cover food and other needs of students coming from deprived families within the context of the act4Greece program.
- **ELEPAP - Rehabilitation for the Disabled:** Financial contribution for covering the costs for the replacement of the external window/door framing and floors of the Physiotherapy spaces.
- **"Alma Zois" Panhellenic Association of Women with Breast Cancer:** Financial support for the organization of the 6<sup>th</sup> Running and Walking Race for the fight against breast cancer, "Greece Race for the Cure".
- **Financial support to the European Association for the Disabled and individuals with special needs "Collaboration & Creation".**
- **Holy Metropolis of Edessa, Pella and Almopia:** Completion of sponsorship for the construction and renovation of their children's summer camps.
- Meeting the cost of accommodation for students of the Greek



Orthodox College of Constantinople, of the "Melissa" Orphanage, and the Georgios & Aikaterini Hantzikonstas Foundation in the summer camps of the NBG Staff Health Fund.

#### ■ Health - Support of Hospitals

##### ■ The construction of a new surgical wing at the "Evangelismos" General Hospital (rolling sponsorship program over several years):

The New Surgical Wing (Phase 1 of the project) has been running since April 2015, including 15 surgical wards and all relevant auxiliary spaces, two of which are being used for carrying out cystoscopy procedures, which was not specified in the original study. Phase 2 of the project - which was launched in June 2015 and has since been completed - includes 8 surgical wards and all required auxiliary spaces, cardiac surgery resuscitation as well as neurological surgery cases, hemodynamics and a radiology department. The radiology department has been fully operational since November 2016 while the rest of the spaces of Phase 2 will be put into operation after the instalment of the equipment as per the donation agreement. Last, in order for the Bank to pay the remaining amount of the donation the following have to be completed:

- The construction of new spaces in the ground floor of the New Wing, such as a blood donation room, an auditorium and a library.
- The supply and installation of medical equipment.

This sponsorship action by NBG is aimed at the community as a whole, as it will provide significant improvement in quality of life and public healthcare for all citizens.

##### ■ Supporting Hospitals and the country's regional health facilities:

NBG, in line with its commitment to responsible operations and social awareness, decided in December 2015 to support public health organizations and specifically Greek hospitals by providing medical equipment and consumables, so that they can handle medical cases and other issues in a timely manner. Specifically:

- In December 2015 approval was given for the supply and provision of medical equipment to support 28 public hospitals and health centers in Greece. The sponsorship aims to actively support the country's health sector and boost citizens' sense of security all over the country.
- In 2016, at the same time that the above decision was being implemented, the Bank approved a new sponsorship for the supply and provision of medical equipment for the support of 38 public hospitals and health centers in Greece.

##### ■ National Healthcare System (EOPYY):

Financial contribution by the Bank to meet the organization's operational needs with a view to improving the services provided to the public.

##### ■ Aretaeio University Hospital:

For yet another year, NBG provided financial support to the Hospital to ensure uninterrupted provision of its services to the public, and more specifically provision of top quality services by its 2<sup>nd</sup> Surgical University Wing.

## Sporting Activities

The Bank has a long history of supporting sports and the sporting spirit.

which through the concept of fair play aims at promoting cultural links and solidarity among nations. NBG's sponsorships for sportsmen and women preparing and participating in international sporting events have contributed over time to unique distinctions for Greece.

The main sponsorships for 2016 related to the following programs:

- **NBG employees support sports & social causes:** National Bank of Greece, as Official Sponsor of the Hellenic Athletics Federation (SEGAS) for the years 2014-2019 and Named Sponsor of the Kids Race, participated for the 3<sup>rd</sup> time with its own "i-run" team in the 34<sup>th</sup> Athens Authentic Marathon on 13 November 2016 in which circa 50,000 runners took part. With more than 700 employees, their friends and relatives, NBG's "i-run" team was one of the largest corporate groups participating in the event. By participating in the Marathon, NBG aims to send a message of social solidarity by supporting institutions and organizations which have given tangible evidence of their social contribution. In the context of the 34<sup>th</sup> Athens Authentic Marathon the Bank disposed part of the amount raised by the participation fees for social ends. In addition, the Bank participated with the i-run team in the 5<sup>th</sup> Athens Half Marathon, the most important running event of the city after the Athens Authentic Marathon, held on 20 March 2016. More than 500 employees, their friends and relatives, participated in the 3k, 5k and 21k races, sending out a positive message that shows the importance of physical exercise to our health. Within the context of the Hellenic Athletics Federation (SEGAS) sponsorship, NBG participated with its own team for the second time in a series of "Run Greece" races which were held in six different cities around the country (Larisa, Iraklio, Ioannina, Kastoria, Alexandroupoli, Patra). In said races, numerous NBG employees as well as their friends and relatives situated outside Athens participated, in a spirit of enthusiasm and positive energy.
- **Hellenic Olympic Committee (HOC):** Support for the program of the Hellenic Olympic Committee "Adopt an athlete on the road to Rio", during 2014-2016. Through this initiative NBG supported the preparation of the Hellenic Rowing Federation in specific Olympic events, as well as the preparation of E. Kosmides, an artistic gymnastics athlete of the Hellenic Gymnastics Federation.
- **Special Olympics Hellas:** NBG sponsored the body responsible for the Special Olympics Hellas in respect of the following programs:
  - The Young Athletes Program
  - The Motor Activity Training Program – MATP
  - The Healthy Athletes Program

At the same time, in the context of this sponsorship collaboration, NBG Corfu Branch employees volunteered to help organize the 7<sup>th</sup> global Eunice Kennedy Shriver Day (September 2016) celebration.

- **Municipality of Oropos:** Sponsorship of the "Oropos Seaside Race 2016".





## Science – Research – Training – Innovation

NBG promotes initiatives in the sphere of education and sciences via various actions:

- Sponsorship for scholarship programs for graduate and post-graduate studies in Greece and abroad.
- Organization and financial support for international scientific meetings (conferences, summer schools, seminars, workshops) aiming at fostering scientific research.
- Support to educational bodies and libraries.

Other actions carried out in this field in 2016:

- Support for the **IKY State Scholarships Foundation**, for the implementation of the "2<sup>nd</sup> Scholarship Program for Postgraduate Studies" (for the period 2014-2017).
- **Athens University of Economics & Business - Faculty of International and European Economic Studies**: Sponsorship in support of the academic excellence program held (for the period 2014-2017) for granting scholarships to students of the full-time postgraduate program at the Faculty of International and European Economic Studies.
- **University of Piraeus**: Sponsorship in support of the academic excellence program for undergraduate and postgraduate students of the Department of Banking and Financial Management.
- **National and Kapodistrian University of Athens**: Sponsorship to support the Modern Greek Language Teaching Centre for holding the Summer Scholarships for Greek Studies at the Athens University.
- **The European Public Law Organisation (EPLO)**: Sponsorship in support of EPLO for a three-year scholarship in the European Law and Governance School (ELGS).
- **Sponsorship in support of 22 "open source digital labs" (edulabs) in 17 new schools and supply of 1,000 computers to schools outside Athens offered by NBG i-bank**: The Ministry of Education, Research and Religious Affairs, in collaboration with Buildings' Infrastructures SA and with the financial support of NBG, undertook the initiative to establish open source digital labs, the "Edulabs", in school units that are constructed within the period 2016-2017 with a view to upgrading their digital infrastructure. The said initiative is part of NBG's participation, as Urban Development Fund for the Attica Region, in Private-Public Partnerships (PPPs) for the Survey, Financing, Construction and Technical Management of School Units in City Areas. The Edulabs are specially designed classrooms that provide students and trainers with all the appropriate infrastructure based on open source technologies, as well as a modern, functional and pleasant environment so as to prepare students to engage with the digital age and its various benefits in education. The Edulabs support 13-28 workstations for students per room and include:
  - A Raspberry Pi3 with Linux operating system for the student's workstations and a laptop for the instructor.
  - An ultra-short throw projector.
  - A 3D printer, 3D scanner and a robotics kit.



In total, during the period 2016-2018, 22 Edulabs will be set up in 17 of the PPP schools where IT classrooms are provided, giving the opportunity to more than 5,000 students and teachers to make the most of the lab's infrastructure. NBG's sponsorship includes both the provision of all said technological equipment, in line with the requirements set by the Ministry of Education and continuous technical support, as well as new school-desks for the "edulabs". However, NBG i-bank's main goal is for these digital classrooms to become a space of knowledge and education, as well as a venue where students can learn more about innovation, technology and environment issues, through the programs created in collaboration with certified organizations and benefit foundations. At the same time, through the "edulabs", NBG will offer to the Ministry of Education, Research and Religious Affairs 1,000 complete sets of checked out/screened and repaired computers by the Bank's replacement program, in order for the computers to be donated to schools outside Athens to meet their teaching needs. Following a relevant proposal and together with the Ministry's coordination, computers supplied by the Bank will be distributed to 834 elementary schools (with one, two or three teachers teaching all grades) located in remote areas of the country (outside Athens), most of which present significant shortcomings in terms of computer supply. The equipment will be used to teach more than 10,000 students. Through these two significant initiatives, i-bank, which is NBG's platform of innovation and technology, helps create a younger generation with prospects and the opportunity to see its ideas come true, demonstrating NBG's longstanding role as a pillar of support for the Greek Community, Education and Culture.

The new schools equipped with NBG i-bank's "edulabs" are the following:

- 31<sup>st</sup> All-day Athens Elementary School
  - 3<sup>rd</sup> Junior High School and 2<sup>nd</sup> High School, Koropi
  - Elementary School, Koropi
  - 6<sup>th</sup> Elementary School, Geraka
  - Technical Vocational Institute (TEE), Peristeri
  - Technical Vocational Institute (TEE), Keratsini
  - Elementary School, Pedeli
  - 42<sup>nd</sup> Athens High School
  - 9<sup>th</sup> Athens Junior High School
  - 51<sup>th</sup> Athens Junior High School
  - 50<sup>th</sup> Athens High School
  - Athens Musical Junior High and High School
  - School of Special Vocational Education and Training (EEEEK), Neo Irakleio, Athens
  - Technical Vocational Institute (TEE), Megara
  - Elementary School, Oropos
  - Junior High School, Oropos
  - 1<sup>st</sup> Junior High and High School of Arts, Keratsini - Drapetsona
- **Imvrian Association:** NBG's sponsorship aims to support the Greek minority schools on the island of Imvros that opened again after being closed for 50 years.
  - **Public Central Library of Veria:** Sponsorship for the organization of events and the implementation of actions aimed at cultivating a love for learning and creativity in children and adults.

- **London School of Economics and Political Science – Hellenic Observatory:** Continuation of multiannual sponsorship program for prominent scientists doing research in topics related to Greece in the context of "The National Bank of Greece Research Fellowship in Contemporary Greek Studies 2013-2016".
- **South East European Studies at Oxford (SEESOX), St. Antony's College:** A three-year sponsorship for the period of 2016-2018 for the research program "The Greek diaspora: Homeland ties in times of crisis".
- **University of Crete:** Sponsorship for holding the "20<sup>th</sup> International Conference on Macroeconomic Analysis and International Financing".
- **University of Ioannina:** Sponsorship for holding the "IMAEF 2016 - Ioannina Meeting on Applied Economics and Finance" and "Human Rights in a Changing World. Research and Applied Approaches» Conferences.
- **Athens University of Economics and Business:** Sponsorship for holding the "8<sup>th</sup> Conference of HR Management: Practical Solutions in new problems".
- **International Association for Greek Philosophy:** Sponsorship for holding the International Conference of Philosophy on "The Philosophy of Aristotle".
- **University of Patras:** Sponsorship for holding the "3<sup>rd</sup> Patras IQ Panhellenic Exhibition of Know-how Transfer" jointly with the Achaia Chamber of Commerce and other institutions.
- **Young Entrepreneurs Association (SEN):** Sponsorship for the implementation of the Association's educational actions.
- Sponsorship for holding the "NBG i-bank FinTech CrowdHackathon" event, within the context of the "Crowdpolicy (Crowd Hackathon)", which aims to develop useful applications, innovative business ideas applicable to financial transactions, and award prizes to the top participating teams.

## Responsibility to the Environment

For NBG, responsible business operation is intimately related to environmental responsibility. In this context, and besides its efforts to minimize its environmental footprint, NBG each year offers generous support to activities, bodies and environmental organizations with well-planned agendas that contribute to environmental protection. These bodies strive to promote sustainable development and protection of the environment and raise environmental awareness among the public. Some of the most important sponsorships in this sphere granted by the Bank in 2016 included:

- **Botanical Garden of I. & A.N. Diomedes:** NBG has been supporting the foundation's work since 2009. More specifically, in 2016 the sponsorship covered the cost for the supply of monitoring equipment and materials with a view to enriching the library of the Center for Environmental Information. Note that the Center has the capacity to receive and educate hundreds of students from schools of all ed-



educational levels, as well as visitors who are interested in the activities and the scientific fields that the Botanic Garden's staff is specialized in. Specifically in the last three years, participation in the educational programs of the Foundation has significantly increased (up by 6,072 people i.e. 24%). Specifically:

- 19,499 people participated during the school year 2013-2014.
- 19,342 people participated during the school year 2014-2015.
- 25,571 people participated during the school year 2015-2016.

As regards the "Multiannual sponsorship for the Botanic Garden of I. & A.N. Diomedes" program, National Bank of Greece received the "Gold" prize in the category "Environmental Awards 2016" and in the "Environmental CSR" category.

- **Fire Department Headquarters:** Sponsorship to the Fire Department Headquarters for meeting the cost of purchasing firefighter uniforms.
- **i-bike: Everywhere with a bike!** Since 2014, NBG has undertaken the three-year sponsorship of the modern bike sharing system in the city of Thessaloniki, displaying the i-bike logo. The sponsorship, which is expected to be renewed for another three years, will cover the operation and maintenance cost of 8 bike stations with a total capacity of 140 bikes. The i-bike system gives the opportunity to residents and visitors of the city to use this easy and eco-friendly means of transportation. One can rent a bike at the automated and equipped stations, located in key spots in the city, by using a special electronic card or by using their cell phone or credit card.

In 2016 the bike sharing system expanded within the region of Attica and specifically in the Municipality of Glyfada, where in June two new fully automated i-bike stations with a 20-bike capacity were inaugurated. The Bank has undertaken, for a three-year period, their operation and maintenance cost.

As at 31.12.2016, results from the bike sharing system are particularly encouraging with more than 63,000 hires in Thessaloniki and 6,000 in Glyfada since the i-bike stations first opened, while in 2017 the i-bank system is expected to be expanded in the municipalities of Vari-Voula-Vouliagmeni, Alimos and P. Faliro, covering a total area of 20 km along the South Attica seafront, in a unified 8 stations system with 100 bicycles.

At the same time, the Bank supported financially the following bodies:

- Sponsorship to the Troizinia - Methana Municipality for holding the 1<sup>st</sup> International Geo-volcanic Conference entitled "Methana 2016".
- Sponsorship to the "Eleftheri Ekfrasi" theatre for the children's theatre production "From junkland to...ecoland" on the environment and recycling.

## Responsibility to our Cultural Heritage

Showcasing the national heritage and promoting culture are two cornerstones of NBG's sponsorship program. The most important sponsorships include:





- Supporting actions and events that involve music and the visual and performing arts.
- Sponsorship to ensure and promote historical and cultural developments, to maintain and restore monuments and support archaeological excavations.
- Sponsorship support for initiatives involving publications of cultural and historical interest.

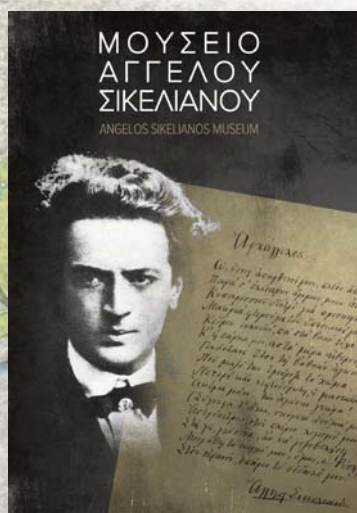
Some of the most important sponsorships – both those which began in previous years as well as those launched and completed in 2016– are listed below:

- **Society of Messenian Archaeological Studies:** Since 2009, NBG has been supporting the Society of Messenian Archaeological Studies, which since 1986 has been undertaking the excavations and display of the monuments uncovered at the archaeological site of Ancient Messene. It should be noted that at the archaeological site of Ancient Messene many significant monuments have been brought to light and have been restored. More specifically, in 2016 the architectural complex that is situated in the north part of the temple of Isis near the Theatre has been completely revealed. The said architectural complex is independent and takes up only a small part of the total space of the ancient temple of the Egyptian goddess, while it is estimated that it was last used during the 4<sup>th</sup> and 5<sup>th</sup> century A.D. In addition, the study has expanded to include the area of the forum, and more specifically the building of the Hellenistic period with the Doric portico, which is located exactly opposite the temple of Messana, the pre Dorian age queen of Messenia. Furthermore, the restoration works on the archaeological complex of the Stadium-Gymnasium were completed and the restoration of the palaestra is progressing. Last, in the area of the agora restoration works on the stoa, Vouleion and the retaining wall that retains the higher terrace of the agora's northern stoa have been completed. This specific undertaking, besides its scientific value and archaeological interest, has given special importance to the region of Messenia, while it is considered to be one of the most important and best preserved archaeological sites in Greece, an international point of reference.

In 2015, NBG received the "Silver" Award in the "Corporate Responsibility / Culture" category as part of the Hellenic Responsible Business Awards, for this long-running sponsorship program.

- **Museum of Angelos Sikelianos** (Rolling sponsorship program): In 2016 NBG continued the construction works of the Museum, a project that started in 2006 and is gradually being completed.

In 2016 all works for the repair, restoration, internal alterations and all constructions for the exhibition facilities (display cases, cabinets etc) were completed, leaving the Museum ready to welcome the relevant exhibits. In addition, the Bank decided to support once again the Municipality of Lefkada and the operation of the Museum by covering the cost of management, conservation and transfer of the exhibits to the museum, as well as by preparing the audiovisual material that will be presented. The conservation and the instalment of the exhibits inside the Museum has been completed (September 2017). Last, following the Municipality of Lefkada's request, NBG decided to cover the cost for the development of the theatre adjacent to the Museum.



- **Archaeological Receipts Fund:** Sponsorship for the reorganization and modernization of the Fund's services.
- **The Benaki Museum:** Supporting financially the Benaki Museum for the implementation of the works of Nikos Hadjikyriakos-Ghika Gallery and sponsorship for holding the Opy Zouni Exhibition.
- Sponsorship of the Pottery Exhibition "Pottery Yesterday - Today" in the atrium of the National Archaeological Museum.
- NBG, being a corporate member, supports the actions of the Diazoma Association (Citizens for Ancient Greek Theatres).
- **Non-profit organization "Archipelagos":** Sponsorship for covering the operating expenses of the Olive Press Museum of Vrana.
- **The Patriarchate of Alexandria:** Sponsorship for the completion of the restoration works of the building complex of the Church of St. Nicholas of Ibrahimia and of the adjacent buildings and the publication of a relevant volume.
- **The National Theater:** Sponsorship for the co-production with the Vakhtangov Theatre in Moscow of the theater production of Sophocles' "Oedipus Rex". The said production was directed by the celebrated Rimas Touminas with both Russian and Greek actors and Victor Dobronravov in the lead role. The production was presented at the Ancient Theatre of Epidaurus, at the Herod Atticus Theatre and in Moscow.
- **Holy Metropolis of Stagon and Meteora:** Sponsorship for the issue of an album dedicated to the historical Church of the Dormition of the Mother God.
- Financial support by NBG for the international co production of the movie "NIKOS KAZANTZAKIS", directed by Giannis Smaragdis.
- **Thessaloniki Concert Hall Organization:** Sponsorship for the preparation of the Workshop "Rythme, our common language", within the context of the Educational Programs Cycle of the Organization.
- **Michael Cacoyannis Foundation:** Sponsorship for the organization of the Modern Greek Play Competition, the operation of the New Theatrical Writers' Workshop and the presentation of the six distinguished plays of the two actions, by means of full theatrical productions.
- Financial support to the Historical Archive of Greek Refugees for holding the Conference "The Hellenic World of Constantinople after the Agreement of the Population exchange".
- Sponsorship for the organization of actions and events entitled "Byzantine Thessaloniki", within the context of the celebration of the 10<sup>th</sup> anniversary of the Thessaloniki Traders Association.
- Financial support to the Museum of the Macedonian Struggle in order to continue its work.
- Financial support to the "Eleftheri Ekfrasi" theatre for the production of the "Miser" by Molière and the children's play "Peace" by Aristophanes.
- Financial support to the PLATFORMA Urban Culture Co. for holding the "Animasyros International Animation Festival + Agora 9.0".
- Sponsorship for the not-for-profit Classical Music Network in



organizing the Jubilee Festival of Classical Music in the Cyclades, which took place at the "Apollon" Theatre, Hermoupolis, Syros under the auspices of Syros Municipality.

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## THE act4Greece PROGRAM

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In Greece, the idea of creating a space where anyone with a vision for change can participate and directly address significant problems in society, has been transformed into action by launching the act4Greece Program in 2016. The act4Greece aspires to make a positive impact on social awareness, and to motivate all social groups for the common good. It generates synergies and offers new prospects for collaboration between the implementing agencies of the actions, donors and social groups.

The Program's philosophy and scope as well as its seven action areas are related, directly or indirectly to the UN SDGs (Sustainable Development Goals – SDGs). The UN SDGs underline the need for collective awareness regarding the responsibility that each and every one of us has vis-a-vis our fellow human beings and issues such as the elimination of poverty and hunger, the promotion of good health, good education, environmental protection and cultural heritage etc.

As a result, the act4Greece Program is more than just a crowdfunding platform that raises resources for the implementation of individual projects: it also operates as a value multiplier, broadening the participation of people everywhere, while the work which it produces has specific and measurable results. At the same time, act4Greece has succeeded in broadening the social groups that take part in and benefit from the Program's actions.

The program is implemented by National Bank of Greece in strategic cooperation with organizations and foundations of international standing, such as the Alexandros S. Onassis Foundation, the John S. Latsis Foundation, the Bodossaki Foundation, the Hellenic National Commission for UNESCO, and the Hellenic Network for Corporate Social Responsibility.

In 2016, 10 actions were supported, for which more than € 1 million was raised through 4,090 donations by individuals and legal entities. In 2017 and according to data referring to end of September the program hosted 6 new additional actions and the total amount of donations since the launch of the program amounted to € 1.7 million through more than 5,900 donations.

For the year 2017 through the act4Greece program, NBG aims at supporting bodies that actively create and work for the common good and implement actions that have a direct positive impact on the Greek society.

### Targets 2017

In 2017, NBG intends to complete the actions of its "Responsibility" program that are still under way, and to further enhance its sponsorship program placing special emphasis on health, culture, science, research and education, social protection, sports, economy and development, the environment, and support for local communities.

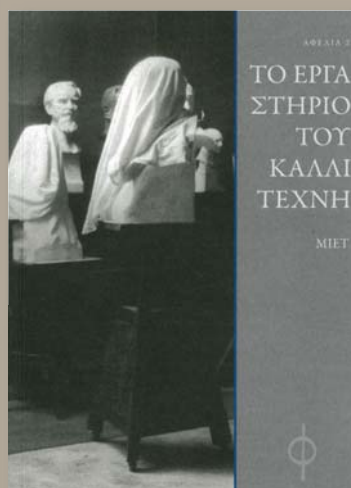
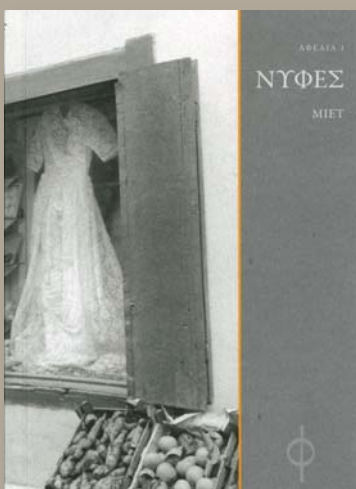


## The NBG Cultural Foundation (MIET)

In 2016, MIET brought out 14 new publications and 11 reprints, while 128 titles were selected as university textbooks in 76 departments of 28 universities. In total, 16,700 copies of MIET editions were donated, via the "EFDXOS" program to students and university libraries. In addition, a significant number of books were donated to school and other libraries in Greece and abroad.

Notable editions: *Greek bibliography of the 19th century*. Volume 3: *The years of King Otho, 1833-1863*. Part 1: 1833-1844 by Filippou Iliou, *The Hospital at the crossroads of architecture and medicine. From stereotype to modernity* by Konstantinos Xanthopoulos, *Politics in Plato's Statesman* by Stefanos Dimitriou, the first three books of AFELIA, MIET's new publication series presenting thematic sections of ELIA's Photographic Archive (*Brides*, text by Eliana Hourmouziadou, *The artist's studio*, text by Kostas Ioannidis and *To read*, text by Yiannis Papatheodorou), as well as the catalogue of the Dimosthenis Kokkinidis's exhibition "Drawings and memories".

Our customary February discounts in the Foundation's bookstores proved once again highly popular with the book-reading public.





1.



2.



1. From "Dimosthenis Kokkinidis, Drawings and memories" exhibition.

2. From "Chronis Botsoglou, Opposite the Mountain" exhibition.

MIET continued its successful tradition of holding artistic events, painting, engraving and photography exhibitions for the wider public, as well as book presentations. In total, it organized twenty-three exhibitions by established artists and held presentations on interesting subjects related to the important archive collections of the Greek Literary & Historical Archive (ELIA), in the venues of its bookstores in Athens and Thessaloniki.

The following exhibitions were of particular interest: "The district of Exoches, 1885-1912", "Dimosthenis Kokkinidis, Drawings and memories", "Chronis Botsoglou, Opposite the Mountain", "Memos Makris, From Athens to Paris", and the exhibition "Nikos Dragoumis, painter 1874-1933" hosted at the Vergos Mansion in collaboration with the Municipality of Kastoria.

Nationwide, MIET was active at the Bellonio Cultural Center in Santorini with the exhibition "Nikos Dragoumis and Lydia Borzek, Paintings", in Livadia with "Panagiotis Tetsis, Engravings" within the context of the Trofonia cultural event, as well as in Kavala with the exhibitions "Giorgos Seferis, photographer" at the Municipal Gallery and "Athos. Colors of Faith" by Stratos Kalafatis at the Municipal Tobacco Warehouse that was also toured to Rome and St. Petersburg.

On the 50<sup>th</sup> anniversary of MIET, the exhibition entitled "Achives. Their History and Significance" was held in collaboration with the National Library.

On this occasion, two concerts, one with Baroque music and the other with music of the Middle Ages, were held at the Cultural Center in Thessaloniki, while in Athens the public enjoyed evenings with classical and jazz music, as well as the Shakespeare's *Measure for Measure* performed in the courtyard of MIET's premises.

MIET's **Historical and Palaeographical Archive (HPA)** organized four field trips for the purpose of photographing and then making digital copies of manuscripts and archive material. Three of these field trips took place as part of MIET's collaboration with the Theological School of Halki, while the fourth relates to the classification and cataloguing of the modern Archive of the Eastern Orthodox Patriarchate of Jerusalem. In 2016, the digitization of the Archive of the Dependency of the Holy Sepulchre in Constantinople continued.

The HPA participated in domestic and international scientific programs related to its operation and activity (Meeting on the manuscripts of Prousos Monastery in Karpenisi, Evrytania, Pharmacology Conference organized by Athens University presenting Byzantine and post-Byzantine manuscripts of special medical interest, conference of the University of Fribourg, Switzerland - Fragmentarium program, Conference on "The Antikythera Mechanism, navigation and the Geographia of Claudius Ptolemy" held in Bali, Indonesia, Conference of the International Committee of Greek Palaeography in Paris, and the International Scientific Conference of the University of Nanyang, Singapore, presenting documents with the first description in Greek of China). Moreover, the HPA continued to collaborate with the organizational team of the "Open Jerusalem" program conducted by Paris-Est University, on promoting the Greek cultural heritage found in Palestine.



The first phase of the scientific program on studying the palimpsest hagiographic texts of the Holy Monastery of St. Catherine on Mount Sinai was completed, and a great part of Hippocrates medical writings were found on a parchment manuscript of the 6<sup>th</sup> century.

Also, the Historical and Palaeographical Archive held lectures on historical and palaeographical themes concerning the relations of Greece and the Balkan peoples, marine archaeology and cultural relations with the Arab world.

Backed by its research activity, cataloguing of archives, and digitization of micro-films of manuscripts and slides in its collections, the Historical and Palaeographical Archive offered valuable services to academics and researchers.

MIET's *Paper Conservation Laboratory* provided the necessary technical support for the preparation and organization of the Foundation's exhibitions. The Laboratory also contributed significantly to documenting, recording and cataloguing exhibits and setting up the digital display of artworks.

In addition, the Conservation Lab was involved in the conservation and study of the means of storing MIET's and ELIA's archives and collections (the photographic collection of the Koumandos Archive, the film negatives collection of the Ministry for Reconstruction 1947-1951, the map collection, the collection of handwritten catalogues from the Greek archives in Egypt), and the book collection of the Historical and Palaeographical Archive.

The HPA conducted on-site inspections for proactive conservation and safekeeping of the archival material of other organizations, such as the Library of the Alpha Bank Group and the collection of E. I. Papadopoulos company.

In addition, MIET's Conservation Lab Library was open to the public all year long.

## COLLECTIONS and ARCHIVES

Significant art works were donated to MIET, including: thirty-one art works of Julia Andriadou, donated by her, a portrait of Melpo Axioti, donated by Anna Filini, forty drawings from the project "Personal Signature" of Yiannis Michailidis, donated by him, as well as a large number of works by Mikis Matsakis, donated by his son, Yiannis Matsakis. The Collections and Archive Department contributed significantly to setting up the exhibitions held by MIET, by cataloguing the artworks. The cataloguing and digitization of Yiannis Moralis's drawings continued, while the digitization of the photographs and documents of Dimosthenis Kokkinidis archive was completed. The works are being digitized so as to post a full catalogue on the internet.

Photos of Y. Moralis from the I. Moralis Archive were used in the "Yiannis Moralis - Christos Kapralos. A friendship in life and art" exhibition hosted by the Stavros Niarchos Foundation Cultural Center (SNFCC), in collaboration with the National Gallery – Alexandros Soutzos Museum.

On the occasion of the 59<sup>th</sup> Philippi Festival in Kavala, a photo exhibition from the G. Seferis's Photographic Archive was organized.



3.

3. From "Memos Makris, From Athens to Paris" exhibition.





while the exhibition subsequently toured to the Moscow Metro in the context of the current focus on Greek poetry in the Moscow Metro.

Photos from the Mario Vitti Archive were screened in an "Event in honor of Mario Vitti, scholar of Modern Greek Literature" held by the Benaki Museum.

Five maps from the Archive of Cartography of Greek Regions were presented in an exhibition under the title "Travel writers describing Nafplio from the period of Venetian rule to the 19<sup>th</sup> century" held by the National Gallery - Alexandros Soutzos Museum in Nafplio. The Eynard Mansion hosted the exhibition "From Claudius Ptolemy to Gerardus Mercator" presenting 76 items (maps and cartographic publications).

## ELIA - MIET

In 2016, the Hellenic Literary & Historical Archive (ELIA) continued to receive donations of archival materials. Related classification and cataloguing progressed, thus making the materials usable by researchers. A great number of researchers make use of the digital collections available on the ELIA website, and at the same time the number of requests that were serviced by ELIA increased. Alongside, the available digital collections are constantly enriched (over 100,000 digital images), and the web-site is fully upgraded.

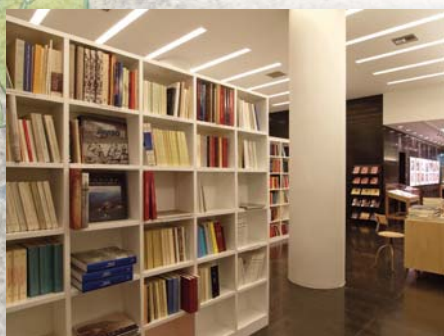
The collection was enriched with 62 new archives and seven additions to the existing archives. The most important among these are the archives of Zisimos Lorentzatos, Dimitris Fatouros, Campas Winery, Nelly Andrikopoulou, Kostas Stergiopoulos, and Jina Politi. The collection has a total of 1,376 archives and smaller archive units. 194 researchers searched 217 archives and 368 requests regarding access to archives were handled.

The library received 156 donations including circa 8,000 volumes. The recorded printed documents total 108,714 while a large number are still awaiting cataloguing. 998 researchers visited the library and 2,736 requests were serviced.

In the Ephemeral documents collection two new categories were added: one for wineries and distilleries, and one for politics and elections. The following donations to the ELIA Photographic Archive stand out: 32 photo albums of Ioannis and Aggela Charami donated by their daughter, Lily Venizelou, and the archive of the collector and photographer Kostas Stefanou. 105 researchers were served, as they were provided access to publications, studies and documentary films.

With a view to increasing public awareness about the wealth of its collections, ELIA organized an exhibition at MIET bookstore in Athens, and another exhibition dedicated to the poet Kleitos Kyrou in Thessaloniki.

Visits to the ELIA website have increased impressively over the last three years thanks to its enriched digital collections, and their posting



4.

4. MIET's bookstore in Athens.

on Europeana, Open Archives, and social media. ELIA maintains and broadens its collaboration with other similar institutions.

## ALEXIS MINOTIS BEQUEST IN MEMORY OF KATINA PAXINOI

MIET, as trustee of the “Alexis Minotis Bequest in Memory of Katina Paxinou”, granted for 2016-2017 two scholarships for studies in Greece.

## PAXINOI-MINOTIS MUSEUM AND ARCHIVE

The Paxinou-Minotis Museum and Archive offers material for MIET’s exhibitions and collaborates with other museums, cultural institutes and researchers. An educational program concerning the Museum and its exhibits as well as the career of the two celebrated actors Alexis Minotis and Katina Paxinou was organized.

## SEMINARS - COURSES

The three-level courses in Greek Palaeography continued at the premises of the Historical and Palaeographical Archive. For the academic year 2016-2017, 180 students enrolled. In addition, MIET organized palaeography courses aimed at secondary school students from Verona, Italy, and students of the History Departments of Athens University.

The 7<sup>th</sup> round of the two-year Workshop for Publications Editors continued at MIET’s premises. In October 2017, after holding relevant entry exams, the eighth round of the Workshop commenced.

## MOULLAS AWARD

In 2017, for yet another year, MIET gave a Prize in memory of Panagiotis Moullas to a postgraduate student of Greek or Comparative Literature for the preparation of a study on Modern Greek letters. In total, 22 papers were submitted for the Prize.



5.

5. MIET's bookstore in Thessaloniki.





## The NBG Historical Archive (NBG-HA)

The year 2016 marked a milestone in the history of the country's leading financial institution: National Bank of Greece completed 175 years of uninterrupted business operations in the service of the Greek economy, state and society.

To celebrate the occasion, the NBG Historical Archive planned and implemented a series of actions and events illustrating the parallel course of NBG and the Greek state over this long period of time.

### Issuance of a postage stamp series

Hellenic Post, an institution twelve years older than National Bank of Greece, paid tribute to the 175<sup>th</sup> anniversary of NBG by issuing a commemorative series of four postage stamps. The presentation of the series was scheduled to open the anniversary year on 30 March, the date of NBG's establishment in 1841. In NBG's Melas Building, which in the past housed the Hellenic Post service for a number of years, and in 8 other Greek cities, the stamps were franked with the special first day gold postmark. The commemorative issuance is accompanied by a series of collectable items.



1. Ms. Louka Katseli, Chair of NBG Board and Leonidas Fragkiadakis, CEO of NBG together with Mr. Kostis Melachroinos, Chairman and CEO of Hellenic Post, on their left and Mr. Gerasimos Notaras, Head of the NBG Historical Archive, on their right.

2. The four postage stamps of the commemorative series "175 years of National Bank of Greece".

3. The triptych with the four numbered "feuillet".

4. First day cover.

5. Special commemorative envelope with medal which is a reproduction of the original designed by G. Jakovides (1901).

6. A maximum prepaid card.



## Documentary film on the 175-year history of National Bank of Greece

This documentary film presents, parallel to the events of modern Greek history, the key milestones of NBG's history, focusing on its economic, social and cultural activities from its establishment to the present day.

### Day conference

On 20 October 2016, a conference titled "Aspects of economic crises in Greece and the role of National Bank of Greece" was held in the Karatzas Building. Ms. Louka T. Katseli, Chair of NBG Board opened and coordinated the conference. The following professors presented their papers:

**G. V. Dertilis**, "The vicious spiral of crises, 1824-2014: Political and economic factors".

**M. Riginos**, "Banks and the Athens Stock Exchange, 1880-1940: Stock Exchange volumes and junctures".

**S. Thomadakis**, "The longue durée of the relation between the State and the Bank: Normalities and crises".

**P. Petrakis**, "The modernization of the banking system as a successful structural reform. The role of reforms in the institutional and cultural substructure".

**C. Gortsos**, "The role of regulatory and supervisory framework in the banking sector: Is it sufficient to prevent new crises?"

As part of the conference, an exhibition was organized in the amphitheater's foyer presenting documents and items that reveal the ways in which NBG has supported developmental economic policies and projects of the Greek state. The Bank's numismatic collection enables visitors to learn about how King Otto's monetary system changed following the study and proposals of the deputy governor of NBG, Kechagias, in the 1850s. In addition, relevant Legislative Decrees of the period illustrate the stabilization program proposed by NBG Governors, Streit and Valaoritis, as well as the respective decision of Greece to join the Latin Monetary Union. Bonds of loans that the Bank issued for the account of the Greek state, and banknotes issued by the Bank (it enjoyed the right to print banknotes in Greece for 87 years, from its establishment in 1841 to 1928) were also on display.

### Chronicle of National Bank of Greece

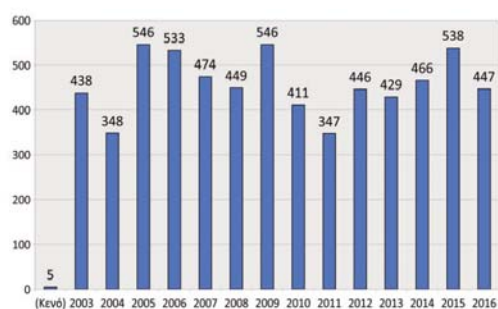
The new Chronicle of National Bank of Greece was prepared by using primary sources, and enriched with new illustrative material from the collections of the Historical Archive. The publication covers the years through to 2016, i.e. the entire course of the 175year history of NBG. The new Chronicle is in press.

The organization of the aforementioned anniversary program was carried out in parallel with the regular workflow of the Unit.

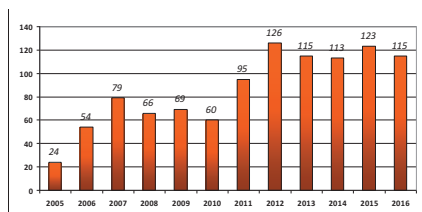


7. The participants and views of the event.

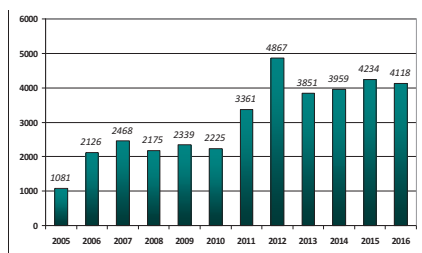
TOTAL NUMBER OF RESEARCHERS PER YEAR



TOTAL NUMBER OF SCHOOLS PER YEAR



TOTAL NUMBER OF STUDENTS PER YEAR



## Welcoming of Researchers

In 2016, 447 independent researchers were welcomed and offered the chance to conduct their research in the NBG Historical Archive.

## Educational Programs

115 schools participated in the educational programs of the Historical Archive. 8 of those schools visited from regions located outside Athens area. These special educational programs were attended by 4,118 school (primary, middle and high school, as well as night and special schools, both public and private) and university students.

The Historical Archive organized or took part in events held in collaboration with other educational, cultural or art institutions.

- In the context of the 2016 International Museum Day, it organized guided tours in its venues and exhibited original archival material under the title "From the Wealth of Donations made to the Historical Archive", and, jointly with KETHEA Paremvasi and nine artists, the Archive organized printing, painting and photography exhibitions, as well as art installations, video screenings, an art workshop, and music, theater and dance performances.
- The Archive held an educational program entitled "Tales from the life of a known stranger. Search for truth, overturn myths" within the framework of the action run by the Museums and Cultural Institutions Network of Athens.



8. Views of the exhibition "From the Wealth of Donations made to the Historical Archive" and art installation.



- In collaboration with the Network for Children's rights and in the context of the event "Book Days 2016", the Historical Archive held the action entitled "A glimpse at the past through the library of the Historical Archive. The meaning behind the stories of lost fairy tales, heroes and places from the long past".
- The Archive presented special educational programs including hands-on printing workshops in the context of museum education and on the occasion of the Archive's exhibitions, as part of the seminar entitled "The art of engraving as a pedagogical tool and its use for skills development" organized by the 3<sup>rd</sup> Directorate for Primary Education in Athens.
- The NBG-HA organized a special educational program jointly with the 20<sup>th</sup> primary school in Ilion, which participated in "The art of print-making as a pedagogical tool" of the European Twin Space Platform. The Historical Archive's contribution included artworks and documents from its exhibitions and collections.
- A learning program in collaboration with the 102<sup>nd</sup> Primary School of Athens under the title: "The rights of the young visitors of the Museum and the Archive".
- The NBG-HA participated in the action run by 32 cultural and educational institutions, by hosting two artworks from the "StrArt", child and teen painting exhibition organized by the Network for Children's rights.
- On the occasion of the 3<sup>rd</sup> Athens Print Fest, the Historical Archive hosted the exhibition of engravings "Fotis Mastihiadis (1913-1997)".

### The new website of the NBG Historical Archive

In 2016, the task of processing, both electronically and artistically, the material of the new website of NBG Historical Archive was completed, and it became available on the internet.

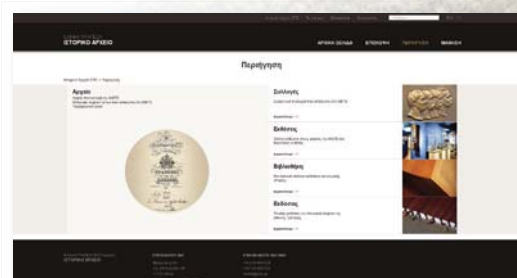
The new enhanced and enriched website adopts the best practices followed by the websites of cultural organizations and museums, encouraging their visitors / users to find out more about the Bank's digital archive and collections.

The website development is in line with the modern practices in web design (avoiding flash, using HTML5, CSS3, JavaScript etc.), implementing the best practices as regards functionality and easy access to search engines.

The new user-friendly website gives visitors the opportunity to access the online system for archival and historical data of the Historical Archive, as well as its library.

This system was awarded the "Silver" prize in the "Strategy, Innovation & Extroversion" category in the context of the Business IT Excellence Awards 2016 organized by Boussias Communications and the E-Business Research Center of the Athens University of Economics & Business (ELTRUN).

9.



10.

9. Educational Programs.

10. "Silver" award in Business IT Excellence Awards 2016.





11.

### Archival Activities

In 2016, the Historical Archive received new archival material, collectible items and books classified as to be maintained in perpetuity, deriving from the Marketing and Technical Services Divisions, as well as the Public Relations Sector and specific network Branches.

At the same time, the archival material has been processed systematically:

- 11,154 folders from thirteen sub-series of series 40 Legal Service were filed.
- The Historical Archive further advanced processing of the second part of the Zaimis archive. The first part had been processed with a view to preparing the biography of Alexandros Zaimis, Governor of NBG, that was presented at a big celebration held in 2013 in Eleftherios Venizelos Museum, Chania.

As regards the second part, the processing of the data of Andreas A. Zaimis (1791-1840) archive has been completed, and 1,733 documents have been filed in 207 folders, and added to our electronic archive.

- Archive of Markos I. Renieris (1815-1897): The private archive of Markos I. Renieris comprising his correspondence, i.e. circa 2,100 letters referring almost to all events in the course of his life (1820-1897). It also includes the letters sent by Georgios Stavros to Renieris and the correspondence of the latter with Sinas, Sathas, Eichthal and others, as well as folders bearing the indication "Other" or just a date, and containing ephemeral materials, sale and rent agreements, receipts, cards, the testament of Renieris and other documents of the 19<sup>th</sup> century. The languages used in the archive documents are Greek, Italian, French, English, German and old Turkish.
- 15,000 additional entries in the archival system of exchanged files were carried out.
- Tasks such as the initial processing, identification of the photographic material, electronic entry of each document and digitization of slides were also carried out. In total, 4,165 documents were added.
- 11,832 entries relating to books were updated and enriched. All corrections and new entries include a detailed description in line with Unimarc, and the use of common entries (names of persons, collective instruments, thematic titles) in line with the National Library's catalogues.

Last, it should be noted that the archivists contribute to every aspect of the Historical Archive's operations: assisting researchers, exhibitions, research and publications, events, and educational programs.

11. Markos I. Renieris, oil on canvas, painting by N. Lytras, from NBG's art collection.

## Management of Collections

In the past year, the NBG Historical Archive stepped up efforts to form collections based on the documents arising from various production stages that the Unit had the foresight to preserve over the last thirty years, from businesses acquired by NBG.

As a result, the material has been classified in nineteen collectable categories. The works, including the cataloguing, photographing / digitization and, if possible, the scientific description and annotation of the documents, are still in progress.

This is a long-term project, which once completed will present a highly comprehensive collection, telling the Greek business - industrial history, along with the preserved archives of such industries.

13.



## Conservation Lab

The Conservation Lab carried out conservation work on every kind of paper, book and photographic material.

In 2016, documents from the Governors' and Managers' archives, the Population / Property Exchange, bonds, technical plans, advertising posters, as well as photographs and books were preserved.

Depending on the case the following methods were implemented:

- Dry cleaning using a brush (use of a vacuum cleaner in case of documents infected by fungi).
- Removal of metallic elements, if any.
- Decontamination with solution of ethanol and water (for artifacts infected by fungi).
- Gumming and mechanical cleaning with scalpel.
- Adhesives with Japanese spider paper and diluted CMC.
- Mending with the appropriate Japanese tissue, as the case may be.
- Planishing.

12.



12. Painting and printing stamp mock-up.

13. Vase manufactured by the Hellenic Chemical Products & Fertilizers Co. and the respective design by Ekaterini Petrea.





14.

14. Stages of conservation works.

As regards the books, besides the methods listed above, the restoration work includes, depending on the case, sewing of gatherings, creation of cover for books, creation of spines and rebinding with the body of the book, and general aesthetic restoration.

Also, in the course of this year the Unit prepared the following exhibitions (preparation of the documents to be exhibited, their display cases made of melinex, secure transport, curating an exhibition): "Aspects of economic crises in Greece and the role of National Bank of Greece" and "From the Wealth of the donations to the Historical Archive".

The Lab's staff is constantly working on scientific research and keeps abreast of developments in their scientific field.

### Unit's IT Systems

Works carried out in the course of 2016:

- Technical works and management of the Unit's local network and mechanical equipment:
  - Instalment and replacement of equipment, check and replacement of cables, parametrization of applications, recording of errors and monitoring their remedy.
- Security systems:
  - Program use, identification of technical fault, remedy attempt.
- Creation / processing of multimedia:
  - Software programs: Adobe Photoshop CS5, Adobe Premier CS4, Kodak Management Studio Mamiya digital photo studio and Quark 8, a page layout software.
- Reading room:
  - Researchers' training on computers, Micro DAX 6 software and film scanners.
- Archival software:
  - Editing images, corrections to reference cards, rights, authorizations, deletions, changes and more.
- V-Smart Library software of ELiDOC:
  - Receipt of the access account.
- The website of NBG Historical Archive:
  - Collaboration with the IT team as regards the website's new layout, content and technical infrastructure.
- Monitoring the proper operation of the equipment and submitting requests for repairs or replacements.
- Preparation of technical equipment and support of events.
- Participation in the Unit's Rollout.
- Collaboration with the IT team for the transition of the Unit's local network to the Bank's network.
- Full knowledge and supervision of the Unit's installed infrastructures.



### Administrative support

- Handling of HR, financial management and supplies issues.
- Monitoring the microfilming, digitization and multimedia operations.
- Responsibility for the Unit's buildings and other premises.
- Management of operational risk, environmental management and compliance issues.
- Welcoming and integrating trainees in our Unit.

### Microfilming, Digitization, Multimedia

This activity covers the Unit's needs in photographing both the events and its material, digitalizing archival material, editing images to be published or exhibited, as well as producing multimedia material used for presentations.

The Unit is responsible for preparing the programs of the events, posters, leaflets and brochures.

Within the year, 52,000 digitizations were carried out and 77,000 images were edited.



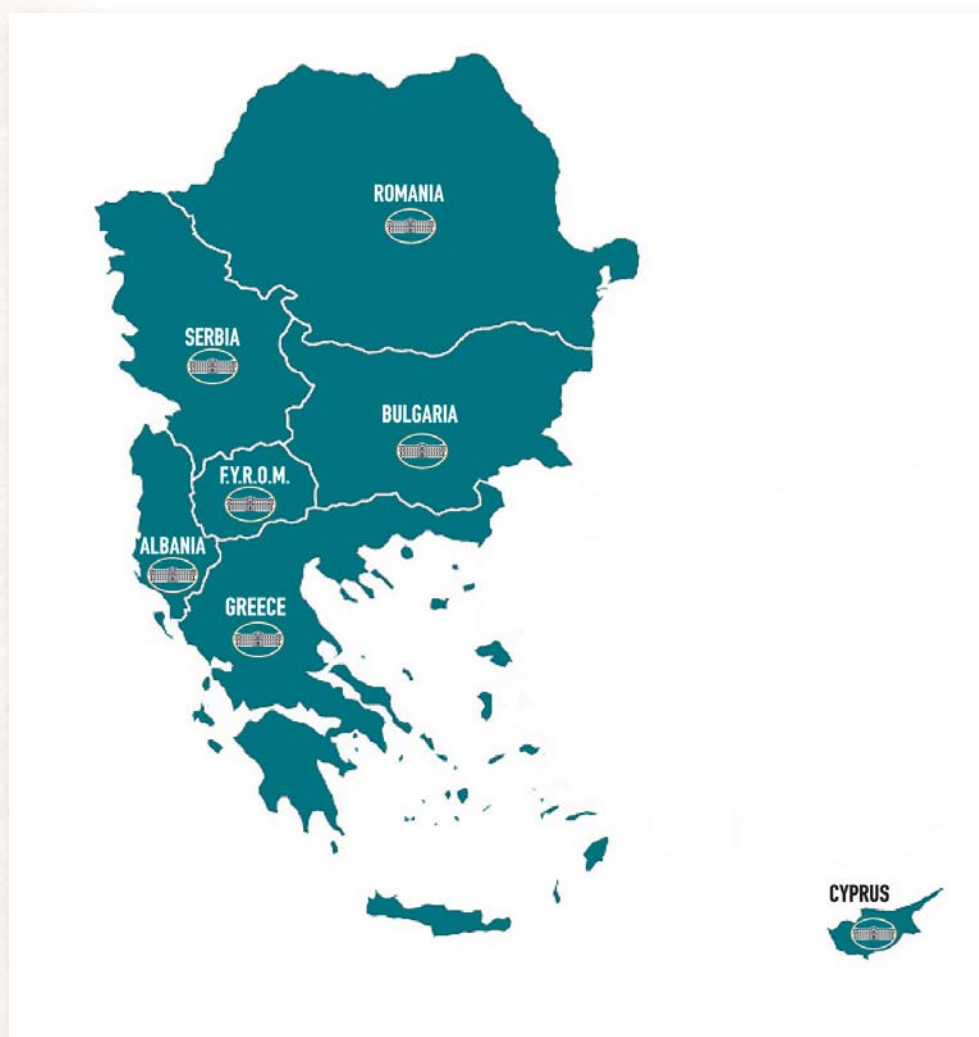
## SOCIAL ACTIONS BY THE BANKS OF THE NBG GROUP

The NBG Group enjoys a business presence in SE Europe and the East Mediterranean region through an extensive Branch and ATM network.

	GREECE	BULGARIA	ROMANIA	SERBIA	FY.R.O.M.	ALBANIA	CYPRUS	EGYPT	SOUTH AFRICA	OTHER***	TOTAL 2016
<b>Number of Branches</b>	558	172*	109	106	66	26	10**	17	7	3	1,074
<b>Number of ATMs</b>	1,448	705	119	138	156	35	11	17	-	-	2,629

\* 18 offices are not included.  
 \*\* 1 of which is sub-branch.  
 \*\*\* Other: 1 Branch in Cyprus, 1 Branch in London and 1 Representative Office in Melbourne, Australia.

The NBG Group undertakes various community actions. The most important of these community actions are described below by country.





## BULGARIA — UNITED BULGARIAN BANK (UBB)

The United Bulgarian Bank (UBB) has operated in Bulgaria since 1992. A member of the NBG Group since 2004, UBB continued its contribution to the community in 2016 seeking to encourage voluntary actions by its staff, supporting vulnerable social groups, education and sports, and promoting culture in general. Specifically, it organized more than 15 CSR activities at national level and over 48 regional events.

UBB's principal CSR activities in 2016 included the following:

- **"March Music Days - Ruse"**: UBB sponsored for the 13<sup>th</sup> year the actions of this significant cultural event, one of the oldest music festivals in the country.
- **Sofia International Film Festival 2016**: UBB supported for the 20<sup>th</sup> consecutive year the largest international film festival to take place in Bulgaria.
- **Collaboration with the Opera and Ballet of Sofia:**
  - As part of the 125<sup>th</sup> anniversary celebrations of the event, UBB covered the cost of the costumes for the opera Eugene Onegin.
  - "Opera in the Park": UBB supported, for yet another year, the action "Opera in the Park", which took place in the Military Academy Park in Sofia for the 7<sup>th</sup> consecutive year.
  - UBB supported the "Opera at Belogradchik" festival.
  - The Bank covered the cost of producing the costumes for Verdi's opera "Nabucco" performed in Sofia in the square in front of "St. Alexander Nevsky" cathedral, from 23 until 31 July 2016.
- **"Varna Theater Summer Festival"**: The Bank has been a key sponsor of this event over the last 11 years.
- **"Apolonia Festival of Arts"**: This event, held in Sozopol, has been supported by UBB over the last 22 years.
- **"Stage at Crossroads Festival"**: This festival was organized for the 20<sup>th</sup> year in Plovdiv with the active support of UBB. The Bank was a sponsor and gave a prize for one of the plays presented in the festival.
- **Sponsorship for the National Academy for Theater and Film Arts**: UBB renewed its cooperation with the National Academy for Theater and Film Arts (NATFA) for another year, and supported "The first steps in cinema", a workshop organized specially for first-year students at the Academy.
- **"Night / Plovdiv"**: UBB supported for the first time the emblematic cultural event Night of Museums & Galleries (Night / Plovdiv).
- **Sponsorship for two Children's Tennis Tournaments.**







- **"Stoychev-Kaziyski" volleyball academy:** Since 2016 and for the next 3 years, UBB will be grand sponsor of the "Stoychev-Kaziyski" volleyball academy.
- **Sponsorship for the National Museum of Natural History:** UBB supported the Museum by financing the following actions:
  - Continuation of the palaeontological excavation in the area of Azmaka and in the "Mishin stone" cave, carried out by the museum's scientific team, in search of remains of prehistoric man in Europe.
  - Presentation of exhibits relating to dinosaurs, fossils and remains of prehistoric plants and animals will enhance the museum's palaeontological exhibition.
  - Sponsorship for the Hellenic Business Council in Bulgaria.
  - Organization of an official dance (ball) night in support of orphans.
  - Support for various Christmas events.

For the said theater performances the Bank offered free tickets to its employees and customers. The Bank's employees were invited to attend all events at the National Museum of Natural History.

In 2016 UBB received the following distinctions:

- In December 2016, the weekly newspaper *Banker* awarded for the 23<sup>rd</sup> consecutive year prizes to executives of commercial banks selected for their professional and leadership skills, whose results during the year were outstanding. In the context of this:
  - Radka Toncheva, Chair of UBB, was awarded "Banker of the year".
  - Katina Peycheva, UBB Director of Asset Management, was awarded "Manager of Asset Management".

## ROMANIA – BANCA ROMANEASCA

Banca Romaneasca (BR) was established in November 1992 and has been a member of the NBG Group since October 2003. During 2016, BR, within the context of CSR programs, continued through its public awareness actions to improve the quality of disadvantaged people's lives, to support culture, art and the Greek community of Romania, and to encourage voluntarism among its employees and their participation in the Bank's progress.

In 2016, Banca Romaneasca continued to be an active member of the community in which it operates, supporting the common cultural heritage of the Romanian and the Greek people. Specifically:

### Support for the Cultural Heritage

- BR supports programs that contribute to the preservation of cul-



tural values and every year stands by the Greek community and institutions which operate in Romania, including the Hellenic Romanian Chamber of Commerce and Industry, and the Greek Embassy, thereby contributing to the diffusion of Greek culture and traditions in Romania.

- Under the auspices of the Greek Embassy in Bucharest, and Banca Romaneasca, the Hellenic Cultural Association in Romania, "Nostos", staged in November 2016 a performance of Euripides' "The Trojan Women" directed by Afroditi Ioannidou and choreographed by Amalia Strinopoulou, at the National Theater Bucharest.

In 2016 BR received the following distinctions:

- "Loans per Deposits diploma" in the category "Small and Medium Banks" in the context of Top Bankers Gala, IX edition, organized by Finmedia.
- "Outstanding Retail Focus", award at the event organized for the 25<sup>th</sup> consecutive year in Romania hosted by the International Finance Corporation — World Bank (IFC).
- "Excellence Award for putting in action a balanced strategy for a Small Bank – Banca Romaneasca" at the "Financial Leaders Hall of Fame, 16<sup>th</sup> edition", organized by the *Business Arena Magazine*.
- "Banking product of the year" awarded for the "Creditul fara Asteriscuri" in the context of the "Piata Financiara Awards Gala, 21<sup>st</sup> edition", organized by the *Piata Financiara Magazine*.



## SERBIA – VOJVODJANSKA BANKA

Vojvodjanska Banka (VB) has conducted business in Serbia for almost 150 years. The Bank, along with its primary banking operations, supports positive change in the society in which it is active. Its CSR actions focus on long-term sustainable growth. VB's Management, together with NBG Group, recognized the need for further enhancement and updating of the CSR framework. As a result, in April 2016, the Bank's CSR department was established, which functions as a strategic planning Unit. The establishment of the CSR department followed the adoption of the CSR Policy. In 2016, a series of actions were carried out to support various areas of CSR in Serbia.

The Bank's principal CSR activities in 2016 included the following:

- **Serbian Olympic Committee:** Vojvodjanska continued to support sports and the sporting spirit, and so in 2016 remained the Official Bank of the Serbian Olympic Committee, thus reaffirming its commitment to promote the genuine Olympic values and support outstanding sportsmanship. As 2016 was the 31<sup>st</sup> year of the Olympic Games in Rio, all relevant events of the Serbian Olympic Commit-







tee aimed at the promotion of the participating Serbian athletes. Within this context the following actions were carried out:

- VB supported the preparation of 5 Serbian athletes for the Olympic Games in Rio.
- In collaboration with the Olympic Committee of Serbia, 100 days before the commencement of the games, the event "Countdown to Rio" was organized in Belgrade.
- Samba dancing competitions for elementary school students were organized in 8 cities. VB awarded the school that won the competition with sports equipment.
- In collaboration with other sponsors of the Serbian Olympic Committee, a series of events were organized in 10 Serbian cities under the title "Olympic Flame" events, which included tournaments in various Olympic events, and the symbolic lighting of the Olympic torch.
- **Social Inclusion Program "Budi svoj" to support children without parental care:** Following the exceptional results of the previous respective program, the Bank, since March 2016, has been supporting the program "Budi svoj" as a general sponsor, implemented by the institution "Uključi se". The educational part of the program includes 7 workshops where participants learn how to develop social, mental and communication skills. They also learn how to engage in teamwork and how to develop skills in expressing themselves and, accordingly, their behaviour. The program aspires to enhance their personalities with a view to facilitating their ability to find work and gain self-confidence. It was supported in 2016 by two Bulgarian ministries, while VB, as general sponsor, supported it financially and by providing building facilities, personnel and communication support. Within the context of this program the following actions took place: Setting up a database of the children coming out of the social protection system so as to keep a record, 70 workshops in 10 cities for 110 participants and summer vacations with foster families for 11 children.
- **Kopaonik Business Forum:** VB supported the conference of the Serbian Association of Economists.
- **Greek Film Festival Week:** Vojvodjanska Banka supported the film festival in Niš, organized by the Hellenic Foundation for Culture.
- **"Still Life", by Dimitris Papaioannou, Greek choreographer and visual artist:** VB sponsored the theatrical production in Beograd and Novi Sad.
- **"Matica Srpska" art gallery:** The Bank signed in 2016 a business cooperation agreement with the "Matica Srpska" gallery, for the purpose of supporting the conservation of 600 art works owned by the Bank, by restoration curators of the gallery. It was also agreed to pay an amount for the expenses



for the facade restorations of the building as well as a lift for wheelchair access. In the context of this collaboration:

- Work commenced on recording and cataloguing the VB art collection, starting with Novi Sad and Beograd.
- Part of the Bank's art collection (40 art works dating from the second half of the 20<sup>th</sup> century) was displayed, for the first time, at the "Responsibility to our Cultural Heritage" exhibition in the "Matica Srpska" art gallery.
- In December, workshops run by curators of the "Matica Srpska" art gallery commenced in Beograd and Novi Sad. These art workshops ("Art Time Machine" and "Adventures of Little Saver and Big Collector") for the VB employees' children aim at bringing art to young people in a simple and entertaining way.
- **Voluntary training of the Bank's employees in using the Serbian sign language:** In 2014, voluntary training commenced for employees who wish to learn to use the Serbian sign language, with a view to improving the living conditions of people with hearing impairments, who according to official figures are around 130,000 in Serbia. With this action, Vojvodjanska became the first bank in Serbia to provide a different communication service at its branches for people with hearing impairments. The staff participated with enthusiasm in this initiative and more than 100 employees of the Bank completed successfully the sign language special training course, which included basic banking terminology too. In 2016, 17 Branches in 12 cities of Serbia display the specially designed sign, that indicates that at this branch people with hearing impairments can be served by specialized personnel. During the same year, another group of employees in Beograd was successfully trained.
- **Collaboration with the Hellenic Business Association in Serbia:** VB actively participates in the activities of the Hellenic Business Association in Serbia, in collaboration with the Greek Embassy in Serbia, with a view to promoting the values arising from Greek history and civilization. In this context, the Bank sponsored in 2016 the HBAS by covering the expenses for the celebration of the 25<sup>th</sup> March, Greek Independence Day.
- **Responsible Business Forum:** This Forum is a network of top companies in Serbia which contribute to social development by adopting CSR policies and establishing best practices in this field. The Forum develops practices and viable solutions under the 4 key pillars of CSR: Local community, Environment, Work environment, and Market. In 2016, VB participated in the Forum's actions through the following activities:
  - Volunteer employees of the Bank worked together with the







volunteer campaign "Naš Beograd". Within the context of this campaign, volunteers prepared meals for the children of Svrtište and the Serb Union for Promoting Social Inclusion.

- The Bank was represented at the "Pact 4 Youth" conference with the "Budi svoj" program, as a great example of good practice contributing to employability.
- VB was accepted into the Academy of Business Skills of the Social Innovations Forum, organized by the Smart Kolektiv and the Responsible Business Forum.
- **"CSR Index Serbia"**: As a member of the Responsible Business Forum, VB had the opportunity to consolidate the level of CSR in the company, completing the process of filling out the "CSR Index Serbia". This index is the first online platform in Serbia designed to evaluate actions in the sphere of CSR, and it consists of 117 performance indicators in 5 areas: Corporate Governance, Work environment, Market, Local community, and the Environment. VB completed more than 70% of the indicators with positive sign, and was included in the list of 20 companies in Serbia with a leading position in CSR. At the "7<sup>th</sup> International CSR Forum", VB won the relevant award for its listing in the aforementioned list.
- **UN Global Compact in Serbia**: The UN Global Compact provides a framework under which member companies are obligated to align their actions with the 10 principles in the areas of protection of human and labor rights, environmental protection and the fight against corruption, as well as the 17 Sustainable Development Goals. In April 2016, VB participated in the Open Working Group on Sustainable Development Goals in Serbia, presenting its contribution to CSR through the "Budi svoj" program. Moreover, in June 2016, VB hosted the meeting of the Open Working Group on Sustainable Development Goals of the UN Global Compact. To promote the goals of sustainable growth, the Working Group prepared a leaflet on "How can our Businesses Foster Sustainable Growth", presenting both the Bank's actions, "Budi svoj", and the voluntary training of the employees in using the Serbian sign language, actions reflected in Sustainable Development Goals 4 & 8.
- **Training Courses Program / Internship**: With 41 trainees, VB played a significant role in internships and training for unemployed young people to access the labor market. Specifically:
  - In collaboration with the Hellenic Union of Enterprises, the Greek Embassy in Serbia and the University of Belgrade, 8 undergraduate and postgraduate students of the university participated during 2016 in a 3-month internship program of VB. Two of them continued after their training as employees in the Bank (in the Networks Department and the Retail Banking Department).



- Upon an agreement of the University of Novi Sad and the Local Economic Development Office of the municipality, VB launched a 6-month internship program for 15 graduates of the University of Novi Sad. At the end of the internship program, 7 participants had the opportunity to work in the Bank.
- This ongoing collaboration with the National Employment Service continued in 2016 and 18 students from all over the country began the 6-month Practical Training Program and Professional Development, which was applied in the Network, IT Applications and Corporate Banking Divisions. 3 students successfully completed the program in 2016, and one of them is employed in the IT Applications Unit.
- **Partnership with Universities:** In 2016, VB and the Department of Economics of the Belgrade University, Novi Sad and Kragujevac signed a business collaboration agreement. The purpose of this collaboration is to enhance the trust between the Bank and its customers and to give opportunities to students to learn about the Bank's modus operandi and its products.
- **Donations:** During 2016, VB carried out a number of donations such as: donation of computers, cash donation for the restoration of the Church of Saint Sava in Belgrade, reconstruction of the Hilandar Monastery in Greece which was damaged in 2004 by a devastating fire, construction of the first Palliative Care Center "BELhospice" in Serbia, and for the work of "Evo Ruka" an organization comprised of parents of children with special needs and aims at fully supporting them.
- **Volunteer actions:** During 2016 the following volunteer actions took place:
  - "Samo ne autom", in the context of the World Car Free Day.
  - "Baci 10!", on the occasion of the jubilee anniversary of Trag foundation for Svrtište children (nursery school for homeless children). VB employees gathered 150 pair of gloves in one day.
  - Voluntary blood donation campaigns organized at the Bank's headquarters, at the Trg slobode in Novi Sad, in collaboration with the Bank's Staff Union and the Vojvodina Blood Transfusion Center.
- **"Earth Hour":** Vojvodjanska participated in WWF's global Earth Hour campaign, by switching off the exterior lights of its main buildings in all cities (on Saturday, 19 March 2016) that participated in this initiative.



### Easy Access to the Bank's Branches for People using Wheelchairs

As a socially responsible company, VB constantly seeks to ensure easy access to its Branches and services for people with special needs. In 2016, within this context, one of the newest Branches of the Bank, the Belgrade Metropol, is fully adapted to the needs of people using wheel-







chairs, while a special ramp for wheelchairs was installed at the Pančevo Branch.

### Awards – Distinctions

In 2016, VB received the followings awards and distinctions:

- The Trag foundation, one of the most important philanthropic foundations, awarded the Bank the “VIRTUS Thank You Note” for its contribution to corporate philanthropy during 2015.
- The *US Global Custodian Magazine* ranked the Bank as the best bank in Serbia in terms of high quality custodian services for 2015.
- For the second consecutive year, VB received the Payment Card Industry Data Security Standard (PCI DSS), thus confirming that its card services comply with the highest international security standards.
- Commerzbank, one of the major correspondent banks, awarded VB as the best correspondent banks for delivery of commercial payments and financial transfers. The “STP” award (straight-through processing) that the Bank received reflects its high standards and efficiency as well as accuracy in money transfer to destination banks and clients abroad, while reducing transfer costs.
- At the SPORTO award ceremony, the Bank won third prize for its program “We Are Team Rio! Olympic Card Rio 2016!” in the Sponsorships category, and first prize for the best sponsorship program in Serbia. SPORTO is a leading forum in SEE that awards and acknowledges best practices in the area of the promotion and sponsorship of sporting events throughout the Adriatic region (Slovenia, Croatia, Serbia, Montenegro and F.Y.R.O.M.).

## FY.R.O.M. – STOPANSKA BANKA

Stopanska Banka (SB) was established in 1944 and has been a member of the NBG Group since 2000. SB was among the first companies in the Former Yugoslav Republic of Macedonia to join the United Nations “Global Compact” initiative, playing a leading role over time in the economic and social progress of the country. In 2016, the Bank continued to develop the concept of CSR by supporting projects and actions that have a wider positive impact on the economy and the community as a whole.

During 2016, the most important CSR initiatives that the Bank implemented were:

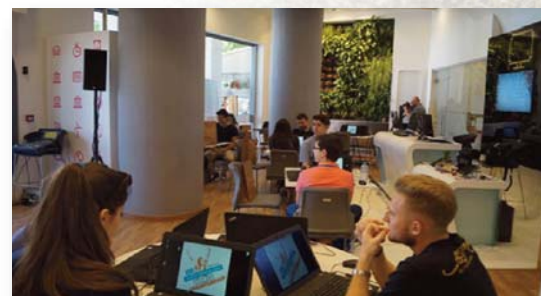
- **“Developing a bike culture”:** The “VoziPravo, VoziZdravo” (Drive well – drive safe) campaign, begun on 2015, by organizing a festive bike race and a music event, for the purpose of developing a biking culture and a healthy way of living both in the city and in rural areas. The Bank designed and offered a Bike Corner





in the City of Skopje, and in 2016 organized a new festive bike race and a big music event at the end with well known performers. The donation will be completed, in collaboration with the municipalities, in 2017 with the creation of public bike parking zones and public bike repair stations throughout the country.

- **"We dream. We change" ("SONUVAME.MENUVAME") - A humanitarian event for children with special needs:** This is a very special and important CSR action. "SONUVAME. MENUVAME" aims at highlighting the benefits that stem from diversity and the cultivation of a culture that dictates the creation of equal opportunities for all. The program will be completed by the end of 2017, and while it runs the Bank will cover with donations the expenses of Associations and Unions of Children with Special Needs, in order to continue their work without interruption and improve their current services.
- **Donation to families that were affected by floods:** The Bank donated food and essential items to those who were seriously affected by the floods in August 2016 in FY.R.O.M. The Bank also offered financial assistance to the families of the victims.
- **"Microsoft Specialist 2016" competition:** The national qualifiers for the "Microsoft Specialist 2016" world championship were held at the Bank's i-bank facilities on 28 May 2016. All finalists of the competition were awarded with a Bank account credited with a token amount. The winner was supported by the Bank to travel for the final round that took place in Orlando, Florida USA in August 2016.
- **Sponsor of the "Ohrid 2016 Summer Festival":** The Bank is regularly sponsor of the "Ohrid Summer Festival", which is one of the oldest and most popular cultural events in the country, involving many well-known international artists. In 2016, as main sponsor, SB was present at the opening night and throughout the events that took place during July and August 2016.
- **Sponsor of the "D-festival":** "D-festival" is a unique open-air music event that took place in Dorjan for the seventh consecutive year, from 14 to 16 July 2016. The aim of the festival is to spread a strong message and become a movement supporting positive social change, embracing creative industry and top artistic trends globally.
- **General sponsor of the "Strumica Carnival":** Thanks to the long tradition of its carnival, Strumica is a well known city both in the region and throughout the country. Since 1994, it has also been a member of the Federation of European Carnival Cities. The carnival took place in March 2016. SB has always sponsored the carnival, showing respect for tradition and the local community.
- **Sponsorship for the award "Novel of the year 2016":** The "Novel of the Year" award has been organized for over 15 years by the *Utrinski vesnik* daily newspaper. The Bank gave moral and financial





support to this initiative. In the competition 39 novels participated. The winner was Petar Andonovski with his novel *The body in which we should live*, and the award ceremony was held in February 2016.

- Other CSR actions undertaken by SB include:
  - Sponsorship of the Beer Festival in Prilep.
  - Annual scholarships for two students of JIE University for special courses of studies.
  - Sponsorship of the book *Econometrics with Application of eViews* (PhD Vesna Bucevska).
  - Sponsorship for the Economics Department of the University of Skopje.
  - Donation of computers to FINKI.



## ALBANIA - BANKA NBG ALBANIA SH.A.

NBG launched its business in Albania in November 1996 through a network of branches, representative offices and ATMs in all the major cities of the country, providing services to over 100,000 customers. On 28 May 2012, the Central Bank of Albania approved the conversion of NBG's Branch network in Albania into a subsidiary bank, Banka NBG Albania SH.A.

The Bank supports a range of social actions with a view to promoting culture and supporting socially vulnerable groups and environmental awareness. The most significant CSR actions of the Bank in 2016 were as follows:

- Donation of equipment to the public hospitals of Gjirokastra and Pogradec to support their daily work and their contribution to society.
- Supported the renovation of the Saint Demetrius Cathedral, in Berat.
- Sponsored the participation of 100 children in the summer camps organized by the association "Martyrs of the State Police" for the children of policemen who died while on duty.
- Sponsorship for the "49th Children Song Festival" in Korça, organized each summer by the "Children Culture Center Mihal Grameno".
- The Bank, in collaboration with the Albanian Red Cross, invited its staff to voluntarily donate blood thereby supporting children suffering from thalassemia.
- Banka NBG Albania Sh.A. continued to support young artists and their contribution to Albanian art and culture. The ballet "The Power of the Chair", a dancing performance that was presented with the support of the Bank, showed how the personality of people changes when they attain positions of power. The ballet show was performed for 3 consecutive days in the National Opera and Ballet theatre of Albania.
- The "Boulevard Fest", sponsored by the Bank. Each year the city of Kavaja organizes one of the biggest summer events in the town.





- Donation of a full sound system and laptop to 1 Maji school as part of the Bank's commitment in support of the education system in Albania.
- Sponsorship for the art festival "My Name is Balkan", organized each year in Tirana. The festival features various manifestations of artistic activity in the Balkan peninsula, aiming to transform Tirana into a key point of reference for the cultural values of the area.
- Banka NBG Albania Sh.A., supports the "Orthodox House of Hope" in Durrës, which provides a home and care for 23 orphans aged 5-15.
- The Bank responded positively to the request by the UN Resident Coordinator in Albania and the UNDP to support a fundraising event organized for people with special needs, purchasing tickets for its staff during the "International Day of Disabled Persons".
- Sponsorship for the publication of *Rrugetim me historinë* by Prof. Dr. Paskal Haxhi, one of the protagonists in the opening of Banka NBG in Albania.
- Supported the activities of the "Down Syndrome Albania Foundation", the only organization in Albania to provide free therapy and other services to children with Down's syndrome.
- Donation for the renovation of the "Seferis Building" in Korça. This fine neoclassical house, situated in the center of Korça, was the house of the Greek poet Giorgos Seferis during 1936-1937 when he served as Consul to Albania.



## CYPRUS - NATIONAL BANK OF GREECE (CYPRUS)

National Bank of Greece (Cyprus) considers CSR an integral and key element of its strategic planning. The bank has consistently demonstrated its interest in and awareness of issues related to respect for human values, the development of the community, and the safeguarding and preservation of the cultural heritage of the country. In 2016, the Bank undertook and implemented a range of social actions, contributing for yet another year to the progress and prosperity of the community in which it operates. Specifically:

- Sponsored the Student's writing contest organized by the Greek Embassy, granting money-prizes to the winning students.
- Supported as a Golden Sponsor the event organized by KPMG "The 1<sup>st</sup> Crowdfunding Conference in Cyprus". The speaker at the event was the BoD Chair of NBG Cyprus, Louka Katseli.
- Sponsored the events and concerts organized by the charity organization "Young Volunteers" with a view to raising funds for the support of families with children suffering from serious illnesses.
- Sponsored the Cyprus Forum for autism, and participated actively

in the "LIGHT IT BLUE" public awareness campaigns organized by the Cyprus Autistic Association.

- Donation of funds in favor of the Cyprus Association to Fight Hunger, the Cyprus Antileukemia Society "ZOI", the Association of Heart Patients, the Cyprus Association for Cancer Patients & Friends, the Cyprus Antidrug Association, the Melathron Agoniston EOKA, the Cyprus Organization for the Blind, the Institute of Neurology and Genetics, UNICEF, and the Cultural Workshop Agion Omologiton.
- Organized a blood donation campaign among its employees, thereby strengthening the values of voluntarism.
- Offering its Events Hall free of charge for the organization of cultural events and lectures on social, economic and cultural issues, as well as charity events.
- Instead of sending Christmas presents and cards, the Bank supported various charity foundations either in the form of contributions or by purchasing from them items which they sell.



## EGYPT - NBG EGYPT

NBG Egypt runs 17 Branches. In 2016, NBG Egypt continued its CSR programs and actions, thereby demonstrating its social awareness alongside its focus on business objectives.

Through its CSR actions, the Bank has long stood by the Greek community of Egypt, particularly by supporting a variety of the community's bodies and organizations. In this context, the principal CSR actions of NBG Egypt in 2016 were:

- Financial support for the **Association of Friends of the National Cancer Institute** to print information brochures of the Association. The brochures were distributed in the Cairo Children's Cancer Hospital and the Bank's branches.
- **Concert of Greek Music:** The Bank was Golden Sponsor of the concert "The Music of the Greeks", held on 23 May 2016 at the Al Gomhureya Theatre, of the Cairo Opera House. The traditional orchestra of the Holy Archdiocese of Athens, "Canon", accompanied the singer Sofia Manou.
- Sponsored the Greek School of Byzantine Music, for an educational trip to Athens and Irakleio, Crete, where a concert was held.





## SOUTH AFRICAN BANK OF ATHENS (SABA)

South African Bank of Athens Ltd (SABA), established in 1947, is a member of the NBG Group. In 2016, SABA continued its community actions, recognizing the needs of the local communities and organizing significant CSR initiatives:

- **Fund raising and support for the SPCA Maraisburg Organization (a non-profit organization for animal rescue).** The support derived from donations of customers and the Bank, for the purpose of buying food supplies. In addition, the Bank's employees worked on a voluntary basis for the improvement of the organization's green spaces.
- **The Pretoria region hosted a Golf Day in order to raise money for the support of the "CANSAs".** The event attracted sponsorships by the Bank's clients, who, like other participants in the event, bought sets of four golf balls. The funds raised, together with the Bank's sponsorship supporting the particular initiative, were donated to the local Cancer Association.
- Financial support for the "Kids Haven", an organization that helps homeless children in Benoni. The Bedfordview Branch staff organizes a day of joy for the children, during which a mini town is set up within the children's care home, with stores (a clothes shop, a bank, a cybercafé, and a restaurant) where children can buy goods using play money.
- The "George Bizos" Scholarship Foundation (SAHETI scholarship) continued to be the Bank's key sponsorship for yet another year (2016).



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## FURTHER INFORMATION ON THIS CSR REPORT

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### Introduction

NBG CSR Report aims at providing reliable data with a view to supporting and constantly promoting an open and ongoing dialogue between the Bank and an ever-increasing number of other CSR related bodies.

The NBG CSR Report is published on an annual basis. The Bank published its first Social Report in 1996. The Bank's first CSR Report prepared in accordance with international standards, was published in 2008 and covered data and information for the period 2005-2007. This Report, following the CSR Report of 2015, is the 10<sup>th</sup> edition and covers the period 01/01/2016 - 31/12/2016 (unless otherwise stated herein). The previous Reports are available on [www.nbg.gr](http://www.nbg.gr) (Corporate Social Responsibility/ Annual CSR Reports).

### Scope

The CSR Report 2016 covers all NBG business activities in Greece. The activities of NBG subsidiaries, institutions, suppliers and further activities of joint undertakings, in general, are not included in this Report. However, the financial data in the Report concern the Bank's domestic activities as well as these of NBG branches in Egypt and the United Kingdom. In addition, some social activities of non-domestic NBG Group subsidiaries are summarized with a view to giving a picture of the spread of the NBG Group's CSR profile. Compared to CSR Reports of previous years, in this Report there are no substantial changes of the scope and methodology for evaluating data or any restatements of information provided in previous reports. Also, there were no significant changes in the Organization's structure, size and supply chain. The NBG CSR Report concerns any economic, environmental and social impacts of the Bank, while there are no specific restrictions or exceptions. As the Report does not include the various subsidiary companies of NBG, potential acquisitions, sales or other corporate changes, ability to compare data from year to year should not be materially affected.

### Sources of information

The information contained in this Report derives from NBG's records of processes and most of it is available in printed or electronic format. In case of arithmetic calculations, the formula or calculation method are stated, while the economic data are also available in the Bank's Annual Financial Statements, which have been signed by Senior Management, and audited accordingly. The Bank has chosen to publish numeric data on its economic, social and environmental performance on a three-year basis, aiming at comparing the development of each index as well as the overall depiction of its performance. Any restatements of data are noted, while the reasons for such restatements are specified at the respective points. In addition, with regard to energy data, the Report uses measurements in KWh, MWh and joules, as proposed by the GRI standards, both because these are the measurements used by the Bank and because these are considered to be the most familiar to readers. The content of the Report is determined by a) the type of activity of the Bank, as a financial institution, b) the "Reporting Principles for Defining Quality" and c) "Guidelines for Defining Content" of the Global Reporting Initiative (GRI-Standards). The CSR Report was pre-



pared in accordance with the Core Option of GRI-Standards guidelines. According to the above, NBG deems "important" any information reflecting economic, environmental and social impact or influencing the decisions of stakeholders. This is how the key themes included in the CSR Report arose, focusing on Corporate Governance, Economic and Social impact of NBG, as well as communication with the stakeholders.

NBG hopes that the CSR Report contributes to effective communication with the various stakeholder groups and covers various aspects of key issues. The key stakeholders expected to use the Report are listed in the Section / Introduction / Stakeholders.

## **Applying the AA1000APS Standard**

Once again in 2016, NBG implemented the AA1000 Accountability Principles Standard (APS) 2008 with a view to enhancing stakeholders' awareness and response to CSR issues.

**The basic principles of this standard are the following:**

**Core Principle of Stakeholder Inclusiveness:** Within the framework of this principle, NBG has established procedures and dialogue mechanisms with the main stakeholder groups in order to learn more about them, to get information about their needs and expectations as well as the way they are related to the Bank, aiming at generating their responsible and strategic response.

**Principle of Materiality:** On the basis of appropriate CSR criteria, the Bank has developed an evaluation procedure for stakeholder issues in order to determine any significant issues that concern them. This annual evaluation aims at understanding and prioritizing any of the stakeholders' issues.

**Principle of Response:** The Bank's responds to its stakeholders' expectations by implementing policies, targets, action plans etc. on the basis of the evaluation of stakeholders' issues.

A brief presentation of the dialogue methods with NBG stakeholders is presented in the tables on pages [21-31] and [252] including the communication type and frequency, as well as any issues that arose and NBG actions.

## **Ensuring Data Accuracy**

NBG acknowledges the additional value of the external review of the CSR Report, since it leads to enhanced quality and reliability for stakeholders. For this reason, the Bank assigned its review to an external independent organization. The Bank will try to make the most of the results and comments following the external review, always with a view to enhancing the quality of its CSR Reports. The Review prepared by the external review organization is presented on pages 258-261. The selection of the independent organization was subject to NBG's Purchasing Policy.

## **Methodology**

NBG's CSR Report for 2016 has been prepared in accordance with the

guidelines for CSR Reports of Global Reporting Initiative (GRI-Standards). A special team, comprised of staff from all units involved, has been set up to prepare the CSR Report of NBG. The team's main responsibility is to collect any data required regarding NBG's Corporate Social Responsibility.

The NBG GROUP Corporate Governance and Corporate Social Responsibility Division is responsible for coordinating, designing and editing NBG's CSR Report.

#### **Contact Point**

Readers have the opportunity to communicate their opinion to the Bank, submit suggestions for improvements, and ask for clarification regarding any of the NBG Group's CSR activities, at the following address:

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# ACCOUNTABILITY PRINCIPLES STANDARD AA1000

PRINCIPLE APPLIED	METHOD	SECTION	IMPLEMENTATION LEVEL
Stakeholder Inclusivity	Identification of Stakeholders and dialogue regarding awareness of the significant issues.	"Stakeholders" and "NBG's commitment to Stakeholders"	Fully met
Materiality	Identification and assessment of any material issues that concern NBG and the Stakeholders.	"Materiality Analysis"	Fully met
Responsiveness	Responding to material issues.	"NBG's Response to Stakeholder Concerns"	Fully met

GRI Standard	Disclosure	Page and/or URL	External Assurance
GRI 101: Foundation 2016			

#### General Disclosures (core)

GRI 102: General Disclosures 2016	102-1	Name of the Organization	51	258-261
	102-2	Activities, brands, products, and services	84-86	258-261
	102-3	Location of headquarters	51	258-261
	102-4	Location of operations	11	258-261
	102-5	Ownership and legal form	51	258-261
	102-6	Markets served	11	258-261
	102-7	Scale of the Organization	11, 50, 84-86	258-261
	102-8	Information on employees and other workers	127-134	258-261
	102-9	Supply chain	112-113, 115	258-261
	102-10	Significant changes to the Organization and its supply chain	51, 249	258-261
	102-11	Precautionary Principle or approach	189	258-261
	102-12	External initiatives	11-15	258-261
	102-13	Membership of Associations	14	258-261
	102-14	Statement from Senior decision-maker	4-5	258-261
	102-16	Values, principles, standards, and norms of behavior	18-19, 52-59, 68-71 122-127	258-261
	102-18	Governance structure	19-20, 64-71, 75-78	258-261
	102-40	List of Stakeholder groups	25-27	258-261
	102-41	Collective bargaining agreements	183-184	258-261
	102-42	Identifying and selecting Stakeholders	20-31	258-261
	102-43	Approach to Stakeholder engagement	21-31	258-261
	102-44	Key topics and concerns raised	27-31	258-261
	102-45	Entities included in the consolidated financial statements	249-250	258-261
	102-46	Defining report content and topic Boundaries	24-31, 249-252	258-261
	102-47	List of Material topics	24-31	258-261
	102-48	Restatements of information	249-251	258-261
	102-49	Changes in Reporting	249-251	258-261
	102-50	Reporting period	249	258-261
	102-51	Date of most recent Report	249	258-261
	102-52	Reporting cycle	249	258-261
	102-53	Contact point for questions regarding the Report	251	258-261
	102-54	Claims of reporting in accordance with the GRI Standards	249-251	258-261
	102-55	GRI content index	253-257	258-261
	102-56	External assurance	251, 258-261	258-261



GRI Standard		Disclosure	Page and/or URL	External Assurance
GRI 101: Foundation 2016				
<b>Material Aspects</b>				
<b>Economic Performance</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the Material topic and its Boundary	24-31	258-261
	103-2	The Management approach and its components	50-51, 81	258-261
	103-3	Evaluation of the Management approach	249-251, 252, 258-261	258-261
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	50, 211	258-261
	201-4	Financial assistance received from government	51	
<b>Market Presence</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the Material topic and its Boundary	24-31	
	103-2	The Management approach and its components	33-40, 84-86, 86-91, 115-119	
	103-3	Evaluation of the Management approach	249-251, 252, 258-261	
GRI 202: Market Presence	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	172-174	
	202-2	Proportion of senior management hired from the local community <sup>(a)</sup>		
<b>Indirect Economic Impacts</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the Material topic and its Boundary	24-31	
	103-2	The Management approach and its components	33-40, 81, 84-86, 86-91, 115-119, 205-206	
	103-3	Evaluation of the Management approach	249-251, 252, 258-261	
GRI 203: Indirect Economic Impacts	203-1	Infrastructure investments and services supported	84-100, 204-206	
	203-2	Significant indirect economic impacts	84-100, 204-206	
<b>Procurement Practices</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the Material topic and its Boundary	24-31	
	103-2	The Management approach and its components	112-115, 191, 200	
	103-3	Evaluation of the Management approach	249-251, 252, 258-261	
GRI 204: Procurement Practices	204-1	Proportion of spending on local suppliers <sup>(a)</sup>	112-113	
<b>Occupational Health and Safety</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the Material topic and its Boundary	24-31	258-261
	103-2	The Management approach and its components	40-45, 157-158, 174-183, 185-186	258-261
	103-3	Evaluation of the Management approach	249-251, 252, 258-261	258-261
GRI 403: Occupational Health and Safety	403-1	Workers representation in formal joint management-worker health and safety committees	174-176	258-261
	403-4	Health and safety topics covered in formal agreements with trade unions	178	

GRI Standard		Disclosure	Page and/or URL	External Assurance
GRI 101: Foundation 2016				
<b>Training and Education</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the Material topic and its Boundary	24-31	258-261
	103-2	The Management approach and its components	40-45, 146-157, 185-186	258-261
	103-3	Evaluation of the Management approach	249-251, 252, 258-261	258-261
GRI 404: Training and Education	404-1	Average hours of training per year per employee	149	258-261
	404-3	Percentage of employees receiving regular performance and career development reviews	144-145	258-261
<b>Diversity and Equal Opportunity</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the Material topic and its Boundary	24-31	258-261
	103-2	The Management approach and its components	40-45, 70-71, 172-174, 185-186	258-261
	103-3	Evaluation of the Management approach	249-251, 252, 258-261	258-261
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	66-67, 129	
	405-2	Ratio of basic salary and remuneration of women to men	172-173	258-261
<b>Non-discrimination</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the Material topic and its Boundary	24-31	
	103-2	The Management approach and its components	40-45, 70-71, 172-174, 185-186	
	103-3	Evaluation of the Management approach	249-251, 252, 258-261	
GRI 406: Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	122, 169-170, 172-174	
<b>Freedom of Association and Collective Bargaining</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the Material topic and its Boundary	24-31	
	103-2	The Management approach and its components	40-45, 183-184, 185-186	
	103-3	Evaluation of the Management approach	249-251, 252, 258-261	
GRI 407: Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	113-115, 183-184, 200-201	
<b>Child Labor</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the Material topic and its Boundary	24-31	
	103-2	The Management approach and its components	40-45, 70-71, 172-174, 185-186	
	103-3	Evaluation of the Management approach	249-251, 252, 258-261	
GRI 408: Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	113, 172, 200-201	
<b>Forced or Compulsory Labor</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the Material topic and its Boundary	24-31	
	103-2	The Management approach and its components	40-45, 70-71, 172-174, 185-186	
	103-3	Evaluation of the Management approach	249-251, 252, 258-261	
GRI 409: Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	113, 172, 200-201	



GRI Standard		Disclosure	Page and/or URL	External Assurance
GRI 101: Foundation 2016				
<b>Security Practices</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the Material topic and its Boundary	24-31	
	103-2	The Management approach and its components	40-45, 180-183, 185-186	
	103-3	Evaluation of the Management approach	249-251, 252, 258-261	
GRI 410: Security Practices	410-1	Security personnel trained in human rights policies or procedure <sup>(iii)</sup>	122, 155-156, 182	
<b>Local Communities</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the Material topic and its Boundary	24-31	258-261
	103-2	The Management approach and its components	33-40, 99-101, 115-119, 211-214	258-261
	103-3	Evaluation of the Management approach	249-251, 252, 258-261	258-261
GRI 413: Local Communities	FS13	Access Points In Low-Populated Or Economically Disadvantaged AREAS BY TYPE	99-101	258-261
	413-2	Operations with significant actual and potential negative impacts on local communities <sup>(iv)</sup>		
<b>Marketing and Labeling</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the Material topic and its Boundary	24-31	258-261
	103-2	The Management approach and its components	33-40, 101-102, 103-105, 105-109, 115-119	258-261
	103-3	Evaluation of the Management approach	249-251, 252, 258-261	258-261
GRI 417: Marketing and Labeling	417-1	Requirements for product and service information and labeling	105-106	
	417-2	Incidents of non-compliance concerning product and service information and labeling	107-108	
	417-3	Incidents of non-compliance concerning marketing communications	107-108	
NBG's Index	-	Customer Satisfaction	103-105	258-261
<b>Socioeconomic Compliance</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the Material topic and its Boundary	24-31	258-261
		The Management approach and its components	33-40, 81, 115-119, 122-127	258-261
	103-3	Evaluation of the Management approach	249-251, 252, 258-261	258-261
GRI 419: Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	107-108	258-261
<b>Product Portfolio</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the Material topic and its Boundary	24-31	
	103-2	The Management approach and its components	33-40, 84-91, 96-98, 115-119, 204-206, 207-208	
	103-3	Evaluation of the Management approach	249-251, 252, 258-261	
FSSS: Product Portfolio	FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/large) and by sector <sup>(v)</sup>	87-89	
	FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose <sup>(vi)</sup>	90-91	
	FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose <sup>(vi)</sup>	85, 204-205	

## Notes

- i. The Bank does not employ senior and senior executives from the local community. Recruitment to the National Bank of Greece is carried out in accordance with the Labor Code, through a public tender at national or local level, following a written test. A new contest was held in September 2014. A prerequisite for participation was the locality and possession of specific degrees from University and Technological Schools. The senior executive is considered to be any employee who is at the first of the three levels of the hierarchy and can take over managerial duties.
- ii. The Bank monitors its suppliers at local (national) and group level.
- iii. The training concerns exclusively the permanent security staff of the Bank and not the security staff through external collaborations.
- iv. There are no significant negative impacts on local communities.
- v. The percentage of the portfolio for business activities, the size of the companies and their field of activity, as well as the criteria used in order to designate an area as "of possible high environmental impact" are not stated in the Report. The Bank classifies its loan portfolio in accordance with the Annual Financial Statements 2016 (Group and Bank Annual Financial Report 2016, <https://www.nbg.gr/english/the-group/investor-relations/financial-information/annual-interim-financial-statements/Documents/Annual%20and%20interim%20financial%20statements/Financial%20Report%2031%2012%202016%20EN.pdf>, pp.142-143. The Bank's IT systems do not offer yet such information and shall be published when the relevant procedures are completed, according to the Bank's business decisions (within 2019).
- vi. The financial value of products and services aiming at social benefit, as well as the percentage of the said products in comparison with the total amount of the respective loan portfolio are not stated in the Report. The Bank's IT systems do not provide for separate reporting of environment-related financing. Although such financing exists, it is not reported separately in the respective statements. The IT systems will be adjusted when the relevant procedures are completed, according to the Bank's business decisions (within 2019).
- vii. The financial value of products and services aiming at environmental benefit, as well as the percentage of the said products in comparison with the total amount of the respective loan portfolio are not stated in the Report. The Bank's IT systems do not provide for separate reporting of environment-related financing. Although such financing exists, it is not reported separately in the respective statements. The IT systems will be adjusted when the relevant procedures are completed, according to the Bank's business decisions (within 2019).





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## INDEPENDENT ASSURANCE STATEMENT

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Independent assurance statement by Deloitte Certified Public Accountants S.A. to the Management of the National Bank of Greece ('NBG' or 'the Bank') on the 2016 Corporate Social Responsibility Report ('CSR Report') for the year ended 31 December 2016.

### Scope of our work and the assurance standards we used

NBG's Corporate CSR team engaged us to:

1. Provide Type 2 moderate (limited) assurance in accordance with the AA1000 Assurance Standard 2008 ('AA1000AS'):
  - Inclusivity – how they identified and engaged with stakeholders to gain an understanding of the CSR issues;
  - Materiality – how they assessed the relative importance of each issue; and
  - Responsiveness – how they responded to stakeholder issues and how this is reflected in the CSR Report.
2. Provide limited assurance on all general disclosures prescribed by the GRI Sustainability Reporting Standards ("in accordance" core option).
3. Provide limited assurance on the following ten indicators and the corresponding disclosures on management approach:
  - Direct economic value generated and distributed.
  - Total number and rates of new employee hires and employee turnover by age group, gender, and region.
  - Average hours of training per year per employee by gender, and by employee category.
  - Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.
  - Percentage of employees receiving regular performance and career development reviews by gender and by employee category.
  - Parental leaves, return to work and retention rate by gender.
  - Workers representation in formal joint management-worker health and safety committees that monitor and advise on health and safety programs in workplace.
  - Results of surveys measuring customer satisfaction.
  - Non-compliance with laws and regulations in the social and economic area.
  - Access points in low-populated or economically disadvantaged areas by type.
4. Provide limited assurance on the preparation of the CSR Report in accordance with the core option of the GRI Sustainability Reporting Standards, as stated on page 250.

The scope of our work was limited to NBG's activities in Greece. We provided Type 2 moderate (limited) assurance in accordance with AA1000AS. A Type 2 engagement requires us to report on the nature and extent of adherence to AA1000 APS. To achieve moderate-level assurance we have used the criteria in AA1000AS to evaluate adherence to AA1000APS in combination with our robust evidence-based and quality-assured approach to professional and independent assurance.

We provided limited assurance on the above general and specific disclosures as well as on the level of compliance with the Sustainability Reporting Guidelines in accordance with the International Standard on Assurance Engagements 3000 (ISAE 3000) for assurance engagements other than audits or reviews of historical financial information. To achieve limited assurance the ISAE 3000 requires that we review the processes, systems and competencies used to compile the sections on which we provide assurance. This approach is designed to give a similar level of assurance to that obtained in the review of interim financial information. It does not include detailed testing of source data or the operating effectiveness of processes and internal controls.

### Our key assurance procedures

In order to form our conclusions, we performed the following procedures:

- We analysed and tested, on a sample basis, the processes related to stakeholder identification and engagement, including the review of a sample of engagements and the outcomes of engagement;
- We reviewed the process that NBG followed in order to identify and define the material issues to be included within the CSR Report. This work included a review of external media coverage and peer reporting on CSR in 2016 to corroborate issues identified by NBG;
- We interviewed a selection of NBG executives and senior management who have operational responsibility for CSR issues, including NBG's CSR team, to understand the governance structures used for managing CSR, the engagement with stakeholders on CSR issues, as well as the implementation of CSR related policies and initiatives in 2016 and the monitoring of these activities;
- We analysed and reviewed, on a sample basis, the key structures, systems, processes, procedures and controls relating to the collation, aggregation, validation and reporting processes of the above general and specific disclosures;
- We reviewed NBG's approach to ensure the implementation of the GRI G4 Sustainability Reporting Guidelines and examined that the GRI Content Index on pages 253-257 fulfills the criteria of the "in accordance" core option;
- We reviewed the content of the CSR Report of the Bank, in light of the findings of the aforementioned procedures, and, where deemed necessary, made recommendations for improvement / enhancement of the content.

### Our independence and competencies in providing assurance to NBG

- We complied with Deloitte's independence policies, which satisfy and, in certain cases, exceed the requirements of the International Federation of Accountants' Code of Ethics for Professional Accountants. In particular, these policies preclude us from entering into financial or commercial relationships or assuming governance positions which might affect, or be perceived to affect, our independence and impartiality, and from any involvement in the preparation of the report. We have confirmed to NBG that we have maintained our independence and objectivity throughout the year and, in particular, that there were no events or prohibited services provided which



could impair our independence and objectivity.

- Our team consisted of a combination of qualified Accountants with professional assurance qualifications and professionals with a combination of environmental, CSR and stakeholder engagement experience, including extensive experience in providing CSR report assurance.

## **Roles and responsibilities**

The CSR team of NBG prepared the CSR Report for the intended stakeholders, as outlined in the "Stakeholder" section on page 20. The CSR team, which collects and organizes the CSR report data, is also responsible for the preparation of the CSR Report and for the information and statements contained therein. NBG's General Directors are responsible for approving the CSR report data, determining the CSR targets and for establishing and maintaining appropriate performance monitoring and internal control systems from which the reported information is derived.

Our responsibility is to independently express conclusions in relation to the significant issues, as defined in the "Scope of Work" paragraph above, and in accordance with our letter of engagement. Our work was undertaken in order to enable us to report to NBG those matters which are required to be included in this assurance statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than NBG for our work, for this statement, or for the conclusions we have reached.

## **Our observations and recommendations**

NBG has made the following key improvement in managing and reporting its CSR performance during 2016:

- Re-assessed the main directions of its social contribution program with a view to upgrading and aligning them with the Bank's strategy.

To improve the future management and reporting of CSR issues in accordance with AA1000APS we make the following recommendations to NBG:

### **Inclusivity:**

- In recent years NBG improved the engagement process with its stakeholders for the determination of the material CSR issues through face to face interviews, workshops, questionnaires etc. with both internal and external stakeholders. Continuing the support and encouragement of the stakeholders' ability to participate in the above process would assist in a more complete identification of the material issues of the Bank.

### **Materiality:**

- NBG has established a specific procedure for assessing the materiality of stakeholder issues. We recommend that this process is documented and integrated into the policies and procedures related to the decision-making and CSR strategy development of the Bank.

### **Responsiveness:**

- The CSR Report contains a number of targets. We recommend that these targets are more balanced between the various CSR performance areas and, more specifically, that targets are introduced relating

to the economic performance of the Bank.

The observations and recommendations have been taken into account in forming our conclusions on the CSR Report as set out in this statement.

### Our conclusions

Based on the scope of our work and the assurance procedures we performed we conclude that:


1. NBG has implemented processes and procedures, as described in the table "Accountability Principles Standard AA1000" on page 252, that adhere with the principles of inclusivity, materiality and responsiveness as set out in the AA1000 AccountAbility Principles Standard 2008 ('AA1000APS'); and
2. Based on the scope of our work and the assurance procedures we performed, nothing has come to our attention that causes us to believe that the general and specific disclosures, as defined above, as well as the "in accordance" core option of the GRI Sustainability Reporting Standards as stated on page 250, are materially misstated.

In the event of any inconsistency in the translation between the Greek and English versions of the Corporate Responsibility Report, the Greek version will prevail as far as our conclusions are concerned.

Athens, 20 March 2019

**Deloitte Certified Public Accountants S.A.**

Assurance & Advisory Services

  
Paris Efthymiades  
Partner

**Deloitte.**



AA1000  
Licensed Assurance Provider  
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