



2020

SUSTAINABILITY REPORT

CONSOLIDATED NON - FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

 HELLENIC BANK

Hellenic Bank is one of the main sponsors of the "Miniature Horse Therapy" project operated by the non-profit organization MAESTIC which was established in Cyprus to offer 'horse healing' services or equine-assisted therapy to children with disabilities and other health problems. Events with the two trained miniature horses, 'Mini' & 'Helen', are organised in hospital units, special schools and nursing homes to bring some charm to the patients' lives, as well as to give courage, strength and hope to the children in need. Accompanying the miniature horses during the visits are psychologists and nursing staff. The program is ideal for children with special needs, cancer and rare diseases, behavioural disorders, psychiatric problems, as well as for children with neurological problems and those that have suffered abuse.

ABOUT THIS REPORT



This is the fourth
"Sustainability" report
of Hellenic Bank Public
Company Limited. „

The Sustainability report has been prepared in accordance to the Global Reporting Initiative framework (GRI Standards: Core option) and is issued pursuant to the provisions of section 151B of the Companies Law, Cap. 113, which requires public interest entities, such as the Bank, to disclose information that assist in understanding the effect of their operations on environmental, social and employment issues, the respect for human rights, the fight against corruption and bribery matters.

The information presented in this report includes all the operations of the Group. It covers our environmental, social and governance (ESG) performance and approach for calendar year 2020. This report is focusing on the sustainability issues we have determined to be of material importance and provides information in addition to the information presented in our Annual Financial Report.

Information on our financial data is included in our Annual Financial Report. We will endeavor to evolve and improve our Sustainability report over the coming years. We value your opinion and welcome any feedback on this report.

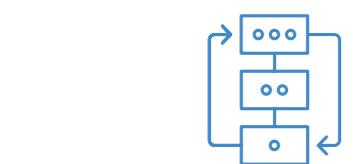
Please address any questions or suggestions to sustainability@hellenicbank.com

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HIGHLIGHTS

MARKETPLACE



Overarching Transformation Plan developed for streamlining and reducing complexities

22,3%

Capital Adequacy Ratio

477%

Liquidity Coverage Ratio

€1.041m

New Lending

183k¹

of active digital users

73%²

digitally engaged ratio

1) Active digital users refers to the number of subscribers who have logged in at least once to web or mobile in the last 3 months. Data as of April 2021.

2) Digital Engage ratio: individuals who use the digital channels of the Bank (mobile banking app, web banking and ATMs) to perform banking transactions, as well as card purchases. Data as of April 2021.

SOCIETY

3
pronged plan to bolster the economy and support the society during COVID-19 crisis

€2,8b
loans outstanding participating in the moratorium scheme



Bolstering support via our customer call centre (1,02m calls in 2020) and large portion of our staff working from home

€230K

COVID 19 Next Day Campaign to encourage positive thinking and preventing contagion



PEOPLE



Due to COVID-19 most of the training courses were delivered virtually (4 e-learnings with 9.779 completions and 292 webinars with 4.000 completions)

49%

of the staff had the ability to work from home on a rotation basis during COVID-19 (excluding Retail Network)

223

hires of permanent and temporary staff



Establishing the Hellenic Bank Volunteers Team



Protecting the health and well-being of employees and customers

20%

of vacancies filled internally during 2020

ENVIRONMENT

€101m

Renewable energy finance



139 cases totalling

€340m assessed for E&S risks

Transition to the new international standard ISO 50001: 2018 Energy Management System

16%¹

Energy consumption reduction (kWh/m²)



15,9%¹

Reduction in CO₂ emissions



66 financing cases for Environmental and social improvements

51,7%¹

Reduction in electricity cost

CHAIRMAN MESSAGE

“

Committed to our goal to have a long-lasting and positive impact on our society”



Dear Stakeholder,

2020 was an extremely challenging and extraordinary year for everyone due to the COVID-19 pandemic, with Hellenic Bank and its people demonstrating exemplary resilience and strength.

The COVID-19 outbreak emerged as an unprecedented health crisis around the world, escalating into a significant economic shock to the global economy, including Cyprus. The response of our organization was immediate through the activation of our Crisis Management Plan and the adjustment of our day-to-day operations, ensuring the well-being of our workforce and customers, as well as the continuation of our services. In compliance with the laws and governmental guidelines relating to COVID-19, we implemented a remote working policy to the greatest extent possible and enhanced customer service, via our branch network, digital channels, cards and the Customer Contact Centre. Furthermore, we supported around 21 thousand customers with loans amounting to €2,8 billion through the loan instalments moratorium and participated in the Cyprus government's support schemes, to finance the recovery of the island's economy.

The above measures are just a few of the initiatives that we have taken, in line with our commitment to sustainable development. Our performance in this area is constantly being monitored through a series of metrics, which measure our actions under four sustainability pillars: People, Society, Marketplace and Environment. The purpose being to continuously improve the way we do business and we create value for all stakeholders.

With regards to our people, our top priority was their health and well-being. While the past year has been tremendously challenging, the COVID-19 outbreak forced us to find creative ways to communicate with our employees in order to help them feel more prepared when dealing with the new normal. At the same time, we focused on the development of a

feedback based culture and the talent management of our employees. With regards to the Learning and Development of our employees, we invested on the delivery of virtual courses, placing emphasis on subjects linked to the Bank's strategic objectives and priorities, mainly through courses on skill development, credit knowledge, and technology.

With regards to society, although the world was facing restrictions due to social-distancing measures, Hellenic Bank acknowledged that during these difficult times, volunteering can have a real and positive effect, as it is one of the most rewarding and powerful initiatives that anyone can take. The Hellenic Bank Volunteers team was set up, aiming to provide support to vulnerable families, people in need and the environment. In this context, through its strategic cooperation with the Office of the Commissioner for the Environment of the Republic of Cyprus, the Bank supported the execution of the 'Primary Schools Tree Program'. Furthermore, an internal campaign named #HBVOLUNTEERSCHALLENGE was developed, challenging the Bank's Divisions to organise a volunteering activity during the first week of December 2020, on the occasion of the Pancyprian Volunteerism Week. Through this challenge, our employees made a generous contribution to society and the environment with the implementation of more than 200 initiatives.

Throughout 2020, we participated in initiatives aimed at easing social issues and supported the work of charities and organisations, actively engaged in protecting and assisting vulnerable groups within the society. Our community engagement and investment were shaped by the #ΕίμαστεΔίπλαΣας (#WeAreThereForYou) hashtag. Our focus was on our tireless healthcare professionals, actions that tackled the less obvious mental health burden of the pandemic and the necessities of vulnerable groups. We continued to support alternative cultural activities in line with the strict health guidelines set, as well as our local NGOs and foundations such as Hope for Children, the Sophia

Foundation for Children and the Elpida Foundation. Hellenic Bank is also the proud main sponsor of the Karaiskakio Foundation, the ECO-Schools programme, the 'Movember' initiative and the 'Miniature Horse Therapy'.

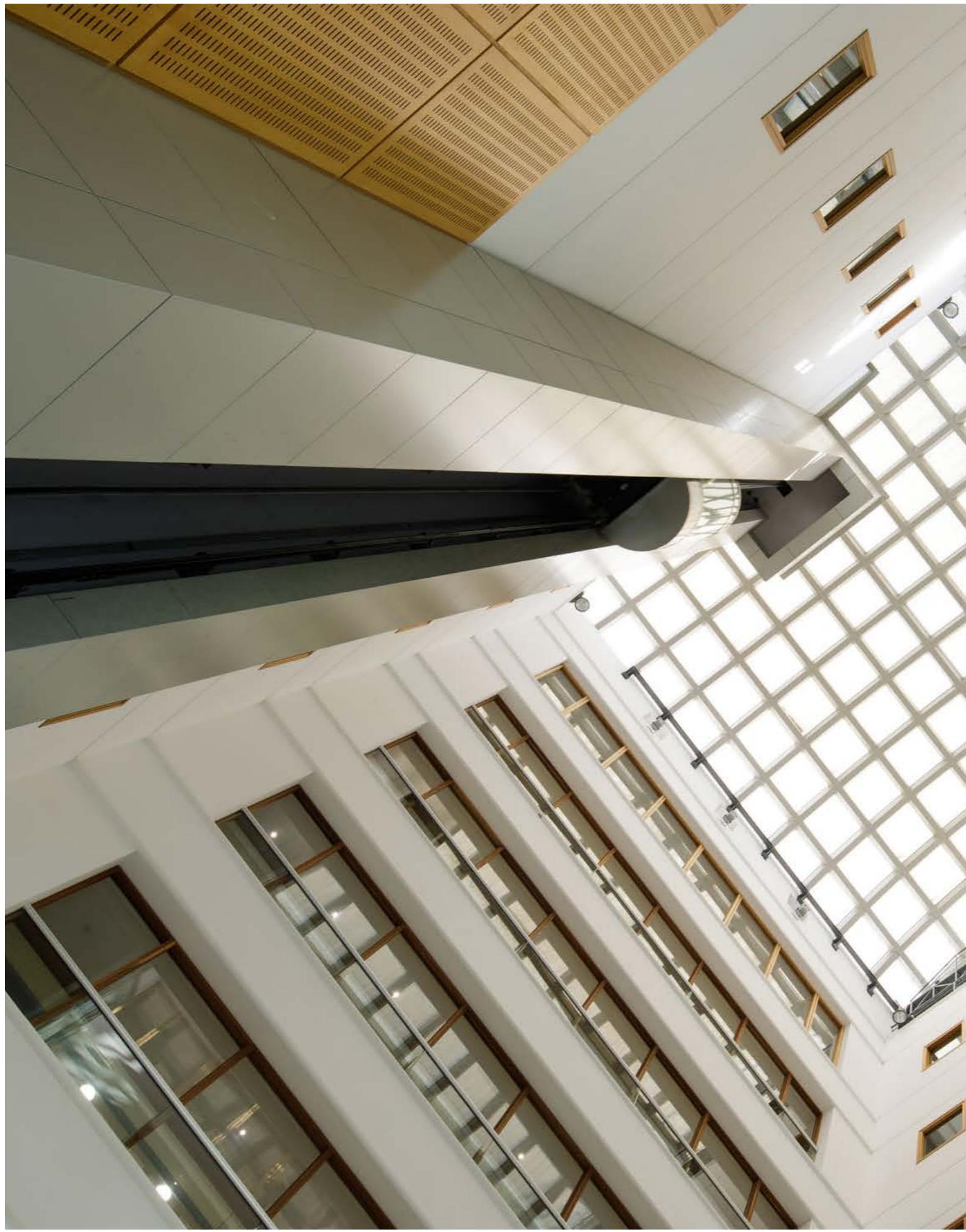
With regards to the environment, we acknowledge the huge impact that climate change is having on the environment and the responsibility we have as a modern organization, to help address and mitigate such a threat. During 2020 the Bank provided credit facilities of approximately €101m for Energy Renewable Projects, contributing towards reducing the country's carbon emissions. With regards to actions taken internally, our Environmental and Energy Management Policy provides how, via the upgrading of our infrastructure and the personnel training, we are managing our environmental impact. Our aim is to encourage viable and sustainable growth, promote environmental awareness and maximize our energy efficiency, in order to mitigate our environmental footprint. Within this context, in 2020 we continued implementing a number of actions, including:

- Implementation of energy, water and paper saving systems
- Recertification of the Bank operations with the ISO 50001 Energy Management System
- Creation of energy friendly buildings/ branches
- Our long-standing cooperation with Ecological Schools

Regarding our future plans, our focus will be within the context of the ISO50001 standard, so as to cover all of our buildings. Furthermore, we are committed to adopting and implementing the United Nations 2030 Agenda for Sustainable Development and working effectively with our stakeholders to accelerate inclusive growth, confront climate change and achieve sustainable development.

It is thus obvious that Hellenic Bank aspires and is committed to meeting its social and ethical responsibilities towards its customers, stakeholders and the community at large, always guided by its corporate values: Passion, Commitment and Respect. Our Vision is to be the preferred choice for the customer experience we offer, to be recognised as the safest, most reliable partner and to have a long-lasting and positive impact on our society. To this end, our economic and social support initiatives, are further described in this Sustainability Report.

Dr. Evripides A. Polykarpou
Chairman of the Board Nicosia, June 2021

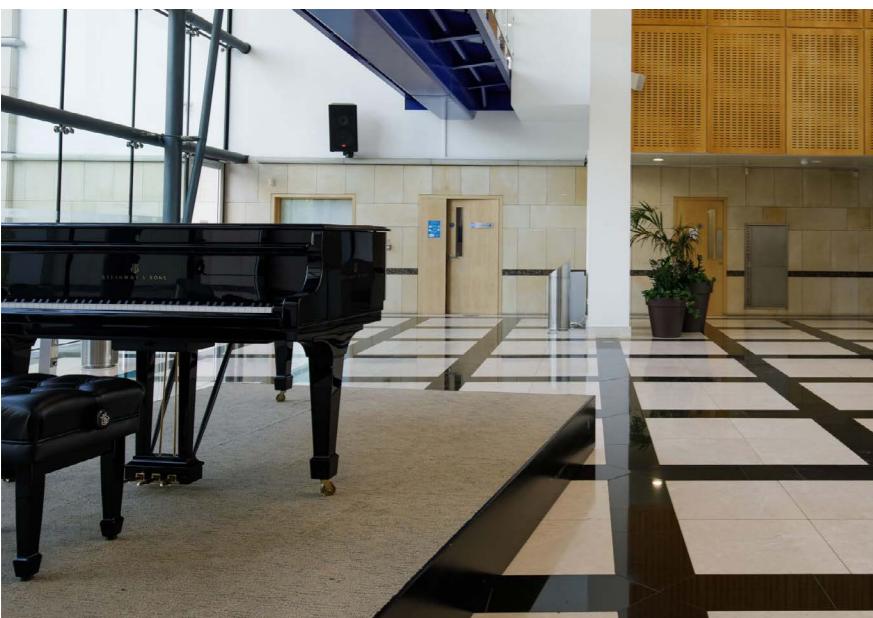


INTRODUCTION

- Hellenic Bank History
- Our Common Purpose and Strategy
- How we Create Value
- Governance

HELLENIC BANK HISTORY

The Hellenic Bank Group commenced operations in 1976. In a relatively short period of time, it managed to establish itself as one of the largest financial institutions in Cyprus

1976-1990	1991-2000	2001-2010	2011	2013	2014-2016
Hellenic Bank Group commences operations with its first branch in Nicosia and 33 employees. The Card Services Department is established, and the first Hellenic card Visa is launched The Telebank service is introduced for the first time in Cyprus. The first International Business Centre of its kind starts to operate in Limassol.	A network of ATMs is established, providing 24-hour service. Acquisition of the operations of the onshore facilities of Barclays Bank PLC in Cyprus. The first credit card is launched in association with MasterCard. Start operating in Greece, with the first branch opened in Kolonaki, Athens. Hellenic Alico Life Insurance Company Ltd is launched.	Hellenic Net Banking is launched. The Group's subsidiary insurance companies, Pancyprian and Ledra merge into Pancyprian Insurance Ltd. Representative Offices in St. Petersburg (Russia) and Kiev (Ukraine) are established. Agreement with the European Investment Bank for the concession of loans with favourable terms to SMEs in Cyprus and Greece.	The Shipping Business Centre, the first of its kind in Cyprus, commences operations focusing exclusively on serving the shipping business community of the island.	The Bank's branch network in Greece is sold to Piraeus Bank as part of the MoU agreed with the Troika. Hellenic Bank is the only major Cypriot bank to avoid a bail-in of deposits and a bail-out from the Cypriot authorities. The Bank is awarded with the CSR Award in Environmental Issues at the 3rd Environmental Awards of Green Dot Cyprus. Hellenic Bank is the first bank to be certified with the environmental quality mark Green Key for its Head Office and Green Offices.	Hellenic Bank is ranked as the Safest Bank in Cyprus according to a Global Finance Magazine survey amongst more than 100 countries worldwide. The Hellenic Bank Mobile App is launched offering a simple, smart and practical banking experience.
	2020	2019	2018	2017	
	With COVID-19 pandemic affecting everybody and everywhere, Hellenic Bank took all necessary measures to protect the health and safety of its customers and staff. Customers are being trained to use digital and alternative channels, making banking transactions easier and faster. Hellenic Bank supports its customers and participates in all government schemes towards the economic recovery.	Successful and timely completion of the Integration of the acquired CCB business. Commencement of the transformation journey to modernise the Bank and offer seamless experience to customers. A €150 mn share capital increase to strengthen its capital position following the acquisition of the CCB business. Hellenic Bank receives the CSR In Business Award.	First NPL portfolio sale in Cyprus: sale of a non-performing loan portfolio to B2Kapital Cyprus Ltd. Acquisition of certain assets and liabilities of the Cyprus Cooperative Bank (CCB), establishing Hellenic Bank as the leading Retail bank in Cyprus.	APS Cyprus, the first independent loan servicer in Cyprus is established.	

OUR COMMON PURPOSE AND STRATEGY

The Bank's corporate values underpin the way it conducts its business with its customers and counterparties, guide its decision-making and determine the way all persons subject to the Group's Code of Business Conduct and Ethics are expected to behave.

OUR VISION

Our Vision is to be the preferred choice for the Customer Experience offered and to be recognised as the Safest, most Reliable Partner, consistently working with Passion, Commitment and Respect

SAFEST MOST RELIABLE PARTNER



- Ongoing resilience to weather the pandemic induced economic crisis
- Solid capital position
- Robust liquidity
- Well provisioned against problem loans
- Strong human capital

PRIMARY BANK



- Improve customer experience
- Enhance primary relationships
- Target industries with growth opportunities
- Responsibly support our staff and customers
- A solid, stable, primarily retail deposit base
- Modernization initiatives and digital strategy implementation

VALUES



PASSIONATE

Passionately serving you whenever you need us and when it really matters



COMMITTED

Committed to our tradition as your safest and most reliable partner



RESPECTFUL

Displaying personal, human touch and respect

STRATEGIC PRIORITIES



GROWTH



NPA DELEVERAGING

ENABLERS



TRANSFORMATION



TECHNOLOGY



RISK & COMPLIANCE



PEOPLE



STREAMLINING

OUR STRATEGY

Implementing our Strategic Plan ensures the Bank's growth and resilience



Aiming for sustainable profitability, healthy return on equity, efficient organisation and a significantly de-risked balance sheet „



OUR MAIN STRATEGIC PRIORITIES ARE:

GROWTH

- Invest in assets providing a sustainable return on risk adjusted capital
- Enhance primary relationships in Retail and Business to grow lending and fees by cross selling
- Transform the Insurance subsidiaries through the expansion of product offering and growth of bancassurance income
- Diversify lending through responsible international credits
- Maintain adequate capital to cover the business needs and associated risks considering the Risk Appetite and regulatory requirements
- Implement our Transformation Plan (to streamline the credit cycle, to enhance Omni-Channel digital capabilities and to transforming the role of the branches), aiming to enhance customer experience, increase revenues, and increase efficiency.



NPA DELEVERAGING

- Reduce NPEs by organic reduction of the NPA balance and active exploration of any portfolio sale opportunities.
- Increase focus on managing early arrears.



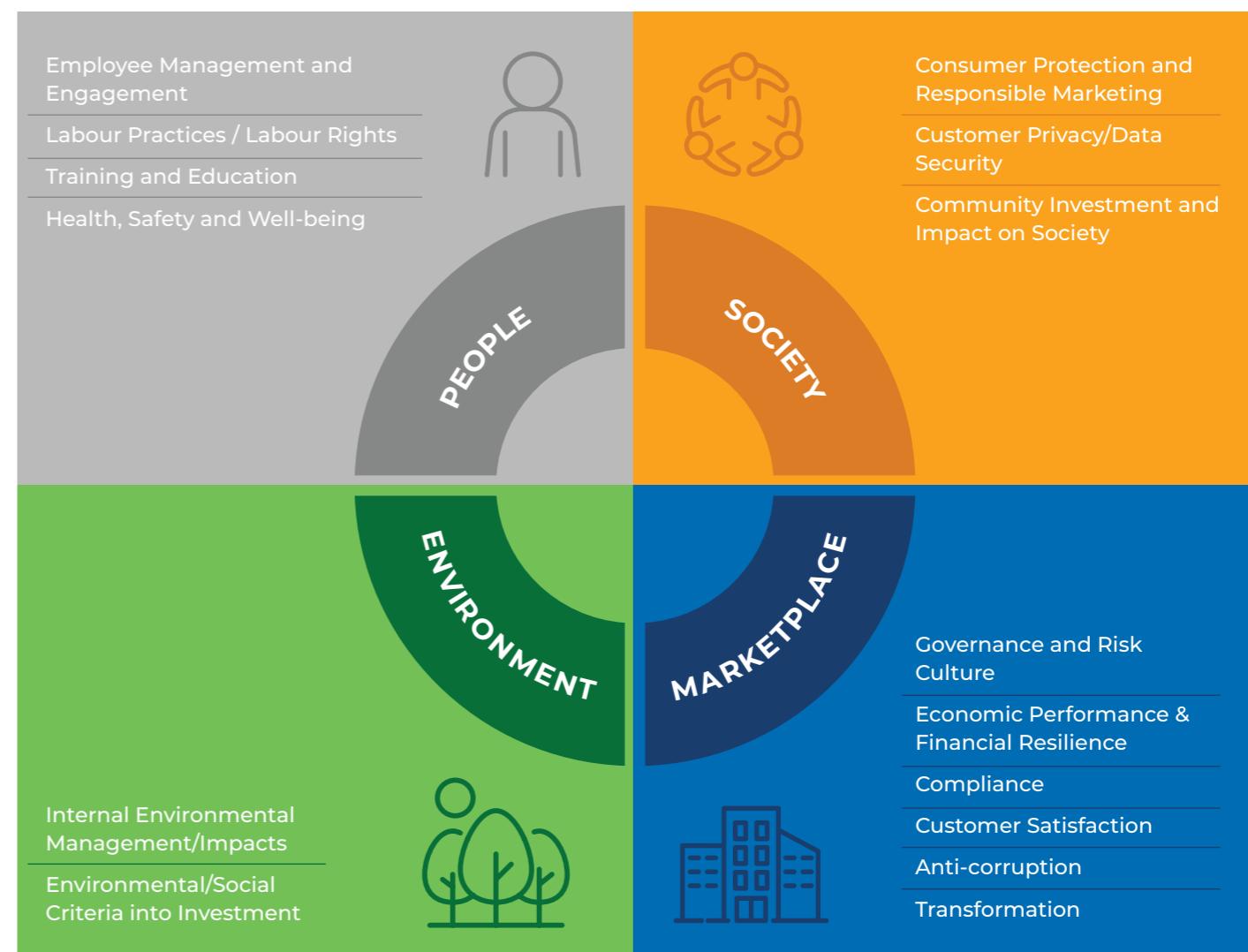
OUR SUSTAINABILITY STRATEGY

Our Sustainability strategy is a central aspect of delivering our vision and services. We are also guided by our long term ambitions for sustainability and corporate responsibility for the ESG aspects under each of four Sustainability priority areas.

Our Sustainability Strategy consists of the following:

- Sustainability aspects under each Sustainability priority area
- Commitments and actions under each Sustainability priority area
- Our targets, goals and performance metrics for each Sustainability aspect.

The Sustainability aspects are grouped under four sustainability priority areas as shown below:



HOW WE CREATE VALUE

Our products, services and Business Model

At the core of any organization is its business model, which draws on various resources or capitals as inputs and, through its business activities, converts them to products, services, by-products and waste.

Our business model and value creation process is illustrated in the diagram below showing how the Group is transforming capital inputs to outputs and outcomes. To illustrate our business model and value creation model we have used the capitals described by the International Integrated Reporting Council.

We define outcomes as the internal and external positive and negative consequences as a result of our business activities, products, services, by-products and waste. We aim to use our capital inputs to make a positive contribution to the development of our people, managing environmental impacts and contributing to society. We also illustrate our contribution by aligning our sustainability strategy with the UN SDGs.

These inputs are categorized as financial, manufactured, intellectual, human, social and relationship, and natural:

Financial Capital: Financial capital includes the pool of funds available to the Group and it originates from diverse sources. The financial resilience of this model is built on interest rates to savers; reasonable long-term returns for investors and deposits that are lent to business working in the real economy. We aim to deliver a healthy balance between loans and deposits. We also maintain levels of capital that are above regulatory requirements which makes us more resilient over the long-term.

Manufactured Capital: Manufactured capital includes physical objects that are available to the Group for use in the provision of our services. These are tangible assets

like buildings, including our branch network, Plant and equipment, technology infrastructure, ATMs etc.

Intellectual Capital: Intellectual capital includes organizational, knowledge-based intangibles, processes, policies, protocols, procedures, Information technology and Innovation capability.

Human Capital: Human capital includes skills, capabilities, knowledge and experience of employees, management and leadership. Human capital also includes alignment with the Group's governance framework, risk management approach, and ethical values as well as inspirations for improving processes, goods and services.

Social and Relationship: This capital includes our relationships with stakeholders and the communities we operate in. It also includes intangibles associated with the brand and reputation that an organization has developed and the Group's social license to operate.

Natural Capital: Natural Capital includes environmental resources: All renewable and non-renewable environmental resources and processes that provide goods or services that support the past, current or future activities and prosperity of the Group including air, water, land, minerals, energy, and forests, biodiversity and eco-system health, and green investments.

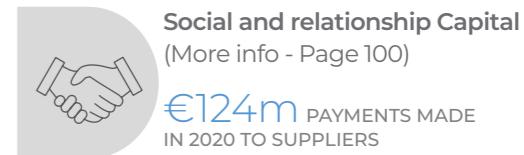
We recognize that both manufactured and natural capital are less material to our industry. However, we are including them in this model to show our total impact.



OUR BUSINESS MODEL AND VALUE CREATION PROCESS

INPUTS

These are the resources and relationships that the Group draws upon for its business activities (examples)



OUR BUSINESS MODEL

OUR PURPOSE (more info on Our common purpose and Strategy pages 12-13)

TO BE THE PREFERRED CHOICE FOR THE CUSTOMER EXPERIENCE OFFERED AND TO BE RECOGNISED AS THE SAFEST, MOST RELIABLE PARTNER, CONSISTENTLY WORKING WITH PASSION, COMMITMENT AND RESPECT

OUR VISION



PRIMARY BANK



SAFEST MOST
RELIABLE PARTNER

OUR VALUES



PASSIONATE



COMMITTED



RESPECTFUL

GOVERNANCE (more info on Governance pages 22-25)

BOARD COMMITTEES

THE FOLLOWING FOUR PERMANENT
COMMITTEES OPERATE WITHIN THE COMPANY:

- A) AUDIT COMMITTEE
- B) REMUNARATION COMMITTEE
- C) NOMINATIONS/ INTERNAL GOVERNANCE
COMMITTEE
- D) RISK MANAGEMENT COMMITTEE

RISK GOVERNANCE

BOARD AND EXECUTIVE COMMITTEE STRUCTURE



SUSTAINABILITY GOVERNANCE



STRATEGIC PRIORITIES

GROWTH



NPA DELEVERAGING



Aiming for sustainable profitability, healthy return on equity, efficient organisation and a significantly de-risked balance sheet

SUSTAINABILITY STRATEGY



ENABLERS



TRANSFORMATION



TECHNOLOGY



STREAMLINING



RISK & COMPLIANCE



PEOPLE

OUR ACTIVITIES (more info on Incorporation, Activities and Branch Network pages 20-21)

Outputs: Key products and services

OUR ACTIVITIES (more info on Incorporation, Activities and Branch Network pages 20-21)

Banking and financial services, financial, investment, insurance services, custodian and factoring services, management and disposal of properties.

OUTCOMES

The internal and external consequences (positive and negative) for the capital as a result of our business activities and outputs (examples)



SDG IMPACT



INCORPORATION, ACTIVITIES AND BRANCH NETWORK

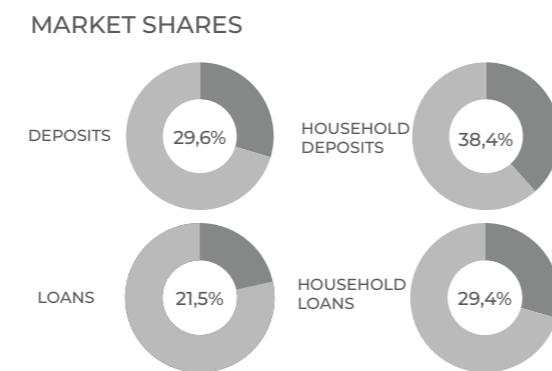
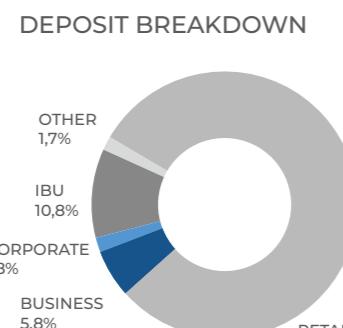
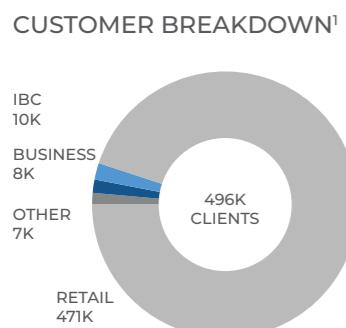
Incorporated and domiciled in Cyprus, Hellenic Bank Public Company Limited is a public company in accordance with, the provisions of the Companies Law (Cap. 113), the Cyprus Stock Exchange Laws and Regulations, and the Income Tax Laws. The Bank's registered office is located at 200, Corner of Limassol and Athalassa Avenues, 2025 Strovolos, P.O. Box 24747, 1394 Nicosia.

The principal activity of the Group is the provision of a wide range of banking and financial services, which include financial, investment and insurance services, custodian and

factoring services, as well as management and disposal of properties.

Following the Acquisition of the CCB Business in 2018, the Bank aims to continue its pivotal role in supporting the Cypriot economy, servicing credit-worthy Cypriot businesses and households, with a comprehensive range of quality banking services. The Bank remains focused on becoming a stronger bank that meets the expectations of its shareholders as well as those of the economy and society.

The Bank is the holding company of Hellenic Bank Group (the "Group"). For further details and recent developments on the Group's structure, please refer to Note 23 of the 2020 Annual Financial Report.

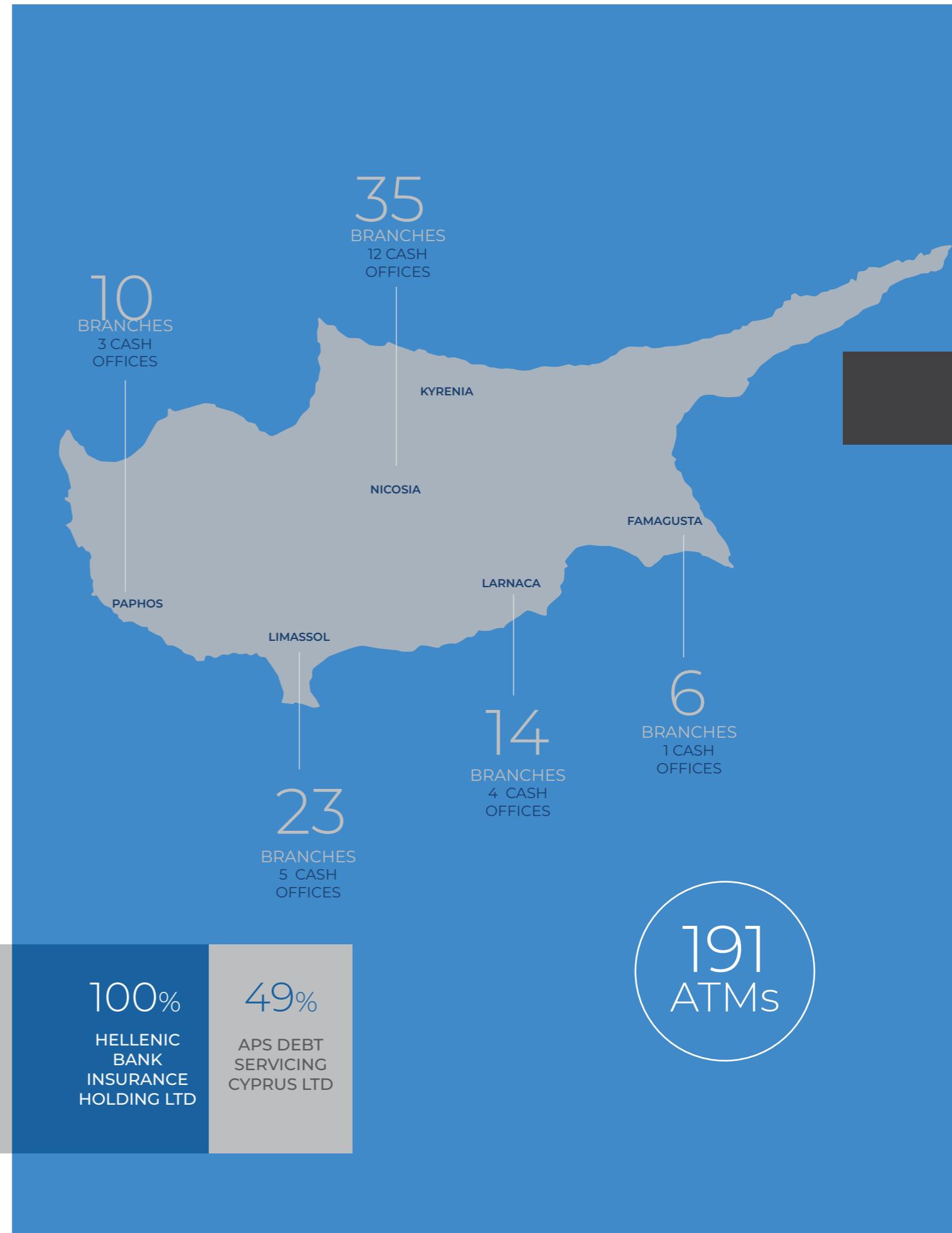


1) Active customers: Clients who transacted at least once in the last 3 months

HELLENIC BANK PUBLIC COMPANY LTD



1) As of 10 March 2020 Hellenic Alico Life Insurance Company Ltd, has been renamed to Hellenic Life Insurance Company Limited 2) Includes 18 investment holding legal entities, related to assets acquired in satisfaction of debt, which are acquired either directly or indirectly, through wholly owned Special Purpose Vehicles (SPVs)



GOVERNANCE

The Board of Directors (BoD) of Hellenic Bank Public Company Limited has fully adopted the Code of Corporate Governance (Code), as published by the Cyprus Stock Exchange (CSE).

The BoD believes that good corporate governance, based on the Code, in conjunction with the terms of reference and the practices followed by the various Board Committees, constitutes a fundamental factor in achieving the corporate goal of maximising shareholder value. The BoD acknowledges that there is an on-going process of formulating principles of corporate governance based on both international and local conditions. As such, the BoD continually follows a policy of reviewing and readjusting the various aspects of corporate governance accordingly.

BOARD OF DIRECTORS

The Company is governed and controlled by the BoD, which operates on the basis of the Code, the relevant Companies, CSE and Business of Credit Institutions Laws and the Company's Articles of Association. The BoD sets the strategic aims of the Group and ensures that, the necessary financial and human resources are in place, to meet the strategic and operational objectives of the Group.

The BoD has the overall responsibility for:

- Setting and overseeing the values and standards of the Group.
- Setting and overseeing the business model of the Group.
- Maintaining effective systems and controls to ensure effective operation of the Group and compliance with applicable laws and regulations.
- Setting the framework and policy for effective governance and oversight of the Group.
- Monitoring business performance against the strategic objectives, risk appetite and expected standards.

The BoD is responsible for ensuring that Board and Committees composition and organisation are appropriate.

The Bank's Corporate Governance Framework includes a list of matters reserved for the Board. Such matters include, inter alia, setting of the Group's overall strategy and targets, approval of the annual budget, approval of capital and funding plans, decisions relating to the capital structure of the Company, decisions on important matters and material transactions, transactions with Board Members and Senior Executives or major shareholders, appointment or removal of the Chief Executive Officer, matters concerning the composition and organisation of the Board and Board Committees, governance matters, etc.

The BoD is composed of Members, being sufficiently diversified in terms of age, educational and professional background in order to reflect a sufficiently wide range of experiences (in Management & Human Resources, Strategic Planning,

Governance, Compliance & Ethics, Risk, Technology, etc.) and facilitate the extraction of a variety of independent opinions and critical challenges.

BOARD OF DIRECTORS OF HELLENIC BANK PUBLIC COMPANY LTD AS AT 31 DECEMBER 2020

Evripides A. Polykarpou

Chairman

Marco Comastri

Vice - Chairman

(Vice - Chairman from 16.06.2020)

Irena A. Georgiadou

(until 03.09.2020)

Marianna Pantelidou Neophytou

Ioannis A. Matis

(until 01.09.2020)

David Whalen Bonanno

(until 16.06.2020)

Andreas Christofides

(until 06.03.2020)

Stephen John Albutt

(Senior Independent Director)

Demetrios Efstatihou

Lars Kramer

(until 09.02.2021)

Kristofer Richard Kraus

Marios Maratheftis

Christos Themistocleous

(from 06.03.2020 until 23.06.2021)

Michael Spanos

(from 03.09.2020 until 23.06.2021)

Andrew Charles Wynn

(Vice - Chairman until 16.06.2020, Member until 18.06.2021)

Mr Christos Themistocleous was appointed as Independent Non-Executive Member of the Board of Directors of the Bank with effect from 6 March 2020 following consent by the European Central Bank / Central Bank of Cyprus and having been elected at the Annual General Meeting of the Shareholders held on 28 August 2019. On 6 March 2020, Mr Andreas Christofides automatically vacated the office of the Interim Director, upon the appointment of Mr Christos Themistocleous as Independent Non-Executive Member of the Board of Directors of the Bank.

Mr David Whalen Bonanno has withdrawn his candidacy for re-election as Member of the Board of Directors of the Bank at the Annual General Meeting of the Shareholders held on 16 June 2020. Therefore, his tenure ended on 16 June 2020.

On 1 September 2020, Mr Ioannis A. Matis submitted his resignation as Executive Member of the Board of Directors of the Bank, following the mutual termination of his employment agreement as Chief Executive Officer of the Group.

Mrs Irena A. Georgiadou was not re-elected as Member of the Board of Directors of the Bank at the Annual General Meeting of the Shareholders held on 16 June 2020. On the same day, Mrs I. A. Georgiadou was appointed as Interim Director by the Board of Directors. On 3 September 2020, Mrs I. A. Georgiadou automatically vacated the office of the Interim Director, upon the appointment of Mr Michael Spanos as Independent Non-Executive Director following the relevant consent of the European Central Bank / Central Bank of Cyprus (who had been elected at the Annual General Meeting of the Shareholders held on 16 June 2020).

Messrs John Gregory Iossifidis and Andreas Persianis were also elected at the Annual General Meeting of the Shareholders held on 16 June 2020 as Independent Non-Executive Members of the Board of Directors of the Bank.

At the said Annual General Meeting, Mr Andrew Charles Wynn was not re-elected as Member of the Board of Directors of the Bank and on the same day, he was appointed as Interim Director by the Board of Directors. Upon the appointment of Mr John Gregory Iossifidis as Independent Non-Executive Member of the Board of Directors on 18 June 2021, following the consent by the European Central Bank / Central Bank of Cyprus, Mr A. C. Wynn automatically vacated the office of the Interim Director.

Mr Lars Kramer resigned from the position of Executive Member of the Board of Directors of the Bank with effect from 9 February 2021 and he remained as Chief Financial Officer of the Group until April 2021.

On 22 March 2021, the Board of Directors decided the appointment of Mr Oliver Gatzke for the position of Executive Member of the Board of Directors / Chief Executive Officer, following an external process to fill the said position. The appointment of Mr Oliver Gatzke is subject to approval from the Regulatory Authorities.

On 15 April 2021, the Bank announced that the Board of Directors has decided the appointment of Mr Antonis Rouvas as Executive Member of the Board of Directors / Chief Financial Officer. The appointment of Mr Antonis Rouvas is subject to approval from the Regulatory Authorities.

Mr Michael Spanos did not submit his candidacy for re-election as Member of the Board of Directors of the Bank at the Annual General Meeting of the Shareholders held on 23 June 2021. Therefore, his tenure ended on 23 June 2021.

At the said Annual General Meeting Mr Christos Themistocleous was not re-elected as Member of Directors of the Bank.

On 30 June 2021, following the consent by the European Central Bank / Central Bank of Cyprus, Mr Andreas Persianis was appointed as Independent Non-Executive Member of the Board of Directors of the Bank.

EVALUATION OF PERFORMANCE OF THE BOARD OF DIRECTORS

Pursuant to the provisions of the Governance Directive and best practices on Corporate Governance, the Board performs an assessment of the BoD and its Committees at least on an annual basis. Furthermore, the Bank must assign at least every three years, the review and evaluation of the composition, efficiency and effectiveness of the Board and its Committees to an independent external consultant.

The Bank has established policies and procedures that govern the evaluation of the performance of the Board and its Committees. In the first quarter of 2021, the BoD performed the annual evaluation of the Board and its Committees for 2020. The first external evaluation by external advisors was conducted in June 2015. A second external evaluation followed in the first quarter of 2018. The third external evaluation was completed during the first quarter of 2021.

BOARD COMMITTEES

The following four permanent committees operate within the Company:

- a) Audit Committee
- b) Remuneration Committee
- c) Nominations / Internal Governance Committee
- d) Risk Management Committee.

The terms of reference of the above Committees are based both on the relevant provisions of the Code pertaining to them and the relevant guiding Directives of the Central Bank of Cyprus.

Within the framework of the provisions of the Code concerning relations with Shareholders, the Chairpersons of these Committees are available to answer any questions at the Annual General Meeting, at which all shareholders are encouraged to participate.

The Chairpersons and Members of the Committees periodically submit reports or proposals to the Board of Directors following meetings of the corresponding Committees, depending on the subjects being addressed.

COMPOSITION OF BOARD COMMITTEES:

A. AUDIT COMMITTEE

Chairperson: Christos Themistocleous

Members:

Andrew Charles Wynn
Demetrios Efstatihou
Michael Spanos

B. REMUNERATION COMMITTEE

Chairperson: Dr. Evripides A. Polykarpou

Members:

Stephen John Albutt
Marios Maratheftis
Kristofer Richard Kraus
Michael Spanos

C. NOMINATIONS / INTERNAL GOVERNANCE COMMITTEE

Chairperson: Dr. Evripides A. Polykarpou

Members:

Marianna Pantelidou Neophytou
Kristofer Richard Kraus
Marco Comastri
Christos Themistocleous

D. RISK MANAGEMENT COMMITTEE

Chairperson: Stephen John Albutt

Members:

Demetrios Efstatihou
Marios Maratheftis
Andrew Charles Wynn

As at 31 December 2020

The Board of Directors decided to establish a temporary / ad hoc Transformation Committee of the Board as from 4 May 2020. The primary role of this Committee is to oversee the implementation of the Bank's Transformation Strategy, with special emphasis on the monitoring of the implementation of the Digital Transformation Strategy which forms part of the Bank's overall Transformation Strategy and to keep the Board of Directors informed of the progress, risks and mitigating plans of such implementation.

TRANSFORMATION COMMITTEE

Chairperson: Marco Comastri

Members:

Marianna Pantelidou Neophytou
Michael Spanos

SUSTAINABILITY GOVERNANCE

Effective corporate governance promotes transparency, accountability and sound business practices.

The Bank has a long-standing commitment to transparency and integrity. Our Board of Directors oversees management in order to ensure that our core values and our vision are followed and enhanced.

A Board level committee demonstrates the commitment of the Bank towards Sustainability at the highest possible level.

The Nominations / Internal Governance Committee has the overall responsibility for the development and implementation of the Bank's Sustainability strategy and supports the Board in overseeing and challenging actions related to it. The Committee reviews and recommends for approval of the annual Sustainability Report by the Board.



Our Governance structure is also demonstrated and presented across different aspects around our sustainability priority areas.

Examples are:

Communicating and understanding our stakeholders on ESG matters, (Page 36)

Our Risk Culture and risk management systems, (Page 96)

Our management and governance structures for Anti-Money Laundering (AML), Regulatory compliance (RC), anti-Bribery and corruption, (Page 98)

The way we manage Customer Privacy and Data Security, (Page 105)

Compliance, (Page 98)

Fair Procurement Practices, (Page 100)

Business Conduct and ethics, (Page 99)

Respecting Human Rights, (Page 54)

Remuneration policies (Pages 23, 46)

Internal Environmental Management / Impacts (Page 62)

Environmental / Social Criteria into investment (page 72)

Management of climate – related risk (Page 72)

Product Development Governance, (Page 91)



OUR APPROACH TO SUSTAINABILITY

- Materiality Process and Results
- Contribution to the UN Sustainable Development Goals
- Communicating and Understanding our Stakeholders
- How we Measure our Sustainability Performance

MATERIALITY PROCESS AND RESULTS

For the 2020 reporting period we carried out an update of the Sustainability Materiality Matrix based on developments that took place during the course of the year. As a result a few changes and modifications were made on certain aspects. The Sustainability Materiality Matrix, as well as the Sustainability report were confirmed and approved by the members of the Bank's Management (ExCo), Nominations/Internal Governance Committee and BoD.

In developing our first Sustainability Materiality Matrix, we involved our personnel and management in a process of engagement, through a series of workshops on sustainability and corporate social responsibility during which we have discussed matters around the ESG agenda. During these discussions and subsequent analysis we have taken into consideration global standards and frameworks such as the GRI, SASB, UN Global Compact and the UNEPFI Principles for Responsible Banking. The initial analysis was validated through a survey that included both internal and external stakeholders.

The materiality process was carried out according to the GRI reporting principles, in order to ensure that the report provides a reasonable and balanced representation of the company's ESG performance, including both its positive and negative impacts. We also applied this approach in an effort to identify our most material sustainability issues that can occur within and/or outside the Group.

The materiality process was carried out according to the GRI reporting principles:

The materiality process is summarized below:

- For our first Sustainability materiality matrix, we organised internal workshops with a Sustainability project team, representing different areas of the Bank. The first objective of these workshops was to identify the main stakeholders of the Bank. Then, the stakeholder groups were prioritized in terms of their interest for the Group and their power to influence decisions. Then, the Sustainability aspects for environmental, social and Governance, relevant to the
- Bank and the stakeholders were identified.
- The Sustainability aspects were then grouped and prioritized in reference to their level of importance for the stakeholder groups. This formed the Stakeholder Axis in our Sustainability Materiality Matrix.
- The aspects were then prioritized according to the level of relevance for the Bank. This formed the Organisation Axis in our Sustainability Materiality Matrix.

The most important changes on the materiality analysis are summarized below:

- Transformation also includes Digitalization of the Bank as this issue is core to the strategy of the Group and part of the Transformation journey. This issue remains at its current position.
- Employee Management and engagement, Customer Satisfaction and Economic Performance and Financial Resilience are issues currently core to the strategy of the Group and are important to both the Group and the stakeholders. Therefore, all three issues were moved slightly upwards to reflect that they are of increasing importance.
- Governance and Risk Culture was slightly upwards reflecting the increasing importance of these issues.
- Health, Safety and Well-being were also adjusted upwards reflecting the impact from the Covid-19 pandemic.
- Environmental/ Social Criteria into investments and Internal Environmental Management / Impacts also take into consideration Climate Change as this issue is of increasing importance from a societal and regulatory point of view. Environmental and social Criteria into investments was moved upwards.

Materiality: the most important issue to our business, and our stakeholders

Stakeholder Inclusiveness: understanding and responding to stakeholder expectations and interests

Sustainability Context: presenting our performance in relation to the broader concept of sustainability, and

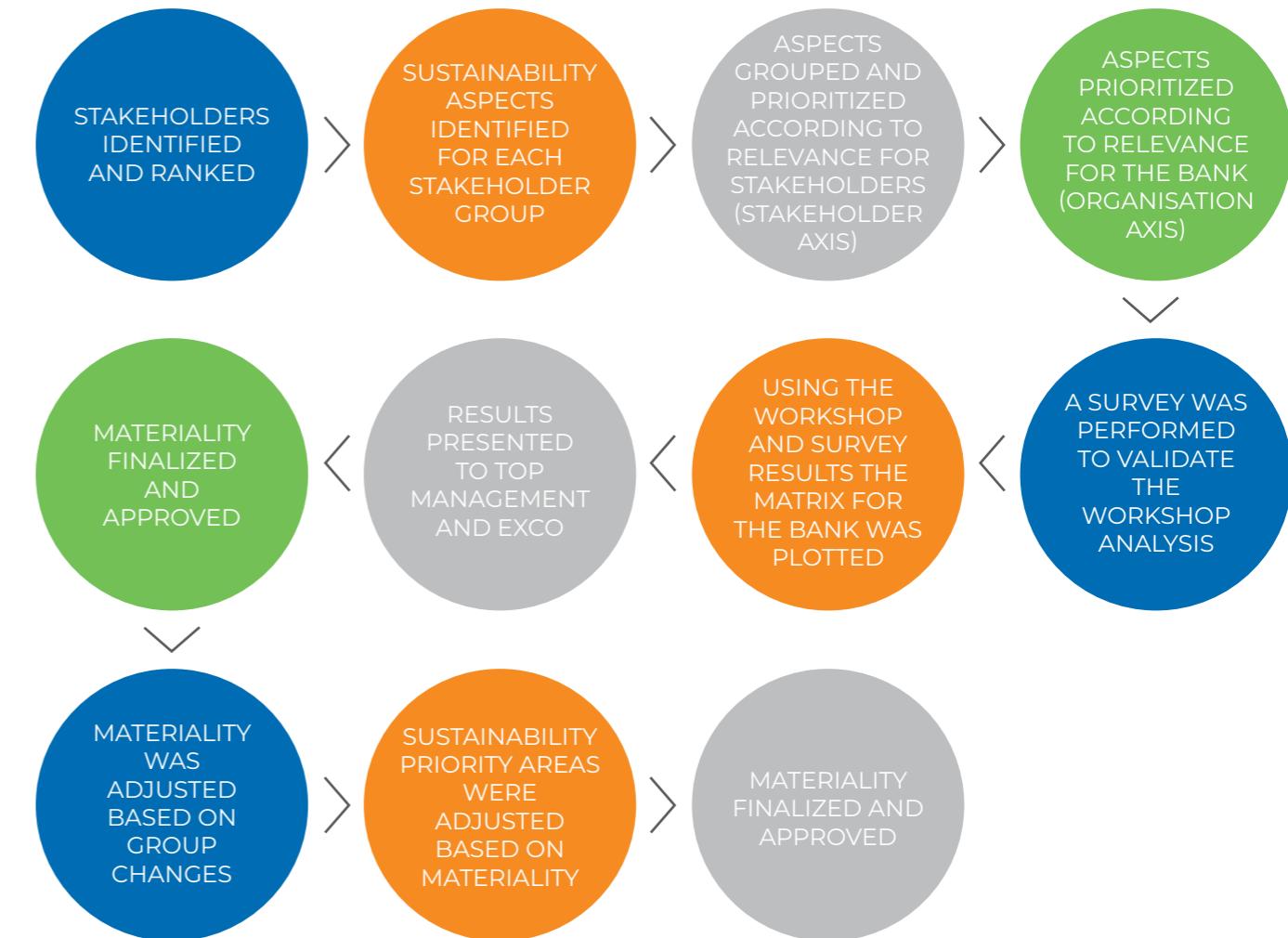
Completeness: inclusion of all the information collected, in order to give rise to significant economic, environmental and social impacts as well as to enable stakeholders to assess our performance.

- Next the results were validated through a survey that included both internal and external participants.
- The consolidated results from the internal analysis (workshops) and the external analysis (direct feedback from stakeholder survey) were discussed with the top management (EXCO) and the Board of Directors, and final adjustments were made.
- As a result of this process, a final Group Sustainability Materiality Matrix was defined for the Bank reflecting the most significant ESG aspects.
- In 2018, we repeated a workshop with Management to identify the necessary and potential adjustments to the Sustainability Materiality Matrix. In 2019 and 2021 we have also repeated the sustainability materiality workshop. During these workshops the current ESG aspects were adjusted and new ones added. Then the final Sustainability Materiality Matrix was approved by the ExCo, the Nominations / Internal Governance Committee and the BoD.

Sustainability is related to activities that deliver positive economic, social and environmental impacts for our stakeholders, the environment, and the society in general. The materiality process is conducted to highlight the most material and significant sustainability and corporate responsibility issues of the Group.

We manage our material aspects/issues by applying a proactive approach, that consists of reviewing our organisational structure, internal processes and procedures, as well as through the implementation of action plans for the different Sustainability focus areas we have identified.

MATERIALITY PROCESS:



SUSTAINABILITY MATERIALITY MATRIX

The Sustainability Materiality Matrix identifies our most material aspects with reference to their level of importance/perception for the Organisation (horizontal axis) and the level of importance/ perception for the Stakeholders (vertical axis). The matrix presents the material aspects from which four Sustainability priority areas were identified. An issue is



- PEOPLE
1. Health, Safety and Well-being
 2. Labour Practices/Labour Rights
 3. Training and Education
 4. Employee Management and Engagement



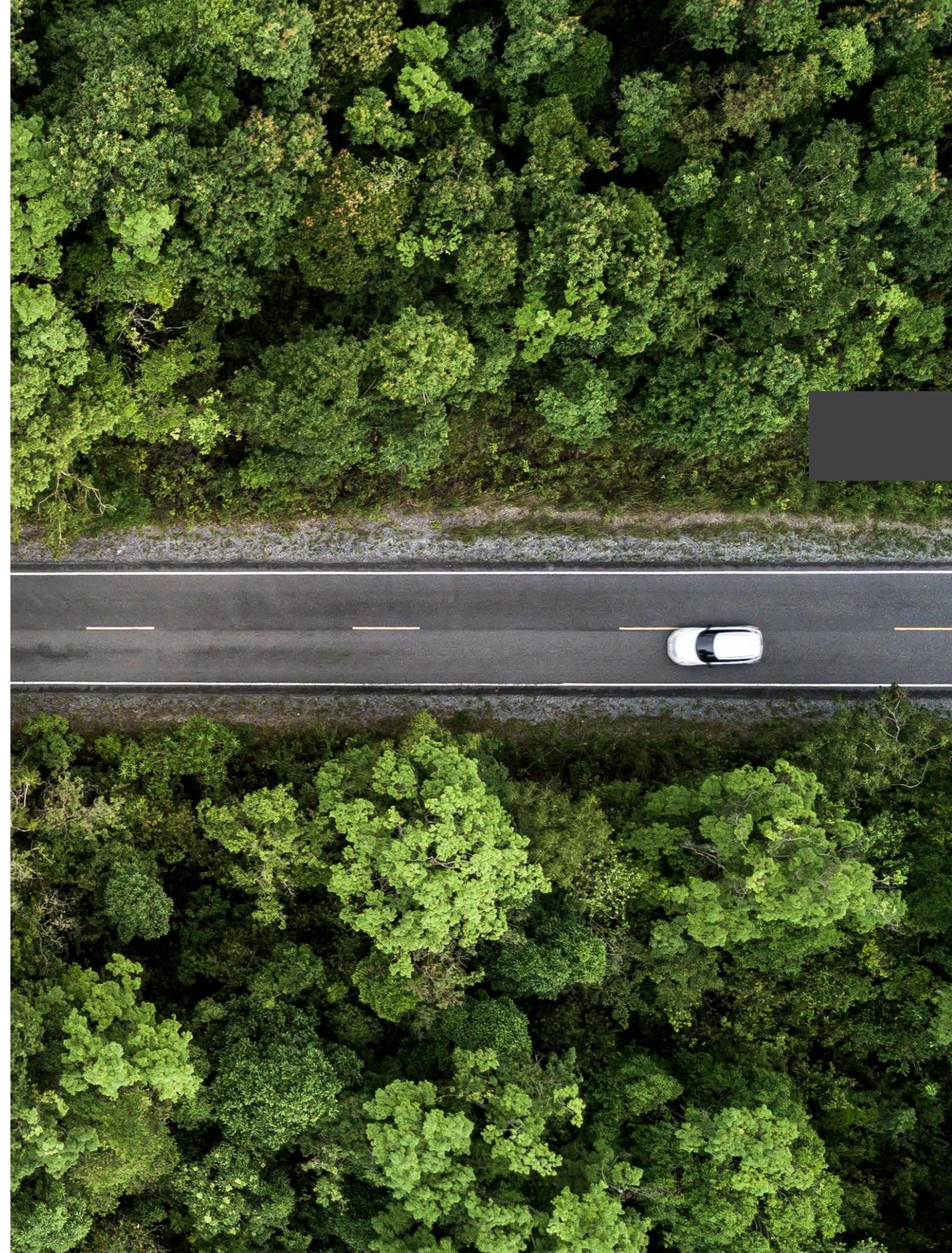
- SOCIETY
5. Anti-competitive Behavior
 6. Community Investment and Impact on Society
 7. Customer Privacy/Data Security
 8. Consumer Protection and Responsible Marketing



- ENVIRONMENT
9. Supplier Environmental / Social Assessment
 10. Environmental and Social Criteria into Investments
 11. Internal Environmental Management / Impacts



- MARKETPLACE
12. Fair Procurement Practices
 13. Compliance
 14. Anti corruption
 15. Governance and Risk Culture
 16. Customer Satisfaction
 17. Economic Performance and Financial Resilience
 18. Transformation



CONTRIBUTION TO THE UN SUSTAINABLE DEVELOPMENT GOALS

WHAT ARE THE UN SUSTAINABLE DEVELOPMENT GOALS?

In 2015, all 193 United Nations Member States endorsed the 2030 Agenda for Sustainable Development, setting out an ambitious plan to end poverty, fight inequality, and protect the planet. The 17 Sustainable Development Goals (SDGs), are global, universal and interconnected, providing a common language, both to governments and businesses, for contributing to solving these challenges, while generating new business opportunities. Each of these 17 United Nations SDGs has specific targets that need to be achieved by 2030. For the goals to be reached, everyone needs to do their part:

governments, the private sector (i.e. business), civil society and individuals. The SDGs are equally applicable both to the developed world as well as to the developing world.

The SDGs aim to enhance the industry, innovation and infrastructure, responsible consumption and production, climate action, and responsible investment. Governments have already started using the SDGs as their roadmap, for sharing national policy and regulations, and many organisations act and report upon the priority areas covered by the SDGs, such as climate change, energy management and working conditions.

At Hellenic Bank, we consider the Financial Sector to be a major player with regards to achieving Sustainable Development. Therefore, we have mapped our Sustainability Aspects with the 17 SDGs. The diagram below shows how our 4 Sustainability Priority Areas are linked to the different SDGs. Our specific contributions to each SDG and relevant SDG targets

is also presented in the SDG Relationship Matrix that follows. In the sections of the Sustainability report that follow, we also indicate this relationship by using the relevant SDG icon where applicable.



SDG RELATIONSHIP MATRIX

RELEVANT SDG TARGETS	PEOPLE	ENVIRONMENT	MARKETPLACE	SOCIETY	OUR IMPACT	
 1.2 1.4 1.5					We contribute through impact investment to vulnerable groups to improve their standard of living.	
 2.3 2.4					We contribute to the agricultural productivity and incomes of small-scale food producers (farmers and fishers), who have access to financial services via loan availability.	
 3.6 3.8	● ● ●				We contribute to the provision of quality essential health-care services and access to medicines, by providing health coverage to all employees. We also contribute by providing a safe workplace to all.	
 4.1 4.3 4.4 4.7	● ● ●				We support youth and adults to have relevant skills for employment, decent jobs and entrepreneurship and ensure that they all acquire the knowledge and skills needed to promote sustainable development, sustainable lifestyles, human rights, gender equality and appreciation of cultural diversity.	
 5.1 5.5	● ●		●		We ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making and provide equal opportunities to women to have access to financial services.	
 6.3 6.6		● ●			We contribute to water quality improvement by managing our environmental impacts and reducing our pollution. Through impact investment, we support the local communities in improving water management and aid in restoring water-related ecosystems for example, via tree-planting.	
 7.2 7.3					We contribute by producing renewable energy, increasing its share in the global energy mix and we increase our energy efficiency through effective energy management.	
 8.2 8.3 8.5 8.8 8.9 8.10	● ● ●	● ●			Through general investment into the economy, we promote job creation, entrepreneurship, innovation, growth of micro-, small- and medium-sized enterprises. We take the necessary steps to protect labour rights and promote safe and secure working environments for all workers. We implement policies to promote sustainable tourism.	

RELEVANT SDG TARGETS	PEOPLE	ENVIRONMENT	MARKETPLACE	SOCIETY	OUR IMPACT
 9.2 9.3					We provide finance and commercial services integrating social and environmental criteria into impact investment, increasing the access of the small-scale enterprises to affordable credit, and to cleaner environmental technologies.
 10.2 10.4	● ● ●		●		We adopt our policies to progressively achieve greater equality.
 11.1					By providing mortgage financial services, we provide access to adequate, safe, and accessible housing.
 12.2 12.5					By managing our environmental and social impacts, we continuously use more efficiently natural resources, and we work towards minimising our GHGs emissions and waste generation through prevention, reduction, recycling and reuse.
 13.1 13.3					By managing our environmental and social impacts and improving our energy management through training, we minimise our impact to climate change and strengthen our resilience to climate-related risks. Our main aim is to identify, assess, control and manage the impact of climate change risk with specific actions.
 15.1 15.4					Through the implementation of environmental criteria to our impact and community investment, as well as managing our own environmental performance, we reduce land pollution and promote sustainable use of the ecosystem and biodiversity.
 16.5 16.6 16.7	● ●		● ● ●		By eliminating bribery and corruption, we combat organised crime and we develop accountability and transparency throughout our organisation.

PEOPLE:

- Employment management and engagement
- Labour practices and rights
- Training and education
- Health, Safety & Well-being

ENVIRONMENT:

- Internal Environmental Management / Impacts
- Environmental / Social criteria into investment

SOCIETY:

- Customer Protection and Responsible Marketing
- Customer Privacy / Data Security
- Community Investment and impact on Society

MARKETPLACE:

- Governance and Risk Culture
- Economic performance & financial resilience
- Compliance
- Customer satisfaction
- Anti-corruption
- Transformation

COMMUNICATING AND UNDERSTANDING OUR STAKEHOLDERS

Hellenic Bank is in a regular dialogue with a wide range of stakeholders, who together, represent a diverse set of priorities and interests.

Through regular communication with them, we improve our corporate objectives, products and services. To fully appreciate sustainability, we need to engage our stakeholders.

Our stakeholders vary from government authorities/regulators to employees, local residents and our customers. Our major stakeholders include, among other, clients, personnel, the media, the public sector, cooperation partners, and associations closely related to the retail financial services sector.

With our first sustainability report, we set up a framework explaining our approach towards Sustainability, our stakeholder engagement and the impact of our daily business operations. Our stakeholder approach provides the Group with the tools to understand and respond to our stakeholders' needs and expectations.

The frequency and type of engagement we maintain with our various stakeholders is diverse. We listen to our stakeholders and engage with them on an ongoing and ad hoc basis. Topics addressed in our stakeholder consultations are determined on the basis of the material aspects. Our stakeholder engagement approach includes focus groups, workshops, meetings, conferences, committee meetings, and structured questionnaires and surveys.

Furthermore, the Bank's Executive Team is in close cooperation with our stakeholders, as part of their management responsibilities. Internally, in the last 3 years, we organised a series of workshops with employees representing different departments, in our effort to identify our most material sustainability aspects as part of the Sustainability reporting process. The process followed is described in detail in the section: Materiality Process and Results. For the



Two new issues were identified that were added in the stakeholder table to reflect current views: Climate Change and ESG performance. An existing issue, Environmental Impact, was also identified and added as an affecting issue in several additional stakeholders. The table reflects the feedback received from internal discussions and the outcome from internal workshop.

The table below presents our key stakeholders, the respective forms of engaging them and the material aspects per stakeholder group as identified through the process described in section: Materiality Process and Results.

STAKEHOLDER GROUP	FORM OF COMMUNICATION	OUR UNDERSTANDING OF YOUR MAIN AREAS OF INTEREST
EMPLOYEES	Workshops, surveys, training, internal meetings, Town Hall meetings	<ul style="list-style-type: none"> Employee Health, Safety & Well-being Training & Education Diversity & Equal Opportunity Personal Data Protection Employee Management and Engagement Labour Practices/Labour Rights Transformation Climate Change ESG performance Internal Environmental Management / Impacts
CUSTOMERS	Surveys, meetings, complaints management, ongoing feedback, media tracking	<ul style="list-style-type: none"> Customer/Satisfaction and Service Quality Health, Safety & Well-being Product and Service Labelling/Product Offering Simplification Customer protection and Responsible Marketing Transformation Climate Change Internal Environmental Management / Impacts
REGULATOR	Supervisory dialogues (On & Off-site Meetings), Video & Teleconferences, regulations, directives, circulars	<ul style="list-style-type: none"> Consumer Protection and Responsible Marketing Customer Privacy/Data Security Governance and Risk Culture Economic Performance and Financial Resilience Compliance Anti-corruption Health, Safety & Well-being Climate Change ESG performance Internal Environmental Management / Impacts
SOCIETY	Surveys, press releases, online and offline meetings	<ul style="list-style-type: none"> Consumer Protection and Responsible Marketing Customer Privacy/Data Security Community Investment and Impact on Society Internal Environmental Management Impacts Environmental/Social criteria into Investment Transformation Climate Change Internal Environmental Management / Impacts

STAKEHOLDER GROUP	FORM OF COMMUNICATION	OUR UNDERSTANDING OF YOUR MAIN AREAS OF INTEREST	STAKEHOLDER GROUP	FORM OF COMMUNICATION	OUR UNDERSTANDING OF YOUR MAIN AREAS OF INTEREST
RATING AGENCIES	Reports, meetings	<ul style="list-style-type: none"> • Consumer Protection and Responsible Marketing • Customer Privacy/ Data Security • Governance and Risk Management • Economic Performance and Financial Resilience • Compliance • Customer Satisfaction • Anti-corruption • Transformation • Climate Change • ESG performance • Internal Environmental Management / Impacts 	COMMUNITY	Surveys, social media, press releases, press conferences, conferences, social events	<ul style="list-style-type: none"> • Consumer Protection and Responsible Marketing • Customer Privacy/Data Security • Community Investment and Impact on Society • Environmental/Social criteria into Investment • Transformation • Climate Change • Internal Environmental Management / Impacts
COMPETITORS	Media, association meetings	<ul style="list-style-type: none"> • Consumer Protection and Responsible Marketing • Customer Privacy/Data Security • Governance and Risk Management • Economic Performance and Financial Resilience • Compliance • Customer Satisfaction • Anti-corruption • Labour practices/Labour rights • Anti-Competitive behavior • Transformation • Climate Change • ESG performance • Internal Environmental Management / Impacts 	ASSOCIATIONS	Meetings, surveys, seminars, workshops, BoD and Committees participation	<ul style="list-style-type: none"> • Environmental/Social criteria into Investment • Consumer Protection and Responsible Marketing • Customer Privacy/Data Security • Community Investment and Impact on Society • Transformation
MANAGEMENT	Internal meetings, correspondence, telecoms, Workshops, surveys, training, regular feedback sessions, appraisals	<ul style="list-style-type: none"> • Consumer Protection and Responsible Marketing • Customer Privacy/Data Security • Governance and Risk Culture • Economic Performance and Financial Resilience • Compliance • Customer Satisfaction • Anti-corruption • Labour practices/Labour rights • Transformation • Climate Change • ESG performance • Internal Environmental Management / Impacts 	GOVERNMENT	Meetings, monitoring regulations	<ul style="list-style-type: none"> • Consumer Protection and Responsible Marketing • Customer Privacy/Data Security • Governance and Risk Management • Economic Performance and Financial Resilience • Compliance • Anti-corruption • Transformation • Climate Change • ESG performance • Internal Environmental Management / Impacts
SUPPLIERS	Meetings, feedback received from Business Division/Retail Division, assessments, project meetings, quality controls of products and services	<ul style="list-style-type: none"> • Environmental management • Supplier Environmental/Social Assessment • Governance and Risk Management • Economic Performance and Financial Resilience • Compliance • Customer Satisfaction • Anti-corruption • Fair Procurement practices • Transformation 	MEDIA	Media monitoring, press meetings, online and offline meetings	<ul style="list-style-type: none"> • Consumer Protection and Responsible Marketing • Customer Privacy/Data Security • Community Investment and Impact on Society • Anti-corruption • Compliance • Transformation • Climate Change • Internal Environmental Management / Impacts
			SHAREHOLDERS	Shareholders meetings, Regulatory announcements, Financial Disclosures	<ul style="list-style-type: none"> • Consumer Protection and Responsible Marketing • Customer Privacy/Data Security • Governance and Risk Management • Economic Performance and Financial Resilience • Compliance • Customer Satisfaction • Anti-corruption • Labour practices/Labour rights • Transformation • Climate Change • ESG performance • Internal Environmental Management / Impacts

HOW WE MEASURE OUR SUSTAINABILITY PERFORMANCE

Evaluating the effectiveness of our approach includes communication plans with stakeholders, materiality analyses for strategy development and measuring of our performance through specific performance indicators. For each Sustainability aspect, we set action plans including targets. We follow and implement these action plans on an annual basis and at the end of the year, we review, update and adjust our targets and commitments.

In pages that follow, we set out these actions and targets in a separate table for each area of our Sustainability strategy. The progress we made against each one is indicated using the symbols shown in the table below on this page. Furthermore, in the following sections, we describe how these and their respective impacts are managed. Please refer to each section for more detailed information.

SYMBOLS USED TO INDICATE PROGRESS AGAINST OUR ACTIONS AND TARGETS

COMMITMENT

NEW COMMITMENT

COMMITMENT NOT STARTED

IN PROGRESS

COMPLETE

ONGOING COMMITMENT WITH NO END DATE

METRICS AND TARGETS

We have established key performance indicators for each of the four Sustainability priority areas outlined in our Sustainability strategy (Materiality Process and Results, page 28), with published targets to hold ourselves accountable and track how we are doing. These indicators reflect the level our business should aim to be sustainable and responsible on an ongoing basis.

Periodically, we will be introducing new metrics and updated targets to ensure alignment with our Sustainability strategy.

SYMBOL



PEOPLE OUR ACTION PLAN FOR THE FUTURE

ISSUE	ACTIONS AND TARGETS	RELEVANT SDGS	PROGRESS
Employee Management and Engagement	<ul style="list-style-type: none"> Aspirational target to have members of the under-represented gender make up 40% of the Board's non-executive membership by the end of 2022 Management Capability Enhancement Journey for enhancing management & leadership skills, as well as skills related to the Bank's values Disseminate Culture Change Messages Remote Working: permanent introduction of the option by the end of 2020 Drive through Performance: Implement a "360o Feedback Scheme" for Managers to receive feedback from subordinates and/or peers in 2020 Drive through Recognition: Implement an annual team incentive scheme (Bank Achievement Model) to recognize team effort and contribution to the success of the Strategic Priorities Enhance collaboration and communication through the "Let's Meet-What our Team Does" initiative, for staff to become familiar with the Bank's organisational structure, activities and key objectives In order to enhance leadership skills, collaboration and communication between ExCo members a series of team building events are organised Feedback App: introduction of a new initiative that will enhance communication and feedback at all levels in the organisation 		
Labour Practices/ Labour Rights	<ul style="list-style-type: none"> Design/Update/Upgrade HR Policies and Practices, as per the predefined review date, or when deemed necessary, because of changes of circumstances To enhance policies & procedures for Health and Safety including occupational doctor, health & safety committees 		
Training and Education	<ul style="list-style-type: none"> Learning Priorities for 2021 are the following: Skill Development, Credit Courses, Risk and Compliance, Automation, Technology and Data Analytics, Products Expertise Introduction to Sustainability e-learning courses in 2021 		
Health, Safety & Well-being	<ul style="list-style-type: none"> Assignment of an occupational doctor Perform specialized for COVID-19 Risk Assessments Handling of COVID-19 incidents, reporting to Ministry of Health, harmonization with legislation ongoing updates & protocols, disinfection handling 		



EMPLOYEE MANAGEMENT AND ENGAGEMENT

“

Employee management and engagement practices are very important for the Bank”

We strive to create a respectful, rewarding, diverse, positive and productive working environment that enables our employees to thrive in order to further enhance the Bank's competitiveness and meet its strategic goals.

In this section, we present our practices to achieve the desired working environment, as well as relevant performance indicators.

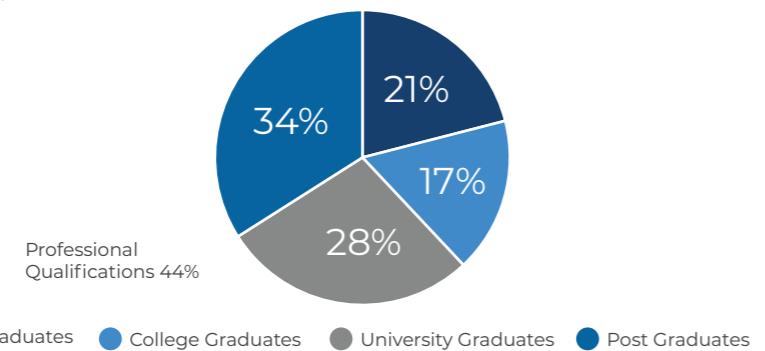
CULTURE

One of the most important drivers of our success is our growth culture branded by passion, commitment and respect. We fundamentally believe that we need to be able to create an organisational culture that identifies challenges and opportunities in order to keep the organisation growing.

Our people are the driving force of the Bank and embedding a culture that encourages and motivates people towards achieving the strategic priorities is fundamental.

OUR EMPLOYEES

Our drive starts with recruitment, where we always aim to hire talented and passionate individuals, taking into consideration their experiences, competencies, learning agility, as well as digital and data savviness. We take pride in our contribution to the 'business world' through the employment of students and young graduates, for temporary needs occurred within the Bank. Through their employment, temporary employees are offered an opportunity to gain experience in the banking sector, acquire new skills, as well as improve their employability in the labour market.

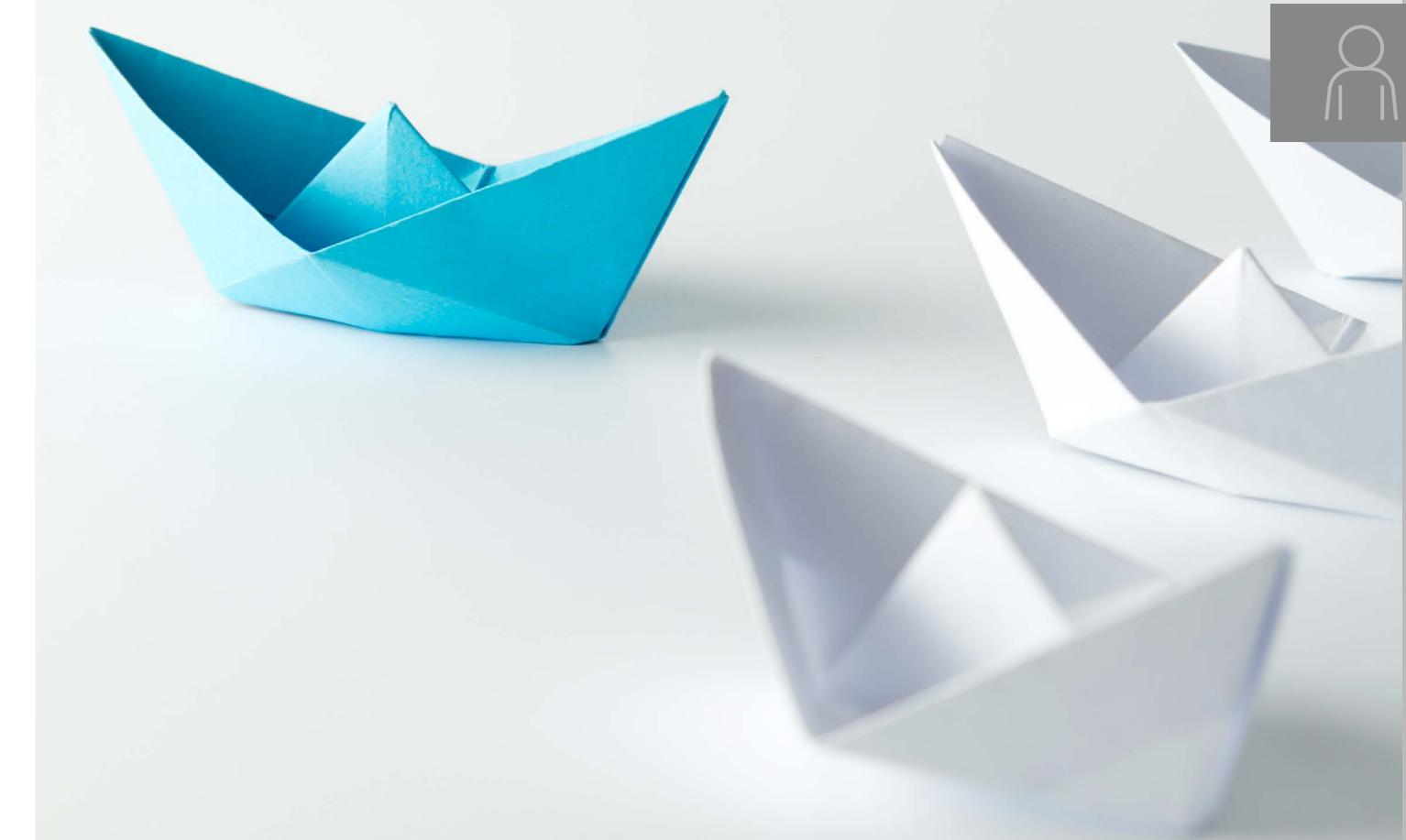


Furthermore, experienced hires are provided with opportunities to grow, thrive in their careers and develop their full potential.

The COVID-19 pandemic did not stop us, but accelerated flexible ways of communicating and interacting with applicants. We are engaging with applicants in many ways, including website, social media, customer contact centre, recruitment centralised line and virtual meetings. Due to our strong social media activity, the majority of applicants are informed about career opportunities through our online channels. In 2020 more than 3.500 applicants reached out to us, more than 600 virtual interviews were conducted with candidates using a variety of assessment / development tools, to look for new skills and more than 200 employees were hired for both temporary and permanent vacancies.

Talent Management is also an impartial part of our People Strategy. To ensure that no employee is unnoticed we are running Development Centres and giving emphasis on internal talent market from within. In 2020, we filled approximately 20% of role vacancies internally.

The Bank's Rotation Policy sets the guidelines and principles based on which the Bank develops the relevant procedures for providing attractive career opportunities, facilitating internal mobility, creating agile/flexible teams and selecting the most suitable candidates to fill vacant positions internally. The Bank is committed to facilitate healthy rotation via the provision of a wide range of learning and career growth opportunities. Rotation is also used as an internal control measure to deal with operational risks.



more than
600

Interviews conducted (permanent and temporary staff) in 2020



223

Hires (permanent and temporary staff) in 2020

EMPLOYEE MANAGEMENT AND ENGAGEMENT AND THE COVID-19 PANDEMIC

“

Our bank's response to the covid-19 emergency ”

Within the context of our business continuity management system, we aimed to ensure the continuation of critical services operations during the COVID-19 lockdown.

Several precautionary measures have been taken, aiming to both enhance staff awareness as well as health and safety arrangements. Our first and foremost target was to protect the health and well-being of employees and customers. With a particular focus on client-facing colleagues working in branches, the Branch network has been reduced, urging clients to use alternative service channels, while continuing to service customers visiting branches.

MEASURES TAKEN BY THE BANK:

- Staff is being informed via internal Communication on a continuous basis for all-important announcements issued by authorities as well as, all precautionary measures taken within the Bank, including those decided by the Crisis Management Committee (CMC). An HR Staff Emergency Line was activated, to which staff members may address any inquiries.
- Business trips and overseas training have been cancelled. Following the Ministry of Health recommendations to avoid crowded spaces, inhouse trainings have been limited to those absolutely necessary, various trainings were implemented through webinars and virtual meetings, and instructions have been routed to limit face-to-face meetings by requesting staff members to hold meetings via video calls or teleconferencing.
- The Customer Contact Centre has been reinforced with additional staff to better serve the increased volume of incoming calls due to the closure of branches during the pandemic lockdown period.
- The Bank obtains advice from a specialist epidemiologist for precautionary measures, handling of incidents as well as other queries.
- Remote-enabled staff who can perform the whole spectrum of their work from home, was working from home. For business continuity purposes, critical departments have been split in two working groups at different locations. 76% of the staff had the ability to work from home on a rotation basis during COVID-19 (excluding Retail Network).

OUR EMPLOYEES

At the end of 2020, Group employees totalled 2.602 compared to 2.561 as at the end of 2019 (excluding temporary staff).

- Staff members received two face masks each for protection whenever they visit the Bank's premises.
- Pancyprian hotline 1471: mental resilience is important in times of crisis.1471 was reactivated for psychological support by professional Psychologists. The Bank, in cooperation with a private company (PsyGnostics), launched a strategic partnership to curb the psychological effects of the crisis, providing free professional tele-psychological support to those affected by the pandemic, unprecedented situations and pressures that may have an impact on their psyche health and feel the need to talk to professional Psychologists. The service was provided free of charge and was based on international standards.

The Bank has been implementing all governmental announced restrictive measures, including Ministry of Health guidelines and Ministry of Labour, Welfare and Social Insurance decisions in relation to staff leaves (i.e. parental care of children, vulnerable health groups, staff in need of self-imposed isolation etc.).

EMPLOYEE REMUNERATION

Group's staff costs for the year ended 31 December 2020 amounted to €132 mn compared to €127 mn for the year ended 31 December 2019, recording an increase of 4% and accounted for 50% of the Group's total expenses.

Retrospective payment of salary increments and COLA for 2019 & 2020



EMPLOYEES BY EMPLOYEE LEVEL AND THE REGIONS IN WHICH THEY ARE EMPLOYED

REGION												
EMPLOYEE LEVEL	YEAR	NICOSIA	LIMASSOL	LARNACA	FAMAGUSTA	PAPHOS	SOUTH AFRICA	MOSCOW	ST.PETE-RSBURG	KIEV	GRAND TOTAL	
STAFF	2018	544	177	83	28	59	1	4	2	2	900	
	2019	587	172	89	30	62	1	3	2	1	947	
	2020	626	167	92	29	64	0	4	2	1	985	
SUPERVISORY STAFF	2018	240	64	31	12	18	1	1	1	0	368	
	2019	259	67	31	13	21	1	1	1	1	395	
	2020	264	69	34	15	19	0	0	1	1	403	
MANAGERIAL STAFF	2018	108	10	6	1	3	0	0	0	0	128	
	2019	116	11	6	1	3	0	0	0	0	137	
	2020	118	11	6	1	3	0	0	0	0	139	
ON BOARDED STAFF FROM EX CCB	2018	550	224	193	42	90	0	0	0	0	1.099	
	2019	537	220	188	41	96	0	0	0	0	1.082	
	2020	533	218	188	40	96	0	0	0	0	1.075	
TEMPORARY STAFF	2018	212	69	39	6	7	0	0	0	0	333	
	2019	282	96	60	6	10	0	0	0	0	454	
	2020	234	12	17	2	2	0	0	0	0	267	
GRAND TOTAL	2018	1.654	544	352	89	177	2	5	3	2	2.828	
	2019	1.781	566	374	91	192	2	4	3	2	3.015	
	2020	1.775	477	337	87	184	0	4	3	2	2.869	

EMPLOYEES BY GENDER AND EMPLOYEE LEVEL

EMPLOYEE LEVEL	YEAR	FEMALE	MALE	GRAND TOTAL
STAFF	2018	579	321	900
	2019	616	331	947
	2020	629	356	985
SUPERVISORY STAFF	2018	181	187	368
	2019	198	197	395
	2020	202	201	403
MANAGERIAL STAFF	2018	39	89	128
	2019	42	95	137
	2020	43	96	139
ON BOARDED STAFF FROM EX CCB	2018	810	289	1.099
	2019	802	280	1.082
	2020	796	279	1.075
TEMPORARY STAFF	2018	245	88	333
	2019	329	125	454
	2020	187	80	267
GRAND TOTAL	2018	1.854	974	2.828
	2019	1.987	1.028	3.015
	2020	1.857	1.012	2.869

EMPLOYEES BY AGE GROUP AND EMPLOYEE LEVEL

EMPLOYEE LEVEL	YEAR	<30 YEARS OLD	30-50 YEARS OLD	>50 YEARS OLD	GRAND TOTAL
STAFF	2018	162	608	130	900
	2019	145	631	171	947
	2020	93	693	199	985
SUPERVISORY STAFF	2018	3	244	121	368
	2019	2	243	150	395
	2020	1	232	170	403
MANAGERIAL STAFF	2018	0	69	59	128
	2019	0	67	70	137
	2020	0	54	85	139
ON BOARDED STAFF FROM EX CCB	2018	24	1.023	52	1.099
	2019	11	992	79	1.082
	2020	8	961	106	1.075
TEMPORARY STAFF	2018	266	63	4	333
	2019	347	104	3	454
	2020	200	66	1	267
GRAND TOTAL	2018	455	2.007	366	2.828
	2019	505	2.037	473	3.015
	2020	302	2.006	561	2.869

EMPLOYEES BY EMPLOYEE LEVEL BY EMPLOYMENT CONTRACT / TYPE AND TURNOVER

By Employment type: Permanent Employees (Full Time and Part Time)	2020			2019			2018					
	New Employee hires	Departures	% Hired	New Employee hires	Departures	% Hired	New Employee hires	Departures	% Hired			
FULL TIME PERMANENT EMPLOYEES - MALE	44	17	2%	1%	53	33	2%	1%	14	80	0%	3%
FULL TIME PERMANENT EMPLOYEES - FEMALE	34	21	1%	1%	57	20	2%	1%	15	81	1%	3%
TOTAL FULL TIME PERMANENT EMPLOYEES	78	38	3%	1%	110	53	4%	2%	29	161	1%	6%
PART TIME PERMANENT EMPLOYEES - MALE	0	0	0%	0%	0	0	0%	0%	0	0	0%	0%
PART TIME PERMANENT EMPLOYEES - FEMALE	0	0	0%	0%	0	0	0%	0%	0	0	0%	0%
TOTAL PART TIME PERMANENT EMPLOYEES	0	0	0%	0%	0	0	0%	0%	0	0	0%	0%
TOTAL PERMANENT EMPLOYEES - MALE	44	17	2%	1%	53	33	2%	1%	14	80	0%	3%
TOTAL PERMANENT EMPLOYEES - FEMALE	34	21	1%	1%	57	20	2%	1%	15	81	1%	3%
TOTAL PERMANENT EMPLOYEES	78	38	3%	1%	110	53	4%	2%	29	161	1%	6%
TEMPORARY EMPLOYEES (SEASONAL)												
TEMPORARY EMPLOYEES - MALE	39	94	1%	3%	75	38	2%	1%	94	11	3%	0%
TEMPORARY EMPLOYEES - FEMALE	106	250	4%	9%	165	74	5%	2%	244	18	9%	1%
TEMPORARY EMPLOYEES - TOTAL	145	344	5%	12%	240	112	8%	4%	338	29	12%	1%

FEMALE TO MALE BASIC SALARY RATIOS BY EMPLOYEE LEVEL

EMPLOYEE LEVEL	RATIO		
	2020	2019	2018
Staff	1:1,11	1:1,13	1:1,10
Supervisory Staff	1:1,11	1:1,13	1:1,11
Managerial Staff	1:1,14	1:1,27	1:1,35
Onboarded	1:1,25	1:1,22	1:1,21
Temporary Staff	1:1,01	1:0,94	1:1,03

FEMALE TO MALE REMUNERATION RATIOS BY EMPLOYEE LEVEL

EMPLOYEE LEVEL	RATIO		
2020	2019	2018	

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NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER BY AGE AND GENDER

NEW EMPLOYEE HIRES

	NO. OF RECRUITMENTS			TOTAL NO. OF STAFF			RATE		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
<30 YEARS OLD	127	216	281	302	505	455	4%	7%	10%
30-50 YEARS OLD	83	120	82	2.006	2.037	453	3%	4%	3%
>50 YEARS OLD	13	14	4	561	473	1.920	0%	0%	0%
GRAND TOTAL	223	350	367	2.869	3.015	2.828	8%	12%	13%
male	83	128	259	1.012	1.028	974	3%	4%	9%
female	140	222	108	1.857	1.987	1.854	5%	7%	4%
GRAND TOTAL	223	350	367	2.869	3.015	2.828	8%	12%	13%

EMPLOYEE DEPARTURES

	NO. OF RECRUITMENTS			TOTAL NO. OF STAFF			RATE		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
<30 YEARS OLD	238	84	26	302	505	455	8%	3%	1%
30-50 YEARS OLD	137	78	35	2.006	2.037	453	5%	3%	1%
>50 YEARS OLD	7	3	129	561	473	1.920	0%	0%	5%
GRAND TOTAL	382	165	190	2.869	3.015	2.828	13%	5%	7%
male	111	71	99	1.012	1.028	974	4%	2%	4%
female	271	94	91	1.857	1.987	1.854	9%	3%	3%
GRAND TOTAL	382	165	190	2.869	3.015	2.828	13%	5%	7%

INDIVIDUALS WITHIN THE ORGANISATION'S GOVERNANCE BODIES PER GENDER AND AGE

	2020	2019	2018	RATE		
				2020	2019	2018
male	28	26	26	88%	84%	76%
female	4	5	8	13%	16%	24%
Total	32	31	34	100%	100%	100%
<30 YEARS OLD	0	0	0	0%	0%	0%
30-50 YEARS OLD	12	14	22	38%	45%	65%
>50 YEARS OLD	20	17	12	63%	55%	35%
GRAND TOTAL	32	31	34	100%	100%	100%

COMPOSITION IN THE BOARD OF DIRECTORS BY AGE GROUP AND GENDER

	MALE			FEMALE		
	2020	2019	2018	2020	2019	2018
30-50 YEARS OLD	2	6	9	1	2	2
>50 YEARS OLD	9	7	4	10	11	11
GRAND TOTAL	11	13	13	11	13	13

FEEDBACK CULTURE



Developing a feedback rich culture, where colleagues provide and receive regular and honest feedback, is one of the key elements in our efforts to enhance communication, cooperation and continuous development of our staff.



In this context the Feedback Culture video was launched, where colleagues from different Divisions, regions and hierarchical levels, shared their real-life personal experiences and opinions, on providing and receiving constructive feedback. The aim of the video is to promote continuous and regular feedback at all levels within the Bank, that will subsequently result in building a constructive work environment, accelerate performance, as well as ensure a more objective annual Performance Appraisal process.

360° Feedback Scheme (360°): The 360° was run in July 2020 for the 2nd time in the Bank. Managerial/Supervisory staff had the opportunity to receive targeted feedback from peers and subordinates, in a confidential manner. After receiving their individual reports, more than 70 one-to-one 360° sessions were conducted between HR and people managers, in order to discuss the outcomes of the Scheme and to set a development plan, where deemed appropriate.



Implementation of 360° Feedback Scheme & One-to-one coaching sessions

Succession Plan: The Succession Planning for Key Functions Holders (KFH) Policy was designed and approved, with the aim to proactively identify the necessary talent pool and develop the “best-fit” individuals for future succession needs in critical roles, in order to ensure the operational continuity in key position, as well as enhance career development opportunities for high performing people.



Design of Succession Planning of Key Function Holders Policy

LABOUR PRACTICES / LABOUR RIGHTS



Labour/Management relations are important for achieving a motivated and capable workforce that views its work as creative and fulfilling. The Bank opts for healthy labour/management relations which are important in enhancing the Bank's performance, managing change and building harmonious industrial relations. These aim to avoid unnecessary industrial actions which disrupt the Bank's operations and cause employee frustration.



FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

The right of workers and the Bank to form and join organisations of their own choosing is an integral part of a free and open society to collectively express, promote, pursue and defend common interests, and is of great importance to the Bank.

DIVERSITY AND EQUAL OPPORTUNITY

The Bank treats people fairly and without any bias and creates conditions in the workplace, that encourage and value diversity and promote dignity. All employees are managed in a constructive way, that supports appropriate inclusion and does not give rise to unjustified discrimination. This results in greater participation and engagement that can be leveraged for success at the individual, team and organisational level.

Various policies/procedures are in place (e.g. Code for dealing with harassment in the workplace, Whistleblowing policy) so that any unfair/unjustified cases are dealt successfully, and corrective actions are taken.

The Board as a whole reflects the Bank's diversity policy. The Bank ensures that each Board Member has the skills, experience, knowledge and perspectives, including gender and age diversity.

When appointing new Board Members, the Bank strives to achieve the desired gender diversity of the Board and ensures that all appointments are assessed on merits and against the defined selection criteria. As a result, the number of members of the under-represented sex, executive or non-executive directors will necessarily vary from time to time. The Bank has set an aspirational target to have members of the under-represented sex make up 40% of the Board's non-executive membership by the end of 2022.

BENEFITS

The Bank aims to establish a new Collective Agreement with the Union which will achieve uniformity of various benefits/rights across the Bank so as to further increase transparency, firmness, meritocracy and consistency amongst its employees.

The Bank has been implementing all governmental announced restrictive measures, including Ministry of Health guidelines and Ministry of Labour, Welfare and Social Insurance decisions in relation to staff leaves (i.e. parental care of children, vulnerable health groups, staff in need of self-imposed isolation etc.).

FAMILY SUPPORT

MARRIAGE AND NEWLY BORN CHILD

The Bank grants 2 extra annual leave days as a wedding present for employees getting married and a monetary present for each newly born child.

LEAVE DONATION BETWEEN EMPLOYEES

As part of our efforts to support our colleagues in difficulties or with serious health or other personal issues (either themselves or members of their immediate family), the "Leave Donation Program" was introduced to strengthen the sense of solidarity and support amongst our employees. Staff members may donate part of their



annual leave to other colleagues who are in need. HR assesses each case and grants the required number of donated annual leaves. During 2020, 192 days were donated to this Program from colleagues of all Levels and Divisions and following the necessary assessment, 118 days were donated to 18 colleagues in need.

BEREAVEMENT LEAVE

The Bank acknowledges their employees' need for time off to mourn the loss of a family member and provides one day paid leave as a response to this need to put aside work so as to manage personal feelings and issues during this difficult time.

MATERNITY & PATERNITY LEAVE

Within the context of the ongoing support for new parents - colleagues, the Bank has adopted additional best practices on Maternity and Paternity Leave. The Bank pays to the Employee the total difference between the Social Insurance refund he receives and his gross salary for the Maternity and Paternity absence period.

For supporting new mothers, the Bank provides a maternity leave for 20 consecutive weeks instead of the 18 weeks leave as per Cyprus Legislation requirement. In case of twins new born babies, the maternity leave extends to 24 weeks (instead of 22 weeks required by the Cyprus Legislation), while for births of more than two babies (i.e. birth of triplets, etc.) the maternity leave increases to 28 weeks (instead of 26 weeks required by the Cyprus Legislation).



PARENTAL LEAVE

	ELIGIBLE PARENTS TAKING PARENTAL LEAVE			EMPLOYEES WHO RETURNED TO WORK AFTER PARENTAL LEAVE			RATE OF EMPLOYEES WHO RETURNED TO WORK (%) see formula in note below			PARENTAL LEAVE RETENTION 12 MONTHS AFTER RETURN (no of employees)			PARENTAL LEAVE RETENTION 12 MONTHS AFTER RETURN (% Rate) see formula in note below		
	2020	2019	2018	2020	2019	2018	2020	2019	2018	2020	2019	2018	2020	2019	2018
FEMALE	462	124	83	459	121	83	99%	98%	100%	420	120	83	92%	99%	100%
MALE	43	39	30	43	39	30	100%	100%	100%	40	27	30	93%	69%	100%
GRAND TOTAL	505	163	113	502	160	113	99%	98%	100%	460	147	113	92%	92%	100%

$$\text{*Return to work rate} = \frac{\text{Total number of employees that did return to work after parental leave}}{\text{Total number of employees due to return to work after taking parental leave}} \times 100$$

$$\text{**Retention rate} = \frac{\text{Total number of employees retained 12 months after returning to work following a period of paternal leave}}{\text{Total number of employees returning from paternal leave in the prior reporting period(s)}} \times 100$$



RESPECTING HUMAN RIGHTS

Human rights respect, rooted in the Bank's Values, requires continuous and collective work with all involved parties to enhance our practices and promote awareness.

The Bank's practices and processes are designed so that (in cases of recruitments, selection, promotions, etc.) the most suitable person is selected, based on their respective abilities and no person is treated unfairly on the grounds of race, colour, gender, ethnic or national origins, religion and beliefs, nationality, sexual orientation, marital status, age, social background or disability.

Human Rights mechanisms are essential to the Bank given that employees whose human rights are negatively impacted by corporate operations are becoming ever more vocal and successful in demanding that their grievances be addressed.

A grievance, when handled in the right way, may prevent, terminate, mitigate and/or remediate harmful business activities.

The Bank has various policies, procedures, and other mechanisms to manage human rights grievances, such as:

- Personal Grievance Committee:** Its purpose is to deal, with measures, situations concerning labour relations between an employee and the Bank, affecting or that may affect the working conditions of any employee.
- Code for dealing with harassment in the workplace:** The Bank acknowledges the seriousness of harassment in the workplace and confirms that such conduct is considered unacceptable and unjustified and all necessary actions are taken to ensure it will not be repeated.

HEALTH, SAFETY & WELL-BEING

Occupational Health and Safety (H&S) is of the utmost importance for the Bank. As part of the Bank's responsibilities, the following activities, policies, and processes are implemented:

- The Bank has in place a Health, Safety and Security (HS&S) Department with appointed Health and Safety Officers.
- The HS&S Policy approved by the Board of Directors.
- The HS&S risk assessments are carried out on an ongoing basis, as well as on an ad hoc basis, in order to minimize risks of incidents/ accidents.

The Bank is constantly taking measures to promote occupational health and safety, implementing a proactive approach with the aim to prevent accidents. The Bank recognizes, evaluates and controls occupational health and safety risks associated with its activities. Risk assessments are carried out and preventive measures are implemented to minimize the risks.

The Group complies with all relevant legal and other requirements. All accidents and incidents occurring in the Group's premises, are recorded and investigated. If required, necessary preventive measures are implemented to avoid recurrence of the incident/accident.

Ensuring the continuous monitoring of Bank's premises, the HS&S Department conducted 145 Health, Safety & Security (HS&S) risk assessments in 2020, out of which 112 were COVID-19 specialized risk assessments, with the suggestions and recommendations of the Health & Safety Committees, as well as individual Business Units, were considered for further improvements.

In collaboration with relevant Units of the Bank, the HS&S Department ensures that customers, suppliers and visitors are informed about the Group's Policy as well as their

33	112	93,7%
Health, Safety and Security risk assessments conducted	Health & Safety risk assessments conducted for COVID-19	Members participated in security awareness-eLearning

KEY PERFORMANCE INDICATOR	ACCIDENT NUMBER	NUMBER OF HRS WORKED	NUMBER OF HRS LOST	INJURY RATE
EMPLOYEES				
MEN				
2020	3	1.931.944	196	0,31
2019	4	2.064.452	119	0,39
2018	3	1.155.711	105	0,52
WOMEN				
2020	10	3.587.897	1.204	0,56
2019	13	3.742.180	329	0,69
2018	5	2.099.815	70	0,48
TOTAL				
2020	13	5.519.841	1.400	0,47
2019	17	5.806.632	448	0,59
2018	8	3.255.526	175	0,49

obligations with regards to HS&S, including, but not limited to, visible information in public spaces.

The HS&S oversees that all related incidents are reported by Line Managers and conducts relevant and ad hoc risk assessments to review and analyse the current facts, observations and possible outcomes and actions.

At the same time, it ensures that all employees are informed and trained regarding HS&S issues in order to develop safe work practices, including their individual responsibilities for acting reasonably in accordance with HS&S Policies and procedures.

The Group's policy is to promote health and safety at work as well as to encourage the cooperation of all employees. The Group has established Health and Safety Committees to ensure employee participation. These Committees provide a solid channel for the effective communication of health and safety issues to the Bank's management.

The HS&S Annual Plan is reviewed and approved by the Bank's management, whereas all necessary means for its implementation are provided accordingly. Moreover, the Bank's management is regularly updated of H&S actions and activities.

The Bank ensures the availability of the necessary resources, such as a budget, human resources for HS&S, provision of personal protective equipment, provision of appropriate fire protection equipment, training of personnel on HS&S issues.

HS&S performance is properly monitored and measured whereas targets and objectives are set to minimize accidents/incidents in the workplace. Proactive actions are implemented to achieve continuous improvement of our performance in this area.

The employees are actively involved in the Group's efforts and are aware of their responsibilities for compliance with the HS&S Policy and all the relevant occupational HS&S procedures. Alerts and site visits by the HS&S Department are helping the Bank in creating awareness in this area.



PERSONNEL ACCIDENTS	2020	2019	2018
Employees No of accidents			
MALE			
Non Serious	3	4	3
Serious	0	0	0
Total	3	4	3
FEMALE			
Non Serious	10	13	5
Serious	0	0	0
Total	10	13	5
Number of hours lost due to accidents			
MALE	196	119	105
FEMALE	1.204	329	70
Total	1.400	448	175
Sickleave days (recordable work-related injury or ill health)			
MALE	28	17	15
FEMALE	172	47	10
Total	200	64	25
Customer Accidents			
No of accidents	13	28	10

HEALTH AND SAFETY POLICY STATEMENT

“

Hellenic Bank considers occupational Health and Safety (H&S) a major commitment to its employees, customers' and suppliers, as well as visitors within its working environment and has developed a Health and Safety Policy communicated to all.

”

This H&S Policy Statement commits to the following basic principles and goals:

PRINCIPLES

- To incorporate in our strategies, policies and practices measures which aim for the improvement of H&S performance;
- To set and review H&S objectives and goals aligned with our business goals through a documented and holistic approach, and secure the resources and data required to achieve them;
- To demonstrate personal leadership for the health and safety of employees, customers and third parties;
- To promote an open dialogue with our employees, customers and other interested parties, in matters which concern H&S;
- To achieve continuous improvement in our management of H&S;
- To implement the practices outlined by this Policy in our daily behavior and decisions;
- To exceed, wherever possible, all relevant H&S regulations and other requirements to which the Bank subscribes.

WE AIM TO

- Provide and maintain a safe working environment, facilities and equipment, and safe systems of work;
- Prevent accidents, injuries and ill-health at work, and minimize H&S risks;
- Ensure that H&S is part of the core values of management and leadership teams;
- Develop a H&S culture through engagement with our people and enhance awareness of their personal obligations and responsibilities;
- Use resources, information, instructions and provide enhanced training to all employees, for the effective implementation of the Health and Safety Management System;
- Continuously identify, evaluate and control all H&S risks using a hierarchy of controls and ensure that significant risks are managed at the appropriate management level;
- Set and review H&S objectives and targets and implement an effective management system in order to minimize risks;
- Measure, monitor and review H&S performance at regular intervals;
- Ensure that suppliers and contractors deliver services and products according to our H&S criteria and policies;
- Integrate measures to promote H&S in our daily operations.

The Health and Safety Policy, which is in line with all the relevant Health and Safety requirements, will be reviewed on a regular basis and updated requirements will be notified to all employees, customers, suppliers, visitors and all interested parties.

Policy authorised by:
Chief Executive Officer
Date: 9th of June 2017

HEALTH AND SAFETY AND COVID-19 PANDEMIC ACTIONS

- COVID-19 related developments are followed closely by the appropriate Bank departments and the Crisis Management Committee (CMC) convenes when needed, taking business continuity and health and safety measures as deemed appropriate. The Bank always aims to be compliant with the government requirements / guidelines issued, with staff kept well informed via alerts and HUB News.
- For COVID-19 consultation and guidance, the Bank cooperates with a professional epidemiologist and has appointed an occupational doctor for further enhancing health monitoring in the Bank.
- In addition to the initial specialized disinfection of all premises, ad hoc disinfections are carried out in accordance with government instructions and/or as per our COVID-19 Incident Handling Framework.
- Adhesive signs are posted at branches and buildings, for personal and public hygiene & protection and floor guide-signage for the 2 meters social distance.
- All staff are supplied with personal protective items (antiseptics, masks, gloves), and their replenishment is ensured.
- Plexiglass partitions at branch counters and other workplaces are placed for protection.
- Compliance with the government's directives for the maximum number of people in presence, for restrictions in customer service areas and for the flow of incoming persons to branches/ units.
- Infrared thermometers provided to measure the temperature of persons entering its premises (staff, visitors, customers).
- Electronic communication is encouraged via teleconferences (e.g. Microsoft Teams, conference calls, e-mails) with colleagues, customers and external associates and all unnecessary movement within and in between its buildings is avoided.
- Encouraging customers to use its digital channels and cards.
- Business travel abroad has been suspended/ limited, in compliance with the government directives.
- Priority is given to the customer service of the vulnerable public groups
- Secured electronic access to employees for "remote working" and access to systems has been provided, all to the possible extend.
- Air conditioning systems, heating, fresh air and ventilation systems were adjusted accordingly.
- Additional security services were assigned to enhance entrance control measures.

HEALTH AND WELL-BEING

The Bank acknowledges the importance of following market trends in helping employees to maintain a healthy work-life balance. This refers to employees being able to devote time to their families and their mental/physical health, along with going the extra mile for their career.

Our Well-being Plan is based on the following three pillars:

Mental and Physical Health:

- A support mechanism (helpline) was set in cooperation with a private company to offer the Bank's employees psychological support during the pandemic.

Social Interaction:

- Official establishment/ activation of 'Hellenic Bank Volunteers' team and promotion of volunteering work.
- Let's get together with the new hires (July 2020): the aim of this initiative was for recent hires to meet the CEO and



Constant circulation of COVID-19 communication to all staff



share their views about the Bank. Although the initiative was interrupted due to COVID-19, we plan to continue in the future pandemic permitting.

- Annual Staff Christmas Video: With everybody going through unprecedented, difficult and quite stressful conditions, a 'virtual meeting' style video was produced with the participation of staff members during the festive period, sending Christmas wishes by singing a Christmas song inspired by the new normal, entitled 'Christmas Love'.

Email overload management:

- Minimise amount of emails by encouraging personal messaging (physically, personal calls or virtual meetings with the camera on, etc.)
- To reduce email volumes, a new process of communication with the staff was introduced through the internal portal (HuB), establishing HuB as the main platform and source of the Bank's information.

TRAINING AND EDUCATION

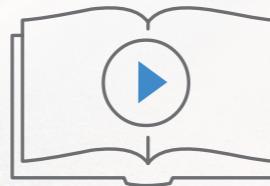
The importance of this Sustainability Aspect relates to the contribution of training in the strategic objectives of the Group. The development of knowledge and skills of staff, is important in areas which are linked to the strategy, vision and values of our Bank, in areas which are directly related to participants' duties and responsibilities.

Training contributes to the improvement of employees' performance and thus the increase in overall productivity. It assists the facilitation of staff members to better adapt in a changing environment and to meet new challenges. It additionally leads to the enhancement of a culture of continuous learning and of personal and professional development.

A Training Plan is conducted every year in cooperation with the General Managers/Heads which is customized according to the specific training needs of each Division.



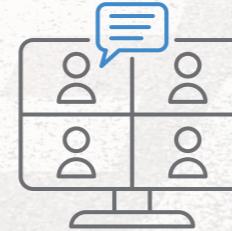
HB Skills Development Lab: Skill development courses include subjects on Customer Experience, Professional Telephone Communication, Enhancing Selling Skills, Building Trust, and Management / Leadership Skills. These courses were either designed and delivered internally or in collaboration with external associates



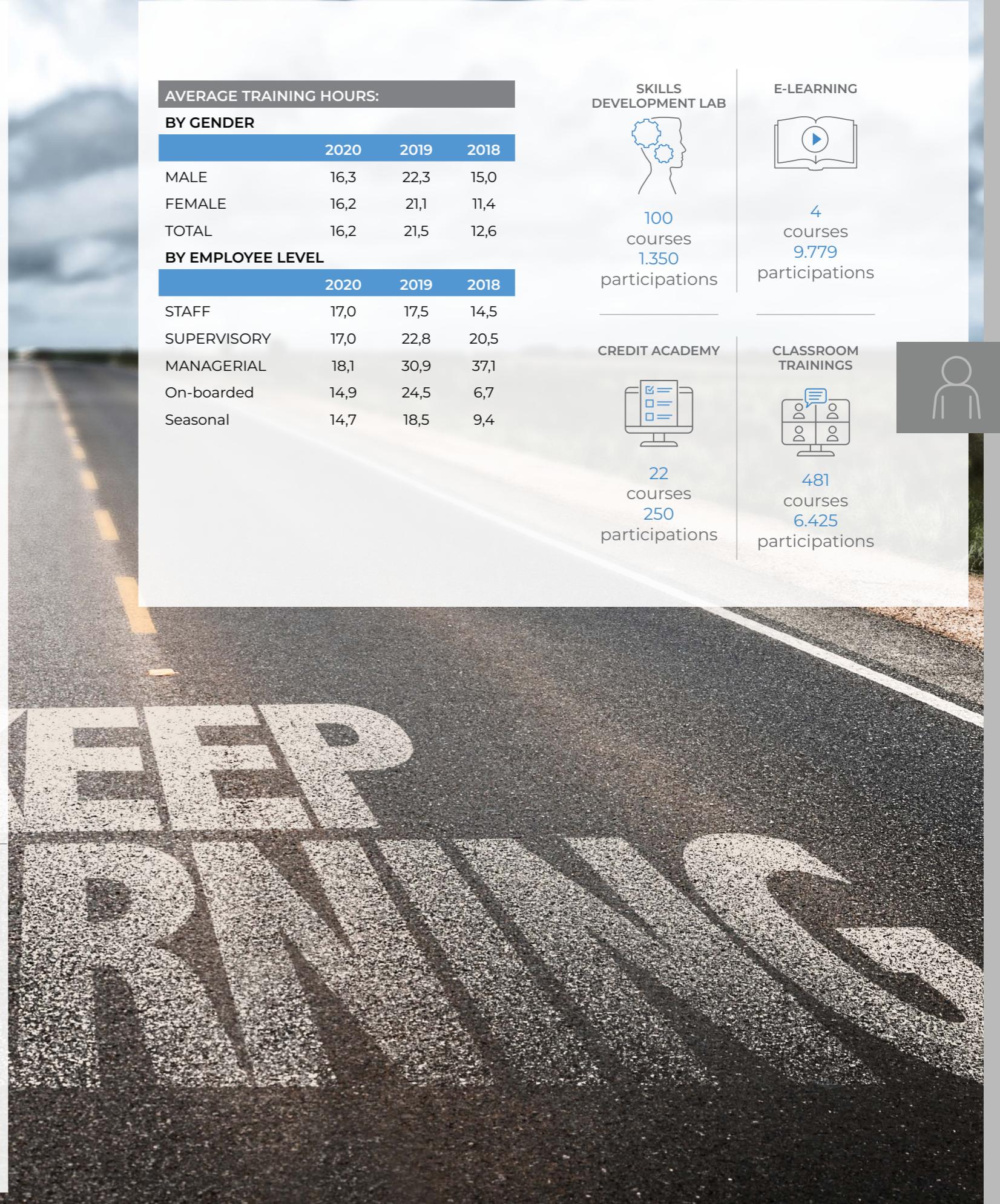
E-Learning: New eLearning courses and initiatives were addressed to all staff on regulatory subjects including AML, Personal Transactions – Refresher, Handling of Operational Risk Incidents and Complaints Management. Moreover, a new digital learning initiative was launched on a pilot basis for around 60 members of staff, on self and leadership development subjects. This initiative was launched in cooperation with Franklin Covey, an international organization with presence in many countries and extensive experience in leadership activities.



Credit Academy: Courses were delivered with both internal and external trainers in the areas of Financial Statements and other Credit related issues. A new initiative in cooperation with a highly recognized provider, Moody's Learning Solutions for Credit related eLearning courses was implemented. Emphasis is placed on (1) Retail Lending and (2) Primary Elements of Business Lending, aiming to enhance the business acumen of Retail Credit Officers.



Training on subjects linked to the Insurance Distribution Directive: Insurance Products related seminars were delivered to staff eligible to sell insurance products in view of the Insurance Distribution Directive





ENVIRONMENT OUR ACTION PLAN FOR THE FUTURE

ISSUE	ACTIONS AND TARGETS	RELEVANT SDGS	PROGRESS
Internal Environmental Management/Impacts	<ul style="list-style-type: none"> Review bank practises to assess and mitigate Climate related and environmental risk and where applicable revise policies and procedures accordingly (completed for Health & Safety Policy). Include ex-CCB buildings and branches in the EnMS (ISO 50001) by end-2021 Bank certification with new ISO50001:2018 by end-2020 		○ ○ ●
Environmental Social criteria into Investment	<ul style="list-style-type: none"> To continue financing projects in line with E&S criteria and the credit policy of the Bank Consider the introduction of green products for eco friendly cars, house upgrade & renewable energy by the end of 2022 Implement action plan to manage climate-related and environmental risks based on ECB guidelines and expectations 		↻ ⊕ ○



INTERNAL ENVIRONMENTAL MANAGEMENT/IMPACTS

At Hellenic Bank we acknowledge that the environment is undergoing climate change and modern organisations have an obligation to help address this threat, considering the environmental and energy challenges our country and the planet faces due to climate change.

We recognize environmental protection and energy saving are important both to economic and social growth. Our activities impact the environment directly, mainly through the use of our buildings (e.g. fuel for heating, electricity for cooling), use of own cars and the use of technology (IT systems). Indirectly, we impact the environment mainly through our use of energy in our operations, our business travel (planes, taxis and employees' cars), procurement in our supply chain, and our lending portfolio. Therefore, we are committed to reduce our impact and work closely with clients, staff, suppliers and other stakeholders, to use practices that reduce our ecological footprint and contribute to the protection of the environment by saving our natural resources.

Our Environmental and Energy Management Policy, describes how we are managing our environmental impacts in order to mitigate our environmental footprint. Our aim is to encourage sustainable growth, environmental awareness and maximize our energy efficiency.

OUR ENVIRONMENTAL AND ENERGY POLICY, WHICH IS COMMUNICATED TO ALL EMPLOYEES, IS BASED ON THE FOLLOWING BASIC PRINCIPLES AND GOALS:

- Improve our environmental efforts to reduce waste, to save energy, resources and water, reduce petrol consumption and use products that are less hazardous to the environment
- Support the purchase of energy-efficient products and services
- Provide for the most energy-efficient design of premises, equipment, systems and processes of the Group
- Engage all staff members to ensure their environmental awareness and involvement
- Promote electronic banking, work towards a paperless office and reduce hard copy archiving

- Request suppliers to deliver services and products complying to our environmental and energy goals
- Promote/sponsor events of environmental and energy nature
- Engage in an open and positive dialogue with customers, staff, authorities, suppliers, organisations and everyone interested in environmental and energy management matters

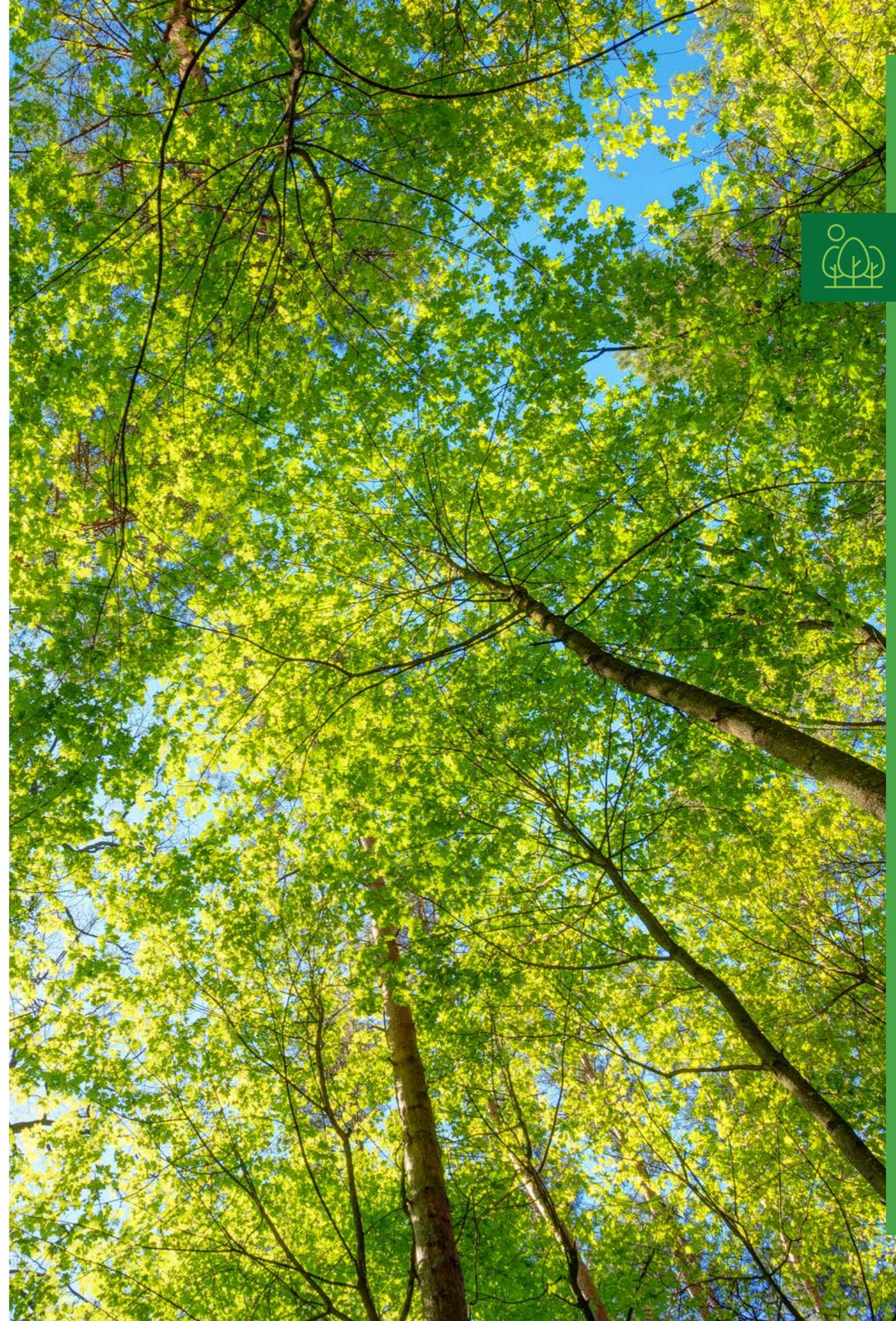
In 2020 we continued amongst others with the following actions:

- Implementation of energy, water and paper saving systems
- Maintenance of the ISO 50001 EnMS certification for the operations of the Group in Cyprus.
- Creation of energy friendly branches.
- Active participation in environmental and voluntary actions, such as Let's Do It Cyprus and tree-planting.
- Long-standing cooperation with Ecological Schools, aimed at raising environmental awareness amongst students.

HELLENIC BANK GREEN OFFICES PROGRAM

In cooperation with the environmental organisation Cymepa the Group has achieved certification of a number of its buildings with Green Offices (27 branches and offices).

Going forward, we plan to focus our environment targets and action plans to fall under the umbrella of the ISO50001 standard so as to cover all the buildings used by the whole group and discontinue the Green Offices certification.



ENVIRONMENTAL AND ENERGY MANAGEMENT POLICY

At Hellenic Bank (Group), taking into account the environmental and energy challenges that our country faces due to climate changes, we recognize our responsibility to protect the environment in saving natural resources and reducing our ecological footprint.

The policy of the Energy Management System of the Group has been developed according to the provisions of standard ISO 50001:2018. Its scope covers all the activities and premises of the Group in Cyprus.

Additionally, we recognize that environmental protection and energy saving are important to both economic and social growth. We want to encourage viable growth, environmental awareness and maximize our energy efficiency.

Our Policy is based on the following basic principles, goals and commitments:

PRINCIPLES

- To incorporate in our strategies, policies and practices, measures aiming on the improvement and energy performance, by applying this policy in our daily operation and the choices we make.
- To abide, to all relevant and other legislation which relates to environmental and energy management.
- To demonstrate leadership and commitment in energy and environmental management matters.
- To achieve continuous improvement in our environmental and energy performance via providing a framework for setting and reviewing objectives and energy targets.
- To set and review objectives and goals, through a documented and holistic approach, and secure the resources and data required to achieve them.

WE AIM TO

- Improve our efforts to reduce waste, to save energy, resources and water, reduce petrol consumption and use of products that are less hazardous to the environment.
- Support the purchase of energy-efficient products and services, to increase the efficiency of the Group's energy design.
- Engage all staff members in energy and environment management matters.
- Promote electronic banking and work towards a paperless office.
- Understand the internal and external issues that can negatively or positively influence the energy and environmental performance of the Group, the achievement of the Group's goals and our stakeholders needs and expectations.
- Understand, assess and mitigate risks and take advantage of opportunities affecting the Group's energy and environmental performance.
- Engage in an open and positive dialogue with customers, staff, authorities, associates, suppliers, organizations and everyone interested in environmental and energy management matters.

Policy authorised by:
Phivos Stasopoulos
Interim Chief Executive Officer

OUR PRINCIPLES

- To incorporate in our strategies, policies and practices, measures aiming on the improvement of energy performance, by applying this policy in our daily operation and the choices we make.
- To abide, to all relevant and other legislation which relates to environmental and energy management.
- To demonstrate leadership and commitment in energy and environmental management matters.
- To achieve continuous improvement in our environmental and energy performance via providing a framework for setting and reviewing objectives and energy targets.
- To set and review objectives and goals, through a documented and holistic approach, and secure the resources and data required to achieve them.

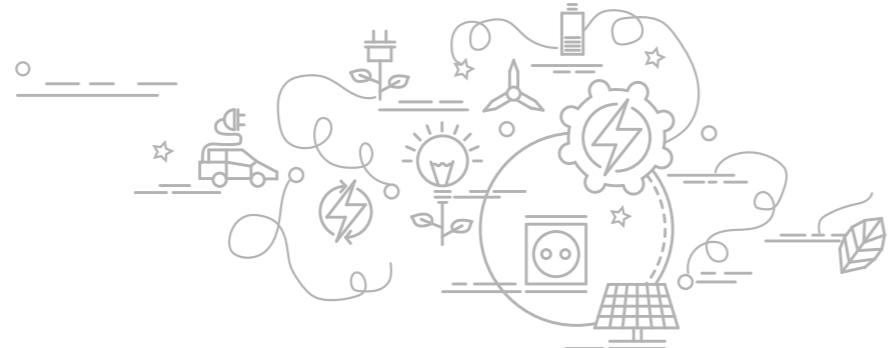
WHAT WE AIM TO ACHIEVE

- Improve our efforts to reduce waste, to save energy, resources and water, reduce petrol consumption and to increase the use of products that are less hazardous to the environment.
- Support the purchase of energy-efficient products and services, to increase the efficiency of the Group's energy design.
- Engage all staff members in energy and environment management matters.
- Promote electronic banking and work towards a paperless office.
- Understand the internal and external issues that can negatively or positively influence the energy and environmental performance of the Group, the achievement of the Group's goals and our stakeholders needs and expectations.
- Understand, assess and mitigate risks and take advantage of opportunities affecting the Group's energy and environmental performance.
- Engage in an open and positive dialogue with customers, staff, authorities, associates, suppliers, organizations and everyone interested in environmental and energy management matters.

WHAT WE HAVE DONE

- Achieved Certification with the international standard ISO 50001 Energy Management System, becoming the first organisation in Cyprus to be awarded with this certification.
- Successfully transitioned to the new international standard ISO 50001: 2018 Energy Management System, based on the new requirements in October 2020.
- Established an energy management team across the Group.
- Reduction of our energy consumption by 16% (kWh/m²), its CO₂ emissions 16% and its electricity cost by 52% (between 2012 as the baseline year and 2020).
- Energy audits for Hellenic Bank Buildings and transportation means.
- All new and/ or renovated branches and offices are designed with energy saving specifications established by the Group. Examples are energy efficient equipment, facility energy upgrades (e.g. double glazing, insulated walls).
- Evaluation parameters and selection criteria are used to evaluate the proposals regarding the offered services/equipment/machines.
- Have implemented technology to assist in reducing printing and proper use of paper promoting reuse of paper and duplex printing.
- Have implemented a training program which includes modules in energy management.
- All newly recruited employees are informed regarding the energy management matters, through an induction training course.
- We have installed photovoltaics on roof tops of 4 buildings and produced 62.400 kWh of renewable energy in 2020





ENERGY MANAGEMENT

Hellenic Bank, in the context of its wider environmental culture and actions, plays a pioneering role in the field of energy management. The Group acknowledges that the implementation of an effective Energy Management System (EnMS), contributes to the reduction of its impact on the global greenhouse effect as well as to the overall protection of the environment. Seven years ago, as part of its EnMS, the Group has established an energy management policy. This policy assisted the Group to reduce its energy consumption by 16% (kWh/m²), its CO₂ emissions 16% and its electricity cost by 52% (between 2012 as the baseline year and 2020).

Since 2015, the Group has been certified with the international standard ISO 50001: 2011 Energy Management System, becoming the first organisation in Cyprus to be awarded with this certification. We have now successfully achieved certification with the new ISO 50001:2018, in October 2020.

Currently, the EnMS is implemented across the Hellenic Bank Group, excluding the properties that belong to the ex CCB group. It is our goal to implement the Energy Management System across the whole Hellenic Bank Group, including ex CCB properties.

ENERGY MANAGEMENT AFFECTED BY COVID-19

The Integration of the acquired ex-CCB business has affected the Bank's efforts for energy management as per below:

- 1) The target of accrediting 2 branches as Green Offices in 2020 was not achieved
- 2) The reduction in energy consumption of 16% kWh/m² was less than the target of 25% set for 2012-2020, mainly due to:
 - a) Increased staff numbers in the Bank's buildings primarily following the onboarding of ex-CCB staff;
 - b) The exclusion of the ex-CCB buildings due to data limitations has affected the calculation for energy rates. The Bank aims to address this by end-2021.
 - c) The air conditioning systems, heating, fresh air and ventilation of the Bank's buildings were operating on a 24/7 basis with open windows, as required by the authorities due to the pandemic risk.

Regarding COVID-19, the Bank fully supports all actions for

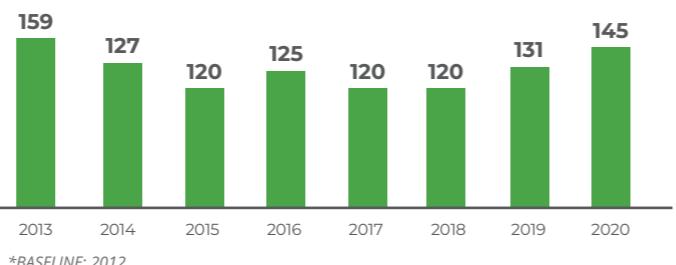
the benefit of its clients and employees which are considered a priority due to the current developments and accepts that the energy consumption is unavoidably expected to be considerably increased. The Bank monitors the energy consumption and following the lifting of the COVID-19 measures shall set new targets for the coming periods.

ELECTRICITY CONSUMPTION (kWh/Man hrs*)



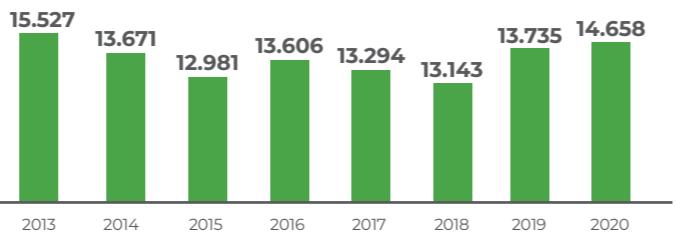
*Does not include overtime. Only former Hellenic Bank employees are included in the estimate

REDUCTION IN ELECTRICITY CONSUMPTION (kWh/m²)*



*BASELINE: 2012

REDUCTION IN CO₂ EMISSIONS FROM ELECTRICITY CONSUMPTION (TON CO₂)*



*BASELINE: 2012

GREENHOUSE GAS EMISSIONS

	TOTAL TONS CO ₂	2020	2019
SCOPE 1 EMISSIONS			
DIRECT CO ₂ EMISSIONS FUEL CONSUMPTION FOR HEATING/HOT WATER	18	11	
DIRECT CO ₂ EMISSIONS BUSINESS TRAVEL FROM OWNED/LEASED VEHICLES	Not Available	Not Available	
SCOPE 2 EMISSIONS			
INDIRECT CO ₂ EMISSIONS FROM ELECTRICITY ENERGY CONSUMPTION	14.658	13.735	
SCOPE 3 EMISSIONS			
INDIRECT CO ₂ EMISSIONS FROM EMPLOYEE BUSINESS TRAVEL BY PLANES, TAXI ETC.	Not Available	Not Available	
INDIRECT CO ₂ EMISSIONS FROM EMPLOYEE BUSINESS TRAVEL ON OWNED VEHICLES	Not Available	Not Available	

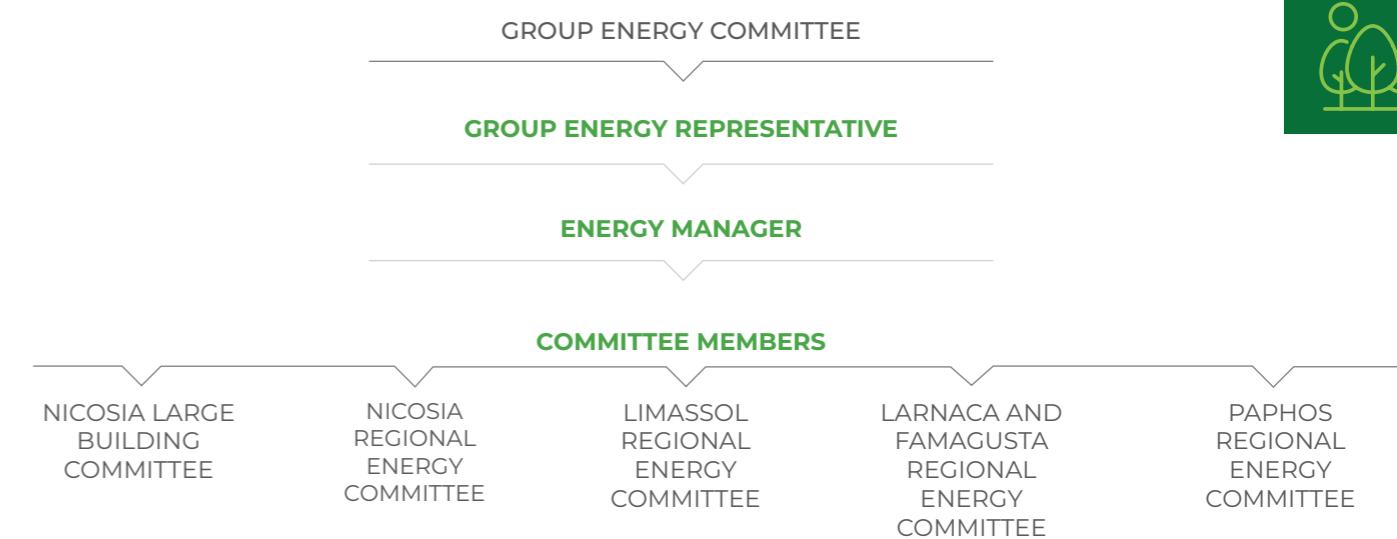
% REDUCTION IN ELECTRICITY CONSUMPTION (BASELINE: 2012) (kWh/m²)



ENERGY CONSUMPTION

	UNIT	2020	2019	2018	2017	2016
TOTAL ENERGY CONSUMPTION	Giga Joules	29.491	27.028	25.679	25.943	25.873
ELECTRICITY CONSUMPTION	kWh	6.837.402	6.406.706	6.130.594	6.200.914	6.379.076
DIESEL FOR HEATING/HOT WATER	lt	61.400	39.150	27.639	27.701	26.062
OWNED/LEASED VEHICLES-DIESEL	lt	29.724	29.979	31.311	26.488	20.147
OWNED/LEASED VEHICLES-PETROL	lt	50.494	40.885	41.229	52.851	39.420
SPACE NORMALIZED ENERGY CONSUMPTION (PER m ²)	Giga Joules/m ²	0,62	0,56	0,50	0,50	0,51
NUMBER OF EMPLOYEES NORMALIZED ELECTRICITY CONSUMPTION (kWh/man hrs)	kWh/Man hrs	2,04	1,80	2,05	1,97	2,05

ORGANISATIONAL CHART OF THE ENERGY MANAGEMENT TEAM



ENERGY MANAGEMENT SYSTEM

EnMS and its successful implementation, depends mostly on the awareness, contribution and the engagement of all personnel, providing a systematic approach towards the continuous improvement of the Group's energy performance. As a result of the implementation of the EnMS, the Group's significant energy uses have been identified, energy consumption is systematically recorded, monitored and measures are being implemented.

Meanwhile, energy performance is continually assessed, energy targets and objectives are set and monitored, and action plans are in place to reduce energy consumption and emissions.

The continual implementation of rational and prudent energy management practices, provides significant benefits, such as reducing energy consumption and cost, as well as promoting an environmentally friendly culture, making our Group stand out.

The continual improvement of our energy performance, is achieved by increasing energy efficiency in our premises and finding more efficient ways to utilize our buildings.

In our effort to make our premises more energy efficient, we have also conducted Energy Audits, in order to identify areas of improvement and undertake relevant measures. We

are confident that by implementing these measures, we will further decrease our energy consumption and our emissions footprint. The Energy Audits are also a requirement by the EU Energy Efficiency Directive.

During the design of the new and/ or renovated branches and offices, energy parameters are also considered. Examples are energy efficient equipment, facility energy upgrades (e.g. double glazing, insulated walls), and other opportunities which aim to improve the Group's energy performance and operational control.

The Group has set specifications for assessing the purchase/ renting of new buildings/shops for housing units, the purchase of new equipment/machines, the purchase/ renting of existing buildings/ premises or renovating the existing buildings/premises to ensure the most suitable energy choices are made.

Furthermore, as the Group pursues the most cost-effective and energy efficient products/services for its operations, it has determined evaluation parameters and selection criteria, which are used to evaluate the proposals regarding the offered services/ equipment/ machines.

For the successful implementation of the EnMS, the following energy management governance structure is implemented across the Group:

- Group Energy Representative has the overall responsibility for the EnMS.
- Energy Manager has the operational and technical responsibility for the implementation of the EnMS.
- Group Energy Committee: this committee approves the energy strategy of the Group, sets the energy targets, provides the necessary resources to meet energy targets, and oversees the effective implementation of the EnMS.
- District Energy Committees: assist in the effective implementation of the EnMS, communicate the policies across the Group and promote energy culture.

Furthermore, the following actions and policies were implemented:

- Target setting and providing the necessary resources to meet energy targets by investing in the best available practices and using more energy efficient products and services.
- The Group has an annual training program which includes modules in energy management. The Group also ensures all newly recruited employees are informed regarding the energy management matters, through an induction training course.
- The Group informs personnel regarding energy management matters, through defined mechanisms (e.g. internal communication line), and for matters associated with energy performance such as the Energy policy of the

OUR ENMS JOURNEY

2013

The Group established an energy management policy

2014

Decision to implement an EnMS and achieve certification according to ISO 50001

2015

Certified with the international standard ISO 50001:2011 Energy Management System, becoming the first organisation in Cyprus to be awarded with this certification

2016

Certified with Green Key (Head Office), Green Offices (24 branches & Offices)

2017

Energy Management system recertified with ISO 50001

2018

Energy Audits to all Hellenic Bank Premises and Energy Audits to transportation

2019

Reduction of energy consumption by almost 24% (kWh/m²), its CO₂ emissions over 20% and its electricity cost by almost 46%, between 2012-2019

2020

Transition to the new international standard ISO50001: 2018 Energy Management System, Reduction of energy consumption by 15,6% (kWh/m²), CO₂ emissions by 15,9% and electricity cost by 51,7%, between 2012-2020



Group, as well as the Group's results against energy goals and set targets etc. Documents associated with the Energy Management System are posted on the Group's internet portal.

- The Group informs external stakeholders about energy management matters through communication with suppliers and/or subcontractors, clients, relevant authorities and the media.

WASTE MANAGEMENT

A major consideration of the Group is the proper waste management that is derived from its operations. The Group aims for the minimization of waste and takes measures to achieve it. The following actions are examples of our initiatives in this area:

- Promoting environmental culture through communication initiatives
- Collaboration with external licensed contractors (by the Department of Environment Service), who collect certain waste streams such as lamps, IT equipment, plastic, etc.
- Recycling of paper

RECYCLING OF LAMPS

The Group, as part of its energy management practices, invests in energy efficient technology. For example, LED lamps with high life expectancy are used in the Group's facilities. All damaged/ burned lamps are collected by licensed collectors/ recyclers, to properly manage and dispose the waste.

WASTE MANAGEMENT

NUMBER OF ITEMS	2020	2019	2018
PC	320	199	124
MONITORS	12	59	60
CASH MACHINES	0	9	5
FAX	8	4	8
RBS PRINTERS	14	9	13
LASER PRINTERS	44	26	34
COPIERS	2	10	3
SERVERS	18	22	62
UPS	1		
SCANNERS	3		
Total kg			
	2020	2019	2018
HAZARDOUS WASTE			
BATTERIES AND ACCUMULATORS	755	895	692
COPY PAPER CONSUMPTION PER EMPLOYEE	46	53	57*

*Consumption for 2018 adjusted to reflect the onboarding employees of ex-CCB

HAZARDOUS SOLID WASTE

Hazardous solid waste is generated mostly from office operations such as printing machine toners and batteries. For this waste stream, a licensed collector/ recycler who gathers hazardous waste, was appointed as an external contractor to process the waste.

Moreover, we are implementing strategies to minimize waste from our operations. In the following tables we present the waste management data from different waste streams.

PAPER CONSUMPTION

The Group is continuously trying to minimize paper consumption in efforts to conserve natural resources.

The Group is therefore implementing the following actions:

- Technology to assist in reducing printing and proper use of paper,
- Measures to enhance employees' awareness and environmental culture,
- Promoting reuse of paper and duplex printing,
- Training all employees on environmental issues.

Our aim is also to reduce our consumption of the materials we use, such as cleaning chemicals



ENVIRONMENTAL / SOCIAL CRITERIA INTO INVESTMENT

MANAGEMENT OF CLIMATE- RELATED RISK

Regarding the management of climate-related and environmental risk, the Sustainability Working group, led by Sustainability/ Investor Relations ("IR") and by Operational and Emerging Risk Management ("OER"), and supported by Corporate & Business Risk Management, Retail Risk Management, Investment, Market & Liquidity Risk Management, Enterprise Risk Management & Governance, Strategy, CEO's Office, Data and Analytics and Product Development held several meetings throughout the year. The focus of the group in early 2021 was the coordination and preparation for the management of the ECB expectations on climate-related and environmental risks, as these are documented in the "Guide

on climate-related and environmental risks" published in November 2020. Through this exercise the working group has communicated with relevant units in the Bank for raising awareness on climate change.

The ECB expectations were analysed and discussed with the relevant units and the Bank compiled a detailed action plan with concrete actions on a number of areas ranging from strategy and disclosure to credit risk assessment and stress testing. The action plan sets the Bank's roadmap for integrating climate related and environmental risks (CE) in the Bank's overall risk framework and business strategy.

The Bank's action plan identifies dynamic projects to address all ECB expectations, and is scheduled to be implemented in the medium term horizon.

“

We assess Environmental and Social (E&S) risks as part of our decision making. ”

The Bank has a procedure for the management and continuous monitoring of the environmental and social risks associated with the financing of corporate client activities and facilities and the promotion of best environmental and social business practices among the Bank's corporate clients.

We assess Environmental and Social (E&S) risks as part of our decision making.

Loan applications are rejected in case of significant E&S risks and the beneficiary is unable or unwilling to mitigate the risks. The application is approved from an E&S risk perspective, if E&S risks are acceptable and/or the beneficiary agrees to the E&S risk control measures. Additional conditions are also included in the loan agreement in order to include mitigating actions.

MONITORING-ANNUAL REVIEW

Monitoring of the loans for E&S risks are part of the annual loan review since these may change during the lifetime of the loan. There are two areas to consider when monitoring E&S risks:

139

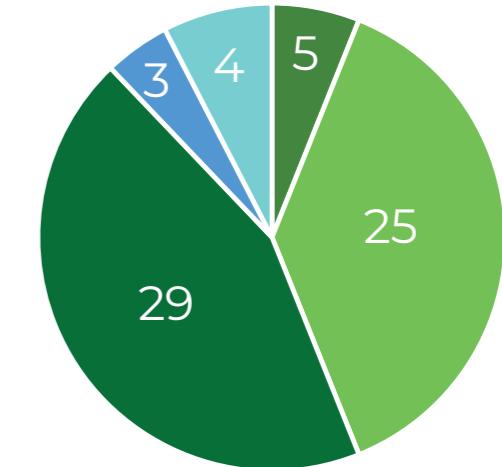
CASES TOTALING

€340 m ASSESSED
FOR E&S RISKS IN 2020

66

FINANCING CASES
FOR ENVIRONMENTAL AND SOCIAL
IMPROVEMENTS IN 2020

- WASTE MANAGEMENT
- HEALTH CARE
- SUSTAINABLE FISHERIES/FORESTRY/FARMING
- EDUCATION
- RENEWABLE ENERGY

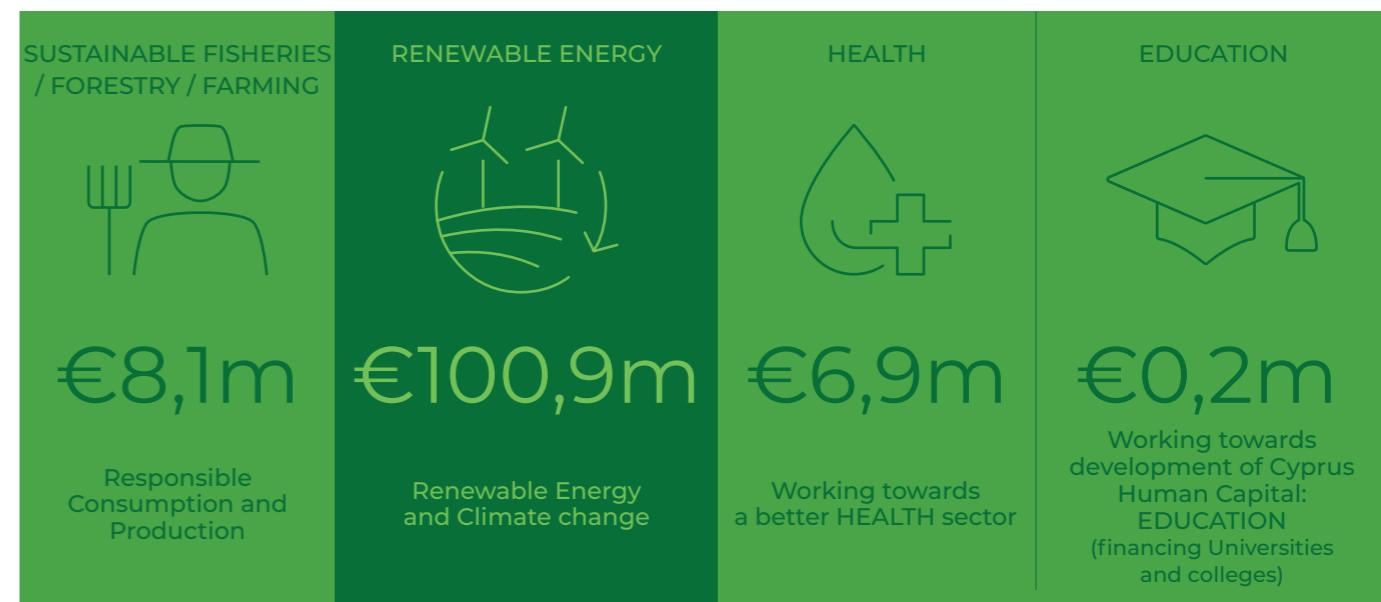


ESG LENDING

LOANS WITH ENVIRONMENTAL AND SOCIAL IMPACT

By providing credit, the Bank contributes positively in various industries with a positive environmental and social impact such as: Education, Health, Renewable energy.

During 2020 the following loans were given to the following industries:



SUPPORTING RENEWABLE ENERGY PROJECTS



As part of our goal to increase our support for renewable energy projects, in 2020 the Bank provided credit facilities of c.€ 98m for the Orites Wind Farm in Paphos.

Orites Wind Farm is an 82MW operational onshore wind farm, located in the mountainous Orites area of Kouklia on a site spread of over 16 km². The Project commenced operations in 2011 and comprises 41 Vestas V90-2MW wind turbines. It has been producing on average 113GWh per annum which is enough to supply electricity power to over 15.000 households.

Orites Wind Farm is the largest renewable energy generator in Cyprus and is a landmark asset in the country by being the first of its kind. It is considered of strategic importance to Cyprus as it contributes a percentage of around 5% of the national electricity generation and 25% of its renewable energy generation. The project is also pivotal for Cyprus' National Renewable Action Plan (NREAP) as it contributes significantly for its climate and energy commitment targets.

The wind farm produces electricity out of 100% renewable sources (wind), therefore it benefits the environment through a significant reduction in CO₂ emissions being produced had this electricity was otherwise generated through conventional methods. As per estimations, there are over 90.000 tons of carbon emissions being avoided¹.

Orites Wind Farm is owned by funds managed by Ancala Partners LLP, an independent infrastructure investment manager focused on delivering enhanced returns on mid-market European infrastructure assets which include amongst other renewable energy projects.



1. <https://www.irena.org/climatechange/Avoided-Emissions-Calculator>



FINANCING PUBLIC TRANSPORT FOR REDUCING ENVIRONMENTAL CARBON IMPACT

In 2020 we contributed towards reducing the country's carbon emissions and supporting sustainable urban mobility, by providing Senior Project Financing for the bus fleet and other capital costs undertaken by the Cyprus Public Transport Services and Operations Ltd (CPT), in launching their new public bus transport services for the Nicosia and Larnaca districts.

CPT is a joint venture of Malta Lines and Kapnos Airport Shuttle, with the first being part of an international network of public transport companies operating in 4 continents for over 120 years. The new company services over 7 million passengers in Cyprus every year, owning a fleet of 300 buses and a team of over 600 employees.

The company has invested in a fleet of modern brand-new buses, implementing the latest technologies such as Wi-Fi and USB charging points, as well as a pan European first; a built-in automatic self-disinfection system on-board which completely neutralises Covid-19.



CPT covers millions of kilometres in Cyprus every year, transporting over 7 million passengers with a fleet of 300 buses and a team of over 600 employees



The reduction in CO₂ emissions per passenger mile from the use of public buses is estimated above 30% in relation to the use of private cars. ”



THE ENVIRONMENT IS WHAT MATTERS AND WE ARE LEADING THE WAY



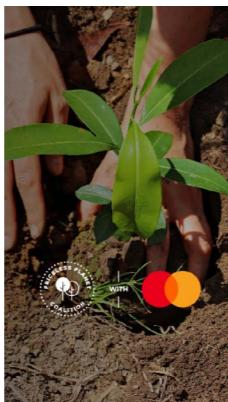
Our planet is our home. Climate change is damaging our home. Hellenic Bank takes even further environmental action proving its leadership role.

As a pioneer in this sector, Hellenic Bank is looking to issue environmentally friendly cards in the near future, using products selected from the Mastercard Sustainable Materials Directory. This will enable it to achieve 82% less PVC in each card without affecting the consumer experience. That's more than 20km of plastic per year saved. At Hellenic Bank, we feel this is important. Whichever way you want to look at it.

We are the first bank in Cyprus to have joined the Mastercard Priceless Planet Coalition. It is an initiative that involves banking institutions and organisations from around the world, including HSBC, Barclays, Finix, Frank Green, Halkbank and Scotiabank.

The purpose of the Priceless Planet Coalition is to coordinate under a common platform the environmental actions of consumers, financial institutions, merchants, and cities, with the ultimate goal of enhancing the effects and the positive impact of their actions.

As a first step, the Priceless Planet Coalition initiative has pledged to plant 100 million trees within the next five years. The network will also encourage consumers to adopt environmentally sustainable habits.



20km

Environmentally friendly cards in the fight against climate change

More than 20km of plastic saved every year



Joining the Priceless Planet Coalition alongside leading banking institutions from around the world

MARKETPLACE OUR ACTION PLAN FOR THE FUTURE

ISSUE	ACTIONS AND TARGETS	RELEVANT SDGs	PROGRESS
Economic Performance and Financial Resilience	<ul style="list-style-type: none"> To focus on Sustainable performance within a risk prudent framework 		
Transformation	<ul style="list-style-type: none"> Incentivise customers to migrate to digital channels by adjusting pricing 		
Customer Satisfaction	<ul style="list-style-type: none"> Undertake Chat and Social media services Cisco IVR Automated Authentication Centralisation of all Branches central lines Change the relationship/collaboration with 3rd party associate (Omnitouch) to receive service only during CCC non working hours Expand the range of services offered by the CCC Execution of outbound campaigns to our customers Improve the systems used by CCC to provide more automations Retail customer satisfaction-2021 target 83% Business customer satisfaction-2021 target 77% Mystery retail customer touchpoints satisfaction-2021 target 85% Enhance customer experience across all channels Migrate customers to digital servicing (digital engagement ratio) Product Offering (Simplification and Improvements) 	  	                             
Risk Culture	<ul style="list-style-type: none"> Maintain full adherence to the overall Corporate Governance Framework 	  	
Compliance and Anti-corruption	<ul style="list-style-type: none"> Comply with the applicable legal / regulatory framework in line with the approved three year Compliance Action Plan. Provide regular training to the BoD and all employees on compliance matters through awareness messages / learning bites, e-learn courses, workshops or classroom training sessions. 		 



ECONOMIC PERFORMANCE AND FINANCIAL RESILIENCE

FINANCIAL RESULTS FOR 2020

2020 was an extraordinary year by any aspect. It was a year of the COVID-19 global pandemic, a recession for the global economy and unprecedent government actions. During this challenging period, the Bank demonstrated financial resilience and strength, whilst placing utmost emphasis on protecting employees and customers and continuing to service its customer base.

The 2020 financial results demonstrate the robustness and resilience of the Bank's business model and financial position, at a time of significant and persisting uncertainty. With a capital adequacy ratio of 22,3 % and excess liquidity (with a Liquidity Coverage Ratio of 477%), the Bank remains well positioned to support viable customers and finance the recovery of the country's economy.

New lending during 2020 exceeded €1 billion making it a record year for Hellenic Bank. Following the CCB acquisition in 2018, Hellenic Bank is now the leading retail bank in Cyprus, with market shares in household deposits and in household loans of 38,4% and 29,4%, respectively, at 31 December 2020.

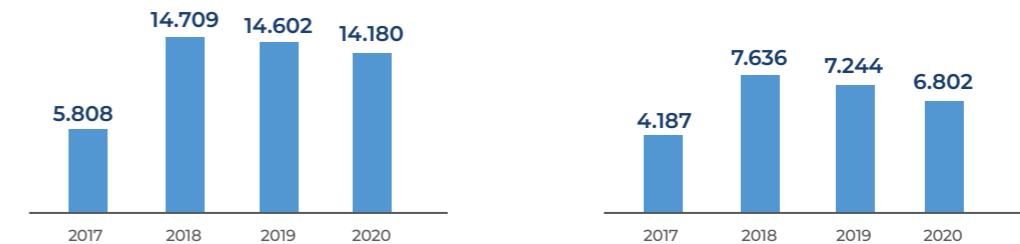


2020 FINANCIAL RESULTS HIGHLIGHTS

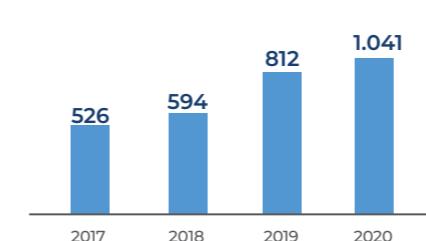
Headline financial results for 2020 are set out below and reflect the Group's underlying improving performance. For a more detailed analysis and breakdown for the Group's performance, please visit the Group's investor relations website for the 2020 Annual Financial Report and the Group Audited Financial Results presentation for the year ended 31 December 2020.

€16.857m	€14.180m	€6.802m	€126m
TOTAL ASSETS	CUSTOMER DEPOSITS	LOANS TO CUSTOMERS	PROFIT BEFORE PROVISIONS
22,3%	21,5%	€1.041m	€50m
CAPITAL ADEQUACY RATIO	LOANS MARKET SHARE	NEW LENDING	PROFIT AFTER TAX

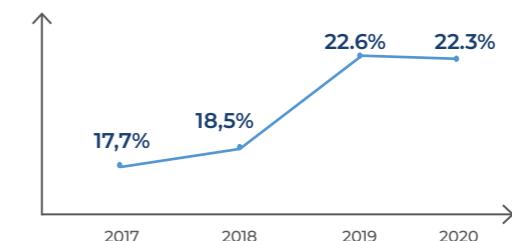
CUSTOMER DEPOSITS (€ m) LOANS TO CUSTOMERS (€ m)



NEW LENDING (€ m)



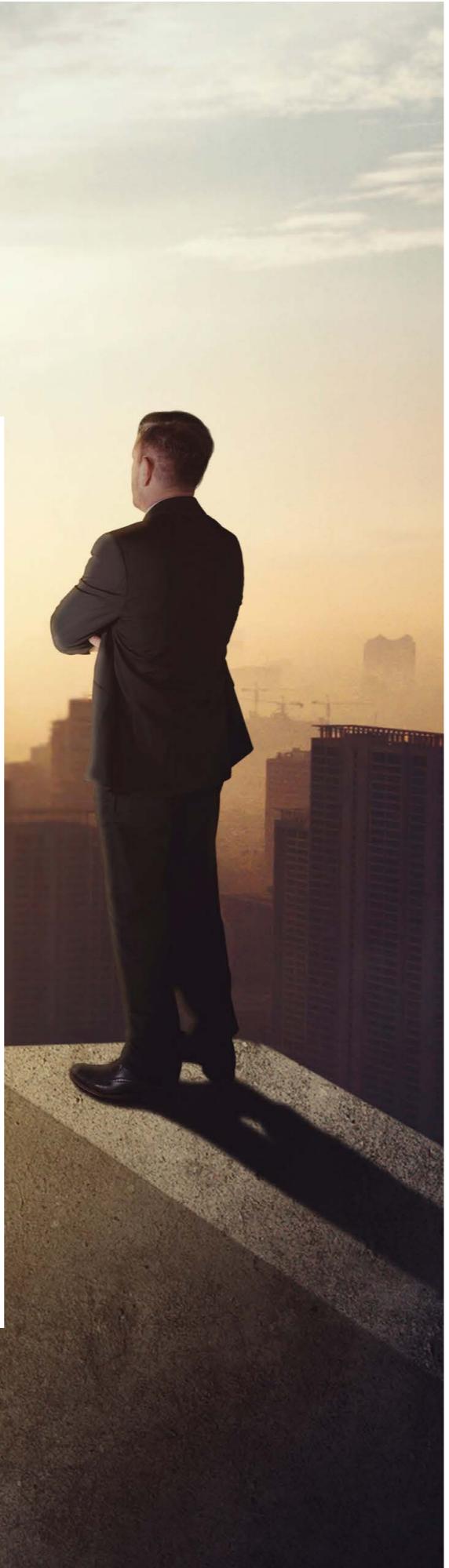
CAPITAL ADEQUACY RATIO



Direct economic value generated and distributed (EVG&D) (€ m) (see notes)		
	2020	2019
DIRECT ECONOMIC VALUE GENERATED:		
Revenues ¹	421,9	474,0
ECONOMIC VALUE DISTRIBUTED:		
Payments to providers of capital ²	28,9	67,9
Employee wages and benefits	132,1	126,7
Operating costs	112,8	124,5
Impairment Losses	67,0	36,7
Payments to government ³	20,1	21,2
Taxation	9,8	(12,0)
Community investments	0,7	0,6
Economic value retained ('Direct economic value generated' less 'Economic value distributed')	50,5	108,4

Numbers may not add up due to rounding.

Notes:
 1) Adjusted for share results of associate and Interest Expense. 2019 also adjusted for Negative Goodwill
 2) Includes payments to depositors and other interest expense.
 3) Includes tax payments such as Special Levy and VAT.



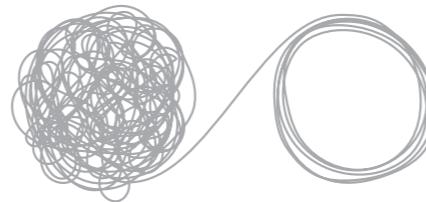
MEMBERSHIPS OF ASSOCIATIONS

During 2020, Hellenic Bank continued its commitment to upgrade all efforts to be actively involved through constructive and active participation in Government and non-Governmental Bodies that shape policies and lay the ground work for future decisions that affect the well-being of the economic and social framework of the country. Moreover, through this representation, in several cases as Members of the Board of Directors with the aim to assist business opportunities in the country, we safeguard the interests of our shareholders, our employees and the public in general. In tandem, we endeavor to further promote industry-wide concerns that affect the interests of the economy and the well-being of the citizens of Cyprus.

Organisations membership: Cyprus Employers and Industrialists Federation, Cyprus Chamber of Commerce and Industry, all the Local Chamber of Commerce and Industry Associations, Association of Cyprus Banks, Cyprus Securities and Exchange Commission/participate, Cyprus Stock Exchange/participate, Institute of Certified Public Accountants, Cyprus Association of Public Listed Companies, Cyprus Organisation for Standardization, Cyprus Advertisers Association, American-Cyprus Chamber of Commerce, Cyprus-U.K. Business Association, Cyprus-Russian Business Association, Cyprus-China Business Association, Cyprus-Germany Business Association, Cyprus-Saudi-Arabia Business Association.



TRANSFORMATION



STREAMLINING OUR PROCESSES & REDUCING COMPLEXITIES

DEVELOPMENT OF AN OVERARCHING TRANSFORMATION PLAN OBJECTIVE

An overarching Transformation plan was developed, comprising an analytical plan with detailed activities of 3 Transformational initiatives (Digital Channels Strategy, Branch Operating Model and Loan Origination Process) and 10 initiatives supplementing the three Transformational ones.

The work commenced in April 2020 and was completed within seven months, with the assistance of advisors and included the following outputs:

- Transformation and Supplementary Initiatives current state assessment
- Design of Transformation governance enhancements
- Design and implementation of a reporting and monitoring framework with Transformation KPIs
- Identification and validation of interdependencies and potential gaps between Initiatives
- Consolidation of the 13 Initiatives into the Overarching Transformation Plan under a single online tool (Microsoft

Project Online) with the benefit of online updating of plans and visibility of interdependencies and impact of changes in the Transformation Plan as a whole

- Integration of the Project Online Plan with an online reporting tool (Microsoft Power BI) and creation of dashboards for the various stakeholders in order to report on progress on an ongoing basis
- Both tools (Project Online and Power BI) provide up to date information for prioritisation and decision-making
- Continuous stakeholder engagement and validation of outputs through presentations to various Committees, senior stakeholder groups and provision of training to impacted stakeholders for the adoption of new tools and processes
- Identification and resolution of issues in terms of timelines and unassigned resources and validation of current and future resource requirements and resolution options for achievement of Transformation Plan timelines.

1 Transformation team	MPP online Project Management Tool	2 Training sessions	Built 1 Transformation Plan that consists of 13 Project Plans with close to 300 milestones & over 1400 tasks	Identified 44 unique interdependencies between initiatives 25 have been validated with project owners	3 Power BI dashboards with 20 monitoring KPIs
25 Meetings conducted for 3 Transformation & 10 Supplementary initiatives	7 Business Rules defined to align and maintain project plans	1 Transformation Governance with established processes (including prioritisation committee) to make fact based decisions on any requested changes			

TRANSFORMATION PLANNING AND GOVERNANCE

A full-scale Transformation Plan devised with the assistance of specialized advisors

A strong project management governance and clear communication channels set up for the identification, prioritization and resolution of issues arising

Transformation Governance has been established involving specialized work streams, Transformation Management Office, Individual Projects Steering Committees, Executive and Board Transformation Committees

Established a Transformation Committee at BoD level to ensure the effective oversight and input of the BoD in smoothly implementing the transformation plan



DIGITAL CHANNELS STRATEGY

CHANNELS STRATEGY IS BASED ON THREE STREAMS PLACING THE CUSTOMER AT THE CORE OF THE TRANSFORMATION

OMNI-CHANNEL PLATFORM

The Bank continues the implementation of its Digital Strategy focusing on improving customer experience for digital channels. Following a Mobile-First approach the Bank has migrated to a cloud native Omni-Channel Platform for its Mobile Application. The shift to the Digital Banking platform will enable the Bank to further accelerate its digital transformation.

DISTRIBUTION CHANNELS OPTIMIZATION

The Customer Contact Centre (CCC) is taking a lead role as the human element behind our remote channels, focusing on customer care and ensuring uninterrupted service.

The Bank has upgraded its extensive ATM network to a leading next-generation ATM platform focused on improved customer experience. The ATM platform offers Near-Field Communication (NFC) contactless technology reducing overall physical contact and enhances functionality to enable digital transactions for customers.



Channels, Technology and Data Analytics are the key components for the Bank's Digital Strategy. The Channels & Digital Products unit of the Bank sets the strategy for the customer digital migration as well as the overall strategy of the Branch Operating Model. ”

183K

active digital users¹ from 125k
end of 2019, prior to COVID-19
active digital users

73%

digitally engaged ratio²

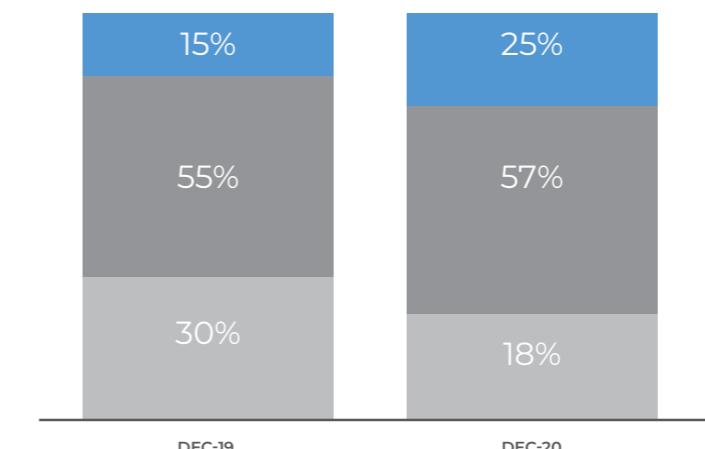
1) Active Digital Users: Number of subscribers who logged in at least once in web or mobile in a 3 month period. Data as of April 2021.

2) Digitally engaged ratio: retail customers who have performed at least one transaction in digital channels over the number of active retail customers (active retail customers = performed at least one transaction in any of the channels). Data as of April 2021

“
COVID-19 crisis is changing the way customers transact with the Bank through the various channels ”

“
Customers are shifting to online channels for their transactions ”

Channel Usage (% of volume of transaction¹)



1) Monetary transactions activity in Branch, ATM (Withdrawals) and online (Web and Mobile).

- ONLINE TRANSACTIONS
- ATM TRANSACTIONS
- BRANCH TRANSACTIONS



CUSTOMER SATISFACTION

QUALITY AND CUSTOMER SATISFACTION AT THE CORE OF WHAT WE DO

QUALITY OF SERVICE

Service quality and customer satisfaction are of paramount importance for the Bank.

Quality & Research, a separate function in the Bank, is responsible for the creation of a quality culture throughout the organisation, using market research to identify the determinants of service quality, the level of customer satisfaction and loyalty among the Bank's various departments, and the pursuit of excellence in all facets of the Bank's operations.

The Hellenic Bank Group is strongly committed to establishing and maintaining a culture of quality in accordance with ISO 9001 and other quality standards and models.

This commitment will direct the focus of the Group towards quality on all aspects of our operations. Responsibility for quality lies upon every one of us, irrespective of duties and position. This is an ongoing process and requires the dedication of considerable time and effort, both on an individual, but most importantly on a team level.

Our aim is to offer quality service to all our customers, in alignment with the strategic plan and risk appetite of the Group, which fully and constantly meets or exceeds their expectations and needs, while at the same time meeting all legislative and regulatory obligations.

All employees must be aware of our Quality Statement and ensure that all objectives are met. Through the knowledge of our strategic objectives, quality targets and continuous improvement program, we strive for excellence in our products and services offered, both to our customers and to our employees.

An important attribute of this Statement is that quality will be built in on all aspects and levels of the Group's operations. Management will define and implement this Statement through quality planning, procedures and evaluations and will

commit in providing the driving force for quality.

Management is fully committed to the above Statement and will utterly and consistently support this effort through an active involvement in its implementation and with the provision of all necessary means and human resources. This will be achieved through close monitoring and regular review for ensuring efficiency and functionality.

Quality models and standards have been adopted by the Bank. More specifically, the ISO 9001: 2015 certification has been achieved for its subsidiary Hellenic Life Insurance Company Ltd as well as for its three International Banking Centres. Moreover, extensive employee training on service quality and customer satisfaction issues is carried out, aiming to turn employees into quality champions.

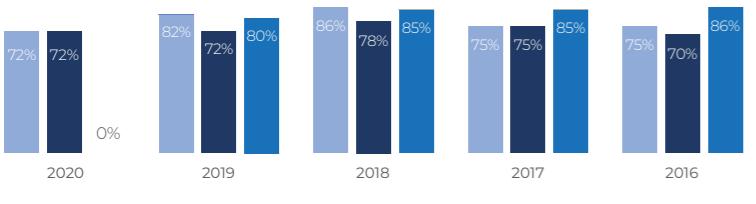
Market research surveys are conducted on an annual basis, the majority of which are tracker studies. Emphasis is given on monitoring constructs such as customer satisfaction, customer loyalty and retention, as well as customer experience.

Several indices are monitored monthly to this effect including: Net promoter score, Overall customer satisfaction, Intention not to terminate cooperation, Secure customer index, Customer effort score, Overall service quality, Customer engagement index and Bank reliability index.

Furthermore, the Bank's Quality Standards Directive has been circulated to all personnel and uploaded to its portal, covering most aspects of its operations. Specifically, it provides clear guidelines on areas such as:

- Branch appearance and atmosphere – branch external appearance, ATM operation and appearance, branch internal atmosphere, personal workspace, branch internal layout, signage, etc.
- Personnel – Appearance, courtesy, friendliness, behaviour and manners, readiness and willingness to serve customers, respect, confidentiality, speed of service, work knowledge, sufficiency of training, lack of errors, enquiry handling, complaint handling, telephone communication, written and electronic communication, tone of voice, body language, etc.
- Advertising material – Signs, leaflets, brochures, TV screens, etc.

The effective implementation of the Quality Standards is being monitored with the use of research tools, such as Customer satisfaction studies and Mystery customer surveys. The Retail Mystery Customer survey was temporarily discontinued in year 2020 due to the Covid-19 outbreak and the subsequent lockdowns. Moreover, the pandemic and frequent business disruptions have led to a drop in the level of retail customer satisfaction in 2020.



*The Mystery Retail Customer survey was temporarily discontinued in year 2020 due to the Covid-19 outbreak and the subsequent lockdowns.



PRODUCT DEVELOPMENT GOVERNANCE

The Bank's mission is to maintain an appropriate suite of products /services which empowers the Bank to align its strategy with the interests, objectives, characteristics and needs of the customers by efficiently and effectively managing, monitoring and enriching its products / services portfolio and in case of credit products/ services, ensure that adequate RAROC is generated.

In pursuing the above mission and for the establishment / maintenance of the end to end governance, Hellenic bank applied/ s:

- the proportionality principle as provided in relevant regulatory framework and
- a risk based approach
- following also the opinion by the internal control functions from the 2nd line of defence.

As part of this governance, the Product and Conduct Committee (PCC), as a Sub-Committee of the Executive Committee, is the final approving body for the proposals submitted by the product / service owners following prior consultation with the relevant stakeholders from support and 2nd LoD functions. These proposals relate to: i) new and significantly amended products/services, ii) entry into new markets, iii) entry into new business. With regards to proposals for investing in new asset classes, PCC approves and then recommends for final approval by ALCO. For the proposals in relation to non-significant product/ service amendments, approval is provided by the Senior Management, the reporting line of the product / service owner.

In support of its mission, monitoring, where relevant, and/ or review of products/services form an integral part of the risk monitoring process . Monitoring is performed by the product/service owners, distributors, Risk Management Unit as to risk related areas and PCC. As part of its decision, PCC also approves:

- remedial actions recommended, by the product/ service owners when deemed appropriate and necessary,
- post launch monitoring type(s), period, frequency, requirements/indicators/metrics, date for the post

launch monitoring by the product/ service owners depending on the nature and scale of the risk that is borne by the customers and the complexity and characteristics of the specific product/service. PCC may request ad hoc product/service monitoring, as deemed necessary from time to time.

The Bank maintains relevant procedures and electronic systems for the prompt recording, reporting and monitoring by the relevant stakeholders of operational risks, operational risk incidents, suggestions and complaints related to product/services.

In relation to the Customer Experience and Conduct Risk Strategy, the PCC;

- considers conduct risk matters with respect to/arising from products/ services offered by the Bank
- monitors customer complaints across the organization with regards to products/services and suggests corrective action.
- ensures that customers are treated fairly, with any errors or mis-selling being timely mitigated.

Product Development (PD) function

The role of Product Development(PD) is to develop innovative products and services that meet customer needs. At the same time, it regularly monitors the Bank's existing Retail Products/Services, standardized SME and micro-SME loan products, including European Investment Bank / European Investment Fund products, analyses their performance and adjusts the characteristics where necessary. Furthermore, it monitors competition both locally and internationally.

In line with the Bank's approved governance, among others, the PD:

- Regularly monitors developments in the local banking sector and international trends in this sector
- Assesses and analyses customer needs through market research and customer suggestions and complaints
- Simplifies products and procedures and diverts all possible actions where applicable via digital channels
- Evaluates feedback from the front line and following thorough consultation with the relevant internal



stakeholders, including the 2nd line of defence (i.e. Risk Management, Compliance Unit and Information Security), develops innovative products and services that meet those needs at the greatest possible satisfaction level

Furthermore, the PD seeks to simplify the end-to-end process from first contact with the customer until the ultimate receipt of the product, which is an ongoing coordinated process. Additionally, it introduced new products and revised several existing schemes, while continuing to offer support to the Bank's branches and business centres regarding the promotion and sale of the various products.

PRODUCT DEVELOPMENT AND COVID-19 PANDEMIC

Taking part to the overall relief measures to customers due to COVID-19, and aiming to communicate and reinforce moral and financial support, the PD has engaged in the design and implementation of the Ministry of Finance interest subsidization schemes for both housing loans and loans to SMEs and professionals. For these schemes, PD developed two products. For both products, the loan's monthly instalment is subsidised by the Government during the first 4 years. In particular, for housing loans "Themelio 2020" was launched, while for SME loans, the "ISS" (Interest Subsidisation Scheme) scheme was introduced. Both schemes carry specific characteristics, in line with the provisions set by the Government.

In addition, PD undertook the development of a new payment account with basic characteristics ("Basic Account"), based on the provisions of the Decrees issued by the Minister of Finance on 07/08/2020. Via the "Basic Account", all the basic banking services including ATM withdrawals from other banks in Cyprus, are offered to our customers with a low monthly subscription and a €36 cap on the overall annual charges for those services. Most importantly, the account is provided for free to vulnerable individuals like minimum guarantee income beneficiaries, political refugees, asylum seekers, etc.

PARTNERSHIP WITH ALLIANZ GLOBAL INVESTORS

Through its exclusive partnership with Allianz Global Investors (AllianzGI) Hellenic Bank is offering a suite of investment solutions to its Retail and Institutional client base, from one of the world's leading active investment managers.

Sustainable focused strategies account for €200 b of the ~€500 b Assets under Management (AUM) actively managed by AllianzGI including those distributed exclusively by Hellenic Bank in Cyprus, namely:

- i. Allianz Treasury Short Term Plus
- ii. Allianz Advanced Fixed Income and
- iii. Allianz Global Equity Unconstrained

Against a backdrop of changes to the investment landscape brought about by the adoption of the Sustainable Finance Disclosure Regulation "SFDR" 2021, Hellenic Bank is proud to

partner with one of the leading institutions helping shape a sustainable future. An institution that for the 4th consecutive year, achieved UN Principles for Responsible Investment (UN PRI) top rating of A+ for ESG strategy and governance.

CUSTOMER CONTACT CENTER

The Customer Contact Center (CCC) is one of the main customer service channels of the Bank, through which customers' inquiries are promptly addressed and problems are effectively solved during working and non-working hours.

By contacting the CCC, customers can be serviced for any queries relating to accounts, cards, web banking etc., without having to visit a branch.

Aiming to enhance the service provided, CCC was adequately staffed throughout the year. One of the most important achievements was the extensive support provided to customers during the pandemic and lockdown periods, when there was a customer shift from branches towards digital channels. The staff worked with commitment and devotion at a time when there was an unprecedented high volume of inbound calls especially during the lockdown periods.



An analysis of the most important KPIs is shown below:

1. **Volume of calls handled:** total inbound and outbound calls: 1,02 million during 2020 compared to 824 thousand calls in 2019 (including volumes of our external associate).
2. **Abandoned calls:** The high increase of incoming calls, was due to the reasons mentioned above, as a result our average abandonment rate for 2020 increased to 11% compared to 5% in 2019.
3. **Speed to answer:** Incoming calls were answered on average



CUSTOMER CONTACT CENTER AND COVID-19 PANDEMIC

The adverse environment has highlighted the importance of CCC, as the need to service an increased number of customers seeking solutions without having to visit their branch. The unprecedented volume of incoming calls and written communication of the last months has been underlined. Even in this demanding environment though, the CCC managed to offer several new services to customers via phone such as debit card issuance, change of contact information etc. 13 new services were added in July 2020 and 30 new services were added as from the beginning of 2021.

Mitigating Actions to improve the service offered & Abandonment rate include:

1. Additional employees have been transferred promptly to increase the capacity of the Centre.
 2. Peak hours have been identified and the CCC working hours have been modified accordingly to respond sufficiently.
 3. Automated authentication via our Interactive Voice Response (IVR): The addition of a simple steps customer authentication process by entering their personal id or Web Banking user id with the PIN number of any debit/credit card. An innovative capability which led to more efficient service. Furthermore, automated messages are being used to provide information to customers on frequently asked questions 24/7.
 4. The transfer of all Branch Central Telephone Lines to the CCC has been completed to improve consistency and uniformity in the way we serve our customers.
 5. Undertook Social media services
- Improving the quality of offered services, including the introduction of ISO 18295 – Customer Contact Centre quality certification.
 - The Design and launch of the "Agents Scorecard" to provide consistent information about Agents & CCC's performance.
 - Monitoring and evaluating phone calls on a monthly basis, as part of the "Agent's Scorecard".
 - Promoting additional KPIs (e.g. First Call Resolution, Complaints resolved by CCC).
 - Handling the increasing training needs of:
 - New CCC Agents & Team Leaders: Enabling the fast replacement/addition of new members,
 - CCC Campaign Team: Support and training for a new Outbound Campaign (systems, scripts etc.),
 - Existing CCC Agents: Enhance new services/products/knowledge needs/written communication.

TECHNOLOGY

The Technology Division (TD) has a key role in supporting the Bank towards achieving its strategic goals. Technology focuses on implementing a Strategic Plan aligned with the Bank's Business Strategy and Operational Plan and ensures technological capability to support the Business. This is achieved through initiatives that improve the Bank's infrastructure resilience, security posture, user productivity, reduce complexity and deliver housekeeping benefits:

SUPPORT DIGITAL TRANSFORMATION JOURNEY

As digital technologies evolve, Technology's role shifts in order to be aligned with the business needs and digital transformation. The transformation roadmap will enable the implementation of digital tools to support the requirements aimed at increased collaboration and customer centricity and satisfaction.

By streamlining internal processes and utilizing the power of digital tools while adopting a forward-thinking mind-set, the Bank can remain competitive and branch-out to new prospects. An important step towards digitalization, is the collaboration of IT with the Digital Development Team for maintaining and continuously improving the foundation (hybrid cloud infrastructure and integration points with core systems) that enables the digital journey.

MODERNIZE DATA CENTRES & INTRODUCE CLOUD TECHNOLOGIES

TD is working towards implementing a state of the art network and security solutions for an Active-Active Data Center topology (Primary site and Disaster Recovery site in an active/active design) with capabilities to utilize the infrastructure systems at Disaster Recovery simultaneously with Primary Data Center and scale and expand to the cloud, making this project the first implementation in the regions of Cyprus, Greece and Malta.

Cloud computing has enabled the Bank to speed up the delivery and agility in providing future digital business and IT requirements

ENHANCE SECURITY POSTURE

The Bank's Security Strategy has safeguarded the Organization and protected its critical information assets through an implementation of a defense-in-depth environment, that has helped identify and prevent proactively potential threats.

ADVANCED NETWORK TOPOLOGY & TELEPHONY

Faster internet speeds and stable connectivity have ensured availability and increased performance. New wireless infrastructure has been enhanced supporting new communication and mobility requirements across the Bank

DIGITAL WORKSPACE

Digitalization starts from within – continued expansion of Office 365 capabilities, maximizing employee productivity. The introduction of additional capabilities with focus on employee mobility and customer servicing (Meeting rooms, Teams/Telephony integration, Customer Virtual Consultation, Data Analytics), whilst also leveraging existing technologies thus enabling simplification and automation of internal processes.

OPTIMIZE APPLICATION LANDSCAPE

Application Landscape Management enables the identification of application silos, aiming in transparency and value delivered to the business. This is achieved by leveraging existing platforms to support end-to-end customer journeys, further improve our internal processes and reduce bureaucracy.

TD aims to consistently improve the IT service through a series of policies, processes and procedures and has managed to do so by adopting an IT Service Management (ITSM) platform.

TD's custom-based Business Request Management app has automated service request flows, through a central self-service portal. This provides new services and capabilities to Business and enables Business Units to define their own service catalogues and relevant service requests.

ENTERPRISE DATA WAREHOUSE

A single data repository, the Bank's Enterprise Data Warehouse (single source of truth) for Internal Reporting, Supervisory and Regulatory Reporting has ensured that data is reliable, accurate, consistent and secured..

COVID-19

During COVID-19, TD has setup an entire new infrastructure to enable colleagues to securely and productively work from home. This ensured seamless transition to working remotely, safeguarding business continuity by ensuring remote access to documents and applications offering a collaboration and productivity boost via virtual meetings and real-time co-authoring of documents, across all types of devices (desktop and mobile).



RISK CULTURE

RISK MANAGEMENT

THE ENTERPRISE RISK MANAGEMENT FRAMEWORK

The ERMF:

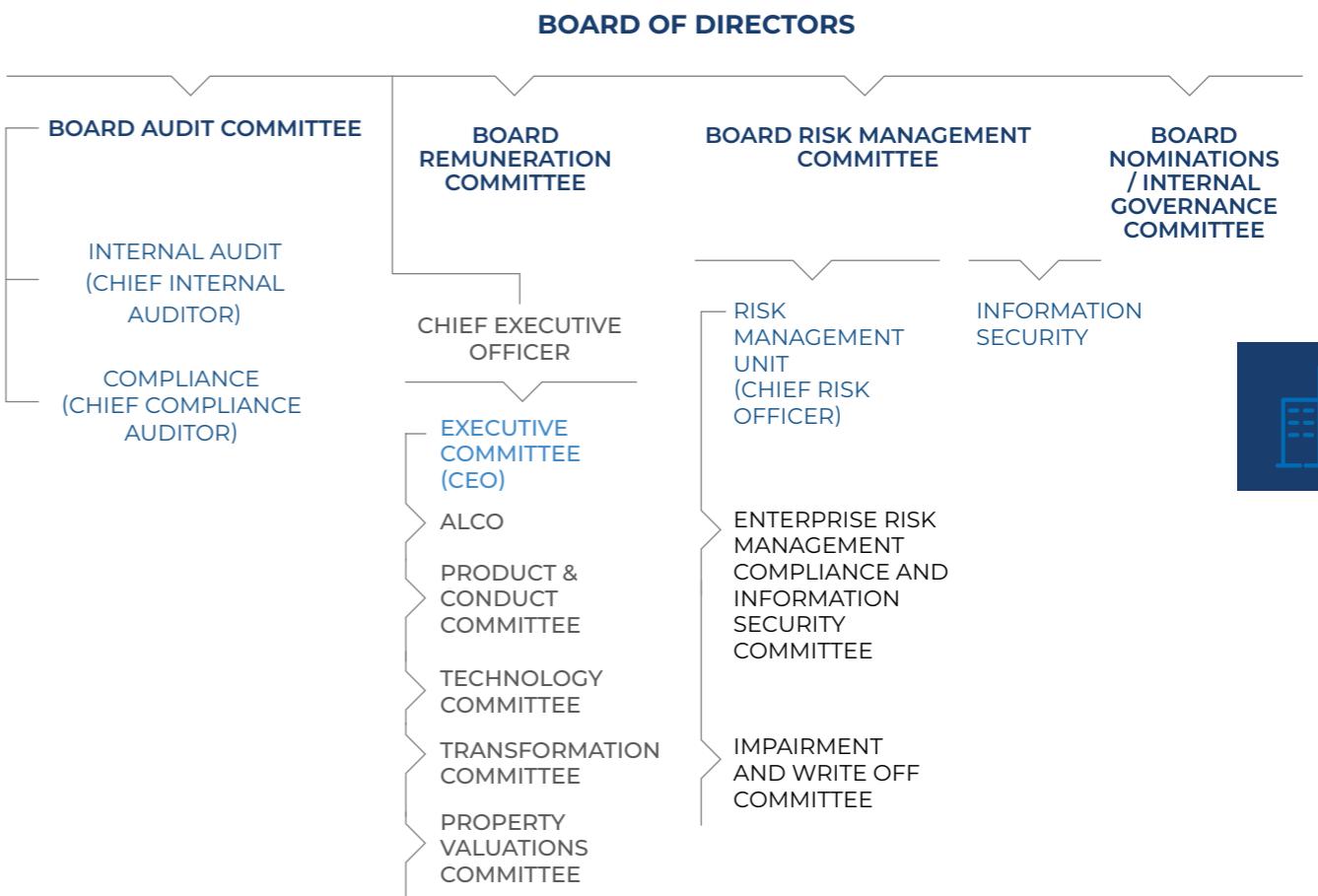
- serves as the umbrella framework under which all risk frameworks, policies and procedures are developed,
- sets out the principles under which risk is managed and applies to all risks being taken, mitigated and managed by the Bank,
- sets out the roles of the Board who are ultimately responsible for the risk and control environment within the Group, as well as the Board and Executive Management committee structures, roles and responsibilities with respect to risk management,
- safeguards that the Bank adopts a three line of defence model and sets out the roles of each,
- recognises the importance of having a robust risk culture and supports the key factors that contribute to an open and transparent environment where well-trained and informed individuals take calculated risk, under clear frameworks, policies, procedures in pursuit of achieving the Group's business strategy and,
- defines the architecture of risk frameworks and policies for use across the Bank.



The Enterprise Risk Management Framework (ERMF) is the highest-level risk framework that sets out its approach to the identification, assessment and management of risks across the Group



BOARD AND EXECUTIVE COMMITTEE STRUCTURE



COVID-19 CHALLENGES & CONTINGENCY RISK MANAGEMENT

The Bank is intensely and continuously monitoring its risk position relative to the COVID-19 pandemic and taking appropriate actions for contingency management and risk mitigation.

The Bank swiftly responded to the crisis and took a number of actions to ensure appropriate risk management through the COVID-19 pandemic: (a) during 2020 revisited its Risk Appetite twice, (b) conducted a re-forecasting of its business plan, (c) adjusted its credit-underwriting (via COVID-19 tailored overlays to the Credit policies), and (d) adjusted pricing arrangements (to recalibrate cost of risk based on COVID-19 macro-economic outlook).

Furthermore, the Bank has inceptioned the 'Protect Agenda' through which it delivered a number of COVID-19 de-risking initiatives. The Bank has taken preparatory action to deal with distressed debtors following the cessation of the Government's moratorium scheme at the end of 2020. Such action entailed the sectoral and behavioural analysis of clients under the moratorium, which analysis aimed to provide key insights of the current and past behaviour of these customers and serve towards the early identification

of credit risk, in the absence of payment behaviour during the tenure of the moratorium. This analysis has generated potential watchlists for further assessment and action by the Bank in anticipation of the re-commencement of loan instalments repayments on the 1st of January 2021.

As part of the 'Protect Agenda' the Bank has also revamped its Arrears Management Framework to cater for COVID-19 specificities, as part of its preparedness ahead of the cessation of the moratorium on loan instalments. The Framework lends necessary focus in distinguishing the drivers for the client's financial difficulties, whether COVID-19-induced or otherwise due to more structural and long term issues and ensures appropriate application of the Bank's unlikelihood to pay assessment with the overriding objective for the Bank to support viable customers.

In parallel the Bank has designed, constructed and deployed appropriate NPV-neutral solutions to ensure the timely and decisive management and deterrence of inflows into arrears, at an early stage. This entails the scale up of the Bank's arrears management infrastructure (be it via dedicated units, systems, tools, processes, policies) to ensure it is in readiness to accommodate inflows into arrears. It is noted that these tools and processes have been aligned with relevant NPE classification criteria, including the New Definition of Default coming into force in 2021.

COMPLIANCE AND ANTI-CORRUPTION

“

Independently and proactively protect the Group from regulatory risks and provide support in adhering to the legal and regulatory framework within which it operates, maintaining high standards of excellence, integrity and trust”

COMPLIANCE

The Compliance Unit (CU) is responsible for the monitoring of the domestic and international legislative and regulatory framework that governs the Bank's operations, the identification of risks with regards to the Bank's compliance with this framework and the formulation of proposals towards their mitigation. In this respect, the CU sets the fundamental principles of promoting a corporate culture of compliance and integrity across the credit institution with the purpose of embedding an appropriate and effective compliance management.

The CU categorizes its operations into the following distinct areas:

- **Anti-Money Laundering (AML)**, which is dealing with combatting money laundering, Terrorism Financing (TF) and Economic Sanctions (ES). This area is of particular importance given the great emphasis placed on the subject internationally.
- **Regulatory Compliance (RC)** is addressing the wider range of compliance requirements aiming to ensure compliance with the Cyprus and European legal and regulatory framework which govern the Group's operations.
- **Analysis & Quality Assurance (A&QA)**, also referred to as “Monitoring & Testing” (M&T), relates to the provision of reasonable assurance across key compliance risks as a second line of defense. The A&QA function evaluates the effectiveness of the Bank's existing internal control framework and adopts a risk-based approach for continuously monitoring the Bank's compliance risks and evaluating the need for the enhancement of existing and/or the implementation of new controls in order to eliminate any compliance related inherent risks or to reduce them to an acceptable level.
- **Data Protection Office** is addressing the GDPR requirements aiming to ensure compliance of the Group's operations.

The main activities of the CU are the following:

1. Maintaining an updated Regulatory Library with the legal, regulatory and business requirements that govern and/or affect the operations of the Bank, with linkage to the relevant internal policies and procedures that have been developed in view of their implementation;
 2. Development of processes and procedures to assess Compliance Risk associated with the Bank's business activities on a pro-active basis;
 3. Identification of legal, regulatory and business requirements, which govern and/or affect the operations of the Bank, on an on-going basis;
 4. Providing Legal Analysis of the relevant legal and regulatory requirements that govern and/or affect the operations of the Bank, with the assistance of the Legal Services or other competent Units;
 5. Communicating to all relevant Units the legal, regulatory and business requirements applicable to them;
 6. Conducting of compliance monitoring, testing and reviews;
 7. Evaluating the effectiveness of controls designed so as to ensure adherence to key regulatory requirements and corresponding policies as well as to mitigate conduct-related risks;
 8. Overseeing the complaints process and utilizing customer complaints as a source of relevant information in the context of its general monitoring responsibilities;
 9. Ensuring the Bank's compliance with the Prevention and Suppression of Money Laundering Activities Law and the CBC Directives and circulars for the prevention of ML/TF;
 10. Development and implementation of the Compliance program, including compliance policies and procedures;
 11. Assessment of the Bank's overall AML/CTF/ES risk and implementation of mitigating actions;
 12. Utilization of specialized IT systems and implementation of controls for the continuous monitoring of transactional activity;
 13. Cooperating and exchanging information with other internal control functions on compliance matters;
 14. Reporting promptly to Senior Management and the BoD, via the Board Audit Committee, on material compliance failures and weaknesses in policy and internal control procedures;
 15. Verifying that new / revised products / services, policies and procedures comply with the current legal and regulatory framework, as well as, with any known changes to legislation, regulations, supervisory requirements and business standards;
 16. Performance of a Compliance Risk Assessment, including a separate AML/CTF/ES and RC Risk Assessment, in order to identify, manage and monitor inherent and residual risks;
 17. Periodically assessing the Bank's compliance with the provisions of the Investment Services and Activities and Regulated Markets Law;
 18. Organising regular training and awareness programs for the BoD, Senior Management and employees on compliance matters as a means of promoting compliance culture, in line with the approved annual Compliance Training Program
- The scope of compliance continues to be broad and complex, with a significant impact on the day-to-day operations. As



regulatory expectations continue to increase, the challenge is to successfully implement a compliance program, that constitutes a proactive component of the institution's risk management culture, embedded in the Group's business units.

The Compliance Program is commensurate with the Bank's risk profile/appetite and aims to identify and mitigate compliance risks. In 2020, the CU was involved in a number of activities, in line with the 2020 Compliance Action Plan, as prepared in accordance with the CBC Directive on Governance and Management Arrangements in Credit Institutions, as follows:

- Enhancement of Compliance structure
- Preparation of the 3-year Compliance Plan and Training Plan
- Identification and Analysis of the regulatory framework applicable to the Bank's activities
- Development / Update of compliance policies and procedures
- Performance of Compliance Risk Assessments
- Ongoing employee training and awareness on compliance matters
- Review of new / revised products / services, policies and procedures
- Provision of guidance and advice on compliance related matters
- Review of new and existing high-risk business relationships
- Continuous monitoring of transactional activity
- Development and implementation of a robust 3-year A&QA.

ANTI-BRIBERY AND CORRUPTION POLICY

The CU maintains the Anti-Bribery and Corruption Policy of the Bank, in conformity with the applicable Domestic, European and International legislative and regulatory framework. The Policy is revised on an annual basis or more frequently if required, because of changes of circumstances, and is approved by the BoD.

The purpose of this Policy is to prevent, identify, confront and detect bribery and corruption stemming from the Bank's zero tolerance to bribery and corruption, in accordance with the RAF. Further information in reference to Risk Management can be found in the section Governance and Risk Culture.

The Bank declares that, acts of bribery and corruption are completely unacceptable to business integrity, causing damage to its reputation and interests therefore the Bank takes the necessary measures to prevent occurrences of bribery and corruption among employees, managers and any third parties. Should such occurrences be detected, the Bank proceeds to direct accountability of responsibilities of all involved. Any Policy violation shall be dealt with according to the Bank's Disciplinary Code and the Code of Business Conduct & Ethics.

ETHICS & INTEGRITY

This Code defines the standards, principles, values and rules of conduct / behaviour by which all activities of the Bank should be governed in all dealings with customers, counterparties, suppliers, external associates (including servicers) / consultants, public authorities as well as with colleagues and shareholders. It is used as a guide in determining key business decisions and actions to help individuals conduct business in

an honest and professional manner and to enable the Group to maintain high cultural and ethical standards.

Corporate Values

The Bank's Corporate Values underpin the way the Bank does business with its Customers and Counterparties and guide its decision-making and the manner in which all person's subject to this Code are expected to behave. All person's subject to this Code must understand and comply with the following values and through their behaviour help to embed them within the Bank's culture.

- **Passionate:** Passionately serving the Bank's customers whenever they need it and when it really matters;
- **Committed:** Committed to our tradition as the customers' safest and most reliable partner;
- **Respectful:** Displaying personal, human touch and respect.



Conduct towards Customers

All person's subject to this Code must:

- understand and follow the Bank's principles for the fair treatment of customers;
- ensure that in all their interactions with customers they exemplify the Bank's corporate values and treat customers fairly at all times;
- act with integrity; and
- take responsibility for addressing customers' needs and provide good customer service at all times.

Market Conduct

Persons subject to this Code who deal in financial markets in the exercise of their professional activities are required to conduct themselves on those markets in good faith and in line with the Bank's corporate values.

Conduct towards Colleagues

The Bank provides equal opportunities for access to employment and professional promotion and does not tolerate any discrimination for reasons such as gender, sexual orientation, race, color, religion and beliefs, ethnic or national origins, marital status, age, social background or disability.

Members of staff are not permitted to use personal hedging strategies on insurance linked to liability or remuneration, so as not to undermine the risk alignment effects embedded in their remuneration arrangements.

Members of staff must demonstrate respect for their colleagues, treat each other fairly and equally and cooperate with each other in order to foster a positive working environment. It is unacceptable for employees to display behaviour that constitutes harassment, abuse, intimidation, lack of respect and consideration or any other type of physical or verbal aggression.

In the second quarter of 2020, the Bank developed and launched the “Red Flag Indicators of Regulatory Compliance” Awareness Message / Learning Bite, part of which related to Anti-Bribery and Corruption principles and indicative examples. The Awareness Message / Learning Bite was addressed to all employees.

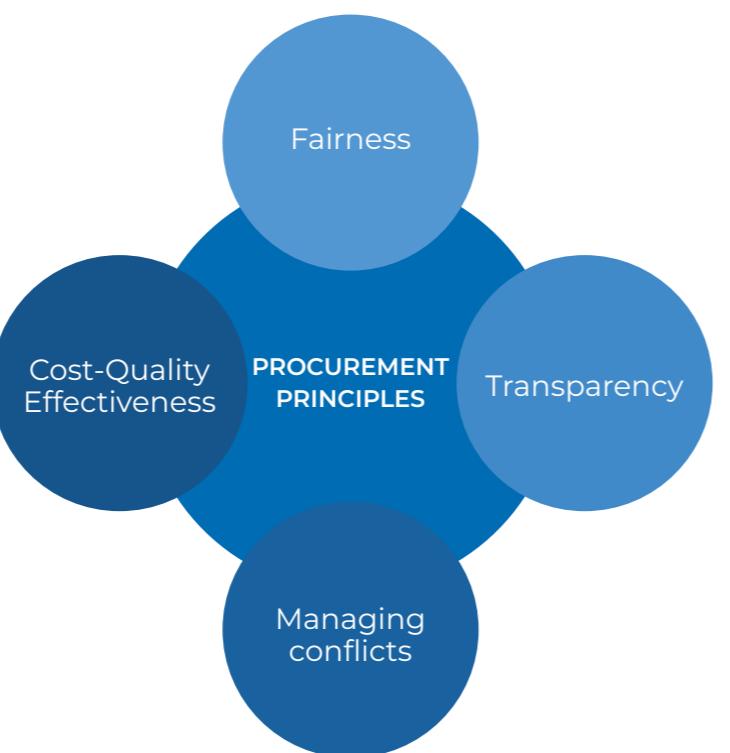
PROCUREMENT PRACTICES

Following its strategic decision to centralize Vendors (suppliers) management, the Bank established the Central Procurement Department (CPD) to manage centrally its procurement process. CPD is under the remit of Operations Control, within the Operations Division, thus safeguarding its independence. The Bank manages its Vendors' agreements and associated risks, through the establishment of an effective procurement process, based on fundamental best practice principles and appropriate assessment of consequential risks.

A preliminary (pre-outsourcing) risk impact assessment is conducted prior the submission of the Request For Approval (RFA) to the relevant approving body, which portraits the impact level that may occur, as a result of the assignment of the underlying function / activity / service to a third party. The assessment focuses on:

- conduct / reputation risk,
- human resources risk,
- concentration / overreliance risk,
- compliance & legal risk,
- health and safety risk,
- business continuity risk,
- exit strategy risk,
- fraud risk and,
- information security risk.

Accordingly, on the event that the impact level is critical or severe, a deep dive assessment may occur for the particular assignment. However, if the arrangement falls under the definition of Critical Outsourcing (as per EBA Guidelines (2019) and Central Bank of Cyprus Governance Directive (2014)), a deep dive assessment is always performed.



The following main principles govern all procurement processes / requests for proposal (RFP) for the supply of goods / services / functions as well as any direct appointments:

Fairness: The Bank acts fairly and reasonably, so that it is, and is seen to be, impartial in its decision-making. All candidates are treated fairly, through neutral (not vendor / brand specific) specification of requirements focusing on meeting specific needs of the Bank. Evaluation / assessment methodology is predetermined to avoid bias in any stage of the procurement process. The procurement centralized approach promotes consistency regarding the process and, thus, the equal treatment of candidates. Cases of direct appointments are challenged and are approved when justified as per the Bank's policies & procedures. The procurement centralized approach also enhances expertise as well as, the application of best practices.

Transparency: The Bank operates with transparency so that it is easy for third parties to see what actions are performed throughout the whole procurement process. Transparency implies openness, communication, and accountability. Proposal-related documents include all the information necessary to facilitate submission of appropriate and competitive proposals. Administration of procurement activities is transparent to support accountability and to promote clarity and shared understanding of respective roles and obligations between the Bank and any external parties entering into procurement arrangements. The proposal assessment is transparent and utilises standardized methods based on commonly acceptable best practices. CPD ensures the

transparency of the scoring / evaluation process and of the criteria, via the completion and agreement of the evaluation templates prior to the submission of the proposals.

Managing conflicts of interest / Independence: As part of the general obligation to act fairly, all internal and external parties, involved in the procurement process, must ensure that their decision-making processes cannot be challenged on the basis of actual or potential bias and/or conflicts of interest (actual or perceived). Any conflicts of interest relating to the Bank's business activity or the parties involved in the process must be explicitly declared without undue delay, evaluated and managed following the provisions of the Conflicts of Interest Policy and relevant Procedure. Any person to whom it applies does not participate in the tendering / procurement process. In case a proposed transaction involves a related party, it is ensured that all procurement procedures have been followed and that arms' length considerations have taken place (i.e. alternative options considered, fair value of the transaction, how the proposed transaction may be perceived by the market). Such cases are reviewed by the relevant Control Functions, approved accordingly and where applicable (subject to specific conditions), disclosed to the relevant authorities as per the regulatory requirements.

Cost-Quality-Effectiveness (Value for money): Decisions are not only made on the basis of the financial proposal but also take into consideration the quality of the goods/services, as well as the candidates' performance / competence and risks undertaken. The principle of value for money for procuring services or goods does not necessarily mean selecting the lowest price, but rather the best possible outcome over the whole period of services / life of the asset. Defining the most appropriate evaluation / assessment methodology that is proportionate to the value, risk and complexity of the procurement, facilitates the achievement of best value for money. Sound procurement processes are followed whereby the Bank is risk aware.

CONTRACTS / SLAs WITH VENDORS:

The Bank's relationship with Vendors is governed by clear, transparent and detailed contracts and service-level agreements (SLAs). These, among others, include

Payments made to suppliers in 2020 were €124 m out of which €111 m (89%) related to local suppliers

confidentiality, conflict of interest, anti-bribery and anti-corruption clauses and, where applicable, GDPR related clauses, as these are defined in relevant policies and procedures of the Bank. The rights, responsibilities and expectations of all parties are exhaustively covered by the contracts / SLAs. Vendors' arrangements are in compliance with the Bank's legal and regulatory requirements, where applicable. Additionally, they comply as a minimum, with their respective industry's legal requirements and where applicable industry best practices.

Some additional insight as to the Bank's procurement process:

- The Bank currently handles the entire tendering process electronically from the initial stage of issuing the request for proposals to the tender results / assignment award notification, including contract negotiations process up to contract signing (contracts currently being signed in printed form and stored in scanned-electronic form). Gradually, as the central procurement department grows and matures, the aim is to progress all other stages of the procurement cycle electronically in order to ensure an efficient and environmentally friendly management of all procurement requests.
- Procurement personnel carefully manage confidential information relating to potential / awarded assignments and safeguard intellectual property rights.
- The Procurement process ensures that products to be procured meet safety and quality standards prescribed under laws and regulations as well as industry standards.
- To the extent possible, the Bank ensures that its vendors are respectful to human / labour rights (Forced labour, Child labour, Foreign workers rights, Wages and welfare benefits, Discrimination) as well as green – environmental considerations.
- In addition, potential vendor involvement in criminal activity or bad practices are taken into consideration during the tendering process, as far as possible.



SOCIETY OUR ACTION PLAN FOR THE FUTURE



ISSUE	ACTIONS AND TARGETS	RELEVANT SDGS	PROGRESS
Consumer Protection and Responsible Marketing	<ul style="list-style-type: none"> All campaigns will continue to be in line with relevant legislation and directives in relation to the marketing of financial services. 		
Community Investment and Impact on Society	<ul style="list-style-type: none"> The Bank is committed to continue its contribution to Society via donations, sponsorships and other activations. We will continue to contribute and donate to a number of charity organisations, NGOs and Societies targeting vulnerable groups of the Society. Ensure that during the preparation and implementation of the marketing plan and budget no less than 5% of the overall budget is allocated to projects/activations that contribute to society. The Volunteers Team will implement a number of specific initiatives under various pillars (society, environment, sports) within 2020-2021. Official establishment of 'Hellenic Bank Volunteers' team. 		



CONSUMER PROTECTION AND RESPONSIBLE MARKETING

CONSUMER PROTECTION AND RESPONSIBLE MARKETING

Any conflict between the interests of customers and the interests of the Bank and/or Bank personnel should be addressed and managed, ensuring the fair and responsible use of products and services.

The Bank is a member of both the Cyprus Advertising Regulation Organisation (CARO) and the Cyprus Advertisers' Association (CAA) and pays attention to be fully compliant with advertising law and regulations.

CARO is a non-profit company with the main objective of monitoring and controlling that any advertisement in Cyprus is legal, decent, honest, truthful, socially responsible and consistent with the current legislation and the principles of fair competition. CARO is a self-regulatory organisation within the communications industry involving all three key stakeholders:

- Companies buying advertising,
- Advertising and/or creative agencies and
- Media organisations disseminating/transmitting advertisements.

The CAA is a non-profit organisation representing companies advertising in all fields and in all aspects in Cyprus. Amongst other things, they preside over the Survey Control Committee, ensuring that the data used by companies for purchasing television time are audited by independent auditors. The Advertising and Communication Companies Association, TV stations such as Alpha Cyprus, ANT1, Omega, CyBC and Sigma also participate in the Survey Control Committee.



CUSTOMER PRIVACY / DATA SECURITY

COMMUNICATING WITH THE MEDIA HELLENIC BANK PRESS OFFICE

In engaging with the Media, we are expected to communicate about our performance, products and services in an open, transparent and timely manner. The PR and Communications team strives to act as a reliable partner in this context.

The 2020 top priority was communicating internally and externally on the measures taken to protect the health of our employees and our customers given the COVID-19 pandemic, whilst continuing to serve and support our customers seamlessly.

Emphasis was given on promoting our alternative channels, our digital migration, and all actions taken (Connect Corners/meeters – greeters) to educate our customers in order to use Online Banking and take advantage of faster, safer and easier services.

The Press Office was actively engaged in promoting all CSR activities of the Bank. More than 40 press releases, 9 articles and 3 magazine supplements were published regarding our actions.

Technological developments and globalization have brought new challenges in relation to the protection of personal data. Technology allows the use of personal data on unprecedented scale resulting to a significant increase in collection and sharing of personal data.

In order to ensure a consistent and high level protection of natural persons and remove the obstacles to flows of personal data within the European Union (EU), an EU Data Protection framework was adopted in the form of a Regulation (EU 2016/679), namely the General Data Protection Regulation (GDPR), which is directly applicable in all Member States. The GDPR has replaced the previously applicable EU Directive 95/46/EC on the protection of individuals with regard to the processing of personal data and on the free movement of such data.

From 25 May 2018, the provisions of the GDPR apply. Furthermore, the new Cyprus law on processing of personal data "Protection of Natural Persons With Regard to the Processing of Personal Data and for the Free Movement of Such Data ta Law 125(I) of 2018 (Law)" was published in the Official Gazette on 31 July 2018. The Law supplements the GDPR and with the entry into force of its provisions, the Processing of Personal Data (Protection of the Individual) Law of 2001 as amended was abolished.

Considering the large volume of data and the complexity of its processing activities, involving personal data, and the possible risks to the people's rights and freedoms, the

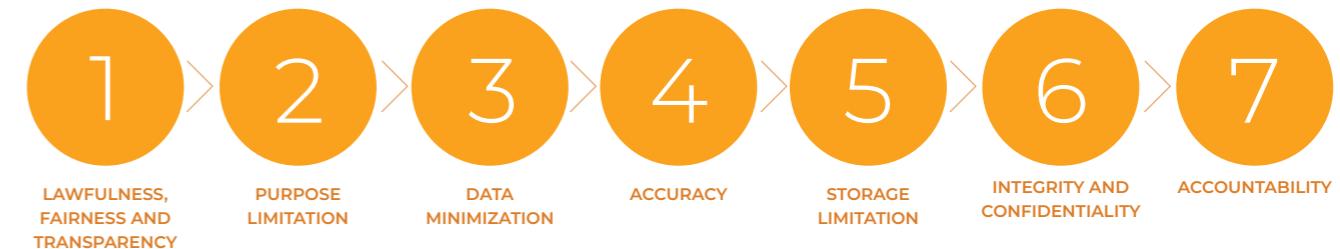


Bank has developed and continuously enhances a culture of compliance for GDPR/protection of personal data so as to increase public trust and implements appropriate technical and organisational measures to fulfil the requirements of the regulatory framework concerning protection of personal data of natural persons including the GDPR and the Law.

The Group has established and keeps developing a Data Protection Program to:

- a) Implement and maintain effective and transparent policies and procedures for personal data processing.
- b) Ensure it can respond to requests from both the supervisory authority and data subjects.
- c) Continuously enhance its organisational and technical measures to ensure implementation of the GDPR and the Law.
- d) Monitor its activities that involve personal data of natural persons and ensure that relevant risks are continuously and effectively managed.

Pursuant to the GDPR provisions, the Group has appointed a Data Protection Officer (DPO), and communicated this to the Commissioner for Personal Data Protection (Commissioner). The DPO must be involved properly and in a timely manner in all issues relating to personal data protection. Ensuring that the DPO is informed and consulted from the outset facilitates compliance and promotes a privacy by design approach. The DPO is supported by the Data Protection Office.





The Bank has adopted the Data Protection Policy (DPP) to prevent any acts of unlawful processing of personal data and ensure compliance with the Bank's obligations as per the prevailing national and European regulatory framework. The DPP sets out the basis on which any personal data are collected/ processed and outlines the measures that must be taken to ensure that the privacy and security of personal information is respected throughout the organisation.

Processing personal data of natural persons must be conducted in accordance with the data protection principles as set out in the GDPR. The Bank's policies and procedures are designed/ monitored to ensure compliance with these principles.

During 2020 the Commissioner issued 3 decisions against the Bank.

1. Commissioner's decision against the Bank concerning web Banking. The Commissioner issued a decision against the Bank dated 4 April 2020 and stated that there was a breach by the Bank:

- Of one of the principles governing the processing of personal data (article 5(1)(f) integrity and confidentiality),
- Of article 32(1)(b) since the Controller/Bank did not implement appropriate technical and organisational measures to ensure a level of security appropriate to the risk and
- Of article 33(1) since the Controller/Bank did not notify the Commissioner within 72 hours after having become aware of the said incident.

The Commissioner after considering the mitigating factors provided by the Bank, decided not to impose an administrative fine this time. The Commissioner instructed the Bank to:

- (a) implement security measures and practices for its processing activities to be in compliance with the GDPR.
- (b) Notify the Commissioner within 3 months of the actions taken to comply with said decision.

The Bank has taken the steps it considers to be in compliance with the Commissioner's decision, including the revision of the Bank's RBS (banking system) Manual, system change regarding the warning message and the 'four eye principle' and training

of staff through awareness messages.

The Bank timely proceeded and replied to the Commissioner on 1 June 2020.

2. The Commissioner's decision against the Bank concerning a bank vault. On 3 November 2020, the Bank received a decision from the Commissioner against the Bank. The Commissioner decided to impose a fine of €25.000 against the Bank for breach of the following GDPR articles:

- Of article 5(1)(e) (principle of storage limitation), personal data shall be kept in a form which permits identification of individuals for no longer than is necessary for the purposes for which the personal data is processed,
- Of article 5(1)(f) (principle of integrity and confidentiality), personal data shall be processed in a manner that ensures appropriate security of the personal data, including protection against unauthorised or unlawful processing and against accidental loss, destruction or damage, using appropriate technical or organisational measures,
- Of article 32(1)(b) (the ability to ensure the ongoing confidentiality, integrity, availability and resilience of processing systems and services),
- Of article 32(1)(c) (the ability to restore the availability and access to personal data in a timely manner in the event of a physical or technical incident) and,
- Of article 33(1) (notification of a personal data breach to the supervisory authority).

The Bank paid the fine imposed by the Commissioner.

3. Decision against the Bank concerning the mobile app. A decision against the Bank was received on 30 November 2020. Accordingly, the Commissioner did not impose a fine against the Bank or any other administrative fine, but ordered the Bank to, within 6 months following the decision and after an audit carried out, inform the Commissioner and/or provide relevant information in relation to the total number of similar incidents occurred and detected by then.

The Bank has informed the Commissioner that no incidences occurred within the period requested.

COMMUNITY INVESTMENT AND IMPACT ON SOCIETY

the team, as well as various campaigns that someone can support throughout the year.

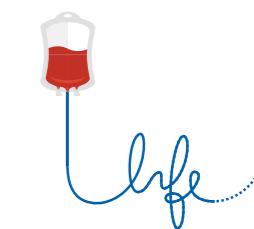
- **#HBVOLUNTEERSCHALLENGE:** On the occasion of the Pancyprian Volunteerism Week, the Bank invited all Divisions to participate in the first #HBVOLUNTEERSCHALLENGE initiative, which aimed to involve all staff members in volunteering actions. Teams had to plan/organise their own volunteering activity to contribute to the society, thus creating better living conditions. Staff members made a generous contribution (more than 200 initiatives) and despite the COVID-19 restrictions, their contribution was very moving. Volunteering is one of the most rewarding actions and initiatives which can have a real and valuable positive impact on people and the wider society emphasizing the Bank's social contribution. The Bank's goal is to establish this challenge as a long-standing tradition of promoting volunteerism and to annually implement such activities.



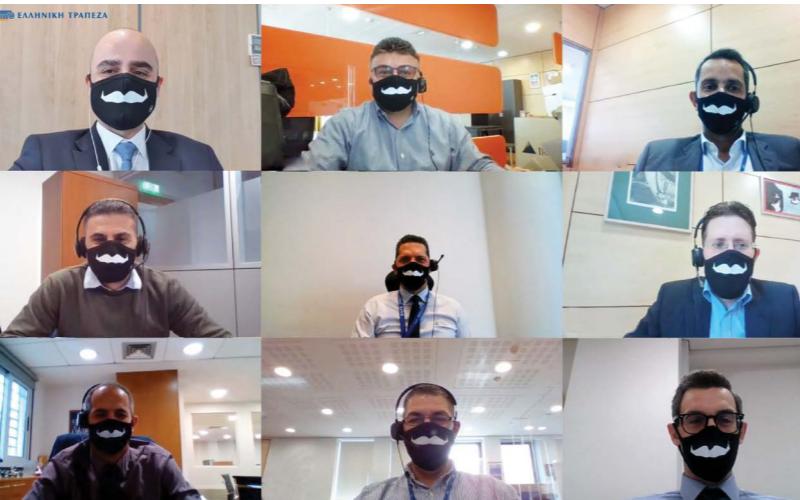
- **Awareness Campaigns:** A series of awareness campaigns was executed through the internal portal to raise awareness on Organ Donation, Bone Marrow Donation and on how to support an organisation for a good cause. The initiative's purpose was to support the efforts towards the increase of the National Register of Potential Organ Donors and Cyprus Archive of Bone Marrow Donors – Karaiskakio Foundation, as well as the way staff members could support various Charity Associations/ Organisations and NGOs.
- **Blood Donations:** On the occasion of the International Blood Donation Day - Volunteer Blood Donor, the Bank carried out a Pancyprian Voluntary Staff Blood Donation.



BECOME AN ORGAN DONOR



2 Pancyprian Staff Blood Donations



Also, within the framework of the Pancyprian Volunteer Week, the Bank organised another Staff Blood Donation in memory of all our loved ones and colleagues who passed away. Blood donations are organised in collaboration with the Ministry of Health - Blood Center, taking all necessary measures to minimise the spread of COVID-19. Blood donation is the ultimate form of volunteerism, since the volunteer blood donor offers help, without any consideration. Contributing to this sacred purpose, the team of volunteers and the staff members of the Bank responded positively to the call. The attendance of the staff in the blood donations was very high, with their contribution helping Cyprus to be in the first places among the countries of the European Union, in terms of the percentage of blood donors, which reached 9% of the population.

DONATIONS

- Back to School supplies for all children:** A Pancyprian campaign to collect school supplies for children of vulnerable families. The initiative is organised by the Pancyprian Voluntarism Coordinative Council (PVCC). The Bank's staff members supported this campaign by raising money and offering brand new school supplies to the children through PVCC.
- Woman's Day:** March 8 has been established worldwide as Women's Day and the Hellenic Bank "celebrated" this day by participating in the global campaign of emphasising the need to create a world of equality, with equivalent opportunities for all, regardless of gender, without stereotypes and far from discrimination. The Bank believes in equality and seeks a fairer world for all. A video was created with the participation of staff inspired by the global campaign IWD2020 #EachforEqual. At the same time, as every year, a donation was made to support the efforts of the Non-Profit Organization Europa Donna.
- Movember:** The Bank supported Movember Cyprus 2020 in a different way this year by buying and offering face masks to all male staff members, thus giving its own message for raising public awareness about prostate cancer.

IMPACT ON SOCIETY AND COVID-19 PANDEMIC

OUR BANK'S RESPONSE TO THE COVID-19 EMERGENCY

A 3-PRONGED PLAN TO BOLSTER THE ECONOMY AND SUPPORT THE SOCIETY DURING THE COVID-19 PANDEMIC

In early 2020, our society was confronted with an unprecedented situation that turned our daily lives and the economy on their heads. From the outset, Hellenic Bank has been working intensively in close cooperation with the other competent bodies, the Central Bank, the Ministry of Finance, the Association of Cyprus Banks, and other social players, to put in place specific measures to bolster the Cypriot economy and society.

A specific, 3-pronged strategic plan has been implemented which is constantly being adjusted as the situation unfolds:

AT OUR CUSTOMERS' SIDE

- We participate in the Governmental Interest Subsidy Scheme on New Housing Loans. The aim of the scheme is to support households in taking out loans for owner-occupied housing, in the form of interest rate subsidies, in order to reinforce efforts being made to support the economy.

€113 m subsidised loans supported by government scheme (FY20-3M21)

- In light of the Minister of Finance's decree to suspend instalment payments, about 21,1 k customers with total loans outstanding of €2,8 bn participated in the instalment moratorium scheme which expired on 31 December 2020.
- Accounts were opened immediately for any of our fellow citizens who did not already have one.
- Instructions were given to staff to refrain from deducting any Ministry of Labour allowances from customers for any of their loans.

- Interest rates on credit cards were set to zero for 2 months, so that people can use their cards without any charge.
- Charges for sending up to €1,000 in both Cyprus and the rest of Europe were reduced to zero, thereby making it easy to send money to students abroad.
- No charges are being applied for student card money withdrawals overseas.

HELPING CONTAIN SPREAD OF THE VIRUS

- Intense promotion of our alternative channels and of our Connect Corners where customers can get familiarised with digital transactions.
- Free debit cards were issued through our Customer Contact Centre.
- We were the first bank in Cyprus to allow customers to register via our digital channels without needing to visit a branch, and without any physical contact.
- The ATM cash deposit limit was increased to limit branch traffic
- In line with the Ministry of Health decrees, we protected our staff and customers by reducing the number of branches in the network, bolstering support via our customer call centre and taking all the necessary protective measures. Utilising the Bank's technological infrastructure, a large portion of our staff started working from home as part of our efforts to stop the spread of the virus.

PROVIDING PRACTICAL SUPPORT TO SOCIETY AND VULNERABLE GROUPS

In addition to measures to support customers and offer additional digital tools, Hellenic Bank has been implementing measures to bolster society and vulnerable groups using the slogan **#ΕίμαστεΔίπλαΣας**, which translates as "We are there for you".

Among the actions taken were:

- Supporting healthcare professionals

Hellenic Bank acted swiftly to the request from the Cyprus Nurses Union (PASYN) and other organisations to provide assistance in procuring the necessary Personal Protective

Equipment (PPE) for front line healthcare professionals, covering the cost of masks, gloves, and other items of protective equipment.

- Assisting vulnerable groups meet their basic needs

Hellenic Bank provided financial support for the Emergency Service of the Cyprus Red Cross to help vulnerable groups or older people who cannot leave home meet their basic needs. Support involves volunteers delivering medicines and necessities to their homes, and where necessary, those necessities are provided free of charge.

As part of its long-term support of the Hope For Children charity, the Bank has undertaken to cover the cost of disinfecting the 3 private children's shelters run by the Hope For Children CRC Policy Centre, which are located in Larnaca and Limassol and currently house 112 children. In addition to offering housing, these shelters also provide children with protection and safety, specialised legal services, as well as continuous psychosocial support and counselling.

- Countering the psychological effects of the crisis on society

On the initiative of Hellenic Bank Group, telephone line support mechanism was set up in partnership developed with the Pancyprian Society of Psychologists. We offered financial assistance so that professional psychological support can be provided free of charge to patients, their loved ones and anyone who needs to talk to professional psychologists in any area of specialisation because of the crisis we are experiencing.

We have also ensured that remarkable initiatives are being taken to provide alternative forms of entertainment and cultural events during the quarantine period. We provided financial support to the Fairytale Museum as well as the alternative methods of accessing culture offered to the public by the Paphos Municipal Theatre in partnership with the Municipality of Limassol.



"Fairytales over the phone" and "Let me tell you a story" activations of Fairytale Museum

Volunteers from the Fairytale Museum, phoned parents daily and having asked the age of the children, arranged a time when they can call back to read fairytales to the children. At the same time we had live narrations of fairy tales on the Fairytale Museum's Facebook page. Well-known, much loved authors, actors, presenters and other celebrities reading their favourite fairytale to the kids every day via social media.



"Stay at Home with the Pattihiou"

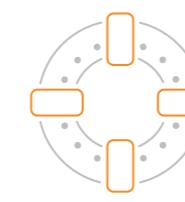
The stage of the Pattihiou Municipal Theatre hosted artists who had been left without any income because of the measures taken to combat the pandemic. With the aid of technology, performances were streamed online, offering the public a bit of cultural escapism while also artists the chance to work.

In addition, after the first lock down, in cooperation with the Government we launched the 'Next Day Campaign' which aimed to encourage people through media to think positively after the first lock down but at the same time inform them regarding different covid related issues to prevent widespread contagion.



**156k**Scholarships
to students
(academic year 2020-2021)**29k**

Student awards

**17k**Eco schools and other
environmental
activations**68k**Local
communities
and culture**82k**Practical support
to society and
vulnerable groups**230k**COVID 19 Next Day
Campaign

SUPPORTING VULNERABLE GROUPS AND PROMOTING ACTIVISM

Throughout 2020, we have participated in initiatives aimed at easing social problems, supporting families and other organisations who actively engage in supporting vulnerable groups within the population.

Through employee involvement, the Bank continued to support campaigns of reputable foundations such as Hope for Children, Red Cross, Sophia Foundation, Elpida Foundation as well as other NGOs and charity organisations initiatives.

SUPPORTING EDUCATION, ENVIRONMENT, LOCAL COMMUNITIES AND CULTURE

EDUCATION

CUSTOMERS' DIGITAL MIGRATION In the framework of our ongoing effort to educate our customers, we created the Connect Corners. They are specially designed spaces inside branches where experienced staff familiarize customers with the usage of our alternative channels to make their transactions easier, faster and cheaper. In 2020 25 Connect Corners were created and 16.000 unique visitors were assisted. Through a simple procedure, customers can connect digitally with the Bank and get trained in order to use our digital channels and enjoy faster and more flexible services whenever and wherever they are.



HELLENIC BANK SCHOLARSHIP SCHEME Jumpstart Hellenic Bank implements the Jumpstart Scholarship Program to support young students from low income families. The scheme's purpose is to provide financial support to graduates throughout their academic studies at any university or higher education establishment in Cyprus or abroad. Annually 20 new scholarships are awarded to an equal number of students, based on predetermined social, economic and academic criteria.

STUDENT AWARDS Hellenic Bank has supported projects encouraging local students to participate in competitions abroad. Additionally, it has offered recognition awards to best performing University Students and to all best performing graduates from high schools across Cyprus.

ENVIRONMENT

"ECO-SCHOOLS" PROGRAM In cooperation with CYMEPA, the Bank continues to provide its long-standing support for the "Eco- Schools" program in Cyprus which has achieved great success. More than 220 public and private schools with over 40,000 students and 5,000 teachers participated in this program each year. Eco-Schools is a global initiative that encourages young people to engage with their environment by giving them the opportunity to actively protect it. It starts in the classroom and then expands throughout the school, ultimately fostering change in the wider community. Through this program, young people experience a sense of achievement at being able to actively participate in directing the environmental management policies of their schools, ultimately steering them towards certification and the prestige that comes with being awarded a Green Flag.

LET'S DO IT CYPRUS Hellenic Bank is a strategic supporter of 'Let's Do it Cyprus' which is part of the 'Let's Do it World' campaign implemented in 94 countries that aims to clean rubbish from the world. The goal of 'Let's Do it Cyprus' is to clean up the waste from around the island in a single day through the participation of thousands of volunteers. The government, local authorities, private companies, community service companies, recycling companies, non-governmental organizations, associations and schools all participate in this effort to achieve a better environment. Under this framework, in addition to financial support, Bank employees also participate as volunteers in this great effort.





Every year, the Association of Cyprus Banks, in cooperation with Junior Achievement and under approval of the Ministry of Education, organises two training programs for Primary & High school students from all over Cyprus.

"More than Money" programme aims to familiarise children with concepts related to society and the economy, such as money management, savings, business creation, ethical decision-making in financial transactions and international trade.

- 3 classroom sessions (Duration: 80min each session)
- 25 Primary Schools from all over Cyprus
- February-March* 2020
- Contribution of Hellenic Bank: 7 members of the staff took the role of mentor

*In March is the "European Money Week", in which schools around Europe, organise financial literacy activities in order to improve the economic literacy of students.

"Economics for Success" programme aims to provide practical information on private finance, as well as the importance of identifying education and career objectives, based on students' skills, interests and values.

- 1 full day session via Microsoft Teams (Duration: 5.20 hours)
- High School students from all over Cyprus
- December 2020
- Contribution of Hellenic Bank: 6 members of the staff took the role of mentor.

SUPPORT OF LOCAL COMMUNITIES & CULTURE

Throughout its existence, Hellenic Bank has been supporting cultural productions, local community festivals, exhibitions, events, local theatre performances and other initiatives. The Bank also offers its Head Office building for events of organized groups.

HEALTH RELATED PROJECTS/CHILD

Throughout its history, Hellenic Bank has provided support to the Cyprus Breast Health Forum, Movember, Telethon, Europa

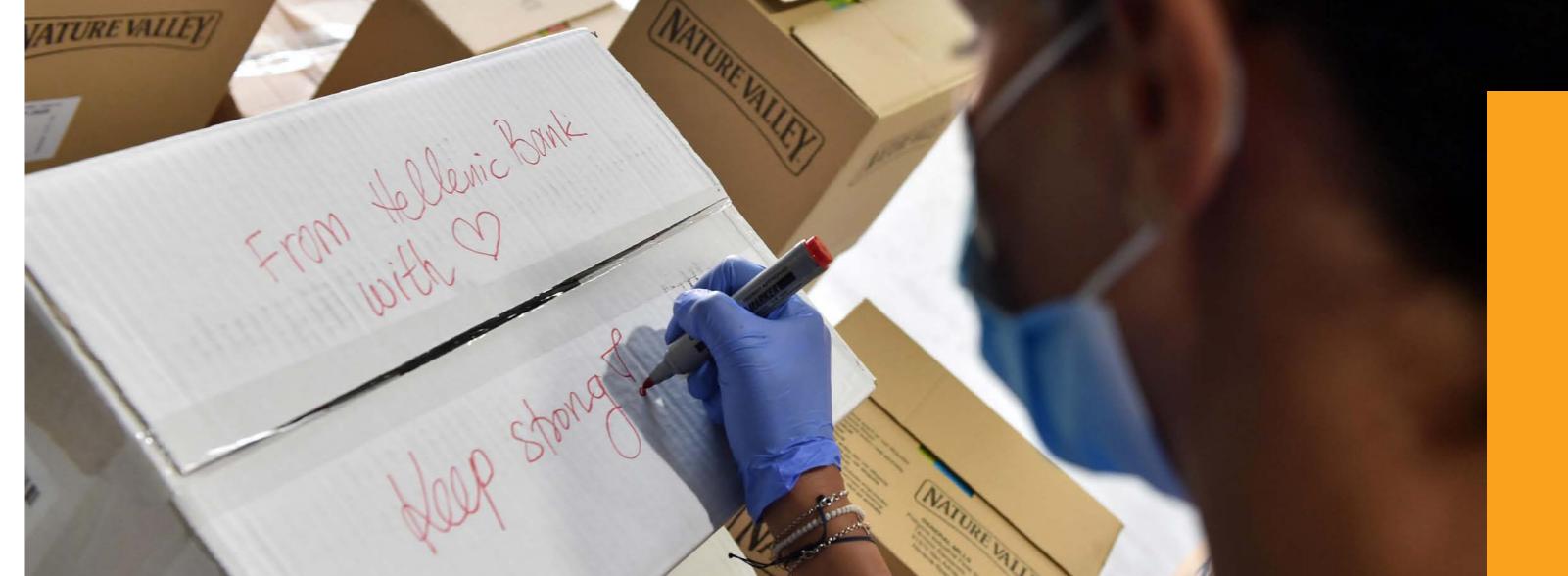
Donna, Karaiskakio by supporting their health related mission and initiatives.

Hellenic Bank is one of the main sponsors of the "Miniature Horse Therapy" project operated by the non-profit organization MAJESTIC which was established in Cyprus to offer 'horse healing' services or equine-assisted therapy to children with disabilities and other health problems. Events with the two trained miniature horses, 'Mini' & 'Helen', are organised in hospital units, special schools and nursing homes to bring some charm to the patients' lives, as well as to give courage, strength and hope to the children in need. Accompanying the miniature horses during the visits are psychologists and nursing staff. The program is ideal for children with special needs, cancer and rare diseases, behavioural disorders, psychiatric problems, as well as for children with neurological problems and those that have suffered abuse.

COMMISSIONERS

- A meeting with the Commissioner for Volunteerism & Non-Governmental Organizations and the Commissioner for the Environment of the Republic of Cyprus was organised to inform them on the establishment of the official 'Hellenic Bank Volunteers' team and to exchange ideas on how the Bank could cooperate in the near future.
- **Primary Schools Tree Program 2020-2021:** The Bank has formed a strategic cooperation with the Commissioner for the Environment for the implementation of the 'Primary Schools Tree Program 2020-2021'. The Program concerns the tree-planting on the high railings around the schools, where the Bank will cover the costs of the trees, water systems etc., of 15-20 schools all over Cyprus for the period 2020-2021. The goal is for these schools, to get greener and to become quieter, as the trees will also function as sound insulators, investing in the better education of the students.

- **Humanitarian Aid for Lebanon - HB Volunteers Participation:** Hellenic Bank Volunteers team was activated for the support of the Pancypryan Emergency Management Center at the grounds of the State Fair in Nicosia, under the monitoring of the Commissioner of Volunteerism & NGOs office, which coordinated the entire effort to collect dry food and send it to the Lebanese in need.



Humanitarian Aid for Lebanon in coordination with the Commissioner for Volunteerism and NGOs (August 2020)

HB Volunteers team in numbers

- 50 boxes of "dry food" were delivered to the Pancypryan Emergency Management Center as support from Hellenic Bank
- 5 days in total between 11/08 – 12/08 Volunteers were assisting at the Pancypryan Emergency Management Center
- 92 helping hours in total by Hellenic Bank Volunteers team (during and after working hours)
- 23 volunteers^{*} helped in the collection and packaging of food supplies at the Pancypryan Emergency Management Center (breakdown by Divisions can be seen below)



Implementation of
**Primary Schools
TreeProgram** with
Commissioner for
the Environment



Έναρξη Προγράμματος φύτευσης αναρριχητικών φυτών στα ψηλά κάκιέλα των δημοτικών σχολείων.
(Συνεργασία Ελληνικής Τράπεζας με την Επιτροπή Περιβάλλοντος)

ΕΛΛΗΝΙΚΗ ΤΡΑΠΕΖΑ





ADDITIONAL INFORMATION

GRI CONTENT INDEX

GENERAL DISCLOSURES

GRI STANDARD	DISCLOSURE NUMBER AND TITLE	PAGE NUMBER(S) AND/OR URL(S)
ORGANISATIONAL PROFILE		
GRI 102: GENERAL DISCLOSURES 2016	GRI 102-1 Name of the organisation	Please refer to page 35, Note 1 of the 2020 Annual Financial Report How we create value, Page 16
	GRI 102-2 Activities, brands, products, and services	How we create value, Page 16 https://www.hellenicbank.com/portalserver/hb-en-portal/en/about-us
	GRI 102-3 Location of headquarters	Please refer to page 35 Note 1 of the 2020 Annual Report How we create value, Page 16
	GRI 102-4 Location of operations	Please refer to page 1 of the 2020 Annual Financial Report
	GRI 102-5 Ownership and legal form	How we create value, Page 16 Presentation for the Group Financial Results for the year ended 31 December 2020, Slide 51
	GRI 102-6 Markets served	How we create value, Page 16 Annual Financial Report 2020, Page 1
	GRI 102-7 Scale of the organisation	Hellenic Bank Group Annual Financial Report 2020
	GRI 102-8 Information on employees and other workers	Employee Management and Engagement, Pages 44-51 Labour Practices/Labour Rights, Pages 52-54

GRI STANDARD	DISCLOSURE NUMBER AND TITLE	PAGE NUMBER(S) AND/OR URL(S)
	GRI 102-9 Supply chain	Our products, services and business model, Page 16 Economic Performance & Financial Resilience, Pages 82-84 Internal Environmental Management/Impacts, Pages 62-71 Procurement practices, Pages 100-101
	GRI 102-10 Significant changes to the organisation and its supply chain	Transformation, Pages 86-87 How we create value, Page 16
	GRI 102-11 Precautionary Principle or approach	Environmental/Social criteria into Investment, Pages 72-79 Risk Management Pages 96-97
	GRI 102-12 External initiatives	Internal Environmental Management/Impacts, Pages 62-71 Customer Satisfaction, Pages 90-95
	GRI 102-13 Membership of associations	Corporate Affairs Page 85

GRI STANDARD	DISCLOSURE NUMBER AND TITLE	PAGE NUMBER(S) AND/OR URL(S)	GRI STANDARD	DISCLOSURE NUMBER AND TITLE	PAGE NUMBER(S) AND/OR URL(S)
STRATEGY					
	GRI 102-14 Statement from senior decision-maker	Chairman Message, Pages 6-7		GRI 102-20 Executive-level responsibility for economic, environmental, and social topics	Sustainability Governance, Page 24
	GRI 102-15 Key impacts, risks, and opportunities	Internal Environmental Management/Impacts, Pages 62-71 Environmental/Social Criteria into Investment, Pages 72-79 Risk Culture, Pages 96-97 Governance, Pages 22-25 Compliance and Anti-Corruption, Pages 96-97		GRI 102-21 Consulting stakeholders on economic, environmental, and social topics	Sustainability Governance, Page 24 Communicating and understanding our stakeholders, Pages 36-39
ETHICS AND INTEGRITY					
	GRI 102-16 Values, principles, standards, and norms of behavior	https://www.hellenicbank.com/portalserver/hb-en-portal/en/about-us/who-we-are/overview/vision--values Annual Financial Report 2020, Page 242, 246 Our common Purpose, Page 12		GRI 102-23 Chair of the highest governance body	Risk Culture, Pages 96-97 Governance, Pages 22-25
	GRI 102-17 Mechanisms for advice and concerns about ethics	Risk Culture, Pages 96-97 Governance, Pages 22-25 Compliance and Anti-corruption, Pages 98-99		GRI 102-24 Nominating and selecting the highest governance body	Annual Financial Report 2020, Page 252 Risk Culture, Pages 96-97 Governance, Pages 22-25 Sustainability Governance, Page 24
GOVERNANCE					
	GRI 102-18 Governance structure	Risk Culture, Pages 96-97 Governance, Pages 22-25		GRI 102-26 Role of highest governance body in setting purpose, values, and strategy	Sustainability Governance, Page 24 Our common purpose Page 12 Annual Financial Report 2020, Page 242
	GRI 102-19 Delegating authority	Risk Culture, Pages 96-97 Governance, Pages 22-25		GRI 102-29 Identifying and managing economic, environmental, and social impacts	Internal Environmental Management/Impacts Pages 62-71 Economic Performance & Resilience, Pages 82-84 Materiality Pages 28-30
STAKEHOLDER ENGAGEMENT					
				GRI 102-40 List of stakeholder groups	Communicating and understanding our Stakeholders, Pages 36-39

GRI STANDARD	DISCLOSURE NUMBER AND TITLE	PAGE NUMBER(S) AND/OR URL(S)
GRI 10-41	Collective Bargaining agreements	Employee Management and Engagement Pages 44-51 Labour Practices/Labour Rights Pages 52-54
GRI 102-42	Identifying and selecting stakeholders	Materiality Process and Results, Pages 28-30 Communicating and understanding our Stakeholders, Pages 36-39
GRI 102-43	Approach to stakeholder engagement	Communicating and understanding our Stakeholders, Pages 36-39
GRI 102-44	Key topics and concerns raised	Materiality Process and Results, Pages 28-30
REPORTING PRACTICE		
GRI 102-45	Entities included in the consolidated financial statements	The Bank is the most material entity in the Group, thus the Sustainability Report focuses on the Bank. Information regarding other legal entities is also included where this is considered material. Annual Financial Report 2020, note 23 How we create value, Page 16
GRI 102-46	Defining report content and topic Boundaries	Materiality Process and Results, Pages 28-30
GRI 102-47	List of material topics	Materiality Process and Results, Pages 28-30
GRI 102-48	Restatements of information	Materiality Process and Results, Pages 28-30
GRI 102-49	Changes in reporting	Materiality Process and Results, Pages 28-30
GRI 102-50	Reporting period	2020
GRI 102-51	Date of most recent report	CSR Report 2019, published in September 2020
GRI 102-52	Reporting Cycle	Annual
GRI 102-53	Contact point for questions regarding the report	sustainability@hellenicbank.com
GRI 102-54	Claims of reporting in accordance with the GRI Standards	About this report, Page 2
GRI 102-55	GRI content index	GRI Content Index, Page 118
GRI 102-56	External Assurance	No

GRI STANDARD	DISCLOSURE NUMBER AND TITLE	PAGE NUMBER(S) AND/OR URL(S)
MATERIAL TOPIC: GOVERNANCE AND RISK CULTURE		
GRI 103: MANAGEMENT APPROACH 2016	GRI 103-1	Explanation of the material topic and its Boundary
	GRI 103-2	The management approach and its components
	GRI 103-3	Evaluation of the management approach
GRI 102: GENERAL DISCLOSURES 2016	GRI 102-18	Governance structure Refer to GRI 102: General Disclosures 2016 (in GRI Content Index)
	GRI 102-19	Delegating authority Refer to GRI 102: General Disclosures 2016 (in GRI Content Index)
	GRI 102-20	Executive-level responsibility for economic, environmental, and social topics Refer to GRI 102: General Disclosures 2016 (in GRI Content Index)
	GRI 102-21	Consulting stakeholders on economic, environmental, and social topics Refer to GRI 102: General Disclosures 2016 (in GRI Content Index)
	GRI 102-22	Composition of the highest governance body and its committees Refer to GRI 102: General Disclosures 2016 (in GRI Content Index)
	GRI 102-23	Chair of the highest governance body Refer to GRI 102: General Disclosures 2016 (in GRI Content Index)
	GRI 102-24	Nominating and selecting the highest governance body Refer to GRI 102: General Disclosures 2016 (in GRI Content Index)
	GRI 102-30	Effectiveness of risk management processes Refer to GRI 102: General Disclosures 2016 (in GRI Content Index)

TOPIC SPECIFIC DISCLOSURES ECONOMIC

GRI STANDARD	DISCLOSURE NUMBER AND TITLE	PAGE NUMBER(S) AND/OR URL(S)
MATERIAL TOPIC: ECONOMIC PERFORMANCE & FINANCIAL RESILIENCE		
GRI 103: MANAGEMENT APPROACH 2016	GRI 103-1 Explanation of the material topic and its Boundary	Boundary: Internal, external Economic Performance & Financial Resilience, Pages 82-84
	GRI 103-2 The management approach and its components	Economic Performance & Financial Resilience, Pages 82-84
	GRI 103-3 Evaluation of the management approach	Economic Performance & Financial Resilience, Pages 82-84
GRI 201: ECONOMIC PERFORMANCE 2016	GRI 201-1 Direct economic value generated and distributed	Economic Performance & Financial Resilience, Pages 82-84
	GRI 201-3 Defined benefit plan obligations and other retirement plans	Economic Performance & Financial Resilience, Pages 82-84
GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016	GRI 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Please refer to note 39 (Contingent liabilities and commitments) of the Annual Financial Report 2020 (Page 149)
MATERIAL TOPIC: ANTI-CORRUPTION		
GRI 103: MANAGEMENT APPROACH 2016	GRI 103-1 Explanation of the material topic and its Boundary	Boundary: Internal, external Compliance and Anti-Corruption, Pages 98-99
	GRI 103-2 The management approach and its components	Compliance and Anti-Corruption, Pages 98-99
	GRI 103-3 Evaluation of the management approach	Compliance and Anti-Corruption, Pages 98-99
GRI 205: ANTI-CORRUPTION 2016	GRI 205-1 Operations assessed for risks related to corruption	Compliance and Anti-Corruption, Pages 98-99
	GRI 205-3 Confirmed incidents of corruption and actions taken	Compliance and Anti-Corruption, Pages 98-99 No incidents of corruption reported

SOCIAL

GRI STANDARD	DISCLOSURE NUMBER AND TITLE	PAGE NUMBER(S) AND/OR URL(S)
MATERIAL TOPIC: LABOUR PRACTICES/LABOUR RIGHTS		
GRI 103: MANAGEMENT APPROACH 2016	GRI 103-1 Explanation of the material topic and its Boundary	Boundary: Internal Labour Practices/Labour Rights, Pages 52-54
	GRI 103-2 The management approach and its components	Boundary: Internal Labour Practices/Labour Rights, Pages 52-54
	GRI 103-3 Evaluation of the management approach	Boundary: Internal Labour Practices/Labour Rights, Pages 52-54
GRI 402: LABOUR/ MANAGEMENT RELATIONS 2016	GRI 402-1 Minimum notice periods regarding operational changes	We follow the requirements as described in relative Legislation, such as the Collective Redundancies Law, the Safeguarding of Employees' Rights in the Event of Transfers of Undertakings and the Consultation and Information Law. Labour Practices/Labour Rights, Pages 52-54
GRI 401: EMPLOYMENT 2016	GRI 401-1 New employee hires and employee turnover	Employee Management and Engagement, Pages 44-51
	GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Labour Practices/Labour Rights, Pages 52-54
	GRI 401-3 Parental Leave	Labour Practices/Labour Rights, Pages 52-54
GRI 412: HUMAN RIGHTS ASSESSMENT 2016	GRI 412-1 Operations that have been subject to human rights reviews or impact assessments	Environmental/Social criteria into Investment, Pages 72-79 Labour Practices/Labour Rights, Pages 52-54
	GRI 412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Environmental/Social criteria into investments, Pages 72-79
MATERIAL TOPIC: HEALTH, SAFETY AND WELL-BEING		
GRI 103: MANAGEMENT APPROACH 2016	GRI 103-1 Explanation of the material topic and its Boundary	Boundary: Internal Health, Safety and Well-being Pages 55-57
	GRI 103-2 The management approach and its components	Boundary: Internal Health, Safety and Well-being Pages 55-57
	GRI 103-3 Evaluation of the management approach	Boundary: Internal Health, Safety and Well-being Pages 55-57

GRI STANDARD	DISCLOSURE NUMBER AND TITLE		PAGE NUMBER(S) AND/OR URL(S)	GRI STANDARD	DISCLOSURE NUMBER AND TITLE		PAGE NUMBER(S) AND/OR URL(S)	
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	GRI 403-1	Occupational health and safety management system	The system has been implemented because of legal requirements Health, Safety and Well-being Pages 55-57	GRI 404: TRAINING AND EDUCATION 2016	GRI 404-1	Average hours of training per year per employee	Training and Education, Page 58-59	
	GRI 403-2	Hazard identification, risk assessment, and incident investigation	Health, Safety and Well-being Pages 55-57		GRI 404-2	Programs for upgrading employee skills and transition assistance programs	Training and Education, Page 58-59	
	GRI 403-3	Occupational health services in last column: A physician is providing services to the Group	Health, Safety and Well-being Pages 55-57		GRI 404-3	Percentage of employees receiving regular performance and career development reviews	Employee Management and Engagement, Pages 44-51	
	GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	Health, Safety and Well-being Pages 55-57	MATERIAL TOPIC: EMPLOYEE MANAGEMENT AND ENGAGEMENT				
	GRI 403-5	Worker training on occupational health and safety	Health, Safety and Well-being Pages 55-57	GRI 103: MANAGEMENT APPROACH 2016	GRI 103-1	Explanation of the material topic and its Boundary	Boundary: Internal Employee Management and Engagement, Pages 44-51	
	GRI 403-6	Promotion of worker health in last column universal health coverage is provided to all employees	Health, Safety and Well-being Pages 55-57		GRI 103-2	The management approach and its components	Employee Management and Engagement, Pages 44-51	
	GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	No significant negative occupational health and safety impacts that are directly linked to operations, products or services by business relationships are noted Health, Safety and Well-being Pages 55-57		GRI 103-3	Evaluation of the management approach	Employee Management and Engagement, Pages 44-51	
	GRI 403-9	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related injuries	Health, Safety and Well-being Pages 55-57	GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	GRI 405-1	Diversity of governance bodies and employees	Employee Management and Engagement, Pages 44-51 Labour Practices/Labour Rights, Pages 52-54	
MATERIAL TOPIC: TRAINING AND EDUCATION					GRI 405-2	Ratio of basic salary and remuneration of women to men	Employee Management and Engagement, Pages 44-51 Credit facilities with favourable terms and conditions were successfully provided to our employees	
GRI 103: MANAGEMENT APPROACH 2016	GRI 103-1	Explanation of the material topic and its Boundary	Boundary: Internal Training and Education, Page 58-59	GRI 406: NON-DISCRIMINATION 2016	GRI 406-1	Incidents of discrimination and corrective actions taken	No Incidents of discrimination are reported during 2020	
	GRI 103-2	The management approach and its components	Training and Education, Page 58-59	GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016	GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Employee Management and Engagement, Pages 44-51 Labour Practices/Labour Rights, Pages 52-54	
	GRI 103-3	Evaluation of the management approach	Training and Education, Page 58-59	GRI 408: CHILD LABOUR 2016	GRI 408-1	Operations and suppliers at significant risk for incidents of child labour	The Bank is not aware of its suppliers being at significant risk for incidents of child Labour, environmental issues and / or bad practices.	

GRI STANDARD	DISCLOSURE NUMBER AND TITLE	PAGE NUMBER(S) AND/OR URL(S)
MATERIAL TOPIC: COMPLIANCE		
GRI 103: MANAGEMENT APPROACH 2016	GRI 103-1 Explanation of the material topic and its Boundary	Boundary: Internal, external Compliance and Anti-Corruption, Compliance, Pages 98-99
GRI 419: SOCIOECONOMIC COMPLIANCE 2016	GRI 103-2 The management approach and its components	Compliance and Anti-Corruption, Compliance, Pages 98-99
	GRI 103-3 Evaluation of the management approach	Compliance and Anti-Corruption, Compliance, Pages 98-99
	GRI 419-1 Non-compliance with laws and regulations in the social and economic area	Refer to note 39 (contingent liabilities and Commitments) of the Annual Financial Report 2020 (Page 150) 3 cases

GRI STANDARD	DISCLOSURE NUMBER AND TITLE	PAGE NUMBER(S) AND/OR URL(S)
MATERIAL TOPIC: CUSTOMER SATISFACTION		
GRI 103: MANAGEMENT APPROACH 2016	GRI 103-1 Explanation of the material topic and its Boundary	Boundary: Internal, external Customer Satisfaction, Pages 90-95
	GRI 103-2 The management approach and its components	Customer Satisfaction, Pages 90-95
	GRI 103-3 Evaluation of the Management approach	Customer Satisfaction, Pages 90-95
GRI 417: MARKETING AND LABELLING 2016	GRI 417-1 Requirements for product and service information and labeling	Consumer Protection and Responsible Marketing, Pages 104
MATERIAL TOPIC: CONSUMER PROTECTION AND RESPONSIBLE MARKETING		
GRI 103: MANAGEMENT APPROACH 2016	GRI 103-1 Explanation of the material topic and its Boundary	Boundary: Internal, external Consumer Protection and Responsible Marketing, Pages 104
	GRI 103-2 The management approach and its components	Consumer Protection and Responsible Marketing, Pages 104
	GRI 103-3 Evaluation of the management approach	Consumer Protection and Responsible Marketing, Pages 104
GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016	GRI 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Refer to GRI 206-1 in Economic Performance & Financial Resilience (in GRI Content Index)
GRI 417: MARKETING AND LABELLING 2016	GRI 417-1 Requirements for product and service information and labeling	Refer to GRI 417-1 in Customer Satisfaction (in GRI Content Index)
GRI 419: SOCIOECONOMIC COMPLIANCE 2016	GRI 419-1 Non-compliance with laws and regulations in the social and economic area	Refer to GRI 419-1 in Compliance (in GRI Content Index)

ENVIRONMENT

GRI STANDARD	DISCLOSURE NUMBER AND TITLE		PAGE NUMBER(S) AND/OR URL(S)
MATERIAL TOPIC: CUSTOMER PRIVACY/DATA SECURITY			
GRI 103: MANAGEMENT APPROACH 2016	GRI 103-1	Explanation of the material topic and its Boundary	Boundary: Internal, external Customer Privacy/Data Security, Pages 104
	GRI 103-2	The management approach and its components	Customer Privacy/Data Security, Pages 104
	GRI 103-3	Evaluation of the management approach	Customer Privacy/Data Security, Pages 104
GRI 418: CUSTOMER PRIVACY 2016	GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer Privacy/Data Security, Pages 104, 55 cases
MATERIAL TOPIC: COMMUNITY INVESTMENT AND IMPACT ON SOCIETY			
GRI 103: MANAGEMENT APPROACH 2016	GRI 103-1	Explanation of the material topic and its Boundary	Boundary: external, Community Investment and Impact on Society, Pages 107-115
	GRI 103-2	The management approach and its components	Community Investment and Impact on Society, Pages 107-115
	GRI 103-3	Evaluation of the management approach	Community Investment and Impact on Society, Pages 107-115
GRI 203: INDIRECT ECONOMIC IMPACTS 2016	GRI 203-1	Infrastructure investments and services supported	Refer to GRI 102: General Disclosures 2016 (in GRI Content Index)
	GRI 203-2	Significant indirect economic impacts	Refer to GRI 102: General Disclosures 2016 (in GRI Content Index)
MATERIAL TOPIC: INTERNAL ENVIRONMENTAL MANAGEMENT/IMPACTS			
GRI 103: MANAGEMENT APPROACH 2016	GRI 103-1	Explanation of the material topic and its Boundary	Boundary: Internal, external Internal Environmental Management/Impacts, Pages 62-71
	GRI 103-2	The management approach and its components	Internal Environmental Management/Impacts, Pages 62-71
	GRI 103-3	Evaluation of the management approach	Internal Environmental Management/Impacts, Pages 62-71

GRI STANDARD	DISCLOSURE NUMBER AND TITLE		PAGE NUMBER(S) AND/OR URL(S)
MATERIAL TOPIC: ENERGY			
GRI 302: ENERGY 2016	GRI 302-1	Energy Consumption within the organisation	Internal Environmental Management/Impacts, Energy Management, Pages 62-71
	GRI 302-3	Energy intensity	Internal Environmental Management/Impacts, Energy Management, Pages 62-71
	GRI 302-4	Reduction of energy consumption	Internal Environmental Management/Impacts, Energy Management, Pages 62-71
MATERIAL TOPIC: ENVIRONMENTAL/SOCIAL CRITERIA INTO INVESTMENT			
GRI 103: MANAGEMENT APPROACH 2016	GRI 103-1	Explanation of the material topic and its Boundary	Boundary: Internal, external Environmental/Social criteria into Investment, Pages 72-79
	GRI 103-2	The management approach and its components	Environmental/Social criteria into Investment, Pages 72-79 Internal Environmental Management/Impacts, Pages 62-71
	GRI 103-3	Evaluation of the management approach	Environmental/Social criteria into Investment, Pages 72-79 Internal Environmental Management/Impacts, Pages 62-71
G4 SECTOR DISCLOSURES, FINANCIAL SERVICES			
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose		Internal Environmental Management/Impacts, Pages 62-71
	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose		Internal Environmental Management/Impacts, Pages 62-71

Other (COMPANY SPECIFIC)

GRI STANDARD	DISCLOSURE NUMBER AND TITLE	PAGE NUMBER(S) AND/OR URL(S)
MATERIAL TOPIC: TRANSFORMATION		
GRI 103: MANAGEMENT APPROACH 2016	GRI 103-1 Explanation of the material topic and its Boundary	Boundary: Internal, external Transformation, Pages 86-89
	GRI 103-2 The management approach and its components	Transformation, Pages 86-89
	GRI 103-3 Evaluation of the management approach	Transformation, Pages 86-89

GLOSSARY AND DEFINITIONS

AML:	Anti-Money Laundering
b:	Billions
CEO:	Chief Executive Office
EED:	European Energy Directive
EnMS:	Energy Management System
ERMF:	Enterprise Risk Management Framework
ExCo:	Executive Committee
GDPR:	General Data Protection Regulation
GHG:	Greenhouse gas
GRI:	Global Reporting Initiative
ISO:	International Organisation for Standardisation
k:	Thousands
m:	Millions
Managerial Staff:	Staff with 3 promotions or more
NGOs:	Non-Governmental Organisations
RAF:	Risk Appetite Framework
SDG:	Sustainable Development Goals
SME:	Small and medium-sized enterprises
Staff:	Staff with no promotions
Supervisory:	Staff with up to 2 promotions
UN:	United Nations
VEES:	Voluntary Early Exit Scheme

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