

# >> Corporate Social Responsibility Report

2007

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## Statement by the Chairman of the BoDs

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Dear colleagues and readers,

We live in a borderless society. I believe that we are experiencing the transformation of the organization of the society. The new power equation is shaped by a combination of economic, geopolitical, social and environmental factors.

Liquidity crisis in money markets, food and energy crisis, geopolitical conflicts and strains, sometimes the conflict between the concept of justice and the concept of power, retreat of the humanitarian principles, expanding of poverty, degradation of the natural environment and its consequence for human beings, all these feed entrepreneurial uncertainty and increase citizens' anxiety. At the same time they are significant parameters that make the global system more fragile.

The Crédit Agricole Group of Companies operates in 70 countries. We recognize the risks and we are working towards making Crédit Agricole part of the solution to the problems. Principally we are working towards a society in which human and labour rights are respected, opportunities are created for all, prevent corruption by promoting transparency, care for the protection of the natural environment.

Crédit Agricole has incorporated the concept of sustainable development in its strategy and within this context the Board of Directors' Strategy Committee, in its annual strategy review, evaluates the performance of its subsidiary companies in the field of Corporate Social Responsibility.


During its 100-year history and mainly in difficult periods, Emporiki Bank has demonstrated its active care for life and progress. This, I think, is still the basis of Corporate Social Responsibility.

Nowadays Emporiki Bank operates on the basis of the highest international banking standards and is going to become the springboard for the further expansion of Crédit Agricole to countries of the Southeastern Europe.

I am committed to work for the further enhancement of the performance of Emporiki Bank. My expectation is that with the great contribution of the Committee of the Board of Directors for Corporate Social Responsibility, Emporiki Bank will become a Bank of international reference. I would like to thank all the members of the Board of Directors of Emporiki Bank, the members of the Executive Committee, the Employees' Union and the personnel for their creative contribution to the operation of the Bank. I would especially like to thank the Emporiki Bank customers for their trust and I promise to justify their loyalty.

**JEAN- FREDERIC DE LEUSSE**

**CHAIRMAN OF THE BOARD OF DIRECTORS**



## Statement by the Chief Executive Officer

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Dear readers,

Emporiki Bank has completed 100 years of operation. This landmark is marked with the beginning of a new Era for Emporiki Bank as a member of Crédit Agricole Parent Group. This new era is based on Emporiki Bank's significant identity and rich heritage as well as the multifaceted support of Crédit Agricole parent Group which has brought its know-how and breakthrough practices. 2007 was a difficult year. Economic activity slowed down, inflation soared and the financial markets met an unprecedented for the postwar period upheaval.

In this framework, Emporiki Bank pursued a steady course and with social responsibility:

- We redefined the strategy and reorganized the operation systems. We adjusted the corporate governance, the risk management and the control systems to the corresponding ones of the parent company Crédit Agricole. We maintained the capital adequacy index at higher levels than the required ones.
- We reorganized the retail banking structure, creating the Business Centers for the better servicing of our clientele and we have also improved the loan portfolio. We have established stricter criteria for the granting of consumer loans and credit cards. We have extended the classic branch service network by establishing new branches and at the same time enhanced the electronic Customer Service systems. We have automated procedures and operations in an effort to improve the client service. We have supported all markets without excluding very small enterprises and the more vulnerable groups of the population.
- We have signed with the Union of Employees the Collective Labor Agreement. We transform the Bank showing respect to the personnel and its rights. We care for the training and development of the personnel, for the health and safety in the working environment. We cooperate with the Union of Employees in joint committees.
- We have expressed our solidarity in the required cases. We have cared for the culture and the cultural heritage.
- We have showed interest for the Bank's environmental responsibility.
- We were evaluated for our Corporate Responsibility and Accountability.
- We have cared to verify the report data.

We do not relax our vigilance. We just want Emporiki Bank to operate with responsibility in all aspects and for all interested parties. We work with a vision, principles, values and a plan. The establishment of a BoD Committee for the Corporate Social Responsibility aims to enhance our collective effort.

I leave this report on Corporate Social Responsibility for the year 2007 to your discretion. I would like to warmly thank the shareholders and the clients for trusting Emporiki Bank. I would like to thank the personnel for embracing the vision for the New Course and for supporting with commitment the Bank's transformation.

**ANTHONY CROMTIRAS**

**VICE-CHAIRMAN OF THE BoDS AND CHIEF EXECUTIVE OFFICER**

## A. OUR CORPORATE IDENTITY

### A.1 One Century of Operation and Social Concern: 1907 – 2007

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**E**mporiki Bank's roots begin in 1882, when the bank officer, Gregorios P. Emedoklis founded the Unlimited General Partnership "Gr. Emedoklis Bank".

The "Emporiki Bank of Greece SA" was founded in 1907 with the statutes registration number 3330/1907 which was approved on 22 November 1907. With its headquarters in the Borough of Athens, the Bank was listed to the Athens Stock Exchange on 8 April 1909.

During its 100-yr course of time, Emporiki Bank came across a lot and critical situations. Two world wars, the Asia Minor catastrophe, the 1929 financial crisis, its nationalisation in 1975, and its taking-over by the French Bank, Crédit Agricole S.A. in 2006.

In August 2006, Crédit Agricole S.A. acquired 72% of the Emporiki Bank capital equity following an open public offer. This development was the crowning achievement of the collaboration of the two Banks which began in 2000. Since August 2006 Emporiki

Bank has started the New Course.

In the course of its 100-yr operation, Emporiki Bank has gained a reputation as a strong institution of the economic life in Greece that produces values and contributes to the financial, social and cultural progress of the country. Emporiki Bank's major changes in strategy constituted major events of the Greek economy.

In the book entitled "Emporiki Bank 1907-2007: Identity Alternations and Transformations", Mrs. Margarita Dritsa, Professor of European Economic and Social History, states the following: "The walk through the history of Emporiki Bank, via written and oral evidence demonstrates the role played by the people. How important was the far-sightedness and ability of some people who were at critical positions at critical times, when the need for breakthroughs and reorientation was more than dire. How important was the role played by the Bank employees and how significant were its

stable foundations. How necessary was the combination of new ideas, breakthroughs and consistency. How critical were the values that secured commitment on one hand and trust on the other. Thanks to the moral and culture forged by Emporiki Bank via its people, the Bank has gained a prime position in the employees', clientele's and the Greek society's conscience as a progressive institution. An institution that throughout the larger part of its life and history has proved itself equally important to the institution of family and to the principle of equal opportunities. Through the alternations brought by reorganizations, reorientations, discontinuities, the core of this culture remained relatively intact, and now, in the 21st century, this core seems to recuperate its old significance and importance for the Bank's renewal and walk on new international paths".

*Margarita Dritsa  
Professor of European Economic and Social History  
Hellenic Open University*

*"A century has elapsed since the foundation of Emporiki Bank of Greece. Throughout its presence, as one of the "Big Five" banks with international origins and activities, it has significantly influenced the history of Greek banking and the economic history of Greece, more generally.*

*It has contributed to the economic development of the country, and to the growth of entrepreneurship, by diffusing not only financial resources, but also values. Furthermore, it has forged a particular European profile, while many new practices, such as modern accounting, personnel training and good servicing of the clientele, were for the first time introduced to the Greek banking system. Such innovations were subsequently imitated by other major Greek banks.*

*Able founders - also governors for over 35 years - as well as their successors as Heads of the Board of Directors, for another two decades, in addition to the expertise of its personnel have allowed Emporiki Bank sufficient flexibility to pursue changes in its orientation and activities. Many of the values that have for most of the 20th century shaped this Bank's corporate culture, have been maintained and/or reinforced during the life of Emporiki as a state run organisation since 1975 and until its acquisition by the French bank Crédit Agricole. Emporiki Bank is now a member of a major international Group and already its legacy seems to show the way to a bright future".*

*Statement by Mr. Nikos Analytis  
President of the Hellenic Business Network for Corporate Social Responsibility*

*Emporiki Bank of Greece S.A. has been continuously operating for the last 100 years. This is important by itself and of course it is not accidental. It shows that generations of shareholders, businesses, individuals and employees adopt and justify the vision, the operating principles and the values of Emporiki Bank. It confirms the status, the acceptance and the credit the Bank has gained all these years in the Greek society.*

*To my view, the presence of Emporiki Bank all these years, shows that it has gained the acceptance and trust of society, since the latter recognizes, among other things, that the Bank has taken many initiatives of responsibility in areas such as:*

- Operating according to the corporate governance rules, while incorporating international good practices*
- Creating strong and, I would say in many cases, indissoluble bonds with its clientele*
- Implementing equal treatment policies for the management of its personnel, and providing programs for additional care and education*
- Practically recognizing the spirit of participation, through the involvement of employee representatives into its BoD and common with the Union of Employees Committees*
- Caring for local societies, positively contributing, through an important spectrum of actions and initiatives to the social prosperity and to culture*
- Recognizing the importance of protecting the natural environment through programmes of awareness raising, which the Bank reports in the social responsibility reports. Moreover, the Bank actively participates into common efforts to enhance sustainable development, and it is one of the founding members of United Nations Environment Programme Finance initiative.*

*I hope that with the recent incorporation of Emporiki Bank into the Crédit Agricole Group, all the aforementioned initiatives of business responsibility will be sustained and extended in many ways, since Emporiki Bank will be enriched with Crédit Agricole's international experience and practices.*

*I hope by heart that Emporiki Bank will continue to prosper and constitute an agent for economic, environmental and social progress, justifying the values and aspirations of the society in which it operates and constitutes a living cell. The thousands of shareholders, businesses, individuals, professionals and of its human resources, justifiably are choosing Emporiki Bank.*

## A.2 Emporiki Bank Group at a glance

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**O**n 31 December 2007, the Emporiki Bank Group had:

- Total assets worth of 27,324 million euros
- Own capital of 880.77 million euros
- Capital adequacy 8.28%
- ROAE 3.5%
- Total employees 6,747 people of which 5,743 are employed by Emporiki Bank
- 20 financial companies, of which 5

are banks: Emporiki Bank of Greece, with 380 branches network in Greece and 4 subsidiaries which operate in Cyprus, Bulgaria, Romania and Albania through 80 regional branches.

## A.3 Our Vision, Values, Principles

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**O**ur vision is the re-creation of Emporiki Bank.

We want Emporiki Bank to become a model, innovative, competitive and strong greek bank with a dynamic presence in the South-East Europe market.

### Values

Five timeless corporate values govern our everyday operations:

- Compliance with legal framework and corporate policies
- Integrity
- Teamwork
- Efficiency
- Effectiveness

### Principles

We are committed to implement the ecumenical principles in the sphere of our influence.

- Respect human rights and human dignity
- Respect labor standards
- Act precautionary for the protection of the natural environment
- Operate with transparency and fight corruption.

Both Emporiki Bank and Crédit Agricole share the same corporate principles and values. More on the sustainability of parent Crédit Agricole, <http://www.creditagricole.com/sustainabledevelopment/>



**Statement by Mr. Michel Clavé,  
Head of Sustainable Development of Crédit Agricole**

*"Fully aware of its responsibilities, Crédit Agricole signed up to the United Nations Global Compact five years ago. The Group has committed itself and all its entities to embracing, supporting and enacting the ten fundamental principles governing human rights, labour, the environment and the fight against corruption.*

*With this in mind, the Group has defined its priorities in four areas:*

*Fighting climate change: the Group is committed to addressing the direct impact with an energy savings policy and the indirect impact by financing renewable energies through its subsidiaries Unifergie, Crédit Agricole Private Equity, Emporiki Bank and Ca-lyon:*

- *Ensuring respect for human rights, particularly outside France, given the Group's international presence;*
- *Supporting agriculture, an area in which the Group is a historic player in France;*
- *Developing responsible products and services such as socially responsible investment vehicles or energy saving loans distributed by the Regional Bank networks.*

*Because the Group is a major regional player with a network of Regional Banks covering the whole of France, it is also working to promote the values of community and solidarity. For instance, with the "Points Passerelle" programme it helps customers who are excluded from banking services; and it contributes to developing microfinance worldwide through the Grameen-Crédit Agricole Foundation, set up in 2008 to fight world poverty.*

*Solidarity can also be a collective matter, as was shown when the entire Group marshalled its resources in the wake of the 2004 tsunami disaster or the assistance provided by Emporiki Bank and its employees, the Regional Banks and Crédit Agricole S.A. to regions affected by the fires that devastated Greece in 2007.*

*The task of disseminating the Group's sustainable development policy is handled by some one hundred correspondents at entity level (like Stella Kovlaka for Emporiki). This network is led by the Crédit Agricole S.A. Sustainable Development Unit, which reports on its activities three times a year to the Sustainable Development Committee, chaired by the Chief Executive Officer of Crédit Agricole S.A.*

*As a result of the action undertaken at entity level and reported by the sustainable development correspondents, the Group has been rated by the sustainability community and received a number of awards. These include "Global Bank of the Year", awarded by The Banker magazine in 2007 for our social and environmental responsibility policy and inclusion in the Dow Jones Sustainability Stoxx Index last September.*

*Emporiki Bank's responsible attitude has also been recognised by its listing on the FTSE4Good and this obviously contributes to Crédit Agricole's own assessment ratings. Similarly, the new initiative by Emporiki's Board of Directors to set up a committee for social and environmental responsibility is a further sign of the bank's commitment. Marc Carlos, Head of International Retail Banking and a member of Crédit Agricole S.A.'s Executive Committee, is delighted with this proposal and joins me and the entire Sustainable Development Unit in applauding this pioneering decision for the Group".*

## A.4 We support the Global Compact Principles

Global Compact Principles		Emporiki Bank Report for year 2007
<b>Human Rights</b>		
1 <sup>st</sup>	Businesses should support and respect the protection of internationally proclaimed human rights	<ul style="list-style-type: none"> <li>• We respect Human Rights in all countries that Emporiki Bank and its subsidiaries operates.</li> <li>• We have never been involved in Human Rights Violations.</li> </ul>
2 <sup>nd</sup>	Make sure that they are not complicit in human rights abuses	
3 <sup>rd</sup>	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	<ul style="list-style-type: none"> <li>• The Emporiki Bank Labour Union:               <ul style="list-style-type: none"> <li>- Negotiates with the Bank's Management (pg. 44-46).</li> <li>- Participates in the Crédit Agricole Group Workforce Council (pg. 45).</li> </ul> </li> <li>• Two elected representatives of staff take part in the Bank's Board of Directors: Mr. Phokionas Dimakakos and Mrs. Despina Chalkidi (pg. 45).</li> <li>• Labour Union representatives take part in common committees with the Bank's Board of Directors regarding Human Resources issues (pg. 45).</li> </ul>
4 <sup>th</sup>	The elimination of all forms of forced and compulsory labour.	<ul style="list-style-type: none"> <li>• Minimum age for recruitment is 18-yrs.</li> <li>• We commit our suppliers to respect their human resources insurance rights.</li> </ul>
5 <sup>th</sup>	The effective abolition of child labour.	<ul style="list-style-type: none"> <li>• Our credit policy has a strong moral basis.</li> </ul>
6 <sup>th</sup>	The elimination of discrimination in respect of employment and occupation.	<ul style="list-style-type: none"> <li>• We have updated our Equal Opportunities policy (pg. 32-33):  <a href="http://www.emporiki.gr/cbg">http://www.emporiki.gr/cbg</a>  <a href="http://www.emporiki.gr/cbg/gr/career&amp;research/career&amp;research_story.jsp?docpath=/gr/Career/static/equal_opportunities">http://www.emporiki.gr/cbg/gr/career&amp;research/career&amp;research_story.jsp?docpath=/gr/Career/static/equal_opportunities</a> </li> <li>• We publish human resources reports with gender statistics (pg. 34-43).</li> <li>• We developed an approach for people with disabilities (pg. 40).</li> <li>• We publish statistics regarding employment with people with disabilities (pg. 40).</li> </ul>
<b>Environment</b>		
7 <sup>th</sup>	Businesses should support a precautionary approach to environmental challenges.	<ul style="list-style-type: none"> <li>• The Emporiki Bank's environmental policy is based on a precautionary approach (pg. 51).</li> <li>• We implement an Environmental Management System. Within this framework, we evaluate the Bank's direct impact to environment and we take measures to reduce them as possible (pg. 51-56).</li> <li>• We finance investment projects on the renewable resources energy sector (pg. 56).</li> <li>• We are a member of the UNEP Finance Initiative/Task Force Central and Eastern Europe network (pg. 11).</li> </ul>
8 <sup>th</sup>	Undertake initiatives to promote greater environmental responsibility.	
9 <sup>th</sup>	Encourage the development and diffusion of environmentally friendly technologies.	
<b>Transparency - Fighting Corruption</b>		
10 <sup>th</sup>	Businesses should work against corruption in all its forms, including extortion and bribery.	<ul style="list-style-type: none"> <li>• We have a complete and modern system for the prevention of money laundering (pg. 20).</li> <li>• We report data for fighting money laundering, from those reported to supervisory and statutory authorities (pg. 20).</li> <li>• We implement Codes of Conduct which aim to support the transparency reinforcement and corruption prevention (pg. 12).</li> </ul>

## A.5 Business plan for 2007-2011

We want Emporiki Bank to justify the trust and expectations of its shareholders, customers and staff.

In 2007, we committed to a business plan for the period 2007 – 2011.

Our primary goals are the following:

1. The adjustment of management systems and alignment of the Bank's governance with the Crédit Agricole systems.

2. In the period 2007-2011, we aim to carry out new investments of approximate value of €260 million and the Emporiki Bank Group to achieve the following:

	Year 2009	Year 2011
ROAE	> 20%	> 22%
Assets		> €50 billion
Assets effectiveness	> 0.6%	> 0.8%
Expenditure/Income Index	< 57%	< 50%
Operational profit as % of income	≈ 46%	≈ 53%
Net interest margin	≈ 3%	≈ 2.8%
Profit before taxes (million)	> €300	> €600
Market Share		≈ 10.5%

## A.6 Participating in Joint Initiatives

Emporiki Bank, to the extent possible, is an active member of the following networks:

- UNEP Finance Initiative -Task Force for Central and Eastern Europe, since 1995 ([www.unepfi.org](http://www.unepfi.org)). On the 18.01.2007 we participated at the conference co-organised by UNEP FI and Alpha Bank in Athens,

presenting the topic: "Framework for integrating environmental criteria to credit scoring",

<http://www.unepfi.org/fileadmin/events/2007/athens/6kovlaka.pdf>

- Global Compact, since 15 October 2003 ([www.unglobalcompact.org](http://www.unglobalcompact.org)).
- Hellenic Business Network for Corporate Social Responsibility, since 2003 ([www.csrhellas.gr](http://www.csrhellas.gr)). In 2007,

we participated at the Conference-Market Place titled "Doing Business Socially '07 - Values and Practices of Responsible Entrepreneurship" where Emporiki Bank presented its selected best practice titled «Commitment for an Equal Treatment Policy and reporting data with the gender perspective».

## B. ECONOMIC DIMENSION

The reorganisation of Emporiki Bank have been combined with the reinforcement of its Corporate Social Responsibility. In summary, Emporiki Bank has carried out the following activities in 2007:

- Reinforced internal corporate governance
- Reinforce internal auditing procedures
- Improved compliance with regulatory compliance
- Managed risks
- Reformed customer service procedures taking into account the needs of small enterprises and vulnerable groups of population.

### B.1 CORPORATE GOVERNANCE

Our corporate governance consists of a sum of values, regulations and practices which govern the Bank Administration. These are ensuring transparency of Bank operation and protection of stakeholders interests.

Our corporate governance is in the process of being adjusted to the governance of our parent company Crédit Agricole. Our desire is that Emporiki Bank achieve a high level of corporate governance. The principles and regulations that apply in the corporate governance of Emporiki Bank have been based on the Bank's articles of association. This can be found in the following website: [http://www.emporiki.gr/cbg/gr/investors/reference\\_material.jsp](http://www.emporiki.gr/cbg/gr/investors/reference_material.jsp)

#### 1.1 Internal Operating Regulation

In 2007, the Internal Operating Regulation has been updated with obligations as per the statutory framework, Law 2577/09.03.2006, as well as our parent company, Crédit Agricole's guidelines.

In summary, the Internal Operating Regulation defines the following:

- Emporiki Bank Group Code of

- Conduct
- The Organisational Chart
- Basic Principles of Corporate Governance
- Board of Directors (Code of Conduct, responsibilities and Committees)
- Hiring / Performance Evaluation / Dismissal of Managers Procedures
- Bank Internal Control System
- Basic principles on the use of privileged information
- Laws, regulations and Capital Market Commission decisions compliance procedures
- Guidelines for affiliated companies transactions, including monitoring and notification procedures to supervising authorities and shareholders.
- Bank Divisions Scopes and Objectives

#### 1.2 Code of Conduct

The Code of Conduct is in line with the Code of Conduct of the Crédit Agricole Group and it is applicable to all employees and collaborators of Emporiki Bank as well as to all its subsidiaries. It supplements the Compliance Manual in effect for each entity and serves as a common point of reference for the Emporiki Bank Group. The Code of Conduct was distributed to all personnel and states the following:

- The relationships of the Emporiki Group with its customers and partners are based on loyalty, mutual trust and adhere to mutual commitments. This principle is of paramount importance for the long-term growth of the Group.
- Each employee of the Group places his/her skills at the disposal of the customer. They respect customers' expectations and take care to diligently fulfill the specific needs of the customer, while at the same time have due consideration for the business activities of the Group.
- Each customer is treated with equal consideration and should receive impartial information, clear

explanations and straightforward advice.

- Each employee and collaborator of the Emporiki Group is obliged to maintain confidentiality and is not allowed to improperly divulge or use confidential information either for his/her own benefit or for the benefit of others. They should fulfill their tasks without taking into account personal gains.
- The companies comprising the Emporiki Bank Group operate for the common welfare of the Group, both representing its decentralised structure as well as its own corporate interest. The activities of each entity of the Group should obey the principles of mutual assistance and joint action.
- The Emporiki Bank Group is committed to communicating openly with shareholders, employees, collaborators, partners and cus-

tomers. All member companies of the Group and their employees are responsible for upholding the Group's reputation and promoting its corporate image.

- Each employee of the Emporiki Group is required to be fully aware of the rules and regulations governing their activities and to apply these with responsibility. Whenever it is necessary, any employee can draw upon the existing skills and experience of the Group.
- The enhancement of the professional skills of its employees is a major priority for the Group. Similarly the Group companies and employees must use and manage the Group's resources sensibly and efficiently.
- The Emporiki Group is fully committed to be good members of the communities where we live and work.

## 1.3 The Board of Directors

### Composition

On 31 December 2007, the Board of Directors was composed of 17 members, five of which were Executive Members, seven were Non-Executive Members and five were Independent Non-Executive Members.

The Chairman of the Board of Directors is a Non-Executive Member. There were 14 men and 3 women in the Board of Directors. Two of the Executive Members had been elected by the Emporiki Bank Employees to represent them.

The Members of the Board of Directors were the following as on 31 December 2007:

A/A	Surname	Name	Father's Name	Position in Board of Directors
1	De Leusse	Jean-Frederic	Dominique	Chairman of Board of Directors / Non-Executive Member
2	De Wit	Bernard	Charles	Vice-Chairman of Board of Directors / Non-Executive Member
3	Crontiras	Antonios	Nikolaos	Chief Executive Office / Executive Member
4	Charrier	Bruno-Marie	Bernard	Deputy Chief Executive Office / Executive Member
5	Harang	Pierre-Rene-Henri	Jean	General Director / Executive Member
6	Dore	Philippe	Jacques	Non-Executive Member
7	Demazure	Luc	Cuy	Non-Executive Member
8	Nanquette	Yves	Henri	Non-Executive Member
9	David	Charalambos	Georgios	Non-Executive Member
10	Dimakakos	Fokion	Fotios	Executive Member
11	Ebeoglou	Nikolaos	Michael	Independent Non-Executive Member
12	Zafeiropoulos	Panagiotis	Dionisios	Independent Non-Executive Member
13	Konstantakopoulos	Achilleas	Vassilios	Independent Non-Executive Member
14	Papalexopoulou	Alexandra	Theodoros	Independent Non-Executive Member
15	Stratou	Charlotta –Maria –Ypatia	Christoforos	Non-Executive Member
16	Chalkidi	Despina	Stefanos	Executive Member
17	Hatzopoulos	Christoforos	Andreas	Independent Non-Executive Member

## Membership Term

The Members of the Board of Directors are elected in the General Meeting of Shareholders by secret ballot and absolute majority for four years. The term for the above-mentioned Members will end on the day of the first or adjourned Regular General Meeting of Shareholders in 2011.

## Responsibilities

The Board of Directors is responsible for all Bank's affairs decision-making, property management, and in general, the pursuit of corporate goals. The responsibilities of the Board of Directors are defined in the articles 4 and 29 of the Emporiki Bank Chart as well as the Bank's Internal Operating Regulation.

The Bank's Internal Operating Regulation also defines the responsibilities of the Chairman of the Board of Directors, the Vice Chairman, the Chief Executive Officer and other Non-Executive Members. In general, determining discreet roles for each Member contributes to the effective performance of the Board of Directors.

The Members of the Board of Directors are responsible according to Law for their actions and omissions during their service of corporate management. In summary, the Emporiki Bank Board of Directors has the following responsibilities:

- Forms the Bank Development Strategy and Policy
- Controls the management of corporate assets
- Pursues the realisation of corporate goals
- Approves the recruitment, placement and evaluation and dismissal of Members of the Board of Directors, Senior Management and other senior staff
- Overviews the strict adherence to laws and regulations as well as var-

ious decisions of Monetary Authorities, the Athens Stock Exchange and the Capital Market Commission

- Supervises risk management plans
- Supervises Internal Auditing Systems
- Checks and approves the Bank financial cases
- Makes recommendations for the share value
- Approves human resources salaries and benefits
- Pre-approves the regular budget expenditure and approves urgent expenditure.

## Code of Conduct for the Members of the Board of Directors

The Emporiki Bank Board of Directors Members is committed to administer the Bank's affairs to the highest standards. The Members are binded with the Code of Conduct which complements the obligations that they have according to Laws and Regulations. More specifically, the Code of Conduct specifies the general directions of the professional behaviour of the Members of the Board of Directors of Emporiki Bank such as:

The Members of the Board of Directors:

- Should carry out their duties with regards to the Bank's affairs with attention, care, ethos, honesty and integrity
- Should not seek personal gain that would be opposite to the Bank's interests
- Should not disclose confidential information with regards to the Bank affairs (past, present or outstanding) with the customers, consultants, suppliers or other partners. The duty of discretion and confidentiality extends to any issue that could affect the Bank's shares value and the negotiation of the

Bank's shares in an organised monetary market level.

- Should seek transparency in their relationship with the Bank and are obliged to inform on time the Board of Directors should a conflict of interest arises during their service to the Bank
- Are prohibited from forming professional relationships with Competitor Banks or other Enterprises (including being Member of a Board of Directors of other organisations) whose interests could be in conflict with the interests of Emporiki Bank
- Should act in good faith and do their best in order to maintain the good reputation of Emporiki Bank and the quality of the Bank's services and to pursue the increase of the Bank's share value in combination with the reinforcement of the monetary share value, so that the share reflects the true financial value of the Bank
- Are forbidden from using their Board of Directors Membership to discriminate customers, suppliers or other partners of the Bank or its employees.

## Remuneration

The total remuneration packages of the Members of the Board of Directors for the year 2007 amounts to €481.500,67 including remuneration packages from their participation in other Boards of Directors of other Group Companies.

## Executive Management Performance Evaluation

The Emporiki Bank Board of Directors annually carries out its performance evaluation based on the achievement of the Bank's Strategic Plan targets. The Board of Directors makes a public announcement of this assessment

(i) in the Annual Evaluation Report for the Bank's Shareholders and (ii) in the Bank's Annual Report.

The Internal Operating Regulation defines the procedures and assessment criteria for the performance evaluation of high-grade officers and managers.

See website for more information: [http://www.emporiki.gr/cbg/gr/investors/annual\\_reports\\_archive.jsp?action=archive](http://www.emporiki.gr/cbg/gr/investors/annual_reports_archive.jsp?action=archive)

### Financial Reports Audit

The Emporiki Bank Board of Directors has a collective responsibility for the composition and public announcement of the Bank's financial/monetary reports. These reports should be composed in accordance with International Standards of Financial/Monetary Information Sharing. In order to ensure the independence of external auditors and their services to Emporiki Bank, two principles are followed and these are:

- External auditors should alternate every year
- The external auditors independence should be evaluated by checking their relationships with the Bank, according to local laws and regulations and international standards.

In 2007, the Emporiki Bank external auditor was Mr. Konstantinos Michalatos, Chartered Auditor – Accountant (No. SOEL 17701) of PriceWaterHouseCoopers, Auditors Company Ltd, Chartered Auditors - Accountants, 268 Kifisias Ave., Halandri, GR-15232, No. SOEL 113.

## 1.4 Board of Directors Committees

The operation of each Committee is carried out in accordance with an Operating Regulation, which defines the scope, aim and composition of the Committee as well as the procedures of its operation. The Emporiki Bank Committees are described below:

### a) Audit Committee

The aim and responsibilities of the Audit Committee are defined in the 2577/9.03.2006 Act of the Governor of Bank of Greece. These specifically refer to the Internal Operating Regulation. In summary, the Audit Committee should:

- Monitor and evaluate the adequacy and effectiveness of the Bank Internal Audit System
- Supervise the organisation and operation of the Emporiki Bank subsidiary companies audit committees
- Evaluate the work of the Bank's Audit Division
- Supervise and monitor financial affairs
- Cooperate with the parent company, Crédit Agricole's Audit Committee.

The Audit Committee Members are binded by the Internal Operating Regulation Code of Conduct. The exchange of information and data as well as any communication between the Audit Committee and various Bank Divisions should always be in writing.

The Audit Committee should keep minutes of its meetings. Copies of these minutes should be announced to the Members of the Board of Directors of the Bank for their information and realisation of the Committee rec-

ommendations.

The composition of the Audit Committee on 31 December 2007 was as follows:

- Panagiotis Zafiroopoulos, Independent, Non-Executive Member of the Board of Directors, Chairman of the Committee
- Bernard De Wit, Non-Executive Member of the Board of Directors, Member of the Audit Committee
- Phillipe Dorre, Non-Executive Member of the Board of Directors, Member of the Audit Committee

In 2007, the Audit Committee met eleven times.

### b) Risk Management

According to the 3/347/12.07.2005 Decision of the Capital Market Commission Board of Directors, Emporiki Bank has appointed a Risk Management Body in 2007 for alignment purposes with the parent Crédit Agricole. In summary, this Body's tasks are as follows:

- Develop the strategy of undertaking any risk and capital management as per the Emporiki Bank business goals in individual and group level.
- Assess the adequacy of human and technical resources.
- Make provisions for the development of an internal risk management system and its incorporation in the business decision-making processes
- Define principles of risk management with regards to its recognition, forecast, measurement, monitoring, auditing and confrontation.
- Evaluate the adequacy and effectiveness of the Bank's risk management policy and its Group; especially with regards to the Bank's compliance with its pre-determined acceptable level of risk limit.
- Evaluate the limits suitability, fore-

casts adequacy and capital adequacy in relation to the magnitude and type of risks to be taken

- Make provisions for the undertaking of at least annual stress tests with regards to market risks, credit, cash and other techniques for operational risk assessments.

On 31 December 2007, the Risk Management responsibility was undertaken by two Members of the Board of Directors, who had the relevant qualifications and experience to carry out this task:

- Mr. Bruno Charrier, Deputy Chief Executive Officer, Executive Member of the Board of Directors
- Mr. Panagiotis Zafeiropoulos, Independent Non-Executive Member of the Board of Directors.

### c) Remuneration Committee

The Remuneration Committee is composed of Non-Executive Members of the Board of Directors. The tasks of this committee are (i) to determine the remuneration policy and (ii) submit proposals to the Board of Directors with regards to the remuneration packages of the Members of the Board of Directors, other senior managers, internal auditors.

On 31 December 2007, the Remuneration Committee was composed of the following Members of the Board of Directors:

- Mr. Jean-Frederic De Leusse, Chairman, Non-Executive Member of the Board of Directors
- Mr. Bernard De Wit του Charles, Non-Executive Member of the Board of Directors
- Mr. Pierre-Rene-Henri Harang του Jean, Non-Executive Member of the Board of Directors

### d) Corporate Social Responsibility (CSR) Committee

In 2007, a proposal was submitted to the Board of Directors for a Committee who would deal with Corporate Social Responsibility (CSR) issues<sup>2</sup>. The composition of the CSR Committee as well as the approval of its operation regulation were completed in 2008.

### e) Other Committees

Members of the Board of Directors participate in other committees. These are composed following a decision by the Chief Executive Officer. These are described below:

#### ■ Assets - Liabilities Management Committee

This is the primary strategic and approving body of the Emporiki Bank Group. Its principal responsibilities are as follows:

- Determine fund raising policies
- Determine financing and investment policies
- Set a pricing policy
- Determine long-term and short-term goals
- Define the duration and gap management of sensitive in terms of interest rates assets and liabilities.

#### ■ IT Steering Committee

Primary responsibilities of the IT Steering Committee are the following:

- Evaluation of short-term and medium-term plans of Information Technology (IT) with regards to business strategy
- Evaluation of Risk Analysis & Management related to IT systems
- Evaluation and approval of large hardware and software supplies procurement
- Supervision of big projects and IT budget
- Priorities definition

- Evaluation of policies, standards and procedures
- Supervision and approval of third-party collaborations.

## 1.5 Internal Auditing Systems

Emporiki Bank has in place an Internal Auditing System (IAS) in accordance with international auditing standards, local regulatory requirements and the parent company, Crédit Agricole's guidelines. This system is defined with principles, has specific objectives and applies to the whole Emporiki Bank Group. The IAS mission, principles and objectives are the same as in 2006 and these are described in the following paragraphs:

### Principles

Principles that guide the Emporiki Bank IAS are the following:

- Independence
- Systematic approach
- Objectiveness
- Documentation
- Regular auditing procedures

### IAS objectives

- Realisation of business strategy
- Effective use of available resources
- Systematic monitoring and management of risks
- Protection of Bank's assets
- Credibility and completeness of provided information and data
- Production of reliable financial statements
- Compliance with current regulatory framework and Internal Operating Procedures.

### IAS Composition

The Emporiki Bank IAS is composed of the following:

- The Board of Directors Auditing Committee

<sup>2</sup> The BoD's decision for the formation of the CSR committee was taken in 2008.



- The Internal Auditing Committee, whose operation is required by the corresponding Crédit Agricole Committee
- The Auditing Division which (i) carries out audits (regular, extraordinary or specific) to all Bank Units, branches and Group subsidiaries (ii) supervises the Group Subsidiaries Internal Audit Units and (iii) evaluates their work
- The Regulatory Compliance Division which covers issues related to the Bank's and other Group companies compliance with prevention and repression of money laundering
- The Risk Management Division which deals with the design, development and monitoring of all types of risks for all the Bank's activities as well as the activities of other Group companies.

The above-mentioned Internal Auditing Divisions base their operation on their approved Annual Action Plan. The realisation and monitoring of this plan is reported quarterly to the Committees and other authorities.

## 1.6 Internal Auditing Division

### Characteristics

The Internal Auditing Division:

- Has independent administration from other Bank Divisions and has executive power
- Refers directly to the Board of Directors through the Audit Committee and to the Bank's Chief Executive Officer as well as to IGL/CASA
- Is composed with specialists and experienced staff
- Operates based on its Internal Operating Regulation
- Is supported with IT and communication systems which ensure the timely flow of information and the direct access to the centralised as well as de-centralised technical applications
- Submits regular reports to the relevant authorities and summarised quarterly activities reports with the audits results and their recommendations regarding the problems/weaknesses found during the audits.

### Auditing report

In 2007, the following audits had been carried out:

- 255 regular audits in Bank's branches
- 58 regular audits to Supporting Units/Divisions
- 15 regular audits to Emporiki Bank Group subsidiaries

In addition, a significant number of extraordinary and special audits had been carried out for recommendations monitoring, prevention, fraud suppression and investigation of special cases.

### Environmental Audits

The Internal Auditing Division controls the compliance with the Bank's Environmental Management System. For this purpose, the Division has incorporated a number of audit stages in the various Divisions audit programmes which are audited as part of the approved annual audit plan.

### Primary Goals for 2008

- Alignment of Internal Auditing Systems of subsidiaries companies with the systems and strategies of the parent bank, Grédit Agricole SA's General Audit Division
- Improvement of divisional audit programmes as part of a continuous risk assessment, incoming information evaluation, Group environment changes monitoring according to International Auditing Standards and the Basile II requirements
- Management of changes applied to the systems, procedures and audit criteria as used by the Audit Division
- Employment of TeamMate, a new software application for monitoring funding and the new IGL/CASA Corrective Actions Programme
- Evaluation of new procedures and IT systems developed by the Bank.

## B.2 RISK MANAGEMENT

Emporiki Bank is exposed to various potential financial risks (credit risk, liquidity risk, interest rates and exchange rates risk and operational risk). The Bank's primary strategic objective is to manage all risks and improve the quality of its portfolio.

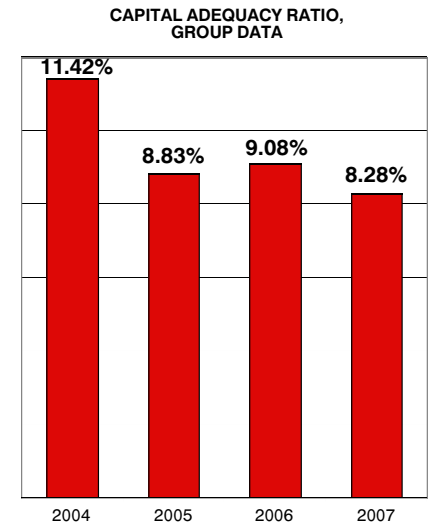
The Bank's financial risk management focuses on the confrontation of financial markets uncertainties and seeks to minimise the potential negative impact to the Bank's financial profit.

Mr. Claude Petit is Emporiki Bank's Chief Risk Officer.

In 2007 Emporiki Bank adopted for the first time a stricter default defini-

tion and a number of more advanced contagion rules for loans classification. Following these adjustments, the Emporiki Bank's practices have incorporated all Basle II requirements much earlier than required by supervising authorities. Following the above adjustments, Emporiki Bank has mostly achieved the improvement of its portfolio condition and its incorporation to the Crédit Agricole Group. At the same time, in 2007 Emporiki Bank significantly increased its regular forecasts.

The Emporiki Bank capital adequacy at Group level as on 31 December 2007 is shown on the next graph.



As a result of implementing a stricter Policy on Risk Assessment and Management, the Bank during 2007 achieved a triple and especially significant first-place rating with regards to financial strength and credibility in the domestic market:

- First place bank in Greece rated by international rating firms
- First place in absolute compatibility and application of the Basle II criteria according to the 2007 financial results

CREDIT RATING CLASSIFICATION	LONG-TERM	SHORT-TERM
Standard & Poor's	A+	A-1
Moody's	Aa3	P-1
FITCH-IBCA	A+	F1

- Emporiki Bank has achieved the highest coverage percentage of non-performing loans, achieving 104% against market average 60%

For the detailed description of risks

and the position of Emporiki Bank, see the 2007 Annual Report and the 2007 Annual Bulletin:

[http://www.emporiki.gr/cbg/gr/investors/annual\\_reports\\_archive.jsp?section=archive](http://www.emporiki.gr/cbg/gr/investors/annual_reports_archive.jsp?section=archive)

### **Credit Risk**

Credit Risk results from the potential inability of counterparties (business, professionals or individual persons) to carry out their contractual obligations. Emporiki Bank is using employs internal models to evaluate the solvency of its customers as well as the special characteristics of credit exposure. The Bank's methodologies are aligned with the Crédit Agricole guidelines and the Basle II capital adequacy requirements.

In summary, the Bank has developed a credit risk strategy according to risk types:

- Large corporations risk strategy: The Bank employs a Group 15-grade model to evaluate the quantitative and qualitative characteristics of creditors. In addition, the Bank has set limits for all sectors of the economy.
- Small enterprises and free-lancers risk strategy: The Bank is using automated control tools to verify the accomplishment of credit policy rules. The Bank aims to develop score-cards for each product as well as score-cards for the behaviour of small enterprises.
- Personal loans credit risk strategy: This refers to risks incorporated to mortgages and consumers loans.

### **Market Risks**

Market risks originate in the changes of reasonable values of a financial product due to large variations of market prices. Market risks appear from open position to interest rates and foreign exchange. Emporiki Bank is using two techniques for the measurement and monitoring of market risks:

- a) The Value at Risk Methodology
- b) Stress Tests

The Market Risks are:

- Foreign exchange risks: Originates from the financial intermediaries and assets value variation due to exchange rate changes.
- Interest rates risks: Originates from the variation of Bank interests net income due to market interest rates variations.

### **Liquidity Risk**

"Liquidity risk is the risk arising from the difference between the maturity of asset and liability items. Liquidity risk expresses the danger that the Bank can not fulfill its obligations in the future due to these differences between financial instruments or transactions.

The Bank measures this risk and controls it by using a developed liquidity management system that has various controls. The Bank adheres to liquidity restraints authorized by the regulatory authorities locally and abroad as well as to internal limits.

The Bank controls and manages liquidity risk throughout the period by using the following:

- (a) Minimum reserve balance as defined by the Bank of Greece.
- (b) Liquidity indexes defined by the bank of Greece and internally.

The Bank's operations abroad adhere to liquidity rules defined by the Bank of Greece and local regulatory decisions".

*Source: Extract from the "Annual Bulletin for the Financial Year 2007", page 40, [http://www.emporiki.gr/files/EN/Investor\\_Annual\\_Report/2007/annual\\_2007/dff/etisdeltio.pdf](http://www.emporiki.gr/files/EN/Investor_Annual_Report/2007/annual_2007/dff/etisdeltio.pdf)*

## B.3 Fighting Money Laundering - Regulatory Compliance

The harmonisation of the Bank Regulatory Compliance with the parent Crédit Agricole standards began in 2006 and is due to complete in 2008. At the end of 2007, the harmonisation process was estimated to have been completed by 70%. A Special Team of the Crédit Agricole General Audit Committee has evaluated the adequacy of the Emporiki Bank Regulatory Compliance.

The Bank's policy for the prevention of money laundering applies to all Group companies in accordance with the policy and guidelines of the parent bank Crédit Agricole.

In 2007, the BoDs Audit Committee was updated informed of the Bank's performance with two reports regarding prevention of money laundering. In summary, Emporiki Bank has carried out the following in 2007:

- Implemented the reinforced Regulatory Compliance Programme, FIDES. Started the development of information systems, Fircosoft File Filter (FFF), Fircosoft Message Filter (FMF) and NORKOM.
- Completed the electronic application titled "Assessment and Classification of Customers in Risk Categories" which is implemented since the 2nd of January 2008.
- Provided training for 4951 employees for Regulatory Compliance issues of total duration of 10634 hours.
- Informed stakeholders for the policy to prevent money laundering. More specifically, all human resources were informed of the existing Regulatory Compliance framework with seven written guidelines and one Corporate Memo. In addition, all Regulatory Compliance guidelines had been forwarded to

the subsidiaries companies in order to achieve a uniform Regulatory Compliance across the Group. Furthermore, the counter parties are being updated with the completion of questionnaires.

- Incorporated a Transactions Code of Conduct as an indispensable part of the Bank's Internal Audit
- Put in practice the following best-practices:
  - Setting up of a Special Management's Committee for Regulatory Compliance issues.
  - Setting up of Validation Committees for New Products and new Operations of the Bank itself and the Emporiki Bank Group.
  - Submission of a "Regulatory Compliance Opinion" when required, for specific customer cases.
  - Regulatory Compliance Division participation in various Bank Committees
- Investigated 2,386 cases, composed 156 special reports 30 of which were submitted to the National Authority, as in the first table below. In total, for the period 2004-2007, the Bank investigated 4,323 cases and submitted 290 reports.
- Responded to requests of relevant authorities by providing information such as those in the second table below.

- Increased the number of staff employed in the Compliance Regulatory Division.

The audit of the prevention of money laundering regulatory and corporate framework application did not show any violations in 2007. Therefore the Bank did not pass a sentence and/or take other measures on its partners in 2007.

The Bank has set the following primary goals for 2008:

- Completion of the IT Software Programmes NORKOM, FFF and FMF.
- Composition of an Operational Manual.
- Completion of MiFID works, publication of rules and guidelines for conflict of interests issues, Sensitive Persons - Privileged Information.
- Training on specialised issues of fighting money laundering.
- Introduction of a whistleblowing system.

Year	Investigations	Submitted Reports	Special Reports
2004	252	76	-
2005	702	90	-
2006	983	94	167
2007	2,386	30	156

YEAR	REQUESTS BY AUTHORITIES		
	National Authority	Bank of Greece	Other Authorities
2007	835	316	3,202

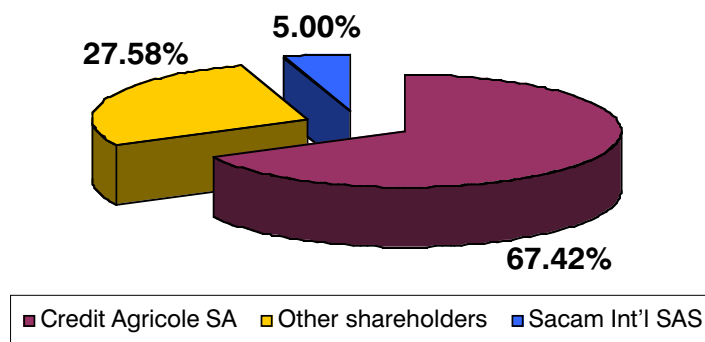
## B.4 OUR SHAREHOLDERS

### 4.1 Shareholders Equity Composition

On 31 December 2007, the Emporiki Bank shareholders equity was €728,153,074 divided into 132,391,468 shares, of nominal value €5.5 each. The shares are common nominal shares with voting rights. All shares have been introduced for negotiation to the Athens Stock Exchange Market. The safeguarding of minority rights are foreseen in article 20 of the articles of Incorporation.

On 31 December 2007 the parent bank Crédit Agricole possessed 67.418% of the Emporiki Bank equity capital, SACAM INTERNATIONAL SAS had 5.0%. Other institutional and private shareholders held the remaining 27.582% of the equity capital. The Emporiki Bank shareholders and their corresponding participation in equity capital<sup>3</sup> are presented in the table.

EMPORIKI BANK SHAREHOLDERS, 31/12/07



Shareholders	Percentage
Crédit Agricole S.A.	67.41
Emporiki Bank Subsidiaries	0.00
Funds, Organisations, Chambers, Athens Stock Exchange	8.76
Institutions, Municipalities, Churches	0.22
Greek Banks	0.00
Greek Mutual Funds companies	0.22
Greek large shareholders (individuals – companies)	2.31
Foreign Companies and Mutual Funds (including SACAM INTERNATIONAL SAS)	7.70
Foreign Banks	3.83
Foreign large shareholders (individuals)	0.01
Foreign small shareholders (individuals)	0.13
Greek small shareholders (individuals – companies)	9.42
<b>Total</b>	<b>100</b>

### 4.2 Minority Rights

Regarding minority rights, no changes have been noted in 2007. Emporiki Bank abides by current regulations to assure minority shareholders rights. The Emporiki Bank Articles of Incorporation, article 20, provides shareholders who hold 1/20 of shares capital the following rights:

- Assemble an Extraordinary General

- Assembly
- Postpone decisions of a Regular or an Extraordinary General Assembly once
  - Announce to the General Assembly the sums paid to the Members of the Board of Directors or to other Senior Managers or employees of the Bank over the last two years
  - Request a bank audit by a relevant

Court for cases which violate the Law or the Bank's Chart or the General Assembly decisions.

Shareholders who hold 1/3 of the Bank's shares should be provided with information regarding the state of corporate affairs and the state of Bank's assets.

<sup>3</sup> As on 31 July 2007

### 4.3 The parent Crédit Agricole SA at a glance

Crédit Agricole<sup>4</sup> is one of the biggest banks in Europe and worldwide (<http://www.credit-agricole.com/sustainabledevelopment/>). It was founded in 1894, therefore has a history of 114 years.

Crédit Agricole's shareholders and their corresponding participation in the equity capital is presented in the next table.

SHAREHOLDERS	% PARTICIPATION
SAS Rue la Boétie	54.09
National Treasury	0.75
Employees – Participation programmes	6.21
Institutional Investors	31.17
Small Investors	7.78
<b>Total</b>	<b>100.00</b>

Crédit Agricole's vision is to be the international leader in the bank and insurance market.

Crédit Agricole has:

■ A strong international presence:

- With more than 11,000 branches in 20 countries all over the world
- 44 million personal customers
- Provides corporate banking and investment banking services in 58 countries all over the world
- 86,866 employees equivalent to full-time

■ A strong capital adequacy ratio

■ Incorporated the principles of Corporate Social Responsibility in its strategy

■ Furthermore, Crédit Agricole:

- Has signed the United Nations Global Compact ten principles
- Adopted the Equator Principles through the subsidiary company Calyon
- Has signed the Responsible Investments Principles through the subsidiary company Crédit Agricole Asset Management
- The Crédit Agricole share is included in 5 stock exchange indices:
  - CAC 40
  - Dow Jones Eurostoxx 50
  - Dow Jones Stoxx 600 banks
  - FTSEurofirst
  - FTSE4 OOD European Top 50
  - ASPI Eurozone

■ The Banker magazine has distinguished Crédit Agricole as the Best Bank in 2007 in the Corporate Social Responsibility category.

■ Basic financial data as on 31 December 2007:

- Shareholders Equity: €46,474 million
- Total Assets: €1,414.2 billion
- Gross Loans: €397.3 billion
- Customer deposits: €564.9 billion
- Net income: €4,044 million
- Capital Adequacy Ratio: 8.6 %
- ROE (Return On Equity): 12.2 %

<sup>4</sup> All data for Crédit Agricole were taken from the Annual Report, registration document 2007 <http://www.credit-agricole.com/sustainabledevelopment/>

## B.5 Trust-worthy Customer Relationship

For Emporiki Bank, the customers' relationship is the corner stone of our long-term success. We want to create indissoluble bonds with our customers. Three key elements on which we build trust-worthy relationships with our customers are the following:

- Completed solutions including products and services tailored specially for customers' needs.
- Just and transparent pricing.
- Best quality service.

In 2007, we worked to transform Emporiki Bank to a model Greek bank, placing particular emphasis on innovation, on competitiveness, and on high-standard customer service. Within this framework we re-designed the operations of the Bank and reorganised the retail banking structure and procedures.

Under the Operational Transformation, we simplified, automated and centralized procedures. As a result, our branch officers are saved from time-consuming and bureaucratic work and our customers enjoy a better service. Under the Commercial Transformation, customers have been classified according to their needs. The recognition of different customers needs facilitates product sales and results in a more effective time-management.

At the same time, we provided services to all market segments, including very small-sized enterprises as well as vulnerable groups of populations, we worked towards improving transparency and quality of transactions and we managed customer's complaints.

Since 2007 we have implemented stricter criteria in providing consumer loans and credit cards. We service

our customers with loan products they understand and reflect their credit worthiness. Although this policy has a negative impact on our income, we want Emporiki Bank to be a responsible lender.

### 5.1 Re-organisation of the Retail Banking Structure and Procedures

A basic element of the re-organisation process is the creation of Business Centres (BCs). BCs aim to create, develop, maintain and assure the quality of our corporate portfolio as well as further develop corporate relations. Through BCs, we better understand the needs of our customers and we provide more efficient solutions.

In 2007, we created ten (10) BCs in Athens, Piraeus, Larissa, Thessaloniki, Heraklion and Patra. BCs were created to offer integrated services and products to medium-sized enterprises<sup>5</sup>. BCs have been created in locations all over Greece according to the geographic location of our customers and their service needs. Each BC employs between 7-12 senior managers, depending on the number of businesses they serve.

Our aim for 2008 is to create eleven (11) more BCs at various cities in Greece, in order to offer a better customer service.

In addition, in 2007 we identified 25 time-consuming procedures. We focused on the simplification and automation of eight of these procedures, which refer to the following:

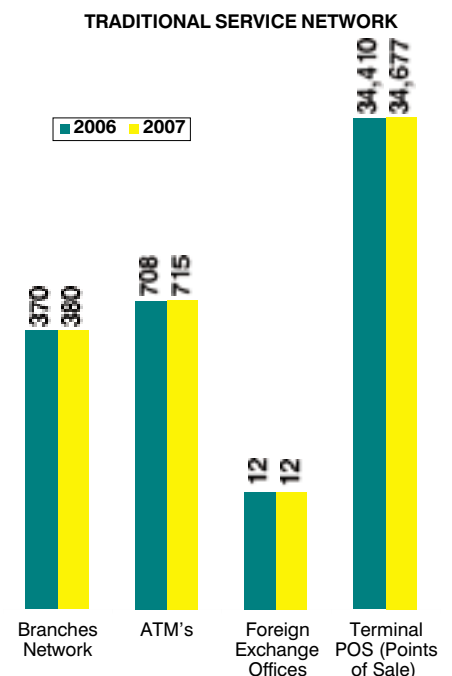
- Mortgages procedures and approval services centralization.
- Pledged cheques management: procedures of receipt - check and recording of data.

- Conversion of existing mortgages to new ones. New procedures reduce conversion time by 76%.
- Classification of business loans outstanding sums.
- Cease of accounting statements printing.
- Cease of branches accounting procedures.
- Automation of salary payment services to employees of our business customers.
- Automation of commissions and charges.

### 5.2 We provide an extended and secure service network

In 2007, we extended our customers service network, both the traditional and the alternative networks. Analytically:

#### a) We increased the networks of branches, ATMs, and Points of Sales (POS)



<sup>5</sup> As medium-sized we define those enterprises with turnover of €3 - €50 millions or/and with credit limits more than €1 million.

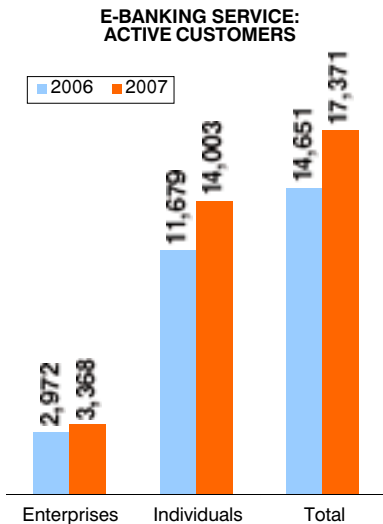
**b) We strengthened the alternative service networks**

The creation of alternative service networks is a relatively new operation of the Bank and it is evolving. Although in 2007 the use of alternative network has been increased substantially, we look forward to its rapid use by our customers.

• **Direct Banking Customer Service:** This is an Electronic Document Registration system operating on a 24hr basis. In 2007, we answered 31,377 electronic customer requests (increased by 13% since 2006) and 67,342 telephone calls (increased by 32% since 2006) as well as 17,568 emails (increased by 24% since 2006).

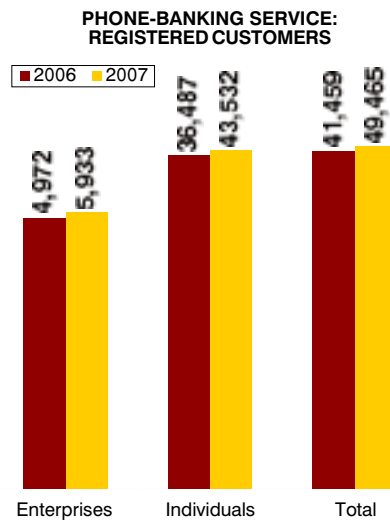
• **e.Banking service:** Our active customer basis (including businesses and individuals) has increased by 18.6% in total since 2006. The increase of e.Banking use among individuals is greater than among businesses (19.9% for individuals compared to 13.3% for businesses).

[https://ebank.emporiki.gr/EMPB\\_EBANKWeb/transactions/login/Index.jsp](https://ebank.emporiki.gr/EMPB_EBANKWeb/transactions/login/Index.jsp)



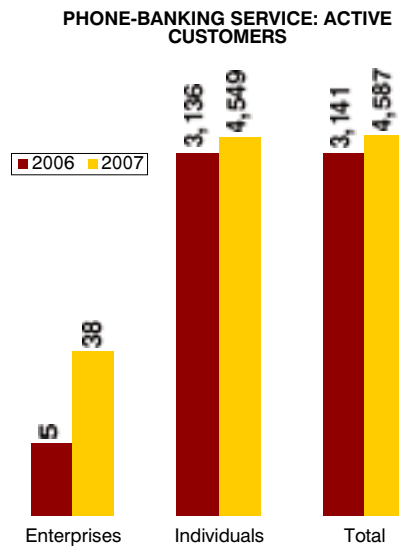
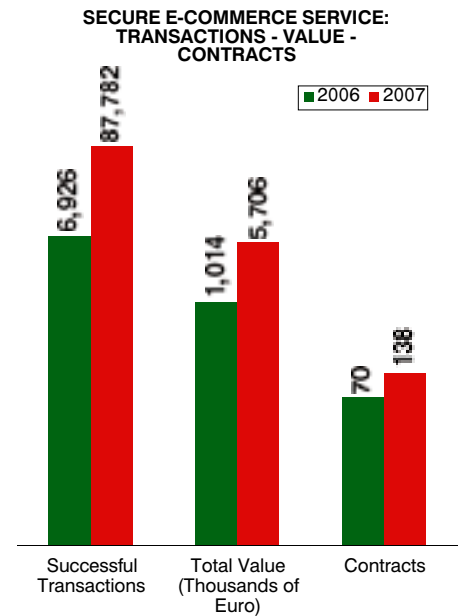
• **Emporiki Phone-Banking Service:** This is a Reports and Information Management System. In 2007, an increase of 19% in the total number of registered customers had been noted. The active registered customers of this service increased by 46%. This service is available in Greek, however we aim to make it also available in English in 2008.

[https://ebank.emporiki.gr/EMPB\\_EBANKWeb/transactions/login/Index.jsp](https://ebank.emporiki.gr/EMPB_EBANKWeb/transactions/login/Index.jsp)



• **Emporiki Secure e.Commerce:** This is a ProxyPay Online Bill Payment electronic system. The use of this service has significantly increased in 2007: The number of contracts increased by 97%, the number of successful transactions increased by 1167% and the transactions value increased by 463%.

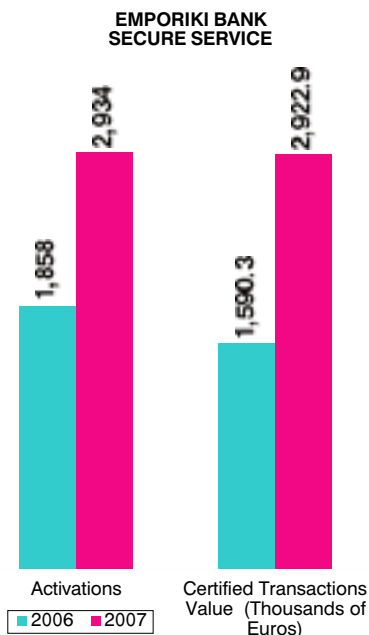
[http://www.emporiki.gr/cbg/gr/e\\_commerce/e\\_commerce.jsp](http://www.emporiki.gr/cbg/gr/e_commerce/e_commerce.jsp)





- Emporiki Bank Secure Service:** The use of this service has significantly increased since 2006, as a result of the increased customers trust in the bank's service systems. It is particularly impressive that the figures, which refer to the new credit card activation, exceeded an increase of 58%. In addition, the value of online transactions with registered with this service credit cards increased by 84%.

[http://www.emporiki.gr/cbg/gr/e\\_commerce/e\\_commerce\\_story.jsp?docid=9F782B19C5EF3A2E03C6949B2F8AD4&cabinet=E\\_Commerce&lang=gr](http://www.emporiki.gr/cbg/gr/e_commerce/e_commerce_story.jsp?docid=9F782B19C5EF3A2E03C6949B2F8AD4&cabinet=E_Commerce&lang=gr)

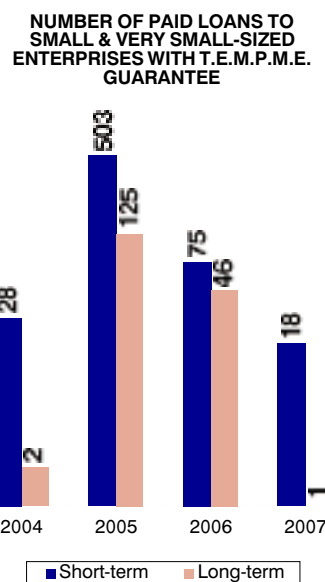


- Emporiki e.Payments:** Emporiki Bank is a business patron of the Single Euro Payment Area (SEPA). We have already started with massive payments, such as payments of salaries of our customers' employees.

### 5.3 Services for all markets

#### a) Retail Banking

- 51,196 new consumer loans were provided in 2007 against 56,582 in 2006. The reduction is due to the Bank's policy to apply stricter credit rating criteria.
- 32,695 new credit cards were provided in 2007 against 52,763 in 2006. The reduction is due to the Bank's policy to apply stricter criteria for granting credit cards.
- We forwarded to Credit Guarantee Fund for Small & Very Small Enterprises (CGFVSE) 478 customers requests. Of these we financed the projects of 19 small and very small-sized enterprises, which had CGFVSE's guarantee. The substantial reduction of financed projects, compared to previous years, is mainly due to the stricter criteria implemented by CGFVSE's for the provision of the guarantees.



- We funded 225,000 customers (small-sized enterprises and free-lancers) with a total of outstanding credit balances 4,4 billion
- We provided 24,621 new mortgages in 2007 against 22,071 in 2006
- We provided 39 mortgages to people from vulnerable population groups. These are loans whose interest rate is partly subsidized by the ministry. The substantial reduction of the number of mortgage loans we provided is mainly due to the declined demand for mortgage loans.

#### b) Corporate Banking

- The total portfolio of large-sized enterprises includes 1,949 customers, of which 803 are Large-sized Enterprises, 1,100 are Public Sector Legal Entities, and 46 are Wider Public Sector Corporations. In comparison with 2006, we have broadened our customer base with 33 new enterprises.
- We organised and participated in 40 syndicated and bonded loans, with participation of €1,035 billion.
- We funded 78 complex public and private projects, such as electricity generation stations, energy co-production stations, renewable resources energy generation, tele-thermic networks and desalination plants using wind power, as well as road networks. The funding of these projects increased by 28.4% since 2006.
- 83.4% of the total loans for shipping were provided to ocean shipping and the remaining 16.6% were provided to coastal shipping.

### c) Asset Management Market

- The Bank's deposits in 2007 increased by 8.1% and amounted to €17,6 billion.
- We continued the issuing of Guaranteed Primary Capital Investment Products.
- We provided the new Crédit Agricole Asset Management Mutual Funds.
- We doubled the number of branches via which we offer personal banking products and services.

### 5.4 Transparency and Codes of Conduct govern our relations with customers

We provide impartial advice for our offered products and services. For transactions, we are implementing the following Codes:

- The Banking Code of Conduct as offered to our customers in our network branches
- Our commitment for Pre Contract Information with regards to Mortgages ([http://www.emporiki.gr/files/GR/Useful/static/useful/dff/KODIKAS\\_STEGASTIKA.pdf](http://www.emporiki.gr/files/GR/Useful/static/useful/dff/KODIKAS_STEGASTIKA.pdf))
- The Code of Conduct for the advertising of financial products and services ([http://www.emporiki.gr/files/GR/Useful/static/useful/dff/KODIKAS\\_DIAFHMISH.pdf](http://www.emporiki.gr/files/GR/Useful/static/useful/dff/KODIKAS_DIAFHMISH.pdf))
- The Bank's Corporate Code of Conduct which was published and distributed to all staff.

In addition, the following are published in our network branches and corporate website:

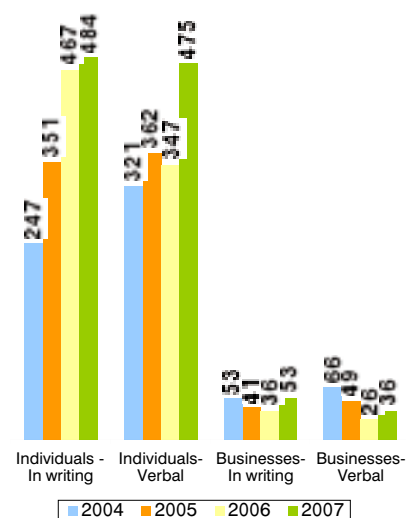
- Foreign exchange rates ([http://www.emporiki.gr/cbgen/gr/tools/foreign\\_exchangeGR.jsp](http://www.emporiki.gr/cbgen/gr/tools/foreign_exchangeGR.jsp))
- Foreign exchange interest rates ([http://www.emporiki.gr/cbgen/gr/tools/interest\\_ratesGR.jsp](http://www.emporiki.gr/cbgen/gr/tools/interest_ratesGR.jsp))
- Deposits interest rates ([http://www.emporiki.gr/cbgen/gr/tools/saving\\_tool.jsp](http://www.emporiki.gr/cbgen/gr/tools/saving_tool.jsp))
- Loans interest rates ([http://www.emporiki.gr/cbgen/gr/tools/loan\\_tool.jsp](http://www.emporiki.gr/cbgen/gr/tools/loan_tool.jsp))
- Mutual Funds Price Bulletin ([http://www.emporiki.gr/cbgen/gr/tools/mutual\\_tool.jsp](http://www.emporiki.gr/cbgen/gr/tools/mutual_tool.jsp))
- Transactions Terms and Conditions ([http://www.emporiki.gr/files/EN/Other/basic\\_transaction\\_terms\\_en.pdf](http://www.emporiki.gr/files/EN/Other/basic_transaction_terms_en.pdf))

### 5.5 Listening to our Customers Complaints

A primary characteristic of our strategy is our customer-focused approach. We are interested for long-term trust-worthy relationships with our customers. We are striving to achieve the full satisfaction of our approximately 5 million customers from their collaboration with Emporiki Bank.

We are listening to and appreciate our customers' proposals so that we can offer them a better service. We are listening to their complaints too, and we care to manage the complaints as soon as possible. We consider the submission of complaints as important which help us improve.

**TOTAL NUMBER OF COMPLAINTS 2004-2007 (INDIVIDUALS & BUSINESSES)**



In 2007, the «Customers Complaints Management Unit» managed in total (written and oral) 1048 customer complaints (individuals and businesses) against a total of 876 complaints in 2006, an increase of 19.6%.

Although the number of complaints is small compared with the size of our customer basis (0.02%), the complaints are still a quality issue for Emporiki Bank. For this reason we are presenting the causes and types of these complaints by product/service. Regarding the procedure of replying to customers' complaints, we respond to customers and maintain a continuous contact with them until the issue is resolved.

In summary:

- 91.5% of customers complaints originate from individuals and 8.5% from businesses.
- Individual customers complaints are concerned with loans payments, credit cards, loans and deposits interests.
- Business customers complaints are mainly concerned with loan products and payments.
- The main causes of individual customers complaints had been a) service quality (insufficient information, omissions, delays), b) commissions and other expenses and c) transactions and credits/debits calculations.
- The main causes of business customers complaints had been a) service quality (insufficient information, omissions, delays), b) value dates and assurances and c) com-

COMPLAINTS BY PRODUCT TYPE 2006-2007				
Complaints for products/services	2006		2007	
	Individuals	Businesses	Individuals	Businesses
Deposit products	127	3	195	6
Loan products	285	31	389	56
Payments (credit cards, ATMs, cheques, capital movement, etc.)	315	23	279	22
Investment services (investment advice, mutual funds, acts and titles, etc.)	15	-	35	2
Other banking services (safety deposit boxes, letters of guarantee, fixed orders, etc.)	72	5	61	3
<b>Total number of complaints</b>	<b>814</b>	<b>62</b>	<b>959</b>	<b>89</b>

REASONS FOR COMPLAINTS 2006-2007				
Reasons for Complaining	2006		2007	
	Individuals	Businesses	Individuals	Businesses
Bank practice (contracts, adherence to instructions, violations, etc.)	44	2	16	4
Transactions / calculations (debits /credits errors, etc.)	79	3	122	9
Commissions and other expenses	202	16	167	17
Interest rates (calculation errors)	20		31	3
Service quality (inadequate and incorrect information, omissions, delays, etc.)	250	27	345	31
Other complaints (inactive accounts, value dates, actual guarantees etc.)	219	14	278	25
<b>Total number of complaints</b>	<b>814</b>	<b>62</b>	<b>959</b>	<b>89</b>

missions and other expenses. The measures that we take to compact the above issues include the following:

- Re-organisation of our network branches structure and our operational procedures.
- Provision of a wide variety and

- more competitive products.
- Simplifying and automating procedures.
- Reinforcement of alternative automated service networks.
- Training of human resources.

Laurentis V. Laurentiadis,,  
Chairman and CEO  
Neochimiki Group

*"Thanks to Emporiki Bank's people, we have managed to "build" one of the most rapidly developing international Groups. Our collaboration with Emporiki Bank reinforced the rapid course of the Group's international development - one of the greatest growth stories of the Greek market - in the best possible way, during these last ten years.*

*Emporiki Bank has been our closest collaborator throughout our entrepreneurship moves and has been offering us the highest level of services in comparison to other Banks. Emporiki's people know their job perfectly well, they are intelligent and place the customer's needs first. They are able to work in the same way the bankers in the United Kingdom or United States of America do. They are sure to complete their projects in the best possible way, even if they have to work overtime and they will often offer more than what the client expects. This can only be achieved by professionals who really love their job and give their heart and soul for it.*

*The connection of Emporiki Bank with a leading universal network constitutes an important coincidence. Emporiki Bank operates as a universal Bank for us with a friendly, human and 'Greek' character."*

Thomas Evaggeliou  
Chairman and CEO  
Septona

*"Septona Industrial and Commercial SA has been operating in the industrial zone of Inofyta since 1971. Our collaboration with Emporiki Bank started approximately in 1990. The fact that it was the only bank maintaining a branch in the region of Inofyta influenced this decision significantly.*

*The good collaboration we had along with Emporiki Bank's immediate response to Septona's needs led to the creation of an imports/exports department at the branch due to our company's export activity. Additionally, Emporiki Bank's people believed in us, thus providing us with the appropriate financing which led to Septona's fast growth.*

*Today Emporiki Bank is more flexible and decisions are taken much faster than before. As a result, Emporiki Bank supports the financing of our new investment in the Bulgarian Market.*

*I would like to wish Emporiki Bank all the best in its effort to modernize its operations. This procedure will leave all the past's mentalities behind and will have positive effects for its employees as well as its shareholders."*

Leonidas Kotsaris  
CEO Prolead

*"These three years that we have been cooperating with Emporiki Bank, we are satisfied with the level of services, since it has been providing us with tools we need to implement our business plans.*

*We have the following four anticipations from Emporiki Bank:*

- *As of priority to improve the competitiveness of products provided (working capital, factoring and leasing).*
- *To make even more evident the benefits from the centralized IT system.*
- *To send remittances and L/C via e.banking in Europe and Asia.*
- *To expand services in the area of insurance products."*

## B6: Main Figures of Emporiki Bank and the Group

### Income statement 2004-2007 (€ millions)

	2004	2005	2006	2007
Profit/Loss (after tax and minority interests) <sup>1</sup>	-113.2	76	-226	30.1
Profit/Loss (before tax and minority interests) <sup>1</sup>	-94	114.6	-219.4	50.7
Net operating income	787.1	826.3	949.6	948.6
Net interest income	572.3	609.9	713.1	759.4
Operating expenses <sup>2</sup>	732.9	585.2	630.8	664.4

### Business Operations 2004-2007 (€ millions)

	2004	2005	2006	2007
Total assets	18,747.0	20,017.6	22,795.9	27,324.0
Gross loans <sup>3</sup>	14,145.1	16,318.5	18,375.7	20,535.9
Net loans <sup>4</sup>	13,495.0	15,632.5	17,226.2	19,516.2
Deposits + Repos <sup>5</sup>	14,928.2	14,929.3	16,656.8	18,127.0

<sup>1</sup>Profit/Loss from continuing operations

<sup>2</sup>Operating expenses include staff costs, administrative expenses, depreciation and authorization and other operating expenses.

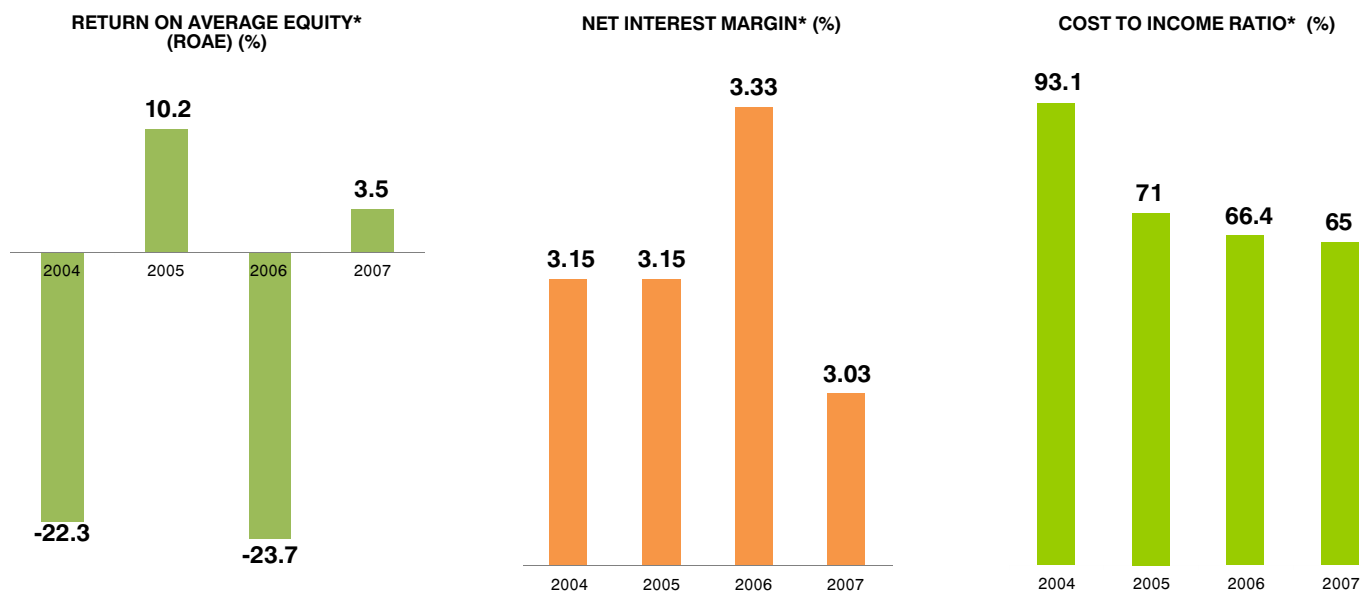
<sup>3</sup>Loans and advances to customers (including allowances)

<sup>4</sup>Loans and advances to customers (net of allowances)

<sup>5</sup>Liabilities due to customers

Source: Annual Report for Year 2007, page 64,

[http://www.emporiki.gr/files/EN/Investor\\_Annual\\_Report/2007/annual\\_2007/dff/etisapolog.pdf](http://www.emporiki.gr/files/EN/Investor_Annual_Report/2007/annual_2007/dff/etisapolog.pdf)



\*Group Data. ROAE calculation is based on profit/loss after tax and minority interests from continuing operations.

Source: Annual Report for Year 2007, page 66, [http://www.emporiki.gr/files/EN/Investor\\_Annual\\_Report/2007/annual\\_2007/dff/etisapolog.pdf](http://www.emporiki.gr/files/EN/Investor_Annual_Report/2007/annual_2007/dff/etisapolog.pdf)

\*Group Data.

Source: Annual Report for Year 2007, page 66, [http://www.emporiki.gr/files/EN/Investor\\_Annual\\_Report/2007/annual\\_2007/dff/etisapolog.pdf](http://www.emporiki.gr/files/EN/Investor_Annual_Report/2007/annual_2007/dff/etisapolog.pdf)

\*Group Data.

Source: Annual Report for Year 2007, page 66, [http://www.emporiki.gr/files/EN/Investor\\_Annual\\_Report/2007/annual\\_2007/dff/etisapolog.pdf](http://www.emporiki.gr/files/EN/Investor_Annual_Report/2007/annual_2007/dff/etisapolog.pdf)

**Emporiki Bank Group: Economic Value Retained<sup>6</sup>, 2007  
(€ million)**

<b>Direct Economic Value Generated</b>			
<b>1 Revenues</b>			
	Interest and fees	912.70	
	Dividends	1.83	
	Royalties	0.00	
	Property rental	0.88	
	Sale of property	4.07	
	Sale of other assets	1.38	
	<b>Total of Direct Economic value Generated</b>	<b>920.86</b>	<b>920.86</b>
<b>Economic Value Distributed</b>			
<b>2 Operating costs</b>			
	Cash payments for purchasing products	7.98	
	Cash payments for purchasing services	96.30	
	Rental payments	18.55	
	License fees	10.28	
	Salary payments to contract workers	1.89	
	Royalties	1.66	
	Employee training costs	0.44	
	<b>Total operating costs</b>	<b>137.10</b>	<b>137.10</b>
<b>3 Employees wages and benefits</b>			
	Total payroll including benefits *	290.73	
	Payments to pension funds	85.93	
	Payments for insurance programmes	2.39	
	Payments for housing of employees	0.97	
	Payments for grants to employees and their children	0.18	
	Payments for voluntary exits	0.00	
	Payments for Health and Safety	0.05	
	<b>Total Employee wages and benefits</b>	<b>380.24</b>	<b>380.24</b>
<b>4 Payments to providers of funds</b>			
	Dividend to shareholders	0.00	
	Interest payments to loan capital providers	124.46	
	<b>Total payments to providers of funds</b>	<b>124.46</b>	<b>124.46</b>
<b>5 Payments to government</b>			
	VAT	16.23	
	Income tax abroad	2.50	
	Income tax	15.39	
	Prepaid income tax	4.53	
	Previous year's taxes	10.14	
	Property tax	1.34	
	Tax for transferring shares	4.66	
	Taxes to local authorities	0.65	
	Tax penalties	0.20	
	Other penalties paid to government	0.32	
	<b>Total payments to government</b>	<b>55.97</b>	<b>55.97</b>
<b>6 Community Investments</b>			
	Voluntary donations in cash to beneficiaries external to the Bank, such as charities, NGOs, research institutes, cultural and athletic organizations, social infrastructure investments, etc.	3.28	
	<b>Total Community Investments</b>	<b>3.28</b>	<b>3.28</b>
<b>Total Distributed Economic Value</b>			<b>701.06</b>
<b>Economic Value Retained (calculated as Economic Value Generated less Value Distributed)</b>			<b>219.80</b>

\*The wages of contract workers are not included as their salary payment is registered as operating costs for the purchasing services.

<b>ECONOMIC VALUE DISTRIBUTION</b>				
<b>Operating Costs</b>	<b>Wages &amp; Benefits</b>	<b>Payments to Capital Providers</b>	<b>Payments to Government</b>	<b>Community Investment</b>
19.56%	54.24%	17.75%	7.98%	0.47%

<sup>6</sup> The presentation of Economic Value is based to guidelines of Global Reporting Initiative, version 3, economic performance indicators EC1.

## C. SOCIAL DIMENSION

### C.1 HUMAN RESOURCES

**A**t Emporiki Bank we acknowledge the fact that our human resources are a source of competitive advantage. We acknowledge employees' active participation as a key to the achievement of the Bank's goals. Under the current circumstances of Emporiki Bank's transformation, our human resources are the catalyst for change: they support the multifaceted task of the Bank's transformation with trust, dedication, knowledge, and positive anticipation.

According to the general requirements of the Bank's Transformation Plan, there are two main objectives regarding Human Resources: First, the organizational restructuring and second, the systematic fulfillment of the staffing, training and development needs of the workforce.

During the year 2007, the main pillar of the Transformation Plan was the restructuring of the processes pertaining to the selection, training, develop-

ment, compensation and recognition of the performance of our workforce. At the same time, the Bank continued to gradually renew the workforce and update its Policy for Equal Treatment. We evaluated our actions regarding people with disabilities; we formulated a draft policy for Health and Safety in the workplace. Also, the Bank continued to provide significant care plans for its employees and their families.

*George Spiliopoulos  
General Manager, Legal Division  
Also acting as General Manager, Group Human Resources*

*"I have been working at Emporiki Bank for almost 35 years, since I was 18, starting my career as a simple employee at its Branches. During this time period and from various positions at the Bank and the Group, I experienced all the Bank's historical changes as well as the complex challenges to its strategic and operational goals. Since August 2006, when the Bank became a member of the Crédit Agricole Group, all of us together, with a new momentum and better terms, have been creating the Bank's new course, in which we believe.*

*Our non negotiable values are: respect for the employees' dignity and labor rights, respect for diversity, health and safety in the workplace, reconciliation between professional and personal life, workforce development and training, and all these within the new framework of a large European group.*

*Based on our rich company tradition and inheritance, we work systematically for the Bank's dynamic and sustainable development. Tapping on the advantage of our company values and the quality of our workforce, we form a powerful team and work methodically for the Bank's development.*

*I am proud to be working at Emporiki Bank and I am certain that all of my colleagues feel the same way."*

## Priorities for 2008

**For 2008, the following five projects, the planning and development of which commenced within the year 2007, are scheduled to be completed:**

1. Planning of human resources needs: This project aims to contribute to the systematic planning of the Bank's staffing activities, based on the new organization and the requirements of the Transformation.
2. Creation of a new framework of assessment, so that the appropriate workforce may be selected for the assumption of new roles and positions of responsibility.
3. Introduction of a new process for the continuous development and performance evaluation of the workforce.
4. Awareness activities for people with disabilities, so that their human rights are better understood.
5. Updating the Health and Safety Policy at the workplace.

### 1.1 Equal treatment - Equal opportunities

During the year 2007, Emporiki Bank updated its corporate commitment to the Equal Treatment Policy, [http://www.emporiki.gr/cbgen/gr/career&research/career&research\\_story.jsp?docpath=/gr/Career/static/equal\\_opportunities](http://www.emporiki.gr/cbgen/gr/career&research/career&research_story.jsp?docpath=/gr/Career/static/equal_opportunities)

Furthermore, at the beginning of 2008, the CEO of the Crédit Agricole Group, Mr. Georges Pauget, publicized the commitment statement entitled "Diversity Charter". All members of the workforce were informed about these two important commitments through the corporate bulletin "Emporiki View" and the intranet.

Our corporate values for Equal Treatment and Equal Opportunities should govern all aspects of the human resources administration. Public corporate commitment on Equal Treatment and disclosure of data by view of gender aims to:

- Encourage transparency and meritocracy in human resources administration.
- Avoid reproduction of social stereotypes based on discrimination.
- Reinforce our corporate values.

In 2007, two of our employees attended a series of seminars on gender equality and human rights organized by the NGO "League for Woman's Rights". Also, in order to examine the existing perceptions and expectations of the employees regarding gender equality, we requested from the "League for Woman's Rights" to consider the possibility of conducting a related survey. The BoD of the League decided that they couldn't undertake the project during the current period. The Corporate Equal Opportunities Committee<sup>7</sup> has to consider alternative options.

<sup>7</sup> The Bipartite Consulting Committee on Equality consists of an equal number of representatives of both the Management and the Employees' Union of the Bank.



## **Crédit Agricole: Diversity Charter**

*"Encouraging pluralism and aiming at diversity, through employee hiring and development, constitute a catalyst for progress. These are elements that render our company more effective and improve the ties with the workforce. Additionally, these can positively affect our image towards our clients, suppliers and consumers, both in France and internationally.*

*Our company has adopted the Diversity Charter in order to express its firm commitment in support of the cultural, ethnic and social diversity within our organization in France.*

*According to the Charter's stipulations, we commit ourselves to:*

- 1. Raise awareness and provide guidance on issues of discrimination and diversity, to all members of the workforce that deal with recruitment, training and human resources development.*
- 2. Abide by and promote the principle against discriminations of any kind and at any stage of the human resources administration, particularly in relation to hirings, training and promotions as well as career path.*
- 3. Strive that our workforce's composition expresses the composition of the French society – especially its cultural and ethnic diversity – on all levels of our human resources.*
- 4. Inform all employees of our commitment against discrimination and for diversity, and of the practical implications of this commitment.*
- 5. Discuss with employee representatives the preparation and implementation of the diversity policy.*
- 6. Dedicate one chapter of our Annual Report to our commitment to avoiding discriminations and supporting diversity, providing details about our actions, the practices we promote and the outcomes we have achieved."*

*Paris, 21 January 2008  
For Crédit Agricole S.A. Group  
Georges Pauget  
CEO*

## **Emporiki Bank: Commitment to Equal Treatment Policy**

*"At Emporiki Bank we acknowledge the equality of genders as our common value and its implementation in every day life as our collective responsibility.*

*We commit ourselves that every aspect of the human resources administration (recruitment, appointments, promotions, assumption of positions of responsibility, compensations, relocations, education and training, voluntary retirement plans) be governed by the principle of equal treatment.*

*We commit ourselves to exercise our banking activity with respect to the diverse culture and dignity of our employees. Upholding the values of transparency and meritocracy we expect that:*

- The composition of the workforce reflects the composition of our society.*
- The composition of management team reflects the composition of the workforce.*
- Education and training be provided through such programs that render them actually available to the whole personnel.*
- Care plans aim at supporting employees and their families as well as the reconciliation between their professional and personal life.*

*For Emporiki Bank, the equality objective is translated into neither just a numerical equilibrium nor just the enforcement of the legislative framework.*

*We acknowledge that the implementation of Equality in the Bank's day to day operations constitutes a collective responsibility and is affected by the prevailing social models and stereotypes.*

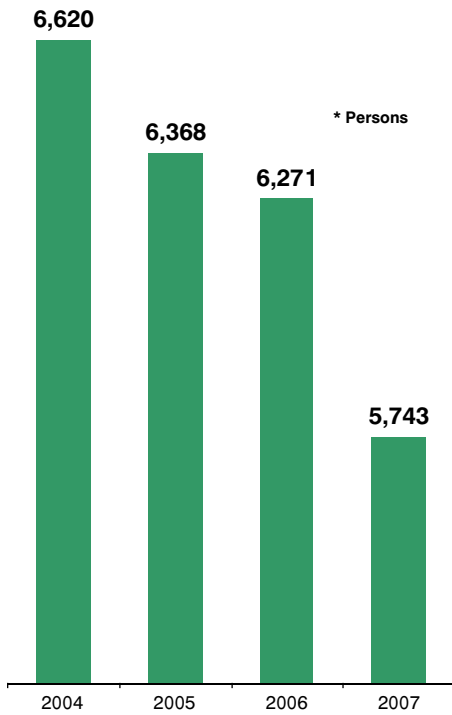
*We acknowledge that equality is associated with changing attitudes and stereotypes that entrap organizations, men and women, and confine or even halt creativity.*

*We commit ourselves to work systematically so that we may together accomplish the objective of equality."*

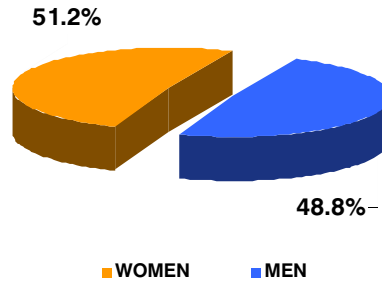
*Tryfon Panagakis  
General Manager, Group Human Resources  
March 2007*

## 1.2 The workforce at a glance, 31.12.2007

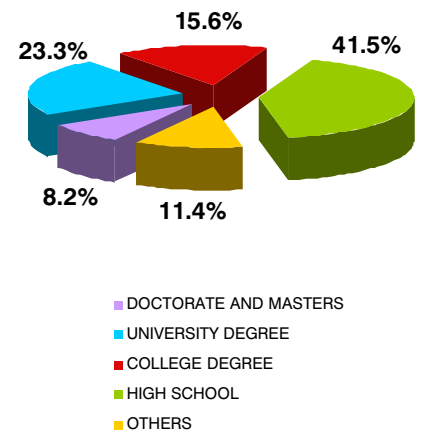
WORKFORCE TRENDS\*



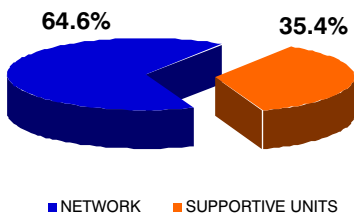
HUMAN RESOURCES BY GENDER 2007



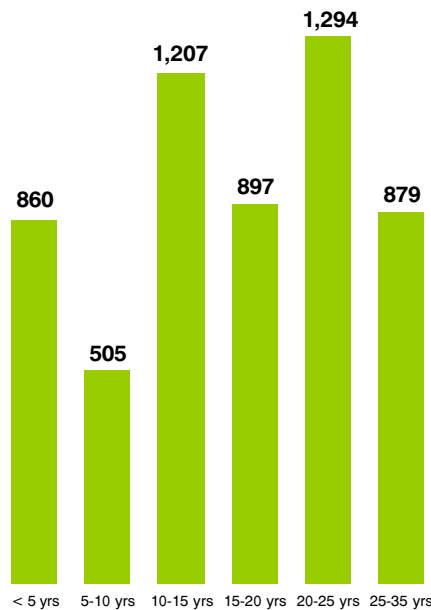
EMPLOYEES EDUCATIONAL LEVEL



DISTRIBUTION OF HUMAN RESOURCES TO BRANCH NETWORK AND TO SUPPORTIVE UNITS



EMPLOYEES PER YEARS OF SERVICE



### 1.3 Workforce trends and composition

On 31.12.2007 our workforce amounted to 5,743 people<sup>8</sup>, of whom 48.8% were men and 51.2% women. During the years 2004-2007 the number of employees was reduced by 13.2%, while the workforce composition by gender remained almost unchanged.

The gradual reduction in workforce is mainly due to the following reasons:

**a. Simplification and automation of processes:** In 2004 a significant change in the Bank's technological infrastructure was completed, which brought about the computerization and simplification of many processes, while at the same time reducing the needs for human capital. In addition, the Bank's transformation that started in 2007 and is gradually being completed, results in less time and human resources necessary for executive tasks.

WORKFORCE TRENDS 2004-2007					
YEAR	MEN		WOMEN		TOTAL WORKFORCE
	Number of People	% of total	Number of People	% of total	
2004	3,190	48.2	3,430	51.8	6,620
2005	3,094	48.6	3,274	51.4	6,368
2006	3,052	48.7	3,219	51.3	6,271
2007	2,803	48.8	2,940	51.2	5,743

**b. Legislative changes to the Social Security System:** During the years 2004-2006 there was widespread concern about major legislative changes regarding the terms and requirements for retirement. These legislative changes created insecurity affecting personal choices, leading to many people opting for retirement under the previous Social Security status.

**c. Operational cost containment:** The Bank has focused on improving its competitiveness, a parameter of which is the reduction of operational expenses and the improvement of efficiency. We acknowledge that diversity in the composition of our workforce, including ethnical background, is important to the development of our business. Although the vast majority of Emporiki Bank employees are of Greek descent, our workforce composition has been enriched with a limited number of mostly French executives.

#### Educational level

Our staff's educational level is high: 8.2% of our workforce hold post-graduate master's degrees and doctorates, 38.9% are university and college/technical schools graduates, 41.5% are high school graduates and the remaining are 11.4%. Regarding gender, there is almost equilibrium in the combined category of university/college graduates and post-graduate degree holders: men 48.3% and women 51.7%.

WORKFORCE EDUCATIONAL LEVEL, PER GENDER, 31.12.2007						
EDUCATIONAL LEVEL	MEN		WOMEN		TOTAL PEOPLE	% OF TOTAL WORKFORCE
	NUMBER OF PEOPLE	% OF TOTAL	NUMBER OF PEOPLE	% OF TOTAL		
DOCTORATE – MASTER	263	55.7	209	44.3	472	8.2
UNIVERSITY DEGREE	611	45.7	727	54.3	1,338	23.3
COLLEGE DEGREE & TECHNICAL SCHOOLS	472	52.6	426	47.4	898	15.6
HIGH SCHOOL GRADUATES	1,097	46.1	1,285	53.9	2,382	41.5
OTHERS	360	55.1	293	44.9	653	11.4
<b>TOTAL</b>	<b>2,803</b>	<b>48.8</b>	<b>2,940</b>	<b>51.2</b>	<b>5,743</b>	<b>100.0</b>

<sup>8</sup> Average number of employees, in 2007, amounted to 5,818, of which 2,832 men and 2,986 women.

## Average age

The age of our workforce ranges between 18 and 64. On 31.12.2007 the average age of the Bank's workforce<sup>9</sup> was 42.4 years. The average age of men was 44.7 and women 40.2.

The difference between men and women's average age is attributed to two reasons: Men are hired at a later age due to military obligations. As to women, they qualify for pension at an earlier age than the men and some withdraw from service.

WORKFORCE AVERAGE AGE, 31.12. 2007			
	PEOPLE		TOTAL PEOPLE
	MEN	WOMEN	
< 20 years	0	1	1
>=20 years and < 25 years	13	77	90
>=25 years and < 30 years	102	221	323
>=30 years and < 35 years	220	463	683
>=35 years and < 40 years	333	594	927
>=40 years and < 45 years	525	632	1,157
>=45 years and < 50 years	740	474	1,214
50 years	120	80	200
51 years	147	78	225
52 years	156	71	227
53 years	91	53	144
54 years	63	40	103
55 years	75	29	104
56 years	53	24	77
57 years	33	17	50
58 years	25	17	42
59 years	18	9	27
60 years	14	6	20
+ 60 years	18	10	28
<b>Total</b>	<b>2,746</b>	<b>2,896</b>	<b>5,642</b>
<b>Average age</b>	<b>44.7</b>	<b>40.2</b>	<b>42.4</b>

## Years of service at the Bank

With regard to work experience, the average work experience of the workforce is 15.7 years. Men average 17.8 years of work experience and women average 13.6 years.

YEARS OF SERVICE AT THE BANK, 31.12.2007			
	PEOPLE		TOTAL PEOPLE
	MEN	WOMEN	
< 1 year	73	85	158
>=1 year and < 5 years	274	428	702
>=5 years and < 10 years	188	317	505
>=10 years and < 15 years	431	776	1,207
>=15 years and < 20 years	345	552	897
>=20 years and < 25 years	777	517	1,294
>=25 years and < 30 years	466	201	667
>=30 years	192	20	212
<b>Total</b>	<b>2,746</b>	<b>2,896</b>	<b>5,642</b>
<b>Average years of service</b>	<b>17.8</b>	<b>13.6</b>	<b>15.7</b>

<sup>9</sup> This refers to active employees on open-ended contracts, who on 31.12.2007 amounted to 5,642 people.

## 1.4 Distribution in work positions and responsibility posts

### Work positions

Approximately 2/3 of the workforce is distributed in the branch network and 1/3 in branch support and executive divisions. This ratio remains almost constant. Distribution per gender is

also relatively constant, women outnumbering men in the branch network.

During 2007, 3,711 people were positioned in the branch network, of which 44.6% were men and 55.4%

women. In the branch support and executive departments 2,032 people were positioned, of whom 56.5% were men and 43.5% women.

WORKFORCE DISTRIBUTION IN JOB POSITIONS, 2006 - 2007										
JOB	2006					2007				
	PEOPLE				TOTAL Number	PEOPLE				TOTAL Number
	MEN		WOMEN			MEN		WOMEN		
	Number	% of total	Number	% of total		Number	% of total	Number	% of total	
NETWORK	1,874	45.0	2,277	55.0	4,151	1,655	44.6	2,056	55.4	3,711
BRANCH SUPPORT & EXECUTIVE DIVISIONS	1,178	56.0	942	44.0	2,120	1,148	56.5	884	43.5	2,032
<b>TOTAL</b>	<b>3,052</b>		<b>3,219</b>		<b>6,271</b>	<b>2,803</b>		<b>2,940</b>		<b>5,743</b>

### Responsibility posts

On 31.12.2007 positions of responsibility<sup>10</sup> were 1,533, 54.5% of which were occupied by men and 45.5% by women. 15 men occupied the 15 responsibility posts at the Bank's central Administration. Our goal is to gradually increase women's participation in high-responsibility positions.

WORKFORCE DISTRIBUTION IN POSITIONS OF RESPONSIBILITY, 2004-2007					
YEAR	MEN		WOMEN		TOTAL PEOPLE HOLDING POSITIONS OF RESPONSIBILITY
	Number	% of total	Number	% of total	
2004	1,598	54.8	1,316	45.2	2,914
2005	1,633	54.4	1,367	45.6	3,000
2006	1,633	55.9	1,288	44.1	2,921
2007	836	54.5	697	45.5	1,533

POSITIONS OF RESPONSIBILITY PER HIERARCHY LEVEL AND GENDER, 31.12.2007					
POSITIONS OF RESPONSIBILITY	MEN		WOMEN		TOTAL PEOPLE HOLDING POSITIONS OF RESPONSIBILITY
	NUMBER	% OF TOTAL	NUMBER	% OF TOTAL	
EXECUTIVE ADMINISTRATION	15	100.0	0	0.0	15
DIVISION MANAGERS & management advisors	54	79.4	14	20.6	68
SECTOR MANAGERS	141	74.6	48	25.4	189
DEPT HEADS AND OTHERS	626	49.6	635	50.4	1,261
<b>TOTAL</b>	<b>836</b>	<b>54.5</b>	<b>697</b>	<b>45.5</b>	<b>1,533</b>

<sup>10</sup> Includes all paid positions of responsibility, by 31.12.2007, and not just placements made according to new organizational charter.

## 1.5 Employment Contracts, Compensation, Absenteeism

### Contracts

98.2 % of the workforce enjoys open-ended contracts.

In addition to the aforementioned contracts, 30 more people and 145 college/university students worked at the Bank temporarily during 2007.

EMPLOYMENT CONTRACTS, 31.12.2007				
CONTRACT TYPE	PEOPLE		TOTAL PEOPLE	% OF TOTAL WORKFORCE
	MEN	WOMEN		
Open-ended	2,746	2,896	5,642	98.2
Inactive open-ended <sup>11</sup>	40	37	77	1.3
Fixed term	17	7	24	0.4
<b>TOTAL</b>	<b>2,803</b>	<b>2,940</b>	<b>5,743</b>	<b>100.0</b>

### Hirings

During 2007 the workforce was renewed by 170 hirings, of which 41.2% were men and 58.8% women. In the years 2004-2007 the workforce has been renewed by a total of 808 new hirings.

EVOLUTION OF HIRINGS, 2004 -2007			
YEAR	MEN	WOMEN	TOTAL
2004	135	170	<b>305</b>
2005	66	65	<b>131</b>
2006	60	142	<b>202</b>
2007	70	100	<b>170</b>

### Turnover

During 2007, 12.1% of the workforce (702 people) left the Bank, 46.4% of whom were men and 53.6% women. The increased number of retirements is mainly due to the climate of insecurity, particularly among women, that was fostered by the new legislative framework regarding the requirements for retirement. In the years 2004-2007 a total of 1,894 people left the workforce.

EXITS 2007				
	MEN	WOMEN	TOTAL PEOPLE	% OF TOTAL WORKFORCE <sup>12</sup>
Resignation	22	33	55	0.9
Lay-offs	4	2	6	0.1
Retirements	294	338	632	10.9
Deaths	6	3	9	0.6
No renewal of contract after trial period	0	0	0	0.0
<b>TOTAL</b>	<b>326</b>	<b>376</b>	<b>702</b>	<b>12.1</b>

EVOLUTION OF EXITS 2004-2007	
YEAR	TOTAL EXITS
2004	529
2005	364
2006	299
2007	702

<sup>11</sup> Employment has been suspended for various reasons (e.g. secondment).

<sup>12</sup> Average workforce during 2007 was 5,818 employees.

## Compensation

Workforce compensation is primarily set by Collective Labor Agreements. In 2007 the average gross annual compensation amounted to €48,124. Although the Bank adheres strictly to the principle of equality regarding compensation, the average annual compensation of men amounted to €55,014 and women to €41,589. In the top 10% compensation bracket in

AVERAGE GROSS ANNUAL COMPENSATION PER GENDER, 2007		
MEN'S COMPENSATION in €	WOMEN'S COMPENSATION in €	AVERAGE GROSS ANNUAL COMPENSATION IN €
55,014	41,589	48,124

2007, 84% were men and 16% women, a larger gap than in 2006.

The lower average gross compensation of women, by 24.4%, is due to

their lower participation in middle and high positions of responsibility, their concentration in the lower ranks of the hierarchy and their fewer years of service at the Bank.

DISTRIBUTION OF TOP 10% OF COMPENSATION						
	MEN		WOMEN		TOTAL	
	NUMBER	% OF TOP COMPENSATED PEOPLE	NUMBER	% OF TOP COMPENSATED PEOPLE	TOP COMPENSATED PEOPLE	% OF TOP COMPENSATED PEOPLE
2006	503	81	119	19	622	100
2007	489	84	92	16	581	100

## Absenteeism

All workforce absences and leaves are recorded and monitored by type. With

the exception of maternity and paternity leaves<sup>13</sup>, absences in 2007 amount

to 3.2% of total working time, as compared to 2.9% for the year 2006.

DAYS OF ABSENCE, PER TYPE AND GENDER, 2006 -2007							
TYPE OF LEAVE		2006			2007		
		MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
a	Sick leave	19,271	27,785	47,056	18,473	30,894	49,367
b	Accidents (en route to work or in the workplace)	0	0	0	0	0	0
c	Special leaves *	9,938	9,288	19,226	4,058	5,716	9,774
d	Unauthorized and other absences	303	234	537	4,227	3,930	8,157
	Total (a+b+c+d)	29,512	37,307	66,819	26,758	40,540	67,298
	Absenteeism (based on 250 working days of the year)	3.9%	4.6%	4.2%	3.8%	5.4%	4.6%

\* By law and collective agreements, such as insaniary, care for disabled people, blood donation, emergencies, elections, jury duty, union duty, participation in examinations, mourning, military retraining, blood transfusion, etc.

<sup>13</sup> Maternity and paternity leaves, although they are noted, are not included on the above table. Similarly, regular annual leaves are also not included. Strike days are mentioned separately in the unit regarding labour relations.

## 1.6 People with disabilities

At Emporiki Bank we acknowledge the need to encourage collective respect towards people with disabilities. We aim to operate without exclusions so that people with disabilities may enjoy their human rights. We support the abolishment of discriminations and wish that disabled people may share equally into the social, economic and cultural life.

During 2007 we re-examined the institutional framework regarding people with disabilities and updated our objectives.

### Our general objectives

- To fight direct or indirect discrimination against people with disabilities.
- To adjust buildings and administrative systems in a way that ensures people with disabilities accessibility and participation in the day-to-day operations of the Bank.
- To adhere to legislation and guidelines from the parent Bank Crédit Agricole, as a minimum, so that people with disabilities may have equal access to the day-to-day operations of the Bank.

### Our performance

- We take appropriate measures for the Health and Safety in the workplace in order to avert causing and/or deteriorating disabilities.
- We employ people with disabilities, at a rate of 3.62% of the workforce, hired on the basis of the legal provisions valid each time. The actual number of people with disabilities working at the Bank is greater than that imposed by Law.

PEOPLE WITH DISABILITIES 2004 -2007		
YEAR	PEOPLE WITH DISABILITIES	% OF WORKFORCE
2004	205	3.09
2005	231	3.62
2006	221	3.52
2007	208	3.62

- To the degree possible, we adjust the Bank's buildings and workplaces, placing ramps or elevators, in order to ensure access for people with disabilities. 90 branches of the Bank are accessible to people with moving disabilities.
- We provide every possible facilitation for their every day life.
- At branches with two ATMs, one of them is located in the exterior, so that it is accessible to people with disabilities.
- We wish to make the most of the talents, knowledge and experience of our staff with disabilities.

### Our benefits

At Emporiki Bank we are aware of the benefits of the policy for people with disabilities, such as:

- Diversity in the composition of the workforce creates favorable conditions and a positive working environment.
- People with disabilities respond to their professional duties with willingness and dedication.
- Our shareholders, clients, workforce and suppliers appreciate Emporiki Bank's practice and co-operate in ensuring that people with disabilities enjoy the autonomy and professional incorporation they are entitled to. This practice adds to the prestige and good name of the Bank, thus reinforcing long-term corporate value.

### Objectives for 2008

- Take practical measures in order to encourage respect for the rights and dignity of people with disabilities, both within the workplace and in the broader environment<sup>14</sup>.
- By the end of 2008, accessible branches of the Bank should reach 100, i.e. 26% of the total number of branches.

<sup>14</sup> The objective has already been accomplished with the 1st half of 2008. A full report shall be included in the CSR Report of fiscal year 2008.



## 1.7 Training

During 2007, Emporiki Bank continued to invest in the development of the workforce through a variety of programs: in-house training courses, third parties' programs, post-graduate master's programs, and foreign language learning programs. Total expenditure for 2007 educational programs amounts to €537.6 thousand.

### Our performance in training

In 2007, 4964 people were trained, of whom 48.0% were men and 52.0% women. Total training amounts to 52,973.3 training hours. Average training per employee<sup>15</sup> was 10.7 hours, and average training per trainee<sup>16</sup> was 7.5 hours. Of our total employees

PERFORMANCE IN TRAINING, 2007			
	MEN	WOMEN	TOTAL
Employees participating in training programs: <b>a</b>	2,383	2,581	<b>4,964</b>
Number of trainees <sup>17</sup> : <b>b</b>	3,344	3,718	<b>7,062</b>
Total training hours: <b>c</b>	26,302.5	26,670.8	<b>52,973.3</b>
Average Training hours per employee ( <b>c/a</b> )	11.0	10.3	<b>10.7</b>
Average training hours per trainee ( <b>c/b</b> )	7.9	7.2	<b>7.5</b>

TRAINING COST 2006 -2007			
YEAR	TRAINING COST (in thousands €)	TOTAL COMPENSATION <sup>18</sup> (in thousands €)	TRAINING COST RATIO
2006	806.90	299,797.60	0.3
2007	537.60	342,466.20	0.2

86.4% participated at a training programme. The training cost ratio for year 2007 was 0.17 against 0.26 for year 2006.

### Thematic Units

The main thematic units covered by our training programs were: Regulatory Compliance Issues, marketing, banking tasks, management, insurance, and foreign languages. Besides Regulatory Compliance, a main priority was also the certification of our Branches' employees as investment consultants and mutual funds salespeople.

The Regulatory Compliance training was uniform throughout the parent

company Crédit Agricole Group, was based on ample audiovisual material and was organized according to Crédit Agricole's guidelines.

### In-house training

In-house training activity takes place at the Bank's two certified training centers, in Athens and Thessaloniki, as well as in our instruction halls in Volos and Herakleion, Crete. Course instructors are usually the Bank's cer-

tified employees.

In 2007 the number of in-house training programs participants more than doubled: 85.0% of the workforce participated in an in-house training program. The reduced educational expenditure of 2007, as compared to 2006, is due to the fact that training on Regulatory Compliance issues in 2007 was conducted on a regional level, thus avoiding the extra cost of employees' commuting expenses.

IN-HOUSE TRAINING PROGRAMS 2004 - 2007							
YEAR	TOTAL PARTICIPATION					PARTICIPANTS AS % OF TOTAL WORKFORCE	TOTAL EXPENDITURE IN EURO
	MEN	MEN AS % OF TOTAL	WOMEN	WOMEN AS % OF TOTAL	TOTAL PEOPLE (MEN + WOMEN)		
2004*	1,279	48.0	1,383	52.0	<b>2,662</b>	40.2	1,378,189.00
2005	1,059	49.8	1,068	50.2	<b>2,127</b>	33.4	545,845.10
2006	968	44.7	1,199	55.3	<b>2,167</b>	34.6	640,296.90
2007	2,330	47.7	2,553	52.3	<b>4,883</b>	85.0	325,857.23

\* Pegasus seminars

<sup>15</sup> Total training hours (52,973.3) per employee (4,964)

<sup>16</sup> Total training hours (52,973.3) per trainee (7,062)

<sup>17</sup> Number of trainees is larger than number of employees participated in training seminars, as some employees have attended more than one training seminar.

<sup>18</sup> Includes all wages plus social security employer's contributions.

### In-house training for all ages

For Emporiki Bank, workforce training, regardless of age and gender, is self-explanatory. In the year 2007 the number of trainees over the age of 51, participating in in-house training programs, more than tripled.

IN-HOUSE TRAINED EMPLOYEES, PER CATEGORY OF AGES					
YEAR	20-30	31-40	41-50	51+	TOTAL
2004	306	880	1,148	328	2,662
2005	169	461	878	241	1,749
2006	228	586	975	378	2,167
2007	381	1,279	2,060	1,163	4,883

### In-house e-learning

During 2007, the standard e-learning courses were not offered, because their cycle was completed. Only 4 employees (of whom 1 man and 3 women) completed e-learning programmes. Men trained for 180 hours and women for 540 hours. Total training by e-learning, 720 hours.

However, we did commence preparation of new e-learning programs that are going to be available in 2008.

### Master's level education

In 2007, the Bank continued to fund assumed obligations for the participation in Master's level programs.

PARTICIPATION IN MASTER'S PROGRAMS				
YEAR	MEN	WOMEN	TOTAL PEOPLE	TOTAL EXPENDITURE IN EURO
2004	5	5	10	76,725
2005	2	7	9	46,995
2006	1	3	4	24,250
2007	1	4	5	13,057

### External training programs

Emporiki Bank funds the participation of its employees in a variety of seminars organized by third parties. Indicatively, in 2007 our employees attended seminars on subject matters such as: regulatory compliance, Single Euro Payment Area (SEPA), International Financial reporting, reinforcement of de-

fense against fraud, unified financial statements, Basel II Bank of Greece Governor's Act - Standardized Approach, Measuring Market risk with Value at Risk, the new social security legislation.

lowing two important distance learning seminars, organized by the United Nations Environment Program – Financial Institutions Initiative<sup>19</sup>: "Climate Change: Risks and Opportunities for the Finance Sector" and "Environmental and Social Risk Analysis".

In addition, one officer attended the fol-

PARTICIPANTS TO EXTERNAL TRAINING AND EXPENDITURE, 2004 -2007							
YEAR	PARTICIPANTS				TOTAL (MEN + WOMEN)	PARTICIPATION AS %	TOTAL EXPENDITURE IN EURO
	MEN	MEN AS % OF TOTAL	WOMEN	WOMEN AS % OF TOTAL			
2004	138	65.1	74	34.9	212	3.8	421,454.14
2005	133	68.9	60	31.1	193	3.0	115,357.59
2006	96	65.3	51	34.7	147	2.3	88,670.59
2007	73	54.9	60	45.1	133	2.3	86,064.79

### Certifications

For professional certifications, 62 employees were trained, of whom 17 men and 45 women. Total training was 31 hours.

<sup>19</sup> UNEP FI in co-operation with the United Nations Institute for Training and Research and other parties.

## Foreign language learning

The Bank continued to fund French and English language learning programs. In 2007, the participation of men and women in foreign language learning programs more than doubled, as compared to 2006.

PARTICIPANTS IN FOREIGN LANGUAGE PROGRAMS AND EXPENDITURE, 2004-2007						
YEAR	MEN		WOMEN		TOTAL PARTICIPATION (MEN + WOMEN)	EXPENDITURE IN EURO
	NUMBER	% OF TOTAL	NUMBER	% OF TOTAL		
2004	87	46.0	102	54.0	189	168,307.80
2005	29	29.9	68	70.1	97	82,086.00
2006	9	18.4	40	81.6	49	43,053.50
2007	66	55.9	52	44.1	118	112,669.45

## Objectives for the years 2008 – 2009

Over the next two years, education and training shall focus mainly on:

- Supporting the Bank's transformation program with training courses specially adapted to its needs.
- Filling training gaps created by new officer placements and new hirings.
- The new philosophy of sales.
- Training that leads to Branch employees' certification in matters of investment consulting, insurance brokerage and mutual funds sales.
- Training of new hires on sustainable development.

## 1.8 Health and Safety

At Emporiki Bank we are committed to offering healthy and safe conditions in the workplace. We acknowledge that the working environment may contribute to the creation of deterioration of illnesses among the workforce and/or the public and collaborators. We also acknowledge that a preventive approach is of crucial importance in order to avert accidents and occupational diseases.

### General objectives

Our general objectives regarding Health and Safety are as follows:

- To ensure the Health and Safety of the workforce during work hours.
- To protect the Health and Safety of our public, collaborators and visitors from any hazard that might arise from the Bank.
- To work towards a "zero-accidents" target and the reduction of occupational diseases.
- To account for our performance.
- To apply good practices to the greatest degree possible.

### Compliance with legal framework

Emporiki Bank complies with the existing legal framework: Law 1568/85 for the "Health and Safety of Employees" and Presidential Decree 17/96 "Measures for the Improvement of Employees' Safety and Health during Work" regarding Health and Safety. In this context, in 2007:

1. We cooperated with a Third Party Prevention and Protection Service, a company providing occupational physician and safety technician services for all our branches, expenditure €56,250
2. In every one of the Bank's branches, the following items are kept under the responsibility of the Branch Manager:
  - Professional Risk Assessment Study
  - Official Book with the occupational physician's and safety technician's written suggestions
  - Accident Log
3. In each branch, a human resources

statement is posted at a clearly visible location, including the full name of the occupational physician and the safety technician and their schedule of branch visits.

4. The following health services were made available to the workforce:

- Bank's central building
  - Health center with two general practitioners and one orthopedist
  - Dental center with two dentists
  - Counseling center with one Psychologist
- Piraeus Region
  - Health center with one general practitioner
- Thessaloniki
  - Counseling station with one Social Worker

## Collective responsibility

For Emporiki Bank, ensuring the Health and Safety in the workplace constitutes a right and obligation of all parties involved. For this reason, the Company Collective Labor Agreement of 2007, co-signed by the Bank's Administration and the Bank's Labor Union, includes our commitment to forming a joint Opinion Committee for Health and Safety at the workplace.

## Our 2007 performance

- No occupational accidents happened either on the way to work or at the workplace.
- The Bank's Gym in Athens operated regularly, providing morning and afternoon exercising programs for the Workforce.
- A total of 49,367 days of sick leave were recorded, as compared to 47,056 in 2006, i.e. 4.9% increase.
- Although an antismoking policy exists, we are concerned about the compliance performance and we are committed to improve performance with awareness measures.
- Overall, 3,4% of the total working time<sup>20</sup> in 2007 was lost to Workforce illness reasons, as compared to 3.0 % in 2006.

## Objectives for 2008

Wishing to continuously improve our performance in the Health and Safety area, the Bank sets the following objectives for the year 2008:

1. Formulation and approval of the "Corporate Policy for Health and Safety at the Workplace"
2. Formation of joint Opinion Committee for Health and Safety with the participation Union of employees
3. Informing the Workforce about the "Corporate Policy for Health and Safety at the Workplace"

4. Although we have an anti-smoking policy at workplaces, we are concerned about the partial compliance. We are committed to improve compliance through awareness raising.

## 1.9 Care programs

During 2007, the Bank's care for the workforce was expressed through the following programs:

- Insurance plans:
  - Uninsured children's plan, amounting to a €12,500 total
  - Additional hospital care plan, amounting to a €785,000 total
  - Children aid plan, amounting to a €2,039,500 total
- 202 housing loans issued for the purchase/construction of primary residence, amounting to a €24,017,000 total
- 913 emergency loans issued, amounting to a €7,547,000 total
- 31 loans issued for the purchase of PCs, amounting to a €45,000 total
- Hospitality offered to 368 employees' children in the Bank's exclusive camp in Varymbobi, at a total expenditure of €230,700. Another 545 employees' children were hosted at other children's camps, at a total expenditure of €295,800
- Hospitality offered to 423 employees' children at day care centers, at a total expenditure of €1,093,900
- 55 scholarships granted to employees' children, at a total expenditure of €82,500. Of these, 25 scholarships were granted upon children's admission to the university and the other 30 scholarships were granted for high performance of children already studying at universities and colleges
- Money prizes granted to employees' children that excelled at their studies, in the total amount of

€69,800

- According to Collective Agreements, €550,000 were given as financial support to Emporiki Bank's Labor Union public benefits and another €62,700 to the Federation of Bank Employees Unions of Greece (OTOE)
- Operation of the restaurant and cafeteria, an expenditure of approximately €1,260,000
- Operation of the Gym, an expenditure of approximately €40,000
- Employment of physicians (three general practitioners, two dentists and an orthopedist) at a salary expenditure of €322,500 plus another €5,700 for the provision of consumable medicines

## 1.10 Labor Relations

### Our approach

At Emporiki Bank we respect labor rights, as these have been ratified through international accords and are stipulated by the institutional framework of the European Union. For Emporiki Bank, respect for human and labor rights is a non-negotiable principle.

We acknowledge:

- Collective representation and negotiation as a business advantage.
- Dialogue with Emporiki Bank's Labor Union as key to the accomplishment of the Bank's objectives.
- Cooperation with the Labor Union as a driving force and a catalyst for the Bank's transformation.

We face up to the calls for institutional dialogue with both company-wide and industry-wide bodies of the employees.

<sup>20</sup> Total working days of the year: 250

We commit ourselves towards uninterrupted, transparent and systematic dialogue with Emporiki Bank's Labor Union.

Through employees' awareness, consultation and dialogue, we expect that Emporiki Bank be constantly distinguished as an advantageous workplace, both for the working conditions and for the facilitations that contribute to the reconciliation of professional and personal-family life.

### New era

Since August 24 2006, when Emporiki Bank joined the Crédit Agricole Group, a new era in Labor Relations commenced.

2007 marked the first time in Emporiki Bank's history that a Labor Relations Division was formed, assuming the primary mission to develop and implement plans, policies and programs that focus on the relations between the Bank, on one hand, and its employees and their representatives, on the other.

### Labor Union

Emporiki Bank's Labor Union has been operating for over 60 years. The Union's headquarters are located on 8 Eupolidos Street, Athens, PC 105 51, telephone +30 210 328 4440, fax +30 210 3240407.

Since 2007, Emporiki Bank's Labor Union has joined the "Special Negotiating Body" that was formed on the Group level of our parent company Crédit Agricole, aiming to set up the European Works Council.

Emporiki Bank facilitates and supports the operation of the Labor Union.

In addition, we subsidize cultural and athletic activities of Emporiki Bank's Scientific Employees Union and Retirees Union.

### Participation in the Bank's Board of Directors

The Bank's Board of Directors includes two employees' representatives, who are elected through universal secret vote for this reason.

### Joint committees with the Labor Union

Implementing Collective Employment Agreements, 14 joint Opinion Committees and Boards have been formed with the Labor Union, among which: Board of Promotions, Board of Grievances and Board of Grievances for Unfavorable Rulings, Disciplinary Board of First Instance, Disciplinary Board of Second Instance, Higher Revision Disciplinary Board, Housing Loans Committee, Equal Opportunity Committee, Organizational Chart Committee, Labor Relations Committee, etc.

### Collective Employment Agreement of 2007

In 2007 the Company Collective Labor Agreement (CCLA) of 2007 was signed between the Bank's Board and the Labor Union, according to the stipulations of law 1876/1990. The CCLA's duration is one year and the subjects agreed on were institutional, financial and various general subjects. The workforce was informed of the content of the Collective Agreement through an in-house circular of the Human Resources General Division as well as through an announcement of the Labor Union, both circu-

lated via the intranet.

In addition, Emporiki Bank responded to the call for dialogue posed by the Hellenic Federation of Bank Employees Unions (OTOE) in view of the signing of the industry-wide Collective Employment Agreement.

### Strikes

During 2007, 4,314 days of strike were recorded in total, a fact that suggests a 0.2% loss of total working time, as compared to 1.5% for the year 2006. The strikes did not relate to the Bank, but rather the Central Administration enacting amendments to the Social Security Legislation.

### Rules of Conduct

The workforce is obliged to abide by the corporate "Code of Conduct", the principles and obligations that stem from the "Personnel Organization" as well as in-house Circulars. Violation of the above entails disciplinary measures, such as reprimand, temporary suspension, fine or even termination of employment contract. Disciplinary penalties are imposed in accordance with the "Disciplinary Control Regulation", the product of joint agreement between Emporiki Bank's Administration and the Labor Union. Finally, the workforce is informed of the number and reasons of employment contract terminations as well as final disciplinary penalties through an In-house Circular.

DAYS OF STRIKE, PER GENDER, 2006 - 2007					
YEAR	MEN	WOMEN	TOTAL DAYS OF STRIKE	AVERAGE ANNUAL NUMBER OF EMPLOYEES	% TIME LOST <sup>21</sup>
2006	15,055	18,339	33,394	6,320	1.5
2007	1,953	2,361	4,314	5,818	0.3

<sup>21</sup> The calculation of time lost is based on 250 days.

## Labor Union Statement



*Emporiki Bank Employees Union  
8, Efpolidos St, 10551 Athens*

### FOR THE YEAR 2007 REPORT ON CORPORATE SOCIAL RESPONSIBILITY

*The Emporiki Bank Employees Union (SEET) was founded in 1945 under resolution No 1862/45 of the multi-member Court of First Instance of Athens.*

*SEET's aims, according to its Articles of Association, are: "The research, protection, improvement and promotion of the professional-financial-social security-moral interests and rights of its members, the raising and shaping of the class consciousness of its members as well as the development of the spirit of solidarity and brotherhood among them and with the working people of other sectors of the economy».*

*At present, SEET has 5,235 members that is almost the total of the personnel of the bank. SEET is member of the Hellenic Federation of Bank Employee Unions, of the Labor Center of Athens; through its membership in these organizations SEET is member of the General Confederation of Greek Workers.*

*During its more than 60-year long course SEET has won recognition in the consciousness of the employees for its mass class and challenging struggles. Emporiki Bank's commitment to respect human and labor rights, to operate with transparency and to care for the protection of the natural environment is a terminus for the members of our Union. The implementation of this commitment is a challenge that must be confirmed day by day by all the parties concerned. We are struggling for this daily and chronically.*

**ATHENS, 8/09/08**

THE CHAIRMAN

**GIORGOS KONSTANTINOPOULOS**

THE GENERAL SECRETARY

**YANNIS BAMBADIMAS**

## C.2 Responsibility for the Local Community

In 2007, our responsibility for the local society was expressed through the following actions:

- Immediate solidarity to the citizens of the areas afflicted by the destructive wildfires in the summer 2007.
- Voluntary blood donation programs.
- Our choir's presence in events.
- Various donations.
- Promoting art and culture through our Bank's editions.
- Cultural heritage through our historical archive.
- Financing of one-day workshops, conferences, social and cultural events.

### 2.1 Solidarity to the citizens of fire stricken areas

The destructive wildfires, in August 2007, immediately activated us: Emporiki Bank and our parents Crédit Agricole S.A. decided to pursue a number of actions, aiming at providing immediate support to those affected, as well as contributing to the economic reconstruction of the ravaged areas and the rehabilitation of the environment.

To achieve the aforementioned goals, we have announced the offer of the financial aid of €6,000,000. In addition to that, the Regional Banks of the Crédit Agricole in France offered €300,000 and the Employees' Union of Emporiki Bank €100,000.

The total amount offered amounted to €6,400,000 and was allocated as follows:

- Direct deposit of €2 million for the immediate relief of affected citizens, deposited to the "Special Support Account of the Greek

State".

- Support of businesses and professionals in the fire stricken areas:
  - Settlement of delinquent or non-delinquent debts of businesses, on 25/8/2007, with or without the guarantee of the Greek State in a percentage of 80%.
  - Dispensation of new loans for working capital, with the guarantee or not of the Greek state, in a percentage of 80% and up to the amount of €90 thousand. In addition to that Emporiki Bank subsidizes interest rates, apart from the Greek state's subsidy, in a percentage of 20%, for the new working capitals to which businesses and professionals are entitled. The offer will be valid for the whole 5-year repayment period of these loans, which are provided for a grace period up to 28 months and are not charged with extra fees.
  - Creation of 6 new products to respond to the special needs of the people afflicted by the fires, with which certain companies were financed or/and will be financed.
- Donating equipment to local authorities of the firestricken prefectures of a budget of €2,000,000, in order to prevent or/and fight the wildfires (e.g. fire engines, water-carriers, etc).
- Training of local authorities personnel on issues concerning civil protection and management of natural and technological disasters, with the use of innovative methods in cooperation with KEDKE, budget €380,000
- Reforestation of areas in the Peloponnese and Attica, in cooperation with the Ministry of Rural Develop-

ment and Food of a budget of €1,400,000

- Financial aid of €200,000 to the Hellenic Ministry of Culture, to take preventive measures against the wildfires in the museum of Delphi.

The aforementioned actions have alleviated those affected; have enhanced the local economy and sustained employment. They also contributed towards:

- Encountering shortage in the fire extinguishing means and other mechanical equipment to prevent or/and fight fires
- Reinforcing the protection of local populations, properties and natural environment from wildfires and relative natural phenomena
- Restoring the natural environment
- Protecting the cultural heritage
- Strengthening our ties with local societies

### 2.2 Voluntary blood donation

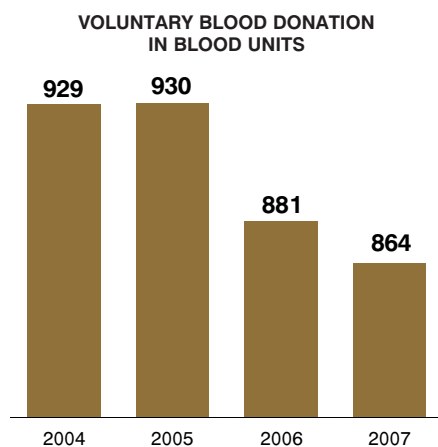
Emporiki Bank has been organizing the last 28 years voluntary blood donation programs. First among local banks, on November 24th 1980, Emporiki Bank set up the blood donation service, to organize voluntary blood donations by the personnel<sup>22</sup>. In the Circular addressed to the Personnel<sup>23</sup>, Professor Mr. Vasileios Sarsentis, who was at the time Chairman of the Bank, states the following: "My aim is to summon everybody to offer blood to their suffering fellow men and give hope to those who despair seeing their life shortening. I would like to describe in words the meaning of this act, which more than anything else is an act of altruism and human decency.....".

<sup>22</sup> The occasion for the establishment of the Blood Donation Service was given by the great earthquake measuring 6.8 on the Richter scale, known as Irpinian, on Sunday 23th November 1980, in South Italy.

<sup>23</sup> Number of Circular 21 of November 24th 1980.

Since then, Emporiki Bank has been carrying out in its premises, in cooperation with state hospitals, regular and extraordinary blood donation sessions.

In the period 1999-2007 in the blood donation sessions carried out by Emporiki Bank<sup>24</sup> a total of 8,744 units of blood were offered, while the blood demand by the volunteer blood donors and their families amounted to 3,995 units of blood. From the data collected by the Bank concerning the offer and demand of blood, we may conclude that: the social need for voluntary blood donation is significant, thus it is useful to intensify our efforts to increase voluntary blood donation.



It is noted that we have recently updated the electronic application, which helps us manage voluntary blood donation. In the new electronic application, the offer is registered based on the date of the voluntary blood donation (instead of the date on which the data was entered – as was the case in the previous application). For the homogeneity of data, in the following table we mention the diachronic data based on the new electronic application.

YEAR	SUPPLY OF BLOOD	DEMAND FOR BLOOD	DIFFERENCE
1999	877	423	454
2000	1,149	581	568
2001	1,069	549	520
2002	909	490	419
2003	1,136	421	715
2004	929	434	495
2005	930	397	533
2006	881	328	553
2007	864	372	482
Total 1999-2007	8,744	3,995	4,749

\* One blood unit contains on average 400-450 cc of blood.

### 2.3 Our Choir

Emporiki men's choir was established in 1964 and has been running since then. It has 45 members. In 2007, our Choir, under the direction of Stavros Beris participated in the following events:

- At the University of Athens, celebrating the 181st anniversary of the Mesollogi exodus on 17/3/2007
- In Volos, in Volos Municipal Theatre, in honor of Rigas Feraios, on the occasion of celebrating 250 years since his birth, on 24/3/2007
- In Velestino, Rigas birthplace, during celebrations of the Municipality of Feres, 25/3/2007
- In the Choir meeting, in the area of Aspra Spitia Distomo, on 12/5/2007
- In the Cultural Roumelioton Center, on the occasion of the anniversary of the Capture of Constantinople, on 29/5/2007
- In the Cultural Center of Velventos municipality, in the framework of the municipality's summer cultural events, on 16/6/2007
- In Kozani Art Gallery, in the framework of the Municipality of "LASANIA" Kozani cultural events, on 17/6/2007
- In the event of commencement of the 47th session of the International Olympic Academy for New Participants, in Pnyka hill, on 20/6/2007
- In the Municipal Theatre of Corfu, on the occasion of the National anniversary of October 28th, on 27/10/2007
- At the Papastrateio Hall, in the framework of the cultural events for the celebration of 250 years since the death of our national poet Dionysios Solomos

Total cost of our Choir €123,754.00 for year 2007.

<sup>24</sup> The blood voluntarily donated by many Bank officers to the closest to their place of residence hospitals is not taken into account.



## 2.4 Donations

Emporiki Bank responds to requests for direct and indirect donations and for donations in kind. The total cost of donations to society in 2007, besides actions for the fire stricken, amounted to €646,596.24.

### Direct Donations

In 2007, direct donations were allocated to the following bodies:

### Indirect donations

Indirect donations concerned the purchase of books from Oikos Editions as well as from the Foundation of the Hellenic World and memorial coins for the new year for the Hellenic Society for Disabled Children.

### Donations in kind

The following donations in kind were made to 122 bodies (various associations, schools, public bodies etc):

- To 68 bodies 1,483 books were given and in particular to libraries,

schools, organizations, foundations and researchers.

- To 54 bodies equipment was given, such as 43 desks, 159 seats-chairs, 4 bookcases, 4 chests of drawers, 9 filing cabinets, 1 council table, 2 desk extensions, 3 couches, 2 hall-stands, 1 safe, 13 clientele tables, 11 printers, 4 fax, 3 photocopy machines, 26 commodes, 1 ups, 1 server, 1 calculator with tape, 10 desks, 1 air conditioner, 160 screens, 153 basic units, 160 keyboards.

<b>Social</b>	Institute for children with mental deficiency "Aspres Petaloudes", Hellenic Society for Disabled Children, Agrinio outlier, Creativity Centre for Disabled Children in Chios, "O Sotir" Kefalonia orphanage, Psychological Society of Northern Greece – Xanthi outlier, Centre of Specialised Physical Treatment and Restitution of Preveza, Center of Creative Occupation and Professional Training "Agios Panteleimon" of Kalymnos, Lamia's Girls Orphanage, The Smile of the Child, Hellenic Red Cross, Hellenic Association for Guides.
<b>Cultural</b>	Donation to Thessaloniki Film Festival, Benaki Museum, Byzantine Museum, Choir "Ambryssos" of Aspra Spitia on Distomo beach, Cultural Association of Glossa Skopelou, Theatro tis Imeras, Book Publishers Union, Samos cinema club.
<b>Church</b>	Koutloumousiou Monastery in the Mount Athos, Monastery of Proussos in Evrytania, Holy Church of Saint George in Lykostomo Kavala.
<b>Educational organisations</b>	National and Capodistrian University of Athens, National Technical University of Athens, herakleioi topoi, American Farm School of Thessaloniki, Association of Teachers of French in Kavala, Drama, Thraki, Democritus University of Thrace.
<b>Hospitals</b>	Pediatric Department of Patras University.
<b>Athletic organisations</b>	Nigrita Athletic Union, Troizinia, Poros Nautical Club.
<b>Local authorities</b>	Municipality of Pilaias, Municipality of Vatheos Samos, Municipality of Paiania, Municipality of Skopelos Cultural and Athletic Organization, Municipality of Artaki, Municipality of Acharnes, Municipality of Orchomenos, Municipality of Gytheio, Municipality of Papagos Athletic Association, Municipality of Ilioupoli, Municipality of Skala Lakonia, Municipality of Daphne, Municipality of Patra, Municipality of Nafpaktos, Municipality of Paramythias, Municipality of Agioi Anargyroi, Municipality of Argyroupoli, Municipality of Poros, Municipality of Samos, Municipality of Alimos, Municipality of Rethymno, Municipality Mesatidos Achaia, Municipality of Pefki.
<b>Other organisations</b>	Hellenic Federation of Bank Employee Unions, Union of Greek legal procedure experts, Association of Industries of Thessaly and central Greece.

## 2.5 Publications

In 2007, Emporiki Bank published the book "Nafplio of the foreign travelers" of the Professor of Arts History Mrs. A. Kouria. "Nafplio of the foreign travelers" is the result of the long and systematic occupation of the writer. The book presents the development of the city from the 16th up to the 19th century, as imprinted in various excursion books. Aspects and dimensions of the iconography and the history of the city are examined through the rich illustrations that ornament the pages of the book. These include gravures, frescos and oil-paintings belonging to private collections as well as to Greek and German museums.

### **Our aims for 2008:**

1. Edition of the book titled "Emporiki Bank of Greece 1907 – 2007: Alternations of Identity and Transformations" by Professor on European Economic and Social History Mrs. Margarita Dritsa book.
2. Edition of the book titled "A century of Greek song" by Professor of Music Lambros Liavas.
3. Reprinting of current editions that are on demand.
4. Digitalization of the photographic archive of the Publications Sector.

## 2.6 The Historic Archive

During 2007, we have implemented the following:

- Production of the digital edition DVD (2,500 digital disks), of the Bank's Annual Reports 1908 – 2006, on the occasion of completing 100 years since its establishment.
- Digitalization of 7,300 photos of the files of the Technical Counselor Division, Publicity and Communication Division and the Technical Unit of Emporiki Bank.

### **Our aims for 2008 :**

1. Creation of an Oral Archive with the history of Emporiki Bank, with recorded testimonies of our retired colleagues.
2. Beginning of operations to establish Emporiki Bank's Museum.

## 2.7 Financing of Events

Expenses for the organization or participation in seminars - conferences and expositions amounted to €233,965.21 and mainly concerns the following thematic units:

- Series of three conferences in cooperation with "NAFTEMPORIKI" newspaper with the following topics: "THRACE: At the edge of Greece, in the centre of developments", "THESSALY: Centre of Developments 2007 – 2013" and "KALAMATA: Tourism, main level of development".
- "8th French Film Festival" in Athens.
- Participation in the Exhibition of the "Institute of International Finance - Spring membership Meeting".
- "11th THESSALONIKI FORUM" jointly organized by Emporiki Bank, the Federation of Industries of Northern Greece and the American-Hellenic Chamber of Commerce.
- Co-organization of a concert in the framework of "SANI FESTIVAL".
- "CAPITAL FORUM" and the American – Hellenic Chamber of Commerce.
- "7th BANK MANAGEMENT CONFERENCE".
- "PHILOXENIA 2007".

## D. ENVIRONMENTAL RESPONSIBILITY

Emporiki Bank has a long tradition of endeavouring to operate responsibly in relation to the environment, though we are well

aware that a lot still needs to be done.

Three factors compose our environmental responsibility: The Environ-

mental Policy, the Environmental Management System, and our corporate performance in relation to our commitments.

### D.1 Environmental Policy

The Environmental Policy encompasses a comprehensive approach: It is setting the principles, the targets and the measures we are committed to apply towards improving our environmental responsibility.

[http://www.emporiki.gr/cbgen/gr/sport&culture/environmental\\_policy.jsp?action=policy](http://www.emporiki.gr/cbgen/gr/sport&culture/environmental_policy.jsp?action=policy)

#### I. General Principles

In Emporiki Bank we recognize that:

- Responsible behaviour towards the natural environment improves the quality of our daily life as well as the quality of life and the prosperity of future generations.
- The conservation of the natural environment is the collective responsibility of governments, the business sector and citizens.
- The conservation of the natural environment, apart from a general obligation, ought to be a commitment and an integral part of the pursuit of sound business operations.
- The visible tendency of the observed climate change and the risks that could arise for the economy from extreme weather phenomena, constitute a serious warning for taking measures for greenhouse emissions.

#### II. Environmental Policy Objectives

- To improve our corporate ecological efficiency.
- To minimise negative environmental impacts, within the limits of our financial operation.
- To take advantage of new business opportunities for financing sustainable development projects.

#### III. Commitment to Environmental Management

We are committed to applying the measures below:

##### Measures to improve our internal corporate ecological performance

- Calculation and monitoring of carbon dioxide (CO<sub>2</sub>) emissions caused by our business operation and resulting from the consumption of energy, the use of corporate transport means and paper.
- Calculation and publication of corporate eco-efficiency indicators.
- Development of initiatives aiming to reduce the levels of electrical energy, paper and water consumption.
- Recycling of waste paper, packaging materials, obsolete telecommunications and electronic equipment and plastic waste.
- Incorporation of environmental criteria into the construction of buildings.
- Expansion of the internal audit system with environmental criteria and periodic conduct of environmental audits.

- Conformance to the requirements of International or European Environmental Management Standards, with a view to obtaining certification.

##### Measures to mitigate external environmental degradation.

- Incorporation of environmental considerations into the Bank's Credit Financing system.
- Incorporation of environmental criteria into the Bank's credit scoring system.
- Incorporation of environmental criteria into the financial products offered, especially into loans, project financing, asset management products and investment and insurance products.
- Encouragement of environment friendly investments.
- Assessment of environmental risks as part of the normal risk assessment and management process.
- Incorporation of environmental criteria in the Procurement System.

##### Measures enhancing transparency regarding corporate environmental management

- Publication of information and statistical data on environmental management and eco-efficiency for the Bank and for the Group.
- Encouragement of entering into "Voluntary Environmental Agreements" with stakeholders, aiming

strengthen environmental awareness and prevent the potential deterioration of the environment.

- Participate in public dialogue concerning the environment and sustainable development.

#### IV. Our environmental governance

Management, coordination and monitoring of matters pertaining to the Environmental Management System are assigned to the Senior Adviser on Corporate Social Responsibility issues, who reports to the Executive Management.

#### V. Environmental Policy Updates

We intend to update periodically the environmental policy, so as to incorporate new developments in environmental management

## D.2 Environmental Management System

The Environmental Management System was first put into effect in 2006. The System records the direct and indirect impacts on the natural environment caused by the Bank's operation, and

the procedures and responsibilities of the administrative units involved, including internal environmental audits. The System is a useful tool that contributes to co-ordinating actions and averting overlaps of responsibilities

and procedures.

Our System needs to be updated, mainly by incorporating recent administrative changes.

## D.3 Eco-Performance

We have noted a gradual improvement of collective corporate culture as to the management of the environment. However, we recognise that we can, and should, improve our performance faster.

Our strong points are three: The Management's commitment to monitor the Bank's environmental responsibility, an improvement in awareness at corporate level, and the Environmental Management System.

The table below presents a summary of the main environmental performance indicators for the years 2006 and 2007. The overall conclusion is that the indicators were to a large extent shaped by reductions in personnel.

ENVIRONMENTAL PERFORMANCE 2006-2007			
	2006	2007	Evaluation of performance
Electric energy consumption (KWh) per employee	4,750.69	5,808.13	☹️
Total tCO <sub>2</sub> emissions per employee <sup>25</sup>	3.88	4.73	☹️
Water consumption (m <sup>3</sup> ) per employee	11.34	10.59	😊
Consumption of A4 photocopying paper in Kgr	67.00	69.10	☹️
Paper recycling (tons) per employee	0.02	0.16	☹️
Recycling of electric and electronic appliances: ATMs	-	216.00	😊

<sup>25</sup> Includes carbon dioxide emissions generated by the use of electric energy, heating petrol and corporate travel.

### 3.1 Buildings

In 2007, the Bank made use of 407 buildings. The renovation and repair of buildings used by the Bank are undertaken in accordance with the principles and provisions of the "Rational Energy Use and Energy Saving Regulations"<sup>26</sup>. The implementation of the Regulations ensures for our buildings:

- Energy saving
- The desired levels of heating and air-conditioning
- Exploitation of natural light
- The desired levels of visual comfort, i.e. sufficient lighting and prevention of blurring and lighting-related problems
- Quality of indoors air

In brief, when undertaking repairs and renovations of buildings housing the Bank's services, the construction materials are selected so as to minimize impact on the natural environment. Specifically, it is ensured that construction materials that cause internal pollution, such as sources of formaldehyde, volatile organic substances, etc., are removed. In this manner, we achieve satisfactory air quality and a healthy environment in the interior of the buildings. Care is also taken to provide an appropriate aural environment, by installing double-glazed windows, sound-absorbing "fake" ceilings, and partitions. Lastly, all studies on the lighting at the

Bank's buildings and branches urge the use of fluorescent lamps. When existing incandescent lamps are replaced, low energy replacements are used. For lighted signs at branches, time-switches are gradually disconnected by means of light sensors, so as to achieve the lowest possible consumption of electricity.

The main principles we adhere to, regarding our buildings are the following:

- Ensuring accessibility.
- Architectural design adapted to the surroundings.
- Choice of rational technical and energy systems, and if possible using Renewable Energy Sources.

### 3.2 Water Consumption

Water consumption in 2007 amounted to approx. 60,451.40 cubic metres in all 407 buildings used by the Bank. Consumption per employee is 10.5 cubic metres of water. The reduction of consumption in 2007 is mainly attributed to personnel reductions. Water is consumed only in drinking and hygiene, therefore there is no

WATER CONSUMPTION 2006 - 2007			
YEAR	QUANTITY in m <sup>3</sup>	TOTAL EMPLOYEES	CONSUMPTION PER EMPLOYEE in m <sup>3</sup>
2006	71,135.09	6,271	11.30
2007	60,451.40	5,743	10.50

scope to reduce it. However, we recognise the need for a rational and sustainable use of water, and so en-

sure that all damages and wear and tear to plumbing installations are promptly repaired, to avert any leaks.

### 3.3 Paper Consumption

The broad use of electronic communications and the automation of tasks have led to the cancellation of many forms and documents and therefore to reduced paper consumption. The consumption of A4 photocopy paper<sup>27</sup> in 2007 amounted to 397 tones. Average consumption in 2007 was 69.1 Kgr

CONSUMPTION OF A4 PHOTOCOPY PAPER 2005-2007			
YEAR	2005	2006	2007
QUANTITY (in tons)	396.00	420.08	397.00
Average consumption per employee (in Kgr)	62.20	67.00	69.10

per employee, compared to 67.0 Kgr for year 2006.

<sup>26</sup> Ministerial Decision 21475/4707/19.08.1998

<sup>27</sup> The type of A4 paper used is Xerox of 80g/m<sup>2</sup>

### 3.4 Business travel by car

Modern technology corporate cars are used for serving work-related needs. They are maintained as required, in order to reduce the impact on the environment. The Bank intends to replace a considerable part

of passenger cars currently in use with hybrid, non-polluting models. In 2007, the Bank's corporate cars consumed 55,169 litres of petrol. Cars used by Bank officers on assignments, travelled a total of

1,087,589 km. Daily travelling on public transport is not recorded. It should be noted that proximity to residence is taken into account when placing officers at the Bank's regional branches.

### 3.5 Direct emissions of carbon dioxide

In 2007 the Bank's operation added to the natural environment the equivalent of 27,156.21 tons of carbon dioxide emissions (tCO<sub>2</sub>); the table lists the main sources.

To calculate the amount of emissions we used<sup>29</sup> the methodology and tools of the Greenhouse Gas Protocol (<http://www.ghgprotocol.org/calculation-tools>).

TOTAL tCO <sub>2</sub> EMISSIONS FROM THE MAIN SOURCES, 2005-2007						
SOURCE	2005		2006		2007	
	QUANTITY	tCO <sub>2</sub> - EQUIVALENT	QUANTITY	tCO <sub>2</sub> - EQUIVALENT	QUANTITY	tCO <sub>2</sub> - EQUIVALENT
Consumption of electric energy in the 407 buildings (in kWh)	29,610,136.09	22,992.06	29,791,602.20	23,132.97	33,356,113.53	25,900.79
Consumption of heating oil <sup>28</sup> (in litres)	476,797.73	1,262.48	354,981.00	939.93	335,042.50	887.13
Consumption of car fuel for corporate cars (in litres)	68,000.00	162.00	31,000.00	73.80	55,169.00	131.40
Consumption of diesel for corporate cars (in litres)	3,000.00	8.20	750.00	2.10	0.00	0.00
Distance travelled on work assignments (km)	186,239.00	45.40	631,582.00	153.90	1,087,589.00	264.90
<b>Total tCO<sub>2</sub> - equivalents</b>		<b>24,470.14</b>		<b>24,302.70</b>		<b>27,184.22</b>

<sup>28</sup> To calculate the CO<sub>2</sub> pollutants generated by the use of heating (diesel) oil, we applied the following methodology: (a) conversion of litres of diesel into kilotons, by dividing by 1,200,000; (b) calculation of the net thermal value in TJ/kt, by multiplying by the co-efficient 43.33; and (c) conversion of the net thermal value into tCO<sub>2</sub> by multiplying by the co-efficient 73.33.

<sup>29</sup> Note that in CSR reports of the previous years as well as Annual Reports, we used the guidelines of UNEP ([http://www.unepfi.org/fileadmin/documents/ghg\\_indicator\\_2000.pdf](http://www.unepfi.org/fileadmin/documents/ghg_indicator_2000.pdf)) to calculate CO<sub>2</sub> emissions. However, as the co-efficient factors for converting emissions have been modified, we have adapted correspondingly our calculations. For the purpose of comparison, the emissions of 2005 and 2006 have recalculated using the new methodology and the tools given by the Greenhouse Gas Protocol (<http://www.ghgprotocol.org/calculation-tools>).

The environmental efficiency ratio (total tCO<sub>2</sub> pollutants/no. of employees) in 2007 stood at 4.73 as against 3.88 in 2006. The higher value mainly arose

because of reductions in personnel. A percentage of 95.3% of the tCO<sub>2</sub> pollutants generated by the Bank's operation is derived from using electricity,

and 3.3% from using oil for heating. The table below lists in detail the sources of emissions in all buildings used by the Bank.

SOURCES OF CO <sub>2</sub> EMISSIONS FROM THE USE OF ELECTRIC ENERGY AND HEAT PETROL, 2007						
SOURCES		ELECTRIC ENERGY		HEAT PETROL		TOTAL tCO <sub>2</sub>
REGIONAL UNITS		CONSUMPTION IN KWH	tCO <sub>2</sub> EQUIVALENTS	CONSUMPTION IN LITRES	tCO <sub>2</sub> EQUIVALENTS	
	ATTICA	2,787,845.67	2,263.73	23,100.00	61.16	
	ATHENS AND CENTRAL BUILDING	2,624,655.00	2,131.22	16,286.00	43.12	
	PELOPONNESUS AND WESTERN GREECE	3,495,092.86	2,838.02	30,695.65	81.28	
	CENTRAL GREECE	1,343,155.00	1,090.64	48,414.00	128.19	
	MACEDONIA AND THRACE	4,721,889.00	3,834.17	172,857.00	457.69	
	CRETE AND DODECANESE	1,575,572.00	1,279.36	7,090.00	18.77	
	PIRAEUS AND ISLANDS	3,176,781.00	2,579.55	36,599.85	96.91	
	<b>TOTAL REGIONS</b>	<b>19,724,990.53</b>	<b>15,316.32</b>	<b>335,042.50</b>	<b>887.12</b>	<b>16,203.44</b>
	<b>11 SUB-STATIONS</b>	<b>11,553,364.00</b>	<b>8,971.11</b>			<b>8,971.11</b>
	<b>SINGLE BUILDINGS</b>	<b>2,077,724.00</b>	<b>1,613.34</b>			<b>1,613.34</b>
	<b>LONDON BRANCH</b>	<b>35.00</b>	<b>0.02</b>			<b>0.02</b>
	<b>GRAND TOTAL</b>	<b>33,356,113.53</b>	<b>25,900.78</b>			<b>26,787.9</b>

### 3.6 Recycling

#### (a) Used paper

The weight of used paper recycled in 2007 was 91.3 tons, as against 142.4 in 2006. Mainly it concerns recycling of obsolete paper archives located in the Attica Basin. Regarding daily paper waste, we have launched a pilot program for its collection from the

RECYCLING USED PAPER (in tonnes)				
YEAR	2004	2005	2006	2007
QUANTITY	59.00	219.00	142.40	91.30

premises housing the Bank's Administrative Services. We have also started the procedure of selecting a com-

pany to collect daily used paper.

#### (b) Batteries

In 2007 we broadened our association with AFIS, placing 7 additional bins (bringing the total up to 12) at selected points in Bank premises in Athens and Piraeus. There is no data available for 2007 because the batteries were disposed of in 2008.

#### (c) Printer consumables, Toners

As of 2005, we have commissioned a company that undertakes the collection and withdrawal of toners. The company places its own collection bins, removes them against a fee and replaces them with new ones. In total, 11 such bins have been placed at se-

lected spots: in the main branch, the Computer Centre, the Human Resources Division, and 8 selected branches in the centre of Athens.

### 3.7 Management of obsolete electronic and electrical equipment

Obsolete electronic and electrical appliances are not usually considered disposable waste. Firstly, we seek to retain such appliances in use, by donating some of them to social entities and selling the remaining.

In 2007, 462 ATMs were replaced, of which 226 were purchased by the supplier company. The remaining 216 ATMs were recycled by the recycling firm APPLIANCE RECYCLING S.A., which upon taking delivery of the equipment they submitted a certificate of receipt of electrical and electronic equipment waste.

In 2007 we also launched internal discussions on updating the Obsolete Electronic and Electrical Equipment System.

### 3.8 Financing energy production

In 2007 Emporiki Bank encouraged energy production from Renewable Sources and other types of low-impact co-production. The Bank has acquired the know-how in financing the energy production sector, in the context of Project Financing.

In 2007 we approved financing of €180 million for the production of 235 MWe (electricity) and 102.5 MWth (thermal). The financing concerns 13 wind parks and 7 investment projects in hydroelectric energy and co-production.

### 3.9 Green product

In 2007 the Bank made available a new "green" product for Small and Medium-Sized firms. It is a business loan for investments in fixed assets, of a long-term nature, for financing expenses on Photovoltaic Systems up to 150 KW of power. The loan concerns Photovoltaic Systems for the production and sale of electricity to the Public Power Corporation (D.E.I.)

Note however that a gap in the legal national framework has delayed considerably the operation of the market, resulting in markedly low attractiveness for the product.

### 3.10 Shipping financing

In 2007 we financed 87 ships, of which 46 are double-hull tankers and 9 are single-hull vessels. Out of the 9 single-hull ships, 7 are double-sided (double-bottom).

In every instance of financing a single-hull vessel, the termination of the loan precedes the expiry of the ship's commercial life, as per applicable legislation.

Our contracts with ocean-going vessels include insurance cover clauses (INSURANCES TO BE EFFECTED AND MAINTAINED). In addition, the borrowers assume obligations (Compliance with Environmental Laws) and commitments (No Environmental Claims) aiming at protecting the environment.

### 3.11 Environmental Audits

The Bank's Audit Division audits the implementation of the Environmental Management System. The audit reports point out issues related to the Environmental Management System.

### 3.12 Actions to enhance awareness

The Bank is a founding member of UNEP FI and the Central and Eastern European Task Force. We participate, to the extent possible, in collective efforts to disseminate information and promote awareness in issues related to the protection of the environment.

Also, in 2007:

- We have prepared brief and easy to understand Power Point messages, which will be addressed to targeted Staff Members, inviting them to participate in the collection of batteries and toners.
- At a meeting of UNEP FI – Central and Eastern European Task Force, we presented the subject "Framework for Incorporating Environmental Criteria in Credit Scoring" (<http://www.unepfi.org/events/2007/athens/index.html>).

### Objectives for 2008

- Disseminating information – Promoting awareness.
- Development of a training programme on sustainable development for the new comers.
- Completion of the internal consultation for updating the WEEE Management System.
- Outsourcing the collection and recycling of daily paper waste.
- Updating the Environmental Management System.



# E. EVALUATION OF CORPORATE SOCIAL RESPONSIBILITY

For Emporiki Bank the evaluation of Corporate Social Responsibility by independent third parties is a useful tool and helps us improve. In 2007 Emporiki Bank has been evaluated for its Corporate Social Responsibility and stood out for its performance. Distinctions are recognition of the effort that the Bank puts in order to constantly improve its social and environmental responsibility.

In particular:

- ERIS (Ethical Investment Research Service) [www.eiris.org](http://www.eiris.org), evaluated the Bank on the account of financial index FTSE4good



[www.ftse4good.com/Indices](http://www.ftse4good.com/Indices).

In March 2007, Emporiki Bank was selected for FTSE4good [www.ftse.com/Indices/FTSE4Good\\_Index\\_Series/Downloads/FTSE4Good\\_March\\_2007\\_REVIEW.pdf](http://www.ftse.com/Indices/FTSE4Good_Index_Series/Downloads/FTSE4Good_March_2007_REVIEW.pdf)

- Vigeo Group <http://www.vigeo.com/csr-rating-agency/> rated the bank on the account of “Ethibel Sustainability Index”. Emporiki Bank was selected to participate in the composition of “Ethibel Sustainability Excellence Constituents” [http://www.vigeo.com/csr-rating-agency/images/PDF/ConstituentsESI/ethibel\\_excellence\\_EU\\_RIBOR.pdf](http://www.vigeo.com/csr-rating-agency/images/PDF/ConstituentsESI/ethibel_excellence_EU_RIBOR.pdf) as well as to “Ethibel Investment Register data bank” [http://www.ethibel.org/subs\\_e/3\\_register/sub3\\_2.shtml](http://www.ethibel.org/subs_e/3_register/sub3_2.shtml). Ethibel index is calculated and maintained by Standard & Poor’s.

- The “Institute of Social Innovation” [www.isi.org.gr](http://www.isi.org.gr) evaluated the Bank on the account of the international organization called “Accountability Rating”, [www.accountabilityrating.gr](http://www.accountabilityrating.gr) and [www.accountabilityrating.org](http://www.accountabilityrating.org)

Emporiki Bank was rated with 32.9% and was announced first bank in the domestic market. The average score of Greek companies rated was 13.4 % and the average score of the banks 18.53%. Emporiki Bank was placed in the 5th position in the overall rating. Below is the assessment criteria and the related Emporiki Bank’s score, as well as the average score for the market.

	Strategy	Management Systems		Cooperation with stakeholders			Accountability Rating Greece 2007	
		Corporate Governance	Διοίκηση Απόδοσης	Stakeholders engagement	Transparency	Verification	Score	Ranking
Emporiki Bank	56.50	28.40	15.00	26.60	34.70	0.00	32.90	1st among banks in the domestic market and 5th in total
		21.70		20.40				
Average GR 50+	24.10	9.83	7.84	10.81	10.82	0.44	13.40	
		8.80		7.40				

**Anthony Ioannidis, Ph.D.**  
**Assistant Professor**  
**Department of Business Administration**  
**Athens University of Economics and Business**

*"During the past few years, Emporiki Bank has managed to integrate social concerns in its business operations through the complete and structured management of its Corporate Social Responsibility (CSR). Emporiki Bank has succeeded in integrating the concept of CSR in its corporate culture and strategy in such a way that all related activities of the Group are implemented in a systematic and programmed manner. It is evident that Emporiki Bank has partaken in dialogue with all the key stakeholders, so as to explore and fulfill their expectations, thus ensuring conditions of mutual sustainability. It is clear that Emporiki has reinforced its ability to respond to challenges and threats, with the ultimate goal of ensuring its own sustainability and development as well as that of the overall social and natural environment in which the Bank operates."*

# NON EPILOGUE

This Report is the outcome of a collective effort made by approximately 70 employees, who readily worked for Emporiki Bank's social accountability.

The accountability is related to the overall operations of the Bank within Greece and is formed according to the following four general rules:

- a. Materiality:** The accountability is focused on the essential topics that reflect the Bank's operation related to its economic, social and environmental responsibility and influence the assessments and decisions of the stakeholders. For selecting essential topics we were based on expert opinion, taking into consideration press publications, announcements of stakeholders, as well as publicly stated positions. The requirements of stakeholders may be different and at times even contradictory. The most important issues as to the parties involved are presented in our analysis by order of precedence:
- **Customers:** Customer requests are related to access to financing, the terms of financing and the quality of providing services. This Report deals with: (a) Customer complaints (individuals and companies) per causes of complaints as well as per product/service (b) The Bank's actions and performance with regard to: (i) the servicing of all markets, including vulnerable groups of the population (ii) the reorganization of our procedures and the expansion of the traditional and alternative servicing network, (iii) the reinforcement of transparency.
  - **Shareholders:** The requests of shareholders are related to compliance with the institutional operation framework, the efficient management of undetected risks, the improvement of internal control systems, the fight against money laundering and

achieving the financial goals of the corporate business plan. Furthermore, the parent company, Crédit Agricole, has requested the implementation of the 10 principles of the Global Compact. This Report provides answers to all these topics.

- **Human Resources:** Employees demand respect to their labor rights, transparency in the management of human resources, training and development of the human resources, meritocracy in promotions and improvement of the working conditions, including remuneration and care programmes. This Report presents the Bank's policies and performance related to the management of human resources in most of the aforementioned topics.
  - **Community:** We understand the general expectation of social and other bodies as to solidarity and contribution in promoting cultural and athletic events. The Report refers to the Bank's and the personnel's action with relation to these activities and in particular voluntary blood donation, solidarity, various donations, activities of the choir and publishing activities. A special social group are students, who need information and data for their projects. When writing the Report their needs are taken into consideration.
  - **Environmental responsibility:** Most stakeholders express this request; foremost the parent company Crédit Agricole and employees. The Report presents in detail the Bank's environmental performance related to the direct and indirect impacts to the natural environment, caused by its operation.
- b. Transparency:** For every main topic, our accountability contains information on the Bank's approach and policies as well

as the related historical data. When possible, the Report makes reference to links at the Bank's portal.

- c. Accuracy:** We pursue absolute accuracy. We check the data. However we are cautious for the possibility of human error.
- d. Neutrality:** We avoid prejudice. We present all information as neutrally as possible. We present all performances, whether positive or negative. We present the Emporiki's Social Responsibility and accountability assessment undertaken by independent parties.

The Bank's accountability report is an evolving procedure. We still have a lot to do in order to improve it. Emporiki's employees willingly are providing the data and clarifications, interpreting trends and performances and are checking data and information. Even though the Report compilation time frameworks are very tight, influencing its length and completeness, it is a very lively and interactive procedure that reveals Emporiki Bank's distinctive identity. We do hope this Corporate Social Responsibility Report will shed light on Emporiki Bank's operation with regard to its economic, social and environmental responsibility and will provide useful conclusions to the stakeholders.

Finally, for the first time we have engaged a third independent party, DET NORSKE VERITAS (DNV)-UK, to verify the data contained in two important sections of this Report: The section on human resources management and the section on environmental responsibility. We have selected these two sections because the legal framework does not expect accountability in these sectors. Emporiki finds the independent verification process to be useful and it is within our intention to repeat it with an extended scope next year.

# DNV Assurance Statement

## Emporiki Bank Corporate Responsibility Report 2007



### Introduction

Det Norske Veritas (hereafter 'DNV') has been commissioned by the management of Emporiki Bank, (hereafter 'Emporiki') to provide limited independent third party assurance services regarding selected environmental and human resources (HR) Key Performance Indicators (KPIs) of Emporiki's 2007 CSR Report (hereafter 'the Report').

Emporiki is responsible for the collection, analysis, aggregation and presentation of information within the Report. Our responsibility in performing this work is to the management of Emporiki only and in accordance with the terms of reference agreed. The assurance engagement is based on the assumption that the data and information provided to us is complete and sufficient.

### Scope of Assurance and Limitations

DNV's assurance engagement was performed against the principles of the AA1000 Assurance Standard (AA1000AS 2003), focusing on the materiality, responsiveness, accuracy and completeness of reported quantitative data relating to Emporiki's 2007 CSR performance.

Only quantitative data relating to the environmental and human resources KPIs listed below have been verified during this assurance engagement. Environmental KPIs covered: CO2 emissions associated with electricity consumption from grid, heating oil consumption, and travel by car (consumption of fuel for corporate cars and distance travelled on work assignments); paper consumption; recycling of used paper; management of obsolete electronic and electric equipment; and water consumption. Human resources KPIs verified: employee training data - number of training hours, participation in internal and external training courses, and foreign language learning; workforce distribution by age, gender and positions of responsibility; and absence by type of leave and gender.

This assurance engagement focussed on the verification of selected KPIs of Emporiki's CSR Report, not on the adequacy or effectiveness of Emporiki's management of CSR issues. Financial related data and the narrative text of the CSR Report were not covered by this assurance engagement. Furthermore, the scope did not include the activities or performance of suppliers, subsidiaries, or any other external parties, nor consultation with Emporiki's stakeholders.

At Emporiki's request, this assurance engagement was carried out from the Head Office in Athens, and no site visits were conducted.

### Approach

DNV, headquartered in Oslo, is one of the leading service providers of sustainability solutions, including the assurance of sustainability reports. Our pool of experts covers over 100 countries. This assurance engagement was carried out by suitably qualified personnel, with relevant experience in Corporate Responsibility Assurance for the financial sector.

As part of this assurance engagement, DNV:

- Applied a risk-based approach in selecting reporting units to examine in detail, for the purposes of assessing the adequacy, effectiveness and compliance with Corporate data collection, management and reporting processes;
- Obtained an understanding of the systems used to collect, aggregate and report data on the above mentioned KPIs at reporting unit, regional and Group levels. This involved interviews with staff at Group and relevant entity levels involved in the collection, aggregation and reporting of data for each KPI;
- Assessed the accuracy of data by performing recalculations at source level for a selected sample of data;
- Assessed the correctness of the emission factors (EF) used in calculating CO2 emissions;
- Reviewed relevant documents, data and information made available by Emporiki.

### Main Comments

Emporiki's Report demonstrates a high degree of transparency as well as a strong commitment to enhance internal CSR

processes and procedures. Emporiki is to be commended on its ongoing efforts to continually improve reporting on environmental and HR performance, as demonstrated by the decision to seek independent third-party assurance of its CSR report for the first time.

Emporiki's progress in the governance of CSR is demonstrated by the Board of Directors' (BoD) decision to nominate a CSR committee that will report to the BoD. We commend Emporiki on this decision, recognizing that the creation of a dedicated BoD committee devoted to CSR matters will further raise the profile of CSR within the bank and assist the bank to progress faster in the implementation of its CSR strategy.

The following comments are made on the above-mentioned selected verified KPIs of the report:

- *Materiality and Responsiveness* - Although Emporiki has not undergone formal materiality assessment or formal stakeholder engagement process, DNV recognizes that the range of the KPIs reported on provide a fair and balanced representation of key aspects of Emporiki's performance during 2007.
- *Accuracy* - Emporiki has applied a conservative approach to estimating the CO2 emissions from its activities. Recognising that Emporiki is committed to continually improving the accuracy of its data, further automation of data collection and aggregation systems, particularly for KPIs related to electricity consumption, water consumption and travel by car (including related CO2 emissions), would further increase the accuracy of reported information.
- *Completeness* - DNV has identified that the collection of quantitative data with regards to waste management is a challenge for Emporiki. However, we acknowledge that obtaining accurate and complete data on waste generation is a challenge for the industry as a whole, and that Emporiki is committed to improving the quality and completeness of quantitative data in the future.

### Recommendations

The following is an excerpt of some of the observations and recommendations made to the management of Emporiki. However these do not affect our findings regarding the data within the scope of this assurance engagement. Moreover, the management of Emporiki is already committed to addressing some of these issues, through ongoing initiatives.

We recommend that Emporiki:

- Strengthen existing materiality assessment and stakeholder engagement processes to better inform the focus of the Corporate Responsibility Report and ensure that the report is meeting stakeholder information needs;
- Further automate data gathering systems;
- Continue to improve the completeness of data collection with regards to waste management;
- Allocate sufficient resources and personnel to the management and reporting of CSR data.

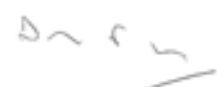
### Conclusion

Based upon the above, nothing has come to our attention that causes us to believe that the quantitative data within the scope of this assurance engagement is not fairly stated in the Emporiki Corporate Social Responsibility Report 2007.

### DNV's Independence

DNV did not provide any services during 2007 that could conflict with the independence of our work and DNV was not involved in the preparation of any information in the report.

DNV expressly disclaims any liability or responsibility for any third party decisions, whether investment or otherwise, based upon this Assurance Statement.



David Salmon  
Country Manager (UK & Ireland)



Nili Safavi  
Verifier

On behalf of Det Norske Veritas, 17 December 2008, London, UK

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