

THE EFG EUROBANK ERGASIAS GROUP

EFG Eurobank Ergasias was established in 1990 as Euro-merchant Bank. With € 8 billion market capitalisation and € 1.9 billion share capital at the end of 2004, the EFG Eurobank Ergasias Group currently offers a full range of banking products and services aimed at individuals, corporations and institutions.

The Bank has built up leading market positions in a number of areas, in particular in the high margin, high growth segments, which form the key focus of its activities. EFG Eurobank Ergasias is Greece's leading provider of consumer loans and credit cards, lending to small and medium sized enterprises and mutual fund management. Moreover, it has a significant presence in corporate banking and holds the leading position both in investment banking, through EFG Telesis Finance, and in capital markets, through EFG Eurobank Securities, while it also has a strong comparative advantage in the field of private banking.

Employing over 13,700 people, both in Greece and abroad, with a local distribution network of over 300 branches, 700 ATMs and alternative distribution channels, including phone banking, electronic banking and mobile banking, the Bank achieves countrywide distribution and service capability and the integrated coverage of the needs of its customers.

The Bank also develops its presence in the wider geographical area. Access to European markets is facilitated through the strategic alliance with Geneva-based EFG Group.

Shareholders composition

Final parent company of the EFG Eurobank Ergasias Group, controlling 41.8% of the shares on 31.12.2004, is EFG Group, a banking group controlled by Latsis family interests, based in Geneva. The majority of the shares is held by a wide stockholder base of over 330,000 private and institutional shareholders.

Targets

- *To become the Bank of first choice in Greece, focusing on quality, innovation and comprehensive services.*
- *To develop its presence in the wider area of Southeastern Europe, exporting its successful local business model.*

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INTRODUCTION

Vision and Values

The EFG Eurobank Ergasias Group has based its existence and leading position on a vision:

"To be the Bank of first choice for Southeastern Europe while operating with a sense of responsibility towards its shareholders and society.."

This vision guides the daily activities of the Group and constitutes the cornerstone of its growth both in Greece and abroad. The dynamic development of the Group is also based upon a number of values and value statements:



Meritocracy

We offer equal opportunities to and ensure the equal treatment of all our employees. We recognise improvement in performance and reward employees on the basis of their individual and collective achievements.



Team Work

We value team work and the collective effort for corporate success.



Quality

We work constantly in order to deliver a high level of quality in our products and services.



Trust

We create trust in our relationships by acting in a reliable manner. Therefore, our clients can depend on our staff and services.



Efficiency

We seek to achieve our goals through thorough planning and we always aim for the best possible results in what we engage in.



Creativity

We constantly strive for innovation and seek to introduce new ideas in order to improve our level of products and services.



Respect for People

We always act with understanding and respect for the needs of our clients, our colleagues and our fellow citizens.



Social contribution

We contribute, with all possible means, to the local communities in which we operate. Our contribution reflects the anthropocentric nature of our organisation and the values of our shareholders.

INTRODUCTION

Corporate Social Responsibility: Principles and Goals

For EFG Eurobank, Corporate Social Responsibility constitutes a fundamental strategic goal that contributes to its long-term success and viable growth.

It is within this framework that EFG Eurobank demonstrates responsible action and returns to society, in a constructive and creative way, part of the financial yield it achieves. The Bank's social responsibility springs from its voluntary commitment to offer to society and it is far beyond what is imposed by legislation.

The corporate social responsibility programme which is adopted and developed on an on-going basis by the Bank aims at: i) respecting the rules and principles of corporate governance, ii) meeting the expectations of the stakeholders, and iii) continuing its social contribution that goes side by side with its growth. For each stakeholder, the Bank has set specific goals:

Employees

EFG Eurobank aims at the identification and development of the capabilities of its personnel, with emphasis in the provision of equal opportunities, continuous training, appraisal and, finally, rewarding the efforts of each employee.

Shareholders

For its shareholders, the Bank aims at creating maximum value, along with the implementation of principles of ethical corporate governance.

Clients

Client satisfaction constitutes a fundamental component of the Bank's success. Creating and offering innovative products and services as well as managing client relationships effectively, is at the centre of the Group's daily activities.

Suppliers

As far as suppliers are concerned, the Bank pursues the application of unified procedures for selection and assessment, using quality and meritocracy always as a guide.

Society and the Environment

In particular, as to society and the environment, EFG Eurobank has combined, since its foundation, its successful development with a broader social presence in important sectors of social life, through sponsorships and actions targeting at the

improvement of quality of life and the environment. Education, Culture and Sports are the main areas of its activity and of its contribution to society, while the environment constitutes a separate field of action and one of the major challenges the Bank faces as a modern business.

Corporate Social Responsibility and Greek Public Opinion

The position of Greek society with respect to the social activities of enterprises seems to be changing in recent years. A series of public opinion surveys have shown the point of view of Greek citizens on Corporate Social Responsibility (CSR).

Based on an international research by MRB Hellas, carried out at the end of 2003 on behalf of the Communications Institute, Greece still has the highest percentage of citizens (73%) declaring that "they are not aware of" any socially responsible business. Despite this, the same research indicates that more and more Greeks favour the contribution to matters of "social action" and "social welfare" by businesses.

On the other hand, the issue of CSR is of great interest to Greek enterprises. From a survey carried out in 2004 by PricewaterhouseCoopers, in collaboration with the Postgraduate Course on Executive Business Management of the Athens University of Economics, it emerged that businesses in Greece consider CSR very important for them, since 71% of the companies sampled rated it with 8 or over, out of 10. It is also noteworthy that 97% of businesses taking part to the survey consider that CSR will gain further importance in the next five years.

The above reinforces the opinion that conditions in Greece are gradually changing so that CSR will play a significant role in the future.

Within this framework, EFG Eurobank is among those businesses whose social contribution is acknowledged by citizens.

In the MRB survey mentioned above, EFG Eurobank is placed among the few businesses spontaneously named by the respondents when asked "to mention an enterprise which is better than all others in fulfilling its social responsibilities".

In another survey carried out in 2004 by Tradelink Reputation Management regarding the reputation of companies, EFG Eurobank is included among the companies in the banking sector singled out for their contribution in society. The Bank also managed to increase –in comparison with last year– by an average of 10%, the characteristics concerning: i) the support of public welfare projects ii) environmental awareness and iii) responsible behaviour in areas where the company operates and that constitute - based on the survey - the “Social Sense of Responsibility” of an enterprise.

In particular, with regard to its actions, the Bank is recognised for its social activities in Education and Sports, according to another research by VPRC carried out in 2004, on the subject of an Acknowledgement and Social Behaviour Index (ASBI) on CSR matters.

It is noteworthy that in recognition of the Bank’s work on Corporate Social Responsibility, the share of EFG Eurobank is a component of the FTSE4Good Europe and FTS4Good World indexes, which include companies that meet a series of strict criteria in the areas of environment, dialogue and collaboration with the stakeholders as well as protection of human rights. Finally, in 2004 the Bank received a series of distinctions which confirm its active presence in matters of Corporate Social Responsibility. In particular :

- EFG Eurobank was chosen as one of the 10 most respected enterprises in Greece by CEOs of Greek businesses taking part in the survey “World’s Most Respected Companies” by the Financial Times and PricewaterhouseCoopers.
- EFG Eurobank was certified in accordance with the International Standard ISO 14001 on matters of Environmental Management for all its services and products in the region of Attica.
- EFG Eurobank received the distinction “Committed to Excellence” from the European Foundation for Quality Management (EFQM) for the Customer Relations Office.
- EFG Eurobank was awarded the second prize in the category of Corporate Social Responsibility in the annual competition organised by the financial magazine “Chrima”.
- EFG Eurobank was honoured with a “Bronze Ermis” in the communication and advertisement awards, Ermis Awards 2004, in the category of sponsorships, for its Programme “The Great Moment for Education”.

CORPORATE GOVERNANCE

Since the establishment of EFG Eurobank, at the beginning of the 90's, the management has set specific targets, governing the operation of the Bank at every single level. These targets include continuous support of the corporate interest, long-term survival and development of the Bank, full transparency in its management, equal protection and promotion of the interests of the parties involved as well as maintenance and improvement of the Bank's reliability.

The Bank has sought, since its establishment, to structure its operation on the principles of corporate governance, aware that only on that basis could it achieve these basic targets. It is worth noticing that the composition of the EFG Eurobank Board of Directors did not change, with the enforcement of Law 3016 in 2002, as the Board of Directors of EFG Eurobank had already been appointed on the basis of executive, non-executive and independent non-executive members. The implementation of corporate governance principles in an international group such as EFG Eurobank, which includes a great number of companies with different areas of activity, needs a system that is based on the segmentation of duties and the creation of "Chinese Walls". Within the framework of corporate governance principles, the Bank has put into effect internal policies and procedures, thus ensuring the homogeneous operation of the Group subsidiaries.

Therefore, the principles of corporate governance constitute today an unbroken link to the wider 'corporate culture' and include commitments by the management beyond what is imposed by legislation. The management strongly believes that, over and above terms, laws and obligations, good corporate governance should primarily be a matter of frame of mind, as it presupposes respect towards the shareholders who trust the management as well as an understanding of the immediate and long-term benefits of corporate transparency.

Board of Directors

The Board of Directors of EFG Eurobank Ergasias S.A., as appointed at the Shareholders' General Meeting held on 5 April 2004, is as follows:

Chairman:	Xenophon C. Nickitas
Honorary Chairman: (Non-Executive Director)	George C. Gondicas
Vice-President A': (Non-executive Director):	Anna Maria Louisa J. Latsis
Vice-President B' (Non-executive Director):	Lazaros D. Efraimoglou
Chief Executive Officer:	Nicholas C. Nanopoulos
Deputy Chief Executive Officer :	Byron N. Ballis
Deputy Chief Executive Officer:	Nikolaos B. Karamouzis
Executive Directors:	Harry M. Kyrkos Nicholas K. Pavlides
Non-executive Directors:	Fotis S. Antonatos Emmanuel L. Bussetil Dr. Spiro J. Latsis Antonios G. Bibas Dr. Pericles P. Petalas
Non-executive independent Directors:	Panagiotis K. Lambropoulos Stamos P. Fafalios
Secretary:	Paula N. Hadjisotiriou

Until the 5th of April 2004 (day of appointment of the new Board of Directors by the General Meeting of Shareholders), members of the Board of Directors were also Dr. Tessen von Heydebreck, Dr. Bernd Albrecht von Maltzan, Kyriakos Nasikas and Stylianos Papaderos.

Committees

The Committees operating in the Bank are listed below:

A. Committees appointed by the Board of Directors

Audit Committee

Consists of the following non-executive directors:
E. Bussetil (Chairman), F. Antonatos, P. Petalas.

Risk Committee

Consists of the following directors:
H. Kyrkos (Chairman), X. Nickitas, N. Nanopoulos,
B. Ballis, N. Karamouzis, E. Bussetil, P. Petalas.

Remuneration Committee

Consists of the following directors:
E. Bussetil (Chairman), N. Nanopoulos, P. Petalas.

Each of the above committees compiles its code of operations (a summary of which is included in the Bank's code of operations) and appoints its secretary.

B. Committees appointed by the Chief Executive Officer

The Chief Executive Officer to whom the management of the Bank has been entrusted, is responsible for the establishment, composition, duties and for the general operation of committees, which assist his work. The most important committees are:

Executive Committee: N. Nanopoulos (Chairman), B. Ballis, N. Karamouzis, G. Alvertis, E. Bouloutas, P. Hadjisotiriou, F. Karavias, E. Kavallos, H. Kyrkos, G. Marinos, N. Pavlides, M. Vlastarakis.

The Executive Committee until 31 January 2005 comprised of the following members: N. Nanopoulos (Chairman), X. Nickitas, B. Ballis, N. Karamouzis, G. Alvertis, P. Hadjisotiriou (Secretary), Ch. Komiopoulos, H. Kyrkos, N. Pavlides, V. Pisante (until 6/4/04), I. Ralli.

Strategic Planning Committee: N. Nanopoulos (Chairman), X. Nickitas, G. Gondicas, B. Ballis, N. Karamouzis, P. Hadjisotiriou (Secretary).

Credit Committee: G. Katsaros (Chairman), Ch. Komiopoulos, I. Viga.

Ethics Committee: X. Nickitas, G. Gondicas, S. Papaderos, Th. Zambella.

Financial Information and Investor Relations

The shareholding structure of EFG Eurobank includes a wide variety of numerous local and international institutional investors, as well as a large base of retail shareholders. The Bank aims to provide accurate and timely information to all shareholders, according to the principles of fair disclosure. As such, EFG Eurobank publishes all financial statements, regulatory announcements and press releases of interest to the investment community in the Greek press. This information is also posted on the Bank's website www.eurobank.gr, both in Greek and English, for the benefit of international investors. In 2004, the Bank restructured its website, enriching the financial information provided thereon, as well as the disclosure on corporate governance issues, and changing the website architecture to render it more user-friendly. EFG Eurobank's management fosters live dialogue with the shareholders through the organisation of presentations to institutional and retail investors, both in Greece and abroad. Moreover, in 2004, the Bank published the first issue of the semi-annual shareholder newsletter 'Symmetohi' (Participation). The newsletter constitutes yet another channel for keeping shareholders up to date with current developments in EFG Eurobank and it was widely accepted.

The Shareholders' Registry services the needs of all shareholders, while the Bank has also established the Investor Relations Division which addresses the more complex information and communication needs of institutional investors and capital markets audiences, local and international.

Corporate Governance Unit

In order to ensure best practice in Corporate Governance across the entire spectrum of its activities, EFG Eurobank established a dedicated Corporate Governance Unit. The Unit records the managerial, operational and internal control frameworks for the Bank and its subsidiaries and is responsible for their proper implementation. In addition, the Corporate Governance Unit is responsible for informing the relevant regulatory and supervisory authorities, according to domestic law.

The Internal Governance Manual, which is based on international best practice and describes the Bank's internal control environment and governance rules, is revised annually with updates on the latest developments. The Bank is committed under the relevant legislation to the principles of the Internal Governance Manual and to their implementation. However, these principles extend beyond legislation requirements, and

CORPORATE GOVERNANCE

include voluntary commitments of the Bank, which contribute to maintaining and enhancing EFG Eurobank's integrity. The full implementation of corporate governance rules extends to the Bank's subsidiaries, as per a specified policy, based on the principles of the EFG Group. This enables the improvement of the corporate governance framework by creating a uniform set of rules and guidelines to be followed by each individual subsidiary.

In 2004, the Bank once again moved beyond Greek regulatory requirements, embracing another feature from international best practice. Thus, the Bank established the publication of a detailed summary of issues on the agenda of general meetings, in order to timely inform shareholders on the subjects to be discussed.

Internal Controls

The Bank operates a robust system of internal controls, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Achievement of strategic goals through effective and efficient operations.
- Safeguarding of the Bank's assets.
- Reliability of financial reporting.
- Compliance with applicable laws and regulations.

The key principles underlying the Bank's system of internal controls are:

Control Environment. This is the foundation for all other components of internal control, providing discipline and structure and influencing the control awareness of employees. Integrity and high ethical values stem from management's philosophy and operating style and appropriate recruitment and training policies ensure the competence of the Bank's employees.

Risk Assessment. The Bank acknowledges that taking risks is an integral part of its business and has set mechanisms to identify those risks and to assess their potential impact on the achievement of the Bank's objectives, as well as to manage them effectively.

Control Activities. Control activities are the policies and procedures that help ensure that management directives are carried out. They occur throughout the organisation, at all levels and in all functions. One of the prime control means of the Bank is segregation of duties.

Information and Communication. The Bank has set effective communication channels to ensure that information is communicated down, across and up within the organisation. Mechanisms are also in place to communicate effectively with outside parties including regulators, shareholders and customers.

Monitoring. The Bank has established mechanisms for the ongoing monitoring of activities as part of the normal course of operations as well as setting up separate control functions whose role is to carry out independent evaluations.

The Bank's management is responsible for establishing and maintaining an appropriate system of internal controls. The Board of Directors has overall responsibility for ensuring that the system of internal controls is effective and adequate for the size and complexity of the Bank's operations. Management and the Board are assisted in carrying out their responsibilities by the Audit Committee and the Internal Audit function.

Audit Committee

The primary objective of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities by:

- Reviewing the financial information, which will be provided to the shareholders.
- Assuring the efficiency and effectiveness of the Internal Control Framework, which Management and the Board of Directors have established.
- Monitoring the audit process.

Internal Audit Division

The primary role of the Internal Audit Division is to assist the Board and the Audit Committee by providing independent and systematic appraisals of the adequacy, efficiency and effectiveness of all internal controls that are embedded in the Bank's operations and its subsidiaries. Internal Audit makes recommendations to facilitate the continuous improvement of the control systems so that they operate with optimum effectiveness and cost efficiency, reflecting best practice. A direct reporting line to the Audit Committee empowers the function and safeguards its independence. The Bank's Internal Audit Division features the highest percentage of internationally qualified auditors among audit divisions in Greek banks.

Compliance

The Bank has established a separate Compliance Office whose aim is to assist in managing the Bank's compliance risk, which can be defined as the risk of legal or regulatory sanctions, financial loss or loss of reputation the Bank may suffer as a result of its failure to comply with all the applicable laws, regulations, codes of conduct and standards of good practice. The Compliance Office is independent from the business activities of the Bank and has clearly defined objectives and responsibilities described in its Mandate and Terms of Reference, which have been approved by the Audit Committee.

The responsibilities of the Compliance Office include:

- Handling money laundering issues, including liaison with the relevant authorities and the provision of adequate training and advice to the Bank's employees.
- Carrying out investigations in response to requirements by the Regulatory Authorities.
- Assisting and advising the management on the impact of new laws and regulations within the scope and responsibilities of the Compliance Office.
- Evaluating adherence of the Bank's personnel to internal rules such as the Code of Conduct.
- Carrying out any other specific duties required by the Regulatory Authorities.

Supervision

The Bank of Greece supervises EFG Eurobank as a financial institution. At the same time, as a member of the EFG Group, the Bank is supervised by the Central Bank of Switzerland (Swiss Federal Banking Commission), which controls all levels of the EFG Group. Furthermore, EFG Eurobank, as a quoted company, is under the supervision of the Stock Exchange Committee of the Athens Stock Exchange. The company means of supervision are, according to Law 2190/1920, the chartered accountants. Financial statements for the year 2004 have been checked by PricewaterhouseCoopers S.A. (auditors: K. Riris, A. Papageorgiou). The internal audit is carried out, according to Law 2076/1992, by the Audit Committee of the Bank and the Internal Audit Division.



EFG Eurobank



“The Bank offers incentives so that I get the chance to continuously improve myself and it also offers me the appropriate rewards.”

EFG Eurobank Employee

STAKEHOLDERS

EMPLOYEES

The corporate reputation of EFG Eurobank in human resource management issues, as 'employer of first choice', arises from the importance placed by the Bank on its manpower, but also from its commitment to promote systematically policies and initiatives, which underline its values, such as respect for people, teamwork, trust and meritocracy.

The role of the Human Resources Sector is to contribute, on a daily basis, towards the achievement of EFG Eurobank's corporate goals through the development of its personnel, forming a more efficient organisational structure and ensuring a meritocracy-based working environment. This is founded on solid principles and values that inspire employees, maximise value for the shareholders and contribute to the satisfaction of client needs.

For the effective implementation of the Bank's goals, the Human Resources Sector:

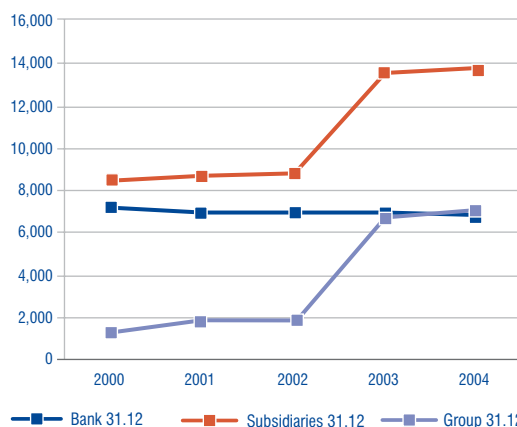
- Matches the knowledge, skills and expertise of every single employee with a proper role within the Bank.
- Provides equal training, development and career advancement opportunities.
- Develops management policies, procedures and administration systems, according to the highest standards.
- Promotes the continuous improvement of performance and implements processes for recognition and reward.

Employment

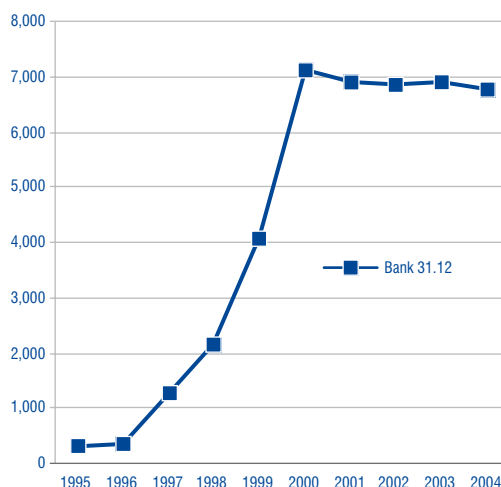
The fast rate of expansion of the Bank and the Group companies is reflected in the data referring to the evolution of employment and structure of the personnel. The number of employees in Greece stabilised in 2004 while employment in subsidiaries, mainly those operating in Southeastern Europe, grew.

The total number of Bank employees on 31st December 2004 was 6,722 compared to 6,841 employees on 31st December 2003, while the average age of personnel was 36 years. The reduction was achieved through a voluntary redundancy programme that was announced at the end of the year and accepted by approximately 200 people.

Evolution of employment in the Group in the last five years
(As of 2003, the personnel of the subsidiaries in Southeastern Europe is also included)



Evolution of employment in the Bank 1995-2004

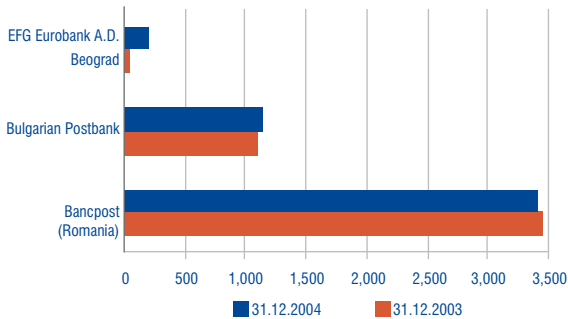


As shown in the relevant charts, the Bank, after the fast rate of growth recorded in the second half of the previous decade, is going through a period of controlled evolution of employment in Greece. At the same time, its new orientations, focusing on becoming an important regional player in the market of Southeastern Europe, are marked by further development of its presence in countries such as Romania, Bulgaria and Serbia-Montenegro. In the aforementioned countries, apart from the banks that have been established, EFG Eurobank has also created companies providing consumer credit services.

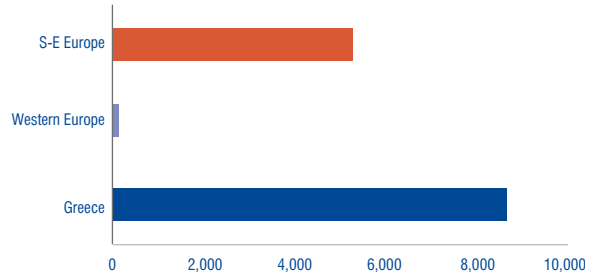
STAKEHOLDERS

EMPLOYEES

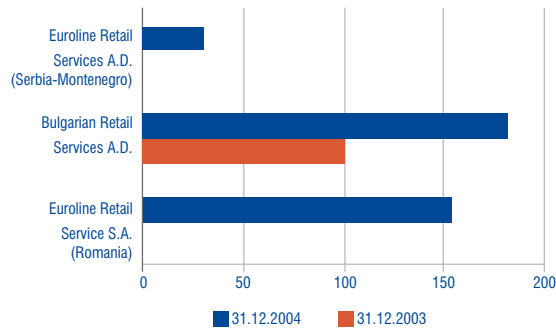
Banks in Southeastern Europe: Employment 2004



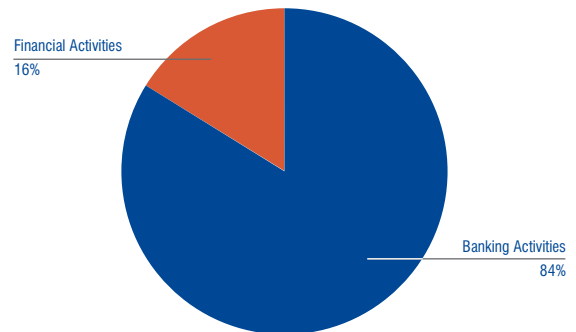
Employment by geographical zone



Subsidiaries in Southeastern Europe: Employment 2004



Group Financial Activities and Employment

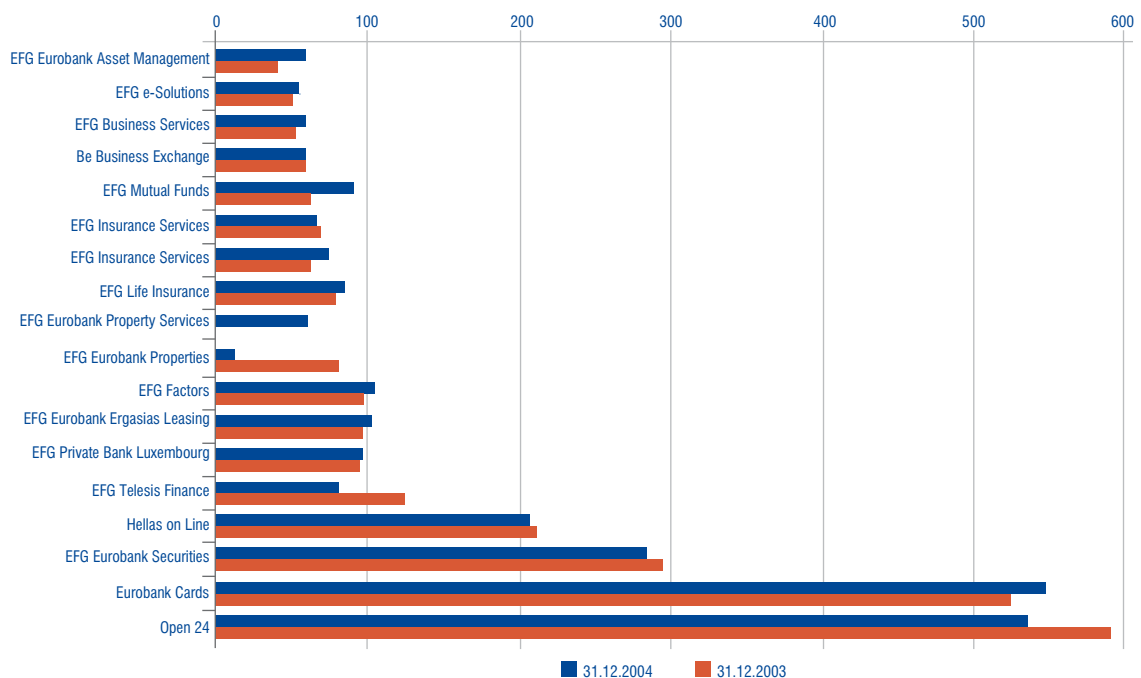


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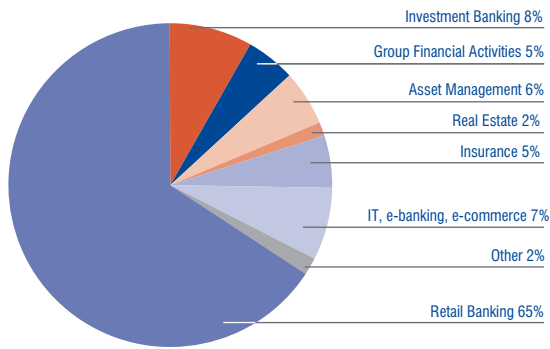
In total, the Group employs 13,720 people in Greece and abroad. 38% of the total number of job positions are outside Greece, as the Group's presence in Southeastern Europe is increas-

ing in importance. It is worth mentioning that the variety of Group activities enable EFG Eurobank to be present in a wide spectrum of financial operations.

Employment in Subsidiary Companies

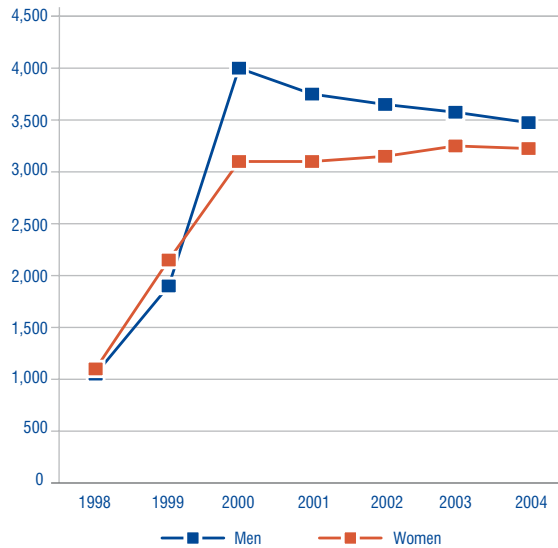


Group Financial Activities and Employment

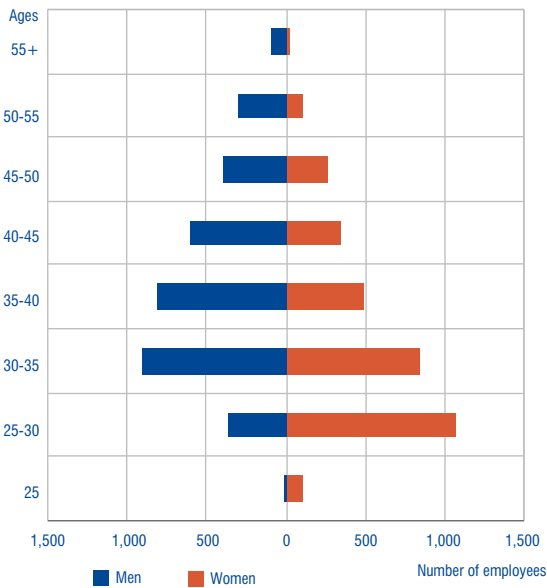


The Group companies usually command the first places in their respective market segments, offering substantial competitive advantages. To this extent, the administration of human resources necessitates the broadening of skills and career opportunities for

Development of employees by gender

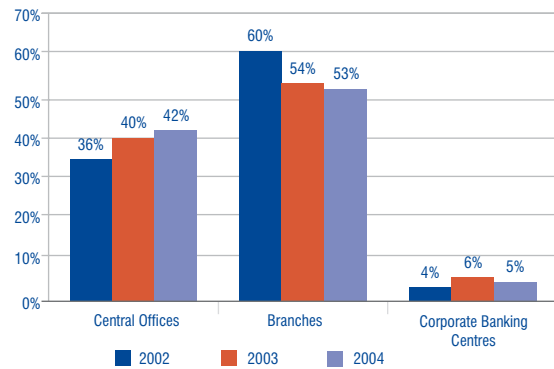


Age Pyramid 2004



employees, mainly in modern financial operations. Thanks to the well-balanced and prominent management of the Bank's personnel, the age distribution of the staff, both actual and based on seniority, forms a "pear" shaped pyramid. The employees are young, experienced, balanced as far as gender is concerned, and have clear career prospects.

Distribution of employees per function

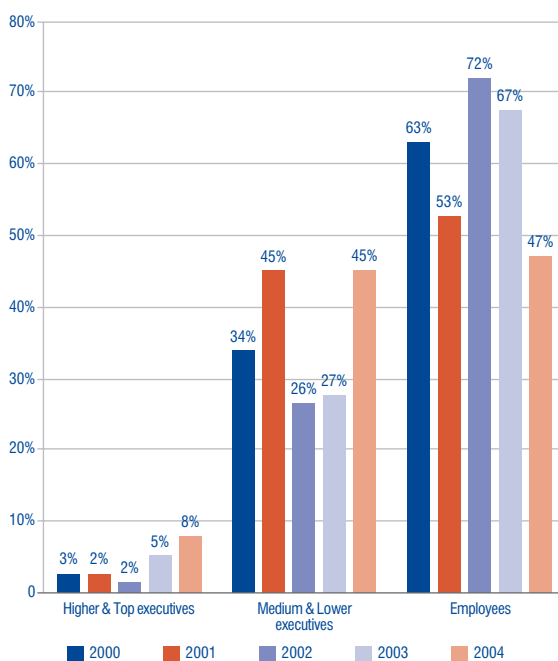


As far as the geographical distribution of employees is concerned, the largest percentage is located in Athens. On gender criteria, there is a balanced convergence between men and women. Finally, on the distribution of employees per function, it is noted that the majority of the personnel is employed in the front line Units (branches and Business Centres). At the same time, the growth recorded during recent years in the Central Services, demonstrates the increasing role of supportive units in modern banking and the specialised role that the staff services are called upon to perform, employing highly trained, skilled and specialised personnel.

STAKEHOLDERS

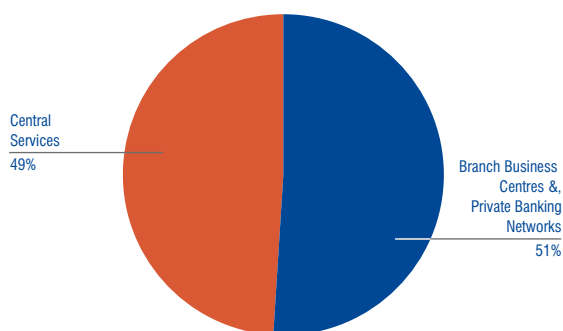
EMPLOYEES

Distribution of new recruits per level of hierarchy

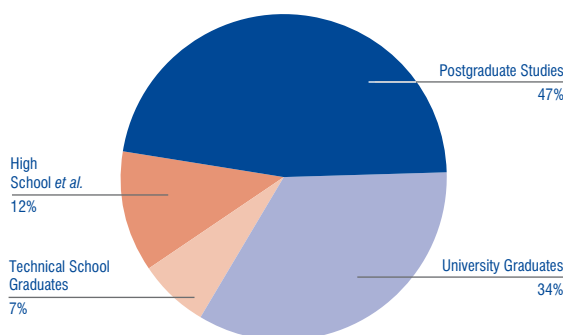


The Group's corporate reputation in human resource management is reflected in its ability to attract quality candidates. In 2004, 8,823 *curricula vitae* were received from candidates, in their majority (79%) university graduates, 30% of whom hold a postgraduate degree.

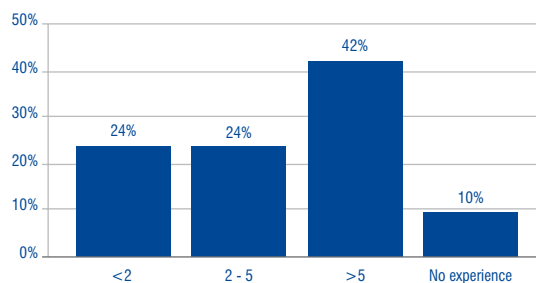
Recruitment Distribution in the Bank Units



Educational level of new recruits



Work experience distribution of new recruits



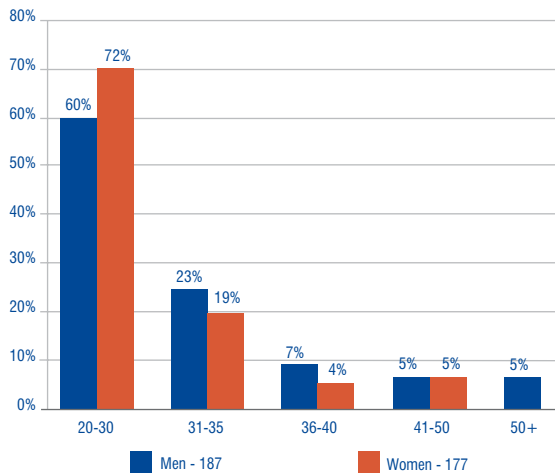
Recruitment

In the context of the constant growth and expansion of the Bank's activities, 364 employees were recruited in 2004 in order to fill vacancies all over Greece.

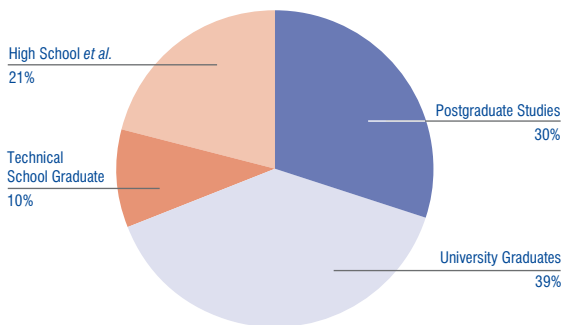
The educational background of the new recruits in 2004 shows continuous improvement, as 88% of them were university graduates and 35% postgraduates. At the same time, the majority of the new recruits have two to five years prior work experience and are employed at the middle hierarchical levels with significant prospects for advancement. The recruitment distribution by gender presents a balance, with a slight lead for men.

During 2004, the internal transfer scheme as well as Internal Job Posting within the Bank were strengthened, providing further opportunities to employees. Thus, an important number of new job positions were advertised internally, on the Bank Intranet site, with a remarkable response from the personnel, while other vacancies were filled through transfers. As a result, during 2004, internal candidatures were evaluated from different departments of the Bank and a large number of transfers took place. In addition, staff from subsidiaries were recruited in order to meet recruitment needs.

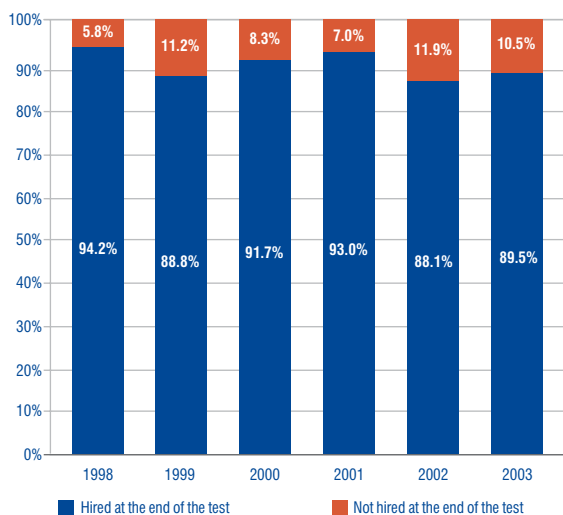
Distribution of new recruits by gender and age



Educational level of applicants (8,823 CVs)



Success of hiring process



The selection and evaluation process for candidates focuses on matching the job requirements with the candidate's profile (job-person match). Therefore, it is based on pre-set criteria, resulting from the analysis of the requirements of each job, as well as from the values governing the Bank's 'corporate culture'. At the same time, assessment of each candidate is supported by objective criteria, as it includes written assessment of capabilities, specialised knowledge and professionalism, as well as structured interviews, aimed at obtaining a documented profile of the candidates. During 2004, 19 written evaluations were carried out, with the participation of 619 candidates, while the duration of personal interviews amounted to approximately 1,300 hours. The effectiveness of the process is worth noting, as according to the statistics, about 90% of the candidates at the end of the process are hired in the Group.

The number of new hires with relatives in the Bank remains small. The Bank has implemented special additional procedures in order to secure impartiality, both in the selection and eventually evaluation of candidates-relatives and in their employment. It should be mentioned that the hiring process has been certified with ISO 9001 by the British Standards Institute.

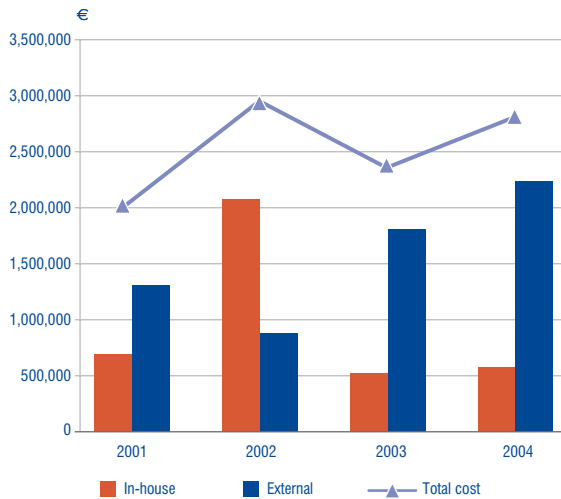
Training

Developments in the banking sector as well as the rapid growth of EFG Eurobank prove that the decision to invest in 'Knowledge' and 'Values' has been a correct one. The employees are the force of every organisation driving it to the top through the achievement of remarkable individual and collective results. EFG Eurobank, in an effort to support and advance its employees, who have strove in recent years to build a leading bank, not only in Greece but internationally, has created a "pyramid" of training programmes, covering a wide range of topics. All these programmes combine a wide range of 'knowledge' and 'practice', so that the right combination can aid employees to try out, within the secure environment of the 'classroom' whatever significant the corresponding theory offers.

STAKEHOLDERS

EMPLOYEES

Evolution of training costs



The approach of the Selection, Training and Development Division is based on providing integrated proposals at each level of business operation of the Bank, combining consulting services with personnel training and development. The policy followed by the Division aims at:

- Securing the participation of employees in sharing the Bank's vision, through training, regardless of rank.
- Providing quality solutions covering all the needs of the organisation and contributing to the consolidation of a unified 'corporate culture'.
- Managing the training and development needs of the Bank, including programme planning, content design, programme delivery, and other.

In view of the business challenges, EFG Eurobank focused on the following major categories of training programmes:

Leadership-Coaching Development Programmes

- They include activities promoting the ability of Department Heads and Managers to improve the performance of their teams and to promote a team spirit.
- They strengthen the efforts of the executives towards the achievement of strategic goals.
- They lay the foundation for the preparation of competitive business plans and guide the overall efficiency improvement of EFG Eurobank employees.

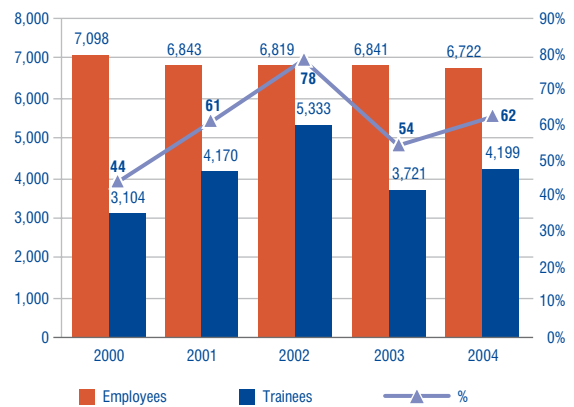
Sales Consulting Programmes

The development of the successful sales plans for EFG Eurobank products and services was supported by Sales Consulting programmes that help employees of Client Service and Sales adopt a client-centred approach.

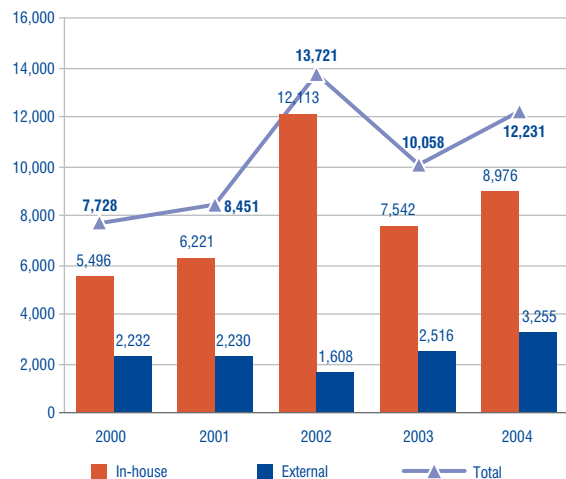
Customer Service Programmes

Programmes that aid in the creation of a unified "corporate culture" in "Customer Service" have been implemented, supplying front-line employees with the means to apply a genuine human approach in communication, to determine and satisfy the individual needs of each customer, having in mind the prompt, effective and quality service.

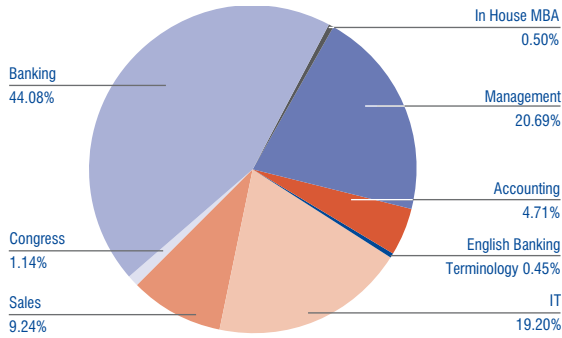
Trainees vs Total Number of employees



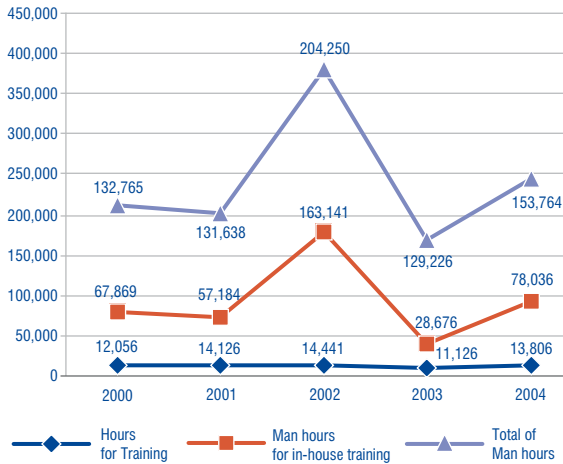
Number of participations in in-house and external training programmes



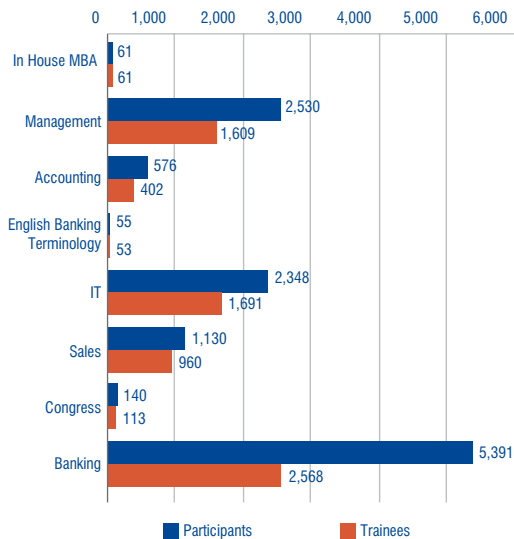
Participation per thematic category of programmes in 2004 (%)



Hours and manhours of Training



Participation and Trainees 2004



Certification Leading Programmes

During 2004, a pioneering training programme for the Greek banking sector, was realized. The programme involves internal long-term training that leads to Certification (in-house certification leading programme) of Retail Network Financial Consultants and executives of the Private Banking Network. It is worth mentioning that EFG Eurobank is the only bank in Greece that has established and promoted such a programme. The Union of Greek Banks supports this undertaking, thus ensuring the integrity of this internal process.

In-house MBA in Financial Services

In February 2004, the second course of the in-house post graduate programme 'In-house MBA in Financial Services' commenced. EFG Eurobank gave to 30 more employees the opportunity to acquire specialised and up-to-date knowledge without interrupting their professional career. This is a two-year course, taught by distinguished professors from world famous business Schools, such as Harvard, INSEAD, New York University and others.

All the above training programmes are interconnected and lay the foundation for 'career advancement'. Any programme does not only cover specific and limited needs but it also lays the foundations for the future evolution of a true professional. Whatever we learn should aid us in our everyday work and at the same time widen our knowledge, building the right foundations, so as to enable us to cope with the requirements of a highly competitive environment in which we are called upon to work effectively.

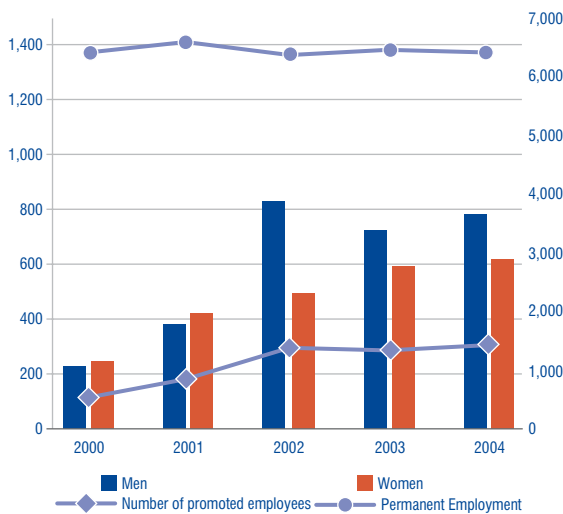
STAKEHOLDERS

EMPLOYEES

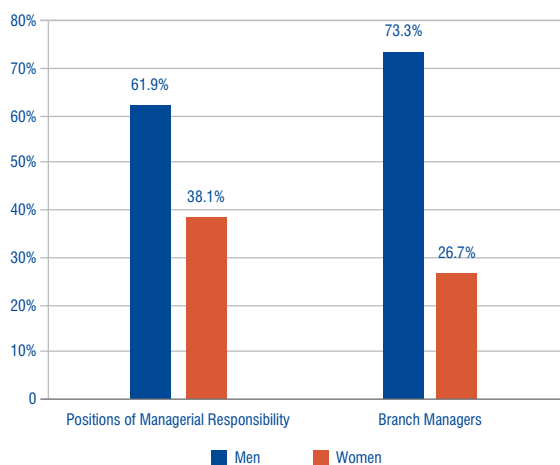
Personnel Development

In a world where technological progress and development are galloping, in a constantly changing and highly competitive banking environment, the human factor plays a very important role. EFG Eurobank acknowledges that its rapid, dynamic growth is attributable to the productivity, hard work and professionalism of its employees. Their contribution at all levels strengthens EFG Eurobank's presence in the international banking sector, opens up new horizons for the organisation and supports high growth rates.

Personnel Promotions



Management Positions



EFG Eurobank, acknowledging that employees are its most important and strongest asset, designs and develops the structure and mechanisms to enable and support the constant development of its personnel. The Bank implements a develop-

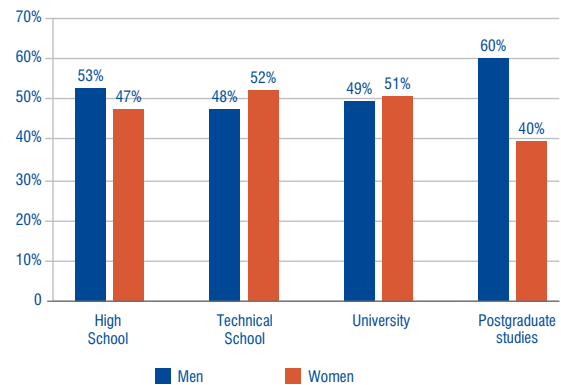
ment methodology based on the 'job family scheme'. This methodology aids employees of all levels to advance within a 'job family' or even within a 'relative family', depending on their knowledge, experience, skills and abilities. All the positions that are foreseen by the organisational chart and the distribution of duties within different Units are incorporated according to their mutual characteristics in one 'Job family' and on this basis, the Bank builds up its systems of career development, evaluation and management of compensation and benefits. With the implementation of these modern methodologies, the Bank has achieved a unified management of its personnel, identifying and promoting the best among them.

The four major and parallel axes supporting personnel development are:

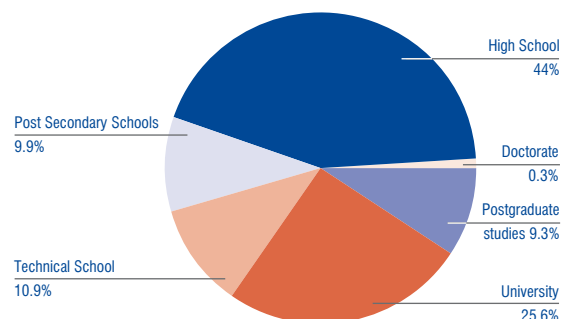
Manpower planning

The Bank, in order to fill every job opening with the right person, before seeking skilled candidates in the market, examines the redistribution of duties, the assignment of new duties to employees who have been evaluated as able to meet expectations, and upgrades roles if necessary. If fulfilling a vacancy with existing personnel is not possible, then the Bank examines the option of recruitment from the market.

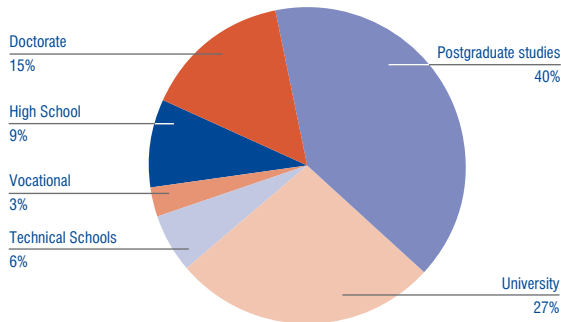
Distribution by educational level 2004



Education level of personnel in 2004



Education level of Top Executives in 2004



Internal Job Market

EFG Eurobank offers equal opportunities to all employees to respond to new openings that are posted on the Bank's Intranet site. Priority is given to internal transfers and advancement of employees who are promoted to these new positions. At the same time, the Bank develops and implements evaluation methods, policies and procedures that ensure meritocracy in internal transfers.

Continuous Learning Opportunities

Training programmes cover a wide range of subjects, respond to modern developments and provide employees with the chance to study issues directly related to their work, so as to be able to improve their knowledge and skills. All learning programmes are interconnected (Training Modules – Training Plan per Position), lay the foundations for career development and enhance employee knowledge, preparing them to assume greater responsibilities and to occupy higher posts in the hierarchy.

Leadership Development

EFG Eurobank aids its personnel to develop strategic capabilities and management skills that will support them in adapting within the changing conditions of the international market and successfully manage new challenges. Emphasis is given to the development of abilities thus leading people and the Bank itself to constant progress.

Appraisal system

The Bank places special importance on performance evaluation of its staff and, therefore, uses a system that concentrates on the objective assessment of every employee's contribution. This system combines the evaluation of measurable da-

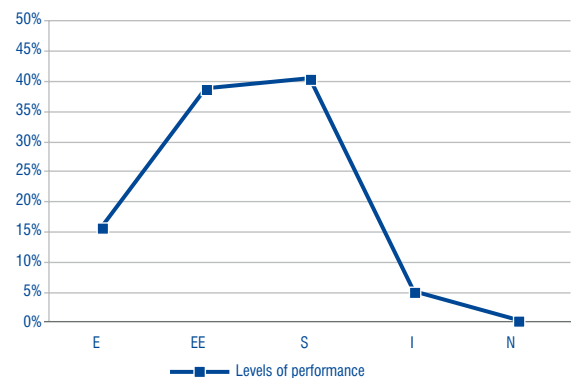
ta, such as performance against targets, with modern performance appraisal approaches as far as the skills and abilities of each employee are concerned. Thus, a better total performance, through personal improvement, is achieved.

The system is based on the principles of objectivity and transparency. Not only is the person assessed informed about his/her evaluation, but also participates in it, exchanging views and identifying, during an individual meeting with his/her Supervisor, the strong and weak points of his/her performance, as well as the appropriate ways of improving and meeting his/her training requirements. Five levels of performance are foreseen in the appraisal:

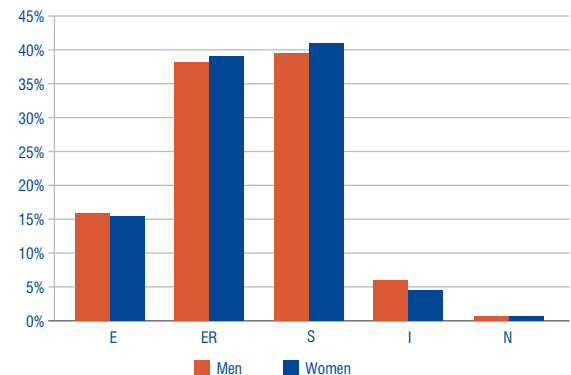
- E: Excellent
- EE: Exceeded expectations
- S: Satisfactory
- I: Needs improvement
- N: Non-satisfactory

As shown in the following chart, the present distribution is satisfactory.

Distribution of Appraisal 2004 - Total number of employees



Distribution of Appraisal by gender 2004



STAKEHOLDERS

EMPLOYEES

Social Policy

EFG Eurobank, committed to the tradition of the Group's founders, steadily develops a multi-faceted social policy for its personnel. Within the framework of a welfare policy for the employees and their families, the Bank has implemented, and continues to improve, a series of social and medical programmes. At the same time, additional funds are provided each year, reflecting the Bank's care for its employees and their families, the reinforcement of general social care and the continuous improvement of health and safety conditions at work. Social policy for employees includes the following areas:

Insurance Schemes

A collective social security scheme covers Health, Life and Retirement for every employee. The medical and hospital care scheme – covering a variety of benefits including a supplementary benefit for dental treatment and reading glasses – covers, through a collective contract, both the employees and their families. Furthermore, another collective insurance programme provides emergency transportation of patients, in the case of ailing or injured employees in Greece and abroad.

Care for the children of employees is currently provided through a special savings schemes, under which every child on coming of age is entitled to receive the amount saved for this purpose. In this way, the Bank seeks to make an effective contribution assisting the children of employees to continue their education or begin their professional career.

Health

Within the framework of the preventive health programme for our employees, the Bank takes a series of actions aimed at protecting and improving the quality of their lives. More specifically, in the Attica region, the Bank has established two fully equipped medical centres, where medical consultation is provided for both the employees and the members of their families.

In the context of preventive medicine, newly recruited personnel undergo a general check-up test, the results of which are then discussed with the Bank Doctors. Furthermore, the Bank provides employees with the possibility, after a special agreement signed with medical clinics in the major urban areas, to undergo, on a regular basis, a general check-up. Within the framework of preventive medicine, a specialised medical article is published in every issue of the Bank in-house magazine "Eurobanker".

Employees with "special needs" enjoy the privilege of a special insurance scheme and they are assisted by the Bank Doctors with an aim to the least possible aggravation of their condition.

The successful operation of the 'Blood bank' is also worth-mentioning. It is a programme implemented and supported by the personnel of the Bank in co-operation with the 'Amalia Fleming' Hospital. Three to four voluntary blood donation sessions are held every year.

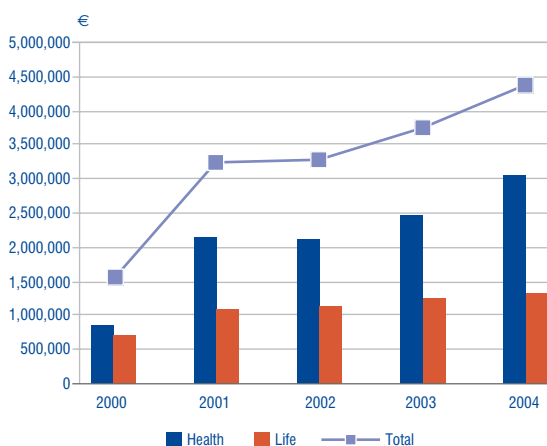
Health and Safety

The prevention of occupational hazards and the development of a consistent policy for providing safe and healthy working conditions is of utmost importance in our times for every organisation. Within the framework of the general social welfare and the constant improvement of health and safety at work, the Bank has implemented a strategy to upgrade further in the working environment.

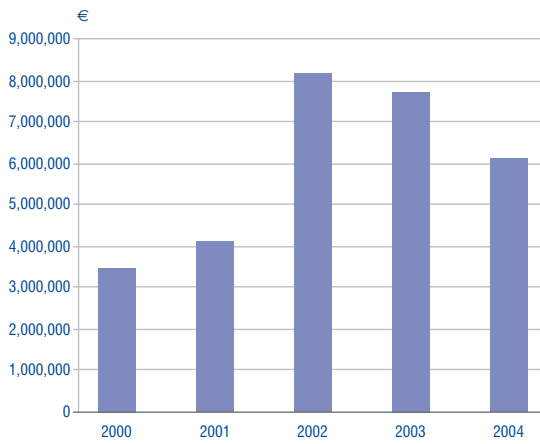
Occupational Hazard Prevention and Research has been carried out in every unit of the Bank along with Safety and Fire Protection Instructions. These instructions, aimed at preventing accidents in working areas, are included in special booklets available for every single employee. Strengthening general social acceptance of prevention is sought after through the implementation of best practices, over and beyond what is imposed by legislation and also with the support of training programmes aimed at improving knowledge as far as occupational hazards are concerned.

Four Safety Technicians, employed by the Bank, visit every unit, where they supervise the implementation of health and safety measures, consult unit managers and discuss with

Insurance Schemes: Health - Life (value of benefits)



Insurance Schemes: Retirement (value of benefits)



employees issues concerning the improvement of safety levels in working areas. In order to establish and maintain excellent working conditions and for the effective implementation of occupational hazard prevention, Safety Co-ordinators have been appointed in every unit in order to assist the Safety Technicians.

Three specialist Bank Doctors visit all units on a regular basis, examine employees and draw up their medical records, which are kept in electronic form in the central health centre of the Bank. At the same time, Bank Doctors provide consultation on preventive medicine during private meetings with employees.

Financial support for the families of employees

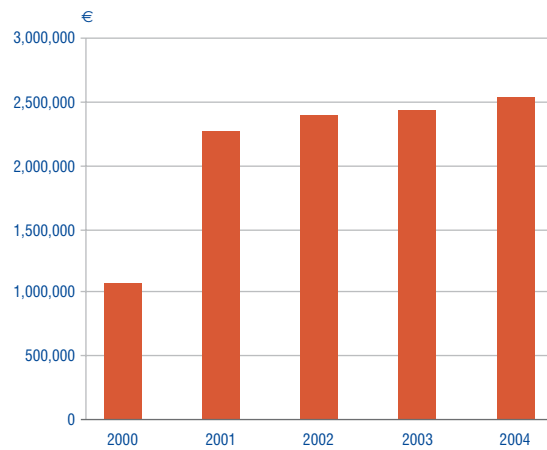
The Bank supports employees and their families by providing a marriage bonus to all employees and a monthly allowance for newborn children to the employees belonging to the lower wage brackets, as well as an allowance for nursery centres. Furthermore, financial assistance is provided to employees with children with "special needs", covering the cost of specialised schools up to the age of 18.

Faithful to a long lasting tradition, the care of EFG Eurobank is demonstrated in many different ways, depending on the needs of employees and members of their families facing health problems.

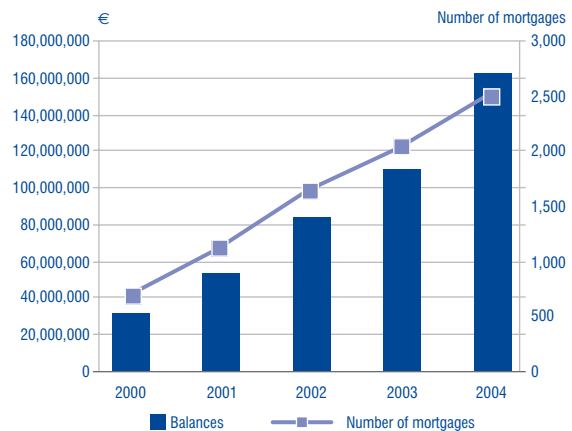
Mortgages and Personal loans

The Bank, within the framework of its employee pricing policy, supports the housing needs of personnel, granting mortgages at most advantageous interest rates as well as personal loans, equal up to four monthly salaries.

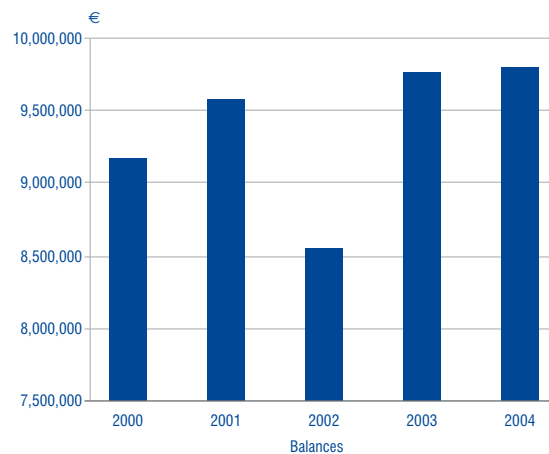
Day Nurseries and Special Schools (value of benefits)



Mortgages based on Bank policy (value of benefits)



Personal loans equal to four salaries



STAKEHOLDERS

EMPLOYEES

Rewarding Excellence

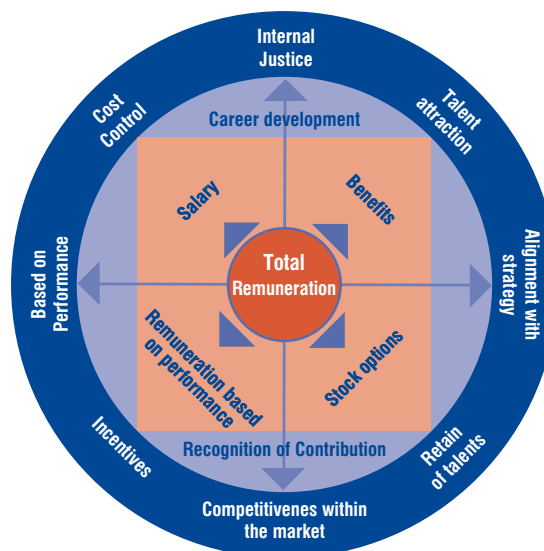
The Bank rewards the efforts made by outstanding employees and supports their progress through a series of institutional measures. More specifically, the Bank awards a financial prize to the children of employees who excel at all educational levels as well as to employees who achieve distinguished university performance. In particular, the Bank rewards children of employees who excel in junior high school 3rd class and senior high school 3rd class. In addition to those who achieve top rankings in university admission examinations, the Bank grants a money prize in order to support them and at the same time gives them the opportunity to pursue a professional career with EFG Eurobank upon their graduation. Also, the Bank assists financially the top university graduates who continue with postgraduate studies in Greece and abroad.

Compensation and Benefits Policy

EFG Eurobank's compensation policy constitutes an integral part of human resource management. In order to maximise shareholder value, the Bank has developed a policy on compensation streamlined with its business strategy and culture.

EFG Eurobank has developed a compensation and benefits policy as well as corresponding systems in order to attract, employ and retain experienced personnel, equipped with the appropriate skills that lead to optimisation of personal and collective performance. The compensation packages have been designed on the basis of the latest international market trends in compensation and benefits schemes, so as to be competitive in relation with salaries paid within the Banking Sector in Greece. In order to meet the increasing market needs, the Bank links compensation with performance and applies numerous methods to ensure the competitiveness of the salary packages it offers.

The Bank aims to provide a total salary package that ensures internal balance and equity, satisfaction and motivation of employees as well as competitiveness in the market so as to encourage the highest performance and, at the same time, allow for control of personnel costs.



The Bank has selected the 'job family' methodology with the aim to establish the appropriate systems for job classification and performance management, compensation and benefits, career development and advancement of personnel. A 'job family' includes a set of roles connected with similar jobs. This organisational structure is linked to the Bank's salary policy and the variable remuneration and benefits schemes, ensuring that the characteristics of the position, the internal balance and the advancement of personnel is taken into account.

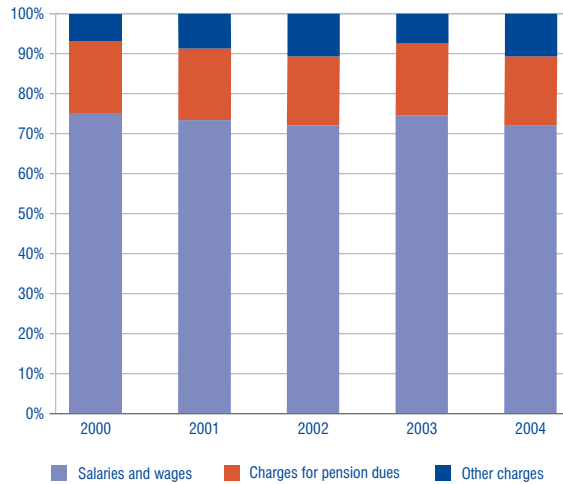
Within this framework, the overall compensation package results from the sum of fixed and variable remuneration. Fixed remuneration includes the basic salary, which reflects the educational background, experience, responsibility as well as the value/importance of the job within the market, while variable remuneration includes bonus payment, shares and stock options rewarding performance. Remuneration is complemented by social security measures.

The Bank has also developed an 'incentives' programme. This is a system aimed at rewarding sales in the branch network and concerns specific product categories, depending on the strategic choices of the Bank. The programme rewards success of each branch and then the success at employee level.

Personnel costs

The consistent and efficient management of human resources resulted in the achievement of very satisfactory performance ratios in 2004. The maintenance of high productivity rates from personnel should also be mentioned, given that profits per employee continue to grow in the order of 30% on an annual basis.

Composition of personnel costs



2000 2001 2002 2003 2004

	2000	2001	2002	2003	2004
Personnel costs / General Administration Expenses	55%	58%	61%	60%	62%
Personnel costs / Total Operating Income	27%	28%	29%	25%	24%
Change in personnel costs	28%	5%	4%	2%	9%
Profits before tax (per employee) (€)	45,018	45,844	36,284	48,239	62,648

Key Ratios*

Personnel costs / General Administration Expenses	55%	58%	61%	60%	62%
Personnel costs / Total Operating Income	27%	28%	29%	25%	24%
Change in personnel costs	28%	5%	4%	2%	9%
Profits before tax (per employee) (€)	45,018	45,844	36,284	48,239	62,648

Personnel costs (€'000)*

Salaries and wages	167,589	171,862	176,205	184,980	194,200
Charges from pension dues	40,590	42,800	41,488	44,079	47,000
Other charges	15,272	20,681	26,576	18,648	29,000
Total	223,442	235,343	244,269	247,707	270,200

*based on the financial results of the Bank.

STAKEHOLDERS

EMPLOYEES

Internal Communication

In a large organisation with thousands of employees, such as EFG Eurobank, effective communication constitutes one of the most crucial factors in defining success. Consistent, substantive and interactive communication is key towards the creation of an environment of trust and the consolidation of a unified culture that recognises personal aptitude, effort and initiative and also promotes teamwork.

In 2004, the Bank further emphasised the extension of channels of interactive communication between employees and management, so as to create even stronger bonds, improve co-operation and utilise the power of dialogue. Many initiatives are being developed on a steady basis. Some of the more significant initiatives are:

Intranet Site: Creation of a new intranet site of the Human Resources Sector. The aim of this initiative is to make the site a vital and interactive means of communication, promoting effective and direct information about the Bank's activities.

Eurobanker: A quarterly magazine on various topics, which, apart from banking issues, gives employees the opportunity to express their opinion. It also provides information about the wider social contribution of the Bank related to areas such as Education, Culture, Sports and the Environment. Furthermore, it provides advice on preventive medicine and at the same time it promotes employee awareness on social issues.

Breakfast with Management: Randomly chosen employees, from all grades, have the chance to discuss, on a regular basis, without a predefined agenda, with the Chief Executive Officer or Deputy Chief Executive Officers issues that concern them.

Meetings with the Executive Committee of the Bank: General meetings of employees from the centre and from the districts for general briefing and discussion on a wide range of subjects.

Ideas Box: Employees are given the opportunity to express ideas and make proposals on the operation of the Bank regardless of the hierarchical level they belong to.

Personnel Awards: An award and recognition ceremony for employees who have contributed substantially over a long period of time to the growth of the Bank.

Events for employees: The Bank organises during the year a series of events for its employees, aimed at establishing a greater familiarity. Such an event was organised for the entire staff of the Bank and its subsidiaries to mark the New Year, giving them the opportunity to celebrate with their families in a friendly environment.

Financial support: The Bank supports staff initiatives related to festive events for the employees and their children, strengthening in this way personal contact between all the employees in the Group. At the same time, sport activities are also supported.

Voluntary Service: EFG Eurobank, faithful to its anthropocentric tradition and to the values governing its daily operation, informs employees on issues of Corporate Social Responsibility and also promotes Voluntary Social Contribution programmes. These programmes address employees who have chosen to contribute of their own free will to the local communities they work in. In 2004, a large number of employees offered their services in the organisation of the Athens Olympic Games. They also participated in actions aimed at the protection of the environment, such as the cleaning up of the Peiraiki coast, in collaboration with the Ministry of Environment and the Environmental Organisation 'Clean up Greece'.

The Human Resources Sector and the international activities

Human Resource Management in Greece has also taken on responsibilities that extend to countries of Southeastern Europe where the Bank is present, and specifically, in Bulgaria, Romania and Serbia-Montenegro.

The Bank aims at planning, organising and operating banks in Southeastern Europe, based on the standards of the parent company, as well as their harmonisation with the parent systems, policies and procedures, always respecting the particularities of the working environment and culture of each country. During 2004, the most important activities of the Human Resources Sector in connection with the subsidiaries in Southeastern Europe have focused on the following areas:

- Staffing the subsidiaries' Human Resource Units with professionals who have the knowledge and experience required by EFG Eurobank.
- Building the appropriate structure for job classification and performance management schemes, advancement and career development of employees.
- Offering consulting services, transfer of know-how and implementation of human resources projects, aimed at meeting the strategic business goals of every subsidiary.

Furthermore, the necessary infrastructure has been built in order to better manage the re-assignment and integration of staff re-assigned to the subsidiaries abroad.



EFG Eurobank



To be the Bank of first choice for Southeastern Europe while operating with a sense of responsibility towards its shareholders and society.

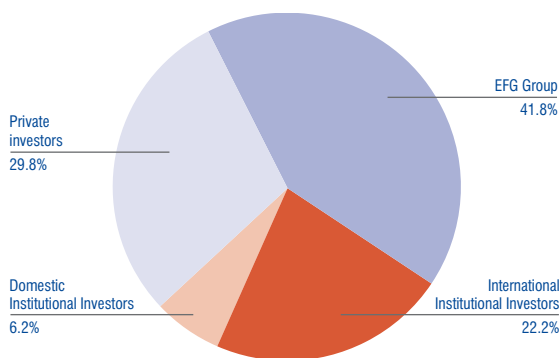


Our Vision

STAKEHOLDERS SHAREHOLDERS

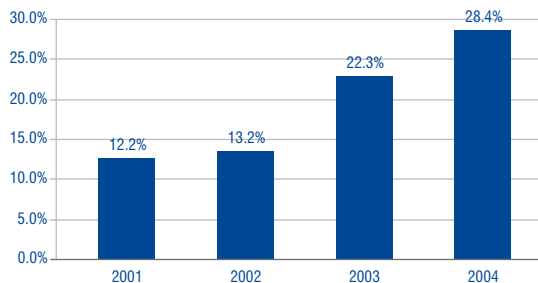
EFG Eurobank's growth relies on one of the largest shareholding bases in Greece, numbering at the end of 2004 more than 330,000 private and institutional shareholders. The ultimate shareholder of EFG Eurobank Ergasias remains the EFG Group, which, at the end of 2004, held a total of 41.8% of the Bank's shares, through its subsidiaries EFG Consolidated Holdings Ltd (37.9%) and EFG Exchange Holdings Ltd (3.9%).

Shareholder composition on 31.12.2004
(% of total number of shares)



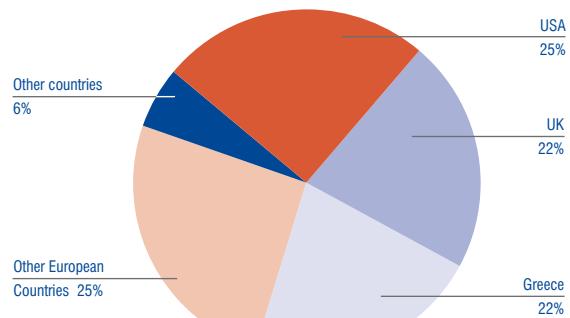
The participation of institutional investors in the Bank reached 28.4% of the total number of shares at the end of 2004, as compared with 22.3% at the end of 2003, recording an increase of 25.6%. This impressive increase is mainly attributable to foreign institutional investors, who have strengthened their holdings in EFG Eurobank by 38.4%, controlling 22.2% of total.

Participation of institutional investors in EFG Eurobank
(% of total number of shares)



The interest shown among institutional investors in the United States and the United Kingdom is noteworthy; their stakes represent 47% of the total institutional shareholding. It is also worth noting that the Bank has made significant efforts to promote its operations with institutional investors abroad, given that, in

Geographical distribution of institutional investors on 31.12.2004
(% of total shares)



2004, it carried out presentations to more than 120 international investors in Europe and the United States. Greek institutional investors held 6.2% of the total number of shares at the end of 2004, maintaining the same percentage as in 2003, despite the significant capital outflow in mutual funds. The evolution of the overall participation of institutional investors constitutes a real recognition of the dynamic growth of the Bank up-to-date, but also its prospects for creating shareholder value.

To maintain a mutual trust relationship with its shareholders in Greece and abroad, based on the timely provision of accurate and even information, constitutes a priority for EFG Eurobank. To this extent, the Bank restructured in 2004 its website www.eurobank.gr, enriching the financial information published in Greek and English, under the section 'Investors'. Furthermore, beyond local legal requirements for the publication of AGM invitations, the Bank published for the first time in 2004 an extensive summary of issues on the agenda on its website, ahead of the Annual and Extraordinary General Meetings. Thus, it offered its shareholders the opportunity to further evaluate management proposals, in accordance with international best practice. Finally, in September 2004, it published the first issue of the bi-annual shareholders' newsletter 'Symmetohi' (Participation), which was warmly received.

STAKEHOLDERS

CUSTOMERS AND SUPPLIERS

Customers

EFG Eurobank's vision is to become the Bank of first choice for customers in Greece and the wider geographical area. In this context, the Bank's Management has set as a clear priority the reinforcement of relations with customers. The voice of customers reaches the Bank in a variety of ways. The branch network, the line for phone customer care Europhone Banking 801-111-1144, operating round the clock, and access through the Internet to the EFG Eurobank web site, www.eurobank.gr, constitute the main points of contact between the customer and the Bank.

Through the specialised Client Relations Office, EFG Eurobank seeks the development and maintenance of mutual, healthy and benefiting relations for both the Bank and the clients. In order for customer satisfaction to continue to operate as a target and incentive, the Division supervises and co-ordinates the most comprehensive handling of customer complaints in the whole range of Bank activities and subsidiary companies activities in Greece, a fact that constitutes a point of reference for the Greek banking reality.

In 2004, the Clients Relations Office, in the context of providing high added value new services, established the 'Customer Care' process with the aim of investigating customers' expectations and the continuous assessment of their degree of satisfaction with the handling of their problems. The supervision and co-ordination of complaint management require automated recording applications. Thus EFG Eurobank has developed a user-friendly software which has been installed throughout the organisation. Through this software, the experienced and qualified staff of the Client Relations Office control and co-ordinate centrally the complaints voiced in all areas of the Bank and its subsidiaries, ensuring a prompt, fair and precise complaint handling service. The daily use of this software throughout the Bank has created a significant source of information and a data base, enlarging and upgrading the EFG Eurobank infrastructure in complaint handling.

Through the Quality Improvement Department, the Client Relations Office analyses and assesses the opinions and above all the proposals by clients, in order to locate possible weaknesses or gaps both in the complaint management process and in all other services of the Bank. The Department then submits quality proposals for improvement, in collaboration with the relevant Division in each case, in order to achieve the upgrading and the substantive improvement of the services provided.

Systematic training is necessary to support the above process, both in identifying service problems and in managing them in a professional, immediate and complete way, but also in taking care to maintain customer satisfaction. Organised training of executives of the Bank's central offices and branches who are involved in the process of customer care, development and management, is continuous and shows a growing trend as far as the number of participants is concerned. Within this framework the 'Eurobank Academy' was in 2004, implemented with notable participation of executives from all parts of the Bank. The objective of this programme is to ascertain the level of knowledge of front line executives of the procedures in force but also the high standards of customer care set by the Bank. Front line executives are also briefed by executives of the Client Relations Office, who make regular visits to all areas of the Bank. In these meetings, front line executives have the opportunity to express opinions, identify problems and submit proposals for improvement, placing the interests of customers to the forefront.

Efficiency, high quality of services provided and adoption of the most up-to-date methods and principles of management of the EFG Eurobank Clients Relations Office was acknowledged by the European distinction 'Committed to Excellence', which the Office was awarded in May 2004 by the internationally prestigious European Foundation for Quality Management (EFQM). This distinction confirms EFG Eurobank's commitment to provide top quality services to clients, with sensitivity, respect and social responsibility, according to the strict European specifications of EFQM. It should also be stressed that the complaint management process of the Client Relations Office has been included in the certification of the Bank by the British Standards Institute.

Suppliers

EFG Eurobank Ergasias Group follows uniform criteria in the selection and terms of collaboration with suppliers. Potential suppliers are evaluated on the basis of numerous criteria, such as market position, specialisation, cost versus quality ratio, time and punctuality of delivery, good and long-lasting collaboration, recommendations from other customers and possible ISO certifications. Moreover, active suppliers are evaluated annually on the basis of the above criteria but also on the record of their collaboration with the Bank.

The supply process is unified for the individual divisions and subsidiaries of the Group in Greece and orders are carried out electronically, through Intranet. The EFG Eurobank Supplies Sector in Greece has been certified with ISO by the British Standards Institute, while the supply process is governed by a strict code of ethics, to ensure impartiality. On the basis of this code, the Bank avoids transactions with suppliers reputed to use questionable practices. Furthermore, the suppliers of technological and other equipment are bound by the EU and the U.S.A. legislation, concerning their production methods, respect for the environment and work rights. For 2005, the Bank is planning the extension of the existing supply standards to its subsidiaries in Southeastern Europe.

SOCIAL CONTRIBUTION

Social Product

The contribution of the Bank to the "Social Product" in 2004		(€'000)
The Bank's Turnover		1,777,524
Various Income and Income from Participations		427,313
VAT on Added Value of the Company		894
Operational and other Expenses (before staff remuneration and taxes) and Depreciation		(1,504,823)
Social Product		700,908

Distribution of the "Social Product"		(€'000)
I. State		
Income Tax and Various Taxes		123,775
Contribution to Social Security Institutions		73,423
Value Added Tax		894
Employees Tax		28,774
		<u>226,866</u>
II. Company		
Retained Earnings / Reserves		63,841
III. Personnel		
Total Gross Pay		194,194
Other Allowances to the employees		28,965
Employees Tax		(28,774)
Staff contribution to Social Security Institutions		(26,393)
Profit Distribution to employees		10,200
		<u>178,191</u>
IV. Shareholders		
Net Dividend		226,020
V. Donations / Sponsorships		
		5,990
Social Product		700,908

Since its foundation, the EFG Eurobank Ergasias Group, has combined its successful growth with a broader social presence through programmes and actions in sectors such as Education, Culture and Sports, but also through a wider social responsibility related to environment. These activities form an integral part of the Bank's strategy, as we believe that a dynamic and successful company has to participate actively and to contribute creatively to society. Therefore, for all the people in EFG Eurobank, it is necessary that the social contribution follows the growth of the Group, thus reflecting the anthropocentric character and values of the Bank and its founders.

In keeping up with the tradition introduced by the shareholders of the Bank and in particular of the founder of the Group, the late John Latsis, the Bank has developed a wide programme of sponsorships. For 2004, the Bank's spending for sponsorships and social contribution amounted to nearly € 6 million. The total social product of the Bank exceeded € 700 million, compared to € 586 million in 2003.

Charities

The social activity of EFG Eurobank continued in 2004, covering the whole of Greece with programmes aimed at meeting the needs of the local communities where the Bank operates through its branch network.

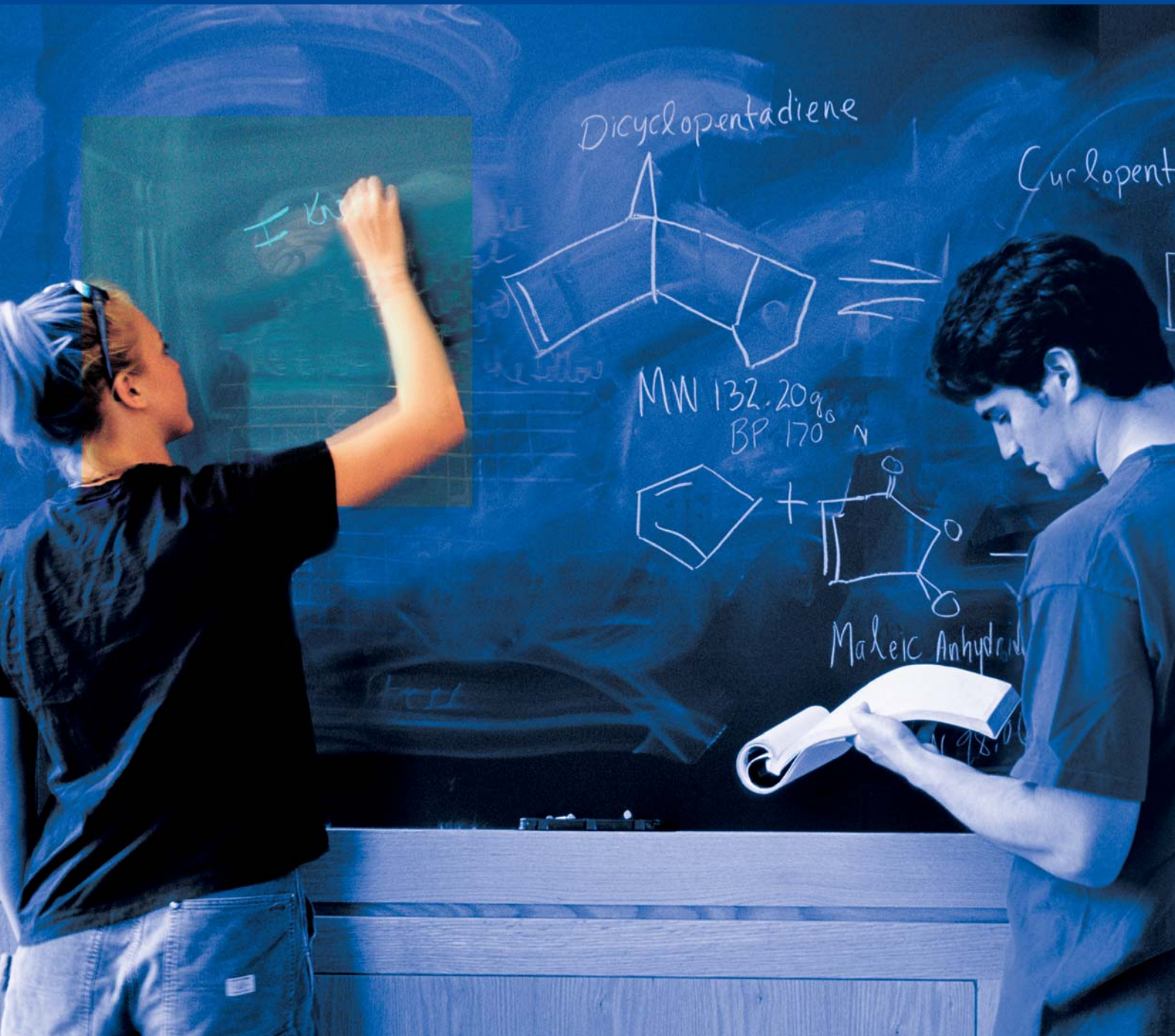
The provision of electronic equipment continued successfully for the fourth consecutive year. The Bank responded to all requests received, providing 260 computer systems to schools and charities all over the country. Moreover, it responded to many requests for donations and sponsorships, thus supporting the work of institutions such as the Art Gallery of the city of Karditsa, the Parish Popular Library of Mikro Derio, the Parents Association of Thessaly and the Friends of Children with Neoplastic Diseases, as well as organisations such as •Agapo ta Pedia•, •Friends of Social Paediatrics - Anikti Angalia• and others.

In the same spirit and through another initiative of the Bank, members of the National Men and Women Basketball Teams, (which EFG Eurobank sponsors) visited during the Christmas holidays the children hosted at the •Ergastiri• (Association of Parents, Teachers and Friends with Special Needs) and •Strophi• (Association of the Family of the Open Therapeutic Community).

Last but not least, the Bank responded to the international community appeals to support the victims of the earthquake that struck Southeastern Asia at the end of 2004, by donating the sum of € 100,000, while its employees collected, on their own initiative, over € 55,000 for the same purpose.



EFG Eurobank



*“ I studied a lot, I had quite a heavy programme.
When there is acknowledgement, though, the endeavour becomes easier. ”*

D. Toli, Student and EFG Eurobank award winner

Education

The pioneering programme 'The Great Moment for Education' launched by the Bank in 2003 continued successfully in 2004 for high school graduates of the school year 2003-2004. Through the programme, 2,229 school children in total have been awarded a prize (1,123 in 2003 and 1,106 in 2004).

The programme involves about 230,000 pupils graduating from senior high school throughout Greece. EFG Eurobank rewards, in each of the 1,300 or so schools in the country, the pupil who achieved the highest marks in the pan-Hellenic examinations at his/her school. In 2004, award ceremonies took place all over Greece through which 1,106 pupils were rewarded. In addition to the award, each pupil received € 1,000 deposited in an account of a local EFG Eurobank branch.

The award programme culminates in a separate ceremony in Athens, in the presence of the President of the Republic of Greece, during which the pupils who achieved the top marks in the pan-Hellenic examinations in their prefecture receive a special award.

The programme 'The Great Moment for Education' has created an environment of healthy competition among pupils in schools and has laid the foundations for the establishment of an institution which promotes knowledge, in a very special way. The success of the programme is based on the promotion and rewarding of merit as a necessary value for the progress and the development of society and of mankind, but also on the creation of strong ties between schools, local communities and the Bank as an inseparable part of the area where the latter operates and grows.

The nature of the programme assumes special importance since the first awards in 2003 and 2004 constitute an additional incentive, creating the expectation of an award in a growing number of pupils each year.

Within its activities in the crucial sector of Education, the Bank renewed in 2004, for the fifth consecutive year, its sponsorship to the Foundation of the Hellenic World (IME). The Bank sponsorship supports two initiatives of the Foundation. In particular, EFG Eurobank was the exclusive sponsor of the portal 'Greek History on the Internet', which constitutes an inexhaustible source of information on Greek civilisation and history.

Furthermore, the Bank supported the Foundation's programme, 'Magic Screen', a system of virtual reality which allows the visitor to travel in a virtual environment and to become acquainted with the wonderful world of Greece's cultural heritage. Through 'Magic Screen', IME has successfully promoted the programmes 'The Temple of Zeus at Olympia', 'Magic Wardrobe' and 'Assemble the Vases'.

The Bank's contribution to Education is completed by a series of scholarships for students and donations to educational institutions. Indicatively, we could mention the scholarships' to students of the Faculty of Economics of Piraeus University, the donation to the Scholarships' Fund of the Hellenic-American Educational Institute (Athens College), sponsorships to the Research Centre of Piraeus University and to the Zografio Lyceum in Istanbul, as well as support for the annual student competition of the magazine 'Economic and Industrial Review'.

Finally, in collaboration with its subsidiary Bulgarian Post Bank, the Bank provided a student with the accommodation expenses and fees for the postgraduate course in Business Administration at the Athens University of Economics.



*Eurobank sets the tone of our music.
Should there be no sponsorship, our chords would probably be silent.*

A. Myrat,
'KAMERATA' Permanent Conductor

Culture

Since the early years of its foundation, the Bank has been developing important and long-term co-operation with institutions involved in the arts and culture, in the belief that the support of cultural institutions and organisations constitutes an action of great social and national importance.

Within this framework, EFG Eurobank renewed its sponsorship, to the 'KAMERATA - Orchestra of the Friends of Music' of the Athens Music Hall for another three years, until 2006. The sponsorship to the orchestra started in 1994, when the latter made its first steps in Greek culture and the musical firmament. KAMERATA has been to this date, the sole orchestra of the Athens Music Hall and is perceived as one of the select chamber orchestras in Europe.

KAMERATA is active throughout Greece and abroad. In 2004, the orchestra performed 70 concerts in total, attended by about 70,000 people. Most of these concerts were held outside the Athens Music Hall, while 17 of them were held in schools, in the framework of special educational programmes elaborated by the orchestra itself, in collaboration with the Ministry of Education and Religion. These programmes were specially designed for pupils in primary and secondary schools.

The Bank also renewed until 2007 its sponsorship to the 'Children's Stage - Katina Paxinou Theatre' at the National Theatre. The 'Children's Stage' has been performing with great success for over 10 years with works enjoyed by children of all ages. With the assistance of the Bank, the 'Children's Stage' gave 228 performances in 2004, offering cultural education to children, not only in the capital but also in other regions of Greece.

The Bank launched in 2004 two new sponsorships in the field of the Arts, both linked with the Private Banking Division. The first concerns the co-operation with the National Art Gallery, the most important Museum of History of Art in Greece. Through this, and with the financial support by the Bank, three major exhibitions will be held in the next three years. The first of them, under the title 'Mythologies of Daily Life' opened in November 2004 at the National Art Gallery and it was the first retrospective exhibition of the great Greek artist Alekos Fasianos to be held in Greece.

The second initiative involves the co-operation of the Bank with the School of Fine Arts. EFG Eurobank Private Banking Division offers every year, a financial prize to the three degree students of the School of Fine Arts who obtain the highest marks. Furthermore, the Bank organises, on an annual basis, a special event at which the prize-winning students exhibit their works to the wider public and to the public of the customers of the Bank's Private Banking. The aim of this initiative is to support the younger generation of Greek artists, so that in the long term an institution may be created to support and promote Greek art and creativity.



“We find stamina within ourselves, but it is not enough; someone must also lend you a hand when you need it.”

S. Bekatorou - E.Tsoufa
Gold Medallists, Athens 2004 Olympic Games

Sports

2004 was undoubtedly a year during which sports lived its best moments in Greece. The great success of the Athens 2004 Olympic Games was the culmination of a huge effort, whose result made all the Greek citizens extremely proud.

For EFG Eurobank, 2004 was a special year in the field of Sports. The Bank has been actively and constantly involved in the area of sports since 2001, in an effort to support Greek athletes and to enable them to attain ever increasing goals.

The success of Sofia Bekatorou and Emilia Tsoulfa, who were awarded the Gold Medal in the 470-class sailing contest at the Athens Olympic Games, stirred special emotions among the employees of the Group which has been the exclusive sponsor of the two athletes in the last four years. Bekatorou and Tsoulfa won the utmost distinction an athlete may achieve and reiterated, in the best possible way, that the only way to success is through the continuous effort to achieve high objectives and ideals.

The conquest of the Olympic gold medal was the climax of an important year for the two athletes. Having already won in four world championships in 2000, 2001, 2002 and 2003 and in as many European championships in the same years, the Olympic gold medal was the only one missing from their collection.

Beyond distinctions in this clearly competitive sector, the crowning moment of their career was their award by the World Sailing Federation as the best world sailors in 2004, a distinction awarded for the first time to Greek athletes. It is noteworthy that for the first time in the history of this institution the same women's crew has been given this award twice, since the two girls of Greek sailing had already been honoured with the same title in 2002.

Moreover, the Bank gave an emphasis to its constant and complete commitment to Greek sports by renewing its sponsorship to the Hellenic Basketball Federation for a period of two more years, until the end of 2006. EFG Eurobank supports all nine National Basketball Teams, offering the means to the players and their coaches to fight for greater international distinctions.

The successful presence of the National Men and Women's Basketball Teams at the Athens 2004 Olympic Games, with the conquest of the fifth and seventh position respectively, gives everybody the right to expect even greater successes in future.

Environment

EFG Eurobank announced its official Environmental Policy in 2003, as evidence of its commitment to reduce direct and indirect impact on the environment from its operations. In 2004, the Bank made for the first time an official assessment of its environmental performance and developed environmental indicators, targets and action plans. A significant achievement in this direction was the certification, in September 2004, according to the International Standard ISO 14001 on environmental management for all its branches, central units, services and products offered in the Attica region. EFG Eurobank is the first bank in Greece and, among few in Europe, to be certified for the implementation of Environmental Management.

The Environment Office was set up in 2004, aiming at the continuous and integrated management of actions and processes realised in the application of the Environmental Policy. Moreover, the Environment Office contributes to the formulation of the Bank's strategy on communication and actions related to the environment.

Beyond the reinforcement of the Bank's social contribution, the improvement of environmental performance provides competitive advantages, such as the reduction of operating expenses, exploitation of new business opportunities (development of 'green' banking products) as well as acknowledgement both by the relevant indexes (FTSE4Good, Dow Jones Sustainability Index) and by the Socially Responsible institutional investors. It is noteworthy that the EFG Eurobank share is included in the FTSE4Good and FTSE4Good World indexes.

EFG Eurobank's environmental performance can be summarised into the following sectors:

Energy

The total energy consumption at EFG Eurobank in 2004 amounted to 8,205 kWh per employee. As the development of its business is rapid, the Bank has set as an initial target the stabilisation of energy consumption at the same levels as in 2004 and the prevention of further increase in consumption, given that new technologies and options are under examination, though these for the moment are still at an early stage. The achievement of this target is already supported by a series of measures for energy-saving and for the use of environmental-friendly energy at Bank premises.

In particular, the bulbs used belong to the economic/ecological category, and have reduced energy consumption as compared with the ordinary bulbs. 83% of the signs posted in Bank branches and buildings are equipped with a special mechanism that suspends their operation at night-time. Batteries

used, as well as the transformers installed since 1998, are in their majority of the dry type, and they do not involve risks of leaks of dangerous liquids. Furthermore, 53% of the new air-conditioning appliances installed in 2004 have an energy-saving feature. For 2005 a pilot application of new energy-saving systems is foreseen for the electrical and air-conditioning installations, as well as the assessment of the results.

Paper

The consumption of paper in 2004 amounted to 440 tons or 64 kg per employee. A significant development was the launching of a pilot recycling programme in chosen branches and central buildings in the Prefecture of Attica, in June 2004. The pilot programme brought satisfactory results, taking into account its duration, as it ensured the recycling of 15.6% of the total 2004 supply. EFG Eurobank is considering the extension of the programme outside the Prefecture of Attica, in areas where there is a recycling infrastructure. At the same time, the effort for the creation of a 'paperless office' is under way, where electronic files will gradually replace hard-copy documents, contributing to the reduction of paper consumption.

Premises

EFG Eurobank attaches particular weight to the reduction of the environmental impact from its premises and in particular from the use of air-conditioning appliances, building and refurbishment materials. In the Bank's branch network and in the office buildings air conditioning systems have been installed which allow energy-saving and improve room conditions, contributing to the ventilation of the spaces beyond heating and cooling. These systems, in many cases, are connected with facilities (air-air alternators) that allow the pre-climatisation of external air with minimum energy consumption. The installation of groups of full recovery air-water heat pumps started in 2005: these allow the parallel operation on heat in an area of the building when another area operates on cool, humidity control and use of automatic systems for energy saving. The pumps use ecological Freon (R-407c and R-410a). Materials that do not contain dangerous substances (e.g., asbestos) are employed in the construction and refurbishing of Bank branches and buildings, so that during the handling of debris, as in the case of refurbishment, no danger arises and no special processing is necessary.

Computer equipment

Every year EFG Eurobank donates computers no longer in use to schools all over Greece, to charities, public services, associations, etc. In 2004, the Bank donated 520 pieces of equip-

ment, which constituted 260 computer systems. As far as supplies are concerned, the total use of toner in 2004 amounted to 1.9 toners per employee, while a programme for their recycling started in June 2004.

'Green' products

EFG Eurobank has been the leader in the introduction of 'green' products in the Greek banking sector, creating the WWF Visa credit card, a banking product which encourages EFG Eurobank's clients to think about the environment and at the same time support financially WWF activities. At the end of 2004 there were 39,000 active WWF Visa credit cards, and from their use € 90,000 was rendered to WWF Hellas. Moreover, Corporate Banking products include loans for the purchase of new environment-friendly taxis and buses, loans to businesses for equipment for the use of natural gas and a 'green' leasing for the leasing of environment-friendly equipment.

Risk Management

Apart from the direct impact to the environment from the Bank's operations, there are potential indirect consequences from the financing of businesses that affect the environment negatively. In order to safeguard the quality of the Corporate Banking portfolio from such implications, EFG Eurobank incorporated in 2004 criteria of environmental performance in the assessment of business loans.

Having set up the appropriate infrastructure and processes for the implementation of its Environmental Policy at operating level, EFG Eurobank will concentrate in 2005 on activities for informing and raising awareness of its employees, but also of society at large on the protection of the environment. The evaluation of the environmental impact from the Bank processes will continue as well as the monitoring of their environmental compatibility with the provisions of the law and of the relevant standards. The environmental indicators of the Bank are collected and reviewed on a six-month basis, ensuring regular monitoring of its environmental performance and proper assessment of improvement actions.



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