

Establishment of a new corporate entity,

Eurobank SA

a fully owned subsidiary of Eurobank Ergasias SA, which was renamed
Eurobank Ergasias Services and Holdings SA
(Eurobank Holdings).

30 million
unique visitors to
eurobank.gr



89.36%
of the power consumed comes
from **renewable energy sources**

26%
increase in the use
of **e-Banking**
and **m-Banking**
services

26.50% reduction
in total **energy consumption**
compared to the base year 2014



40 non-profit
organisations
and institutions supported

54,950
total participations in **training**
programmes for the Group

57,000
customer evaluations
on their banking experience

Net profit
from international
operations up by
16.0% to
€168 million

The Great Moment for Education
17 years,
18,586 students awarded



684 entries in the employee recognition
and rewards programme –
Sto Epikentro (In Focus) Awards

Over **500,000**
Eurobank Mobile App
users





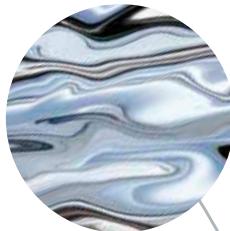
The **adjusted net profit** was strengthened by **26.8%**

€800 million

have been pledged for the **Hellinikon project**

Total GreenHouse Gas emissions

in carbon dioxide equivalents (CO₂e) were reduced by **64.40%** relative to the base year 2014



Total NPE stock was reduced

by **€3.7 billion** compared to 2018

1st bank in Greece

to adopt the new cloud-based

“SAP SuccessFactors”

human experience management suite

egg – enter•grow•go

121 teams

have become businesses and

62 of these had a combined turnover of **€3.5 million**. Eurobank has invested **€12 million** in egg to date

Growth Awards

3 competitions

have showcased

20 of the most robust businesses in Greece



Exportgate

A founding member of the **“Trade Club Alliance”** which is supported by international banking groups in over **50 countries**

EuroPhone Banking

2.6 million

contacts with clients



1,479 customer service

locations across Greece

91.4%

of Group employees participated in training actions for **405,768** training man-hours





ANNUAL REPORT 2019
BUSINESS AND SUSTAINABILITY

We invest in sustainable development.

We consistently design actions relating to social and environmental issues, and we showcase the principles of corporate governance.

We link our business decisions to environmental sustainability, social responsibility and corporate governance (ESG).



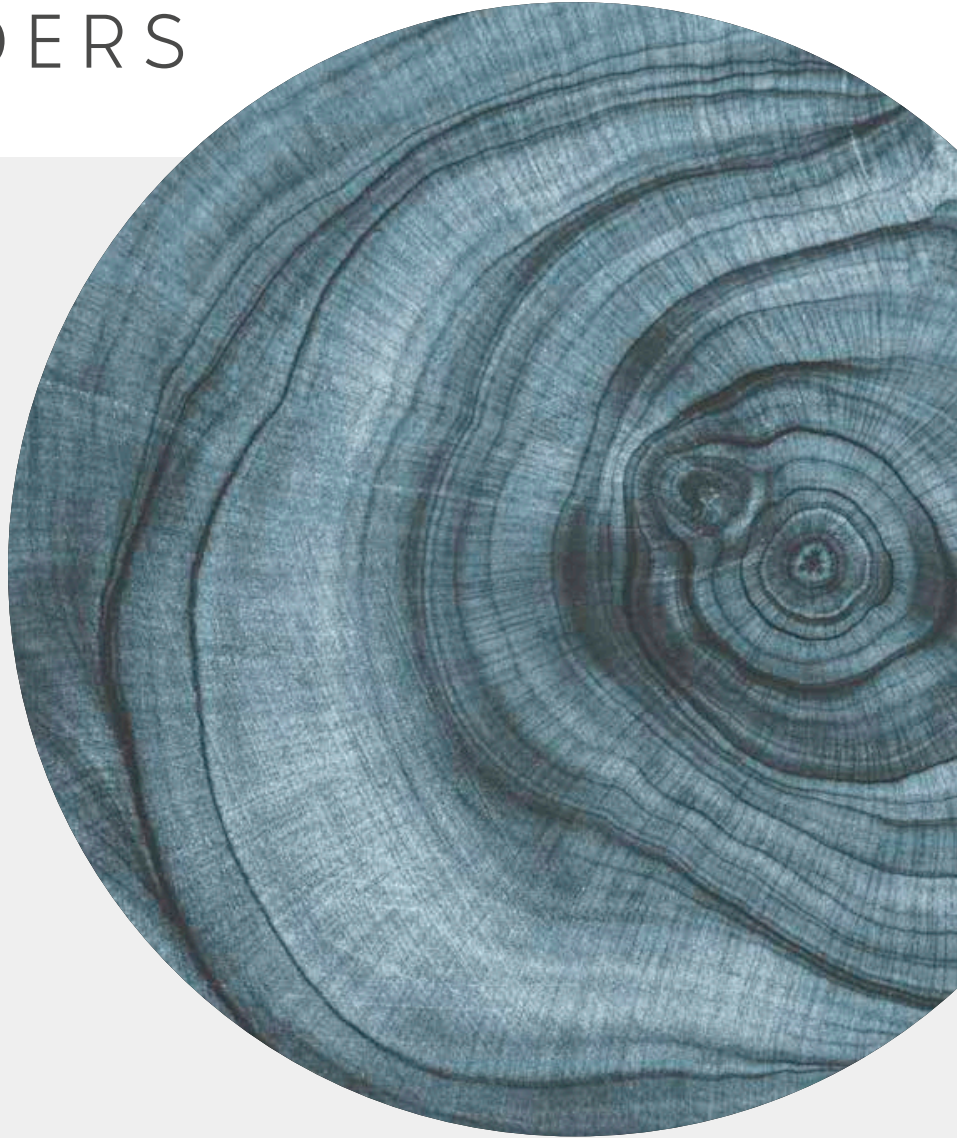


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LETTER TO STAKEHOLDERS



GRI 102-14

In 2019, Eurobank resolved major past challenges, following a comprehensive programme aiming to consolidate its balance sheet and restore all fundamentals to levels similar to other European banks.

During the period 2016-2019, total capital ratio significantly increased, the non-performing exposure (NPEs) reserve was reduced by two thirds, while liquidity was strengthened thanks to increased deposits and diversified funding sources from the markets. At the same time, the Bank focused on expanding its activities, attracting new customers and increasing loans to households and businesses, while putting special emphasis on continuing its digital transformation.

The above business priorities paid off. The results for 2019 improved the Bank's position, strengthened its core balance sheet items and placed the Bank in a better spot overall to address the unexpected extraordinary circumstances on a global level due to the pandemic this year, which hit economic activity with unprecedented force.

Achieving core profitability, issuing Tier II bonds and merging with Grivalia resulted in strengthening capital adequacy. The total capital adequacy ratio increased by 390 basis points during the period 2016-2019, reaching 19.2% at the end of the year – the highest among Greek banks – allowing the Bank to fund its balance sheet consolidation. During the said 4-year period, the NPE ratio decreased by 30 basis points, from 46% to less than 16%, while the provisions over NPEs ratio increased from 50.6% to 57%. The Bank managed to reduce the NPE reserve through several actions, such as loan restructuring, liquidation of collateral, sale of portfolios and NPE securitisations, which were an integral part of the overall planning. Eurobank was the first Bank to sell non-performing loan portfolios, execute an e-auction and securitise NPEs, while it was also the first Bank to use the Hercules scheme for protecting assets through a guarantee granted by the Greek State.

Eurobank completed all steps announced back in November 2018, becoming the first Greek bank with an NPE ratio similar to other European banks.

At the same time, we continued our efforts to increase and manage liquidity. The Group's liquidity has significantly improved over the past 4 years, mainly as a result of the expansion of our deposit base. Group deposits increased by €13 billion, of which €9 billion were from the Greek market. Within the first quarter of 2019, thanks to the initiatives of our Global Markets General Division, we managed to become fully independent from the emergency liquidity assistance (ELA), and increased the number of credit institutions in our asset-backed financing transactions. As a result, we significantly decreased our funding cost and increased diversification in our funding and liquidity sources.

Another strategic choice we made over the past years, which is constant investment in the Bank's digital infrastructure, also proved correct under these extreme circumstances. Our technological capabilities greatly contributed to the Bank successfully responding to the sudden halt in economic and social activities, both in terms of human resources, as we seamlessly switched to large-scale teleworking in very little time, and in terms of our business, as we offered a full range of products and services to our individual and business clients, without them having to visit a branch.

At the same time, being able to maintain a strong international network in the wider Southeast Europe region constitutes a major competitive advantage for the Bank, both in terms of customer service and risk diversification. In light of these, Eurobank has the ideal positioning to support its clients in facing the new challenges posed by the health crisis, but also to play a leading part in the recovery and development of all economies in which it operates.

Strategic Initiatives

Applying a front-loaded plan to manage the NPE reserve, which resulted from the long financial crisis in Greece, was a landmark project for the Bank throughout 2019. Our planning (the "Plan") included a number of challenging actions demanding both cooperation with the supervising authorities and internal procedures to be implemented. Nonetheless, we managed to execute it, step by step, as originally described. The legal and financial merger with Grivalia Properties REIC was completed in 2019. The merger was approved by a large majority in the General Meetings convened by Eurobank and Grivalia, clearly showing the shareholders' trust in our plan. Then, we proceeded with the securitisation of the NPE portfolios, removing them from the Bank's balance sheet. Pillar was the securitisation of €2 billion in mortgage loans and was the first of this kind that took place in Greece. With regard to the Pillar securitisation, Eurobank was the first Greek bank to obtain an approval for significant credit risk transfer (SRT) from the ECB Single Supervisory Mechanism (SSM). According to its plan, the Bank kept the Pillar's senior notes, while the mezzanine and junior notes were sold to CELIDORIA S.À R.L., a legal entity indirectly owned by investment funds managed by Pacific Investment Management Company (PIMCO), one of the largest international fund managers.

For the first multiple-asset securitisation, the Cairo portfolio, to the amount of €7.5 billion, we made a complex strategic agreement with the leading loan and asset management group in Europe, Italian company doValue S.p.A. The agreement provides for the sale to doValue of 80% of the share capital of Financial Planning Services (FPS), which is licensed by the Bank of Greece and is the largest servicer in Greece, while the Bank will maintain its 20% share in the company. In this context, almost all Eurobank employees who were assigned to the Troubled Assets Group (TAG) were transferred to FPS, as FPS will undertake the management of all Eurobank troubled assets, based on long-term cooperation. At the same time, doValue agreed to buy 20% and 51% of the Cairo mezzanine and junior notes respectively, while the Bank will keep the senior notes, as was the case with the Pillar transaction.

At the same time, we completed the corporate transformation processes, which were an integral part of our plan and led to the establishment of a new corporate entity, Eurobank SA, a fully owned subsidiary of Eurobank Ergasias SA, which was renamed Eurobank Ergasias Services and Holdings SA (Eurobank Holdings).

Overall, the steps taken to complete such a demanding Plan in 2019 further confirmed the Group's capacity to reach innovative and complex solutions on corporate issues and successfully apply them. The Plan was recognised as an innovative, pioneering and suitable solution for managing the NPE reserve in the Greek banking system. This was further confirmed as the Plan was welcomed and adopted by competitive banking institutions.

The Economic Environment

The Greek economic environment significantly improved in 2019 and Greece took solid steps towards sustainable development. Following 8 years of deep recession, stagnation and three economic adjustment programmes (2009-2016), the Greek economy had started recovering, albeit slowly, in the past 3 years.

The real growth rate, based on net service exports (mostly tourism) and consumption was stable at 1.9% in 2019. It was 0.7 basis points higher compared to the Eurozone. With regard to the job market, unemployment fell to 17.3% in 2019 (12-month average), down by -10.2 basis points compared to the all-time high of 27.5% in 2013. Finally, inflation slowed down to 0.5% from 0.8% in 2018, as a result of the decrease in the VAT for certain goods and services and the decrease in energy prices. With regard to fiscal policy, in 2019, the primary balance reached a surplus of 4.4% of GDP. Public debt as a percentage of GDP stood at 176.6% in 2019.

In early 2020, all countries where the Bank operates had positive prospects. Specifically, the medium-term prospects for the Greek economy were positive. The decrease in the Greek State's funding cost, the upgrading by the international rating agencies, the expected acceleration of the real growth rate in 2020 (2.4% according to the EU winter economic forecasts) and the commitment made by those implementing economic policy to introduce measures that foster medium and long-term growth, focusing on decreasing taxes and improving the institutional framework, contributed to the improvement of prospects. In February 2020, the Economic Sentiment Indicator reached its highest point since January 2001. Nonetheless, there were still significant risks regarding the potential long-term growth rate of the economy. Net investment flow was negative for the 9th consecutive year (accumulated fixed asset losses of -€84.2 billion in current values) and both the labour force and population posted a decrease.

The other countries in the region where we operate had similar positive prospects. Cyprus, Bulgaria and Serbia posted exceptional growth performance for yet another year, significantly higher than the EU average (3.2%, 3.4% and 4.2% respectively) for 2019. The Bulgarian economy posted a strong growth rate for the 5th consecutive year, while also showing great progress in meeting requirements for inclusion in the Exchange Rate Mechanism II (ERM II). Cyprus, having recovered from the previous 2013 crisis, continued its recovery, posting a slower yet more sustainable growth rate in 2019. The Serbian economy, having grown by 4.4% in 2018, the highest rate in the past decade, slightly slowed down to 4.2% in 2019. Before the coronavirus crisis arose, all forecasts, both public and private, expected that these economies, despite international risks, would keep up the high growth rates in 2020, despite a slight slowing down, and would outperform the Eurozone.

COVID-19 and the measures implemented to hinder its spread across the globe fundamentally changed the game for all economies. The halt in economic activity led to an environment of deep recession. Nonetheless, the measures taken by governments to support economies and strengthen liquidity, with unprecedented intervention by the central banks, are expected to mitigate the impact, which in all cases will be significant. It is not possible to precisely estimate the impact of the pandemic on the global and local economies, unless there is a clear outlook on health prospects. In all cases, the EU decisions to provide unprecedented financial support constitute a strong shield for Greece against the negative impact of the pandemic, while the economies of the other countries where we operate are also expected to suffer manageable damage.

Financial Information

Eurobank was profitable throughout 2019, maintaining a positive trend across all consecutive quarters since 2016.

Net profit was up by 26.8% to €257 million in 2019, mostly thanks to the 8.3% decrease in loan loss provisions, while both core and total income was stable. International activities played a significant role for yet another year, with a 16.0% increase in profit to €168 million.

Exceptional performance was recorded in non-performing exposures. NPEs decreased by €3.7 billion compared to 2018, with coverage by accumulated provisions increasing by 210 basis points, to 55.3% on an annual basis. NPE formation was negative mostly in Greece, by €858 million, but also abroad. Overall, the NPE ratio fell by 7.8 basis points to 29.2% at the end of 2019, while the pro-forma NPE ratio post Cairo securitisation dropped to 15.9%, which is by far the lowest among Greek banks.

Our medium-term goal is to achieve a return on equity around 10%. This goal has not changed, yet the exceptional circumstances due to COVID-19 and the lockdown are expected to affect our timeline for achieving this. The high market variability renders uncertain any attempt to make forecasts, as both the adjustment of economic activity and the speed of recovery depend on the developments in the health sector, the duration of the halt in economic activity in a number of countries, and consumer behaviour following the pandemic.

Business Initiatives

Along with the balance sheet consolidation, the results of the intensified actions to increase the Bank's revenues and ensure their viability in the long-term were quite satisfactory.

We focused on financing credible business plans and attracting new clients, both companies and individuals. We undertook a series of targeted business initiatives on time, which produced results. So Eurobank, as a Bank that helps its clients grow, was reinforced through the leading role it assumed in the largest flagship projects in Greece. Furthermore, by continuously supporting strategic sectors of the Greek economy and financing healthy business plans, it encouraged the growth efforts of companies, their investment plans and their outward-looking potential.

2019 was one of the most productive years for corporate banking. Eurobank had a pivotal role in key projects for the economy. These included coordinating and raising capital for the Hellinikon project, developing assets on behalf of the Hellenic Republic Asset Development Fund (HRADF), such as their holding in Athens International Airport, as well as other major transactions. With regard to the Hellinikon project, a flagship project of major significance for the Greek economy, we have pledged funds to the amount of €800 million.

The credit expansion of the healthy portfolio for 2019 exceeded 10%, with €2 billion disbursed in new loans for the shipping, manufacturing and trade industries. Especially with regard to the tourism industry, we reaffirmed our commitment to Greek tourism with new financing partnerships with the largest hotel groups in Greece, as well as special programmes for sector-specific SMEs, boosting our presence in this industry. We also continued our long strategic partnership with the Greek Tourism Confederation (SETE) and we forged a substantial working relationship with SETE-affiliated Marketing Greece, which emerged as a major initiative for promoting Greek tourism internationally.

With a view to financing investment plans in priority sectors, such as renewable energy sources, energy efficiency and urban development, we signed an agreement with the European Investment Bank (EIB) to participate in the Infrastructure Fund of Funds (InfraFoF), established by the Greek Ministry of Development & Investments, in partnership with the EIB. Investments amounting to at least €650 million are expected to gradually be realised through the InfraFoF and the development of national and EU resources. The partnership with the EIB is a multi-faceted one. We are also participating in a programme amounting to €500 million for investments in Greece that aim to reinforce the role of women in business and to create jobs mainly for younger individuals.

In 2019, we focused especially on the increased liquidity needs of SMEs. We signed an agreement with the Hellenic Fund for Entrepreneurship & Development (ETEAN SA) for loans with favourable terms to microenterprises and SMEs through Business Financing – Entrepreneurship Fund (TEPIX) II. Said agreement was then extended and became one of the main levers for addressing the impact of the pandemic at the beginning of 2020.

Especially with regard to microenterprises encountering difficulties in accessing financing due to their size, we expanded our partnership with the European Investment Fund (EIF), in the context of the EU programme for Employment and Social Innovation (EaSI). We also expanded our partnership with the Action Finance Initiative (AFI), providing micro-credit facilities to new and existing microenterprises and freelance professionals in eight Greek prefectures beyond Attica and Thessaloniki.

We continued providing complex products and services to companies, with the aim of managing market risk. This was an area the Bank was distinguished yet again in 2019 for its technical know-how and customer-centric mentality, being named Best FX Provider in Greece by Global Finance magazine. Our customers' experience was further solidified with the revolutionary v-Banking service, which offers personal service to over 8,000 SMEs in Greece in the most innovative manner, so they may carry out a series of banking transactions online, without having to visit a branch. As an indication, the number of relevant video calls doubled, while 34% of all Business Check Ups, another revolutionary service offered by the Bank, were carried out via v-Banking. In Individual Banking, 2019 was a landmark year, following a strategic choice that immediately proved crucial in terms of the banking sector's course in the Greek market. In the 3rd quarter of 2019, we paved the way for reviving the Greek mortgage loan market. For the first time in a decade, we brought mortgage loans to the forefront. We created a new generation of mortgage loans for buying, building or renovating, featuring fixed instalments for the entire loan term and no penalty for early repayment, in full or in part. So we set the scene for rebooting the mortgage market, with loan terms perfectly adjusted to the new financial state of affairs. It is telling that the number of mortgage loans we granted in the last quarter of 2019 was up 24% compared to the same period in 2018. The majority of borrowers chose this new loan type over all the other mortgage loans we continue to offer, as the cost of repayment is specified from start to end, with no ups and downs.

In the area of bancassurance, we further strengthened our presence through our steady strategic partner, Eurolife FFH. In 2019, we unveiled a revolutionary online car insurance product, which allows clients to tailor their insurance coverage to their needs through a simple, fast and secure process, transparent in terms of cost, with immediate delivery of the insurance policy.

Overall, the targets we set for retail banking for 2019 were fully achieved, as we managed to keep the new production share in main markets and products – such as mortgage loans, car loans and mutual funds – to over 30%.

A dominant trend that seems to be emerging internationally in the area of investments is applying sustainable social and environmental criteria when selecting sectors and companies to invest in. This practice carries a truly ethical and conscientious aspect and is supported by international organisations, such as the UN, while according to early research, it seems to be reasonable investment-wise, with positive relative returns. In 2019, Eurobank Asset Management MFMC became the first asset management company in Greece to be included in the PRI (Principles for Responsible Investment) Initiative. As part of their strategy, the PRI signatories link their business decisions to environmental sustainability, social responsibility and corporate governance (Environment, Society, Governance – ESG), by putting into practice the six UN Principles for Responsible Investment. Eurobank Asset Management MFMC maintained its leading position in mutual fund and institutional portfolio management in Greece, ranking once again 1st among asset management companies, with €2.27 billion in assets.

Eurobank and Eurobank Cyprus were once again named best banks in Private Banking for 2020 in Greece and Cyprus by International Global Finance magazine, for the 15th and 7th year respectively.

Digital The future of banking the world over is digital. Taking into account both our customers' experiences and the new banking sector trends, we ranked our priorities and choices anew. Banking for both individuals and businesses is being reshaped, a fact which will determine its future image in light of the rapidly increasing influence of digital technology. In this vein, we have concluded that the bank of the future – and for that matter, Eurobank in the future – will continue to provide traditional banking products and services to households and businesses. At the same time, though, it will take on an advisory role, meeting their needs comprehensively, and assisting them in making the most of artificial intelligence and digital tools. On that note, in 2019 we undertook a series of initiatives, with the most significant ones being developing a digital knowledge channel for professionals and businesses, the Digital Academy of Business; supporting Greek family businesses to upgrade, become sustainable and improve their corporate governance practices through the Family Business programme; and designing and developing new, modern and innovative products and services, introducing solutions to the Greek market that are compatible with the new state of affairs brought about by Open Banking.

Eurobank became the first Greek bank to sign a participation agreement with the Interbank Information Network (IIN®), an international initiative by J.P. Morgan.

At the same time, we are already participating in global technology ecosystems, such as the Trade Club Alliance (TCA) and we.trade, which offer Greek companies unique opportunities to access international commercial networks, backed by the prestige and assistance of leading international companies, including our strategic partnership with Banco Santander for the TCA. The TCA is the only global banking network that is trying to make international trade better and simpler. Upon entering the platform, its members can obtain direct and reliable information about markets in over 180 countries, including macroeconomic reports, market trends, cargo transfer requirements, etc. This way, irrespective of their size, they gain unique benefits that even large companies are not able to get, so they can establish their position within the competitive international trade scene.

The trend of providing products and services to the entire client base through alternative digital channels was further expedited by the lockdown and the need to transition to a different customer service model in minimal time at the beginning of 2020. At the same time, the Group itself had to transition to an internal operation model based on teleworking for three-quarters of the staff, which depended greatly on its digital infrastructure. The coronavirus crisis and the needs that arose truly validated the strategy that the Bank had been consistently following, despite the many objective restrictions, as every year, it steadily maintained its high investments in digital and technical infrastructure. In 2019, we yet again remained true to this principle as the foundation of the Bank's digital transformation, continuing and accelerating the investment plan. During the year, we gave our clients new digital options through the omni-channel platform, which is exclusively based on cloud technology. The clients, individuals and businesses, gained access to new e-Banking and Mobile App services. These included account aggregation, online credit card application, digital signature and submission of documents online. Within these 12 months, the Bank's website, eurobank.gr, received 30 million unique visitors.

LETTER TO STAKEHOLDERS

A new digital sales platform was activated and many products are now offered exclusively online, such as term deposits, credit cards and insurance products. We expanded our digital ecosystem with new APIs and the Eurobank API Portal, in line with Open Banking and the European Directive PSD2.

The new integrated omni-channel platform was well received from the first day it was unveiled. More than one million customers became users in 2019, a 26% year-on-year rise. More than 41 million transactions valued at €72.4 billion were carried out. Mobile App users exceeded half a million – over 50% of all active users of digital banking services. Digital transactions reached 42% of all transactions and 80% of all payments and cash transfers. Our customers recognise and support our digital transition and contribution to energy efficiency: nearly half a million customers received e-Statements for their accounts and transactions within 2019.

Digitisation also assists in achieving another priority we have set: absolute compliance with all regulatory requirements. The new platform we activated for anti-money laundering (AML) management is a powerful weapon in combating fraud.

A special mention should also be made to the updating of the main banking platform used by the Bank with leading equipment and support services. The radical upgrade of subsidiaries has commenced in Cyprus and Luxembourg, while we retain the option of expanding the new infrastructure to encompass the entire Group. Many of the services we offer are based exclusively on automated systems, resulting in a better customer experience and more streamlined processes at lower costs. Our goal is to become a bank that will be based on digital data processing and development. Therefore, we continued investing in the data platform, using artificial intelligence and advanced analytics for many operations, such as sales, marketing, risk assessment, non-performing portfolios, etc. A major part of the investment was channelled towards data and IT security systems, ensuring that we offer safe online services of the highest level possible.

Starting from our performance in 2019 and the experience of the first few months of 2020, we are continuing and increasing the Bank's investment in human resources, technical equipment and infrastructure to the extent possible, to accelerate our upgrading through the digitisation of all operations. We rely on the most advanced technology available to improve our services and redesign our customer service processes (customer journeys), best achieved through efficient cost management of operations.

Our key strategic choice at Eurobank is to become a leading digital bank in Greece and Southeast Europe, not just far into the future but as soon as possible.

Based on all this, it is no coincidence that our efforts and results have been recognised internationally. Eurobank was named Best Bank in Greece at the Awards for Excellence 2019 by internationally recognised Euromoney Magazine, due to its performance and growth.

Overall, we are quite pleased with the progress of the transformation plan in 2019, which has placed us in a better spot to address the new, unexpected challenges that have arisen. Profitability and growth of operations continue to be our key priorities. In the short-term, though, for 2020, and for as long as necessary, we will focus on supporting our clients, both in Greece and abroad, so that the societies and economies we serve will suffer the least possible impact from the unprecedented disruption of our economic and social life due to the COVID-19 crisis.

This new challenge came against a reinforced international banking system, based on its experience following the financial crisis that preceded. This also applies to Greece. The Greek economy has stabilised and the banking system was reinforced in the last few years. Given the unprecedented cooperation of the international community in medical research and the use of all available economic policy tools by all the central banks around the world, including the ECB, chances are that the negative impact will be temporary.

From the very first moment, Eurobank supported its clients, businesses and households, which will feel the impact of the coronavirus crisis, and will continue to do so.

With the gradual reinstatement of economic activity after the general halt, it is reasonable to expect fast recovery rates, at least in the beginning. Within such an environment, Eurobank is in a powerful position so as to make the most of the opportunities and possibilities that will arise.

Our vision remains unwavering: To build the most modern, innovative and efficient bank of the digital era in Greece and the wider region, offering top-level customer service, supporting households and businesses that place their trust in us, and creating value for our shareholders, as well as the countries, societies and communities we serve.

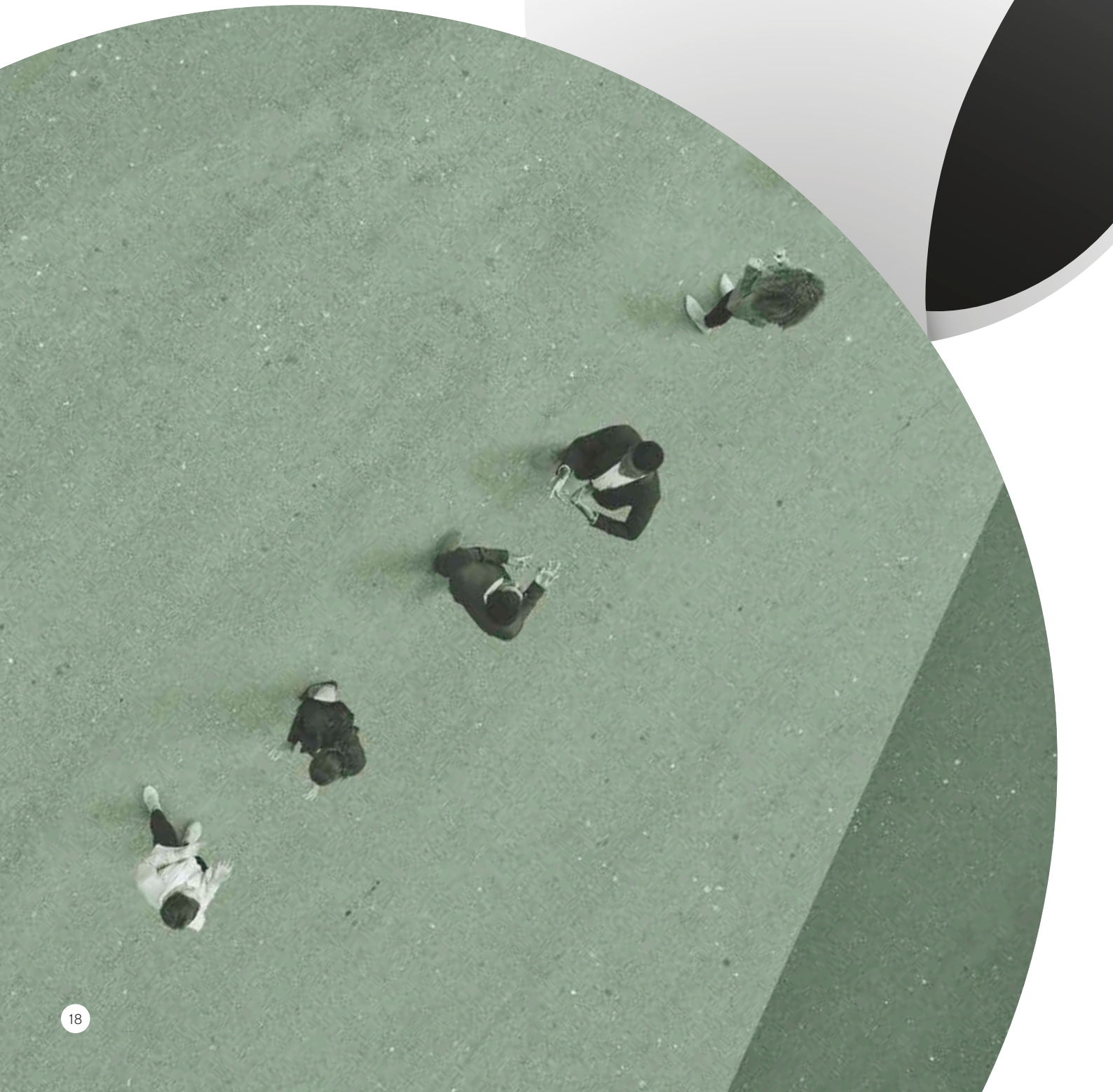


Georgios P. Zantias
Chairman of the Board of Directors



Fokion C. Karavias
Chief Executive Officer

PROFILE



GRI 102-2

GRI 102-4

GRI 102-6

GRI 102-7

The Group is a dynamic banking group active in six countries, with total assets of €64.8 billion and 13,456 employees. Established in 1990, the Group expanded through organic growth and acquisitions to become a leading force in the Greek banking sector.

With a total network of 667 branches in Greece and abroad, the Group offers a comprehensive range of financial products and services to its retail and corporate customers, based on the following classification:

- Individual Customers
- Personal Banking
- Business Banking
- Wealth Management
- Corporate & Investment Banking

In Greece, Eurobank operations encompass a wide retail banking network, dedicated business centres, a Private Banking network and award-winning digital service channels. Eurobank's philosophy focuses on providing quality services to its customers, paying attention to their particular and diverse needs.

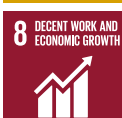
The Group also holds a strategic position in retail and business banking in Bulgaria and Serbia, and offers distinguished Wealth Management services in Cyprus, Luxembourg and London.

Group Key Figures		€ billion
Gross loans		44.4
Deposits		44.8
Total assets		64.8
Total equity		6.7
Client Service Network		674
Greece		373
International		301
<i>Data as at December 31st, 2019</i>		
Shareholding Structure		%
Institutional & Private Shareholders		98.6
Hellenic Financial Stability Fund		1.4
<i>Data as at May 23, 2019</i>		

Material Issue

Financial growth & performance

GRI 201-1



Direct economic value generated and distributed 2019 (in €million)

Direct economic value generated	€1,650
Revenues	€2,179
Impairment losses relating to loans and advances to customers	€529
Economic value distributed	
Operating expenses	€294
of which:	
Sponsorships	€3
Contributions to resolution and deposit guarantee funds	€52
Wages and employees benefits (Staff costs)	€360
of which:	
Wages, salaries and performance remuneration	€250
Social security contributions	€63
Medical, Retirement and other benefits	€47
Voluntary Exit schemes and other related costs	€59
Other restructuring costs	€10
Interest Expense & banking fee & commission expense	€805
Other impairment losses and provisions	€41
Payments to government	€16
Payroll & other solidarity taxes	€54
Social security contributions	€63
Economic Value distributed	€1,569
Economic Value retained	€81
Economic Value retained including employee taxes	€27

Eurobank Ergasias Services and Holdings SA, data as of December 31st, 2019

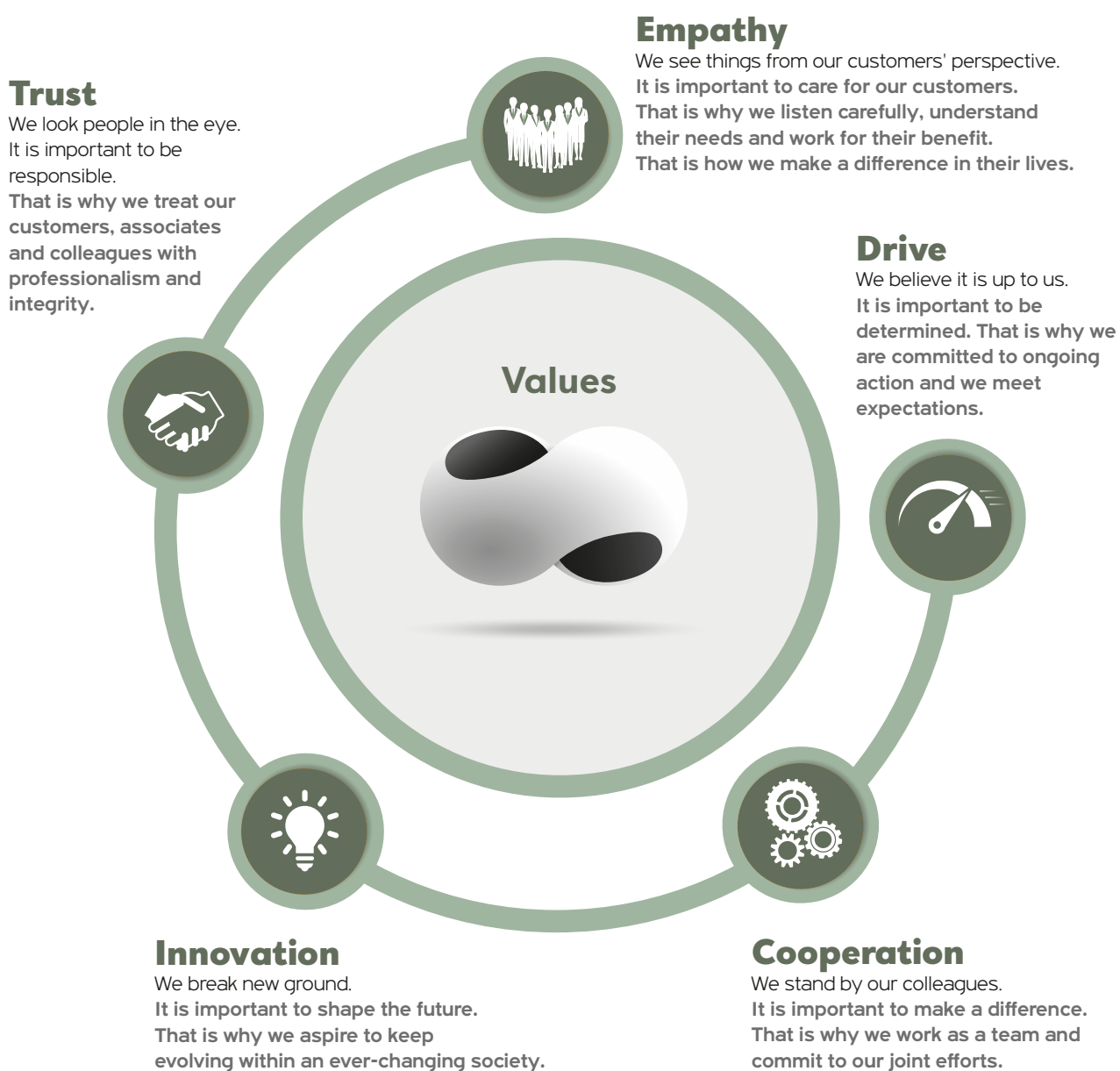
For detailed information, refer to the 2019 Financial Reports: <https://www.eurobankholdings.gr/-/media/holding/omilos/enimerosi-ependuton/enimerosi-metoxon-eurobank/oikonomika-apotelesmata-part-01/2020/fy-2019/annual-financial-report-2019.pdf> and the Consolidated Financial Statements: <https://www.eurobankholdings.gr/-/media/holding/omilos/enimerosi-ependuton/enimerosi-metoxon-eurobank/oikonomika-apotelesmata-part-01/2020/fy-2019/consolidated-financial-statements-2019.pdf>

GRI 102- 16

Apart from its business activities, the Group undertakes social responsibility initiatives, responding to the needs of Society.

In this context, the Group implements actions and initiatives that support education, society, culture, innovation and youth entrepreneurship, in cooperation with recognised institutions and organisations. It actively supports initiatives regarding the protection of the environment, on a national and international level.

Our Values



ANNUAL OVERVIEW



- Presentation of the new, upgraded operational framework for egg – enter•grow•go.
- Growth Awards 2019.

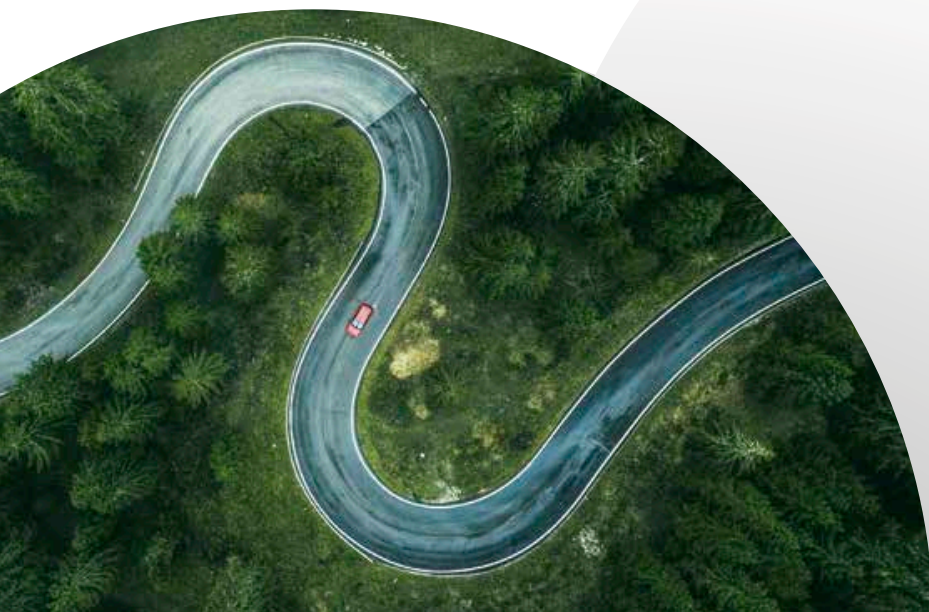
- **Completion of merger with Grivalia, which strengthened the Bank's capital.**

- The Great Moment for Education: Honorary awards to the Best of the Best.

- Eurobank participates in the new EIB programme amounting to €500 million, for business investments in Greece that support young people and women.

- Eurobank-ETEAN agreement for financing SMEs.

- **Completion of Piraeus Bank Bulgaria acquisition.**
- **Eurobank enters into a binding agreement with PIMCO for project Pillar (sale of mezzanine and junior notes from the securitisation of a non-performing mortgage loan portfolio).**



- Eurobank becomes the first Greek bank to sign a participation agreement in the international initiative by J.P. Morgan, Interbank Information Network (IIN®).
- **Completion of the first sale of mezzanine and junior notes from the securitisation of a non-performing mortgage loan portfolio (project Pillar).**
- Eurobank signs the Principles for Responsible Banking (PRB).
- The Eurobank-AFI partnership expands geographically with the provision of micro-credit facilities in the context of the EaSI programme.
- As a major sponsor, Eurobank supported the participation of the Men's National Basketball Team at the 2019 World Cup in China.
- Official launch of Trade Club Alliance (TCA), the first digital platform that will help businesses boost their international trade activities.
- Eurobank named Best Bank in Greece for 2019 by Euromoney magazine at the Awards for Excellence.
- Eurobank offers the new Account Aggregation online service.
- **Binding agreement with doValue for the sale of mezzanine and junior notes from the securitisation of a mixed NPE portfolio (project Cairo) and 80% of FPS' share capital.**

EUROBANK

FINANCIAL FIGURES

Key Financial Results ¹	2019	2018	Change
Net Interest Income	€1,377 _m	€1,416 _m	(2.7%)
Net Fee & Commission Income	€354 _m	€311 _m	13.6%
Total Operating Income	€1,844 _m	€1,832 _m	0.6%
Total Operating Expenses	€901 _m	€874 _m	3.1%
Core Pre-Provision Income	€830 _m	€853 _m	(2.7%)
Pre-Provision Income	€943 _m	€958 _m	(1.6%)
Loan Loss Provisions	€624 _m	€680 _m	(8.3%)
Adjusted Net Profit	€257 _m	€202 _m	26.8%
Net Income after tax	€127 _m	€93 _m	36.2%

¹The comparative information has been restated due to change in accounting policy for investment property.

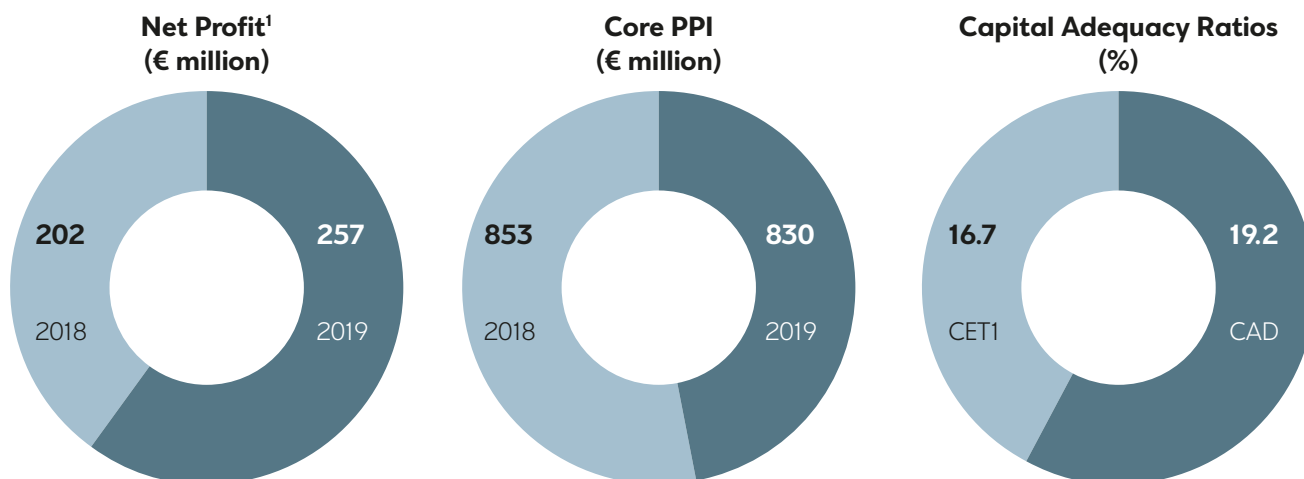
Balance Sheet Highlights

	2019	2018
Consumer Loans	€3,836 _m	€3,987 _m
Mortgages	€13,974 _m	€16,253 _m
Small Business Loans	€6,480 _m	€6,420 _m
Large Corporates & SMEs	€19,034 _m	€18,290 _m
Senior Notes	€1,062 _m	–
Total Gross Loans	€44,464 _m	€45,032 _m
Total Customer Deposits	€44,841 _m	€39,083 _m
Total Assets	€64,761 _m	€57,997 _m

Financial Ratios

	2019	2018
Net Interest Margin	2.24%	2.47%
Cost to Income	48.9%	47.7%
Non-Performing Exposures (NPEs)	29.2%	37.0%
Provisions / NPEs	55.3%	53.2%
Provisions to average Net Loans (Cost of Risk)	1.70%	1.89%
Common Equity Tier 1 (CET1)	16.7%	14.2%
Total Capital Adequacy (CAD)	19.2%	16.7%

FINANCIAL REVIEW

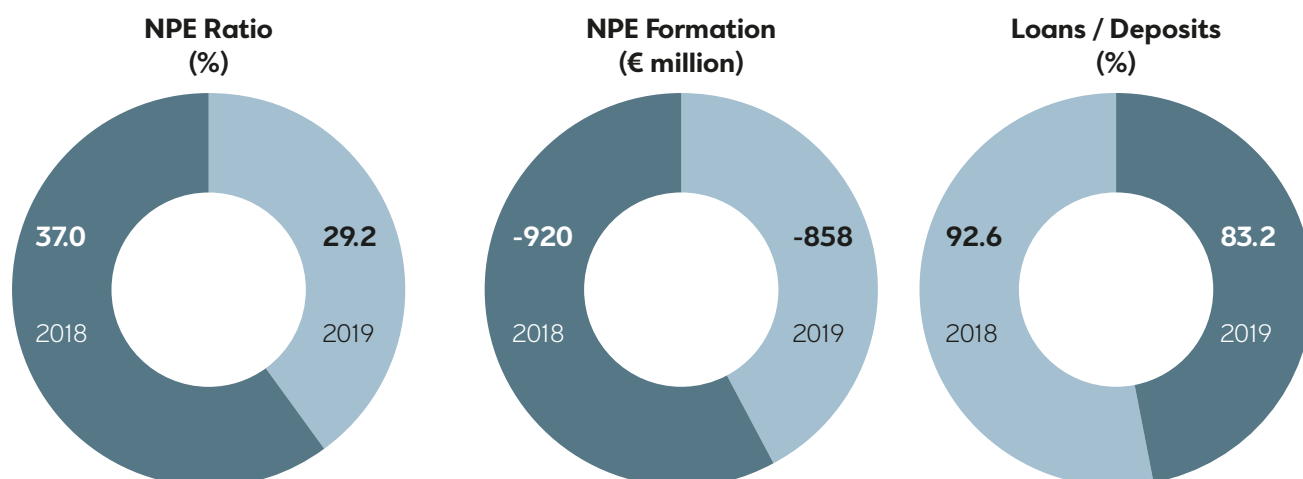


2019 was a milestone year for Eurobank, as the merger with Grivalia and the transformation plan for the accelerated reduction of NPEs were concluded. Together with the clean-up of its balance sheet, the Bank generated robust organic profitability and strengthened its net **profit**¹ by 26.8% y-o-y to €257 million. In more detail:

- **Net interest income** reached €1,377 million in 2019 against €1,416 million in 2018, while the net interest margin receded by 23 basis points to 2.24%.
- **Net fee and commission income** were up by 13.6% y-o-y to €354 million, mainly due to rental income, fees from the Branch Network activities and asset management business.
- **Core income** and **total operating income** remained flat y-o-y to €1,731 million (+0.2%) and €1,844 million (+0.6%) respectively in 2019.
- **Operating** expenses, on a like for like basis², decreased by 1.7% y-o-y in Greece and were broadly flat at a Group level (+0.7%) in 2019. The cost to income ratio was 48.9% in 2019.
- **Core pre-provision income** declined by 2.7% y-o-y to €830 million and **pre-provision income** receded by 1.6% y-o-y to €943m.

¹ Adjusted net profit.

² Excluding €20.9 million expenses of Grivalia and Piraeus Bank Bulgaria.



- The **stock of NPEs** was down by €3.7 billion against 2018, while **provisions over NPEs** increased by 210 basis points y-o-y to 55.3%. The **NPE ratio** decreased by 7.8 percentage points y-o-y to 29.2% at the end of 2019. Pro-forma for the €7.5 billion Cairo securitization, the NPE ratio drops to 15.9%. The **NPE formation** was negative by €858 million in 2019, of which €839 million in Greece and €19 million in international business.
- **Loan loss provisions** fell by 8.3% in 2019 to €624 million and accounted for 170 basis points of the average net loans compared to 189 basis points in 2018.
- **International operations** remained profitable in 2019, as **net profit**³ rose by 16.0% to €168 million. Specifically, core pre-provision income grew by 11.0% y-o-y to €270 million and pre-provision income expanded by 22.8% y-o-y to €297 million.
- Post the merger with Grivalia and the internal capital generation due to organic profitability, **CET1** increased to 16.7% and **total CAD** to 19.2% in 2019, up by 250bps y-o-y. The fully-loaded Basel III CET 1 stood at 14.6%. Risk weighted assets reached €41.4 billion.
- **Performing loans** grew I-f-I by €1.7 billion³ y-o-y and **Customer deposits** increased by €5.8 billion in 2019, including €1.1 billion from the acquisition of Piraeus Bank Bulgaria. The **loans to deposits ratio** substantially improved to 83.2%, from 92.6% in 2018.

³ Adjusted in 2019 for €(1.1) billion securitized notes, €(0.6) billion from Piraeus Bank Bulgaria, €0.1 billion Grivalia loans repayment and €0.2 billion PF/PE from Pillar transaction.

STRATEGIC TRANSFORMATION PROGRAMME

The main actions of the Acceleration Plan to drastically reduce non-performing exposures (NPEs) were carried out in 2019. Once the Plan is completed, Eurobank will again focus on financing individuals and businesses, to reboot the Greek economy.

Specifically, the following have been completed, in accordance with the plan that was announced:

- The legal and financial merger with Grivalia Properties REIC and the assignment of the Bank's expanded Real Estate property management to Grivalia Management Company, a company created by former Grivalia executives with a long and successful career in strategic property portfolio management.
- The securitisation of €2 billion mortgages (Pillar portfolio) and €7.5 billion businesses' and individuals' (Cairo portfolio) NPEs and the assignment of their servicing to Eurobank Financial Planning Services SA (FPS), a wholly owned Eurobank subsidiary that has been licensed by the Bank of Greece for servicing NPEs.
- The strategic partnership with doValue SpA through a binding agreement comprising of:
 - selling 80% of FPS shares, including the transfer of the Bank's Troubled Assets Group to FPS, with Eurobank retaining the remaining 20%,
 - selling 20% of the mezzanine notes and 51% of the junior notes of the Cairo securitized portfolio. Eurobank will retain 100% of the senior notes and 5% of the mezzanine and junior notes,
 - awarding a ten-year contract to FPS for servicing c. €5.6 billion of remaining NPEs, c. €5.7 billion in retail banking loans in arrears and any future delinquencies, in addition to managing the Pillar and Cairo securitisations and the already assigned portfolios of third-party international investors. The total amount of debts under management comes to approximately €26 billion, for which FPS will also provide Real Estate management services.

The implementation of organisational and business changes in the context of the broader transformation of the Bank continued in 2019:

- Concluded a ten-year Service Level Agreement with Grivalia Management Company (ManCo) for the provision of strategic asset and Real Estate management services.
- Finalised the new organisational model for Real Estate management, so as to achieve comprehensive and efficient coordination between Eurobank, Cerved Property Services, which has undertaken the management of properties recovered from NPEs and auctions (REOs), and Grivalia ManCo, which has the overall responsibility over the property portfolio.
- Concluded the organisational restructuring of Lean Banking, by transferring know-how to the individual units and starting to implement comprehensive customer journeys, based on their business priority.
- Implemented projects for regulatory compliance, pricing of services and creation of new value-added services, following the implementation of the new EU Payment Services Directive II.

Continuation of the Strategic Transformation Programme

On 20 March 2020, the final phase of the Acceleration Plan commenced, with the splitting of the Bank into a holding company (Eurobank Ergasias Services and Holdings SA) listed on the ASE, and into a new, licensed credit institution ("Eurobank SA" or "Eurobank"), a wholly owned subsidiary of the holding company, through a hive-down of the banking activities sector and transfer of assets and liabilities to Eurobank. Furthermore, within 2020 the sale of FPS, together with the extension of the NPE servicing contract duration from 10 to 14 years and the Cairo securitisation bonds to doValue were completed. Finally, 75% of the Cairo mezzanine notes and 44% of the Cairo junior notes will be distributed to the existing Eurobank Ergasias shareholders, through their contribution to special purpose vehicles (SPVs) for which Eurobank Ergasias shareholders will receive shares. Thereafter, the securitised NPEs will be derecognised from the Bank's balance sheet, with a view to significantly reducing the NPE ratio to a single digit number within 2 years.

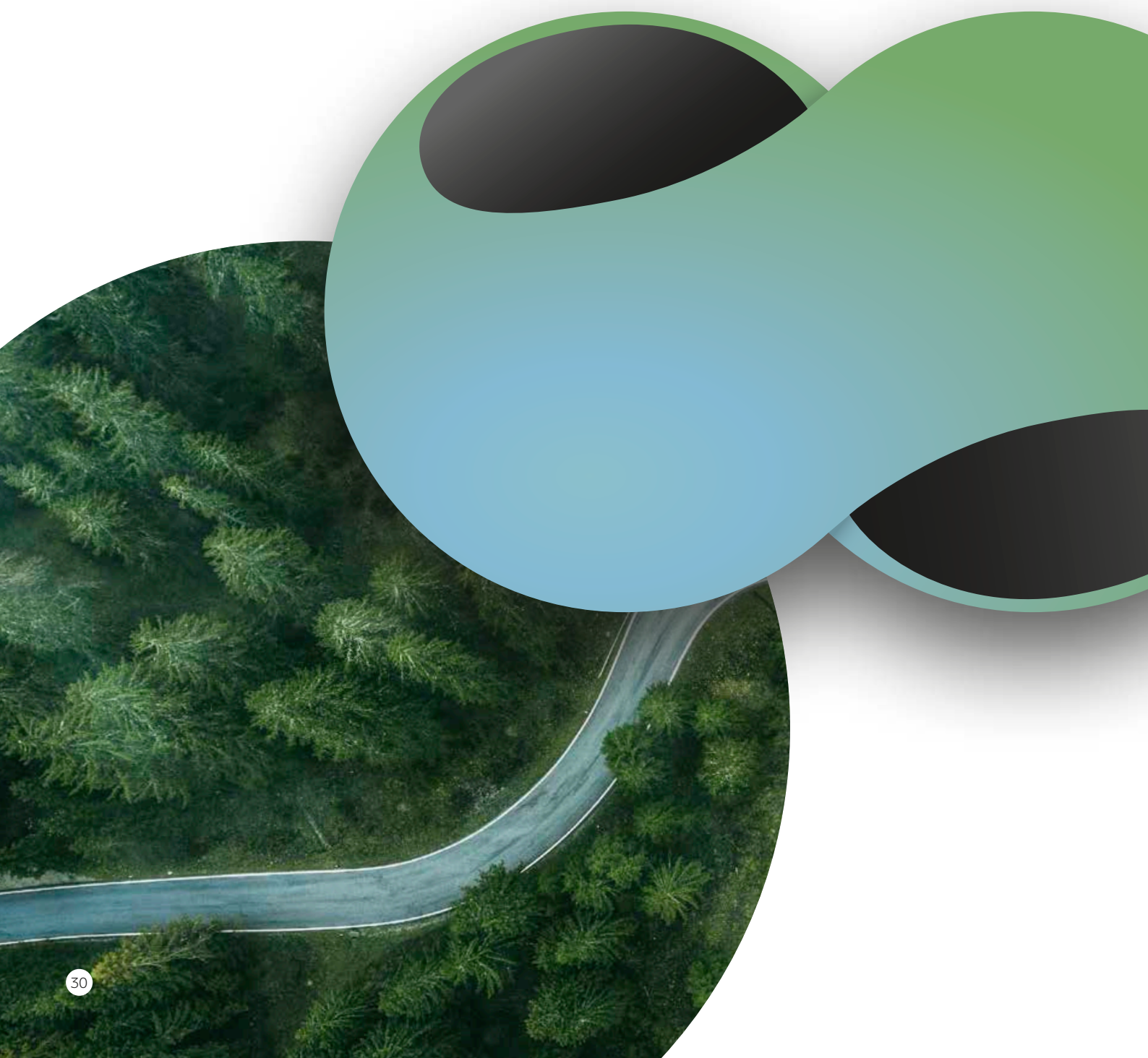
Focusing on the development of its core banking operations, Eurobank will implement a series of projects and changes that aim to:

- Update and digitise its operations.
- Improve customer service by redesigning the customer journeys.
- Effectively manage operating costs.



SUSTAINABLE DEVELOPMENT

Sustainable Development is a key condition for a society to be able to prosper. It requires developing productive economic structures alongside the infrastructure for a responsible attitude towards the natural environment. Aiming at sustainable development, Eurobank has made Corporate Responsibility one of the foundations of its strategic planning, which is inexorably linked to the UN Sustainable Development Goals (SDGs).



Corporate Responsibility Strategy

GRI 102-11

Responding to the needs of today's ever-changing environment, Eurobank, through its Corporate Responsibility Strategy, aims to actively contribute to improving the economic and social environment where it operates, adopting responsible practices that promote transparency and business ethics. When designing its services, the Bank takes into account internal and external issues, stakeholder demands, and identifies threats and opportunities that must be addressed or developed, so as to:

- Achieve the sought results,
- Eliminate or mitigate undesirable results / threats,
- Fortify desirable (positive) results / opportunities,
- Achieve continuous improvement.

In this context, it has established and applies various mechanisms to address undesirable results / threats and to fortify desirable results / opportunities, such as:

- Quality Management System,
- Environmental Management System,
- Business Risk Assessment and Control System,
- Environmental and Social Risk Management System,
- Business Continuity System,
- Complaint Management,
- Procurement Policy,
- Green Banking Products,
- Development of Online Banking Services.

Corporate Responsibility Strategy

Group Environmental & Sustainability Committee (GESC)

GRI 102-18

GRI 102-19

GRI 102-20

The main responsibilities of the Committee are to provide strategic guidance for sustainable development initiatives, monitor key sustainability indicators and ensure that the relevant management system policies (Quality, Environment and Energy) are implemented correctly. The Committee Chairperson is the Deputy Chief Executive Officer (Deputy CEO), Group Chief Operating Officer (COO) & International Activities, and its members are high-ranking executives.

Depending on the issues that may be raised, other Bank executives may be invited to attend the Committee meetings, upon agreement with the Committee Chairperson.

Group Environmental & Sustainability Committee (GESC)

Chairman
STAVROS E. IOANNOU Deputy Chief Executive Officer (Deputy CEO), Group Chief Operating Officer (COO) & International Activities
Members
THEODOROS A. KALANTONIS Deputy Chief Executive Officer (Deputy CEO), Troubled Assets Group
KONSTANTINOS V. VASSILIOU Deputy Chief Executive Officer (Deputy CEO), Group Corporate & Investment Banking
CHRISTOS N. ADAM General Manager Group Risk Management, Group Chief Risk Officer (Group CRO)
GEORGIOS T. ORFANIDIS General Manager Legal Services
IAKOVOS D. GIANNAKLIS General Manager Retail Banking
APOSTOLOS P. KAZAKOS General Manager, Group Strategy
PHILIPPOS S. KARAMANOLIS General Manager, Head of Operations
MICHALIS G. VLASTARAKIS General Manager Group Marketing & Corporate Communications
ANASTASSIA M. PASCHALI Deputy General Manager, Head of Group Human Resources General Division
IOANNA I. KOUFOGIANNI Manager, Technical Project, Group Sustainability/Environmental & Social Affairs Division and Head of Real Estate Hub

Corporate Responsibility Principles

GRI 102-16

Transparency, credibility and accountability are fundamental Corporate Governance principles within Eurobank's modern corporate and social environment. The Corporate Governance Code and best international practices applied safeguard the interests of all stakeholders.

Eurobank's employees are considered its key priority and competitive advantage. The systematic development and effective management of its employees are decisive factors for the Bank's efficient operation, development and successful performance. Building trustful relationships with its Customers and constantly improving the quality of the services offered are key priorities for Eurobank.

The Bank offers its customers suitable and accurate information to ensure that the products and services are easy to use, reliable and tailored to each Customer's profile. Special care is taken to ensure the quality of procurements, while also forging efficient and transparent partnerships with Suppliers. Eurobank consistently and continuously invests in strategic initiatives to reinforce the outward-looking potential of Greek companies with a view to promoting healthy entrepreneurship and improving the quality of key business sectors.

The Bank offers quality services to meet the needs of all its individual and business clients, as this is considered to be a key element for supporting the Greek economy. Eurobank is an innovator when it comes to supporting Youth Entrepreneurship initiatives by helping create sustainable employment prospects for the country's workforce, so as to prevent the brain drain phenomenon of capable and talented young people migrating abroad for work.

Acknowledging the important role of Education, Eurobank systematically supports initiatives that promote excellence and highlight the importance of perennial values such as, learning, fair play and striving to achieve ambitious goals. Eurobank has launched several initiatives to support the vulnerable social groups that have been affected by the economic crisis, especially children.

Forward looking, Eurobank supports significant cultural events and consistently contributes to promoting sports in Greece. Acknowledging the environmental impact of its activities, Eurobank sets specific targets to improve the use of natural resources, minimise waste production, limit climate change and protect the Environment.

Stakeholder Dialogue

GRI 102-21

GRI 102-40

GRI 102-42

GRI 102-43

GRI 102-44

An integral part of Eurobank's approach to Corporate Responsibility is to foster strong relationships of trust, cooperation and mutual benefit with all stakeholders affected by its activities directly or indirectly. In this context, Eurobank promotes two-way communication and develops an ongoing dialogue with stakeholders, so as to be able to actively meet the expectations, concerns and issues raised by all its stakeholders: Shareholders, Employees, Customers, Investment Analysts and Investors, Government and Regulatory Authorities, Business Community Organisations, Young Entrepreneurs, Suppliers, Associations and Non-Governmental Organisations, Local Communities and the Media.

Stakeholders	Cooperation Framework & Expectations	Means of Communication & Response
Investors & Investment Analysts (internally & externally)	Timely reporting of accurate and complete information on the Group's performance and strategy	<ul style="list-style-type: none"> o Annual General Meetings and extraordinary General Meetings of Shareholders o Investors Relations Division o Investors Information Service Division o Annual Financial Report o Annual Report 2019 Business & Sustainability o Disclosure of financial results on the www.eurobankholdings.gr and through Press Releases and Regulatory Announcements o Disclosure of information on the www.eurobankholdings.gr under Investor Relations in the sections: Eurobank Holdings Share, Shareholder Information, Shareholder and Investors Services, Presentations, Prospectuses, Debt Investors Press Releases, Eurobank Regulatory Announcements, Eurobank Holdings Regulatory Announcements
Employees (internally)	Communication aiming at continuous and timely information on issues concerning the Bank and the development and progress of skills. Transparent internal recruitment announcements	<ul style="list-style-type: none"> o Staff-Management communication via regular meetings, breakfast with the Management, visits to other Group facilities and social events o Communication through the HR4U contact centre o Daily communication through Connected, the Bank's internal portal "Connected" o Special staff employee evaluation procedure through the "Axiopio" system o Comprehensive training programme on banking and other subjects of general interest o Employee participation in volunteer actions by the Bank
Business Community (externally)	Mutual cooperation and open communication driven by ensuring the interests of the business community	<ul style="list-style-type: none"> o Systematic dialogue with professional associations, chambers of commerce and chambers of industry o Strategic collaborations with major organisations [the Hellenic Federation of Enterprises (SEV), the Greek Tourism Confederation (SETE), the Panhellenic Exporters Association (PSE), the Greek International Business Association (SEVE) and Crete Exporters Association (EAC)] to support entrepreneurship, innovation and the extroversion of Greek enterprises o Hosting of special events (Go International Business Delegation, exportgate.gr promotion) with a view to helping Greek firms contact foreign exporters and business deals o Establishment of "Growth Awards" in partnership with Grant Thornton
Government & Regulatory Authorities (externally)	Communication aiming at full compliance and harmonisation with the supervisory and regulatory framework	<ul style="list-style-type: none"> o Meetings, cooperation and consultations with institutional representatives of the State, the Bank of Greece, the supervisory authorities, consumer associations and the Hellenic Ombudsman for Banking-Investment Services o Interbank committee of the Hellenic Bank Association o Provision of data and information, report compilation, meetings, participation in consultations wherever necessary
Media (externally)	Cooperation with the Media to ensure optimum and effective promotion of the Bank and its products and services	<ul style="list-style-type: none"> o Press Releases whenever necessary o Interviews o Advertising o Social media

Stakeholders	Cooperation Framework & Expectations	Means of Communication & Response
Non-Governmental Organisations & Associations (externally)	Regular communication and support for actions with a social impact	<ul style="list-style-type: none"> o Meetings with NGOs o Reply in writing to all incoming requests o Processing requests with transparency and consistency o Participation in volunteer actions and support for organisations and associations in the form of sponsorships and donations
Start Up Entrepreneurs (externally)	Showcasing and promoting new businesses based on specified criteria and transparent procedures	<ul style="list-style-type: none"> o Implementation of the egg – enter•grow•go programme in partnership with Corallia (extroversion initiatives for young entrepreneurs, competitions based on transparent procedures and financing options for startups)
Customers (externally)	Responsible information, customer service and provision of products and services with a sense of respect and transparency	<ul style="list-style-type: none"> o 24/7 customer call centre via EuroPhone Banking o Expert advisors in branches (Personal Banking, Business Banking) o Group Client Relations Division, Customer Excellence o Briefings with customer groups o Customer satisfaction surveys o Communication through the corporate website and social media channels o Information about current financial developments on the Bank's website o Newsletters o Retail banking branch network, specialised corporate service centres, private banking network and award-winning electronic channels (ATM, e-Banking, m-Banking) o Ease of access via collaboration with Hellenic Post (ELTA) o Organisation of specialised conferences o Participation in the Hellenic Federation of Enterprises (SEV) "Consumer Issues" working group
Suppliers (externally)	Cooperation based on transparent procedures, specified criteria to achieve mutually beneficial outcomes	<ul style="list-style-type: none"> o Electronic tendering system o Supplier evaluation procedure o Meetings (whenever necessary) o Regular communication over the phone and online o Consistent payments o Informing suppliers about the Bank's Procurement Policy
Local Communities (externally)	Active presence with a view to highlighting local diversity	<ul style="list-style-type: none"> o Communicating with local community representatives through the Bank's local representatives o Annual business delegations at local level o Supporting local organisations and institutions through targeted actions, sponsorships, jointly organised events, etc.

Methodology

GRI 102-46

GRI 102-49

GRI 102-53

GRI 102-54

GRI 102-56

Eurobank issues its Annual Report 2019 Business & Sustainability with a view to fully informing its stakeholders about its performance in the sustainable development pillars (economy, society, environment). The present publication is in line with the Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI) international framework and the second one to be aligned with the GRI Standards ("prepared in accordance with the GRI Standards: Core option"). This publication complies with the principles for defining report content (stakeholder inclusiveness, sustainability context, materiality, completeness) and principles for defining report quality (balance, comparability, accuracy, timeliness, clarity, reliability).

This methodology aims to provide comprehensive and transparent information to stakeholders, relates to the Bank's response to their expectations and interests, and invests in continuously promoting open dialogue with them.

The procedure followed is based on the Materiality Analysis, which identifies important issues that concern the stakeholders. The results are analysed and evaluated by top executives of the Bank at the Bank's Communication Committee.

At the same time, GRI's Financial Services Sector Supplement was also used, while account has also been taken of the 10 Principles of the United Nations Global Compact, the seven fundamental Corporate Responsibility Principles of the ISO 26000:2010 International Standard, and the AccountAbility AA1000 2008 Principles. Details on the Report's compliance with the guidelines of the GRI Standards and the ISO 26000 Standard are presented in the Annexes entitled "GRI Standards Content Index" and "ISO 26000:2010 Table".

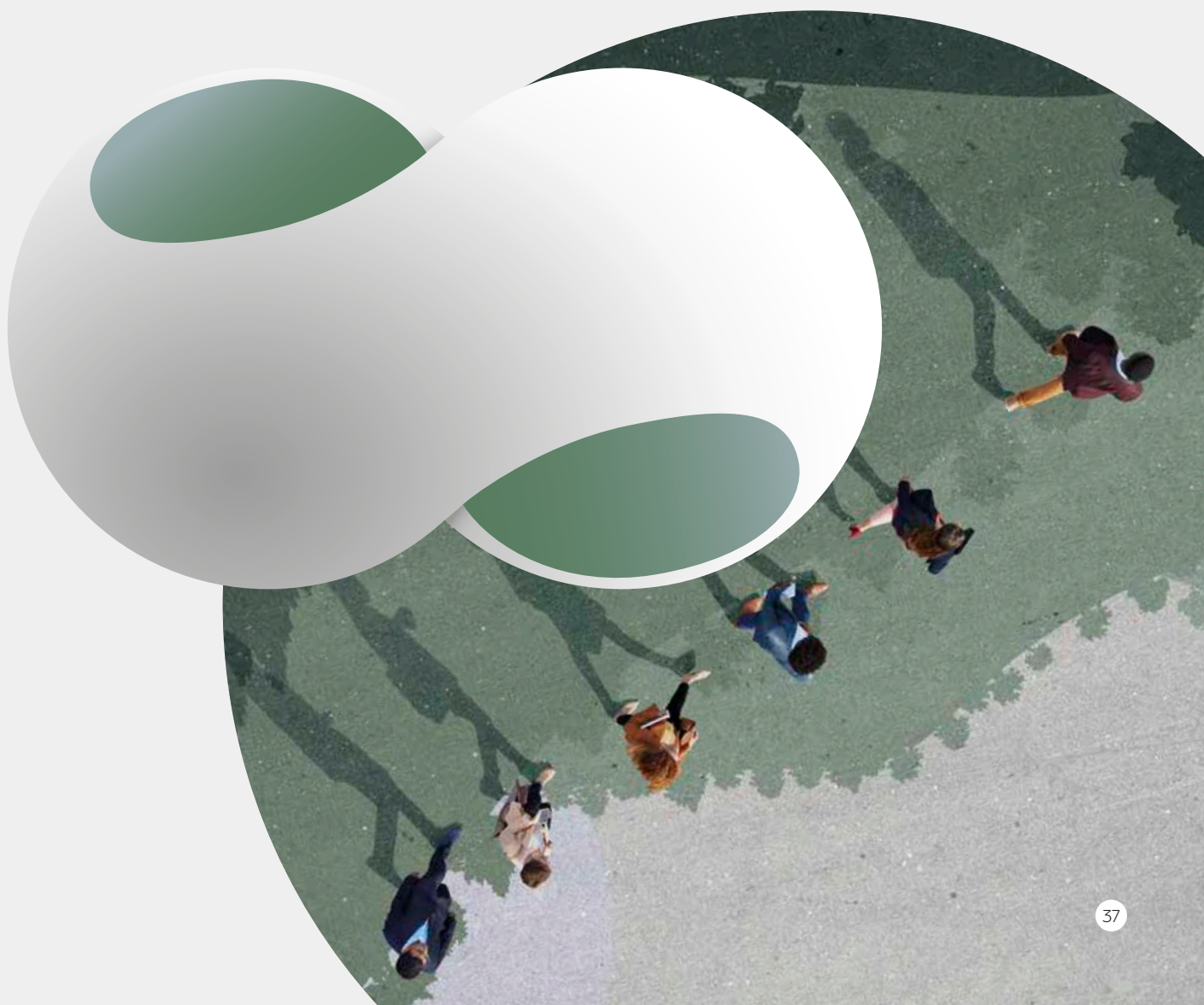
The Report's contents were determined based on the expectations and concerns of key stakeholders, as well as on the basis of the activities of the Bank and of the banking sector in general. The scope for the Annual Report 2019 Business & Sustainability relates to the Bank's operations in Greece, as well as the Group's operations where specified, during the period from 01.01.2019 to 31.01.2019.

A dedicated project team was set up, composed of representatives from selected Units of the Bank, to prepare the Annual Report 2019 Business & Sustainability. The team's main task was to collect the necessary information and data concerning the various Corporate Responsibility pillars (customer and supplier relations, economy, society, human resources and environment).

The findings of the Materiality Analysis conducted by the Bank in 2019 (with 2018 as the reference year) were used to identify and prioritise the most significant issues for the Bank's sustainable development, after communication with all stakeholder groups.

Acknowledging the significance of external assurance for the Report, and aiming to achieve transparency and strengthen the credibility of the data and information presented, Eurobank assigned the external assurance of the Report's content to PricewaterhouseCoopers S.A. independent auditors. The limited assurance report of the information contained in Eurobank's Annual Report 2019 Business & Sustainability is on page 193.

Eurobank welcomes any comments and remarks which could contribute to its effort for continuous improvement. Comments and remarks regarding the Corporate Responsibility Report can be submitted by telephone (+30 211 18 68 229), via email to corporatecommunication@eurobank.gr or by post to Eurobank SA, Corporate Communication Division, 40-44 Praxitelous Street, 10561 Athens, Greece.



Materiality Analysis

GRI 102-21

GRI 102-44

GRI 102-46

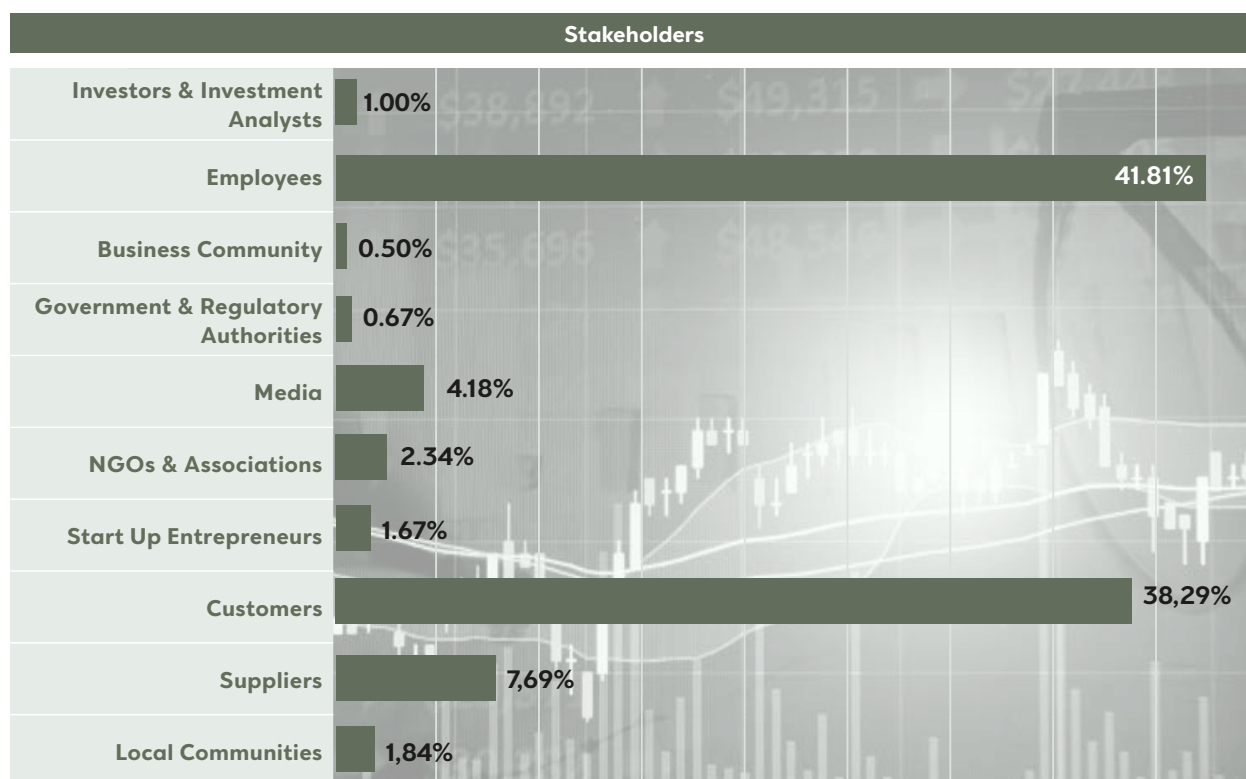
GRI 102-47

GRI 102-49

Eurobank has adopted and follows the Guidelines of the Global Reporting Initiative (GRI) international organisation on the publication of Corporate Responsibility Reports. In this context, and with a view to responding to the expectations, concerns and requirements of its stakeholders, the Bank conducted the Materiality Analysis exercise, through which the major issues relating to its sustainable development were identified. A special project team involving representatives from all relevant Bank Divisions was set up to conduct the Materiality Analysis. The team followed the GRI Materiality Analysis methodology by identifying, prioritising and validating the material topics. Eurobank's Materiality Analysis was conducted in early 2019.

In the first stage of the methodology, the project team identified a range of material topics that affect sustainable development and are significant for Eurobank's stakeholders. Issues concerning the banking sector and the Greek economy as well as entrepreneurship growth prospects were taken into account when listing the material issues. The final list of 22 issues arose following internal consultation among the project team and representatives from the Units that interact regularly with the stakeholders and the Bank's Management. During the topic prioritisation stage, a questionnaire-based survey was conducted with the 22 material issues for the economy, society, the environment and human resources. The materiality questionnaire was sent to stakeholder groups and the participants were asked to rate each issue based on a standard scale (from 1=not at all to 10=highly important). A total of 598 completed questionnaires from all of the Bank's stakeholder groups were collected following an online and phone survey.

The participation rate per stakeholder group is depicted in the following diagram:



At the same time, the Bank's Management was also asked to prioritise the issues. The survey results helped in carrying out a documented analysis of the Bank's material issues, but also in thoroughly understanding the expectations of the participating groups. The project team then reviewed the survey results and identified the most material issues, which are presented in the relevant Materiality Matrix.

Issues under Review	
1	Financial growth & performance
2	Improvement of product and services
3	Responsible provision of information & customer service
4	Stakeholder personal data protection
5	Development & design of products and services that demonstrate Eurobank Group's shift towards the Principles for Responsible Investing / ESG
6	Environmental & social evaluation of business loans
7	Corporate governance
8	Responsible supply chain
9	Supporting & financing the Greek Economy
10	Supporting Start Up entrepreneurship & innovation
11	Education & excellence
12	Savings
13	Addressing the impact of the economic crisis on vulnerable groups of the population
14	Support for culture and sports
15	Deployment of human resources
16	Attracting talented individuals with deep knowledge
17	Human resources education & learning
18	Ensuring balance between the employees' professional and personal life
19	Volunteering
20	Financing that enhances the green economy & contributes to the sustainable development of companies
21	Environmental awareness
22	Reduction of the impact on the environment & climate change mitigation through Eurobank's operation

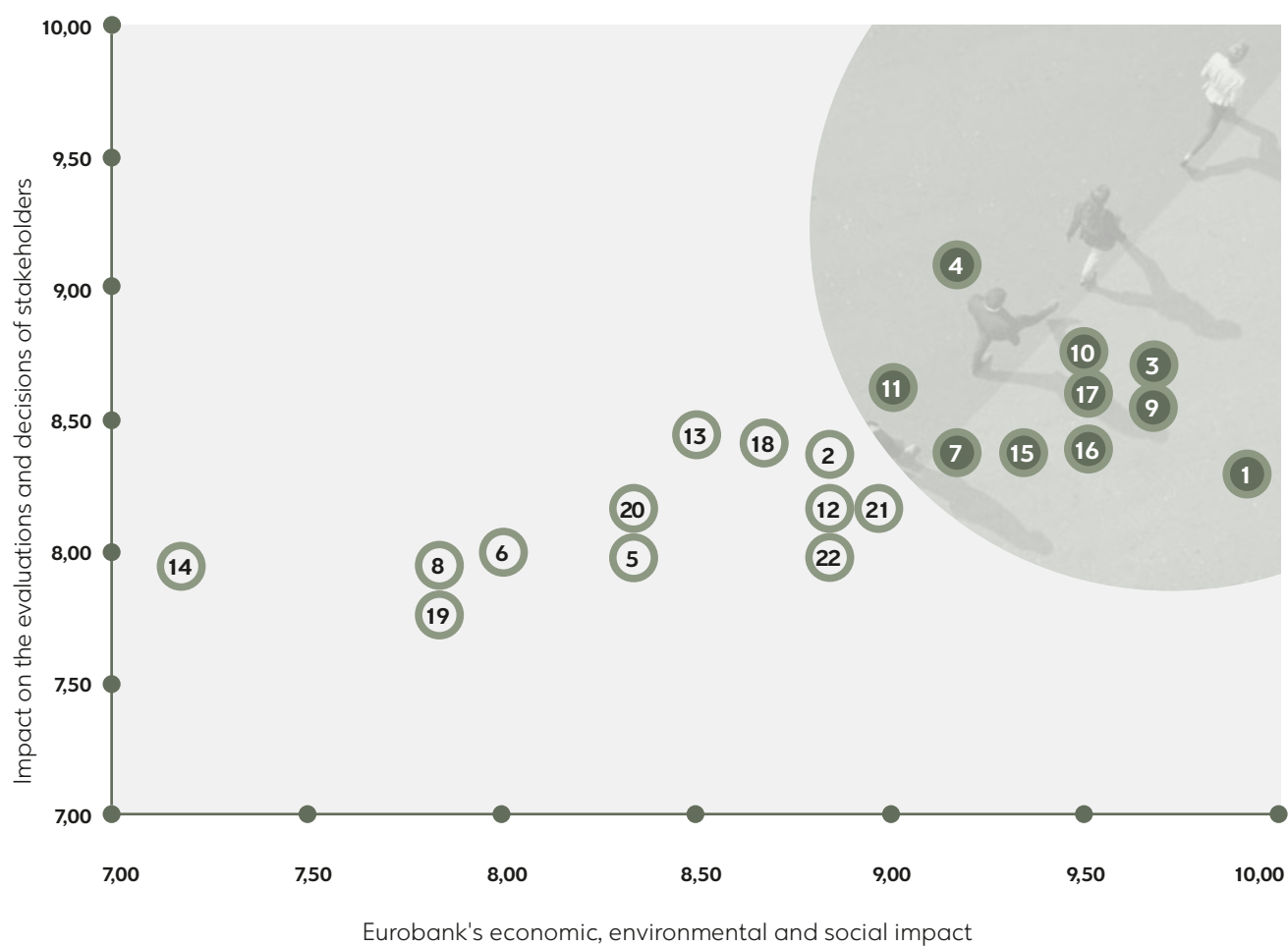
The 10 material issues that emerged from the Materiality Analysis exercise are in green.

In the Materiality Matrix, the vertical axis depicts how the stakeholders perceive the materiality of each issue and the horizontal axis depicts the view of Eurobank Management on these issues. Through this process, and once the project team and the Bank's Management validated the issues, 10 issues emerged as the most material and these constitute the main growth pillars of this Report's content.

The boundaries of these issues were then determined and aligned with the UN Sustainable Development Goals (SDGs).










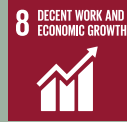

Materiality Matrix



GRI 103-1

Identified Material Issues & Boundaries

	Identified Material Topics	Boundaries	Alignment with Sustainable Development Goals (SDGs)	GRI Indicator
3	Responsible provision of information & customer service	Eurobank Employees Investment & Investor Analysts Customers Business Community Government & Regulatory Authorities	 	GRI 417-1 GRI 417-2 GRI 417-3 p 121
9	Supporting and financing the Greek Economy	Eurobank Employees Suppliers Young Entrepreneurs Local Communities Media Business Community Government & Regulatory Authorities NGOs & Associations	     	GRI 203-1 GRI 203-2 GRI 204-1 FS7 FS8 p 111
1	Financial growth / performance	Eurobank Employees Investment & Investor Analysts Customers Suppliers Business Organisations Government & Regulatory Authorities	   	GRI 201-1 p 20
4	Stakeholder personal data protection	Eurobank Employees Investment & Investor Analysts Customers Suppliers Young Entrepreneurs Government & Regulatory Authorities Media Business Community Local Communities NGOs & Associations		www.eurobank.gr/ el/gdpr-prosopika-dedomena p 123
10	Supporting Start Up entrepreneurship & innovation	Eurobank Young Entrepreneurs Business Community Local Communities	  	GRI 203-1 GRI 203-2 p 109

	Identified Material Topics	Boundaries	Alignment with Sustainable Development Goals (SDGs)	GRI Indicator
17	Human resources education & learning	Eurobank Employees Investment & Investor Analysts Customers Suppliers Young Entrepreneurs	  	GRI 404-1 GRI 404-2 GRI 404-3 p 158
16	Attracting talented individuals with deep knowledge	Eurobank Employees Investment & Investor Analysts Customers Suppliers Young Entrepreneurs Local Communities		GRI 401-1 GRI 401-2 GRI 404-1 GRI 404-2 GRI 404-3 p 153
15	Deployment of human resources	Eurobank Employees Investment & Investor Analysts Customers	 	GRI 401-1 GRI 401-2 GRI 404-1 GRI 404-2 GRI 404-3 p 149
11	Education & Excellence	Eurobank Employees Analysts & Investors Customers Local Communities NGOs & Associations	 	GRI 203-2 p 139
7	Corporate Governance	Eurobank Employees Investment & Investor Analysts Government & Regulatory Authorities Customers Suppliers Media NGOs & Associations		General Disclosures GRI 102-18 GRI 102-19 GRI 102-20 GRI 102-21 GRI 102-23 GRI 102-33 p 52

GRI 102-44

Corporate Responsibility Goals

Identified Material Issues	2019		2020
	Goals	Performance	Goals
3 Responsible provision of information and customer service	Design and implementation of an automated process, which will propose solutions and improvements to customer service.	<ul style="list-style-type: none"> The customer satisfaction survey process has already been automated and the Net Promoter Score (NPS) is measured for each service channel at regular intervals, while measures are being taken to improve customer service indicators. At Branch Network level, customer satisfaction surveys are conducted daily and over 25,000 customer ratings were collected in 2019. Also, for very important customers with less positive feedback in their evaluations, the Regional Network Directors are contacted 	Net Promoter Score (NPS) increase in all service channels from all client categories.
9 Supporting & financing the Greek Economy	Targeted initiatives in the significant entrepreneurship pillars that support and develop the Greek Economy.	<ul style="list-style-type: none"> Launch of Trade Club Alliance, the first global digital business interconnection network supported by 14 international banking groups in over 50 countries, where Eurobank participates as a founding member. The Bank successfully organised the Trade Corridor business delegation in Poland, where a total of 50 Greek and Polish companies came together, even entering into business partnerships. The award ceremony for the 3rd Growth Awards was held by Eurobank in partnership with Grant Thornton, where a total of 7 prominent Greek companies were awarded. Eurobank created the Digital Academy for Business, a new digital channel filled with information, practices and experiences for professionals and entrepreneurs, in order to help boost the competitiveness of businesses in the digital transformation era. In 2019, 6 workshops on Digital Marketing were held in partnership with Google, with 80 clients participating with an average satisfaction rate of 86.59%. 	Targeted initiatives in important entrepreneurship pillars, aiming to support the Greek economy and help it grow.
1 Financial growth & performance	<ul style="list-style-type: none"> Adjustment of the organisational model to the changes that will arise from the implementation of Eurobank's Acceleration Plan. Finalisation of the organisational model for property management. Completion of the organisational design of Lean Banking and Centres of Excellence. 	The changes to the organisational model for 2019 have been implemented.	Creation and promotion of initiatives contributing to economic development. Furthermore, the organisational model will be adapted to the changes likely to result from changes in the organisational model of the Bank.
10 Supporting Start Up entrepreneurship & innovation	To attract 25 start ups for the incubation platform and 15 start ups for the acceleration platform of egg – enter•grow•go.	The launch of the 7 th cycle of the Programme (April 2019) was announced, focusing on the development of innovative enterprises, through the provision of financial tools to enhance their competitiveness. 26 companies joined the Start-Up platform, while the new Scale-Up platform was launched with the integration of 8 fast-growing companies.	<ul style="list-style-type: none"> 25 start ups for the incubation platform and 15 start ups for the acceleration platform of egg – enter•grow•go.
17 Human resources education & learning	Through its investment in the new human resources management cloud-based platform, SAP Success Factors, Eurobank aims to offer further training to its human resources by developing and making optimum use of the employees' skills. The aim of the new platform is for employees to have an active role in education and develop further as individuals and as teams, while upgrading their experience and digital profile. Moreover, the very high educational level will be maintained, focusing on the most modern educational needs based on international standards.	<ul style="list-style-type: none"> The size of the investment in education for 2019 can be summed up in the following indicators: <ul style="list-style-type: none"> 5 training days on average per employee Group-wide 54,950 total participations in training programmes for the Group 405,768 training man-hours Group-wide 241,082 training man-hours in Greece 91.4% of Group employees participated in training actions 31.7% of total Group training actions were online 39.6% of total training actions in Greece were online In 2019, the transition of educational management to the new SAP SuccessFactors suite for all Group employees in Greece and Cyprus was completed, with upgraded self-service capabilities for employees and team management capabilities for managers. 	<ul style="list-style-type: none"> Systematic development of technical skills (job-related skills), focusing on the certification of knowledge based on work subject and role, as an important asset and comparative competitive advantage. Engagement of the administrative skills of Company Managers. Provision of online training on anti-money laundering (AML). Digitisation of educational material using modern authoring tools, for direct and continuous accessibility (24/7) by all employees.

	Identified Material Issues	2019		2020
		Goals	Performance	Goals
16	Attracting talented individuals with deep knowledge	<p>The aim for 2019 is to maintain the very high level of employees. In this light, hires will continue to reflect the need to work with capable and talented executives with a strong academic background. We will continue to support the new generation with the possibility of kicking off their career with us.</p>	<ul style="list-style-type: none"> Design of a new integrated employee onboarding experience programme. The BeAPro programme was completed as Best Practice Graduate Talent Programme. In 2019, 2 cycles for young professionals and university graduates from the Banking and Compliance sectors were completed successfully. Participation in major Career Forums/Events, educational and informational visits by students and graduates, implementation of Internship programme. 	<ul style="list-style-type: none"> Implementation of the new employee onboarding experience programme. Design of digital experience for attracting and selecting candidates for external audiences and employees. Continuation of the internship programmes and participation in career support actions for young individuals. Continuation and strengthening of the teleworking concept.
15	Deployment of human resources	<p>Eurobank's aim for 2019 is to focus on developing and deploying the human resources offering employees all the skills and opportunities needed to develop and maximise their potential. The innovative SAP Success Factors system with a roll-out in 2019 will contribute to showcasing the profile and the professional footprint of employees, fostering their best and most targeted deployment.</p>	<ul style="list-style-type: none"> Emphasis was placed on making the most of existing employees, offering them career prospects and incentives. In 2019, 70% of job vacancies in Greece were filled internally. At a Group level, including Greek and international subsidiaries, the respective rate stood at 59%. The LEAD.exe executive development programme ran for a third year. The new innovative Retail Leadership Experience executive development programme was launched, which aims to strengthen the succession plan of executives who will head the Retail Banking sector in the future. The methodology and Talent Management model design was completed. The model of career families and operational roles was redesigned, aiming to create potential career paths, in line with the needs and strategy of the Organisation. The Mentoring and Reverse Mentoring programmes were implemented. 	<ul style="list-style-type: none"> The Axiopoi development programme was redesigned and implemented on the SAP SuccessFactors suite. The Bank's Talent Management programmes were implemented.
11	Education & Excellence	<p>"The Great Moment for Education" programme will continue.</p>	<p>The Great Moment for Education Programme continued for a 17th year. A total of 861 honours students from senior high schools across Greece were awarded for the 2018-2019 school year through the Programme.</p>	<p>The Great Moment for Education will continue for an 18th year and will be linked to other initiatives aimed at promoting Education and supporting school students.</p>
7	Corporate Governance	<p>The corporate governance rules applied at Group level will be further enhanced, in line with the best international practices.</p>	<ul style="list-style-type: none"> Continuous review of legislative regulatory developments in Greece and Europe, ensuring their timely implementation by properly adjusting the corporate governance internal processes. Systematic monitoring and implementation of best international practices in corporate governance, taking into account the ever-changing and dynamic operational environment with regard to the way the Bank's Board of Directors operates and is evaluated, and ensuring the effective performance of their duties, as reflected in the annual evaluation of its structure size, composition and performance. Systematic evaluation of new Board members for Group subsidiaries, in line with the Bank's corporate governance standards. 	<p>The corporate governance rules applied at Group level to be further enhanced and adapted to the best international practices.</p>
	Improving products & services	<ul style="list-style-type: none"> Rationalising the product list and streamlining procedures. Digitising and streamlining operations. 	<ul style="list-style-type: none"> The product list was rationalised and the deposit products dropped from 47 to 5 final products. Over 20 processes were streamlined and simplified. 	<ul style="list-style-type: none"> Further rationalising the product list and streamlining procedures. Digitising and streamlining operations.

Corporate Responsibility Goals

As part of the effort to constantly improve its environmental performance, the Bank had set environmental goals for 2019 and has set the following environmental goals for 2020:

Purpose	Environmental Programme	Goal 2019	Performance 2019	Goal 2020
Conservation of Natural Resources	Energy Management System (ISO 50001)	To reduce the electricity consumption	The goal was met	To reduce the electricity consumption
	Paper Savings Programme	To maintain a low level of paper supply	The goal was met	To maintain a low level of paper supply
Reduction, Recycling and Efficient Solid Waste Management	Printing Management System	To recycle 100% of the empty toner cartridges	The goal was met	To recycle 100% of the empty toner cartridges
	Lamp / Battery Recycling Programme	To recycle 100% of the lamps / batteries	The goal was met	To recycle 100% of the lamps / batteries
	Electrical and Electronic Equipment Management Programme	To recycle 100% of the electrical and electronic equipment waste	The goal was met	To recycle 100% of the electrical and electronic equipment waste
Reduction of Greenhouse Gas Emissions	Energy Management System (ISO 50001)	To reduce the greenhouse gas emissions relative to the base year (2014)	The goal was met	To reduce the greenhouse gas emissions relative to the base year (2014)

Memberships in Associations & Organisations

Principles of Responsible Banking

GRI 102-12

GRI 102-13



Eurobank affirmed its commitment to play an active role in the implementation of the United Nations Global Sustainable Development Goals (SDGs) and the Paris Agreement on Climate Change, signing the Responsible Banking Principles that set the framework for the future development of a sustainable banking system with a strong positive mark on society and the environment. The Principles for Responsible Banking are supported by 130 banks around the world, collectively holding USD 47 trillion in assets, and were shaped by the global banking industry through the UNEP FI (United Nations Environment Programme Finance Initiative). The Principles were officially launched on September 22, 2019, one day ahead of the UN Climate Action Summit in New York marking the beginning of the most significant partnership to date between the global banking industry and the UN. The Principles for Responsible Banking provide an effective framework to identify the role and responsibilities of the global banking sector in the context of the common effort towards creating a sustainable future. The six (6) Principles are the following:

1. Alignment

We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

2. Impact & Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and the environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

3. Clients & Customers

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

4. Stakeholders

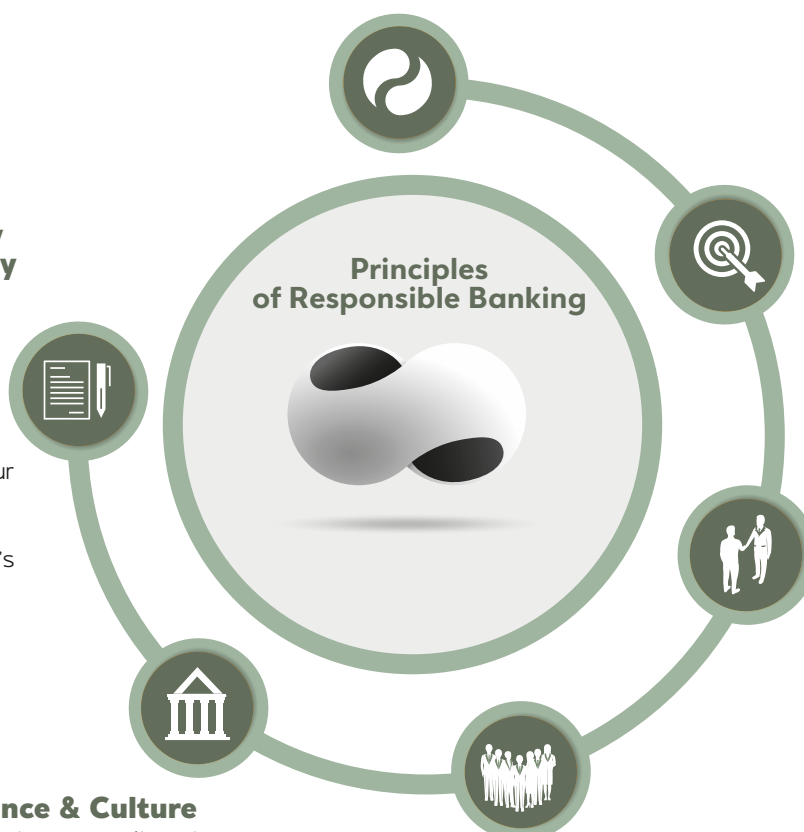
We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

6. Transparency & Accountability

We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

5. Governance & Culture

We will implement our commitment to these Principles through effective governance and a culture of responsible banking.



Memberships in Associations & Organisations

Principles for Responsible Investing – PRI

Subsidiary Eurobank Asset Management MFMC is the first asset management company in Greece to sign the PRI (Principles for Responsible Investment) Initiative in 2018, as part of the broader policy of the Eurobank Group to support sustainability and responsible entrepreneurship. The PRI numbers over 2,300 signatories, representing USD 82 trillion assets under management, which integrate environmental, social and governance (ESG) factors into their investment decisions as part of their strategy. This initiative commenced in 2006, endorsed by the United Nations (UN) and the United Nations Environment Programme Finance Initiative (UNEP FI), and supports the 17 Sustainable Development Goals adopted by the UN in 2015.

UN Global Compact

Eurobank signed the UN Global Compact in 2008, actively supporting and promoting its 10 principles. Each year, the Bank publishes a report with the activities that reflect its commitments to these principles. The UN Global Compact is an international voluntary initiative designed to promote sustainability and responsible business. It provides a framework of 10 internationally accepted principles in the areas of human rights, labour rights, protection of the environment and anti-corruption, on the basis of which the companies that participate in it commit themselves to align their strategy and operations.

UN Global Compact Principles		Reference to the Group Report
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights.	<ul style="list-style-type: none"> • Annual Report 2019 Business & Sustainability – Customer Experience/Customer & Supplier Relations – People • Annual Financial Report 2019
Principle 2	Businesses should make sure that they are not complicit in human rights abuses.	<ul style="list-style-type: none"> • Annual Report 2019 Business & Sustainability – Customer Experience/Customer & Supplier Relations – People • Annual Financial Report 2019
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	<ul style="list-style-type: none"> • Annual Report 2019 Business & Sustainability – People • Annual Financial Report 2019
Principle 4	Businesses should uphold the elimination of all forms of forced and compulsory labour.	<ul style="list-style-type: none"> • Annual Report 2019 Business & Sustainability – People • Annual Financial Report 2019
Principle 5	Businesses should uphold the effective abolition of child labour	<ul style="list-style-type: none"> • Annual Report 2019 Business & Sustainability – People • Annual Financial Report 2019
Principle 6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	<ul style="list-style-type: none"> • Annual Report 2019 Business & Sustainability – People • Annual Financial Report 2019
Principle 7	Businesses should support a precautionary approach to environmental challenges.	<ul style="list-style-type: none"> • Annual Report 2019 Business & Sustainability – Sustainable Development – People • Annual Financial Report 2019
Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility.	<ul style="list-style-type: none"> • Annual Report 2019 Business & Sustainability – The Environment • Annual Financial Report 2019
Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	<ul style="list-style-type: none"> • Annual Report 2019 Business & Sustainability – The Environment • Annual Financial Report 2019
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	<ul style="list-style-type: none"> • Annual Report 2019 Business & Sustainability – Sustainable Development – People • Annual Financial Report 2019

United Nations Environment Programme Finance Initiative (UNEP FI)	<p>Since 2005, Eurobank has been a member of the United Nations Environment Programme Finance Initiative (UNEP FI) on the promotion of Sustainable Development. From 2010 to 2014, Eurobank was a member of the Banking Commission and the Global Steering Committee. During the same period, the Bank also assumed the Presidency of the European Task Force, coordinating the campaign for the promotion of Sustainable Banking in the European Union, and was instrumental in the publication of a Sustainable Banking Guide, the first of its kind worldwide.</p>
Sustainable Greece 2020	<p>Eurobank has been an ambassador for the Sustainable Greece 2020 Initiative since 2014. This Initiative is realised by the QualityNet Foundation, in cooperation with Greece's most important business associations, and aims to raise awareness of Sustainable Development and Responsible Entrepreneurship through systematic dialogue and the creation of methodologies and tools, such as the Sustainability Observatory, which relate to the three pillars of Sustainable Development: economy, the environment and society.</p>
CSR Hellas	<p>Eurobank has been a member of the Hellenic Network for Corporate Social Responsibility (CSR Hellas) since 2003. The aim of CSR Hellas is to promote and highlight the Corporate Responsibility of Greek enterprises and organisations through a series of initiatives, best practices and actions that help enhance social cohesion and Sustainable Development.</p>
Global Sustain	<p>Eurobank is a member of Global Sustain, which promotes corporate responsibility, green economy, sustainability, business ethics and excellence, responsible investments, transparency, human rights and accountability through the provision of innovative services. Global Sustain's mission is to create awareness, inspire and support companies and organisations in sustainability, through advisory, communications, networking and training, guided by the people-planet-profit concept.</p>
Sustainable Development Committee of the Hellenic Bank Association (HBA)	<p>Eurobank played a leading part in the establishment of the Sustainable Development Committee of the Hellenic Bank Association and continues to coordinate its work even today. The Committee monitors developments in the international and national regulatory/legislative framework and handles issues relating to environmental protection, sustainable development and corporate social responsibility. In this context, the Committee cooperates with three major organisations (Hellenic Network for Corporate Social Responsibility, Network of Responsible Organisations and Active Citizens) to identify best practices in this area.</p>
Energy Efficiency Financial Institution Group (EEFIG) – European Commission	<p>The Bank is a member of the permanent European Commission expert panel on Energy Efficiency Financing (EEF). The EEFIG was established in 2013 by the European Commission Directorate-General for Energy (DG Energy) and the United Nations Environment Programme Finance Initiative (UNEP FI). The principal aim of the EEFIG is to initiate dialogue with all involved entities, so as to further promote the long-term financing of energy saving projects.</p>

Awards 2019

BANKING SERVICES		
Best Bank in Greece	Greece	Euromoney Magazine
Best Bank	Greece	Global Finance Magazine
Best Retail Bank	Greece	World Finance Magazine
Most Innovative Savings Bank	Greece	World Finance Magazine
Most Admired Companies # 10	Greece	Fortune and KPMG Magazine Review
Best Savings Bank	Greece	Global Banking & Finance Review
Best Company	Cyprus	In Business Magazine
Best Banking Group	Cyprus	World Finance Magazine
PRIVATE BANKING		
Best Private Bank	Greece	World Finance Magazine
Best Private Bank	Greece	Global Finance Magazine
Best Private Bank	Cyprus	International Finance Magazine
Best Wealth Management Bank	Cyprus	International Finance Magazine
Best Private Bank	Cyprus	Global Finance Magazine
DIGITAL SERVICES		
Most Innovative Consumer Digital Bank in Western Europe	Greece	Global Finance Magazine
Best Consumer Digital Bank	Greece	Global Finance Magazine
MARKETING & COMMUNICATION		
Corporate Integrated Communication Gold Award for Eurobank Omnichannel Campaign	Greece	Marketing Excellence Awards/ Hellenic Management Association (EEDE)-EIM
Best in Connecting with Customers Award for the €pistrofi Reward Programme	Greece	Marketing Excellence Awards/ Hellenic Management Association (EEDE)-EIM
Tourism Marketing Gold Award for Eurobank Business Banking Tourism	Greece	Marketing Excellence Awards/ Hellenic Management Association (EEDE)-EIM
Being Best of the Best/ Leading Edge Marketing Thinking honorary Award for the v-Banking service	Greece	Marketing Excellence Awards/ Hellenic Management Association (EEDE)-EIM

CUSTODIAN SERVICES		
Best Sub-Custodian Bank	Greece	Global Finance Magazine
Market Outperformer Global Outperformer Category Outperformer	Greece	Global Custodian Magazine
Global Excellence Award - Emerging Markets, Europe, «Best Asset Servicing»	Greece	Global Custodian Magazine
GLOBAL MARKETS SERVICES		
Best FX Provider in Greece	Greece	Global Finance Magazine
EQUITIES BROKERAGE		
Leading Brokerage Firm	Greece	Extel Survey
Best Country Research	Greece	Extel Survey
Best Individual Research Analyst for the Greek market	Greece	Extel Survey
REAL ESTATE		
1 st place Banks - Overall	Greece	Euromoney Magazine Real Estate Survey
1 st place Banks - Loan Finance	Greece	Euromoney Magazine Real Estate Survey
1 st place Banks - Equity Finance	Greece	Euromoney Magazine Real Estate Survey
TRANSACTION BANKING		
Best Treasury and Cash Management Provider	Greece	Global Finance Magazine
Best Service Cash Management	Greece	Euromoney Magazine
Market Leader Cash Management	Greece	Euromoney Magazine
CUSTOMER SERVICE		
Innovation in Customer Experience Award for v-Banking service	Greece	Customer Service Awards
E-mail Response Gold Award for EuroPhone Banking	Greece	CRM Grand Prix Customer Service - Teleperformance Greece
HUMAN RESOURCES		
Innovation & Youth Entrepreneurship Distinction	Greece	Bravo Sustainability Awards

CORPORATE GOVERNANCE





Corporate governance

GRI 102-18

GRI 102-19

GRI 102-20

GRI 102-23



Transparency, credibility, social responsibility and accountability are fundamental corporate governance principles in the contemporary corporate and social environment. These principles define the framework for the achievement of the Group's objectives, govern the organization, operations, and activities of the Group, and reflect Eurobank's values, safeguarding the interests of shareholders and of all other stakeholders.

The Corporate Governance Code describes the corporate governance principles and practices that have been adopted, in accordance with Greek law, the international best practices on corporate governance, and the Bank's contractual obligations to the Hellenic Financial Stability Fund (HFSF). The corporate governance principles applied by the Bank and the Group ensure that:

- The composition and operation of the Board of Directors (Board) ensure transparency, credibility, and consistency during the decision making process.
- All shareholders enjoy equal treatment and protection of their interests. They all have access to adequate and timely information on the course of the business of the Bank and the Group.
- The Bank's Internal Governance Control Manual, the Internal Governance Regulations of the Bank's subsidiaries, as well as the organizational structure of the Bank and its subsidiaries lead to a clear and distinct distribution of responsibilities and competencies, and to the establishment of a concrete environment of internal control.
- Conflicts of interest situations are being prevented.

Finally, in order to ensure constant and optimal implementation of the corporate governance principles throughout the scope of its business, Eurobank has set up a Group Company Secretariat Sector.

Board of Directors

The Bank is headed by a Board of Directors, which is collectively responsible for the long-term success of the Bank. The Board exercises its responsibilities effectively and in accordance with Greek legislation, international best practices and the Bank's contractual obligations to the HFSF, under the Relationship Framework Agreement (RFA) signed between the Bank and the HFSF.

The members of the Board are elected by the General Meeting of the Shareholders, which is the Bank's supreme body and also determines the precise number of the Board members, within the limits of the Law and the Articles of Association, their term in office, and designates the independent, non-Executive members.

On 10 July 2018, the Annual General Meeting of the Shareholders of the Bank elected a new BoD, whose term of office will expire on 10 July 2021, prolonged until the end of the period when the Annual General Meeting for the year 2021 will take place.

The Executive Directors have responsibility for the day-to-day management and control of the Group, and the implementation of its strategy. The non-Executive Directors are responsible for the overall promotion and safeguarding of the Bank's interests, constructively challenge and help develop proposals on strategy and approve, revise and oversee the implementation of the remuneration policy both at Bank and Group level.

The Board meets regularly every quarter, as well as on an ad hoc basis whenever required. During 2019, the Board held twenty-seven meetings (compared to twenty-one meetings in 2018), and the average ratio of the Directors attendance was 97% (same as in 2018). Decisions are taken following discussions, which complete the agenda items to the satisfaction of all Directors present.

The composition of the Board of Directors of the Bank on 31.12.2019, following its relevant decisions was as below:

Board of Directors	
Chairman	
GEORGIOS P. ZANIAS	Chairman, Non-Executive Director
Vice-Chairman	
GEORGE K. CHRYSSIKOS	Vice-Chairman, Non-Executive Director
Members	
FOKION C. KARAVIAS	Chief Executive Officer, Executive Director
STAVROS E. IOANNOU	Deputy Chief Executive Officer, Executive Director
THEODOROS A. KALANTONIS	Deputy Chief Executive Officer, Executive Director
KONSTANTINOS V. VASSILIOU	Deputy Chief Executive Officer, Executive Director
BRADLEY PAUL L. MARTIN	Non-Executive Director
NIKOLAOS A. BERTSOS	Independent Non-Executive Director
RAJEEV KAKAR	Independent Non-Executive Director
RICHARD P. BOUCHER	Independent Non-Executive Director
JAWAID A. MIRZA	Independent Non-Executive Director
GEORGE E. MYHAL	Independent Non-Executive Director
DIMITRIOS C. MISKOU	Representative of the Hellenic Financial Stability Fund under Law 3864/2010, Non-Executive Director

Board Committees

The Board is assisted in carrying out its duties by Board Committees to which it delegates some of its responsibilities, and approves their mandate and composition, save for the composition of the Audit Committee whose members are appointed by the General Meeting.

The Board receives regular and ad hoc reports from the Audit Committee, Board Risk Committee, Nomination Committee, Remuneration Committee, and Strategic Planning Committee, and assesses their performance as per the provisions of the Bank's Board and Board Committees Evaluation Policy.

Audit Committee

The primary function of the Audit Committee is to assist the Board in discharging its oversight responsibilities primarily relating to the review of the adequacy of the Internal Control and Risk Management systems, and the compliance with rules and regulations monitoring process, the review of the financial reporting process and satisfaction as to the integrity of the Bank's Financial Statements, the External Auditors selection, performance and independence as well as the effectiveness and performance of the Internal Audit and of the Compliance function.

The Shareholders' General Meeting appoints the Audit Committee members upon the Board's proposal to the General Meeting, following the recommendation of the Nomination Committee to the Board. The tenure of the Committee members coincides with the tenure of the Bank's Board, with the option to renew their appointment, but in any case the service on the Committee should not be more than twelve (12) years in total. All AC members have sufficient knowledge in the field of Eurobank's activity and the necessary skills and experience to carry out its duties.

The Audit Committee meets at least eight times per year or more frequently, as circumstances require, reports to the Board on a quarterly basis on its activities, submits the minutes of its meetings to the Board, and submits annually an Activity Report of the Audit Committee to the Board. During 2019 the Audit Committee held twelve meetings (compared to thirteen in 2018) and the average attendance was 88% (compared to 94% in 2018).

Board Risk Committee

The Board Risk Committee's purpose is to assist the Board in the following risk-related issues:

- to ensure that the Group has a well-defined risk strategy and risk appetite in line with its business plan, and that the risk appetite is articulated in a set of qualitative and quantitative statements and risk tolerance levels for all relevant risks;
- to ensure that the Group has developed an appropriate risk management framework which is embedded in the decision making process (e.g. new product and services introduction, risk adjusted pricing, internal risk models, risk adjusted performance measures and capital allocation) of the Group;
- to define the Group risk management principles and ensure that the Bank has the appropriate methodologies, modeling tools, data sources, and a sufficient and competent staff to identify, assess, monitor and mitigate risks;
- to review and assess, at least on a monthly basis, the Bank's and Group's risk profile and effectiveness of its risk management policies and advise the Board accordingly (this review is supported by the Management Risk Committee's (MRC) regular reporting, including aspects of operational risk),

- to ensure that appropriate stress tests are performed, at least on an annual basis, in relation to all major Group risks;
- to review and approve the Bank's internal risk models development (framework, policies, etc.) as well as regularly monitor internal risk models results (including validation and back testing),
- to review and approve the Bank's Internal Ratings Based (IRB) rating systems and estimation processes including IRB roll-out plan status and progress report, as well as monitor and report differences between the realized and expected default rates,
- to maintain a sound and effective overall architecture for the implementation of the Internal Capital Adequacy Assessment Process (ICAAP) and the Internal Liquidity Adequacy Assessment Process (ILAAP), ensuring that the ICAAP and the ILAAP are integral parts of the Bank's overall management framework,
- to provide its assessment of the capital adequacy and liquidity adequacy of the Group,
- to assess in compliance with the approved risk appetite and risk tolerance levels, the appropriateness of risk limits, the adequacy of provisions and, in general, the capital adequacy in relation to the risks undertaken by the Group, through, amongst others, the annual report prepared by the Group Risk Management General Division and relevant extract of the report prepared by the Internal Audit Division;
- to keep the Board and Audit Committee updated on relevant risk matters, and recommend to the Board on an annual basis the future risk strategy and risk appetite.
- to provide oversight of, review and approve the Bank's Interest Rate Risk in Banking Book (IRRBB) framework, strategy, policies and processes.

The Board Risk Committee members are appointed by the Board following the recommendation of the Nomination Committee, in accordance with the legal and regulatory framework where applicable and the tenure of the Committee's members coincides with the tenure of the Bank's Board with the option to renew their appointment, but in any case, the service in the Committee should not be more than twelve (12) years in total. The Board Risk Committee meets at least on a monthly basis and reports to the Board, on a quarterly basis.

During 2019, the Risk Committee held thirteen meetings (compared to sixteen in 2018) and the average attendance was 93% (same as in 2018).

Remuneration Committee

The Board has delegated to the Remuneration Committee the responsibilities (a) to provide specialized and independent advice for matters relating to remuneration policy and its implementation at Bank and Group level, and for the incentives created while managing risks, capital and liquidity, (b) to safeguard the proper exercise of its duties and responsibilities, the efficient alignment of the personnel's remuneration with the risks that the Bank undertakes and manages, and the required alignment between the Bank and the Group and, (c) to approve, or propose for approval, all exposures of Senior Executives and their relatives (spouses, children, siblings). The nonexecutive Board members have the responsibility to approve and periodically review the Bank's remuneration policy, and to oversee its implementation both at Bank and Group level.

Board Committees

The Remuneration Committee members are appointed by the Board. The tenure of the members of the Committee coincides with the tenure of the Bank's Board with the option to renew their appointment, but in any case, the service in the Committee should not be more than twelve (12) years in total.

The Remuneration Committee meets at least twice a year. During 2019 the Remuneration Committee held seven meetings (same as in 2018) and the average attendance was 93% (compared to 96% in 2018).

Nomination Committee

The Board has delegated to the Nomination Committee the responsibilities (a) to lead the process for Board and Board Committees appointments, (b) to identify, nominate and recommend candidates for appointment to the Board and (c) to consider matters related to the Board's adequacy, efficiency and effectiveness, and to the appointment, replacement and dismissal for all executives of the Bank at the level of General Manager and above, as well as the Heads of General Divisions (senior executives).

The Nomination Committee members are appointed by the Board and the tenure of the members of the Committee coincides with the tenure of the Bank's Board with the option to renew their appointment, but in any case, the service in the Committee should not be more than twelve (12) years in total.

The Committee meets at least twice a year. During 2019 the Nomination Committee held eight meetings (compared to nine in 2018) and the average attendance was 93% (compared to 92% in 2018).

Strategic Planning Committee

The Strategic Planning Committee is established by the Board and its purpose is to assist the Board's Executive Officers in planning, developing and implementing the Group's Strategy and recommend to the Board certain initiatives in relation to the Group's Strategy.

The Strategic Planning Committee members are appointed by the Board, on the recommendation of its Chairperson, following the proposal by the Nomination Committee. The Strategic Planning Committee meets biweekly or ad hoc when necessary, and reports to the Board on a quarterly basis and whenever required. During 2019 the Strategic Planning Committee held fifty two meetings (compared to fifty four in 2018) and the ratio of attendance was 88% (compared to 85% in 2018).

The composition of the Board Committees on 31.12.2019, was as follows:

Board Committees					
	Audit Committee	Board Risk Committee	Remuneration Committee	Nomination Committee	Strategic Planning Committee
GEORGIOS P. ZANIAS Chairman, Non-Executive Director				Member	Chairman
GEORGE K. CHRYSSIKOS Vice-Chairman, Non-Executive Director					Member
FOKION C. KARAVIAS Chief Executive Officer, Executive Director					Member
STAVROS E. IOANNOU Deputy Chief Executive Officer, Executive Director					Member
THEODOROS A. KALANTONIS Deputy Chief Executive Officer, Executive Director					Member
KONSTANTINOS V. VASSILIOU Deputy Chief Executive Officer, Executive Director					Member
NIKOLAOS A. BERTSOS Independent Non-Executive Director	Member				
RAJEEV KAKAR Independent Non-Executive Director		Vice Chairman	Chairman	Chairman	
RICHARD P. BOUCHER Independent Non-Executive Director	Member	Chairman			
BRADLEY PAUL L. MARTIN Non-Executive Director	Vice Chairman	Member	Vice Chairman	Vice Chairman	
JAWAID A. MIRZA Independent Non-Executive Director	Chairman	Member		Member	
GEORGE E. MYHAL Independent Non-Executive Director			Member	Member	
DIMITRIOS C. MISKOU Representative of the Hellenic Financial Stability Fund under Law 3864/2010 Non-Executive Director	Member	Member	Member	Member	
CHRISTOS N. ADAM General Manager Group Risk Management, Group Chief Risk Officer (Group CRO)					Member
HARRIS V. KOKOLOGIANIS General Manager Group Finance, Group Chief Financial Officer (Group CFO)					Member

Senior Management Bodies

The Bank's Chief Executive Officer establishes Committees to assist him as required, in discharging his duties and responsibilities. The most important Committees established by the CEO are the Executive Board, the Management Risk Committee, the Group Asset and Liability Committee, the Central Credit Committees (I & II) and the Troubled Assets Committee.

Executive Board

The Executive Board manages the implementation of the Group's strategy, as developed by the Strategic Planning Committee, in line with the Board's guidance. The Executive Board meets on a weekly basis or ad hoc when necessary.

Management Risk Committee

The Management Risk Committee oversees the risk management framework of the Bank. The Management Risk Committee ensures that material risks are identified and promptly escalated to the Board Risk Committee and that the necessary policies and procedures are in place to prudently manage risk and to comply with regulatory requirements. The Committee reviews the Bank's and its subsidiaries' risk profile vis-a-vis its declared risk appetite, and examines any proposed modifications to the risk appetite. The Committee reviews and approves the methodology, the parameters and results of the Bank's stress testing programme, and determines the appropriate management actions which are discussed and presented to the Executive Board and then are submitted to the Board Risk Committee for approval and maintains at all times a pro-active approach to Risk Management understands and evaluates risks, addresses escalated issues, provides oversight to the Group's risk management framework – including the implementation of risk policies – and informs the BRC of the Group's risk profile. Also, the Committee assists the BRC in defining risk management principles and methodologies thereby ensuring that the Group's Risk Management Framework contains processes for identifying, measuring, monitoring, mitigating and reporting the current risk profile against its risk appetite, limits, and performance targets. The Committee meets on a monthly basis or ad hoc when necessary.

Group Asset & Liability Committee

The Group Asset and Liability Committee's (G-ALCO) primary mandate is: i) to approve, formulate, implement and monitor as may be appropriate, the Group's a) liquidity and funding strategies and policies, b) interest rate guidelines and interest rate risk policies, c) the Group's capital investments, as well as FX exposure and hedging strategy and d) the Group's business initiatives and/or investments that meaningfully affect the Bank's market and liquidity risk profile, ii) to approve at a first stage and recommend to the BRC for final approval the respective country limits (with special attention given for the approval / monitoring of the limits for countries where Eurobank has a local presence) and iii) to approve or propose – as may be appropriate – changes to these policies that conform with the Bank's risk appetite and levels of exposure as determined by the Board Risk Committee and Management, while complying with the framework established by the regulatory authorities and/or supervising bodies. G-ALCO convenes once a month and/or whenever required.

**Central Credit
Committees**

**Central Credit
Committee I**

The main objective of the Central Credit Committee I (CCC I) is to ensure objective credit underwriting for all Greek corporate portfolios, as stipulated in the Credit Policy Manual for performing exposures and in the Risk Appetite Framework of the Bank, so that undertaking risks can be effected in a balanced way between satisfactory return on equity and credit quality.

The CCC I convenes at least once a week. The Chair of CCC I is a Management Consultant and its members are the Bank's Senior Managers. The main duty and responsibility of the CCC I is to assess and approve all credit requests of the Greek corporate performing portfolio, for total exposure above €50 million and unsecured exposure above €35 million. For total exposure exceeding €75 million and unsecured exposure exceeding €50 million, an additional approval from the Group Chief Risk Management Officer is required, while for total exposure exceeding €150 million and an unsecured exposure exceeding €100 million, an additional approval from the Chief Executive Officer is required.

Furthermore, for exposures higher than 10% of the Bank's regulatory capital the additional approval of the Management Risk Committee (MRC) is required. Subsequently, the consent of Hellenic Financial Stability Fund (HFSF) is necessary, whereas final approval is granted by the Board Risk Committee.

**Central Credit
Committee II**

The main objective of the Central Credit Committee II (CCC II) is the same as for the CCC I for lower levels of exposure. The CCC II convenes at least once a week. The Chair of CCC II is a Management Consultant and its members are the Bank's Senior Managers. The main duty and responsibility of CCC II is to assess and approve all credit requests of the Greek corporate performing portfolio for total exposure from €20 million up to €50 million and unsecured exposure from €10 million up to €35 million.

**Troubled Assets
Committee**

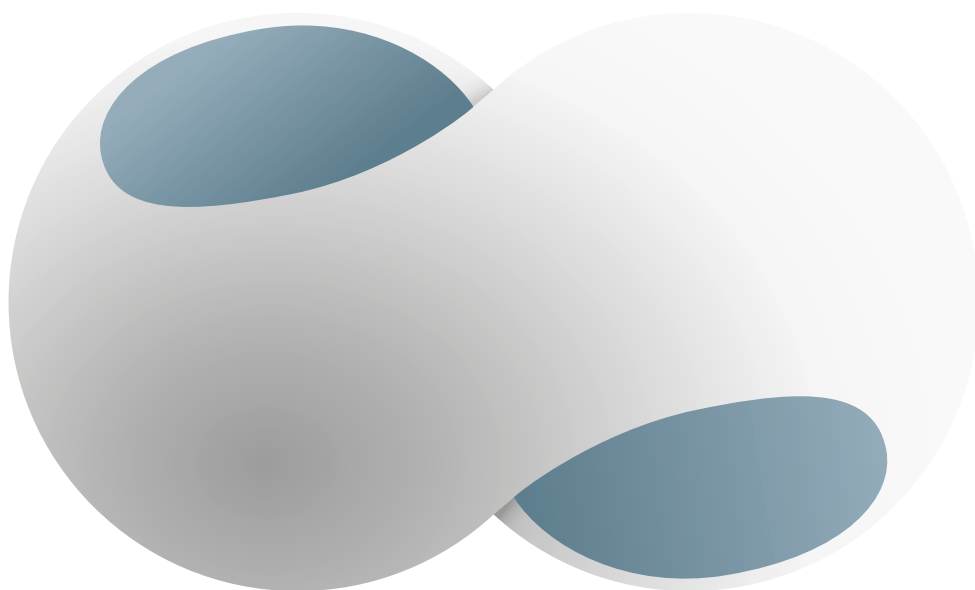
The Troubled Assets Committee (TAC) is established according to the provisions of the Bank of Greece (BoG) Executive Committee Act No. 42/30.5.2014. TAC's main responsibility is to provide strategic guidance and monitor troubled assets management, ensuring independence from business and compliance with the requirements of BoG Act 42. The Committee meets at least once per month, while it informs the Board and relevant committees on the results of its activities at least quarterly.

Senior Management Bodies

The composition of Senior Management Bodies on 31.12.2019, was as follows:

Senior Management Bodies				
	Executive Board	Management Risk Committee	Group Asset & Liability Committee	Troubled Assets Committee
FOKION C. KARAVIAS Chief Executive Officer	Member	Chairman		
STAVROS E. IOANNOU Deputy Chief Executive Officer, Group Chief Operating Officer (Group COO) & International Activities	Member	Member	Member	
THEODOROS A. KALANTONIS Deputy Chief Executive Officer, Troubled Assets Group	Member	Member	Member	
KONSTANTINOS V. VASSILIOU Deputy Chief Executive Officer, Head of Group Corporate & Investment Banking	Member	Member	Member	
CHRISTOS N. ADAM General Manager Group Risk Management, Group Chief Risk Officer (Group CRO)	Member	Vice Chairman	Member	
IAKOVOS D. GIANNAKLIS General Manager Retail Banking	Member	Member	Member	
APOSTOLOS P. KAZAKOS General Manager Group Strategy	Member			
HARRIS V. KOKOLOGIANIS General Manager Group Finance, Group Chief Financial Officer (Group CFO)	Member	Member	Chairman	Member
ANASTASIOS L. PANOUSSIS General Manager Retail Remedial Management	Member			Member
CONSTANTINOS A. VOUSVOUNIS Senior Advisor, Group Risk Management		Member		Chairman
MICHALIS L. LOUIS Head of International Activities General Division & Group Private Banking	Member			
ANASTASIOS C. IOANNIDIS General Manager Global Markets & Treasury	Member		Member	
MICHALIS S. IMELOS Assistant General Manager, Head of Group Market and Counterparty Risk Sector			Member	
GEORGIOS I. NIKOLAKOPOULOS Deputy General Manager, Head of Corporate Remedial Management General Division				Member
AIKATERINI M. LYGEROU Assistant General Manager, Head of Collaterals Recovery Sector				Member
ANASTASIOS D. NIKOLAOU Assistant General Manager, Head of Group Credit Control Sector				Member

The Management has established an internal control system which is based on international best practices. Its design reasonably ensures that the following objectives are achieved: efficient and effective operations, reliable and comprehensive financial statements and management disclosures, and compliance with the legal and regulatory framework in force. The Management ensures the adequacy and effectiveness of the internal audit system, consisting of audit mechanisms and audit processes, and its compliance with the legal and regulatory framework in force.



Internal Audit

The primary role of the Internal Audit Group (IAG) is to assist the Board and the Audit Committee by providing reasonable assurance, in the form of independent opinion, as to the adequacy, efficiency and effectiveness of the internal control framework of the Bank and its subsidiaries. The areas within scope of the IAG include the Bank and its subsidiaries in Greece and abroad.

A direct reporting line to the Audit Committee strengthens the function of the IAG and safeguards its independence. The Group Chief Audit Executive also holds separate private meetings with the Audit Committee. The IAG is independent of the Bank units with operational responsibilities, while for administrative purposes, it reports to the CEO.

The IAG follows a risk-based methodology that examines the existence and adequacy of controls that address corresponding risks. Risk assessment covers all units, functions, processes and IT systems of the Bank and constitutes the foundation for the preparation of the audit plan, which leads to the execution of the audit assignments.

The outcome of the audit assignments is recorded in the audit reports, which are distributed to the Management, the Audit Committee and the external auditors. The IAG holds regular meetings with Senior Management to discuss the audit findings and the progress made in resolving them, and prepares quarterly reports for the Audit Committee.

The IAG in Greece employs 82 professionals with significant banking and auditing experience. The majority of the IAG staff possess professional qualifications from internationally recognised professional bodies, such as ICAEW, ACCA, CIA and CISA. The IAG complies with the Institute of Internal Auditors (IIA) International Professional Practices Framework (IPPF) and has been certified for the performance of audits in accordance with the IIA Standards.

External Auditors

The Annual General Meeting of the shareholders that convened on 24.7.2019 assigned the statutory audit of the Bank's annual financial statements (consolidated and non-consolidated) for the fiscal year 2019 to KPMG Certified Auditors S.A, which appointed its member Mr. Harry Sirounis, certified auditor (SOEL Reg. No 19071), as the statutory auditor, while appointing its partner, Mr. Nikolaos E. Vouniseas, certified auditor (SOEL Reg. No 18701), as his substitute in case of impediment of the statutory auditor. In order to safeguard the independence of external auditors, the Bank has been consistently implementing a policy on external auditors' independence, as well as a policy with regards to the tendering process followed by the Bank for the assignment of the statutory audit of its financial statements to external auditors.

As part of the policy on external auditors' independence, the rules concerning the service provided by external auditors are founded on three key principles, the violation of which could affect the auditors' independence: (1) an auditor may not audit his or her own work; (2) an auditor may not perform any administrative role and (3) an auditor may not provide any services prohibited by the law or the Bank's policy.

Regarding the tendering policy that the Bank follows to assign the statutory audit of its financial statements to external auditors, the main objective is to define the framework by which the Bank receives offers from candidate auditing firms on a periodic basis, in order to ensure that (a) the auditors' independence is not compromised and (b) the most appropriate auditors are selected to carry out the Group's statutory audit through a transparent and objective selection process.

Group Compliance

Group Compliance (GC) is an independent function and reports functionally to the Audit Committee and for administrative purposes to the CEO. It supervises the overall compliance function in the Group. Within this framework, the Compliance Divisions/Units of the Bank's local and international subsidiaries have a direct reporting line to GC. Its mission is to promote within the Group an organizational culture that encourages ethical conduct through integrity and a commitment to compliance with laws and regulations as well as with international governance standards.

Key developments in 2019 are:

- Appointment of a new Head of GC, also appointed as Money Laundering Reporting Officer in accordance with the requirements of article 38 of Law 4557/2018.
- Further enhancement of the compliance risk assessment framework.
- Update of the Anti-Money Laundering (AML)/Combatting the Financing of Terrorism (CFT) and Sanctions Group Policy and related procedures.
- Re-design of the IT infrastructure that supports AML suspicious transaction monitoring.
- Monitoring of adherence to market integrity related regulation on the provision of investment products and services to clients, including laws and regulations on market manipulation and insider trading.
- Upgrade of infrastructure for the detection of potential conflict of interest (Col).
- Enhancement of the anti-bribery and corruption (ABC) framework.

- Monitoring of developments and provision of guidance and support to Bank units to ensure compliance with the consumer protection laws and regulations (including dormant accounts legislation, BoG's Code of Conduct for loans, Payment Services Directive, Benchmark Regulation and Deposit Guarantee scheme).
- Monitoring of timely submission of reports to Regulators including FATCA/CRS reporting.
- Active participation in bank-wide initiatives to raise compliance awareness across the organisation with emphasis on AML.
- Appropriate training and certification initiatives for Group Compliance resources.

UN Global Compact's 10th principle against corruption is implemented through:

- Code of Professional Conduct (CoC) and ABC, Col and Reporting Unethical Conduct Policies.
- Specialised staff training courses on compliance, fraud detection, CoC and Col.
- Control mechanisms for AML/CFT and fraud detection.



RISK MANAGEMENT



The Group acknowledges that risk undertaking is an integral part of its operations, in order to meet its strategic and business objectives.

Therefore, the Group's Management has established adequate mechanisms to identify and monitor these risks in a timely manner and assess their potential impact on meeting its corporate objectives.

The Board of Directors (Board) has delegated specific responsibilities to the Board Risk Committee regarding the design and formulation of the risk management strategy, the management of assets and liabilities, and the establishment of effective mechanisms to identify, assess and manage risks that derive from the Group's activities overall. The Board Risk Committee consists of 5 Non-Executive Directors of the Board, convenes on a monthly basis and reports to the Board on a quarterly basis.

The Group's Management has allocated adequate means for updating its policies, methods and infrastructure, in order to ensure Group's compliance to the requirements of the European Central Bank (ECB), the Single Supervisory Mechanism (SSM), the Single Resolution Mechanism (SRM), the guidelines of the European Banking Authority (EBA) and the Basel Committee for banking supervision, as well as with the best international banking practices.

Risk Appetite Framework

The maximum risk the Group is willing to undertake in order to pursue its strategic objectives is stipulated in an internal document, the Risk Appetite Framework (RAF), and is determined by means of quantitative and qualitative criteria / parameters, which also include specific tolerance levels, both in terms of each risk type and overall. The main objectives that determine the risk appetite are complying with regulatory requirements, safeguarding the Group's ability to smoothly continue its activities, and balancing a strong capital adequacy with high returns on equity.

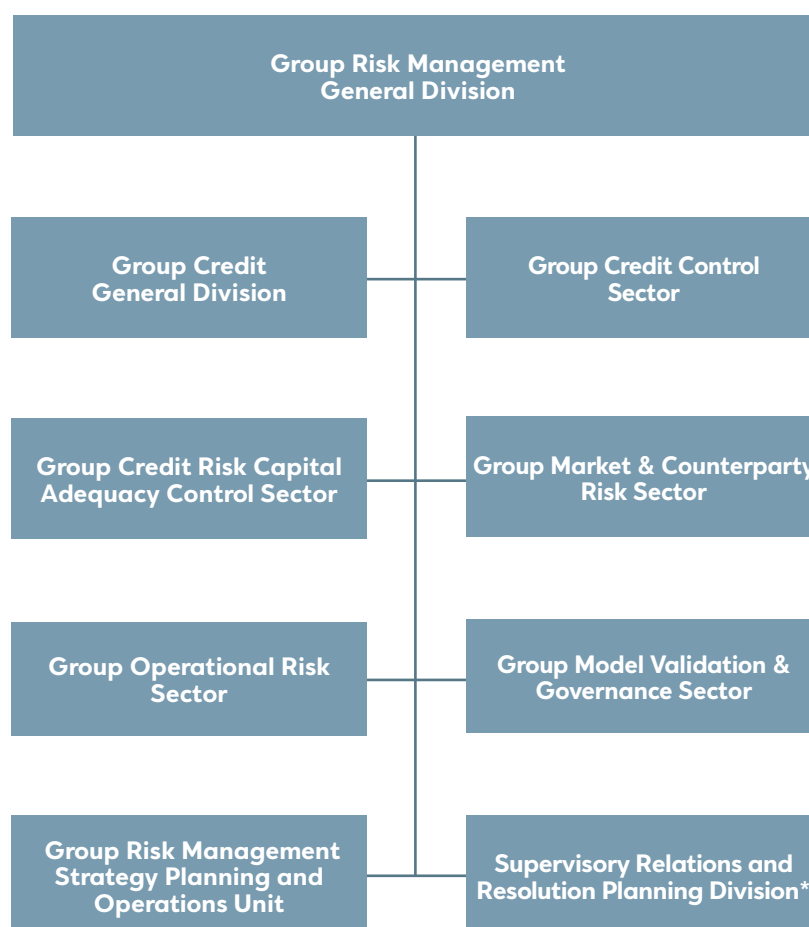
The Risk Appetite Framework is communicated within the Group, and shapes its risk undertaking and management culture, forming the foundation on which risk policies and risk thresholds are established both overall and per business activity. Risk Appetite Framework comprises the following components:

- Risk capacity – it reflects the maximum level of risk the Group can assume given any regulatory, operating, capital base or liquidity constraints and other obligations.
- Risk appetite – it reflects the maximum level of risk the Group is willing to assume in pursuit of its strategic and business objectives.
- Risk limits - they reflect limiting values on specific key risk indicators, which have been determined with the aim to prevent risk exposures from exceeding the risk appetite thresholds.

The Risk Appetite Framework is sufficiently specified and documented. The Board Risk Committee reviews and approves the risk appetite statements and risk assumption thresholds at least annually, to ensure compliance with the regulatory requirements and with the Bank's risk appetite in the prevailing business environment. The Group's Management has established adequate mechanisms to monitor that the Risk Appetite Framework and the related thresholds are observed and implemented. In cases where these thresholds have been exceeded, the Group implements clearly defined procedures and escalation actions, so as to make the necessary decisions on time and take action as the case may be.

Risk Management Structure

The Group's Risk Management General Division, is headed by the Group Chief Risk Officer (GCRO), functions independently from the business units, and is fully responsible for monitoring the credit, market, liquidity and operational risks. It comprises, the Group Credit General Division, the Group Credit Control Sector, the Group Credit Risk Capital Adequacy Control Sector, the Group Market & Counterparty Risk Sector, the Group Operational Risk Sector, the Group Model Validation & Governance Sector, the Group Risk Management Strategy Planning & Operations Unit, and the Supervisory Relations & Resolution Planning Division (with dual reporting also to the Group CFO).



**SRRP Division has a dual reporting line to the Group CRO (Group Chief Risk Officer) and to the Group CFO (Group Chief Financial Officer).*

Credit Risk

Definition of Credit Risk

Credit risk is the risk of loss from a possible failure of a counterparty to fully honor the terms and obligations that derive from any contractual obligation. It includes risks arising from the loan portfolio, from the country where the counterparty is registered or operates, as well as from dilution of rights, off-balance sheet exposures and completion / settlement risk.

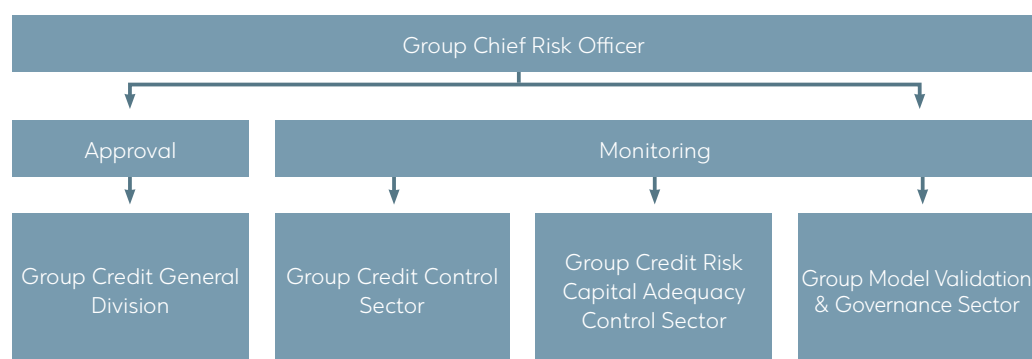
Credit risk derives predominantly from the Group's corporate and retail loan portfolios, including credit facilities, such as financial guarantees and letters of credit. The Group is also exposed to credit risk arising from other activities, such as investments in debt securities, trading activities and settlement activities.

Credit risk is managed and monitored by independent, centralised and dedicated risk units, which report to the GCRO.

Credit Risk Management Structure

The diagram below depicts the Bank's structure for managing credit risk. A similar credit risk management structure is followed by the subsidiary banks abroad (Bulgaria, Serbia, Cyprus and Luxembourg).

All subsidiary banks follow the same control procedures as the parent Bank. The Heads of Risk Management of the Subsidiary Banks report directly to the GCRO. The credit risk policies and procedures are approved and monitored by the Bank's Credit Risk Management Units, therefore, ensuring common perception and application across the entire Group. In addition, the procedures for credit approval and credit rating assessment of creditors are centralised at country level. A fundamental principle of the Bank is to ensure that the units responsible for customer relations are independent from those responsible for the approval and monitoring of the loan throughout its life cycle.



The approval for corporate loans is granted through escalating approval levels by the following committees:

- Credit Committees of performing loans, authorised to approve new credit limits, renewals or amendments to the existing limits, in accordance with their approval authorities, taking into account the client's credit rating, borrower's risk classification (i.e. high, medium or low), as well as the value and type of the provided collateral.

Credit Risk

- Special Handling Credit Committees, authorised to decide on credit issues and actions that must be taken for cases related to Non-Performing borrowers.
- International Credit Committees, authorised to approve new credit limits, and renew or modify existing limits, as well as decide on how to handle troubled assets for corporate borrowers of subsidiaries abroad, when exposures exceed the approved limits set for each country.

In addition, other special committees have been established to monitor specific portfolios (e.g. staff loans). All Committees convene on a weekly basis, or more frequently if required.

Group Credit General Division

Within an environment marked with increased demands in risk management, the Group Credit General Division's (GCGD's) mission is to safeguard the Bank's assets by assessing the credit risk and formulating documented recommendations, so that the risk assumed per borrower (debtor) is considered acceptable, in accordance with the approved Risk Appetite Framework.

In this context, the GCGD is responsible for assessing credit proposals from large and medium-sized enterprises and special portfolios, as well as credit proposals for individual banking customers (small businesses and retail banking loans). It is also responsible for preparing an independent Risk Opinion, which includes an analysis of the borrower's credit profile – based on qualitative and quantitative criteria (market, operational, structural and financial), focusing on the activity sector – indicating, where deemed necessary, alternative ways to handle the situation, so that a well-structured credit facility is drawn up. The GCGD also participates with voting rights in the Credit Committees, and plays an active role in the regulatory and external audits of the Bank.

In addition, through the International Credit Sector, the GCGD actively participates in designing, implementing and reviewing the credit procedure for the corporate borrowers of international subsidiaries. Furthermore, the International Credit Sector offers advisory services, supports the Risk Management Divisions, attends the Risk Committees' sessions of the foreign subsidiaries and is also responsible for the operational support of the International Credit Committees, where its executives participate with voting rights.

Group Credit Control Sector

The Group Credit Control Sector operates independently of other Bank units, monitors, assesses and informs on the quality of the Group's total loan portfolio (Corporate & Retail in Greece and the International Subsidiaries) by conducting onsite and desktop reviews. The Sector is responsible for reviewing the credit policies and methodologies of the Group as well as for monitoring and informing on the developments in supervisory and regulatory framework for credit risk related issues. Furthermore, the Sector monitors and assesses the effectiveness of the strategies adopted and the solutions offered for handling NPEs and for meeting the reduction targets as are agreed with the supervisory authorities. Moreover, the Sector controls the proper implementation of credit policies and procedures and of the credit limits by the Bank's units.

During 2019, 19 field reviews were performed to the entirety of units handling Performing and Non-Performing borrowers.

The Sector is also responsible for formulating / reviewing and monitoring the provisioning policy, in accordance with the new accounting standard IFRS 9, and for calculating the relevant credit risk provisions for the loan portfolios, based on both collective and individual assessment in Greece. Through the specialised Corporate Banking Credit Rating & Early Warning System Subdivision (CBCR&EWSS), the Sector is responsible for assessing the corporate portfolio and identifying possible future distress signals for specific borrowers or portfolios, by using a multivariable application (Early Warning System), which operates alongside the Bank's rating systems.

Finally, the Sector is responsible for the issuance of a significant number of supervisory reports related to credit risk and its evolution on a regular basis. It also prepares regular reports addressed to the Management of the Bank, and offers expert knowledge and expertise to other Bank Divisions in relation to business and credit procedures, coverage policies, new loan products and debt restructuring schemes.

**Group Credit Risk
Capital Adequacy
Control Sector**

The main responsibilities of the Group Credit Risk Capital Adequacy Control Sector is to develop and implement the Internal Ratings Based (IRB) Approach in accordance with the Basel framework and the Capital Requirements Directive (CRD) for the loan portfolios of the Group.

The Sector is also responsible for developing and updating models on borrower assessment, and for assessing the risk parameters, with the aim of calculating the capital requirements and the IFRS9 provisions. This Sector also coordinates the stress tests at Group level, in Greece and abroad.

The review of the IRB models for the corporate portfolio, in line with the ECB programme (Targeted Review of Internal Models – TRIM) was completed in the second quarter of 2019. In addition, in the fourth quarter of 2019, ECB initiated the review of models (IMI – Internal Model Investigations) for the new production of Retail Lending in line with the ECB Guidance.

**Measurement of
Credit Risk Capital
Requirements**

As of 1 January 2008 the Group implements:

- The Foundation Internal Ratings Based Approach (Foundation IRB) for calculating risk-weighted assets for the Bank's corporate credit facilities granted to large and medium-sized enterprises in Greece.
- The Advanced Internal Ratings Based Approach (Advanced IRB) for the majority of the Bank's retail lending portfolio, e.g. mortgage loans, small business loans, credit cards and revolving consumer loans.

The implementation of the IRB approach covers 75% of the Group's lending portfolio (as of the end of 2019), excluding portfolio segments which are immaterial in terms of size and risk profile, as well as other permanent exemptions.

Credit Risk

Rating Systems

Rating of Large & Medium-Sized Enterprises

The Bank uses various rating systems to assess corporate customers / borrowers, in order to more accurately determine the risks associated with borrowers who have different characteristics. These systems are:

- Corporate lending: Moody's Risk Analyst (MRA) / internal credit rating (ICR) system for those customers that cannot be rated by the MRA. The majority of this portfolio is analysed by MRA.
- Specialized lending (shipping, real estate and project finance): slotting methodology.

The MRA and ICR gather quantitative and qualitative information on companies, in order to assess their creditworthiness and determine their credit rating. In addition, the Bank performs an overall assessment of corporate customers, based both on the customer's creditworthiness (MRA or ICR) and on the collaterals and guarantees provided against the credit facility, using a fourteen-grade scale.

In case of specialized lending portfolios, i.e. for which the primary source of repayment is the income generated by the financed assets, the Bank applies the slotting methodology.

The rating systems described above are an integral part of the corporate lending decision-making and risk management procedures for large and medium-sized enterprises (corporate portfolio):

- The credit approval process, at both origination and renewal and in the impairment assessment process.
- The calculation of the Economic Value Added of a lending relationship.
- The Risk Adjusted Pricing.

It should be mentioned that during the period November 2018 – March 2019 the Bank participated in TRIM (Targeted Review of Internal Models) regarding Corporate portfolio in which updated borrower rating systems of MRA and ICR were submitted. Following the audit process the proposed borrower rating systems were approved and they will replace the existing ones after required adjustments.

Retail Lending Risk
Assessment (Internal
Ratings)

The Bank assesses the credit risk of retail banking loans based on statistical models, both at origination and on an ongoing basis, also taking into account behavioural scorecards.

These models have been developed to predict, based on the available information, probability of default, loss given default and exposure at default. They also cover the entire range of retail banking products (credit cards, personal loans, car loans, mortgage loans and financing of SMEs / small business banking).

These models are widely used in several processes, such as the approval process, credit limit management, overdue debt collections, risk-based segmentation of clients, risk-based pricing and calculation of necessary provisions.

The rating systems used by the Bank meet the requirements of the Basel III internal rating-based (IRB) approach. The Bank's policy is to validate credit risk assessment models and risk parameters by using qualitative and quantitative criteria, in accordance with the best international practices and regulatory requirements.

Overdue Debt
Management

The Troubled Assets Group General Division is responsible overall for managing the Group's non-performing loans, and ensuring close monitoring, strict control and adjustment of programmes, recognising and taking into account the macroeconomic developments, supervisory and legislative framework, best international practices, and new advanced internal requirements.

The Troubled Assets Group General Division works with the Group Risk Management General Division to mutually understand and develop the suitable methodology for assessment of risks emerging from any type of settlement (and default category), per loan portfolio. The recommendations and reports are submitted by the General Division to the Board Risk Committee as well as the Group's Head of Risk Management quarterly or more frequently if necessary.

Credit Risk

Loans & Advances

The following table presents the geographical and industry breakdown of the Group's loans and claims by customers, on 31.12.2019, as disclosed for IFRS purposes.

31 December 2019									
	Greece			Rest of Europe			Other Countries		
	Gross amount € million	Out of which: impaired amount € million	Impairment allowance € million	Gross amount € million	Out of which: impaired amount € million	Impairment allowance € million	Gross amount € million	Out of which: impaired amount € million	Impairment allowance € million
Retail Lending	21.332	7.954	(4.272)	2.960	351	(174)	8	1	(0)
- Mortgage	12,470	3,676	(1,627)	1,505	196	(77)	7	1	(0)
- Consumer	1,979	907	(820)	851	45	(38)	1	0	(0)
- Credit card	886	196	(193)	121	4	(4)	0	0	(0)
- Small business	5,997	3,175	(1,632)	483	106	(55)	0	-	(0)
Wholesale Lending	12,925	4,085	(2,344)	5,172	482	(272)	1,950	75	(35)
- Commerce and services	5,333	1,943	(1,159)	2,097	204	(145)	354	33	(18)
- Manufacturing	3,230	827	(484)	613	17	(8)	12	-	(0)
- Shipping	191	10	(9)	197	62	(57)	1,423	24	(7)
- Construction	1,906	884	(529)	514	59	(34)	48	18	(10)
- Tourism	1,549	405	(146)	228	1	(0)	-	-	-
- Energy	647	11	(13)	204	25	(4)	15	-	(0)
- Other	69	5	(4)	1,319	114	(24)	98	-	(0)
Public Sector	48	1	(2)	3	1	(0)	8	0	(0)
Total	34,305	12,040	(6,618)	8,135	834	(446)	1,966	76	(35)
Credit related Commitments	3,461	100	(62)	1,666	6	(2)	198	0	(0)
- Loan commitments	2,732	4	(20)	1,219	4	(1)	144	-	(0)
- Financial guarantee contracts and other commitments	729	96	(42)	447	2	(1)	54	0	(0)

Loan Portfolio Quality

At the end of the year, accumulated provisions amounted to €7.2 billion, covering 68.0% of 90 days past due loans, which represent 23.7% of the total loan portfolio. With regard to NPEs, the respective ratios were 55.3% and 29.2%.

The Group's loan portfolio quality is briefly presented in the following tables:

Credit Risk - Loan Portfolio Quality					
2019	Total Balances (in € billion)	NPE Balances (in € billion)	Total Provisions ¹	NPE (% on Ttl Loans)	NPE Coverage ratio (%)
Consumer	3.8	1.2	1.1	299%	93.1%
Mortgage	14.0	3.9	1.7	27.7%	44.0%
Small business	6.5	3.3	1.7	50.6%	51.5%
Wholesale	20.1	4.6	2.7	23.1%	58.0%
TOTAL at amortized cost	44.4	12.9	7.2	29.2%	55.3%

¹Includes provisions from commitments related to the credit risk (Off BS)

31 December 2019			
	>90 dpd (% on Ttl loans)	>90 dpd (in € billion)	90+ coverage ratio (%)
Consumer	26.2%	1.0	106.3%
Mortgage	21.7%	3.0	56.3%
Small business	45.0%	2.9	57.9%
Wholesale	17.8%	3.6	75.4%
TOTAL at amortized cost	23.7%	10.5	68.0%

Market Risk

The Group is exposed to market risks, which arise from open positions in interest rates, foreign exchange and equity products or combinations of them, which are affected by general and specific market volatility conditions.

Definitions & Policies

In order to ensure the efficient control of the market risks that arise from the Group's overall activities, the Group follows certain principles and policies, in order to:

- Establish an effective market risk management framework at Group level
- Ensure compliance with the existing regulatory and institutional framework
- Take advantage of the benefits arising from the more accurate and effective assessment of the risks assumed

Internal Models

The Bank uses its own internal value at risk (VaR) model, which was approved by the Bank of Greece in 2005, for the calculation of its capital requirements for market risk in its trading portfolio, for its activities in Greece.

In addition, the Bank employs respective internal models in order to calculate and manage the market risk both of its trading and banking book portfolio.

The VaR model calculates a possible negative change in the market value of a portfolio, at a specific confidence level and for a predetermined duration. VaR models are designed to measure market risk under normal market circumstances; it is assumed that any changes occurring to the risk factors will follow the normal distribution.

Although the VaR model is an important tool for measuring market risk, the assumptions on which the model is based, give rise to specific limitations.

To this end, the actual outcomes are monitored regularly via back testing, in order to check the validity of the assumptions and the parameters used.

Average VaR (99%, 1day) per risk category (Trading and Banking book) Greece and Cyprus	
	2019 Average € million
Interest Rate Risk ¹	41.2
Foreign Exchange Risk	0.3
Equities Risk	0.4
Total VaR	41.3

¹ Interest rate volatility applied to all portfolios.

Credit Spread volatility applied to FVTPL and FVOCI positions.

Default & Downgrade Risk in the Trading Portfolio

Default risk and downgrade risk of debt securities included in the trading portfolio are also considered part of market risk. The Bank uses the credit VaR methodology in order to calculate additional capital requirements for that risk (incremental risk charge – IRC). This method calculates the possible negative change in the market value of a securities' portfolio, associated with default or downgrade events, for a medium-term period (typically one year).

Standardised Approach for Market Risk

The Bank uses the standardised approach for the measurement of market risk and the calculation of capital requirements, for its subsidiaries in Greece and its international operations. The following table summarises the capital requirements for market risk per risk factor, based on the standardised approach, as at 31 December 2019:

MARKET RISK - Standardised Approach for Market Risk	
	2019 € million
General risk of debt securities	0.1
Specific risk of debt securities	0.0
General and Specific risk of equities	0.1
Credit Valuation Adjustment (CVA) Risk	6.4
Foreign Exchange Risk	24.5
Total	31.2

It is worth noting that the Bank has participated in the Targeted Review of Internal Models (TRIM). During the TRIM, the supervisory authorities reviewed all models used by the Bank for the measurement and management of market risk, default risk and downgrade risk in the trading portfolio.

Standardised Approach for Credit Risk in the Banking Book

The Bank uses the standardised approach for the measurement of credit risk in its Banking Book and the calculation of the respective capital requirements. These are summarised in the following table:

MARKET RISK- Standardized approach for credit risk of banking book	
	2019 Average € million
Debt securities	45.4
Equities	68.4
Total	113.7

Counterparty & Liquidity Risk

Counterparty Risk

Counterparty risk refers to the risk that a counterparty in an off-balance sheet transaction (e.g. a transaction in a derivative product) defaults prior to maturity of this transaction while the Bank still has a claim over this counterparty (the current market value of the transaction is positive for the Bank).

The current exposure as of 31 December 2019 is presented in the following table:

31 December 2019					
	Current exposure before netting € million	Current exposure after netting € million	Netting effect € million	Collateral received / (paid) € million	Total exposure after netting and exchange of collateral € million
Contracts under ISDA and CSA (derivatives)	2,180.3	1,581.0	599.2	34.2	8.0
Contracts under GMRA (repos and reverse repos)	1,042.5	1,005.4	37.1	19.8	985.6
Other contracts (derivatives and repos outside ISDA and CSA, GMRA)	119.3	119.3	0.0	0.0	119.3
Total	3,342.1	2,705.7	636.4	54.0	1,112.8

Notes

1. Netting and collateral exchange is applied per counterparty only for contracts under ISDA, CSA or GMRA.
2. Repo and reverse repos with central banks (Bank of Greece, European Central Bank, etc.) are excluded.
3. In case of exposure calculation on transactions under GMRA, haircuts are taken into account and increase the exposure.
4. In case of exposure calculation on transactions under CSA, thresholds & independent amounts are taken into account and increase the exposure.
5. In the "Collateral received / (paid)" column, Greek Treasury bills received as collateral through the CSA signed with Public Debt Management Agency (PDMA) are included.

Liquidity Risk

Liquidity risk management is of critical importance for the smooth operation and profitability of a banking group. At the Eurobank Group, liquidity risk management is structured as follows:

- The Board Risk Committee is responsible overall for devising the liquidity management strategy.
- The Group Assets and Liabilities Committee (G-ALCO) is responsible for devising the liquidity policies and monitoring their application, as well as for the periodic (monthly) monitoring of liquidity at Group level.
- The Group Global Markets and Treasury General Division is responsible for the implementation of the Group's liquidity strategy as well as for the daily management of the Group's liquidity.
- The Group Market and Counterparty Risk Sector is responsible for measuring and monitoring the liquidity of the Group, as well as for preparing regular and ad hoc internal and supervisory reports.

On an annual basis, the Bank submits to the supervisory authorities the Internal Liquidity Adequacy Assessment Process (ILAAP). The ILAAP document describes in detail all the issues related to liquidity management as well as the information depicting the current situation concerning liquidity.

Operational Risk

Governance

Operational risk is embedded in every business activity undertaken by the Group. The primary aim of operational risk management is to ensure the integrity of the Group's operations and its reputation by mitigating its impact. However, by nature, it cannot be fully eliminated. To manage operational risk more efficiently, the Group operates an Operational Risk Management Framework, which defines its approach to identifying, assessing, managing, monitoring and reporting operational risks.

Governance responsibility for operational risk management stems from the Board of Directors (Board), through the Executive Board and Senior Management, and passes down to the Heads and staff of every business unit. The Board approves the mechanisms used by the Group to manage operational risk, by setting the tone and expectations at top management and delegating responsibility. The Board Risk Committee and the Audit Committee monitor the operational risk level and profile, including the level of operational losses, their frequency and severity.

The Group Chief Risk Officer (GCRO) is responsible for all operational risk-related programmes and ensures implementation of the Operational Risk Management Framework. The GCRO has the overall responsibility and oversight of the Operational Risk Units in the countries, where the Bank operates.

The Operational Risk Committee is the Management Committee that assesses the operational risks arising from the activities of the Group, while it ensures that each business unit has suitable policies and procedures in place for managing operational risk, and that prompt mitigating actions are taken whenever a high-risk area is identified.

The Group Operational Risk Sector is responsible for establishing and updating the Group's Operational Risk Management Framework and for overseeing operational risk at Group level. An Operational Risk Unit operates within every Group's subsidiary and is responsible for implementing the Group's Operational Risk Management Framework. The Group Operational Risk Sector is responsible for:

- Determining the methodology for identifying, assessing and reporting operational risk.
- Implementing regulatory requirements and Group guidelines.
- Monitoring the operational risk level and profile and reporting thereon to the Board Risk Committee.
- Determining and applying the methodology for the calculation of the regulatory capital requirements for operational risk.

The Heads of each Business Unit (the risk owners) are primarily responsible for the day-to-day management of operational risk and the adherence to relevant controls. To this end, every business unit:

- Identifies, evaluates and monitors its operational risks, and implements risk mitigation controls and techniques.

Operational Risk

- Assesses the efficiency of control mechanisms.
- Reports all relevant issues.
- Has access and uses the methods and tools introduced by the Group Operational Risk Sector, to facilitate in identifying, assessing and monitoring operational risks.

Each Business Unit has appointed an OpRisk Partner, who is responsible for coordinating the operational risk management efforts of the Business Unit, while acting as a liaison to the Group Operational Risk Sector and the local Operational Risk Unit. Certain Business Units have established a dedicated Anti-Fraud Unit/ Operation, taking into account the fraud risk they are exposed to. Their main objective is to continuously identify fraud risk and to undertake all required actions to address and mitigate this risk in a timely manner.

Operational Risk Management Framework

The Group's Operational Risk Management Framework is based on four elements:

- Principles
- Governance and organization
- Processes
- Infrastructure

The operational risk management processes consist of risk identification and assessment (including risk measurement and valuation), control management, risk transfer, risk reporting and performance improvement. These processes are supported by the following operational risk tools and methods:

- **Risk and Control Self-Assessment (RCSA)**
RCSA is a team-based technique aiming to identify, assess and mitigate operational risk. This creates a register of operational risks per business unit, which determines the outline of the operational risk profile.
- **Key Risk Indicators (KRIs)**
KRIs are metrics based on historical data and are based on specific, measurable activities indicating operational risk exposures. The indicators are expressed as an amount, a percentage or a ratio, corresponding to specific operational risks and are linked to risk tolerance.

- **Operational Risk Events**
Operational risk events are identified and recorded in the internal operational risk events database and reports are created.
- **Operational Risk Scenario Analysis**
Operational risk scenario analysis assesses the exposure to a range of significant operational risks through the examination of exceptional but plausible scenarios. The scenarios take into account the current and projected business, economic, social and geopolitical environment.
- **Operational Risk Reporting**
Operational risk reports are produced for internal and regulatory purposes.
- **Operational Risk Management and Mitigation Techniques**
The main strategy employed by the Group to limit its exposure to operational risk is to maintain an effective control environment. In addition, with regard to the risk transfer mechanisms in place, Eurobank is covered by crime and professional liability insurance policies through the London market, covering the entirety of its operations Group-wide.
- **Operational Risk Culture**
Operational risk culture encompasses employee risk awareness, as well as the attitude and conduct of employees with regard to risk assumption and adherence to controls. The Group continuously seeks to improve its operational risk culture.
- **Fraud Risk Management**
Fraud risk management is a major commitment of the Group, which aims to mitigate fraud risk and reduce fraud losses.

Operational Risk Calculation Method

As required by the Capital Requirements Regulation (EU) No. 575/2013 for the use of the Standardized Approach, the Group's business activities have been divided into eight business lines and the annualized gross operating income for 2017, 2018 and 2019 is calculated for each business line. The annual gross operating income is weighted against specific factors, so as to calculate the required regulatory capital per business line. These amounts are summed together to establish the overall Pillar 1 regulatory capital requirements for operational risk. The relevant amount for operational risk as of 31 December 2019 was €246 million.

Model Validation & Governance

The Group Model Validation and Governance Sector was established in September 2018 and has two key mandates:

- To design and implement the model governance and validation framework for the Group.
- To perform independent control and validation of the technical and operational completeness of all models and their parameters used by the Bank and its subsidiaries, and ensure their compliance with international practices and specifications laid down by supervisory authorities.

The model management tasks include: completing a registry of the models, the way these operate and their associated owners, and integrating the supervisory requirements and international practices in the Group's policies for models.

The model validation tasks include: establishing and reporting on the appropriateness, performance and stability of models, periodically presenting the results to Management, submitting proposals for potential improvements of said models to Management for approval, and participating in the approval process for new models.

Risk Management Strategy Planning & Operations

An independent unit was established at the Group Risk Management General Division to better support issues relating to the Group's risk management strategy.

The main duties of the Unit are as follows:

- Preparation and support of the formulation of the Group's Risk Management Strategy as well as monitoring its implementation.
- On-going monitoring and assessment of significant technological, legal, regulatory or other developments and trends that may have an impact on the Group's Risk Management Strategy.
- Management, coordination and implementation of key strategic projects that fit under the responsibility of Group Risk Management General Division, and coordination of the General Division's individual units participation in projects implemented by other Bank Units.
- Participation in the updating of the General Division's Policies and Procedures, to ensure compliance with the General Division's strategy.

Single Supervisory Mechanism & Single Resolution Mechanism

Supervisory Relations & Resolution Planning Division

The Single Supervisory Mechanism (SSM) refers to the system of banking supervision in Europe. It consists of the European Central Bank (ECB) and the national supervisory authorities of the participating countries. Its main aims are to:

- Ensure the safety and soundness of the European banking system.
- Reinforce financial integration and stability.
- Ensure consistent supervision.

As an independent EU institution, the ECB coordinates banking supervision from a European perspective by:

- Establishing a common approach to the day-to-day supervision of credit institutions.
- Taking harmonised supervisory actions and corrective measures.
- Ensuring consistent application of regulations and supervisory policies.

Along with the national supervisory authorities, the ECB is responsible for ensuring that the European banking supervision is effective and consistent.

The ECB has the authority to:

- Conduct supervisory reviews, onsite inspections and investigations.
- Grant or withdraw banking licences.
- Assess the banks' acquisition and disposal of qualifying holdings.
- Ensure compliance with EU prudential rules.
- Set higher capital requirements ("buffers") to counter any financial risks.

The SSM is one of the two pillars of the EU banking union. The other pillar is the Single Resolution Mechanism (SRM). Its main purpose is to ensure the orderly resolution of failing banks, with minimum impact on the real economy and public finances of the participating EU member states. The SRM consists of the Single Resolution Board (SRB), which is the resolution authority of the significant banks and other cross-border groups within the banking union, and the national resolution authorities. As a supervising authority, the ECB plays an important role in deciding whether a bank is failing or likely to fail.

Single Supervisory Mechanism & Single Resolution Mechanism

The main tasks of the Single Resolution Board are:

- Establish standard rules and procedures for the resolution of credit institutions.
- Take decisions on resolution within the Banking Union according to a standard process.
- Establish credible and feasible arrangements for resolution.
- Remove any obstacles in the banks' resolution, so as to make the banking system in Europe safer.
- Minimise resolution costs and avert value impairment, unless this is necessary to meet the resolution objectives.
- Provide essential benefits for taxpayers, banks and deposit holders.
- Promote financial and economic stability across the EU.

In this context, a single rulebook has been established, which is a set of legislative texts that determine legal and administrative standards to regulate, supervise and govern the financial sector in all EU countries more efficiently. It includes rules on capital requirements, recovery and resolution processes and a system for harmonised national deposit guarantee schemes.

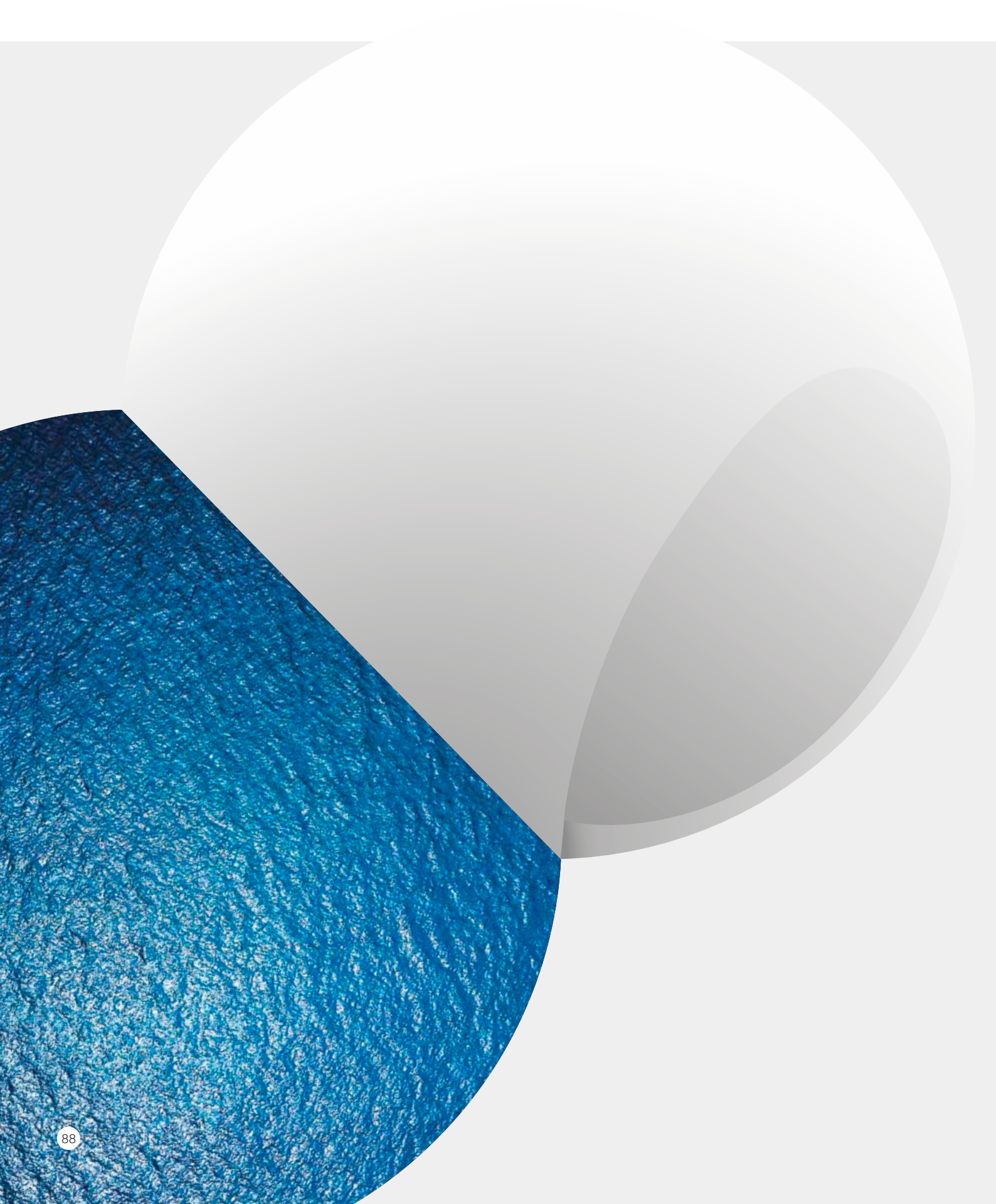
Aiming to respond efficiently to the increased requirements of the supervisory authorities, the Bank has established the Supervisory Relations and Resolution Planning Division, which has a coordinating and supervisory role in projects and initiatives associated with the SSM and the SRM institutional framework, and constitutes a central point of reference for requests by regulatory and supervisory authorities. To this end, it has become the primary link between the Bank and the supervisory authorities, aiming to enhance the relationship and timely response of the Bank to the supervisory requirements.

The Division Head reports to the Group CRO and the Group CFO. As part of its duties, the Division works closely with all the Group Sectors that report to the Group CRO and the Group CFO, as well as with the Group Strategy General Division and the Group's banking subsidiaries abroad.

The Supervisory Relations and Resolution Planning Division has the following main responsibilities:

- Constitutes the Bank's primary link with the Single Supervisory Mechanism ("SSM") and the Single Resolution Mechanism ("SRM"), and manages the Bank's day-to-day relationship with the supervisory authorities.
- Has a coordinating and supervisory role for projects and initiatives associated with the SSM and the SRM, such as, indicatively: the Internal Capital Adequacy Assessment Process, the Recovery Plan, the Risk Appetite Framework, the regulatory stress tests, the information required for the purpose of the Group's Resolution Plan and the determination of Minimum Requirement for Own Funds and Eligible Liabilities ("MREL").
- Coordinates the Group's resolution planning, MREL planning and resolvability enhancing activities.
- Ensures the prompt and effective management of ad-hoc requests and reports required by the SSM or the SRM.
- Provides a single point of contact for the cross-border support of the Bank's international subsidiaries mainly with respect to supervisory reviews, exercises and reports.

BUSINESS ACTIVITIES-GREECE



Retail Banking

2019 was yet again a profitable and significant year for Retail Banking, with a series of remarkable achievements that stemmed from the willingness to cooperate and the professionalism shown by its executives. In this context, always focusing on the needs of customers and aiming to create relationships of trust, Retail Banking:

- Managed to maintain more than 30% of the share of new products in key markets, such as mortgage loans, car loans and mutual funds.
- Achieved the highest production in bancassurance products and at the same time doubled the production of mutual funds.
- Focused on upgrading the quality of service for Personal Banking and Business Banking clients through its branch network. At the same time, it simplified day-to-day banking through introducing digital services and streamlined processes, aiming to improve the overall experience of both clients and branch employees.
- Targeted the backbone of Greek entrepreneurship via Business Banking, providing a consultation framework, aiming to both strengthen its relationship with small and medium-sized enterprises, but also to target enterprises with higher turnover (over €1 million).
- Supported Tourism for a 9th consecutive year through the Tourism Business Banking initiative, providing enhanced privileges for banking and non-banking services, therefore, meeting most of the needs of businesses in this sector.
- Targeted the manufacturing industry with the Business Banking Processing initiative, providing integrated solutions to businesses in the sector, and combining the innovative banking services and financing solutions at hand with excellent value-added third-party services, offering preferential terms and significant benefits to clients.
- Supported vulnerable social groups and microenterprises, in partnership with AFI, to provide micro-credit facilities, through the Guarantee Facility of the Employment and Social Innovation (EaSI) programme, funded by the European Commission.
- Established the innovative v-Banking service. A ground-breaking service for Greece, which takes advantage of technology to offer over 8,000 SMEs the possibility to receive personal service and conduct numerous banking transactions from their place of business.
- Remained committed to offering personalised services of the highest standards to its Personal Banking clients for yet another year, aiming to establish beneficial and long-term relationships with them.
- Stood by its individual clients, providing comprehensive solutions for the day-to-day needs of salaried employees, pensioners and younger clients. At the same time, it further expanded the €pistrofi card loyalty programme, with more than 8,500 partner retailers across all sectors, giving its clients the opportunity to benefit from gaining even more €pistrofi euros from their purchases.

Retail Banking

- Broke new ground in the area of credit cards, being the first in Greece to offer e-Banking users the chance to complete the credit card application process online, without having to visit a branch.
- Supported all clients facing difficulties in paying off their loans, treating each case with sensitivity and a deep sense of respect, seeking optimum and viable solutions.
- Implemented an ambitious simplification programme (LEAN) regarding its operations, which ultimately aims to reduce costs, increase productivity and increase engagement time between bank officers and high net worth clients.
- Increased its presence through ATMs across Greece.
- Improved its portfolio quality on all levels, regulatory and cost management.
- Achieved high profitability by increasing revenue and commissions, while cutting costs.
- Attracting new deposits is a top priority for the Bank.

Deposit & Savings Solutions

As of 31.12.2019 the Bank's deposit balances stood at €44.8 billion, compared to €39.1 billion as at 31.12.2018, recording the largest market share increase on an annual basis. Moreover, in 2019 the Bank consolidated its market share in General Government deposits, increasing it by 342 basis points per year, and specifically by 684 basis points in public hospitals and by 109 basis points in local government, while on the NGO side, it recorded an increase of 11% in deposits under management.

By applying its customer-centric approach, the Bank offers a comprehensive range of deposit products, including accounts for day-to-day transactions, savings accounts and time deposits, along with privileges and loyalty programmes.

In particular, actively supporting the savings effort of Greek households, the Bank offers the Apotamievo (Saving) and Megalono (Growing up) products, which meet the savings needs of each member of the family, depending on their life stage. In 2019, more than 680,000 customers held a Megalo Tamieftirio (Mega Savings) account, while 165,000 children already hold the Megalono (Growing up) savings account and are entitled to take part in draws to further build up their savings, as the reward can double their account balance by up to the amount of €50,000. To support professionals and businesses, the Bank has created products and special packages, to help them gain more on their deposits and reward them for choosing Eurobank as their primary bank.

In 2019, the Bank continued to offer deposit products via e-Banking. In particular, all time deposits are available online, offering competitive returns, with or without cashback rewards through the €pistrofi loyalty programme. €pistrofi euros may be redeemed by customers when they use a card linked to the €pistrofi card loyalty programme at more than 8,500 partner retailers who have joined the programme.

Mortgages & Personal Loans

The Bank managed to increase new loans in all categories of loan products targeted at individuals, while keeping its leading position in the mortgage sector.

In 2019, Eurobank rebooted the mortgage loan market by successfully promoting new programmes with a preferential fixed interest rate for 3, 5, 10, 15, 20, 25 and 30 years, highlighting the favourable conditions of the property market and significantly increasing the demand for new mortgage loans.

The increase in new mortgages exceeded 24% compared to the previous year. At the same time, the Bank implemented a Good Mortgage Borrower Reward Programme, giving all mortgage borrowers who are up to date with their payments the chance to benefit from a range of privileges, discounts and facilitations. Moreover, for yet another year, it continued to contribute to the green home loans sector through the new Saving at Home II Programme, with the Bank's mortgage portfolio in Greece reaching €12.4 billion.

In the consumer credit sector, disbursements of amortising personal loans stood at €46 million, up 17% compared to 2018, the leading product being Payroll Personal Loan, which increased by 23% compared to the previous year, accounting for 74% of total disbursements. Disbursements of car loans were also up 6% compared to 2018, standing at €127 million in 2019. This increase is surely due to the purchase of new cars, which constitutes the largest part of such lending; new loans amounted to €100 million, an increase of 8% compared to 2018.

The Bank's personal loan portfolio in Greece amounted to €2.8 billion in total, including credit card balances.

Credit & Debit Cards

In 2019, card purchases continued their upward trend, reaching new historically high levels both in transaction volumes and in total value. Specifically, the Bank's debit cards recorded a 19% increase compared to 2018, while total credit card turnover increased by 5% compared to the previous year. In 2019, Eurobank broke new ground in the area of credit cards, being the first in Greece to offer e-Banking users the chance to complete the credit card application process online, without having to visit a branch.

The Épistrofi loyalty programme contributed to building lasting relationships with existing customers, by rewarding their overall relationship with the Bank, and in attracting new clients, posting a 20% rise in transaction value in 2019.

The Bank holds a leading position in the area of co-branded credit cards, offering real value to the day-to-day transactions of clients, with exclusive privileges from COSMOTE World Mastercard, YES Visa, Reward World Mastercard and masoutis Visa.

Retail Banking

Bancassurance

In 2019, the Bank achieved excellent performance and results in bancassurance activity. A case in point is the fact that commissions exceeded €20 million, up 40% compared to the previous year. In 2019, health products were one of the Bank's priorities and they recorded the highest performance to date. Also, the sales of regular premium insurance policies doubled year on year, creating an optimistic view for future performance.

As an insurance broker and in partnership with Eurolife FFH Insurance, Eurobank, aiming to meet all customer needs, launched a new insurance-based investment product, which offers high yield prospects, combining a modern form of investment with life insurance.

Meanwhile, in 2019, the option of online car insurance was made available (even to non-Bank clients) through eurobank.gr, in partnership with Eurolife FFH Insurance.

Individual Banking

Individual Banking remained focused on developing and serving 85% of the Bank's active customers (around 2.7 million active customers), by creating comprehensive proposals and solutions that cover the entire range of Retail Banking products and services.

In this context, in 2019 it focused on designing and implementing a comprehensive commercial development plan for individual clients, taking advantage of all available communication means, focusing especially on the use of alternative and digital channels. Implementing a series of initiatives, particular emphasis was placed on the transition of transactions of individual clients to alternative and digital channels, with the option of a significant number of transactions being available 24/7.

A series of coordinated commercial activities led to significant results, such as attracting 150,000 new individual clients and upgrading the relationship of 30,000 existing individual clients. In addition, 100,000 individuals forged their basic banking relationship with Eurobank, while more than 100,000 new salaried employees and pensioners entrusted Eurobank for their monthly source of income.

At the same time in 2019, new streamlined customer journeys were designed through digital and alternative communication channels, building a relationship between the individual clients and the Bank step by step. In addition, an innovative customer journey for e-Banking was designed, from issuing and activating credentials to increasing its use, ushering individual clients into the new digital era, while creating a unique communication and information experience.

Personal Banking

In 2019, Eurobank Personal Banking remained dedicated to its goal of providing personal banking customer service of the highest standard by qualified and certified Relationship Managers. These executives present alternative plans to clients for accomplishing their financial goals, choosing from a wide range of deposit, investment and banking products. In this context, the Bank focuses on:

- Conducting daily transactions in exclusive service areas.
- Offering customised services and products at a preferential rate.
- Supporting their financial goals through tailor-made plans.
- Providing regular updates on the economy and market developments.

In 2019, a total of 1 million contacts were made with clients, either through meetings or through alternative and digital channels.

In addition, a series of initiatives were implemented, such as creating combined products consisting of deposits, investments and bancassurance products, as well as organising dedicated events for clients, in order to inform them of market developments, as well as new products and services available through the Bank. At the same time, focusing on the individual needs of clients, the service was enriched with a series of entertainment and well-being privileges.

At the end of 2019, Personal Banking increased its clientele significantly, while also further developing the relationships between clients and the Bank, arising from the acquisition of products and services, as well as the high satisfaction rate for the service.

Small Business Banking

In 2019, Small Business Banking targeted larger businesses with growth prospects, while maintaining its leading position in terms of serving and developing small businesses.

Focusing on increasing the loan balances for small and medium-sized enterprises – making the most of the Bank's liquidity and financial instruments in cooperation with national and European institutions – it contributed to the increased access of SMEs to financing.

In 2019, over €123 million was disbursed under the Cosme Programme, while at the same time Small Business Banking contributed to strengthening the liquidity, competitiveness and extroversion of SMEs through programmes such as Business Financing – Entrepreneurship Fund (TEPIX) II, NSRF Actions 2014-2020 and the EaSI programme of the European Investment Fund, in cooperation with AFL.

The Bank's presence in the business community was enhanced through the development of ecosystems such as Business Banking Tourism and Business Banking Processing, strengthening customer relations with the Bank.

At the same time, new products and actions were supported by businesses active in international trade, resulting in the integration of exporting clients into the Bank's strategic extroversion initiatives, such as Exportgate and Trade Club Alliance.



Retail Banking

As a result, a series of financials increased. In particular, new amortising loans and credit limits amounted to €323 million. At the same time, new loan approval further increased to 75%, confirming the quality of applications from financially sound companies. In the area of business insurance, there was a 25% rise in bancassurance products, with the new group insurance products dominating.

v-Banking v-Banking is an innovative service designed to address the Bank clients' ever increasing needs (SMEs and freelancers) for personal service and consultancy wherever they choose.

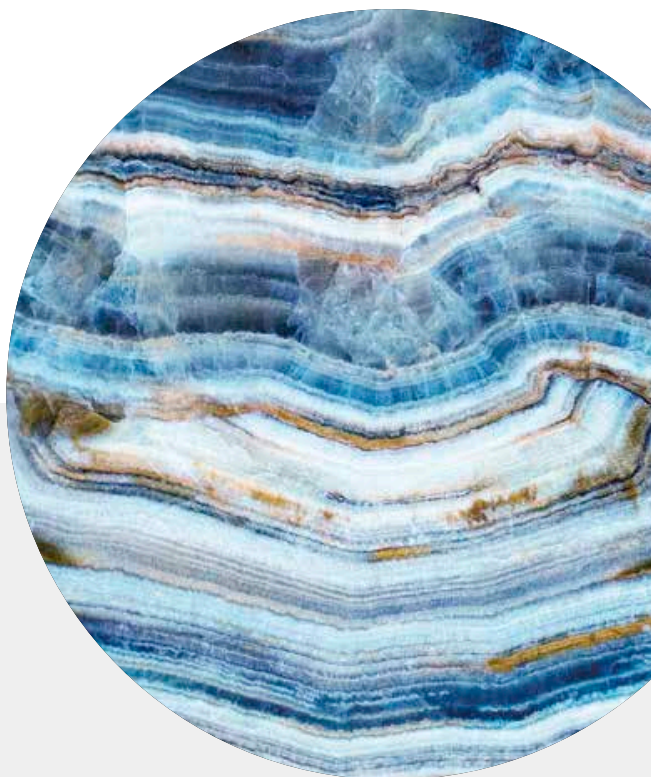
2019 was a landmark year for the v-Banking channel, firstly because it became established in the consciousness of business clients (increased calls, new clients, balances) and, secondly, because it started expanding towards different client bases.

The v-Banking service substantially differentiated not just the product, but the way in which it is offered, optimising the customer experience and turning around the way banking is conducted.

Throughout the year, v-Banking:

- Was able to remotely update a client folder.
- Was able to serve expatriates without requiring their physical presence and/or signature on supporting documents.
- Was able to track uploaded files so as to further safeguard the Bank and its clients.
- Transferred natural persons to the new e-Banking.
- Doubled video calls (21,800) compared to 2018 (10,300).
- Carried out 34% of the Bank's total Business Check-ups.
- Activated 5,200 new customers, reaching an 85% assigned active client base.
- Reached a Cost/Income ratio of 0.25.
- Strengthened core Small Business balances by €11 million.
- Established a new v-Banking office in Thessaloniki.

Group Corporate & Investment Banking



The Group Corporate and Investment Banking (GCIB) General Division provides fully integrated business solutions and excellent customer service to its clients, consisting of large and complex corporate customers and medium sized enterprises, both in Greece and in SE Europe.

The main client service pillars are the Large Corporate Unit, Commercial Banking Unit, the specialized divisions of the Structured Finance Unit – Project Finance, Commercial Real Estate Finance, M&A & Sponsors Financing, M&A Financing & Structured Solutions, Hotels and Leisure Finance – and Shipping.

GCIB had a record year in 2019, setting a new benchmark and highlighting the Division's capabilities to design, structure and execute highly complex projects, entirely supporting their capital raising, and to introduce innovative solutions that cover its corporate client's unique needs and priorities.

Eurobank further strengthened its position as the "Bank of Growth and Prosperity" through its leading role in the largest, most prominent projects that started in 2020 and its focus on supporting strategic sectors of the Greek economy, financing robust business plans, growth strategies, investment programmes and export activities.

GCIB played a pivotal role in key projects for the Greek economy, including the coordination and the raising of capital for the Hellinikon project, the advisory to the HRADF on its assets capitalization such as the Athens International Airport, the support of CVC's further acquisitions in the healthcare sector, and many more significant smaller size deals.

Group Corporate Investment Banking

During 2019, GCIB launched a number of major initiatives such as the digital knowledge centre for Greek entrepreneurs, Digital Academy for Business. GCIB recognizes shifting client needs and addresses them through continually raising the bar in the development of innovative products and services. As such, in 2019 GCIB introduced new solutions compatible with the era of Open Banking.

Particular emphasis was placed on transactional banking services to meet the daily needs of modern businesses in terms of receipts and payments. In addition, GCIB focused on the financing of their supply chain utilizing modern technologies such as the Internet of Things, APIs, global technology ecosystems, Exportgate, Trade Club Alliance and we.trade as well as electronic invoicing and archiving services. In 2019, Eurobank reached strategic cooperation with a rapidly evolving company, while providing Greek companies the innovative platform of direct interbank e-receipts, Paygate requirements, making it easier for companies to develop their transaction circuit, and offering immediate benefits to their cash flow and liquidity. Finally, Eurobank was the first Greek Bank to sign on to be part of the J.P. Morgan "Interbank Information Network (INN®)".

Large Corporate

Large Corporate (LC) is responsible for covering the financial and banking needs of very large corporate clients of the Bank, both in Greece and in SE Europe. LC serves as the main point of contact for all financial solutions and products included in the Bank portfolio for major clients. At the end of 2019, the portfolio managed by the Bank exceeded €3.2 billion and included more than 100 groups of companies, mainly operating in the energy, manufacturing, retail, services, health and construction industries. In 2019, LC continued to support strategic sectors of the Greek economy and finance large-scale robust business plans, mainly in the energy, health and retail industries, achieving a net credit expansion of around 4%.

Commercial Banking

The main objective of Commercial Banking (CB) is to build a strong holistic relationship with medium-sized enterprises as well as MidCaps, by providing both standard and tailor-made financing solutions, as well as a broad range of banking services (e.g. Global Transaction Banking, Insurance Services, Treasury, etc.).

Client relationship management is entrusted to experienced Relationship Managers, who comprise the CB team and aim to provide top quality services. The CB lending portfolio amounted to €3 billion in 2019. The CB Network is responsible for managing relationships with MidCaps nationwide, through a network that numbered 14 business centres (4 flagships) at the end of 2019. This structure ensures proximity, closer monitoring of customer operations and performance, and proactive risk management, aiming to maintain the Bank's asset quality.

Moreover, CB actively supports medium-sized Greek enterprises – the backbone of the Greek economy. In 2019 in partnership with the European Investment Bank (EIB), the Institution for Growth in Greece (IfG) and the European Investment Fund (E.I.F.) CB extended new loans to medium-sized businesses and MidCaps amounting to €175 million.

Structured Finance

Structured Finance (SF) offers full and integrated services through five dedicated departments: Project Finance, Commercial Real Estate Finance, M&A Financing & Structured Solutions, M&A & Sponsors Financing and Hotels and Leisure Finance. Based on their industry know-how and expertise, the SF departments coordinate the actions of all Group companies, both within and outside Greece, while they are responsible for handling both healthy portfolios and non-performing loans, the latter under the supervision of the Troubled Assets Group General Division. The Unit's portfolio stands at € 2.7 billion, with new loans amounting to € 400 million in 2019.

Project Finance The Project Finance Unit provides a broad range of services, primarily involving advisory services, as well as structuring and organising complex financing for major infrastructure and energy projects in Greece and the countries of SE Europe, as well as public private partnerships (PPPs).

In 2019, Project Finance focused on providing advisory services for infrastructure projects, such as the selling transaction of the Hellenic Republic Asset Development fund's percentage in Athens International Airport to the Fund, as well as maintaining and expanding a healthy loan portfolio. With regards to new loans, it continues the expansion into the renewable energy sector, as well as strengthened its position in strategic infrastructure projects such as the participation in the loan to Athens International Airport (€115 million), aiming at extending the allowance period as well as undertaking new projects at the airport.

Finally, despite the credit expansion, the portfolio performance is positive, with very few non-performing loans (less than 1% of the portfolio).

Commercial Real Estate Finance In the area of Commercial Real Estate Finance, the Bank is active in structuring and organizing complex financing for all types of large commercial real estate – such as office buildings, malls and mixed-used complexes – industrial buildings, logistic centers and large-scale housing complexes.

During 2019, the Bank assumed the role of sole Coordinator and (together with another Bank) of Mandated Lead Arranger of the emblematic Hellinikon project, encompassing financings reaching c. €1.7 billion.

In parallel, the Bank concluded a series of new financings with new and existing clients, while new potential cooperations are being prepared, aimed at continuing the strong growth of the performing portfolio in Greece, Bulgaria, Serbia and Cyprus.

The Unit also continues to manage special purpose vehicles (SPVs), which came into the possession of the Bank either upon consensus, through share transfer, or following the execution of contractual rights on the part of the Bank. All SPVs perform satisfactorily under the current market conditions.

Mergers & Acquisitions Financing & Structured Solutions The M&A Financing & Structured Solutions Unit specializes in structuring, arranging and financing M&A transactions and complex/structured financings. The Unit has become a benchmark in the Greek market, also playing a vital role, as an internal advisor, to other Bank units. In 2019, it continued supporting and financing a series of transactions for Group Sani / IKOS Resorts while it works closely with other departments within the Bank to complete a number of restructuring and complex financing deals.

Mergers & Acquisitions & Sponsors Financing The M&A & Sponsors Financing Unit took over the relationship building and dialogue leadership with the investor community in Greece and abroad focusing on the origination of new transactions. In parallel, the Unit participates in all the M & A transactions, in close cooperation with M&A Financing & Structured Solutions Unit with the most important for 2019 being a structured financing with Fortress Investment Group.

Group Corporate & Investment Banking

Hotels & Leisure Finance

With tourism being consistently one of the main pillars of Eurobank's strategy, the Bank aims at continuing playing a key role in supporting the industry. The Hotels and Leisure Finance Division, capitalizing on its experience and ability to deliver on time, has built important long-term relationships with the largest Greek hotel groups while also targeting international investors interested in investing in the sector.

The Unit's portfolio consists of 4 and 5-star hotels and the vast majority of tourism investments financed by the Bank are mainly located in popular holiday destinations in Greece: 22% in Crete, 53% in the Dodecanese islands, 5% in Mykonos and Santorini, 7% in the Ionian Islands etc (percentages in terms of exposure). The Hotel and Leisure Unit's strategy is based on four main pillars:

- New projects financing relating to investments in existing or new hotels and acquisitions. In 2019, the unit completed new financings of over €150 million.
- Restructuring reversible troubled accounts, through a series of operational, financing and capital restructuring arrangements, combined with attracting strategic investors, aimed at resetting the accounts on a sustainable and sound basis.
- Implementing permanent solutions for recovering the Bank's receivables in the event of non-cooperating and non-viable borrowers, mainly aiming to transfer the hotel and/or business to robust investors with vision and plan to further develop it.
- Implementing a holistic customer approach regarding Customer Service targeted to increasing Eurobank's share of the customer's wallet.

Loan Syndications

The Loan Syndications Unit is responsible for the structuring and arrangement of a broad range of specialised and highly structured syndicated financings, including among others corporate bond loans, convertible bond loans, merger and acquisition financings, as well as debt restructurings. Over the past nine years, the Unit has held a leading position in the syndicated loan market in Greece, having arranged or co-arranged over 230 syndicated loan facilities to prominent companies in the Greek market.

In 2019, the Bank maintained its leading position in the market holding an active role in the structuring of the majority of syndicated loans/bond loans granted by the Greek banking system within the year, with the volume of transactions reaching c. €2 billion.

The Unit is also actively engaged in the secondary loan market contributing to the optimization of the Bank's portfolio through loan asset acquisitions /disposals, and retaining open communication with international and domestic investors to identify opportunities to buy or sell at the most profitable price.

Shipping

Eurobank has maintained a steady presence in shipping finance for 26 years, cooperating mainly with traditional Greek privately owned companies with proven ability to manage shipping cycles over time.

Shipping finance is extended to companies of Greek interests, with large or medium fleets, aimed at financing new investments, either for purchasing second-hand vessels or for new buildings. The financed fleet includes vessels from the three main categories (dry bulk cargo, wet cargo and containers).

The Bank's main objective is to maintain the high quality of its shipping portfolio and to develop it further, by establishing relationships with new shipping groups that meet the Bank's lending criteria. Within 2019 the Bank managed to grow its portfolio by extending new financing, to both existing and new customers/groups, of over USD 620 million, while, at the same time, continued the effective management of the existing portfolio implementing the Bank's credit policies. In 2019, total shipping loans at Group level amounted to about USD 2.1 billion, an increase of 17% compared to the previous year. As a result, profitability rose, while maintaining the high quality criteria of the portfolio.

The Shipping Division is based in Piraeus and constitutes the Bank's "Shipping Hub", overseeing the shipping desks of Eurobank Cyprus and Eurobank Private Bank Luxembourg.

Eurobank's support of the Greek shipping industry remains a strategic goal and contributes to fostering synergies with other units at both Bank and Group level, as well as growing Group's deposit base.

Investment Banking

The Investment Banking Unit offers strategic financial advisory services to corporate clients and their shareholders for Mergers, Acquisitions, disposals and capital restructurings as well as for raising capital either through Private Equities or through the capital markets. The Principal Capital Strategies Department manages the Bank's investments in corporate and investment vehicles, amounting to approx. €28 million.

In 2019, the Investment Banking Unit provided strategic financial advisory services to a number of corporate clients, including the Hellenic Telecommunications Organisation (OTE) for the sale of its subsidiary Telekom Albania and potential divestment from the distribution grid (HEDNO) and OPAP for the company's valuation in relation to the tender offer launched by Sazka Group. In cooperation with Structured Finance, the unit provided advisory services to the Hellenic Republic Asset Development Fund (HRADF) for the extension of the concession agreement for Athens International Airport (AIA) and the sale of HRADF's 30% stake in AIA. Moreover, the Investment Banking Unit advised Nexans Participations, Hellenic Healthcare, CP Holdings and Andromeda Seafoods S.L. regarding the tender offers for the shares of Nexans, Hygeia, Eltrak and Nireas-Selonda respectively.

Moreover, during the year, the Bank acted as a Coordinator and Lead Underwriter for the €200 million public offering of AEGEAN AIRLINES SA bonds, listed on the Athens Exchange as well as for the €175 million public offering of ATTICA HOLDINGS S.A. bonds in which case, the Bank also acted as an advisor to the issuer. In addition, the Investment Banking Unit supported the Bank with its merger by absorption of "Grivalia Properties REIC".

Furthermore, the Investment Banking Unit acted as Advisor, Coordinator and Lead Underwriter for the 650 million Rights Issue of LAMDA DEVELOPMENT S.A., the largest rights issue during the last 12 years (excluding banks). The proceeds will be used to finance the urban development of the Hellinikon Project, an investment with a total budget of €8 billion.

Group Corporate & Investment Banking

Leasing

In 2019, Eurobank Ergasias Leasing SA, a subsidiary of the Bank, extended new financing and maintained its leading position with a market share of 25%, based on outstanding balances. These new leases primarily related to production equipment and vehicles were signed with new customers who, despite the crisis, managed to stand out for their positive financial performance, their robustness and their extroverted potential in the areas of manufacturing, commerce and tourism. At the same time, the company continued its policy of supporting cooperating borrowers through restructuring and ensured, in many cases, the smooth operations of major manufacturing companies. Furthermore, the company efficiently exploited its movable and immovable Properties through commercial lease agreements and sales of property, vehicles and movable equipment. In 2019, the company continued efforts to improve its operational performance, by restructuring and upgrading its procedures, and withholding operating costs, despite the rise in new projects.

All these actions, combined with the high level of technical expertise and experience of the company's executives, contributed to Eurobank Leasing being the first choice for customers seeking financial leases.

Factoring

2019 was yet another year of growth for Eurobank Factors SA, both in terms of turnover (total assigned receivables) and outstanding lending balances as well as high profitability. The successful performance was achieved despite the negative effect of an unexpected imposition charged by the Tax Authorities upon factoring financings. Eventually, the levy was abolished as a result of a concerted effort and institutional negotiations just 6 months after its initial imposition. The company maintains its leading position in the Greek market and acts as a pioneer and point of reference in SE Europe for transactions related to Reverse Factoring / Suppliers' Financing, through a streamlined approach, which allows the company to efficiently manage a large volume of transactions.

The quality of the loan portfolio remains high. Finally, the company enjoys recognition on an international level and is constantly ranked high by associate correspondents, all members of Factors Chain International (FCI), being a proud recipient of two global gold and one bronze award for Cross Border Factoring.

Transactional Banking

Through the provision of high-quality services by properly addressing clients' transactional banking needs, Eurobank continues to build trustful relationships with its clients in Greece and abroad, and remains the preferred domestic cash management partner for a substantial number of international banks.

Since October 2018, Eurobank has participated in we.trade, the digital global trade platform, through which Greek Businesses-Bank Clients can carry out fast, transparent and safe commercial transactions based on blockchain technology. Including Eurobank, 14 banks participate in the platform, from Austria, Belgium, Denmark, Finland, France, Greece, Italy, the Netherlands, Norway, Spain, Sweden, Switzerland and the UK. Businesses participating in the we.trade platform can negotiate and execute orders, agree on commercial terms and use the financial services provided through the platform.

Additionally, the Bank continued to provide pre- and post-trade financing to selected exporters. The Transactional Banking Sector was actively involved in providing liquidity to customers through its participation in the Extroversion (Exostrefia) Programme, run by the Export Credit Insurance Organization, as well as in facilitating imports (mainly of raw materials). At the same time, the Bank further enhanced its collaboration with the European Investment Bank (EIB), the European Bank for Reconstruction and Development (EBRD) and the International Finance Corporation (IFC), facilitating the promotion of important trade tools, such as confirmed letters of guarantee and letters of credit.

**Global Markets -
Treasury**

**Global Markets
Trading**

Global Markets Trading team was a strong contributor to the profitability of the Group in 2019. In line with the strategic priorities of the Group, the Trading team was instrumental in developing automation solutions for internal pricing and client execution tools that significantly enhanced and simplified the client transaction experience. The team operates in the primary and secondary markets of Greek sovereign bonds, as well as in the corporate and state bond market of developed and developing countries. It is also present in the derivatives, interest rate and currency markets.

With regard to own account trading, the Group applies strict limits, which are monitored daily by the Risk Management Division.

**Product Sales &
Structuring**

Focused on its customer-centric philosophy, in 2019 the Sales Division continued to deliver high quality complex services/products while its contribution to the Bank's performance was particularly significant.

The continued impressive acceptance of the e-FX for Business service by corporate clients, commit us to the ongoing development and deployment of new complementary features to further enhance client service and their digital experience.

Efforts to attract and/or manage client's liquidity were outstanding, as were structure and offering alternative deposit/investment products or hedging solutions. Finally, for yet another year, the Division retained its prominent role in the structuring, coordination and distribution of Greek corporate bond issues.

Treasury

During 2019 market conditions continued to improve while both the Greek Sovereign and banks were further upgraded. In this environment, the Bank continued to undertake initiatives aiming to further improve the Bank's liquidity position and optimally manage market risks.

More specifically, in 2019 Treasury:

- Achieved the bank's complete disengagement from the Emergency Liquidity Assistance programme (ELA) in Q1, and continued with an action plan to gradually restore the Bank's liquidity risk indicators to the prescribed regulatory limits aiming for full compliance in H1 2020.
- Increased the number of repo counterparties in order to further reduce the Bank's funding cost, increase dispersion of financing resources, and maximize the liquidity raised from the market.

Group Corporate & Investment Banking

- Completed (in Q1) the upsize of an existing Corporate/SME loan securitization, and participated in ECB's new Targeted Long Term Refinancing Operations programme in order to secure long term liquidity.

Finally, through active relationship management and participation in international events (e.g., Sibos), the Bank maintained existing, and is developing new, strategic relationships with correspondent banks and international institutions in an effort to offer innovative and competitive solutions to the Bank's payments business while also serving clients' needs.

Global Markets International – Subsidiaries

The Global Markets Division offers an integrated and standardised approach to the countries of Southeast Europe, based on a central management and supervision model that is run from Greece. The Eurobank Group's strategic objective is to preserve and develop its important regional footprint in the areas of liquidity management, foreign exchange, interest rates, bonds and derivative trading, as well as the sale of financial and investment products in the local markets.

In 2019, the Group managed to:

- Significantly increase the subsidiaries' liquidity and ensure its efficient use within the Group.
- Enrich the investment portfolio with fixed income and FX products and improve the income-assumed risk ratio, while maintaining a leading role in the primary and secondary market dealership for local government bonds, providing liquidity to local and international counterparties (in the securities and currency markets) as well as quality services to a diverse client base (retail, corporate and institutional customers).
- Execute benchmark transactions for asset/liability management with foreign credit institutions.
- Continue to drastically decrease the cost of deposits, along with an overall increase in deposit volumes in terms of international operations.

Wealth Management - Asset Management

Mutual Fund Management

2019 was the 12th consecutive year that Eurobank Asset Management MFMC had the leading position in the area of mutual funds and institutional portfolio management in Greece, according to the Hellenic Fund and Asset Management Association. Total funds under management and supervision amounted to €39 billion as of 31 December 2019.

In the area of mutual fund management, Eurobank Asset Management MFMC, maintained its no 1 ranking among asset management companies in Greece, with assets amounting to €2.27 billion. Net positive flows were largely directed to bond funds and to the Eurobank (LF) Absolute Return mutual fund. This trend is mainly attributed to the rapid de-escalation of deposits' interest rates and the consequent decrease in the returns of money market funds, which suffered significant outflows. During the second half of 2019 the gradual improvement of economic sentiment and the growth prospects of Greece contributed to the increase of inflows into equity funds investing in companies listed in the Athens Stock Exchange.

In concordance with the above, the quality of the investment management results was acknowledged by Morningstar, the international mutual fund rating agency, which awarded five stars to various share classes of Eurobank (LF) Income Plus as well as the Interamerican Variable Net Asset Value Money Market Fund. Four stars were awarded by Morningstar to: Eurobank I (LF) Fund of Funds Balanced Blend Global, Eurobank (LF) FOF Global High, Eurobank I (LF) FOF Balanced Blend Europe, GF Balanced Blend FOF and GF Global Foreign Bond Fund. At the same time, the expertise of the Eurobank Asset Management MFMC investment management team in the area of bond investing was recognized by Citywire Global, an international financial information and manager rating house, for its cumulative risk weighted performance for the period 31.07.2012 – 31.07.2019 with the gold award for European bond securities and the silver award for Eurozone bond securities management. Also, Citywire Global awarded the two head managers of the Eurobank (LF) Absolute Return mutual fund with a + rating, for both their methodology and strategy.

These awards, the distribution agreements with international fund platforms and the participation of Eurobank Asset Management MFMC executives in European fund selector conferences continued to constitute the main pillars of the Company's strategic outward-looking policy.

Institutional Asset Management

2019 was a particularly good year for institutional asset management, in terms of absolute and relative returns, with total funds under management reaching €472 million.

Equally positive were the returns of portfolios managed on a discretionary basis on behalf of Private Banking clients in Greece, Cyprus and Luxembourg, with total assets amounting to €429 million.

Finally, total funds under distribution to Eurobank's private banking clients in the three countries reached €0.8 billion in 2019 supported by the services offered by Eurobank Asset Management MFMC for the analysis, evaluation, classification and selection of UCITS funds managed by the co-operating international investment houses.

Wealth Management - Asset Management

Private Banking

2019 was a successful year for Private Banking in Greece. A combination of favorable factors such as the improving macroeconomic conditions in Greece, the abolition of capital controls as well as the buoyant global markets, all contributed to an increase in the assets under management (AuMs) by 12%, with a corresponding positive effect on the profitability. Adding to the positive external environment was the further reduction of the operational cost base, that squeezed the cost/income ratio to 48.9%.

On the offering front, Eurobank Private Banking upgraded its benchmark investment portfolios including its Discretionary Asset Management service, in order to increase their effectiveness in the low rates/low yield global environment and placed increasing emphasis on investments with reference to the ESG segment, that is rapidly growing in prominence among global investors.

Finally, in 2019, 16 Eurobank Private Circle Events took place, among them 3 Secular Debates, which were held in the Private House. During the Private Circle Events, Eurobank Private Banking clients were informed of current financial developments by the bank's specialized analysts, while at the same time, had the opportunity to attend specialists, analyzing timely and diverse issues.

Equities Brokerage

In 2019, Eurobank Equities SA accounted for 15.3% of the volume of transactions in the Athens Exchange, solidifying its position as one of the brokers of choice for the institutional investors active in the Greek market in addition to thousands of private investors.

The Company is a leader in the industry, offering access to a full range of investment products, including trading in stocks, derivatives, bonds and mutual funds around the globe. Qualified officers and exclusive representatives and associates provide services to retail investors, while EurobankTrader is the company's digital image. The latter was recently upgraded and is constantly developed, exhibiting a plethora of features for retail investors, such as real time price-feed from various exchanges, access to technical analysis tools, economic news and the company's research.

Eurobank Equities' award-winning Research division is committed to generating actionable investment ideas by providing timely research and insights on the multiple sectors that it covers. Its research universe includes more than 20 listed companies, accounting for approximately 80% of the ATHEX capitalization and over 90% of the traded value. Eurobank Equities Research also provides secondary coverage on the largest foreign markets and listed large cap names.

Finally, the Market Making Division of Eurobank Equities provides liquidity on the shares of 32 listed corporate entities and 33 derivatives, capitalizing on its extensive experience and proprietary technology.



Other Operations

Public Sector Banking

The Division responded to 134 calls for expression of interest for cash management and 68 calls for expression of interest for transaction services, offering integrated, competitive and innovative solutions. At the same time, looking to fully meet the specific and multifaceted banking needs of public bodies, it used all available Group networks and products, by offering dedicated property management proposals, a wide range of insurance products, flexible financing solutions and preferential payroll packages. In the context of this cooperation with public bodies, the Division reinforced their efforts, by supporting cultural and social local government actions and donating equipment to public hospitals.

Securities Services

In 2019, the Securities Services Division continued to provide quality post-trade services to the Group's institutional clients. In this context, the Group focused on restructuring operations, by applying centralised, customer- centric processes, and further developing cutting-edge technological applications. These initiatives ensure a high level of customer service and optimization of services provided by the Bank's experienced and highly qualified personnel. Moreover, the Group, and in particular the Securities Services Sector, proceeded promptly with implementing a series of regulatory changes, providing new products and services, as well as innovative solutions, in response to the investors' ever-changing needs.

Non-Banking Services for Businesses (Business Exchanges SA)

At a time when efficient management and cost cutting are a priority for all businesses in Greece, services such as e-procurement and e-invoicing contribute to achieving these goals. Business Exchanges is an important vehicle for the Group's digital transformation programme and one of the Group's key hubs for the restructuring and consolidation of its financial and HR services.

For a 19th consecutive year Eurobank, through its subsidiary Business Exchanges SA, successfully operated in the B2B transactions sector, offering value-added digital services to its customers. Business Exchanges assists businesses, including the Eurobank Group, to streamline their supply chain through e-auctions, e-procurement and e-invoicing services. Also, it offers financial services for businesses as well as financial management to 6 Group subsidiaries as well as 14 SPVs.

In addition, Business Exchanges provides the Bank with product support and promotion services (for Consumer & Mortgage Loans, Bancassurance products), through outsourcing agreements with Europhone Banking and Telemarketing.

During the year, the company successfully implemented 332 e-auctions for Eurobank Group, private sector companies and public sector organizations. Regarding the Group's e-procurement transactions €103 million were generated in 2019 on par with 2018, while profits from the activity increased by 15% compared to 2018. At the same time, for the e-invoicing activities, the turnover related to the digital filing and distribution of invoices increased by 18% compared to 2018.

Troubled Assets Management



The Troubled Assets Group General Division (TAG), with a reporting line directly to the CEO, has the overall responsibility for the end-to-end management of the Group's troubled assets portfolio, from the early stages of delinquency until the stage of legal actions and auctions.

Within a volatile economic environment, business initiatives have continued, in compliance with the regulatory requirements for the management of exposures in arrears and non-performing loans. In this respect and similarly as in 2018, TAG has overall achieved in 2019 the key regulatory targets for NPE reduction. In particular, during the year, total NPE stock was reduced by €3.7 billion resulting to an NPE ratio of 29.2%.

Retail Troubled Assets Management

As regards the Retail Remedial General Division (which manages mortgage loans, consumer loans, small business loans and loans to professionals), the following strategies and operational actions that were applied in 2019 are worth mentioning:

- Exceeded the annual targets submitted to the Single Supervisory Mechanism (SSM) regarding NPE stock reduction.
- Successfully completed the implementation of Pillar (€2.0 billion) and Cairo (€4.8 billion) securitization projects.
- Further enriched, expanded and streamlined the functionalities of a new legal actions model, and completed the transition to a new system (AROTRON), for the overall monitoring and optimization of legal actions, including a collateral liquidation process, aimed at a more time efficient processing.
- Introduced a new generation of modification solutions which best address the debtors' long term repayment capacity.
- Completed the first Certification Programme on Strategic Troubled Assets Management (STAMP) for Retail personnel, in cooperation with Moody's and the Hellenic Banking Institute.

Troubled Assets Management

- Designed and developed the process needed to comply with L.4605 regulatory framework for the protection of the primary residential property.
- Further developed collection strategies for loans in arrears, in order to minimize redefaults of new modifications and to optimize cost management per segment, based on borrower's risk profile and historical payment pattern.

Corporate Troubled Assets Management

With regard to the Corporate Remedial General Division, the following strategic and business initiatives are worth mentioning for 2019:

- Achieved the NPE operational targets submitted to SSM by implementing analytic strategies for the entire portfolio.
- Closely monitored inflows and outflows with a view to substantially reduce NPEs.
- Successfully implemented the NPE reduction acceleration plan through the securitization of €2.6 billion corporate loans, aiming at further reduction over the next 3 years.
- Completed the design of Eurobank FPS' business and operating model in order to enable a seamless integration and management of the Corporate Portfolio (leasing and loan exposures for SMEs and Large Corporate clients) - introduced for the first time in a Servicer Model.
- Continued the cooperation between the specialized loan management servicer doValue S.p.A. and all four Greek systemic Banks for the management of Non-Performing Exposures (NPEs). doValue supports the four systemic Banks through the exclusive management of common non-performing exposures involving more than 300 Greek SMEs (Small & Medium Enterprises) with a total nominal value of c. €1.8 billion, thus facilitating the selection of effective and sustainable restructuring solutions for common borrowers, where feasible.
- Closely monitored the SME portfolio assigned to Eurobank FPS, aiming to rationalize human resources and utilize them more efficiently in the course of implementation of the NPE reduction strategy of the Bank
- Identified the appropriate portfolios eligible for sale and devised the optimal transaction mix to further remediate the portfolio.
- Continuously enhanced and evolved the remedial strategies through the offering of a combination of solutions, aiming to achieve long term and sustainable modifications.
- Participated in inter-bank initiatives to jointly handle large non-performing corporate loan exposures.
- Completed the first Certification Programme on Strategic Troubled Assets Management (STAMP) for Corporate personnel in cooperation with Moody's and the Hellenic Banking Institute, invested in continuous education and training of the already experienced personnel through participating in specialized training programmes.

Major Initiatives & Actions

Material Issue

Supporting Start Up entrepreneurship & innovation

Start Up Entrepreneurship & Innovation

egg – enter•grow•go

GRI 203-1

GRI 203-2



In the area of innovative entrepreneurship, the Bank, in collaboration with Corallia, an organisation which offers management services to Greek innovation clusters, developed the “egg-enter•grow•go” programme, which provides an integrated framework to teams of young entrepreneurs for business incubation, acceleration and co-operation.

In 2019, the 7th cycle of the programme was launched, with the emphasis on the development of innovative companies, through the provision of financial tools, with the aim of enhancing their competitiveness. In its seven years of operation, the egg-enter•grow•go programme has become one of the most comprehensive business acceleration initiatives in Greece.

Also, it has a strong image whilst being a model for all new initiatives of innovative start-ups in Greece. Egg has left its business and social footprint as follows:

- 800 people have been hosted by egg,
- 204 business teams have been integrated into it,
- 121 teams have become businesses and 62 of these had a combined turnover of €3.5 million
- 31 companies have applied for patents,
- 58 businesses have travelled to the largest technology ecosystems worldwide,
- €12 million has been invested in egg by Eurobank,
- Over €10 million in equity funding has been received by 26 businesses.

Major Initiatives & Actions

Innovation Centre

The Bank's Innovation Centre monitors and assesses all the international digital era and FinTech advancements, in an effort to identify opportunities, best practices, new technologies, and advanced solutions and services which improve client experience. It promotes regular innovation within the Bank, while it also cultivates open collaborative innovation with the startup ecosystem.

Mainly aiming to expedite its digital transformation, it has introduced and adopted new methodologies and experimentation tools, such as design thinking, lean startup and agile scrum, to identify new business opportunities.

The projects undertaken by the Innovation Centre relate to conducting market experiments on ideas for new products/services/business models that carry small costs and do not consume internal resources. With a structured 8-10 week programme, small interdepartmental teams combine these methodologies to collect market data that will lead to valid business assumptions, so that competent units can make decisions about investing in these ideas and be able to launch them on the market in a short time. It is a new way of creating products and services, which places customers in the driver's seat and shapes the object being examined (product or service) based on the data arising from research and investigation. This increases the degree of success and efficiency of the products/services under development, while reducing the cost of their development through a fast and structured innovation programme. At the same time, this strengthens the feeling of entrepreneurship among team members, as well as their self-confidence as professionals.

To date, 6 projects have been developed or are under way through this practice, while for next year, the plan is to integrate even more.





Supporting & financing the Greek Economy

Entrepreneurship

Growth Awards

GRI 203-1

GRI 203-2

In 2016, Eurobank, in partnership with Grant Thornton, established the Growth Awards to award business excellence as a growth leverage of the Greek economy. The awards aspire to become one of the leading ways of acknowledging business excellence and supporting the growth of robust enterprises in Greece. The “Growth Awards” award enterprises that manage to combine high financial performance with a successful corporate history, and have the potential to contribute to shaping the new corporate and work culture landscape. Up to now, the 3 Growth Awards ceremonies have awarded 20 of the most dynamic Greek enterprises. More than 2,000 guests attend the award ceremony every year, 3 internationally renowned speakers have been hosted, and around 80 enterprises apply every year. The Award Committee consists of 18 distinguished individuals from the Greek business and academic arena.

Cosme Programme for the Competitiveness of Businesses & SMEs

The Bank has been working with the European Investment Fund (EIF) since 2016 in the context of the Cosme programme and has signed two increases in available funds. As a result, the maximum financing for micro, small and medium enterprises (SMEs) has now reached €650 million. The Cosme programme (with a total budget of €2.3 billion for 2014-2020) aims to improve the competitiveness of enterprises, especially SMEs. Specifically, the Cosme Programme is supported by the Cosme Loan Guarantee Facility financial tool, which provides guarantees to financial institutions, so they may in turn increase their financing to SMEs with reduced collateral requirements. Financing in this context is made possible thanks to the guarantee provided by Cosme and the European Fund for Strategic Investments (EFSI), which was established as part of the Investment Plan for Europe. The aim of the EFSI is to contribute to financing and carrying out production investments within the European Union, and to secure increased access to financing.

Since the signing of the original agreement on 16.09.2016 and up until the end of 2019 the Bank used the Cosme programme to finance 4,378 small and medium businesses in all the eligible sectors to the amount of €515 million.

Business Financing – Entrepreneurship Fund (TEPIX) II Action

On 07.01.2019 Eurobank signed an agreement with the Hellenic Development Bank SA (formerly ETEAN) for the Business Financing – Entrepreneurship Fund (TEPIX) II Action. Part of the funding comes from the European Union, the European Regional Development Fund (ERDF) and national resources. Through the new Action and using common capital created by the co-investment of capital from TEPIX II and the Bank, approximately €170 million will be allocated to small and medium enterprises on favourable terms, contributing substantially to strengthening the country’s entrepreneurship. In particular, 40% of the funds are offered interest-free by TEPIX II and the remaining 60% are granted at a preferential rate by the Bank. As a result, the final interest rate of eligible enterprises is particularly low.

Through this Action, funding is provided for carrying out investment projects and meeting working capital needs, covering a wide range of business and investment needs.

Major Initiatives & Actions

Financing under the European Commission's EaSI Programme for Employment & Social Innovation, in cooperation with AFI

The Bank works with AFI to provide micro-credit facilities (up to €12,500) to support the long-term unemployed, vulnerable social groups and business people with limited access to bank loans, giving them the opportunity to create their own job (self-employment) or develop small businesses and create new jobs.

The financing enjoys the support of the European Union in the context of the Guarantee Mechanism established by virtue of Regulation (EU) No 1296/2013 of the European Parliament and of the Council for Employment and Social Innovation (EaSI) and the European Fund for Strategic Investments (EFSI), established under the Investment Plan for Europe. The purpose of the EFSI is to contribute to supporting the financing and establishment of productive investments in the European Union and to ensure increased access to financing. More information about the EFSI is available on the European Commission website (https://ec.europa.eu/commission/priorities/jobs-growth-and-investment/investment-plan-europe-juncker-plan_e19) and on Twitter (#InvestEU).

In early 2019, the second agreement between Eurobank and the European Investment Fund (EIF) for the financing of microenterprises under the EaSI programme was launched. In the context of this programme, the Bank offered financing to 261 businesses to the amount of €2.6 million in total, and in cooperation with AFI. The financing is used to meet working capital needs, capital for investments in fixed assets, as well as capital for investments in intangible fixed assets.

Partnership Agreement 2014-2020

The actions of the Partnership Agreement for the Development Framework (PA) 2014-2020 mainly aim to boost the competitiveness and extroversion of businesses, focusing on innovation and on increasing the domestic added value.

Eurobank has developed a comprehensive range of advisory and information services for small and medium enterprises, enabling them to take advantage of the PA programmes. Business Advisors provide information about the co-funded programmes available to each business, while a dedicated phone line is also available for additional information or questions.

A comprehensive programme has also been designed, which includes financing to cover both the private participation and the grant, ensuring adequate capital throughout every stage of the investment, so it may be concluded within the estimated time.



Extroversion

Exportgate

Eurobank's aims in actively contributing to the country's economic growth and recognizes the importance of entrepreneurship as a major lever for the expansion of the Greek economy. The Bank focuses on supporting the extroversion of Greek businesses and encouraging new business initiatives. In addition, the Bank, in collaboration with the three leading export associations of Greece (PanHellenic Exporters Association, Greek International Business Association, Exporters' Association of Crete) and SEV-Hellenic Federation of Enterprises, created Exportgate, a pioneering international web trade portal offering to Greek and Cypriot companies networking opportunities in the global market and providing access to advanced tools for their international business operations. Exportgate, as a founding member has joined the Trade Club Alliance, the first global digital business interconnection network supported by international banks in more than 50 countries.

Within this framework, the Bank designs and implements actions contributing to the enhancement of extroversion through trade missions (Trade Corridors). In 2019, and continuing previous successful business missions (e.g. In Spain), the Bank organised a trade mission to Poland where 50 Greek and Polish companies in total, came into contact, completing professional partnerships.

Tourism

For yet another year, Eurobank worked closely with its strategic partners, namely the Greek Tourism Confederation (SETE) and Marketing Greece, on initiatives aiming to promote and enhance Greek tourism.

In this context, in 2019 the Bank sponsored the annual SETE conference on "Redefining Realities: #someREACTdifferent", demonstrating its long-standing support for Greek tourism. In addition, it supported the campaign designed and developed by Marketing Greece, "Oh my Greece | Unlock the feeling", which shares the uniqueness of Greece with the travel audience and decrypts the travel experiences of visitors to Greece, aimed at promoting the Greek tourism product internationally.

Recognising the value of knowledge, the Bank was the exclusive partner of Marketing Greece in organising a think tank on Tourism #Thoughtbank for the destination of Rhodes. During the event, participants had the opportunity to learn and exchange views on current issues, such as sustainable development, zero waste mentality and destination management, with distinguished individuals from the domestic and international tourism market.

Lastly, the Bank participates as a partner in the "Tourism Partnership for Chania", which aims to highlight the experiences of visitors to the wider area of Chania off season, supporting the expansion of the tourism season. In this context, it participated in a relevant event held in Chania, where the action plan was unveiled.

BUSINESS ACTIVITIES-INTERNATIONAL

Bulgaria

In Bulgaria, the Group operates banking activities through its wholly owned subsidiary Eurobank Bulgaria AD (Eurobank Bulgaria), under the trade name Postbank. In November 2019 Eurobank Bulgaria completed the legal and operational merger of Piraeus Bank Bulgaria AD thus improving significantly its positions in the Bulgarian banking industry and becoming the third biggest bank in terms of lending portfolio and deposits. The Bank's branch network in the country expanded to 192 retail locations and 13 business centres.

The past year was one of the best for the Bulgarian banking system in terms of new lending, deposit gathering and income. Leveraging the positive environment and the successful merger with Piraeus Bank Bulgaria, Eurobank Bulgaria's gross loans reached €3.8 billion, 42% of which were loans to households and 58% were loans to businesses. The Group successfully continues to attract deposits in Bulgaria, while decreasing deposit costs. Total deposits grew by 39% to €4.8 billion. The deposit base renders the Group's activities in Bulgaria fully self-financed, with a net loans-to-deposit ratio of 76% as of 31 December 2019. In 2019 Eurobank Bulgaria reached a total income of €262 million. Net profit increased by 64% to €100.3 million.

Eurobank Bulgaria maintains solid capital adequacy. The capital adequacy ratio stood at 17.02% as of 31 December 2019, significantly higher than the minimum threshold of 14.5% required by the Central Bank of Bulgaria. Eurobank Bulgaria continued to implement its long-term strategy based on adopting a customer-centric model focusing on digitalization and innovation.



Serbia

In Serbia, the Group operates banking activities through its wholly owned subsidiary Eurobank AD Beograd (Eurobank Beograd). As of 31 December 2019, Eurobank Beograd ran 80 branches and 5 business centres. As of year-end 2019, the Group's total gross loans in Serbia amounted to €1.1 billion and total deposits amounted to €0.9 billion.

In 2019, the Serbian economy over-exceeded expectations and posted a growth rate of around 4.2%, mostly following a strong rise in domestic consumption and both private and public investments. Inflation remained steady and low, increasing by 1.9% in December on an annual basis, after lingering at a similar level throughout the year. Low prices allowed the National Bank of Serbia (NBS) to cut the Key Policy Rate to 2.25% following three quarter point cuts in the course of 2019. This allowed for a favorable environment for improved lending, mainly for the private sector. The state budget is expected to show a mild surplus of ca. 0.3% for the full year, while public debt continued to decline-at year end it stood at 52.0%. Two IMF reviews praised Serbian fiscal and overall macroeconomic stabilization efforts, as FDIs drove the economy with record high inflows of €3.7 billion.

Eurobank Beograd remains one of the key players in the Serbian banking market in 2019 mildly upping the loan book (1.3% on an annual basis), with retail and corporate segments evenly contributing. The bank now holds a 4.7% market share in terms of assets ranking it 9th among 26 active banks.

Despite the strong pressures on the margins in 2019, the Group's activities in Serbia generated pre-provision income of €26.6 million. Following a CHF mortgage loan book provisioning worth €18 million, the bank reported net profits of €1.5 million. Capital adequacy remains robust, at 26.2%, vs the NBS minimum threshold of 8%, while NPEs were reduced further to just 6.0% at year-end 2019.



Cyprus

In 2019, Eurobank Cyprus Ltd (Eurobank Cyprus) continued its profitable, upward course with steady steps, strengthening its position within the banking sector in Cyprus and establishing for yet another year its leading position in the areas of International Business Banking, Wealth Management, Corporate and Commercial Banking and Capital Markets.

Net profit after tax amounted to €67.3 million, demonstrating a strong capital position, with the Capital Adequacy Ratio and the Common Equity Tier 1 (CET1) at 25.1%. Also, there was significant excess liquidity, with deposits reaching €5.5 billion and the loan-to-deposits ratio (excluding cash collateral loans) amounting to 30%.

The NPE ratio (based on the EBA guidelines) remained quite low at 3.9% and the cost-to-income ratio stood at 27.7%, confirming the top quality of the lending portfolio and the efficient management of operating costs respectively.

Based on a customer-centric operating model and prudent risk management, Eurobank Cyprus continues to support the economy and sustainable development initiatives, while creating new jobs based on the growth of its activities. At the same time, the bank invested heavily in the upgrading of its IT systems, aiming to remain competitive in the new digital environment and offer upgraded services of even higher quality.



Luxembourg

Eurobank Private Bank Luxembourg SA has operated in Luxembourg since 1986, having a branch in London and a representative office in Athens. Both Luxembourg, as an international Wealth Management Excellence Hub with a AAA credit rating and well-functioning institutions, and London's global reach constitute key factors in attracting new clients.

Eurobank Private Bank Luxembourg offers services in Private Banking, Wealth Management, Investment Fund Services as well as selected Corporate Banking services. Through a wide spectrum of innovative products and services and highly qualified and experienced staff, the Bank follows a targeted business model along with a conservative approach in terms of risk assumption.

During 2019, the Bank maintained its profitability levels and continued to attract new clients, maintaining at the same time its capital adequacy and liquidity at high levels. At the end of 2019, the Capital Adequacy ratio (under Basel III) was 30.5% and the loan-to-deposit ratio (excluding cash collateral loans) stood at 70.3%.

In the area of Private Banking, Eurobank Private Bank Luxembourg expanded its clientele in 2019. Working along with the bank's specialized Investment Advisory and Wealth Structuring teams, Private Banking offered its clients investment products that address market challenges and comply with the new and more demanding regulatory framework. The completion of the upgraded on line applications (e-Banking), is expected to further improve customer service and overall customer experience.



CUSTOMER EXPERIENCE



Customer Service

Branch Network

In 2019, the Bank reinforced its Retail Banking customer-centric model, which focuses on meeting specific client needs through competitive and tailor-made solutions that generate value for customers and revenue for the Bank.

At the end of 2019, the branch network numbered 350 branches in total. Aiming to further promote quality customer service through its branch network, for yet another year, the Bank invested in training its officers through specialised educational programmes. At the same time, it also communicated information and promotional campaigns to its customers, aiming to encourage them to use the alternative service channels for simple transactions, allowing branch officers to focus on managing complex issues and consulting.

For yet another year in 2019, the branch network continued to go paperless. At the same time, numerous processes became streamlined to save time for network officers, so that they may expand their client base and improve the overall experience of clients with the Bank. Moreover, there was visible improvement with regard to the Net Promoter Score (NPS) for the Branch network, which traces customer intention to recommend the Bank, confirming that all these actions focus on customer satisfaction and experience improvement, leading customers to recommend the Bank to friends and family.

Finally, for World Savings Day, Branch Managers across Greece visited primary schools, gave away money boxes and explained to the children the value of saving.

Hellenic Post (ELTA) Branch Network

The Bank has an exclusive cooperation agreement with Hellenic Post (ELTA), which allows the Bank's customers to enjoy core banking services through the Hellenic Post branch network. With more than 650 branches and 103 ATMs across Greece, the Hellenic Post network provides extensive nationwide service, both in urban and in remote areas, where banking presence is limited or non-existent.

In 2019, working closely with ELTA management through the Division that has undertaken the project of mutually strengthening the relationship between the two organisations, the Bank focused on improving banking operations at the Hellenic Post branch network, primarily supporting geographical areas with growth potential and prospects, while continuing to support non-cash transactions by use of POS terminals.

External Sales Networks

External Networks

2019 was another successful year, with external sales networks contributing to the overall efforts to meet specific goals. Focusing on business, mortgage and car loans, our external sales networks contributed €12 million in new loans, mostly from the farming sector and company cars. At the same time, the Bank placed particular emphasis on including new partnerships in the floor plan programme, which are expected to become activated in 2020 through the new online platform. Furthermore, with regard to mortgage loans, placing emphasis on serving partners and customers, led to a 7% increase in new loans amid fierce competition, allowing the Bank to maintain its leading position in the mortgage loan market. With regard to car loans, a market in which the Bank has maintained a leading position for many years, external sales networks disbursed a total of €127 million in 2019, posting a 6% increase compared to 2018.

Customer Service

Telemarketing Telemarketing is an alternative channel for promoting products and services to the Bank's customers. It offers direct, personal and two-way communication, allowing the customer to close the sale without visiting a branch. In 2019, it contributed to meeting the goals in credit cards and bankassurance plans, which are the products mostly promoted through this channel.

Alternative service networks

EuroPhone Banking

EuroPhone Banking is a modern banking point of contact and one of the Bank's key channels for promoting its products and services. As a service and communication channel between the Bank and its customers, it has integrated modern means of communication, such as phone calls, voice recognition portal with NLU technology, emails, personal messages, Click2Call and Click2Chat, enabling a wide range of streamlined or assisted transactions, 24/7.

In 2019, 2.6 million contacts were placed by clients, down by about 6% compared to 2018, while total volume decreased by 5.6%. At the same time, based on measurements by automated customer surveys that were successfully launched throughout the year, total customer satisfaction from the services provided was particularly high: the percentage of customers stating "Very satisfied" and "Extremely satisfied" reached 90%, the percentage of customers stating that they were served during the first call reached 87%. The NPS ratio, which depicts the likelihood of recommending the Bank to other customers based on their call experience, reached 52.9%.

EuroPhone's well-trained team significantly contributed to meeting the Bank's goals. Taking into account the changes in insurance legislation (IDD) and GDPR, EuroPhone managed to exceed the Bank's target by 34%. Total new premiums reached 342,000. Safe Pocket had an internal market share of 15% and total insurance policies increased by 86% (from 2,205 to 4,093).

ATMs & Automated Payment Systems

The Self-Service Banking Terminal network comprises 1,479 service points in total, including: 388 ATMs and 510 in branches Automated Payment Systems (APS) at our branches, 478 off-site ATMs at central locations, tourist areas etc., and 103 ATMs at Hellenic Post branches.

Through these service points, the Bank offers its customers the chance to carry out banking transactions easily, fast and securely 24/7. In 2019, 60.7 million transactions were carried out through ATMs and APS, posting a 5% increase compared to last year. In 2019, 81 new off-site ATMs were set in operation, 57 of which were placed in tourist areas, significantly increasing revenue and profitability. Also, 90 ATMs were replaced by latest technology ATMs.

These actions and the changes in the fee policy led to a further increase in total revenue from ATMs (39%), reaching €14 million on an annual basis.

Relationships with Customers & Suppliers



Material Issue

Responsible provision of information & customer service

Responsible Customer Information

GRI 417-1

GRI 417-2

GRI 417-3

As part of its responsible customer information strategy, Eurobank focuses on providing specialised information to every customer/counterparty, with a view to communicating its products and services in a transparent manner. To this end, it has set up customer support departments, as well as both traditional and online service networks. It has also established simple and easy-to-understand procedures and has created brochures to inform customers accurately and clearly about all its products and services. The Bank applies the regulatory framework and the Code of Banking Conduct and has control mechanisms in place to ensure strict compliance with the legislative framework.

Before carrying out any transactions with the Bank, or any requests for products and services, customers may refer to the General Terms of Banking Transactions and the Payment Services Agreement. Then, customers may obtain detailed information about the features of a product or service they may be interested in through the special precontractual documents for each product, or through the Bank's branch network, the corporate website (www.eurobank.gr) or e-Banking.

The information initially provided to customers about their transactions with the Bank offers a general overview of the General Terms of Banking Transactions and the Payment Services Agreement, information about the processing of the customers' personal data, the potential recipients of such processing and the customers' personal data protection rights. Customers are also informed about the Bank's charges for its products and services through the Bank's Transaction Price List, as well as about other matters, such as the protection of their deposits and investments by the Hellenic Deposit and Investment Guarantee Fund (TEKE).

Relationships with Customers & Suppliers

Customers interested in obtaining a loan are informed of all the loan features, both orally and in writing, before signing the relevant agreement. By means of simple and easy-to-understand numerical examples, they can comprehend the way the loan operates, as well as their rights and obligations arising from its use. Additionally, after a loan agreement has been signed, customers are kept updated through regular statements or in response to a relevant request from the customer.

Similar information is provided to customers about investment products prior to signing an agreement, when the agreement is signed and on a regular basis thereafter, by duly qualified Bank officers.

Borrowers who encounter difficulties in repaying their debts are offered debt settlement solutions, such as lower monthly instalments, interest-only payments, extension of the loan term, interest rate reduction and interest write-offs. As regards debts in arrears, borrowers may apply for inclusion in the Arrears Resolution Process, pursuant to the Code of Conduct for loans under Law 4224/2013, through the Bank branches. Information about this process is posted on the Bank's website (www.eurobank.gr).

Customers may obtain additional information about their transactions with the Bank whenever necessary through a Bank branch, the Bank's website, e-Banking or EuroPhone Banking (+30 210 95 55000). The Bank's primary goal is to provide continuous, prompt and accurate information to its customers.

In 2019, no significant fines were imposed on the Bank for failing to comply with the legal and regulatory framework regarding the provision of products and services to customers. The Bank complies with the legal and regulatory framework in force from time to time on a national and European level. In addition, no sanctions were imposed for failing to comply with the legal and regulatory framework, and the voluntary codes regarding communication in the context of marketing campaigns, including ads, promotions and sponsorships. Note that when the Bank promotes its products and services, apart from the national and European legislation, it takes into account the codes in place with regard to communication, marketing and ads, while it has established control mechanisms and safeguards to ensure compliance with the regulatory framework in force.



Stakeholder personal data protection

Personal Data Protection



Personal data protection is a legal obligation for the Bank, but also a key factor in building relationships of trust with customers.

In this context, the Bank has adjusted its practices to the provisions of the General Data Protection Regulation (GDPR) (EU) 2016/679, Law 4624/2019 and all relevant provisions in the Greek and EU legislation on personal data protection.

The relevant information on personal data processing and the rights of data subjects is available in the Bank's Notice on the Processing of Personal Data pursuant to Regulation (EU) 2016/679 and relevant Greek and EU legislation. This document is posted on its website (www.eurobank.gr) and is kept updated, while it is also available through its branch network.

The Bank processes personal data lawfully, with due regard to the applicable rules on data confidentiality and the rights of data subjects.

The data collected is limited to the minimum information required for each purpose, and is accurate, updated and kept only for the period required. Moreover, the Bank pays particular attention to applying proper organisational and technical measures to ensure data security.

The main priority of the Bank's competent Units is to establish a secure environment, which would prevent unauthorised processing of personal data and would safeguard the interests of its customers and associates.

In the event of any personal data breach incident that may pose a threat to the rights and liberties of the people involved in the incident, the Bank notifies the Hellenic Data Protection Authority accordingly. This notification takes place without delay and, if possible, within 72 hours from the time the Bank becomes aware of the incident. Furthermore, when the breach may pose a considerable threat to the rights and freedoms of the natural persons affected by the incident, the Bank must also inform these people of the breach without delay.

All Bank staff have been informed of and are familiar with the personal data protection regulations, while ongoing training and performance of daily tasks ensure the safety and confidentiality of all personal data processing operations.

Customer Excellence

Strengthening the relationship and cooperation with its customers, Eurobank poses a significant challenge and a strategic goal.

In 2019, the Bank launched Customer Excellence, aiming to provide Eurobank's customers with excellent service through all points of contact and to secure relationships of trust. The Bank also established a dedicated Retail Customer Excellence Committee to enhance the effectiveness of actions and activities. This Committee aims to make decisions and plan actions that contribute to better serving the clientele.

Complaint Management

In 2019, the Bank responded to customer complaints, striving to resolve each complaint with compassion, understanding and a deep sense of respect, and making every effort to achieve a friendly settlement.

To achieve its goals and respond to customer complaints better and faster, the Bank reviewed its Complaint Management Policy, in compliance with Executive Committee Act No.157/2019 issued by Bank of Greece, and updated its processes based on international standards (ISO 9001).

Relationships with Customers & Suppliers

The major features of the Bank's Policy are posted on www.eurobank.gr, so that our customers can be promptly informed about how to submit a complaint, how this will be handled, the response times, the ways of revisiting the complaint if the customer wishes so etc.

To effectively manage complaints, the Bank regularly monitors the performance of its actions, using quality indicators relating to the entire scope of complaint management processes.

The Bank informs its customers about the developments in their cases and maintains communication even after the complaint is resolved, to identify whether customers were satisfied and to record their comments and observations.

All information is used to identify and highlight causes for customer dissatisfaction (Root Cause Analysis) and to identify actions that improve service quality and prevent similar incidences in the future.

In 2019, the Complaint Management Division handled cases submitted by 14,374 customers, showing understanding, impartiality and genuine desire to reach a fair solution, working together with all competent divisions across the Bank. As a result, incoming complaints decreased by 1.1% compared to 2018.

Note that 78% of the cases were resolved within 14 days, while 48.2% were resolved within two days. The average resolution time was 11 calendar days, significantly improved by 7 days compared to 2018.

Improving Customer Experience

Establishing a culture of excellent service and continuously fostering this commitment is a primary goal for the Bank. To this end, in 2019, the Improving Customer Experience Division was established, which uses data on customer experience (Voice of Customer) from all available sources, internal and external, such as feedback from front-office officers, complaints, surveys etc.

They analyse and evaluate such data to identify areas that call for improvement and to take corrective and preventive measures, so that the Bank services fully meet its customers' wishes and expectations. Moreover, to better monitor results, certain quality indicators have been identified and are regularly monitored.

Also, the Bank runs tailor-made educational programmes, launches knowledge sharing and best practices initiatives, undertakes actions to recognise excellent performance and allows for frequent visits to the front-office services, to ensure that all its officers share the customer-centric culture.

In 2019, over 57,000 customer evaluations on banking experience were collected through regular measurements. The Bank analysed 31,000 comments, which helped us improve our current services and design new ones. Finally, senior executives personally contacted over 300 customers to inform them about the actions the Bank is about to take with regard to their concerns.

The benefits of this effort were reflected in the Net Promoter Score (NPS), which in 2019 improved across all service channels. Compared to 2018, the NPS increased by 9% for the branch network and by 3% for EuroPhone Banking.

Supplier Relations

GRI 102-9

GRI 102-10

GRI 204-1

Eurobank pays particular attention to the relationships it forges with its suppliers and business partners. In 2019, the Group continued to apply its centralised procurement model, which covers both domestic and foreign subsidiaries, while it carried out tenders to award major projects, substantially saving on costs.

The Bank currently handles the entire procurement cycle online, including the payments cycle, to ensure efficient management of all procurement requests. Using its single supplier evaluation platform, it evaluates its suppliers both quantitatively and qualitatively. It measures and weighs all the key financial data from the balance sheets of suppliers, supplementing the evaluation with qualitative information, elicited by means of targeted questionnaires addressed to qualified evaluators. Finally, a weighted objective score is obtained for each supplier, reflecting the progress and quality of the supplier's relationship with the Bank.

Specifically, in 2019 the Bank performed evaluations for IT suppliers, consulting services, technical services, construction work, as well as suppliers of other goods and services, adding, for the sake of quality and risk management, special indicators that measure: i. the suppliers' level of dependency on the Bank compared to their total turnover, ii. the Bank's level of dependency on the suppliers in relation to their total turnover with the Company.

In 2019, Eurobank evaluated the Group suppliers for 2018 and identified the relationship between each supplier and the Group and whether our partners hold bank accounts with the Bank. In addition to the online evaluation platform, the Bank has a specific Procurement Policy in place, which lays down the procurement principles that ensure the method, quality, necessity and relevant cost of each individual purchase, while the supplier evaluation process supplements the impartiality of the evaluation by setting rules and criteria.

The Bank's suppliers and its relationships with them are reviewed at regular time periods through formal procedures, while the Procurement Committee ensures that the relevant procedures are followed both in terms of procurement necessity and in terms of operating cost containment.

For reasons of transparency and with a view to safeguarding the interests of the Group, the Due Diligence Procedure was established for New Bank Suppliers, which is under review to be harmonised with the Bank's Sustainability and Climate Change Strategy Transformation. Based on this procedure, each new supplier must submit their published balanced sheets and all necessary financial information going back 3 years, as well as disclose to the Bank the legal form, the real beneficiaries and the legal representatives of the company.

The Bank continued to apply the Green Procurement Policy in 2019. The Policy relates to finding environmentally friendly solutions with regard to A4 paper and computer suppliers, and awarding contracts to the final lowest bidder based on specific green criteria.

In 2019, the Bank worked with 811 suppliers, of which 183 were IT suppliers, while the remaining 628 provided other goods and services. In terms of contracts, in 2019 the Bank maintained 1,416 active contracts, of which 621 were drawn up within the year.

Aiming to meet the needs of the branch network and the centralised units of the Group, the Group Procurement Sector receives relevant requests online. These requests are first evaluated and approved by authorised Bank executives through the competent Management Units.

Relationships with Customers & Suppliers

A technical evaluation follows, which is performed by a committee made up of qualified executives appointed by the Bank, and the result is sent to the Procurement Sector so the procedure may continue. The financial tenders are then unsealed and a relevant financial evaluation is performed, with simultaneous ranking of the financial and technical evaluation. Following the award of the tender, the necessity and cost of the entire assignment is presented to the Group's Procurement Committee.

The contracts include all the relevant terms for the project, good or service, with a view to limiting any risks with the purchase, while special attention is paid to personal data issues. Note that, following a European Directive, the Bank also includes a Resolution-proof clause in all contracts with suppliers. A large number of contracts were concluded in 2019. The quality target that had been set by the Bank was 90% and despite the significant increase in requests, concluded contracts reached 89%. The Bank mainly works with suppliers who operate and are registered or have an office in Greece (mainly in Athens or Thessaloniki). During the previous year, 66.96% of said domestic suppliers' revenue came from the Bank. The term "local" refers to the geographic region of Greece. Partnerships mainly pertain to suppliers who are located within its borders. The majority of suppliers the Bank chooses to work with operate either in Athens or Thessaloniki and, consequently, these cities constitute major business hubs for the Company.

Market Research Projects

For yet another year, Eurobank gave priority to the opinions of the general public and its customers. To this end, it conducted a number of market surveys and internal evaluations. The main surveys, which were assigned to external independent associates, relate to the continuous monitoring for the effectiveness of communication in major indicators and in the Bank's image, as well as customer satisfaction.

With regard to the 2019 findings in particular, the results of the communication effectiveness monitoring showed that Eurobank's brand was enhanced. First of all, the results showed an improvement in the Bank's attractiveness as a potential bank among non-customers, while there was also improvement in Eurobank's image in significant areas for bank customers. At the same time, the Bank's indicators and image for special audiences, entrepreneurs and high net-worth customers were further improved and became more solid compared to 2018. There was also improvement in overall communication performance, with significant media presence recognition and positive assessment of advertising messages. The customer satisfaction survey was conducted across a random sample of the Greek population. Its main goal was to identify major customer loyalty and satisfaction indicators for all banks by way of thorough evaluation of a number of customer experience features as provided by its customers. The survey showed high levels of loyalty and satisfaction, especially in smaller groups of interest, and highlighted areas that need to be improved based on customer needs, which will further improve the Bank.

At the same time, a number of internal surveys were conducted, aiming to collect data on developing new products, analysing customer satisfaction and evaluating employee benefits.

The survey results contribute in assessing actions and decisions, and in assisting decision-making, focusing on improving areas of customer interest that are aligned with the Bank's business objectives and priorities.



Digital Customer Experience



Digital Channels

Aiming to offer premium quality services and innovative solutions and facilitate the day-to-day banking needs of its customers, Eurobank for yet another year invested in upgrading and developing its digital services. As part of the Bank's digital transformation in 2019, new innovative services were offered through e-Banking and Eurobank Mobile App, such as the Account Aggregation capability and real time credit card application with digital signature. Furthermore, the new e-Banking for Business was implemented and the Eurobank API portal was launched to foster Open Banking and PSD2 initiatives. Following best international practices and modern trends, both in terms of design and technology, the Bank is building its new digital services with the goal to offer its customers an integrated banking service experience by being part of their everyday life and making their banking transactions needs as simple as possible.

New e-Banking for Businesses	<p>The Bank's omnichannel strategy, redefines and unifies customer's experience at every Bank's touch point. Following the launch of the new e-Banking and Eurobank mobile app services for Individual customers, the Bank implemented the new e-Banking for Business, which is being gradually offered to all Bank's customers, providing an advanced banking experience.</p>
Account Aggregation	<p>Eurobank has taken a decisive step in Open Banking and launched its new, innovative "Account Aggregation" service. Through this service, e-Banking customers, both Individuals and Businesses, have on their computer screen the overall view of the balances on deposit accounts and credit cards, that they hold in any systemic Bank.</p>
Eurobank API Portal	<p>Eurobank complied with the EU PSD2 Directive and provides access to its APIs, in a simple and secure way, through the Eurobank API Portal. Eurobank API Portal following international standards and technologies, allows Third Party Providers (TPPs)), such as FinTech companies, application developers, and startups, to develop new products and services using APIs.</p> <p>Especially in the area of Eurobank Mobile App, the Bank has been following the single-app strategy, offering a complete range of services for the day-to-day customer needs in a single app. These services include smart management of finances, all types of transactions (bill payment, payments at shops and online, money transfer to friends), supported from a Bank representative etc.</p> <p>Eurobank's new omni-channel strategy redefines the banking experience. To implement these new services, Eurobank adopted modern methodologies for product design (i.e. design thinking, agile) and agile project management. At the same time, the technological omni-channel platform allows the Bank to be fast and flexible when launching new services in the future, to meet the ever-changing needs of its customers, offering them a unified user experience regardless of the service point.</p>
e-Banking & Eurobank Mobile App	<p>Providing the Bank's individual customers with the new omni-channel platform for e-Banking and mobile Banking led to increased usage registrations of these services. During 2019, 1.06 million customers used the e-Banking and mobile Banking services (26% increase compared to the previous year) and carried out a total of 41 million transactions, with a total value of €72.4 billion. 52.6% of these customers, i.e. 558 thousand customers, used the Eurobank Mobile App (a 42% increase compared to the previous year) increasing transactions through mobile app by 82%.</p> <p>In 2019, e-Banking and the Eurobank Mobile App contributed 42% to the Bank's total transactions (a rise of 3 percentage points compared to the previous year) and 80% compared to the corresponding transactions (89% in fund transfers, 94% in internal transfers and 72% in payments). So, for another year, the digital channels maintained the largest share of the Bank's transactions, surpassing branch networks and ATMs.</p> <p>At the same time, new innovative services were launched in 2019, through the e-Banking channel, such as the ability to apply for a credit card online, without the need for a physical presence in the branch and online document uploading with simple and comprehensible steps.</p>

Digital Customer Experience

A large rise in the usage of e-Statements was also achieved in 2019, as more than 295,000 clients discontinued receiving over 458,000 paper statements. The service is now available to 920,000 customers, who receive around 2.3 million e-Statements.

Digital Presence

Group Websites & Digital Creative Hub

In 2019, the Bank enriched its digital content on eurobank.gr through over 2,500 improvements and additions. One of the actions it undertook was to develop a new section, the Digital Academy for Business, which operates as a digital knowledge, research and informational channel, aiming to assist Greek businesses in boosting their competitiveness through their digital transformation. Furthermore, over 25 targeted communication campaigns for products and services were launched through eurobank.gr, such as the new e-Banking for Business.

New tools were added in eurobank.gr, with e-car insurance, a new digital bankassurance experience in partnership with Eurolife ERB, being the most important one. Also, the Bank developed a search tool for European programmes, exclusively for public entities and NGOs, which covers the NSRF programmes, the Territorial Cooperation programmes and EU Direct Funding.

Additionally, the mortgage loan calculator was redesigned to adopt the Bank's new pricing policy and two new corporate websites for Eurobank Ergasias Leasing and Business Exchanges BE24 were also developed. The new websites are user friendly and have responsive design to facilitate consistent experience across all devices (mobile, tablet, computer). Moreover, 316 targeted email communication campaigns for products and services were launched, providing direct and reliable information to customers, while fostering a single communication profile for the Bank.

Social Media & Native Content

In 2019, the Bank was very active on social media (578 social media posts and 14 videos). Impressions exceeded 50 million, an increase of 154% compared to 2018, while over 778,000 reactions were recorded, an increase of 202% compared to 2018 across all channels.

- **LinkedIn company page.** Within one year, followers increased by 50.77%, attracting 16,000 new ones, 183 posts were published, and interactions and impressions increased by 171% and 108% respectively compared to 2018.
- **YouTube corporate channel.** The channel has approximately 4,500 subscribers, of which 1,108 are new ones, posting 32.5% more compared to previous year.
- **egg – enter•grow•go Facebook page.** There are over 39,500 followers, an increase of 5.60%. Compared to the previous year, in 2019 the page reach was significantly increased by 11.23%.
- **Hellenic Basketball Federation Facebook page.** The page has over 141,000 followers, posting an increase of 14.72%. Compared to the previous year, in 2019, the page reach significantly increased by 67.76%, while interactions increased by 46%.
- **Growth Awards Facebook page.** The page has over 1,000 followers, an increase of 32.5% compared to 2018.
- **The Great Moment for Education on Instagram.** During the past year, followers increased by 255.46%. With 22 million impressions, the reach was 1.44 million and post engagement 939,000.

- **Επίστροφι loyalty programme Facebook page.** Engagement reached 12% in 2019, which means that 12 out of 100 people who were exposed to the programme's posts on an annual basis made one or multiple interactions. In 2019, the page reach increased by 14.6% and content by 27%.

The Performance
Management &
Digital Analytics

The Bank continued the implementation of innovative technology solutions in order to create omni-channel customer experiences and improve overall customer experience. More specifically, in 2019, the Bank:

- Created its own cloud infrastructure, where it collects and monitors data from 3 marketing platforms, in order to maximise ad performance and accomplish budget allocation in the most efficient way.
- Applied Machine Learning models for identifying high-value customer segments, thus increasing return on investment.
- Implemented web personalization based on user interest with the objective of increasing user engagement on Bank's websites.
- Developed its own tool for the quality measurement and evaluation of direct advertising deals with publishers.
- Implemented advanced analytics tracking on 4 websites and 1 mobile application for data-driven optimization.
- Delivered more than 30 digital campaigns using all available channels such as Google search, Google display network, Youtube, Facebook, Instagram and LinkedIn), in order to support strategic initiatives, products/services and the new pillar of digital sales.
- Utilized Nielsen's DAR technology (Digital Ad Ratings), to unify reach and frequency of the Bank's digital campaigns, as well as e-GRPs calculation of the digital campaigns. At the same time, calculate e-GRPs of the digital campaigns, .
- For the first time the Bank used Double Verify, a specialized tool for brand safety and monitored the context of the mediums that served ads and blocked all the placements that may cause a negative effect to the brand.
- Increased both sessions and visitors from search engines by more than 5% at eurobank.gr
- Continued the strategy for self-service analytics in the organization, the Bank created and maintained 23 real time dashboards.

Customer Journeys
& Feedback
Management

The B2C Customer Journey was designed in 2019 using the Design Thinking methodology, aiming to identify the actual needs of clients and find suitable solutions that would lead the clients transacting with the branch cashiers to alternative/digital bank channels. In December, the solutions that arose through continuous experimentation with clients and incorporation of their views and ideas, were included in an email campaign to 119,000 clients and in a pilot action at 6 Retail Branches. Results are expected in early 2020.

Digital Customer Experience

Advanced Analytics & Campaign Management

Targeted campaigns in total are managed across the entire active customer base through the Campaign Management System (CMS), with more than 3,000 campaigns executed annually through all available channels of the Bank, both digital and physical. Emphasis was given on personalized campaigns which on the one hand increased the efficiency and customer experience and on the other reduced the workload. In parallel, a project to communicate offers to customers in real time is under development. In addition, the Net Promoter Score (NPS) is continuously and daily measured by e-mail to customers visiting Bank's branch network, e-Banking and mobile banking.

During 2019 the infrastructure for the Central Recommendation Engine was developed, prioritizing all available proposals for each customer, deriving from Machine Learning models or other targeted active campaigns, allowing proposal optimization, (based on year's strategic priorities). The infrastructure interacts with the central Campaign Management system, and Power BI reports provided relevant information. A major contribution has also been the deeper understanding of the NPS and the identification of its drivers, where algorithms were developed using NLP (Natural Language Processing) techniques to process the texts recorded as comments from customers responding to the surveys. This technique is also a first attempt for Big Data processing, showing a part of the useful information arising from analyzing texts.

Regarding Visualization, a dashboard for Branch and e-Banking NPS has been implemented, which has been enriched by Advanced Analytics NPL results. A 360° Customer View for legal entities was created, giving emphasis to the legal entities of retail where a corresponding Cross Sell Index (CSI) was developed. In addition, the Campaign Evaluation dashboard produced, in collaboration with the Campaign Management team, information on evaluating campaigns executed on any Bank channel. Finally, a dashboard was created to support AML Management, providing detailed customer information in a multitude of dimensions.

**User Experience
Management**

With the aim of providing the best possible digital experience to all Bank digital channel users, the user Experience (UX) contributed significantly to Eurobank's digital transformation programme.

In this context, significant advancements were made towards the optimization of the new eurobank.gr site, the new e-Banking and the Bank's new mobile app. Furthermore, UX were applied to the upcoming migration of Επίστροφι Mobile App to Bank's Eurobank Mobile App, as well as to the redesigning of the new e-Banking for Business. Significant contributions were also made to other Bank's digital assets, for external and internal users, such as the redesigning and optimizing of Fund Finder, BE24 site, Eurobank Leasing and egg website. In addition, UX methodologies were applied in internal bank platforms such as Connected and Success Factors.

Another important achievement has been the addition of Usabilla to eurobank.gr, a feedback gathering tool to identify and improve 'problematic' areas for the website visitors. To achieve this required 4,700 communications to internal and external users through using applied UX methods (interviews, workshops and questionnaires), for the purpose of soliciting immediate user feedback. At the same time over 25,000 communications were made to the Digiators community (a user group of Bank colleagues). In 2019, the internal Digiator community was fairly expanded through the release of a promotional video in Connected.



Communication & Promotion

Communication Strategy

In 2019, as part of an integrated and single communication strategy, certain initiatives and actions to support our strategic pillars were launched: Economy (Supporting Entrepreneurship), Society (Supporting Youth) and Customers (Reward).

Economy/ Entrepreneurship

Eurobank has set a long-term goal of supporting entrepreneurship. It supports new ideas, new entrepreneurs and innovative businesses that bring change to Greece, as well as mature, dynamic companies and large groups. Through its modern mentality and approach, and a wide range of tools and services, the Bank unlocks the potential for Greek companies to take the next step. As part of this strategy, Eurobank launched a number of actions to help Greek businesses move forward, by offering them either digital training and business networking or innovative tools and financing solutions. "Business Forward" was the major campaign for 2019 and it consisted of 5 separate advertising spots. This modular campaign was supported by all means of communication, mostly featuring the products and services through which the Bank can help businesses move forward: Business Checkup, Digital Academy, v-Banking and Exportgate.

To carry out this campaign, an innovative language of communication was selected, through the official participation of 7 businesses / Bank customers who have already accomplished a lot and have managed to stand out in their sector. This was the first time that a Bank presented its actions through the eyes of entrepreneurs themselves in a large-scale campaign.

Eurobank consistently supports entrepreneurship and Greek business extroversion through initiatives that have eventually turned into institutions. In 2019, Trade Club Alliance (TCA), the first global digital platform for business networking, was officially launched with representatives of 14 banking groups attending the event.

By joining the platform, TCA members can receive direct and reliable market information for over 180 countries. To support innovative entrepreneurship, Eurobank continued to promote its incubator and accelerator for startups: egg – enter•grow•go. The egg – enter•grow•go programme is on its 7th cycle. Having evolved as an integrated framework for supporting new endeavours in Greece, it reached a new stage in 2019.

Addressing innovative businesses that have a business plan in place which allows for investment growth and commercial operation, egg responds to new needs through two separate yet complementary entrepreneurship support platforms:

a) the Start-Up platform, which addresses business teams or startups with new business ideas, and supports in exploring their potential to develop their idea in the early business stages, and b) the new Scale-Up platform, which is an integrated framework for accelerating product development and is addressed to more mature startups.

Finally, in 2016, Eurobank, in partnership with Grant Thornton, established the Growth Awards to award business excellence as a growth leverage of the Greek economy, aiming to render the awards one of the leading ways of acknowledging business excellence and supporting the growth of robust enterprises in Greece. The Growth Awards award enterprises that manage to combine high financial performance with a successful modern corporate history, and have the potential to contribute towards shaping the new corporate and work culture landscape.

Customer Needs/ Reward	<p>The Bank also decided to support punctual borrowers, building trustful relationships with customers who have chosen Eurobank mortgage plans.</p> <p>Moreover, launching the mortgage loan market reboot, with terms perfectly adjusted to the current financial situation, Eurobank introduced a large-scale communication campaign to present a new generation of mortgage loans featuring fixed instalments for the entire loan term and with no penalty for early repayment, in full or in part.</p> <p>The campaign introduced Eurobank's new fixed mortgage plans as a way to deal with the uncertainty faced by potential buyers, since the repayment cost is specified from start to end, with no ups and downs.</p> <p>Rewarding customers is one of the Bank's strategic pillars. Therefore, the Bank launched both targeted and general communication initiatives for the <i>Épistrofi</i> loyalty programme for Eurobank cardholders, which has received numerous awards over time.</p> <p>The year ended with the communication of the programme's holiday offers and discounts, rewarding the Bank's customers for this relationship.</p>
Innovation	<p>Constantly expanding its digital products and services range, the Bank communicated the online issue of credit cards through a new innovative digital service.</p> <p>This new service allows e-Banking users to complete the application for a credit card online, without having to visit a branch. Also, for the first time in Greece, customers can digitally sign the credit card application and receive the credit card at their address, once the process is completed. The campaign, which ran mostly online, explains the transition of retail banking into the new digital era. In the context of communicating its digital products and services, Eurobank also launched online car insurance, a service available to everyone, not only to Eurobank customers.</p> <p>At the end of the year, the Bank presented the first online innovative service Account Aggregation, which allows e-Banking users to view on one screen their account and credit card balances at any systemic bank.</p>
Education	<p>True to its belief that a responsible organisation ought to contribute to social and financial stability, Eurobank continues to reward excellence through The Great Moment for Education Programme, which ran for the 17th consecutive year.</p> <p>For the 2018-2019 school year, awards were presented to 861 top-performing students in eight cities across Greece: Athens, Thessaloniki, Patra, Heraklion, Volos, Ioannina, Veroia and Tripoli. During the 17 years the initiative has been running, a total of 18,586 students have been awarded, many of whom are now distinguished professionals in Greece's economic, academic and scientific life. At the same time, Eurobank supports talented and charismatic secondary school students through a number of academic scholarships.</p>

Communication & Promotion

Sports

Sponsoring the participation of the National Men's Basketball Team at the 2019 World Cup in China, Eurobank developed a number of initiatives aiming to communicate the sponsorship and support for the Team, but also to reward its customers through their participation in targeted initiatives.

In partnership with EKO, Eurobank gave 5 lucky winners the opportunity to travel to China and 500 lucky winners the opportunity to win commemorative gifts, for using Eurobank cards linked to the €pistrofi loyalty programme. During the World Cup, and for the entire time our National Basketball Team participated in it, EKO increased the reward to 5% for using Eurobank cards linked to the €pistrofi loyalty programme at its petrol stations.

The Bank further promoted its image and sponsorship to the National Basketball Team through the National Basketball Team Facebook page, which reached 135,000 followers.

Responsible Marketing & Communication

As part of its human-centred culture, Eurobank designs products and services to meet the individual needs of its customers. With a view to optimising the messages used to promote these activities, the Bank carries out systematic surveys on each customer segment, focusing on both quantitative and qualitative features that highlight the trends and expectations of its customers. Using specialised Customer Relationship Management tools, Eurobank is able to offer to each customer the product or service that truly suits their needs.

In parallel, by using personalised communication tools, customers can be directly and promptly informed about the new offers on their products and services. Targeted marketing campaigns take into account the stage of each customer (new customer or customer who may have filed a complaint for a specific product or service) and follow a specific procedure for each stage. In addition, the communication is not only for the purpose of promoting products and services, but also aims to reward the relationship with the client. For its targeted communication actions (via email, text messages, e-Banking messages, Viber instant messages, etc.), the Bank fully complies with the General Data Protection Regulation (GDPR) (EU) 2016/679.

More than 300 targeted communication campaigns took place in 2019, which focused on Personal Banking, Business Banking and Individual Banking customers, as well as products and services of strategic importance to the Bank. These campaigns were launched across all communication channels (digital and physical) and across the Bank's network. At the same time, the Asset Management and Corporate and Investment Banking sectors organised over 200 events for customers across Greece.

To ensure proper communication Eurobank has developed procedures and mechanisms as per the applicable laws and regulations in order to promote and communicate its products and services with transparency. Each new communication activity is designed in a well-organised, transparent environment where the roles and responsibilities of all units involved are fully specified. Each advertising and/or promotional activity is subject to prior authorisation by the competent Bank Divisions in line with the applicable regulations, while the Bank's Legal Department ensures that the content of the communication does not violate applicable laws and regulations.



SOCIETY



As an active social partner that focuses on creating added value for society, Eurobank has designed and consistently implements a set of social initiatives. In this context, the Bank consistently supports education and excellence, supports sports, promotes culture and undertakes large-scale initiatives aiming to boost healthy entrepreneurship, extroversion and innovation.

True to its commitment to support vulnerable social groups, again in 2019 the Bank implemented a series of actions aiming to provide material support and pass on a message of solidarity and hope.





Education & Excellence

Education & Excellence

GRI 203-2

Supporting education is a key pillar of Eurobank's corporate responsibility, with actions that reward excellence, actively assist the new generation by offering opportunities for training and successful entry to the job market, promote and accelerate startups, and prevent the brain drain. Rewarding fair play and the continuous effort to conquer new pinnacles, showcasing academic performance and potential, and supporting structure and initiatives that protect children in need are an integral part of the Bank's Education & Excellence programme.

The Great Moment for Education Programme

Education significantly shapes society and the economy both through establishing moral standards and providing the new generation with knowledge and setting competencies. In this context, Eurobank has been implementing The Great Moment for Education programme since 2003.

The Great Moment for Education programme, which awards high-school graduates across Greece who achieved top marks on the university entry exams, was successfully completed for the 17th year running. The primary goal is to reward the efforts of young people to acquire knowledge and to acknowledge that excellence sets the example and acts as a driving force for the future. In today's brain drain challenging environment, providing young people with incentives and prospects to stay in the country and recognising their skills is of top importance. The fact that the initiative runs across Greece allows Eurobank to be an active stakeholder, supporting local communities and top-performing students.

For the 2018-2019 school year, awards were presented to 861 top-performing students in eight cities across Greece: Athens, Thessaloniki, Patra, Heraklion, Volos, Ioannina, Veroia and Tripoli. Apart from the moral reward, each top-performing student received a prize of €800. During the 17 years the programme has been running, a total of 18,586 students have been awarded, many of whom are now distinguished professionals in Greece's economic, academic and scientific life.

Scholarship Programme of the Center for Talented Youth (CTY) Greece

The Center for Talented Youth (CTY) Greece was established in 2013 by Anatolia College in partnership with the internationally recognised American University Johns Hopkins and is under the auspices of the Greek Ministry of Education and the Ministry of Education and Culture of Cyprus. Eurobank is a Major Sponsor of CTY, aiming to give students with exceptional academic skills the opportunity of a scholarship. Students also have the opportunity to attend special educational programmes that stand out for their innovative and groundbreaking teaching methods. Through the teaching methods of CTY, children have the opportunity to cultivate their natural talents and discover their unknown aptitudes

In 2019, 383 school students were given the opportunity to attend summer programmes in Athens and Thessaloniki. To date, more than 10,000 students have participated in exams, while more than 5,000 from Greece and Cyprus have attended the programmes of CTY Greece. Based on financial criteria, 890 children, more than 47%, got a scholarship to participate in these programmes.

Education & Excellence

Support of Education - Eurobank Bulgaria A.D.

The education of children and young people in Bulgaria has always been part of the developed and supported Corporate Social Responsibility projects of Eurobank Bulgaria A.D. That is why the bank continues to develop its joint project with SoftUni in support of Bulgarian education, which started in 2018. It includes various activities for the preparation of young people for the professions of the future and realization in Bulgaria. Through a strategic partnership, the two organizations aim to encourage students to develop their potential as IT and digital leaders, prepared for the rapidly changing environment and emerging banking trends. Eurobank Bulgaria provided 10 scholarships for training at SoftUni.

More than 400 students and students from all over Bulgaria with 36 projects participated in the contest SoftUniada 2019 race, organized by the Software University for the fourth consecutive year. Eurobank Bulgaria participates with its representatives in the evaluation of competitive bids.

A School Designed for You - Eurobank A.D. Beograd

The CSR programme A School Designed for You was successfully implemented during 2019 with the support of the Ministry of Education, Science and Technological Development. Donations worth RSD 2.4 million in total were realized in the “First Economic High School” in Belgrade and Stana Milanović School of Economics in Šabac. With this project, high school students are also enabled to learn through internships and lectures held by Eurobank employees. The programme “A School Designed for You” is based on using Eurobank affinity Big Heart MasterCard.

Scientific Research and Education - Eurobank Cyprus Ltd

Eurobank Cyprus Ltd is a firm supporter of scientific research and education. The bank sponsors, doctoral and postgraduate scholarships, to students of the School of Molecular Medicine of the Institute of Neurology and Genetics of Cyprus and is a sponsor of the Medical School of the University of Cyprus

Cyprus Seeds - Eurobank Cyprus Ltd

The bank is committed to support innovation and entrepreneurship through the Cyprus Seeds initiative. Cyprus Seeds aims to help in the transition of academic research from the university laboratory to the marketplace, by creating a pipeline for research projects to make it to the market and become spinoffs. Besides the investment and growth opportunities and the creation of new business ventures, this programme could help retain talented researchers in Cyprus, and hopefully assist in restraining of the brain drain of Post-doc and PHD Students of the University of Cyprus, that would have been unable to complete their research due to the limitation of funding and resources.

Besides monetary funding, Cyprus Seeds will be offering the opportunity for one-to-one mentoring along with a series of practical workshops aiming to change the mindset of the academic researchers and help morph the research projects into presentable, investable startups.

Social Solidarity

GRI FS-7

In 2019, Eurobank supported approximately 40 non-profit organisations and institutions operating across Greece, which mainly support children and vulnerable social groups.

Support to Fire-Stricken Regions of East Attica

Following the destructive fires that hit East Attica in July 2018 and a relevant announcement by the Bank, and driven by its deep sense of responsibility and commitment to giving back to society, Eurobank continued its Corporate Social Responsibility programme with consistency, aiming to support and rebuild the fire-stricken areas.

In this context, and after working closely with the Municipality of Rafina-Pikermi, in 2019 it concluded the reconstruction of the Playground on Chrystomou Smyrnis Square, Neos Voutzas. This area, which was a central entertainment point for the local children, had been completely destroyed by the fire. Now that it has been completed and is fully equipped, it welcomes children and parents from the surrounding areas. Eurobank was the exclusive sponsor of the project, taking into account all the safety requirements and technical specifications necessary to construct such a project.

Basketball Court Donated at the SOS Children's Village in Vari

Eurobank exclusively undertook the construction of a basketball court at the SOS Children's Village in Vari. The new facility offers a safe and secure environment to the children at the Village, where they can meet daily and spend their time while exercising.

The Smile of the Child association & SOS Children's Villages Greece

Focusing on initiatives that assist children in real need, for yet another year, the Bank supported The Smile of the Child association and the SOS Children's Villages Greece. The Bank has placed special donation boxes in Eurobank branches.

PNOE - Friends of Children's Intensive Care

In the past 19 years, Eurobank has been steadily supporting the important work of the PNOE- Friends of Children's Intensive Care non-profit association, helping it meet its objective which is to create and equip paediatric intensive care units and to support children hospitalised in intensive care units and their parents. In 2000, Eurobank launched the EuroLine card. Part of the product's total turnover is donated to PNOE- Friends of Children's Intensive Care association. In particular, the Bank donates 0.20% of the total value of transactions carried out by Euroline cardholders. In 2019, around 27,000 active cards generated a donation of €26,750.

Fashion Targets Breast Cancer Campaign

The Bank's partnership with the Fashion Targets Breast Cancer campaign started in 2004 with the launch of the EuroLine Style card, the very first credit card addressed to women only. For the past 15 years, Eurobank has been consistently supporting the campaign's efforts in Greece, actively contributing to the attainment of its goals i.e. to inform and raise awareness among women about the importance of prevention and timely diagnosis of breast cancer.

In 2019, there were 6,000 active EuroLine Style credit cards. Eurobank pays 0.15% of the EuroLine Style card's annual turnover to the Target-Prevention Greek Society for Cancer Prevention. In 2019, €8,680 was raised from the use of the cards to support the association in informing and training women on the value of breast cancer prevention.

Social Solidarity

Bazaar International de Luxembourg - Eurobank Private Bank Luxembourg

Eurobank Private Bank Luxembourg financially supports various charitable organisations in order to contribute to the community where it operates. In this context, for the past 20 years, the bank donates to the Bazaar International de Luxembourg, which is the largest non-commercial and multicultural charitable organisation in Luxembourg, raising funds for more than 100 charities worldwide. Some of the past years' principal projects include:

- The Nepal - Free a Girl association whose objective is to prevent the sexual exploitation of underage girls, raising at the same time awareness for the fight against sexual exploitation and human trafficking.
- The installation of rain water collection & the opening of a Kindergarten cycle and new classes for Primary and Secondary school, in order to accommodate 250 new pupils and a library in Benin, West Africa.

Furthermore, at the 2019 Christmas party Eurobank Private Bank Luxembourg offered all its employees a memorable gift, The Tree of Life which was purchased from The Smile of the Child association.

Business Run Luxembourg - Eurobank Private Bank Luxembourg

Employees' participate in the Business Run Luxembourg. Since 2018, the race has supported the Foundation Cancer, a charitable foundation with the purpose of providing information on the prevention and fight against cancer, as well as the funding of initiatives (like scientific research and information campaigns), that help the battle against cancer in the broad sense.



Sports

Participation in high performance sports, fair play and achievement orientation promotes team spirit. For many years, Eurobank has been supporting Greek athletes whose efforts are invaluable examples of ethical demeanour, perseverance, commitment and self-discipline.

Hellenic Basketball Federation

For 19 years, Eurobank has been the official sponsor of all the Greek National Basketball Teams. It is the longest active sponsorship in Greek sports and one of the longest in Europe. Greek Basketball has demonstrated that teamwork, persistence and dedication to goals are key drivers for distinction and success. This has proven to be one of the most successful partnerships, as Greek Basketball has earned a total of 25 medals.

Sailing Duo P. Mantis & P. Kagialis

The Bank has historically been the sponsor of great athletes who have achieved high distinction. In this framework, Eurobank is the Gold Sponsor of the sailing duo of Panagiotis Mantis and Pavlos Kagialis, supporting their endeavours towards the Tokyo 2020 Olympics in the Men's 470 Sailing Class. As a Bronze Sponsor, it supported, yet again, Olympic gold medallist Sofia Bekatorou in her new sailing efforts, this time in the Nacra 17 class.

Eurobank ManUtd Soccer School - Eurobank A.D. Beograd

As an exclusive partner of Manchester United FC in the area of issuing payment cards, Eurobank brought one of the most prestigious soccer schools to Serbia, enabling 96 children to learn from world-renowned coaches. Children of the employees, customers, and partners, as well as the boys and girls from the homes for children without parental care had a chance to attend the school. The mission of the school is to encourage children to work on nurturing team spirit, supporting friends and growing self-esteem, in addition to developing football skills.



Culture

Promoting culture and the arts has been a priority for Eurobank ever since its inception. The Bank firmly believes that culture is an inherent part of any dynamic society. Eurobank's commitment to actively foster and promote culture has been a tradition ever since its establishment.

Greek National Opera

In 2019, Eurobank was the exclusive sponsor of Don Carlo by Giuseppe Verdi, a landmark performance in the history of the Greek opera. It is a joint production of the Royal Opera House, London, the Metropolitan Opera, New York, and the Norwegian National Opera, staged for the first time at Covent Garden in 2008. This unique co-production by internationally acclaimed artists was staged by the Greek National Opera for 8 performances, which received excellent reviews and were extremely well received by the public.

Savings

With a deep sense of respect for the tradition of the Hellenic Postbank Eurobank continues to foster the concept of savings and instil the value of savings into new generations. In October, Eurobank's executives visited 200 schools across Greece and offered 15,000 piggy banks to children. The celebrations culminated with the visit of the Bank's senior management to the Topaleio Primary School and with an event held at the Volos Branch of Eurobank.



Historical Archive

In 2019, the Bank's Historical Archive continued with a series of actions involving the appraisal and acquisition of new archival historical material from the Bank's units, as well as the systematic recording of its contents and the organisation of its structure, in view of it becoming available to researchers. These actions included:

- Cataloging, arranging, describing and indexing old and new historical material from the Bank's archives and collections –such as minutes from meetings, budgets/annual reports, Greek Postal Savings Bank staff and public relations records, the archive of the Eurobank General Branch Division (2000-2013) – as well as enriching the Greek Postal Savings Bank and Eurobank museum exhibit collections, updating its catalogues and transferring all the Bank's processed museum exhibit collections to a special Historical Archive repository.
- Receiving arranging, describing and indexing the personal archive of the first General Manager (1990-1995) of the Euromerchant Bank / Eurobank, Dionysios S. Kotsonis, 1986-1995.
- Putting in order, cataloging and arranging old account books (journals, ledgers, annual reports / balance sheets, protocols, registers, etc.) of the Greek Postal Savings Bank and the Public Pawnbroking Office for the period 1912-2001
- Managing requests from various Bank units across Greece regarding the disposal/ destruction of departmental records and maintaining/ preserving archives of historical interest.
- Enriching the Historical Archive Library with new books and magazines.
- Enriching and updating the Digital Library with new material (digital publications, press releases, financial magazines and bulletins of the Bank, recordings, etc.).
- As part of the programme for the digital reproduction/preservation of important documents of the Historical Archive by its own means, continuing the digitisation of the Eurobank and the Greek Postal Savings Bank Photo Archives and the digitisation of the original minutes of the Board of Directors of the Greek Postal Savings Bank
- Providing know-how to Historical Archive intern employees who are graduates of the Department of Archival, Library and Information Studies, School of Administrative, Economics and Social Sciences, University of West Attica.
- Having Historical Archive employees actively participate in the activities of the Society of Greek Archivists.

Corporate Volunteering

The Team Up volunteer group has been created to contribute to the needs of Greek society. Team Up is based on a mentality of active contribution, with both employees and their family members being able to participate. In 2019, the members of the group increased to 726 from 576 in 2018 and they participated in 7 environmental and social initiatives, making up more than 440 hours of volunteering.

Over the last 2 years, the Team Up members have shown that making a contribution to people, society and the environment is up to all of us. To actively promote corporate volunteering, Eurobank gives every volunteer the option of taking one day off a year.

Model National Nursery	Forty Team Up volunteers along with members of their families made Easter candles for 220 children aged between 2.5 and 5.5 years, hosted at the Model National Nursery. The participants also collected and donated essential items to the children. The effort was also supported by suppliers of the Group.
Saronida Beach Clean-up	Team Up members cleaned up Saronida Beach, filling 35 bags with plastics and rubbish. During the action, local environmental organisations briefed the volunteers on the importance of the water environment and the ways it can remain clean.
Restoration of the Panayia Eleousa Home for the Elderly	Team Up visited the Panayia Eleousa Home for the Elderly, painted the Panayia Eleousa chapel, cleaned and restored the benches and railings of the surrounding area, and planted herbs.
Summer Kits for Children	At the Bodossaki Foundation mansion, 31 Team Up volunteers along with members of their families packed bags with summer items and donated them to 90 children supported by NGOs Arsis, Amimoni and Equal Society.
Donation to the 6th Primary School of Kaisariani	Team Up volunteers along with members of their families started a vegetable garden at the outdoor area of the 6 th Primary School of Kaisariani. They cleared the area, planted vegetables, built a small greenhouse and installed a compost maker for recycling organic waste. They also distributed envelopes containing seeds and instructions to the school students and teachers.
Social Cooking	Right before Christmas, Team Up along with a famous Greek chef, prepared food and desserts for individuals at the Athens Nursing Home and the Elena Centre for Elderly Care.
Bazaar to Support NGOs	At the initiative of Team Up, a Bazaar was organised at a central building of the Bank, to support the NGOs Amimoni, Equal Society, Estia and Museum of Greek Children's Art.



PEOPLE

The Group offers a modern work environment, fostering the growth of its employees, ensuring opportunities for advancement, recognising exceptional performance and encouraging innovation. The Group combines a contemporary digital profile with a human face, supporting both its employees and their families. Its employees also undertake initiatives to give back to society.

The Group aims to be an employer of choice both for its people and the new executives it recruits. The Human Resources Division is aligned with the Group's strategic goals and corporate culture at all levels. To this end, it designs and implements programmes that improve employee experience, upgrade their skills to face the challenges posed by the new era, and foster satisfaction and commitment to the Bank's vision, goals and values.





Deployment of human resources

The main milestones and action in 2019:



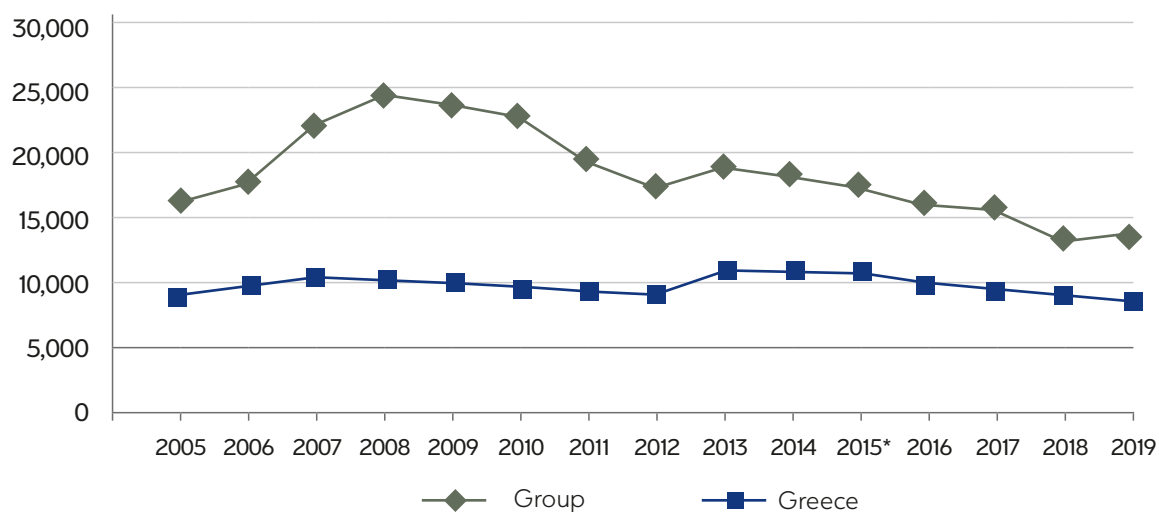
- **Supporting the Bank's internal digital transformation.** Eurobank was the first bank in Greece to adopt the new cloud-based SAP SuccessFactors human experience management suite. So far, the design and implementation of the basic technological infrastructure has been completed, enabling applications that improve everyday communication across the Bank, increase user autonomy and mobility, provide smart live reports and open up opportunities for cooperation.
- **Applying modern learning methods, upskilling and reskilling, and modern leadership development programmes.**
- **Reinforcing employer branding both internally and externally.** The Group implemented contemporary methods for attracting new talent, designed a new onboarding experience programme for new employees and performed actions to retain the best talent within the Group.
- **Completing the framework for the transition of Troubled Asset Group (TAG) employees to a new corporate structure for non-performing loan management.** The Group ensured all employees' employment and social security rights, and also provided financial incentives for the transition. The transition agreement and the implementation of the project will be concluded in 2020.
- **Promoting corporate values and acknowledging employees through the Sto Epikentro (In Focus) programme.** 4 awards in accordance with the Bank's corporate values: Cooperation, Innovation, Customer Centricity, Long-term Contribution.
- **Developing a culture of dialogue and open communication.** Eurobank launched informational campaigns for all employees regarding critical issues, kept Intranet (Connected) updated and activated a social networking platform (yammer). Eurobank also enabled regular division meetings, an HR help line, and informational meetings for the Bank's Management executives.
- **Expanding corporate volunteering.** Team Up, the Group's internal volunteering team, carried out actions in response to social and environmental needs.

Deployment of Human Resources

GRI 102-8

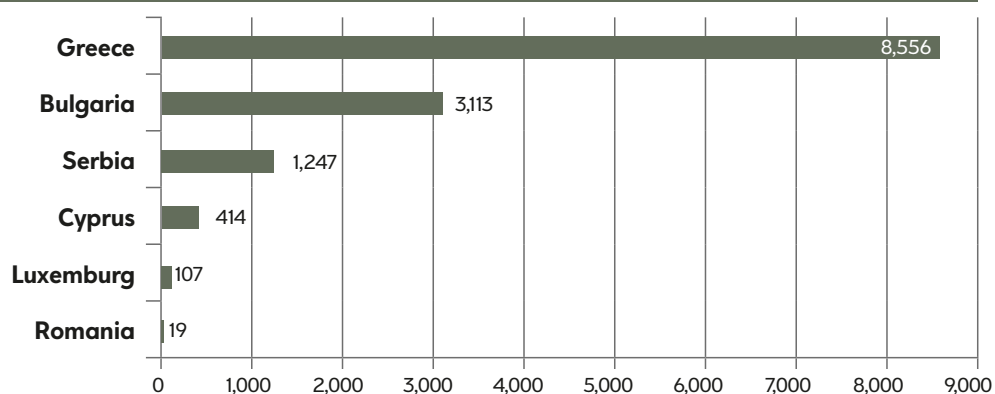
The employees are the most valuable asset to the Group's success and development. On 31 December 2019, the Group employed 13,456 people, of which 4,900 people worked abroad. Regarding the average age, 64% of the Group's employees were younger than 45 years old, while in terms of gender distribution, 63% of the total employees were women.

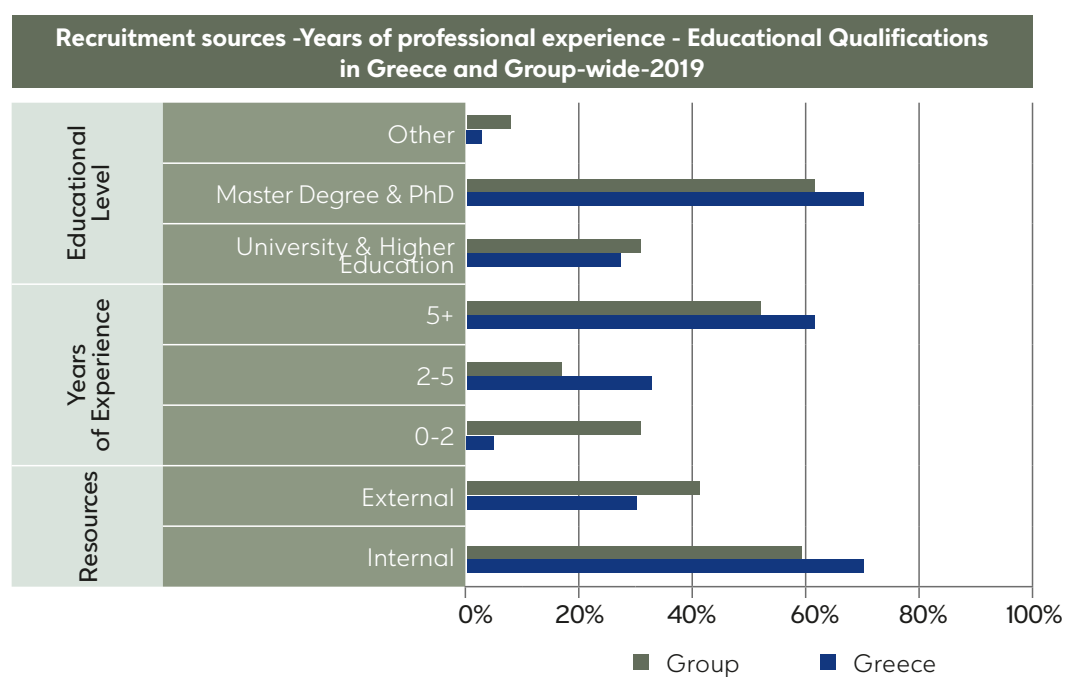
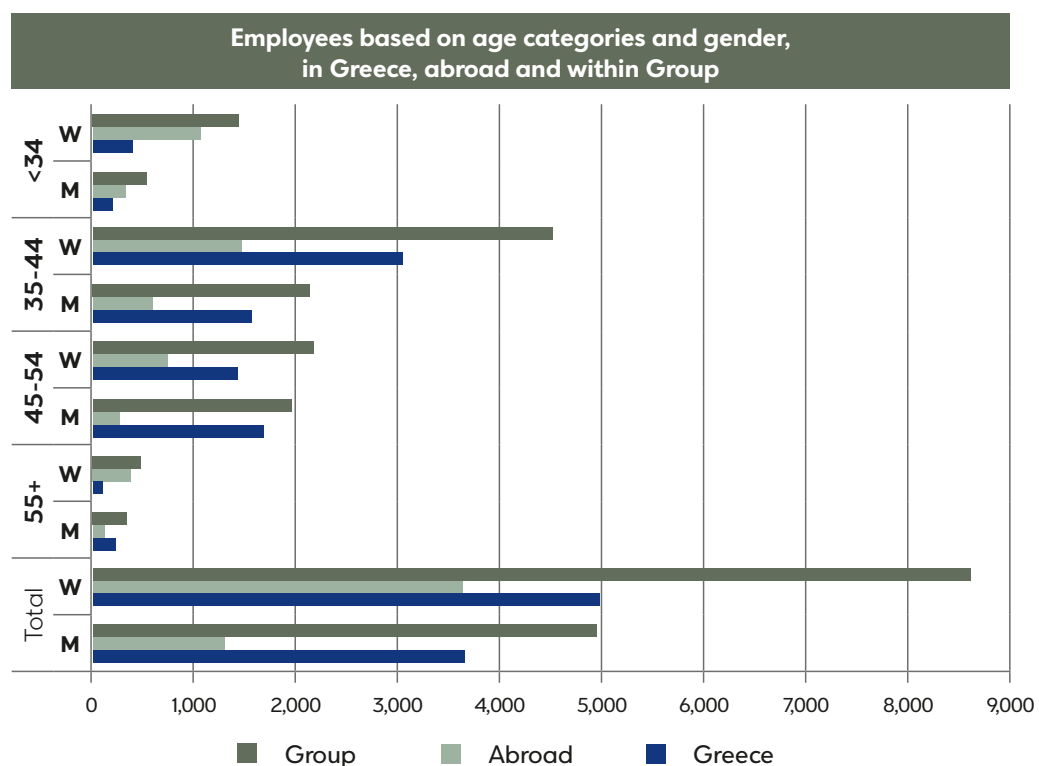
Evolution of Group-wide employment



* In 2015 Eurolife FFH is included.

Employees per country





Geographical distribution of employees in Greece (Bank & Subsidiaries)			
Gender	Men	Women	Total
Attica	2,726	3,636	6,362
Thessaloniki	286	334	620
Rest of Greece	613	961	1,574
Total	3,625	4,931	8,556

Distribution of employees by employment type in Greece (Bank & Subsidiaries)			
Gender	Men	Women	Total
Open-ended contracts	3,583	4,905	8,488
Athens	2,686	3,612	6,298
Thessaloniki	286	334	620
Rest of Greece	611	959	1,570
Fixed-term contracts	42	26	68
Athens	40	24	64
Thessaloniki	2	2	4
Rest of Greece	0	0	0
Total	3,625	4,931	8,556

Distribution of employees by employment type (Abroad)			
Gender	Men	Women	Total
Open-ended contracts	1,236	3,354	4,590
Fixed-term contracts	50	260	310
Total	1,286	3,614	4,900

Distribution of employees by employment type (Group Wide)			
Gender	Men	Women	Total
Open-ended contracts	4,819	8,259	13,078
Fixed-term contracts	92	286	378
Total	4,911	8,545	13,456



Attracting talented individuals with deep knowledge

Selecting Human Resources, Attracting & Retaining Talent

Recruitment

GRI 102-8

At a Group level, new hires in 2019 mostly covered needs in international subsidiaries (85% international subsidiaries, 15% Greece). The Bank places emphasis on attracting and choosing talented people with deep knowledge. Therefore, these new hires involved executives with a strong academic background (92% holders of graduate and postgraduate degrees and PhDs), skills that respond to the contemporary workplace and professional experience, usually at least 5 years of service (52%). The respective rates for Greece were 97% and 62%.

For yet another year, the advanced communication systems that allow the submission of CVs online, improving the candidates' experience, was again a top priority for the Bank, supporting an efficient and contemporary process for attracting new talent. The recruitment process applied in Greece has been certified as per the ISO 9001 standard since 2000 and is implemented by dedicated officers, placing particular emphasis on objectivity, transparency and equal treatment of both external and internal candidates. Recruitment is conducted on the basis of pre-defined criteria, used in the context of an evaluation process, structured interviews and other modern recruitment tools.

Attracting & Retaining Talent

GRI 401-2

In 2019, Eurobank focused on the new generation through recurring actions and new initiatives, fostering its profile as a contemporary and powerful employer. Actively participating in the largest Career Forums in Greece – such as Career Days (kariera.gr), Panorama of Entrepreneurship and Career Development, Job Fair Athens etc. – and inviting young students and graduates of various schools to attend educational visits at Bank premises (4th Business Day in partnership with the Entrepreneurship Panorama, "Visits Behind the Scenes" of the National Technical University of Athens), the Bank gave young people the opportunity to learn about Eurobank's activities, but also offered them actual career options.

Selecting Human Resources, Attracting & Retaining Talent

In 2019, Eurobank focused on the new generation through recurring actions and new initiatives, fostering its profile as a contemporary and powerful employer.

With regard to attracting talent, Eurobank successfully completed the **BeAPro Programme**, which is aimed at young professionals who are university graduates in the Banking and Compliance sectors. As a Best Practice Graduate Talent Programme, it aims to develop new professionals and offer the perfect start for a career in modern Banking. The structure of the programme allows the participants to gain valuable professional experience, and knowledge of Eurobank's business operations, culture and working methods.

The Bank also continued the **Internship programmes** with the participation of 442 students and graduates from universities across Greece and abroad. In 2019, the Aristotle University of Thessaloniki awarded Eurobank for being the best host for student internships for the 2017-2018 academic year.

In 2019, a new, **integrated programme for welcoming new employees** to the Group was designed (Onboarding Experience Programme). This programme is not just an onboarding process for new employees, but an experience. It is also based on active contribution of managers, personalised communication and practical support during the adjustment period, such as providing an informational welcome kit and assigning each new employee to a buddy for day-to-day questions and concerns. This new programme is expected to help new employees become part of the team, and increase their work commitment and contribution to the Group's goals and results.

As part of modernising the work environment, Eurobank introduced **teleworking**, as a comparative advantage. By capitalising on new technologies, Eurobank support a more flexible and smarter work environment, which significantly contributes to employees' higher performance and satisfaction. Specifically, this practice was adopted and implemented to facilitate employees mostly from IT departments, yet the goal is to expand it across the Bank.

Eurobank takes advantage of modern digital forms of work to:

- a. Attract and retain talent.
- b. Increase employee commitment, which in turn leads to increased productivity and higher work satisfaction.
- c. Transition to a simpler and more flexible structure.

Internal Mobility

The Group also focuses on deploying its existing workforce to meet internal staffing needs, according to their qualifications and applying meritocracy. This strategic choice offers substantial career development prospects and engagement, while at the same time it safeguards Eurobank's standing commitment to develop its people. In 2019, 70% of job vacancies in Greece were filled internally. At a Group level, including Greek and international subsidiaries, the respective rate stood at 59%.

Attritions

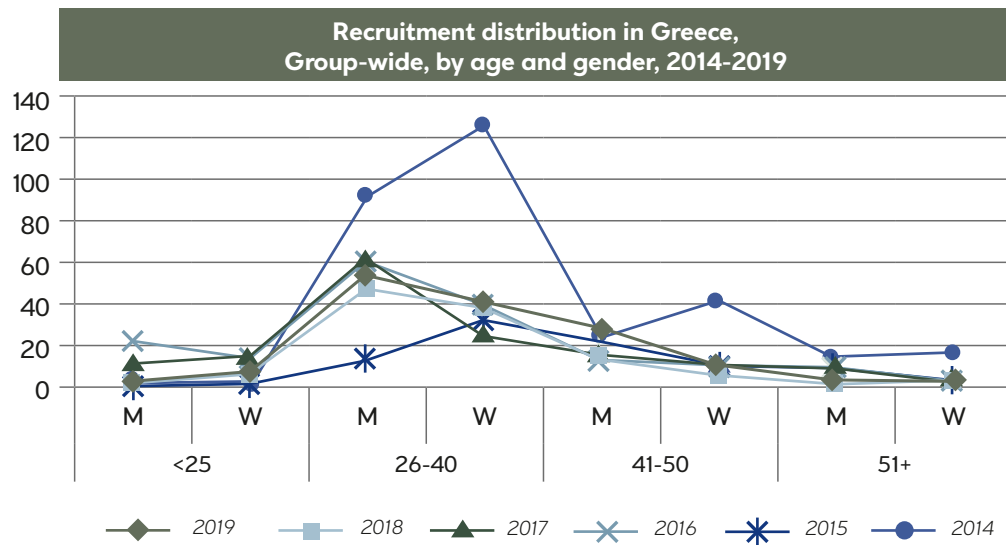
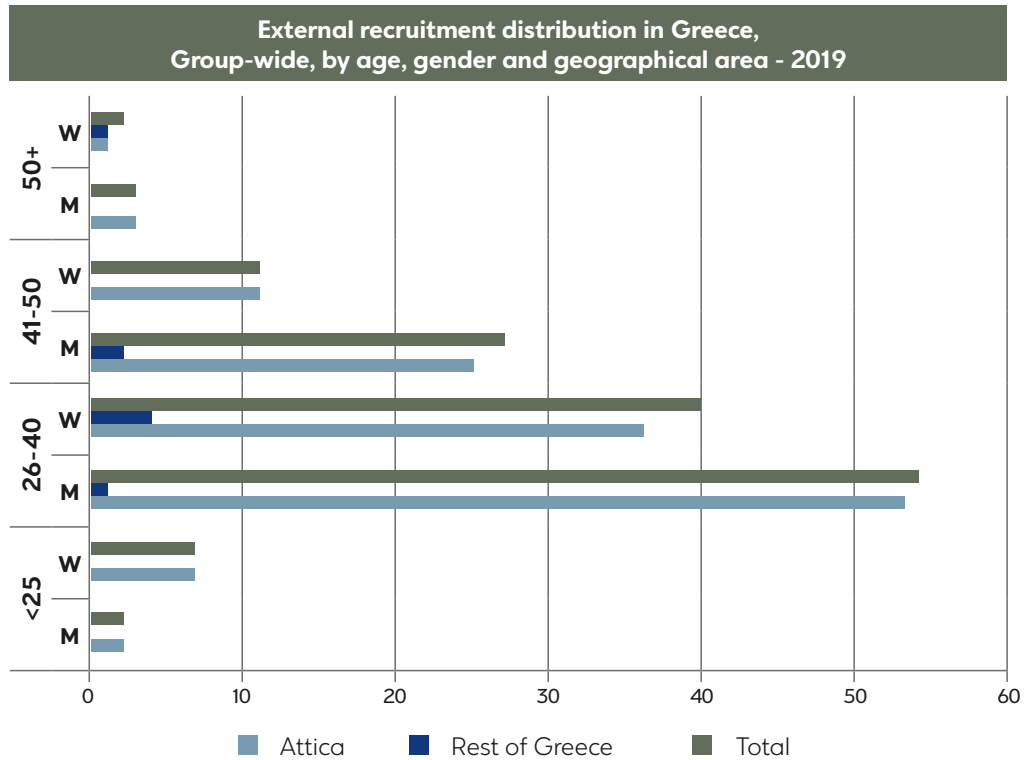
In 2019, 591 people left the Group, of which 54.99% were included in voluntary retirement schemes. Staff members leaving the Bank in 2019 were offered the option to attend outplacement programmes, depending on their individual interests and profile.

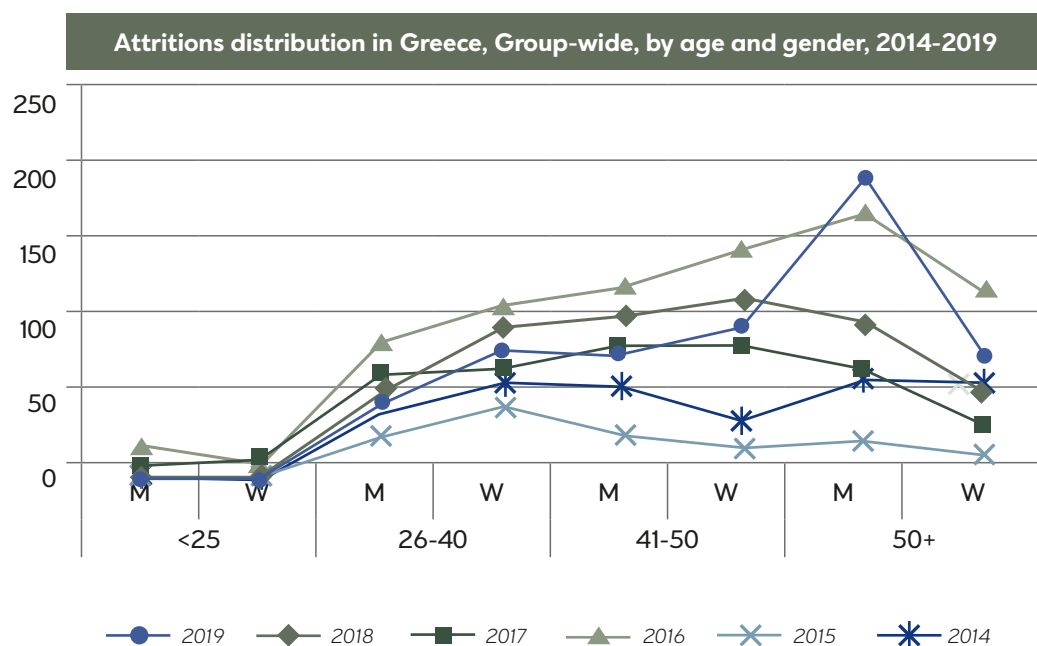
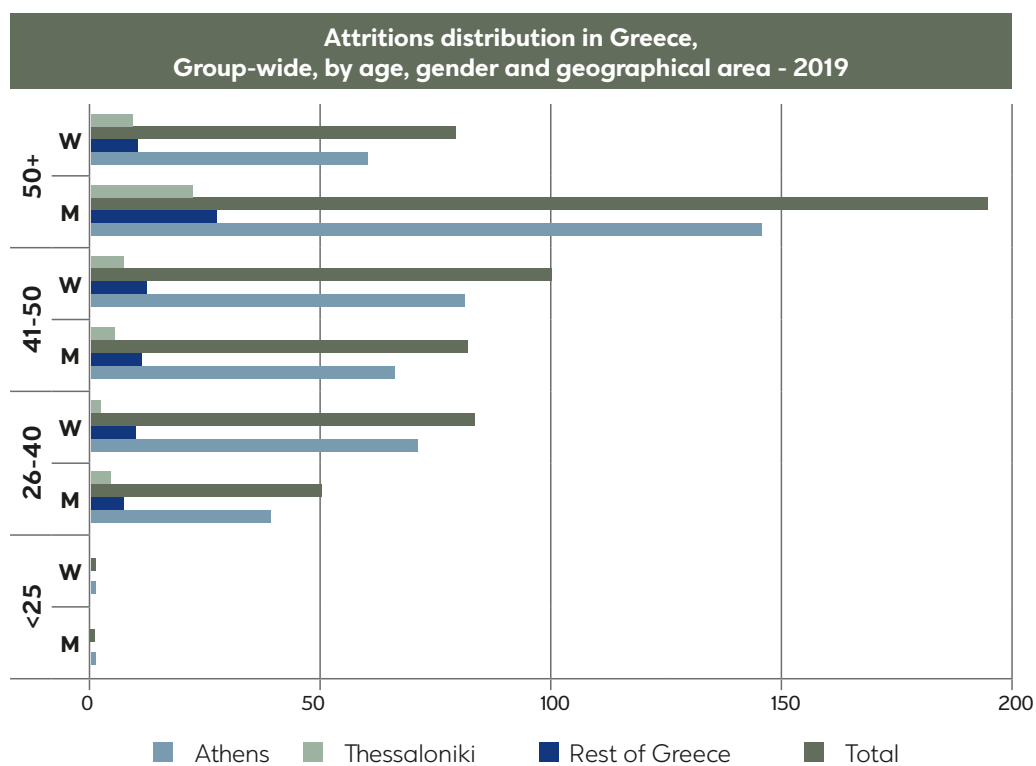
In particular, there are programmes offering training and consultancy, either on preparing for a professional transition and job search, or on issues relating to entrepreneurship or acquiring certain skills. These programmes were delivered by dedicated consultants.

Selecting Human Resources, Attracting & Retaining Talent

Recruitment
distribution

GRI 401-1





Hire and attrition are included in the headcount recorded at the end of each year and do not include Business Services and Grivalia (2017) and Eurolife FFH (2016). Moreover, it should be noted that internal transfers from Group Subsidiaries to the Bank are not taken into account.



Human resources education & learning

Training

GRI 404-1

GRI 404-2

GRI 404-3

The implementation of an organised model of training actions and methods supports the Group's digital transformation strategy. Eurobank's learning model aims to help employees acquire current knowledge and skills, and to help the Group establish its success, now and in the future. The following ratios indicate the investment in training for 2019:

- 5 training days on average per employee Group-wide
- 54,950 total participants in training programmes for the Group
- 405,768 training man-hours Group-wide
- 241,082 training man-hours in Greece
- 91.4% of Group employees participated in training actions
- 31.7% of total Group training actions were online
- 39.6% of total training actions in Greece were online

Average annual training hours by employees category and gender (2019)		
Employees category	Men	Women
Employees	23.2	23.6
Middle management	27.8	27.7
Senior Management	23.7	29.4

Eurobank's training strategy was developed around the following priorities:

Upgrading digital skills, developing systems and certifying knowledge. In October 2019, the transition of training management to the new SAP SuccessFactors suite was completed for all employees in Greece and Cyprus. This suite provides employees with upgraded self-service options, while managers are able to manage the training actions of their teams more effectively. For example, through this new technological infrastructure, all employees can review their training history, search for training programmes they find interesting and schedule their participation in available training activities. In addition:

- **My digital skills survey.** The survey was conducted to reliably record the digital skills possessed by Eurobank employees. According to the findings, employees show great interest in digital technologies, personally and professionally. They are fairly familiar with information and data management, and with using certain digital means of communication and cooperation. They considerably understand potential risks in a digital environment, specifically with regard to information safety. Approximately 3,000 employees, working for the Bank and its subsidiaries in Greece, participated in the survey, which was conducted for the first time by a Greek bank. The major findings are expected to be disclosed to the Bank soon and lead to the development of new targeted training actions.

- **Digital Learning.** Ten new learning units were developed, employing modern authoring tools that fully meet the needs for digitising educational material.
- **Cooperation with LinkedIn Learning.** Eurobank developed learning paths for certain roles within the Bank and continued the cooperation with internationally recognised e-learning platforms (Coursera, Interskill, Pluralsight), providing access to more than 5,000 courses on cutting-edge technologies. Courses are provided by leading European and US Universities, as well as large organisations and recognised professionals. Participants may obtain attendance certificates.
- **Principles of Digital Marketing for Businesses Programme.** Approximately 500 Retail and Commercial Banking Relationship Managers (RMs) participated in the programme through the new Digital Academy for Business service, which aims to further equip the officers to manage customers in the digital era. All training sessions were conducted in virtual classrooms.
- **Diploma in Business Analytics & Big Data.** Two groups completed the programme, which is jointly organised with the Athens University of Economics and Business.
- **Design Thinking & Lean Six Sigma.** Eurobank continued running programmes on Design Thinking (77 participants) and Lean Six Sigma methodology (44 participants across 3 levels: Yellow/Green/Black belt).
- Moreover, Eurobank continued providing learning journeys in the context of the Managers' Acceleration Programme (MAP), which focuses on Team Success and People Development, with 1,560 of Eurobank's Evaluators / Managers participating in it.
- Also, the 8th cycle of the Eurobank – ALBA MBA in Financial Services postgraduate programme continued, with 20 Group executives participating in it.
- The new programme of internal certification in non-performing loan management was successfully completed by 96 officers. The programme was run jointly with the Hellenic Banking Institute and Moody's Analytics, aiming to shield professionals in this sector. The Bank also continued the internal certification programmes in Small Business Banking for competent officers in the Branch Network.

With regard to the Certifications of the Bank of Greece, in 2019, 513 people participated in certification and re-certification programmes for the **Provision of Investment Services**, while 2,623 employees participated in the respective programmes for **Insurance and Reinsurance Products**.

To provide training that meets employees' and the Group's needs, policies and processes certified to the ISO 9001 standard were implemented.

Professional Development

GRI 404-2

Eurobank develops and runs dedicated programmes to empower its employees, so that they can assume more demanding roles and improve their leadership skills.

Leadership Development Programmes

For a second year running, LEAD.exe, an Executive Development programme, was implemented. This programme addresses the Group's need to support its executives in a dynamic environment marked by operational transformation, transition to the digital era and emergence of new leadership values and skills. 25 senior executives successfully participated in the programme in 2019. In partnership with dedicated educational institutions in Greece and abroad, LEAD.exe offers:

- An e-learning platform, enabling interactive learning and access to specialized knowledge.
- Training seminars, workshops and field visits aiming to acquire and share knowledge by interacting with modern organisations, leaders and speakers.
- Reverse mentoring with young mentors aiming to reinforce the executives' digital skills and enlighten them on the mindset of the younger generation.
- "Digital Revolution in Banking and Finance" field visit to London: The visit was dedicated to the technological revolution in the banking industry and the economy in general.

Professional Development of Executives

In 2019, Eurobank employed innovative learning tools to develop and run the Retail Leadership Experience Programme, a new professional development programme for executives. Through an experience blending learning and skill development, the programme aims to foster the executive succession plan and identify future leaders in Retail Banking.

Mentoring & Reverse Mentoring Programmes

Eurobank's mentoring programme aims at developing skills, acquiring more knowledge about the Group, and allowing executives to share valuable expertise and experience with younger colleagues. The constant cooperation between the mentor and the mentee reinforces basic leadership behaviours, strengthens the design and implementation of individual development plans, and further fosters a culture of development and feedback. In 2019, 32 new employees and 32 mentors participated in mentoring programmes.

Reverse Mentoring actually reverses the usual dynamics of a mentoring programme, offering experienced executives the opportunity to interact with young mentors who will share their knowledge and a fresh eye on new technologies and new digital trends. The mentors come from egg-enter-grow-go (Eurobank's Incubator) and the Bank's units. For 2019, the programme ran as part of the LEAD.exe Executive Development Programme. 18 mentors participated in it.

Career families

In support of employees' ongoing development and career planning, the Group updated career families and functional roles for all employees, aiming to facilitate them in exploring potential career paths that meet the Group's needs and strategy.

Talent Management Programme

In 2019, a new Talent Management model was designed, aiming to identify, develop and effectively deploy high-potential officers. Talent Management Programmes increase employee satisfaction and commitment. They also align their professional goals with the Group's operational needs and priorities.

Performance Evaluation

GRI 404-3

At Eurobank, performance evaluation is a key element in employee development, as it links each employee's work and contribution to the Group's success, while offering employees the feedback they need to benefit from learning and career development opportunities. At Eurobank, performance evaluation focuses on the future rather than on an evaluation of the previous year.

"Axiopoio"

The Axiopoio performance evaluation and development system, which applies to all employees in Greece, Cyprus and Serbia, relies on regular contact between the manager and the employee throughout the year. Moreover, it allows employees to perform self-assessment and discuss development (Check Points) with their evaluator throughout the year. All employees may also provide feedback to their evaluator by means of a structured questionnaire, highlighting the value of active participation, continuous improvement and two-way feedback. Axiopoio aims to help employees gain better control over their career prospects by encouraging them to shape their own vision for the future based on the Bank's values and vision.

In 2019, over 96% of the employees received feedback through the annual structured meeting on their performance and professional development and prospects. 16.8% of them were Directors or Managers and 83.2% were employees with no administrative responsibilities. Throughout the year, either through the structured Check Points or in informal feedback meetings, employees discussed their performance with the aim of monitoring their priorities.

360° Feedback

Aiming to develop and evaluate the performance of senior management, Eurobank has adopted the 360° Feedback method to evaluate the overall contribution in corporate priorities and leadership behaviours according to the Group's values. Highlighting the development needs of executives and designing individual development plans is supported by structured feedback and coaching sessions.

Occupational Health & Safety

Employee and customer safety is a top priority for Eurobank. The Occupational Health and Safety Policy that the Bank has in place since 2005 is tangible proof that human resources are Eurobank's most valuable asset.

Therefore, the Bank applies all measures required under national and EU legislation to ensure the health and safety of its employees, customers and associates. The Bank also implements a Health and Safety Management System (HSMS), certified as per the OHSAS 18001:2007 standards. In this context, the Bank also implements a prevention and safety programme for its employees through various initiatives.

- Prevention Services**
- It runs four fully-equipped infirmaries in Attica where occupational physicians offer clinical services and medical advice to employees.
 - It provides prescription services free of charge through associated physicians. In 2019, over 4,000 employees visited Eurobank's infirmaries, while over 3,000 prescriptions were issued free of charge.
 - It offers regular medical check-ups to all employees. In 2019, a total of 775 employees had this check-up performed.
 - It coordinates a blood bank, run by Eurobank staff, to meet the needs of employees and their families for blood. In 2019, 329 blood units were collected (290 in 2018) and 232 units were made available to patients following employee requests to meet personal or family needs.
 - The Bank regularly informs the employees and raises awareness on health and safety issues, nurturing a personal involvement and responsibility mentality.

Support Services To efficiently deal with any personal problems or emergencies that may arise in relation to its staff, Eurobank has the following prevention and support mechanisms in place:

- Training in first aid and occupational health and safety including building evacuation and emergency response drills.
- Critical Incident Stress Management (CISM): Supporting employees on handling sudden traumatic events and crises inside and outside the workplace (such as robberies, accidents, terrorist acts, workplace violence, inappropriate employee or customer conduct, sudden death, natural disasters etc.).
- Case Management Service (CM): A dedicated team of consultant psychologists and psychiatrists provide comprehensive support to employees facing difficulties, aiming to help them restore balance on a personal and professional level. A psychologist offers advice to the Bank's senior officers on handling such issues.
- Support Line: Employees may consult experienced psychologists until 21:00 daily to get support in handling workplace or family-related problems or any other situations they might be preoccupied with.

Supporting all Employees & their Families

Eurobank has a modern benefits scheme in place. Moreover, over many years, Eurobank has developed and implemented schemes, benefits and initiatives to empower its employees and protect their families.

Benefits	<ul style="list-style-type: none"> • Private healthcare insurance (covers all major expenses plus dental and eye care). • Private life insurance through Eurolife FFH. • Pension capital management scheme. • Monthly child allowance for children younger than 21 years old (proportionate to the employee's salary). • Childcare allowance for children younger than 6 years old. • Discounted rates for the Bank's mortgage products and services.
Well-Being & Work / Life Balance	<ul style="list-style-type: none"> • Eurobank grants additional leave on top of the statutory one, such as childbirth leave (pregnancy and post-partum) and maternity leave with the option of reduced working hours or accrued leave. • Leave for a child's educational-related school activities. • Unpaid parental leave, leave for single-parent families, leave to adopt a child and parental leave for parents with disabled children.
Rewarding, Entertaining & Fostering Family Relations	<p>Rewarding top students: Recognising the value of education, Eurobank has launched a reward programme for top students. Eurobank awards money to employees and their children for exceptional performance in secondary school or higher education, as well as for those continuing their studies with a postgraduate degree or PhD. In the 18 years of this initiative, over 2,100 students have been presented with awards. In 2019, 285 awards were presented (for the 2017-2018 school/academic year), compared to 234 in 2018.</p> <p>Art contest for employee children aged 4-17: In 2019, the annual Christmas art contest was jointly organised with the Museum of Greek Children's Art for the first time. Over 690 children participated in the contest. The winning drawing was used for the Group's greeting card.</p> <p>Children's plays for the entire family: 2,500 secured tickets for plays and other events in 4 cities (Athens, Thessaloniki, Patra, Irakleio). Participants were selected through an automated online draw.</p> <p>Christmas gift cards for children: Eurobank offered Christmas gift cards to over 3,000 employees' children aged under 6 years old.</p> <p>Creative summer camps: The employees' children may participate in selected creative summer camps in 4 cities (Athens, Thessaloniki, Irakleio, Larissa). In 2019, 415 children participated in 10 camps, providing a daycare solution at minimum cost for parents. Participants were selected through an automated online draw.</p>

Employee Commitment & Communication

Information, participation, teamwork and positive experience for employees constitute the main goals in terms of reinforcing employee commitment to the Group's vision and values and increasing work satisfaction.

Improving Employee Experience

Eurobank was the first bank in Greece to invest in the cloud-based SAP SuccessFactors human experience management suite. This new suite upgrades the work environment and opens up opportunities for cooperation. In 2019, Eurobank completed the design and implementation of the basic technological infrastructure, enabling applications that improve everyday communication across the Bank, increasing user autonomy and mobility, and providing smart live reports. Implementation will continue next year too.

Specifically, through the available options, which are accessible from the premises and all smart devices, users can:

- Access their personal profile and their colleagues' contact details, no matter where they are.
- Enter and manage leave requests and their personal details through a self-service process.
- Access the training/educational plan for themselves and their teams, attend online classes and connect to online libraries (Learning Management System).

Recognising & Rewarding Employees – Sto Epikentro (In Focus) Awards

Eurobank has designed and presents 3 annual awards, which are linked to the Bank's values, culture and strategic priorities. Customer centricity, Cooperation and Innovation awards are addressed to all employees and a structured process is followed for submitting and evaluating applications. Two committees (organisational and selection panel) consisting of Bank executives and external judges evaluate the proposals. The results and winners are announced in the following year.

Customer centricity award: It reflects the Bank's commitment to satisfying its customers' needs and expectations in terms of excellent service.

Cooperation award: It addresses groups within different Bank divisions who have managed to join forces and achieve their goals, building relationships of trust.

Innovation award: It nurtures a culture of innovation and entrepreneurship, providing the Bank with ideas and suggestions in 4 crucial sectors: New products and services, Internal procedures, Employee experience, Customer experience. The employees with the top 10 ideas participate in a three-day Innovation Lab, where they work together with consultants and internal mentors, applying agile and design thinking methodologies, to render their idea feasible.

Moreover, aiming to recognise loyalty and contribution, every year, Eurobank awards employees with 15 or 25 years of service in the Group with the **Long-term Contribution Award**.

Employee Recognition Programme Sto Epikentro (In Focus)		
	2018	2019
Cooperation		
Teams	13	18
Individuals	354	514
Winners (teams)	3	3
Innovation		
Teams	96	75
Individuals	197	135
Winners (teams)	3	3
Customer-centricity		
Individuals	33	35
Winners	3	4

Fostering Dialogue & Information

Connected intranet system: The revamped intranet aims to keep Eurobank's employees updated on all important strategic, business and HR issues, as well as on issues relating to technology. In 2019, the improvements were made to be able to host more tailor-made content, focusing on Operational Risk Management and Customer Experience. Also, the yammer platform is available to the employees to foster internal social networking.

Management updates: To communicate our strategy and foster two-way communication between the Bank's Management and the employees, Breakfast with the Management were held, in which employees from all divisions participated, as well as 4 Executive Meetings, in which many members of the management team participated.

Support at work – HR4U: The HR4U contact centre stands by Eurobank's people daily. The centre responds to their requests and schedules all necessary actions to best serve them. In 2019, HR4U handled over 36,000 requests. Requests cover a broad spectrum of topics relating to benefits and schemes, as well as emergencies, such as blood or platelet requests for employees and/or their family members.

Dialogue & Labour Rights

GRI 102-8

GRI 102-41

It is the Bank's policy to communicate with its employees both directly and through labour unions. Six such unions are currently active in Eurobank, representing 89% of staff i.e. around 6,980 employees. The union with the most members is recognised as the employees' official representative body in labour negotiations with the Bank's Management. All Bank employees are covered by collective labour agreements (on an enterprise, sectoral and national level) while labour relations are regulated by the laws in force and the Bank's Statute of Internal Service. All employees work full-time. The Bank's Management cooperates with the unions supporting scheduled work meetings to discuss developments in the work environment.

THE ENVIRONMENT





At a time when climate change is becoming a dominant threat for the planet and its people, there is an imperative need to redefine growth and the investment framework, by boosting sustainability for more balanced growth, which benefits the economy, the environment and society.

Acknowledging that responsible entrepreneurship and environmental protection are a one-way street towards securing social prosperity for this generation and the generations to come, Eurobank has decided to take an active role.

Through certified management systems, it monitors its performance, minimises its carbon footprint and promotes green economy, by setting specific targets, undertaking initiatives, and designing and developing programmes to protect the environment and improve the use of natural resources. Meanwhile, in partnership with international organisations, it promotes the best sustainability practices within society, by carrying out volunteer actions, group activities, educational programmes and awareness campaigns for the environment and sustainable development.

The implementation of the aforementioned systems has led to significant reductions in energy consumption and greenhouse gas emissions compared to the base year 2014. At the same time, in 2019, Eurobank continued to manage potential environmental and social risks in its loan portfolio. The Bank launched a series of green products that provide entrepreneurs with various incentives and tools so as to adopt environmental-friendly business activities. As far as suppliers are concerned, Eurobank has adopted transparent and unambiguous criteria, including environmental certifications, and the environmental footprint of the suppliers' products and services.

In 2019, Eurobank participated in the issuing of the first certified corporate green bond in the Greek market; a token of its mentality and investment policy strategy towards supporting green economy. The next target is to enhance its strategy on climate change and financing of green businesses.

Environmental Policy

The Eurobank Group Environmental Policy, which was officially adopted in 2003 and is available on the Bank's official website www.eurobank.gr, reflects Eurobank's commitment to environmental responsibility.

Eurobank is committed to monitoring and improving its environmental performance, raising awareness among all stakeholders and promoting best practices throughout its network. At the same time, it develops "green" products and services to offer incentives and tools that promote activities protecting the environment. In addition to complying with statutory requirements, the Bank takes further initiatives to draw new boundaries in environmentally responsible business activities. As a result of the implementation of this policy, to this date Eurobank:

- Has been certified, since 2004, for the implementation of an Environmental Management System in accordance with the ISO 14001 International Standard.
- Successfully completed its registration in 2009 in the Register of European Enterprises applying the EU Eco-Management and Audit Scheme (EMAS).
- Was awarded by EMAS for its environmental practices in 2009, 2010 and 2011. The 2011 award was in the category "Stakeholder Involvement Leading to Continual Improvement" which is the highest distinction for large private organisations in Europe.

Environmental Performance

Eurobank handles its interaction with the environment in a systematic and global manner, taking into account both the direct impact its operations have on the environment (e.g. the impact arising from the operation of buildings' facilities and branches) as well as its indirect impact (e.g. environmentally-friendly financing and supplier relations). In this context, the Bank implements a certified Environmental Management System based on programmes and initiatives in the following sectors:

- Conservation of natural resources.
- Reduction of greenhouse gas emissions.
- Waste reduction, recycling and efficient solid waste management.
- Personnel training, communication and awareness.
- Environmental and social risk assessment of customer financing.
- Development and promotion of “green” banking products and services.

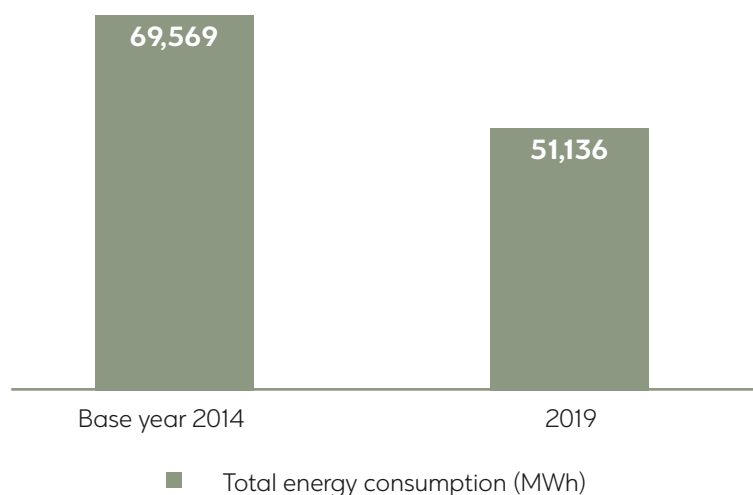
As of 2015, the Bank has been implementing a comprehensive Energy Management System, certified to the ISO 50001 international standard. At the same time, the dissemination and implementation of the Bank's certified and award-winning environmental practices in the Group's subsidiaries have already been completed for Business Exchanges SA, which has been certified in accordance with the ISO 14001 International Standard.

Conservation of Natural Resources

GRI 302-1

The importance of climate change renders monitoring all energy consumption and respective emissions one of Eurobank's top priorities. Energy consumption in Eurobank results from:

- Oil and natural gas combustion at the Bank's buildings for heating.
- The use of diesel fuel and petrol by the Bank's vehicles.
- The consumption of electric energy for all the Organisation's operations.



Environmental Performance

- In 2019, total energy consumption was reduced by 26.50% relative to the base year 2014.
- Total energy consumption per square metre in the Bank's buildings has decreased by 9.08% while total energy consumption per employee has similarly decreased by 19.42%, relative to the base year 2014.

These positive results were achieved through the implementation of the Energy Management System. The methodology Eurobank implements with the aim to reduce its energy consumption is based on the "Pay as you save" model in cooperation with Cerved Property Services, under an innovative "Shared Savings Energy Performance Agreement". In this type of Shared Savings Energy Performance Agreement, the projects concerned are financed by the Energy Consultant through own or investment capital.

In 2019, targeted, energy-efficiency interventions were made, both to existing equipment and to the design of new premises, in terms of interior lighting, illuminated signs, air-conditioning, electrical installations, natural gas infrastructure installations and electromechanical equipment.

Energy Intensity Ratio

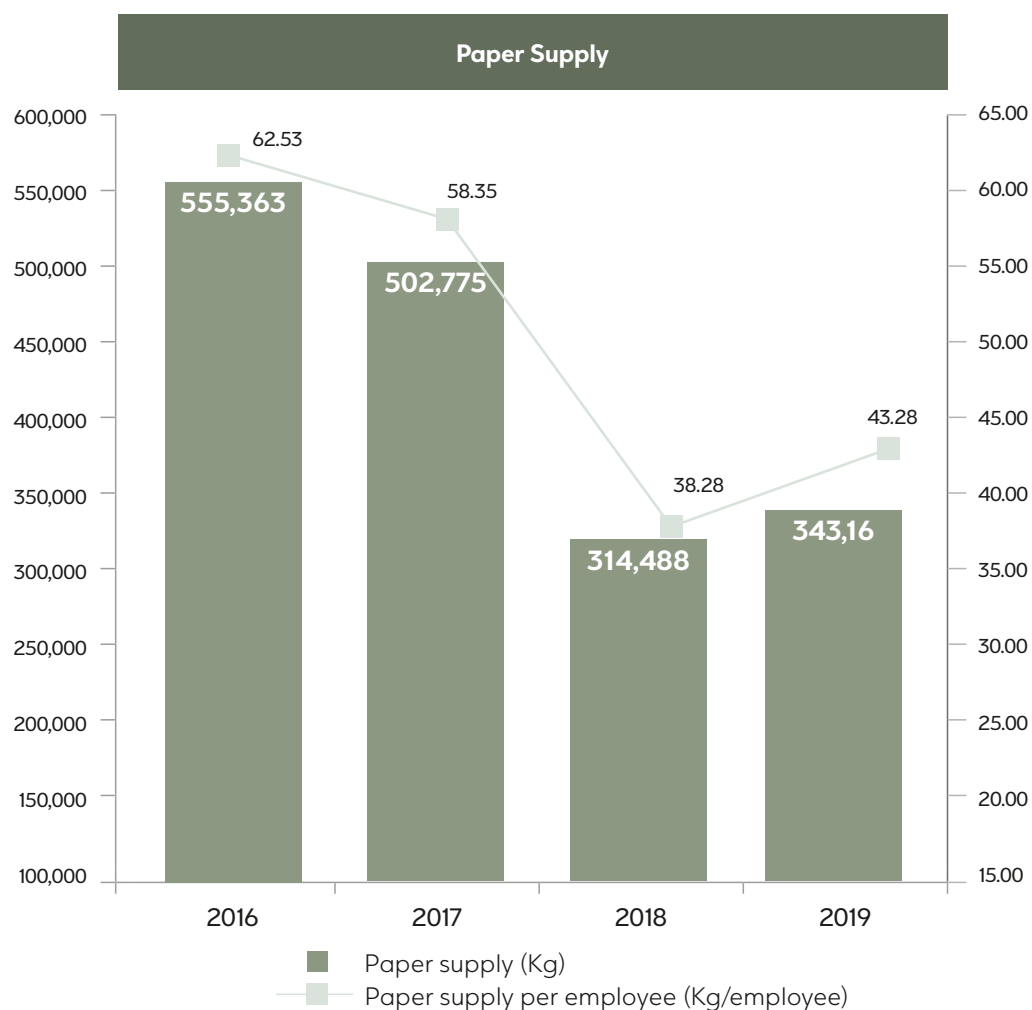
GRI 302-3

The energy intensity ratio is the energy the Bank consumes for all its operational revenue and serves in monitoring its energy performance in relation to its activity scale. The ratio, combined with the absolute energy consumption, assists in adjusting the energy performance of the Bank to its activities. For 2019, the ratio was 37.22 kWh/€1000 and was up by 2.68% compared to 2018 (36.25 kWh/€1000). The aim of the Bank is to reduce its energy needs compared to its activities in the coming years.

Paper

GRI 301-1

Reducing paper consumption is a key environmental target for the Bank. In 2019, paper supply was 343 tonnes, up by 9.12% compared to 2018, while the corresponding consumption per employee increased by 13.07%. Paper demand was higher compared to 2018 due to the additional needs that arose, although total paper supply for 2019 remained within the target set for the year. However, the quantity remained at low levels and was controlled, following the supply normalisation procedure that commenced / was implemented in 2018. Concurrently, the Bank's needs for A4 paper were covered exclusively by using ECOLABEL-certified paper



e-Statement

The use of the e-Statements service increased significantly in 2019, as 928,000 clients have discontinued the conventional mailing service since the launch of the e-Statements service, thereby reducing the number of physical (paper-based) account statements by more than 2.3 million units. Important contributing factors that led to the discontinuation of the physical account statements was the option for the discontinuation of the physical statements during the e-Banking registration process for new users in 2019.

The savings from the discontinuation of statement deliveries by conventional mail amounting to more than €12 million since the service became available is of significant importance for the Bank.

Water

The Bank pays particular attention to the conservation of water. To this end, it applies appropriate measures such as implementing specific systems for the control of the water flow in the water supply network. In 2019, total water consumption was 75,973 m³, remaining at the same level as in 2018 (75,966 m³).

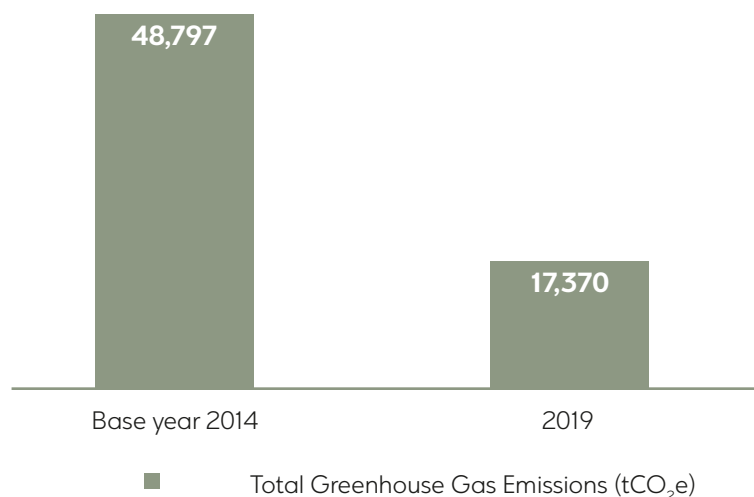
Environmental Performance

Reduction of Greenhouse Gas Emissions

With the aim of monitoring and reducing its environmental footprint and thus contributing to the reduction of greenhouse gas emissions, since 2008, the Bank implements the international Greenhouse Gas Protocol (GHG) (www.ghgprotocol.org). Additionally, since 2018, the Bank implements the Market-Based Method for electric energy consumption, using the annual CO₂ emission factors from energy providers. In 2019:

- Total GHG emissions in carbon dioxide equivalents (CO₂e) were reduced by 64.40% relative to the base year 2014.
- Total GHG emissions in carbon dioxide equivalents (CO₂e) per unit of building areas were reduced by 55.97% and by 60.98% per employee relative to the base year 2014.

Meanwhile, the Bank secured Guarantees of Origin for 89.36% of the power consumed in 2019, certifying that it comes from renewable energy sources (RES). By significantly reducing Greenhouse Gas emissions from its operations, the Bank contributes to the mitigation of climate change and facilitates the achievement of the global sustainability development goal for the climate (SDG13).



Waste Reduction, Recycling & Efficient Solid Waste Management

Waste reduction, re-use and recycling are key pillars of Eurobank's Environmental Management System. The Bank monitors and manages the life cycle of:

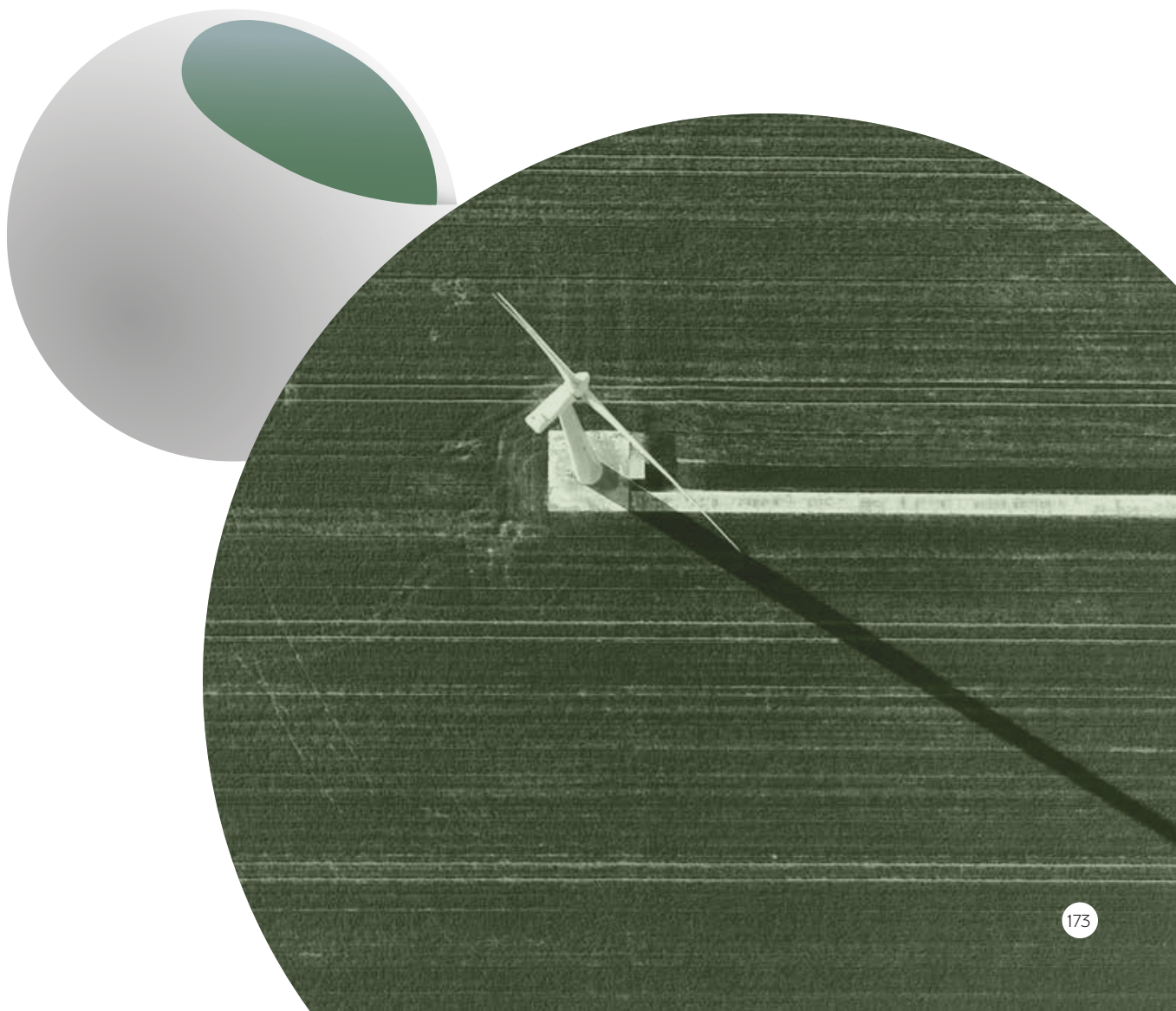
- Toner cartridges: In 2019, the full implementation of the Managed Print Services programme was continued whereby 100% of empty toner cartridges are recycled.
- Paper and packaging materials: Over 56.40% of the Bank's paper supply quantity was recycled by a specialist contractor in 2019. The total quantity of paper recycled is significantly higher as an additional large quantity of waste paper was channelled to the municipal recycling systems in the areas where the Bank operates.
- Waste Electrical and Electronic Equipment (WEEE): 100% of the withdrawn equipment was recycled.
- Lamps: 100% of withdrawn lamps were delivered for recycling.
- Batteries: 100% of withdrawn batteries were delivered for recycling.

**Personnel Training,
Communication
& Awareness**

As part of the implementation of the Environmental Management System and the Energy Management System, Eurobank actively promotes awareness-raising and training of personnel on environmental issues, energy and climate change and on the correct implementation of relevant procedures. Since 2003, a total of 4,426 employees have received training on environmental issues. Moreover, information on the energy consumption of the Bank's and buildings is disclosed on an annual basis.

**Environmental Risk
Assessment**

The participation of major institutional investors in the Bank's share capital marked the upgrade of existing and the incorporation of new environmental and social risk management mechanisms in the Bank's financing and investment operations. Eurobank implements an Environmental and Social Management System (ESMS) aiming to mitigate the potential credit risks arising from the operation of businesses financed by the Bank. The ESMS has been fully integrated into the approval and monitoring processes that the Bank applies in its financing operations and is fully supported by the Bank's Management as the adoption of environmental and social criteria can lead to sustainable operating models and, therefore, to better credit ratings.



“Green” Products & Services

GRI FS8

As part of the effort to actively promote best practices and attain long-term sustainability, the Bank has developed a series of “green” products, namely banking products offering environmental benefits. These products build on the Bank’s relationship with its customers and the market to promote tools and incentives that encourage environmentally-friendly business activities.

WWF Eurobank Visa – The first “green” banking product in Greece

WWF Eurobank Visa is the first “green” product ever issued by a Greek bank and it is the outcome of the partnership between Eurobank and WWF Hellas, which began in 2000.

In 2019, the total number of active WWF Eurobank Visa cards was 18,433. Eurobank paid part of the card income, equal to €50,544.63 to WWF Hellas in order to promote the WWF foundation. Thus far, WWF Hellas has received more than €1,6 million through WWF Eurobank Visa for the financing of environmental protection actions.

“Green” Home Loans

Eurobank has contributed substantially to energy-saving actions and in particular to the improvement of the energy performance of private homes in the country by actively participating in both the “Energy Saving at Home I” and “Energy Saving at Home II” Programmes

The Bank also played an instrumental role in the design of the new “Energy Saving at Home II” Programme launched in March 2018 as well as in the improvement of the process regarding the submission and management of applications through a new online platform developed in collaboration with the Ministry of the Environment and the Hellenic Fund for Entrepreneurship and Development (ETEAN).

In the new Programme, the Bank will continue its dynamic presence, providing financing (part of the financing comes from the European Regional Development Fund and national funds) to new households so that they can carry out “green” interventions in their homes. In addition to its participation in the subsidised “Energy Saving at Home” Programme, Eurobank also offered, for those who did not have the opportunity to be included in it a corresponding loan product called “Green Housing – Energy Saving Loan”. This product finances property owner needs to carry out repairs in order to improve the energy efficiency of their properties (from installing photovoltaic systems for domestic energy production and completely replacing the existing heating system, to carrying out full renovation works to save energy).

The Bank’s valuable experience and expertise in “green” loans are always the starting point for future initiatives with the ultimate goal of actively contributing to the achievement of the country’s environmental targets and protecting the wider environment by designing specialized “green” banking products that offer the most cost-efficient financing solutions covering all potential “green” needs of the citizens.

**Financing Clean Energy
Projects & Other
Environmental-friendly
Energy Sources**

Support for investments in Renewable Energy Sources (RES) has been a standing priority for the Bank over the past few years forming part of its broader goal of financing the economy and supporting the development of the country.

The Bank has created special lending products for financing RES investments of small and medium-sized enterprises such as photovoltaic power stations and wind farms with low installed capacity. The Bank also supports large RES investments through more complex banking products with a strong focus on structured finance projects.

The Bank is also active in the financing of other environmentally-friendly investments, financing investments in gas-fired power generation plants built to replace outdated polluting ones. The Bank's target for 2020 is to expand its RES project lending portfolio and to continue to support Greek and foreign investors operating in this sector.

**Participation in
Environmentally
Aware Enterprises**

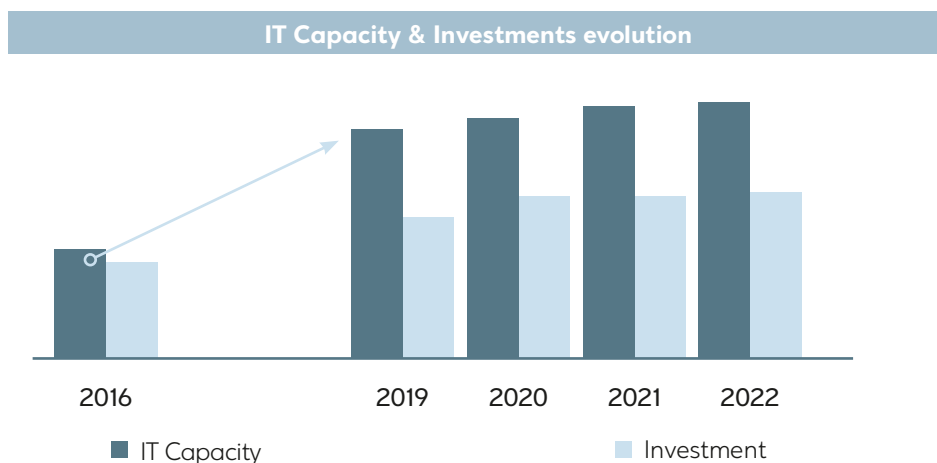
The Bank seeks to selectively participate in companies with specific characteristics and strong growth prospects focusing on extroversion and environmental awareness. In parallel, it also offers advisory services and know-how regarding the development and growth of such enterprises in Greece and abroad. In this context, the Bank has been participating in the share capital of MESOGIOS S.A. since 2010, together with a co-investor, through SINDA Ltd. MESOGIOS Group is among the leaders in environmental protection in Greece, operating in sectors such as solid and liquid waste management, water resource management, contaminated soil restoration, RES-based power generation and the energy efficiency sector. In 2019, the joint venture, in which MESOGIOS participates entered into a 25-year Public-Private Partnership for financing, planning, constructing and operating the waste management plant in Ileia, with a capacity of 80,000 tons of municipal solid waste per year. The Bank also participates in the IBG HF III (CMF) private equity fund, which specialises in renewable energy sources, and more specifically in the establishment and operation of small and medium-sized photovoltaic installations and wind farms in Greece. Eurobank is the fund's third largest shareholder.

IT & TECHNOLOGY

Technology is at the core of Eurobank's strategic growth in the new digital era. In 2019, its role was further enhanced to expand banking operations, reduce non-performing exposures and optimise the Bank's digital capabilities.

Eurobank continued to invest in IT and technology, focusing on improving customer experience, supporting its operations more efficiently and making use of innovative technologies, with a view to being transformed into a digital, customer-oriented Bank.





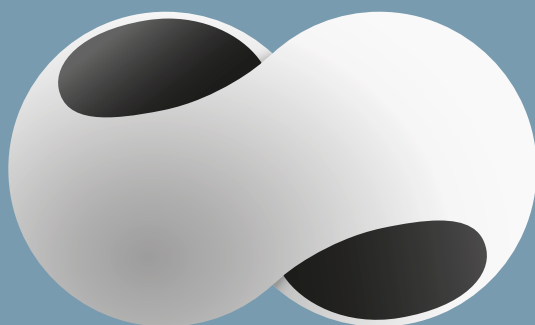
In line with these objectives, the General Division of Information Technology mainly focused on the following areas:

- Expediting the reduction of non-performing exposures (NPEs) through corporate transformation (merger by absorption of Grivalia by Eurobank and business transformation), the Pillar and Cairo securitisations, and the preparations for the hive-down of Eurobank FPS as an independent Servicer.
- Enhancing the digital experience and the services available through the new e-Banking and mobile app, as well as developing the new digital sales platform. Creating new APIs to boost connectivity with the digital ecosystem.
- Simplifying and streamlining banking operations, with the most significant being the credit card and business loan customer journeys.
- Developing new systems in the area of payments and trade finance.
- Offering new options in the data platform, focusing on analysis of client details for the purpose of growing operations, streamlining credit facilities, analysing efficiency, etc.
- Redesigning the customer experience in the Branch network by simplifying and digitising the sales and service procedures (e.g. simplifying deposit products, further digitising the collection and production of customer documents, etc.).
- Aligning with a multitude of regulatory directives. In total, tasks relating to regulatory needs of the Bank made up 20% of deliverables.

In 2019, more than 320 projects were delivered, with the availability of all IT services reaching 99.9%. At operational model level, more than 30% of the deliverables were developed using Agile methodology, while significant progress was achieved in the introduction of DevOps practices. Furthermore, the technical and security infrastructure was enhanced significantly, achieving uninterrupted support for an increased number of transactions.

Finally, the digital transformation programme commenced at foreign subsidiary level, with Cyprus being the first country where it was implemented.

ANNEXES



EUROBANK ERGASIAS SERVICES & HOLDINGS S.A.

SELECTED FINANCIAL DATA FOR THE YEAR ENDED 31 DECEMBER 2019

The complete Annual Financial Report for the year 2019 is available on the website
www.eurobankholdings.gr

For information regarding the transformation of Eurobank Ergasias SA, which was concluded in March 2020, refer to section “Strategic Transformation Programme” in this report.

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Tel.: (+30) 210 333 7000 General Commercial Registry No: 000223001000

EUROBANK ERGASIAS SERVICES & HOLDINGS S.A.

CONSOLIDATED INCOME STATEMENT

	Year ended 31 December	
	2019 € million	2018 Restated ⁽¹⁾ € million
Interest income	2,105	2,186
Interest expense	(728)	(770)
Net interest income	1,377	1,416
Banking fee and commission income	413	422
Banking fee and commission expense	(119)	(124)
Net banking fee and commission income	294	298
Income from non banking services	60	13
Net trading income/(loss)	(20)	37
Gains less losses from investment securities	78	83
Other income/(expenses)	55	(15)
Operating income	1,844	1,832
Operating expenses	(901)	(874)
Profit from operations before impairments, provisions and restructuring costs	943	958
Impairment losses relating to loans and advances to customers	(624)	(680)
Impairment losses on goodwill	(62)	-
Other impairment losses and provisions	(32)	(9)
Restructuring costs	(88)	(62)
Share of results of associates and joint ventures	23	29
Profit before tax	160	236
Income tax	(31)	(78)
Net profit from continuing operations	129	158
Net profit/(loss) from discontinued operations	(2)	(65)
Net profit attributable to shareholders	127	93
	€	€
Earnings per share		
- Basic and diluted earnings per share	0.04	0.04
Earnings per share from continuing operations		
- Basic and diluted earnings per share	0.04	0.07

(1) The comparative information has been restated due to change in accounting policy for investment property.

The complete Annual Financial Report for the year 2019 is available on the website www.eurobankholdings.gr

EUROBANK ERGASIAS SERVICES & HOLDINGS S.A.

CONSOLIDATED BALANCE SHEET

	31 December	
	2019 € million	2018 Restated ⁽¹⁾ € million
Assets		
Cash and balances with central banks	4,679	1,924
Due from credit institutions	3,007	2,307
Securities held for trading	110	43
Derivative financial instruments	2,262	1,871
Loans and advances to customers	37,365	36,232
Investment securities	7,951	7,772
Investments in associates and joint ventures	235	113
Property, plant and equipment	746	353
Investment property	1,184	331
Goodwill and other intangible assets	378	183
Deferred tax assets	4,766	4,914
Other assets	2,003	1,934
Assets of disposal groups classified as held for sale	75	20
Total Assets	64,761	57,997
Liabilities		
Due to central banks	1,900	2,050
Due to credit institutions	5,022	6,376
Derivative financial instruments	2,726	1,893
Due to customers	44,841	39,083
Debt securities in issue	2,406	2,707
Other liabilities	1,191	845
Liabilities of disposal groups classified as held for sale	8	-
Total Liabilities	58,094	52,954
Equity		
Share capital	852	655
Share premium	8,054	8,055
Reserves and retained earnings	(2,241)	(3,709)
Preferred securities	2	42
Total Equity	6,667	5,043
Total Equity and Liabilities	64,761	57,997

(1) The comparative information has been restated due to change in accounting policy for investment property.

GRI Standards Content Index

GRI 102-55

GRI Standard	Disclosure	Report Section/Reference	Page	External Assurance
GRI 101: Foundation 2016				
GRI 102: General Disclosures 2016 (Core Option)				
GRI 102: General Disclosures, Reporting Practice	102-1 Name of the organization	Eurobank Ergasias Services and Holdings SA		✓
	102-2 Activities, brands, products and services	Profile	18-21	✓
	102-3 Location of headquarters	8, Othonos Street, 105 57, Athens		✓
	102-4 Location of operations	Profile	18-21	✓
	102-5 Ownership and legal form	Societe Anonyme (SA) https://www.eurobankholdings.gr/-/media/holding/omilos/poioi-eimaste/etairiki-diakubernisi/katastatiko/katastatiko-eurobank-holdings-eng.pdf?la=en		✓
	102-6 Markets served	Profile Business Activities - Greece Business Activities - International	18-21 88-113 114-117	✓
	102-7 Scale of the organization	Profile	18-21	✓
	102-8 Information on employees and other workers	People – Deployment of Human Resources – Dialogue & Labour Rights Bank's operations are performed only by employees of the Bank and there are no variations to the number of employees due to seasonality in the year 2019.	149-152 165	✓
	102-9 Supply chain	Customer Experience Relationships with Customers & Suppliers – Supplier Relations	125-126	✓
	102-10 Significant changes to the organization and its supply chain	Customer Experience Relationships with Customers & Suppliers – Supplier Relations	125-126	✓
	102-11 Precautionary approach	Sustainable Development – Corporate Responsibility Strategy	31-32	✓
	102-12 External initiatives	Sustainable Development – Memberships in Associations & Organisations	47-49	✓
	102-13 Membership of associations	Sustainable Development – Memberships in Associations & Organisations	47-49	✓
GRI 102: General Disclosures, Strategy	102-14 Statement from senior decision-maker	Letter to Stakeholders	8-17	✓
GRI 102: General Disclosures, Ethics & Integrity	102-16 Values, principles, standards, and norms of behaviour	Profile Sustainable Development – Corporate Responsibility Principles	18-21 33	✓

GRI Standard	Disclosure	Report Section/Reference	Page	External Assurance
GRI 102: General Disclosures. Governance	102-18 Governance structure	Corporate Governance	52-67	✓
GRI 102: General Disclosures. Stakeholder engagement	102-40 List of stakeholder groups	Sustainable Development – Stakeholder Dialogue	34-35	✓
	102-41 Collective bargaining agreements	People – Dialogue & Labour Rights	165	✓
	102-42 Identifying and selecting stakeholders	Sustainable Development – Stakeholder Dialogue	34-35	✓
	102-43 Approach to stakeholder engagement	Sustainable Development – Stakeholder Dialogue	34-35	✓
	102-44 Key topics and concerns raised	Sustainable Development – Stakeholder Dialogue – Materiality Analysis – Corporate Responsibility Goals	34-35 38-43 44-46	✓
GRI 102: General Disclosures, Reporting Practice	102-45 Entities included in the consolidated financial statements	https://www.eurobankholdings.gr/-/media/holding/omilos/enimerosi-ependuton/enimerosi-metoxon-eurobank/oikonomika-apotelesmata-part-01/2020/fy-2019/consolidated-financial-statements-2019.pdf		✓
	102-46 Defining report content and topic boundaries	Sustainable Development – Methodology – Materiality Analysis	36-37 38-43	✓
	102-47 List of material topics	Sustainable Development – Methodology – Materiality Analysis	36-37 38-43	✓
	102-48 Restatements of information	There are no restatements of information given in previous reports.		✓
	102-49 Changes in reporting	Sustainable Development – Methodology – Materiality Analysis	36-37 38-43	✓
	102-50 Reporting period	01/01/2019-31/12/2019		✓
	102-51 Date of most recent report	Corporate Responsibility Report 2018 (22/07/2019)		✓
	102-52 Reporting cycle	Annual		✓
	102-53 Contact point for questions regarding the report	Sustainable Development – Methodology	37	✓
	102-54 Claims of reporting in accordance with the GRI Standards	Sustainable Development – Methodology	36-37	✓
	102-55 GRI Content Index	Annexes – GRI Standards Content Index	182-187	✓
	102-56 External assurance	Sustainable Development – Methodology Independent Auditor's Limited Assurance Report The "limited assurance report" assignment project was coordinated by the Corporate Communications Division of the Bank, responsible for the Annual Report 2019 Business & Sustainability, in collaboration with the Procurement Sector and in accordance with the Procurement Policy of the Bank.	37 193	✓

GRI Standards Content Index

GRI Standard	Disclosure	Report Section/Reference	Page	External Assurance
GRI 101: Foundation 2016				
GRI 200, 400: Topic Specific Standards 2016 GRI FS: Financial Services Sector Supplement GRI 102: General Disclosures 2016				
Material topics				
Responsible provision of information & customer service				
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	Sustainable Development – Corporate Responsibility Principles – Materiality Analysis	33 38-43	
	103-2 The management approach and its components	Letter to Stakeholders Customer Experience – Relationships with Customers & Suppliers	8-17 121-126	
	103-3 Evaluation of the management approach	Customer Experience – Relationships with Customers & Suppliers	121-126	
GRI 417: Marketing & labeling	417-1 Requirements for product and service information and labelling	Customer Experience Relationships with Customers & Suppliers – Responsible Customer Information	121-122	
	417-2 Incidents of non-compliance concerning product and service information and labeling	Customer Experience Relationships with Customers & Suppliers – Responsible Customer Information	121-122	
	417-3 Incidents of non-compliance concerning marketing communications	Customer Experience Relationships with Customers & Suppliers – Responsible Customer Information	121-122	✓
Supporting & financing the Greek Economy				
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	Sustainable Development – Corporate Responsibility Principles – Materiality Analysis	33 30-37	✓
	103-2 The management approach and its components	Letter to Stakeholders Customer Experience Relationships with Customers & Suppliers – Supplier Relations Business Activities - Greece – Major Initiatives & Actions Society The Environment	8-17 125-126 109-113 138-147 166-175	✓
	103-3 Evaluation of the management approach	Business Activities - Greece – Major Initiatives & Actions Society The Environment	109-113 138-147 166-175	✓
GRI 203: Indirect economic impacts	203-2 Significant indirect economic impacts	Business Activities - Greece – Major Initiatives & Actions	109-113	
GRI 204: Procurement practices	204-1 Proportion of spending on local suppliers	Customer Experience Relationships with Customers & Suppliers – Supplier Relations	125-126	✓
GRI Financial Services Sector Supplement: Product Responsibility. Product Portfolio	FS7 Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	Society – Social Solidarity	141-142	
GRI Financial Services Sector Supplement: Product Responsibility. Product Portfolio	FS8 Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	The Environment – “Green” Products & Services	174	

GRI Standard	Disclosure	Report Section/Reference	Page	External Assurance
Financial growth-performance				
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	Sustainable Development – Corporate Responsibility Principles – Materiality Analysis	33 38-43	✓
	103-2 The management approach and its components	Letter to Stakeholders Profile Consolidated Financial Statements 2019 Financial Reports 2019	8-17 18-21	✓
	103-3 Evaluation of the management approach	Profile Consolidated Financial Statements 2019 Financial Reports 2019	18-21	✓
GRI 201: Economic performance	201-1 Direct economic value generated and distributed	Profile	20	✓
Stakeholders personal data protection				
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	Sustainable Development – Corporate Responsibility Principles – Materiality Analysis	33 38-43	
	103-2 The management approach and its components	Letter to Stakeholders Customer Experience Relationships with Customers & Suppliers – Personal Data Protection	8-17 123	
	103-3 Evaluation of the management approach	Customer Experience – Relationships with Customers & Suppliers	121-126	
Supporting Start Up entrepreneurship & innovation				
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	Sustainable Development – Corporate Responsibility Principles – Materiality Analysis	33 38-43	
	103-2 The management approach and its components	Letter to Stakeholders Business Activities - Greece – Major Initiatives & Actions	8-17 109-113	
	103-3 Evaluation of the management approach	Business Activities - Greece – Major Initiatives & Actions	109-113	
GRI 203: Indirect economic impacts	203-1 Infrastructure investments and services supported	Business Activities - Greece Major Initiatives & Actions – Entrepreneurship – Start Up Entrepreneurship & Innovation	111-112 109-110	
	203-2 Significant indirect economic impacts	Business Activities - Greece – Major Initiatives & Actions	109-113	
Human resources education & learning				
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	Sustainable Development – Corporate Responsibility Principles – Materiality Analysis	33 38-43	✓
	103-2 The management approach and its components	Letter to Stakeholders People	8-17 148-165	✓
	103-3 Evaluation of the management approach	People	148-165	✓
GRI 404: Training & Education	404 -1 Average hours of training per year per employee	People – Training	158-159	✓
	404-2 Programmes for upgrading employee skills and transition assistance programmes	People – Training – Professional Development	158-159 160	
	404-3 Percentage of employees receiving regular performance and career development reviews	People – Performance Evaluation	161	✓

GRI Standards Content Index

GRI Standard	Disclosure	Report Section/Reference	Page	External Assurance
Attracting talented individuals with deep knowledge				
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	Sustainable Development – Corporate Responsibility Principles – Materiality Analysis	33 38-43	✓
	103-2 The management approach and its components	Letter to Stakeholders People	8-17 148-165	✓
	103-3 Evaluation of the management approach	People	148-165	✓
GRI 401: Employment	401-1 New employee hires and employee turnover	People – Selecting Human Resources, Attracting & Retaining Talent	153-157	✓
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	People All benefits mentioned are offered to full-time and temporary employees	148-165	
	404 -1 Average hours of training per year per employee	People – Training	158-159	✓
GRI 404: Training & Education	404-2 Programmes for upgrading employee skills and transition assistance programmes	People – Training – Professional Development	158-160 160-161	
	404-3 Percentage of employees receiving regular performance and career development reviews	People – Performance Evaluation	161	✓
Deployment of Human resources				
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	Sustainable Development – Corporate Responsibility Principles – Materiality Analysis	33 38-43	✓
	103-2 The management approach and its components	Letter to Stakeholders People	8-17 148-165	✓
	103-3 Evaluation of the management approach	People	148-165	✓
GRI 401: Employment	401-1 New employee hires and employee turnover	People – Selecting Human Resources, Attracting & Retaining Talent	153-157	✓
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	People All benefits mentioned are offered to full-time and temporary employees.	148-165	
GRI 404: Training & Education	404 -1 Average hours of training per year per employee	People – Training	158-159	✓
	404-2 Programmes for upgrading employee skills and transition assistance programmes	People – Training – Professional Development	158-159 160	
	404-3 Percentage of employees receiving regular performance and career development reviews	People – Performance Evaluation	161	✓

GRI Standard	Disclosure	Report Section/Reference	Page	External Assurance
Education & Excellence				
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	Sustainable Development – Corporate Responsibility Principles – Materiality Analysis	33 38-43	
	103-2 The management approach and its components	Business Activities-Greece – Major Initiatives & Actions Society – Education & Excellence	109-113 139-140	
	103-3 Evaluation of the management approach	Business Activities-Greece – Major Initiatives & Actions Society – Education & Excellence	109-113 139-140	
GRI 203: Indirect economic impacts	203-2 Significant indirect economic impacts	Business Activities-Greece – Major Initiatives & Actions Society – Education & Excellence	109-113 139-140	
Corporate Governance				
GRI 103: Management approach	103-1 Explanation of the material topic and its boundary	Sustainable Development – Corporate Responsibility Principles – Materiality Analysis	33 38-43	
	103-2 The management approach and its components	Letter to Stakeholders Corporate Governance	8-17 52-67	
	103-3 Evaluation of the management approach	Sustainable Development – Stakeholder Dialogue Corporate Governance	34-35 52-67	
GRI 102: General Standard Disclosures. Governance	102-18 Governance structure	Corporate Governance	52-67	✓
	102-19 Delegating authority	Corporate Governance	52-67	
	102-20 Executive-level responsibility for economic, environmental, and social topics	Sustainable Development – Group Environmental & Sustainability Committee (GESC)	32	
	102-21 Consulting stakeholders on economic, environmental, and social topics	Sustainable Development – Stakeholder Dialogue – Materiality Analysis	34-35 38-43	
	102-23 Chair of the highest governance body	Corporate Governance Georgios P. Zantias Chairman of the Board of Directors, Non-Executive Director	52-67	
	102-33 Communicating critical concerns	Annual Report 2019 Business & Sustainability		
The Environment				
GRI 301: Materials	301-1 Materials used by weight or volume	The Environment – Environmental Performance	170	
	302-1 Energy consumption within the organization	The Environment – Environmental Performance	169	✓
GRI 302: Energy	302-3 Energy intensity	The Environment – Environmental Performance	170	✓

ISO 26000:2010 Table

ISO 26000:2010 Clauses	Description	Reference to the GRI Content Index or other sources
4	Principles of Corporate Responsibility	
4.2	Accountability	The implementation of the GRI Standards provides the company with a tool for the accountability and transparency of its environmental, social and economic impacts
4.3	Transparency	
4.4	Ethical behaviour	<ul style="list-style-type: none"> GRI 102 General Disclosures: 3. Ethics and integrity
4.5	Respect for stakeholder interests	<ul style="list-style-type: none"> Stakeholder inclusiveness principle
4.6	Respect for the law	<ul style="list-style-type: none"> Regulatory Group Compliance
4.7	Respect for International norms of behaviour	<ul style="list-style-type: none"> GRI 102 General Disclosures: 2. Strategy
4.8	Respect for human rights	<ul style="list-style-type: none"> Corporate Responsibility <ul style="list-style-type: none"> Memberships in Associations & Organisations (UN Global Compact) People
5	Recognising social responsibility & engaging stakeholders	
5.2	Recognising Social Responsibility	<ul style="list-style-type: none"> GRI 102 General Disclosures: 6. Reporting method
5.3	Stakeholder identification and engagement	<ul style="list-style-type: none"> GRI 102 General Disclosures: 5. Stakeholder engagement
6	Guidance on social responsibility core subjects	
6.2	Organisational governance	<ul style="list-style-type: none"> GRI 102 General Disclosures: 2. Strategy 4 Governance
6.3.9	Economic, social and cultural rights	<ul style="list-style-type: none"> GRI 203-1 Infrastructure investments and services supported GRI 203-2 Significant indirect economic impacts
6.3.10	Fundamental principles and rights at work	<ul style="list-style-type: none"> GRI 102 General Disclosures: Organisational profile
6.4.1 - 6.4.2	Labour practices	
6.4.3	Employment and employment relations	<ul style="list-style-type: none"> GRI 102 General Disclosures: Organisational profile GRI 401-1 New employee hires and employee turnover
6.4.4	Condition of work and social protection	<ul style="list-style-type: none"> GRI 102 General Disclosures: Organisational profile GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees
6.4.5	Social dialogue	<ul style="list-style-type: none"> GRI 102 General Disclosures: Organisational profile
6.4.6	Health and safety at work	<ul style="list-style-type: none"> People <ul style="list-style-type: none"> Occupational Health & Safety
6.4.7	Human development and training in the workplace	<ul style="list-style-type: none"> GRI 404 -1 Average hours of training per year per employee GRI 404-2 Programmes for upgrading employee skills and transition assistance programmes GRI 404-3 Percentage of employees receiving regular performance and career development reviews

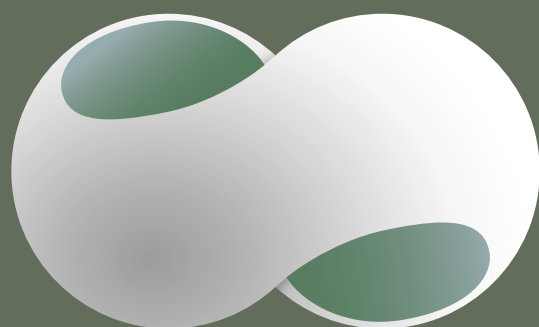
ISO 26000:2010 Clauses	Description	Reference to the GRI Content Index or other sources
6.5.1 - 6.5.2	Overview of the environment-Principles and considerations	<ul style="list-style-type: none"> The Environment <ul style="list-style-type: none"> Environmental Policy
6.5.3	Prevention of pollution	<ul style="list-style-type: none"> The Environment <ul style="list-style-type: none"> Environmental Performance Saving Natural Resources Reducing, Recycling & Properly Managing Solid Waste
6.5.4	Sustainable resource use	<ul style="list-style-type: none"> The Environment <ul style="list-style-type: none"> Environmental Performance Saving Natural Resources
6.5.5	Climate change mitigation and adaption	<ul style="list-style-type: none"> The Environment <ul style="list-style-type: none"> Environmental Performance Saving Natural Resources
6.6.1 - 6.6.2	Overview of fair operating practices –Principles and considerations	<ul style="list-style-type: none"> Sustainable Development <ul style="list-style-type: none"> Corporate Responsibility Strategy Corporate Responsibility Principles
6.6.3	Anti-corruption	<ul style="list-style-type: none"> GRI 102 General Disclosures: 3. Ethics and integrity
6.6.6	Promoting social responsibility in the value chain	<ul style="list-style-type: none"> GRI 203-2 Significant indirect economic impacts
6.6.7	Respect for property rights	
6.7.1 - 6.7.2	Consumer issues	<ul style="list-style-type: none"> GRI 417-1 Requirements for product and service information and labelling GRI 102-43 Approach to stakeholder engagement GRI 102-44 Key topics and concerns raised
6.7.3	Fair marketing, factual and unbiased information and fair contractual practices	<ul style="list-style-type: none"> GRI 417-1 Requirements for product and service information and labelling
6.7.4	Protecting consumers' health and safety	<ul style="list-style-type: none"> GRI 417-1 Requirements for product and service information and labelling
6.7.5	Sustainable consumption	
6.7.6	Consumer service, support and complaint and dispute resolution	<ul style="list-style-type: none"> GRI 102-43 Approach to stakeholder engagement GRI 102-44 Key topics and concerns raised
6.7.7	Consumer data protection and privacy	<ul style="list-style-type: none"> Customer Experience <ul style="list-style-type: none"> Relationships with Customers & Suppliers Responsible Customer Information Personal Data Protection
6.7.8	Access to essential services	<ul style="list-style-type: none"> GRI 203-2 Significant indirect economic impacts
6.7.9	Education and awareness	<ul style="list-style-type: none"> GRI 417-1 Requirements for product and service information and labelling
6.8.1 - 6.8.2	Community involvement and development	<ul style="list-style-type: none"> GRI 201-1 Direct economic value generated and distributed GRI 203-1 Infrastructure investments and services supported GRI 203-2 Significant indirect economic impacts
6.8.3	Community contributions	
6.8.4	Education and culture	Society
6.8.5	Employment creation and skills development	<ul style="list-style-type: none"> GRI 102 General Disclosures: Organisational profile GRI 203-2 Significant indirect economic impacts
6.8.6	Technology development access	<ul style="list-style-type: none"> Business Activities - Greece <ul style="list-style-type: none"> Major Initiatives & Actions People <ul style="list-style-type: none"> Training
6.8.7	Wealth and income creation	<ul style="list-style-type: none"> GRI 201-1 Direct economic value generated and distributed GRI 203-1 Infrastructure investments and services supported GRI 203-2 Significant indirect economic impacts
6.8.9	Social investment	

26000:2010 Standards Table ISO

ISO 26000:2010 Clauses	Description	Reference to the GRI Content Index or other sources
7	Guidance on integrating social responsibility throughout an organisation	
7.2	The relationship of an organisation's characteristics to Social Responsibility	<ul style="list-style-type: none"> GRI 102 General Disclosures
7.3.1	Due diligence	<ul style="list-style-type: none"> GRI 103 Management approach
7.3.2	Determining relevance and significance of core subjects and issues to an organisation	<ul style="list-style-type: none"> GRI 102 General Disclosures: 6. Reporting method
7.3.3	An organisation's sphere of influence	<ul style="list-style-type: none"> GRI 102 General Disclosures: 6. Reporting method
7.3.4	Establishing priorities for addressing issues	<ul style="list-style-type: none"> GRI 102 General Disclosures: 6. Reporting method
7.4.1	Raising awareness and building competency for social responsibility	<ul style="list-style-type: none"> Annual Report 2019 Business & Sustainability
7.4.2	Setting the direction of an organisation for social responsibility	<ul style="list-style-type: none"> GRI 102 General Disclosures: 2. Strategy
7.4.3	Building social responsibility into an organisation's governance, systems and procedures	<ul style="list-style-type: none"> GRI 102 General Disclosures: 4. Governance GRI 103 Management approach
7.5.3	Types of communication on social responsibility	<ul style="list-style-type: none"> GRI 102 Management approach 5. Stakeholder engagement GRI 102 General Disclosures: 6. Reporting method
7.6.2	Enhancing the credibility of reports and claims about social responsibility	<ul style="list-style-type: none"> GRI 102 General Disclosures: Organisational profile
7.7.2	Monitoring activities for social responsibility	<ul style="list-style-type: none"> Sustainable Development – Corporate Responsibility Goals
7.7.3	Reviewing an organisation's progress and performance on social responsibility	<ul style="list-style-type: none"> GRI 103 Management approach Sustainable Development – Corporate Responsibility Goals
7.7.4	Enhancing the reliability of data and information collection and management	<ul style="list-style-type: none"> GRI 102 General Disclosures: 6. Reporting method
7.7.5	Improving performance	<ul style="list-style-type: none"> GRI 102 General Disclosures: 4 Governance GRI 103 Management Approach Sustainable Development – Corporate Responsibility Goals
7.8	Voluntary initiatives for social responsibility	<ul style="list-style-type: none"> GRI 102 General Disclosures: Organisational profile

AA1000 Accountability Principles (2008)

AA1000 Principles	Reference to the Annual Report
The Foundation Principle of Inclusivity	Sustainable Development – Stakeholder Dialogue – Materiality Analysis
The Principle of Materiality	Sustainable Development – Materiality Analysis
The Principle of Responsiveness	Letter to Stakeholders Sustainable Development – Stakeholder Dialogue – Corporate Responsibility Goals Customer Experience – Relationships with Customers & Suppliers Business in Greece Business in Greece – Major Initiatives & Actions Society People The Environment



INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT



INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT

To
Eurobank Ergasias Services and Holdings S.A.
Othonos 8, Athens 105 57

Dear Sirs,

We hereby submit our report regarding the results of the work performed, as described in the engagement letter dated on 23 April 2019, regarding the limited assurance of the Annual Report 2019 – Business & Sustainability (“Report”), which was prepared by Eurobank Ergasias Services and Holdings S.A (hereinafter “Bank”), for the year ended December 31, 2019.

The work performed was conducted under the International Standard on Assurance Engagements ISAE 3000 “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information”.

Management Responsibilities

The Management of the Bank is responsible for the completeness and accuracy of information included in the Annual Report 2019 – Business & Sustainability, its preparation in accordance with the GRI Standards “Core” option and adherence to the principles of AA1000 Accountability Principles Standard 2008 (‘AA1000APS’).

Our Responsibility

Our responsibility is to conduct our work, as this is described in the section “Scope of work”, report our findings and express a limited assurance conclusion. The work performed and the potential findings relate to specific performance indicators, included in the Annual Report 2019 – Business & Sustainability (as these are described in the section “Scope of work”), the provision of limited assurance in accordance with the Assurance Standard AA1000AS 2008, as well as the General Standard Disclosures provided for by the in accordance “Core” option of the GRI Standards. The work performed relates to the Annual Report 2019 - Business & Sustainability.

Scope of work

The Bank engaged us to:

- Provide limited assurance on the preparation of the Annual Report 2019 – Business & Sustainability in accordance with all General Disclosures prescribed by the “Core” option of the GRI Standards.
- Provide limited assurance (Type 1) in accordance with the AA1000 Assurance Standard 2008 (AA1000AS) on the adherence to the principles of the AA1000APS namely, inclusivity

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(identification and communication with stakeholders), materiality (evaluation of material issues) and responsiveness (response to stakeholder issues).

- Provide limited assurance on the accuracy and completeness of the following quantitative indicators, linked to the Bank's material issues and presented in the Annual Report 2019 - Business & Sustainability:
 1. Direct economic value generated and distributed.
 2. Proportion of spending on local suppliers.
 3. New employee hires and employee turnover by age group, gender and location.
 4. Average hours of training per year per employee by gender, and by employee level.
 5. Percentage of employees receiving regular performance and career development reviews.
 6. Energy consumption within the organization.
 7. Energy Intensity.
 8. Incidents of non-compliance concerning marketing communications.
 9. Number /value of transactions through the internet/mobile platforms.
 10. Number of user/new users of the internet / mobile platforms.

In order to form our conclusions, we performed the following:

- i. Interviewed and met with Departmental Managers and information owners in order to understand key governance structures, systems, processes, controls and their level of understanding of the information included in the Annual Report 2019 – Business & Sustainability.
- ii. Identified existing internal processes related to application of financial, environmental and social policies.
- iii. Applied audit procedures, on a sample basis, in order to collect and review audit evidence.

Inherent Limitations

The work performed does not provide absolute assurance that all material weaknesses related to the accuracy and completeness of data and relevant disclosures, as these are included in the Annual Report 2019 - Business & Sustainability, will be identified. A material weakness exists when the design of the internal controls is not adequate and thus, does not mitigate the risk of material deficiencies occurring without being detected in a timely manner. All issues brought to our attention during the audit work performed were accordingly communicated to Bank's Management. Relevant points resulting from our work were discussed with Management and subsequently their written responses were obtained.

**Our Independence**

During our work we remained independent of the Bank, in accordance with the International Ethics Standards Board for Accountants (IESBA Code) that has been transposed into Greek Law, as well as the ethical requirements of L. 4449/2017 and EU Regulation 537/2014, and more specifically we complied with the provisions of article 5 of the Regulation regarding non audit services.

Limited Assurance Conclusion

Based on the procedures we performed, nothing has come to our attention that causes us to believe that the indicators included in the Annual Report 2019 - Business & Sustainability, as these are described in the section "Scope of work" are materially misstated.

Moreover, nothing has come to our attention that causes us to believe that the Annual Report 2019 – Business & Sustainability does not adhere to the principles of AA1000APS as well as that all the General and Specific Disclosures do not meet the requirements prescribed by the GRI Standards, in accordance "Core" option.

For more details regarding our observations related to AA1000APS standard, also refer to Appendix.

Restrictions in Use

This Limited Assurance report, prepared as part of our work performed, is intended for the use of the Management of the Bank and covers only the indicated reporting period as well as the abovementioned scope of work.



Athens, 23/06/2020

Andreas Riris

Partner / Director

PricewaterhouseCoopers SA,

268 Kifissias Avenue, 15232 Halandri, Greece



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APPENDIX

In order for the Bank to improve management and reporting process on sustainability issues in the future, in accordance with AA1000APS, we recommend the following:

Inclusivity:

The Bank engages with its internal and external stakeholder groups through formalised processes and dedicated communication channels, seeking to gather information on the issues that are material for each group.

We recommend the Bank to establish an annual stakeholder engagement process as well as extend the participation of stakeholders in the above process in order to enhance the validity of the prioritised material issues.

Materiality:

The Bank has established a robust procedure for assessing the issues material to the organisation and its stakeholders. The issues assessed are linked to the company's strategy, industry practices and sustainability trends and are evaluated based on their significance to the Bank and the concerns and expectations of its stakeholders.

We recommend that material issues are assessed on a periodic basis in order to ensure the relevance and validity of the issues presented in the Report.

Responsiveness:

Based on the outcomes of the materiality analysis, the Bank has developed an action plan for responding to each material issue and reports the actions, targets and progress made each year through the Annual Activities & Sustainable Development Report.

We recommend that the Bank establishes a structured mechanism in order to monitor and communicate the status of the action plan developed in response to its material issues.





