

PIRAEUS BANK CORPORATE RESPONSIBILITY REPORT 2014



The collection and presentation of the content in the 2014 Corporate Responsibility Report are the product of the work of all units of Piraeus Bank and its subsidiaries in Greece and abroad.

Concept & Design: MNP
Photography & Photo editing: Marios Theologis - Math Studio
Actualisation, Layout & Production Management: EZ-dot
Printing: Pressious Arvanitidis

Athens, May 2015



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The 2014 Corporate Responsibility Report of Piraeus Bank is available online at: www.piraeusbankgroup.com/en/investors/financials/annual-reports and as an iOS & Android tablet Application at "Piraeus Group Kiosk".

Hard copies of the Report are available upon request to the Business Planning & IR Group:
4, Amerikis Str., GR-105 64, Athens, T: +30 210 3335026
Investor_Relations@piraeusbank.gr

Last update of Piraeus Bank Corporate Responsibility Report: May 6, 2015

PIRAEUS BANK'S POSITION IN THE CURRENT BUSINESS ENVIRONMENT

Piraeus Bank, in its role as the largest systemic bank in Greece, deals with the challenges of 2015 with a particular sense of responsibility and sets priorities. The Group's key priorities are enhanced liquidity, ensuring capital adequacy, the most effective possible management of loans in arrears by means of innovative methods and tools, further improvement of operating costs, return to profitability as well as preservation and enhancement of the quality of customer service.

Piraeus Bank unflinchingly supports the efforts towards restoring the Greek economy while also promoting initiatives aimed developing entrepreneurship and promoting competitiveness. In this direction, the Bank will continue to move ahead with all its strength in 2015 as well.

CHAIRMAN'S NOTE

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2014 was a year of stability for the Greek economy, which is undergoing a period of significant challenges. Whether these positive signs in 2014 will lead to a more permanent economic recovery in a particularly competitive international environment, will depend on the ability to adapt to the new prevailing conditions.

At Piraeus Bank, we address these challenges with a strong sense of responsibility and determination, promoting a spirit of cooperation and taking actions in order to support:

- our 161 thousand shareholders, by strengthening the structures and transparency in corporate governance matters;
- our 6 million customers, according to their specialized needs and demands;
- the Group's 21 thousand employees, by ensuring a working environment which provides a balance between professional and personal equilibrium and encouraging their constant development;
- our suppliers, our business partners and social partners, on a basis of mutual benefit and harmonious collaboration;
- the reorganization and restructuring of sustainable sectors and businesses aimed at enhanced productivity and strengthened competitiveness of the Greek economy;
- the liquidity needs of the Greek primary sector, by supporting Greek agriculture;
- the environment, through our active support of green entrepreneurship, our constant reduction of the environmental footprint from the Group's operation, implementation of programmes related to the protection of biodiversity and by addressing the climate change risks;
- corporate responsibility actions, by systematically fostering the Bank's relations with all stakeholders, with particular emphasis on the preservation of culture, traditional technologies and industrial heritage in the Greek periphery, through the Piraeus Bank Group Cultural Foundation (PIOP) Museum Network; and
- the principles of the UN Global Compact for the protection of human and labour rights, the environment and the efforts to eliminate corruption.

In this Report, we present the corporate responsibility principles that we apply the specific actions and results of 2014, as well as the targets we have set. Piraeus Bank Group has been implementing the Global Reporting Initiative G4 guidelines for the 8th consecutive year, believing that this model defines a clear framework of principles that facilitates the disclosure and communication of corporate responsibility issues for both the Bank itself and all stakeholders.

It is our priority to provide support to our customers, our shareholders, the Group's employees as well as all our social partners. Piraeus Bank Group's basic principles of trust, consistency, solidarity and collectiveness are the guidelines for our business activities.

A handwritten signature in black ink, consisting of a stylized 'M' followed by a series of loops and a final vertical stroke.

Michalis Sallas
Chairman of the Board of Directors

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**INFORMATION
REGARDING THE
CONTENT OF THE
2014 CORPORATE
RESPONSIBILITY
REPORT**

INFORMATION REGARDING THE CONTENT OF THE 2014 CORPORATE RESPONSIBILITY REPORT

The present Corporate Responsibility Report covers the calendar year 2014 and forms part of the Piraeus Bank Group Annual Report, the content of which pertains to all Group activities.

The Corporate Responsibility Report aims to provide complete and symmetric presentation of certain important non-financial aspects of the organization's work in relation to its administrative structure, its customers, suppliers, employees, society and the environment. It also serves the purpose of gradually and fully implementing the corporate responsibility principles already in effect at Piraeus Bank to all group subsidiaries as well as extending the relevant know-how required.

Abiding by the global, reliable and objective standards of Sustainability Reports

The Report is structured with the aim of conforming to the Guidelines of the Global Reporting Initiative G4 (GRI-G4) to determine its content (Materiality, Stakeholder Dialogue, Viability Sustainability Context, Completeness), the report-writing guidelines (Balance, Clarity, Accuracy) and the method of reporting data (Timeliness, Comparability, Reliability).

Piraeus Bank Group has been implementing the Global Reporting Initiative guidelines for the 8th consecutive year, believing that this model defines a clear framework of principles that facilitates the disclosure and communication of corporate responsibility issues for both the Bank Group itself and all stakeholders.

The Table of Global Reporting Initiative (p. 158-163) contains all the information for the key GRI G4 indices required for the basic level "In Accordance - Core", as well as the corresponding indices of financial supplement (G4 Sector Disclosures: Financial Services).

The Group has also been abiding by the International Standard Guidelines for Social Responsibility ISO 26000 (p. 164-166) with the aim of strengthening and optimally

incorporating social responsibility into the Organization's values and principles. This international standard contains guidelines for implementation and promotion of the basic principles of corporate responsibility in a company's activities, in key issues such as: corporate governance, human rights, labor practices, the environment, fair operating practices, consumer issues and participation in and growth of society.

Piraeus Bank Group voluntarily follows the directions for the publication of annual and progress reports as indicated by the UN Global Compact, and posts its Annual Report on the relevant website (www.unglobalcompact.org).

The present Piraeus Bank Group Report has been assured by Ernst & Young. The detailed Independent Assurance Statement is included in pages 22-25 of the present Corporate Responsibility Report.

Collection and Processing of Corporate Responsibility Report data

For the collection and processing of the 2014 data, electronic database management systems were applied and internal processes have been adopted to ensure the validity and reliability of information.

The 2014 Corporate Responsibility Report aims to cover all Group activities; however, some of the data reported and quantitative measurements are focused on specific areas of its activities. Wherever this applies, reference is made to the relevant Report sections.

Dialogue with stakeholders and promotion of Corporate Responsibility issues

Communication and dialogue with stakeholders constitutes a strong tool for promoting related to Corporate Responsibility. By adopting this mechanism, one can distinguish those CSR issues that have the most substantial and timeless effect on society. These issues constitute the basis for the development and activation of mechanisms for sustainable improvement of an organization's operations.

Towards this direction, in 2014 as well, apart from the regular communication and collaboration framework that has been established with each group of stakeholders, as described in the present Report, Piraeus Bank has also adopted an evaluation process by means of a survey-questionnaire in order to define and record current related to Corporate Responsibility Issues based on principles of Materiality, Stakeholder Dialogue, Viability Sustainability Context and Completeness. In this, participants were asked to assess an extensive range of corporate responsibility issues on a standardized scale the level of materiality (from 1= very low to 5= very high). The questionnaire was addressed to an extensive sample of 202 participants, both internally and externally of the Group.

please refer to: materiality questionnaire,
www.piraeusbankgroup.com/en/investors/financials/annual-reports

Materiality survey based on questionnaire

The 22 issues were assessed, relating to interested parties (customers, employees) and to society as a whole (the environment, culture). Through this process, the 22 issues have been ranked based on their materiality, with participants noting areas of improvement and/or changes, which will be taken into consideration by the Group.

The issues incorporated in the survey's questionnaire constitute aspects of corporate responsibility which may possibly have a positive or negative effect on stakeholders such as customers, employees, NGO's. These issues have emerged from Piraeus Bank's systematic communication with the interested parties and are defined by the actuality, the current economic crisis conditions, existing corporate responsibility practices as well as surveys and corporate responsibility indices pertinent to the Bank. All material issues might change over time, as does what we know about them, and new issues may arise. Piraeus Bank re-evaluates their materiality once a year, in the context of compiling the Annual Report.

From the analysis of the survey results it was concluded that each category of respondents has a different perspective on each issue. This parameter was taken into account to prevent the exclusion of any issue as immaterial; however, from the weighted average of all respondent categories and of total survey questions, the following 7 issues are distinguished in order of materiality, and are presented in more detail in this Report. In addition, for each one of the 7 issues assessed, it has been determined the aspect boundary and also if it is material only within the Piraeus Bank Group or outside, or both. Specifically:

1. Customer Service (question Q1): Fair service/handling of customers, which includes management of their personal data in compliance with the relevant laws, promotion of products and services in an honest manner, as well as ensuring that all the products are safe, whatever their origin. Aspect boundary: within and outside Piraeus Bank Group, Customers, Suppliers, Market and Institutions level.

2. Customer Satisfaction (question Q3): The Bank must ensure its compliance with the product promotion regulations and the banking code of ethics by applying proper policies, mechanisms for re-evaluation of procedures and practices, and employee training programmes. Customer relations can be further enhanced by adopting effective response procedures to bank request feedback as well as by monitoring the rate of customer satisfaction and setting improvement targets. Aspect boundary: within inside and outside Piraeus Bank Group, Customers, Suppliers, Market and Institutions.

3. Measures to support the reorganizing and restructuring of sustainable sectors and businesses (question Q6): Piraeus Bank deals with the present challenges with a strong sense of responsibility, by promoting a spirit of collaboration and taking measures in order to support the reorganizing and restructuring of sustainable sectors and businesses, with the aim of enhancing productivity, competitiveness and employment. Aspect boundary: within and outside Piraeus Bank Group, Customers, Suppliers and Market level.

4. Support of local communities through the Piraeus Bank Group Cultural Foundation (PIOP) (question Q21): Support of employment and of the economic activity of local communities. Aspect boundary: within and outside Piraeus Bank Group in Greece, Local Communities, NGO's, Suppliers, Institutions, Greek Ministry of Culture and Education and Cultural Institutions level.

5. Adoption of uniform Group culture (question Q8): Creation and diffusion of a uniform Corporate Culture within the Piraeus Bank Group, following the recent acquisitions of ATEbank, Geniki Bank, Millennium Bank and the Greek branch network of the Bank of Cyprus, CPB and Hellenic Bank. Aspect boundary: within and outside Piraeus Bank Group, Customers, Market and Institutions level.

6. Reduction of the environmental impact from the Bank's operation (question Q14): Adoption and implementation of an Environmental Policy aimed at reducing the impact of the Bank's operation on the environment. Aspect boundary: within and outside Piraeus Bank Group, Local Communities, NGO's, and Suppliers level.

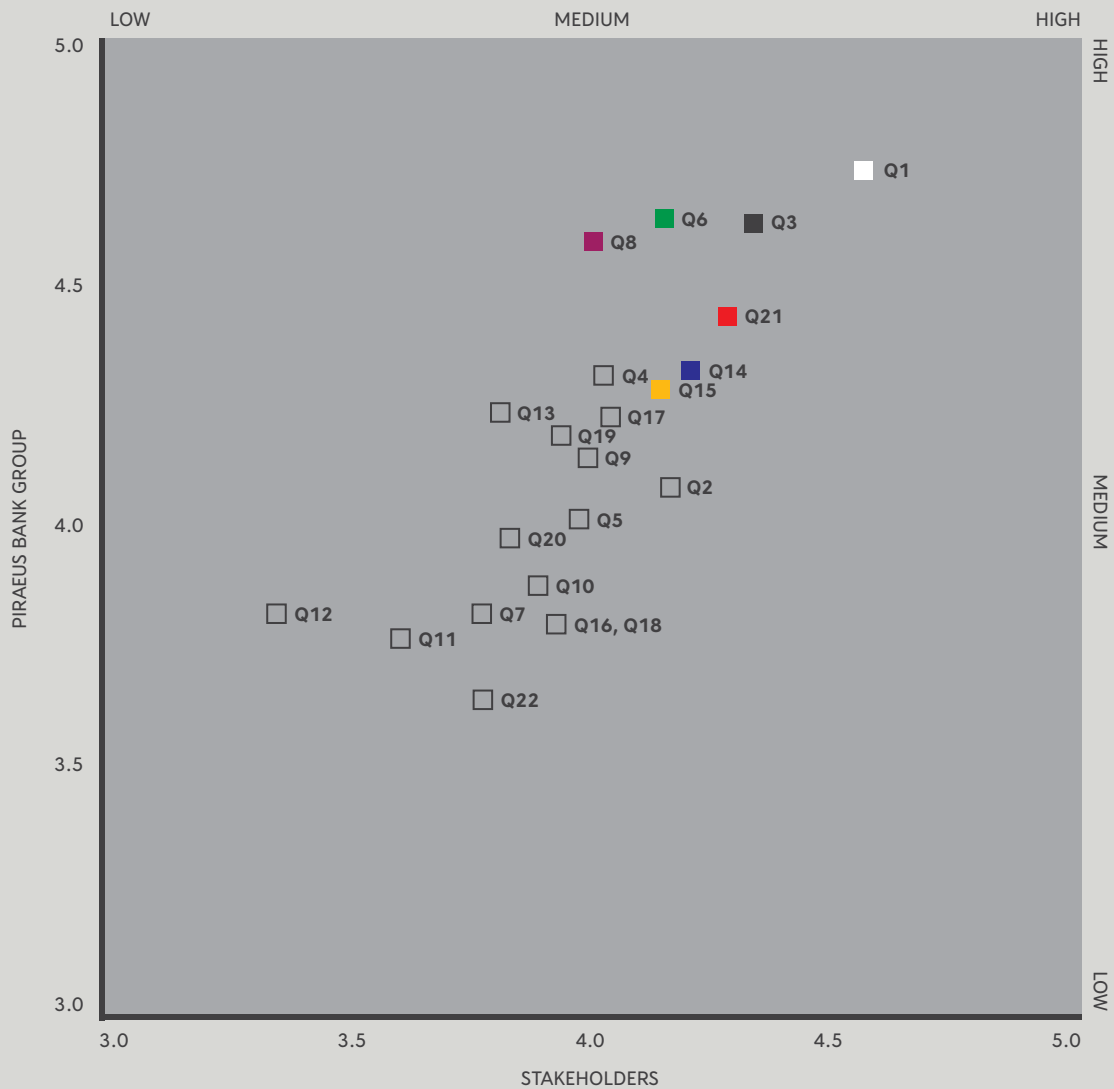
7. Business initiatives for the protection and enhancement of biodiversity and ecosystems (question Q15): To support sustainable business initiatives to protect and enhance biodiversity and ecosystems. Aspect boundary: within Piraeus Bank and the Piraeus Bank Group Cultural Foundation (PIOP), Employees level and outside these Local Communities, Public Institutions, NGO's, Suppliers, European Commission and LIFE-Stymfalia project Stakeholders level.

The first chart below depicts the materiality report results of the sample survey regarding the 2014 Corporate Responsibility Report. The horizontal axis represents how Group stakeholders and participants perceive the materiality of each issue and the vertical axis represents the evaluation given by Piraeus Bank Group.

The second chart displays the the classification of material issues based on both the overall level of materiality and the individual ones.

Questions and views on the Report and its content may be submitted at:
Investor_Relations@piraeusbank.gr.

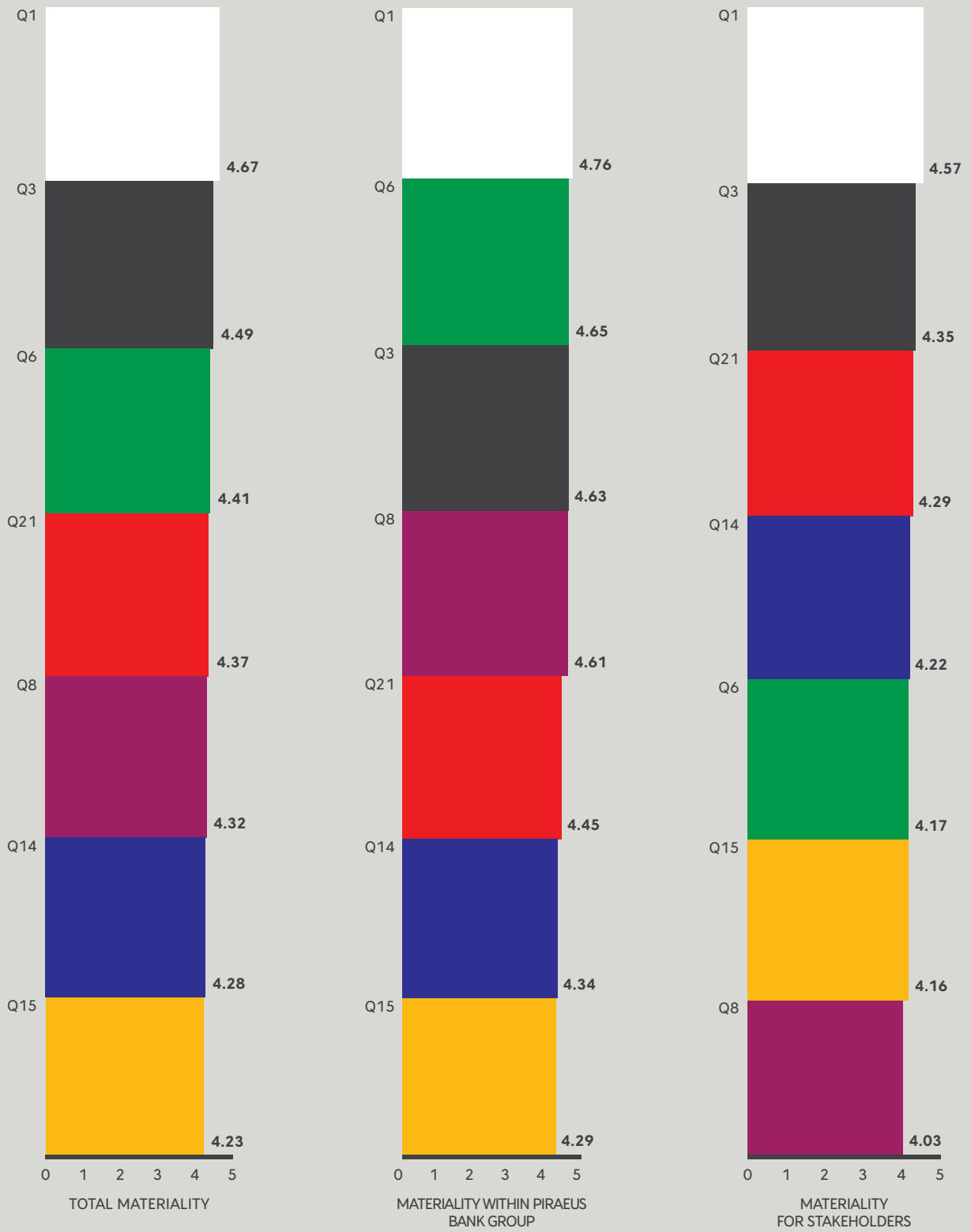
MATERIALITY ANALYSIS



- Q1 Customer service**
 Q2 Continuous improvement of products/services to benefit customers
- Q3 Customer satisfaction**
 Q4 Management of adverse consequences of products/services
 Q5 Enhancement of level of customers' banking literacy
- Q6 Measures taken to support the reorganizing and restructuring of sustainable businesses and sectors**
 Q7 Supplier relations management
- Q8 Adoption of uniform Group culture**
 Q9 Employee flexibility and adaptability programmes
 Q10 Youth employability. Support of NGOs of youth entrepreneurship
- Q11 Employee volunteerism for society, the environment, culture
 Q12 Retirement Scheme (Sabbatical Plus)
 Q13 Support of strategic goals through training
- Q14 Reduction of the Bank's impact on the environment**

Q15 Business initiatives for the protection and enhancement of biodiversity and ecosystems
 Q16 Climate change
 Q17 Adoption of environmental management programmes
 Q18 Environmental education of Group employees
 Q19 Preservation/ Promotion of cultural heritage
 Q20 Creation of Museum Network
- Q21 Support of local communities**
 Q22 Culture-promoting research programmes

CLASSIFICATION OF MATERIAL ISSUES



INDEPENDENT ASSURANCE STATEMENT

THIS STATEMENT HAS BEEN TRANSLATED FROM THE GREEK ORIGINAL VERSION

TO THE MANAGEMENT OF PIRAEUS BANK S.A.

The “2014 Corporate Responsibility Report” (“the Report”) of Piraeus Bank S.A. (“the Bank”) has been prepared by the Bank’s Management which is responsible for the collection and presentation of the information contained therein. Our responsibility is limited in carrying out a limited assurance engagement on specific scope on the Report, which is prepared in accordance with the “In accordance – Core” option level of the GRI G4 Sustainability Reporting Guidelines.

Our responsibility in performing our assurance engagement is solely to the management of the Bank and in accordance with the terms of reference agreed between us. We neither accept nor we assume any responsibility and for any other purpose to any other person or organization. Any reliance any third party may place on the Report is entirely at its own risk.

WORK SCOPE AND CRITERIA

The assurance engagement has been planned and performed in accordance with the International Standard on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (ISAE3000), in order to provide a limited level assurance opinion on:

1. The accuracy and completeness of quantitative data and the plausibility of qualitative information related to the GRI G4 General Standard Disclosures, required for the “In accordance – Core” option.
2. The accuracy and completeness of quantitative data (performance indicators) and plausibility of statements (GRI G4 Disclosures on Management Approach – GRI G4 “DMA”) related to the GRI G4 Specific Standard Disclosures, which correspond to the seven (7) most material issues, as presented in the Bank’s materiality analysis.
3. The Report’s “In accordance – Core” adherence against the related GRI G4 requirements.

The GRI G4 General and Specific Standard Disclosures under the scope of our engagement are indicated in the Report’s GRI G4 Content Index, found on pages 158-163.

WHAT WE DID TO FORM OUR CONCLUSIONS

In order to form our conclusions we performed (but were not limited to) the steps outlined below:

- ▶ Performed interviews with Management executives in order to understand the Bank's corporate responsibility processes, policies and activities during the reporting period.
- ▶ Reviewed information in order to substantiate data and statements regarding the Bank's sustainability performance during 2014, as these are presented in the Report.
- ▶ Reviewed the Bank's processes for determining material issues to be included in the Report, the coverage of these material issues within the Report, as well as material issues covered by media, and sustainability reports of selected peers.
- ▶ Interviewed specialists responsible for managing, collating and reviewing data related to the GRI G4 General and Specific Disclosures under the scope of our engagement, for internal and public reporting purposes.
- ▶ Reviewed data reported to corporate level from the reporting entities (branches and management buildings) or from the Group's subsidiaries, to test completeness of coverage (depending on assigned boundaries) of reporting entities and to examine for selected reporting entities the checks which have been applied at corporate level.
- ▶ Reviewed relevant documentation and reporting systems, including collation tools, templates used, and guidance documents.
- ▶ Reviewed the Report for the appropriate presentation of the GRI G4 General and Specific Standard Disclosures under the scope of our engagement, a procedure which also included discussions about limitations and assumptions relating to the way data are presented.
- ▶ Reviewed the GRI G4 Content Index found on pages 158-163 as well as the references included therein, against the GRI G4 requirements for the "In accordance – Core" option.

LEVEL OF ASSURANCE

Our procedures were designed in order to obtain a limited level of assurance (as set out in ISAE 3000) on which we formed our conclusions. The extent of these procedures is less than those designed to obtain a reasonable level of assurance and therefore a lower level of assurance is obtained.

LIMITATIONS OF OUR REVIEW

- ▶ Our review was limited to the Greek version of the Report. In the event of any inconsistency in translation between the English and Greek versions, as far as our conclusions are concerned, the Greek version of the Report prevails.
- ▶ Our review was limited to information related to the GRI G4 General and Specific Standard Disclosures under the scope of our engagement, and did not include financial data nor the corresponding narrative text in the Report.
- ▶ We do not provide any assurance relating to future information such as estimates, expectations or targets, or their achievability.
- ▶ The scope of our work did not include any review of third party activities or performance, nor attending any stakeholder engagement activities. In addition, it did not include any review of the accuracy of survey results assigned to third parties, nor Information

Technology systems used by third parties, but was instead limited to the proper transposition of the final survey results –under the scope of our engagement- to the Report.

- ▶ Our review did not include testing of the Information Technology systems used or upon which the collection and aggregation of data was based by the Bank.

CONCLUSIONS

Based on our review and according to the terms of reference and the limitations of our work, we report the following conclusions. Our conclusions are based on the appropriate application of the selected criteria and should be read in conjunction with the “What we did to form our conclusions” section above.

1. How complete and accurate are the quantitative data and how plausible is the qualitative information related to the GRI G4 General Standard Disclosures under the scope of our engagement?

- ▶ Nothing has come to our attention that causes us to believe that any reporting unit or Group subsidiary company, according to the set boundary and time period stated in the Report, is not included in the quantitative data of the Report related to the GRI G4 General Standard Disclosures under the scope of our engagement.
- ▶ Nothing has come to our attention that causes us to believe that errors or inaccuracies exist in the collation of the quantitative data related to the GRI G4 General Standard Disclosures under the scope of our engagement, or in the transposition of these data to the Report, that would materially affect the way they are presented.
- ▶ We have reviewed information and explanations on selected Management statements (qualitative information) related to the GRI G4 General Standard Disclosures, as these are presented in the Report, for which no misstatements came to our attention.
- ▶ Nothing has come to our attention that causes us to believe that the Group’s materiality analysis, as found on pages 17-21, is inaccurately presented based on the procedures followed by the Bank. Moreover, we believe that the use of probability sampling methods would have strengthened the stakeholder survey results conducted by the Bank, in the context of the prioritization of material issues.

2. How complete and accurate are the quantitative data (performance indicators) and how plausible are the statements (GRI G4 Disclosures on Management Approach) related to the GRI G4 Specific Standard Disclosures under the scope of our engagement?

- ▶ Nothing has come to our attention that causes us to believe that any reporting unit or Group subsidiary company, according to the set boundary per material issue and the time period stated in the Report, is not included into the quantitative data (performance indicators) of the Report related to the GRI G4 Specific Standard Disclosures under the scope of our engagement.
- ▶ Nothing has come to our attention that causes us to believe that errors or inaccuracies exist in the collation of the data related to the GRI G4 Specific Standard Disclosures under the scope of our engagement, or in the transposition of these data to the Report that would materially affect the way they are presented.
- ▶ We have reviewed information and explanations on selected Management statements (GRI G4 Disclosures on Management Approach) related to the GRI G4 Specific Standard Disclosures, as presented in the Report and no misstatements came to our attention.

3. Does the Report meet the GRI G4 requirements of the “In accordance – Core” option?

- ▶ Based on our review, nothing has come to our attention that causes us to believe that



the Report does not meet the requirements of the “In accordance – Core” option, as presented in the GRI G4 Content Index, found on pages 158-163.

INDEPENDENCE

This is the third year that Ernst & Young (Hellas) Certified Auditors Accountants S.A. provided independent assurance services in relation to the Bank’s Corporate Responsibility report. We conducted our engagement in compliance with the requirements of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements that the members of the engagement team, as well as the assurance Firm, are independent of the client, including not being involved in writing the subject under review. EY has systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence. The Firm and all professional personnel involved in this engagement have met these independence requirements.

ASSURANCE TEAM

The professionals which participated in the engagement are members of and are supported by the EY Climate Change and Sustainability Services Global Network, which undertakes similar engagements in Greece and at a global level.

Athens, 28 May 2015

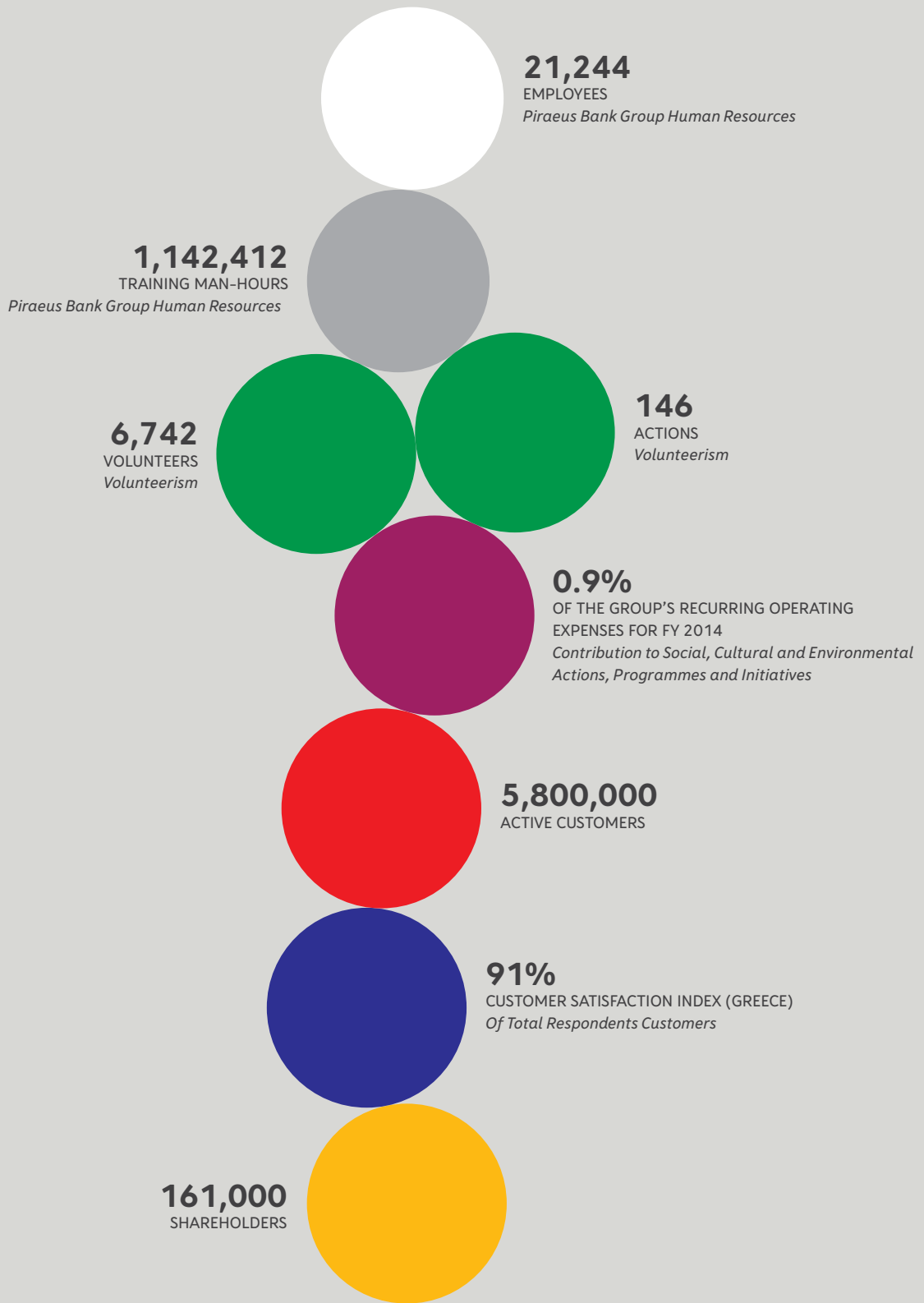
For and on behalf of
ERNST & YOUNG (HELLAS) Certified Auditors Accountants S.A.

Vassilios Kaminaris



**SELECTED FIGURES
ASSOCIATED WITH
THE 2014
CORPORATE
RESPONSIBILITY
REPORT**

SELECTED FIGURES ASSOCIATED WITH CORPORATE RESPONSIBILITY



SELECTED FIGURES ASSOCIATED WITH THE 2014 CORPORATE RESPONSIBILITY REPORT

THE ENVIRONMENT

Environmental Management System

- With more than 800 building infrastructures (totaling 580,000 m²) and over 1,000 employees directly involved, Piraeus Bank is one of the largest organizations to have received the required EMAS¹ environmental certification for the Environmental Management System it applies.
- Over **870** tonnes of paper delivered for recycling in 2014

Environmental Risk and Opportunities

- Consistent with the strategy on climate change that was adopted during the LIFE climabiz project, Piraeus Bank undertakes actions to deal with the environmental – climate risk, such as the updating and upgrading of the Climate Risk Management Model, thus aiming to further utilize it in the Bank’s credit policy while also creating opportunities for mitigation of the relevant risk and for adaptation for both its customers and the Bank itself.

Biodiversity and the Environment

- One year of actions towards restoration and sustainable management of Lake Stymfalia, in the framework of the EU co-funded LIFE-Stymfalia project.

LIFE-Stymfalia: With this project, Piraeus Bank leads the path by introducing the concept of “business and biodiversity” in the operation of a banking institution for the first time in Greece.

¹ Eco-Management and Audit Scheme.

In 2014, the following were implemented:

- Completion of :
 - the Management plan for the wetland
 - the first phase of the Feasibility Study regarding exploitation delete words of the biomass from reeds and substitute with: agricultural residues from the broader region.
- Contact with the local community and authorities as well as commencement of activities of the Local Management Unit.

Piraeus Bank Carbon Footprint

- **5%** annual reduction of electricity consumption per square meter.
- **2%** annual reduction of total CO₂ emissions per square meter.

Energy and Water Saving Actions

- In **111** branches that were renovated, actions were undertaken aimed at the reduction of energy and water consumption.

Green Banking

- **20,219** Green Banking customers at the end of 2014.
- **862 MW** was the total capacity by RES projects funded by Piraeus Bank in 2014, preventing the emission of over 1,505 tonnes of CO₂ into the atmosphere.
- Approx. **7,000** jobs were created and preserved through targeted Green Banking loans in the 2010-2014 period.

CULTURE

Museum Network

- **7** Thematic museums operating at select sites in the Greek regional areas (Soufli, Dimitsana in Arcadia, the Island of Lesbos, the Island of Tinos, the mountainous region of Korinthia, Volos, Sparta) which were the result of an extremely successful paradigm of cooperation between the public and private sector in constructing and operating these museums .
- **129,796** visitors in 2014, **68%** of which free of charge.
- **2** museums under preparation: The Chios Mastic Museum on the island of Chios, the Silversmithing Museum of Ioannina.

Historical Archive

- Enrichment of PIOP's Historical Archive collections by 50%.
- Restructuring and modernization of structures and infrastructures (international certifications).
- Operation of Historical Archive as a multi-purpose cultural center for multiple recipients .
- Increase by 100% of research requests.

Library

- Incorporation of former ATEbank library.
- Expansion of thematic titles with emphasis on the environment.

Collaboration with Local Communities

- Participation in the Local Plans for Employment (TOPSA) in Arcadia, Nemea and Corinth aiming at a closer collaboration with the local communities.

Collaboration with Piraeus Group's Environment Unit

- Energy upgrading and certification by EMAS of the Foundation's Museums.
- Development of common actions with Piraeus Bank's Environment Unit. Joint implementation of the LIFE-Stymfalia Programme aimed at the sustainable management of Lake Stymfalia.

Cultural Actions and Educational Programmes

- **17** exhibitions.
- **85** cultural actions.
- **12** standard educational programmes.
- **62** anniversary educational programmes for minors and adults.
- **32** event cycles (art workshops, seminars, screenings) under the thematic axis "Museums as Daily Public Places". 6 of the event cycles were organized in all of the Network's Museums.
- "Pausanias 2.0: From the School to the Museum". Implementation of the educational programme "Cultural Landscapes". New activity under this theme.
- Cultural Landscapes: Organization of an International Conference on "Cultural Landscapes in Natura 2000 sites". A new research axis.

Scientific Support

- To the academic and research community and various research bodies.
- To the Hellenic Ministry of Culture, Education and Religious Affairs programme for promotion of Greece's Intangible Cultural Heritage (UNESCO). PIOP by UNESCO as an advisory body on matters of intangible cultural heritage.
- Training of young scientists.

Dissemination of publications

- **1,877** volumes of PIOP publications were donated to libraries, social bodies and organizations.
- **165** educational folders were provided to schools.
- **1,609** volumes (14 titles) of PIOP publications were provided as university textbooks at significantly lower price.

Contribution to the Shaping of Cultural Policies

- Participation of PIOP executives in national and international scientific and educational bodies.

CORPORATE RESPONSIBILITY PRINCIPLES

Corporate Responsibility is the means by which businesses voluntarily incorporate social and environmental concerns into their business activities and in their interaction with other stakeholders. It regards the actions of businesses over and above their legal responsibilities towards society and the environment².

Piraeus Bank is committed to including social, environmental, and cultural actions in business practices and assumes initiatives over and above the legal obligations with the aim of enhancing social welfare and progress.

1. CORPORATE GOVERNANCE OPTIMISATION

- Transparency in governance and operational structures procedures.
- Adoption and realisation of best practices of governance and operation.
- Symmetric and systematic information dissemination to the investment and business communities, media and NGOs.
- Transparency in business partner and supplier evaluation and selection procedures.

2. ALIGNMENT OF BUSINESS TARGETS WITH SOCIAL PROGRESS AND SOLIDARITY

- Effective customer service before and after product and service sales, with emphasis on the Bank's consulting role.
- Strengthening of entrepreneurial initiatives with the aim of promoting competitive fields with potential and prospects for growth.

² EUROPEAN COMMISSION, *A renewed EU strategy 2011-14 for Corporate Social Responsibility*, 25.10.2011.

3. ADOPTION OF BEST WORKPLACE PRACTICES

- Development of a humane and responsible organisation, where competent, committed and inspired employees work collectively to lead the market through diversity , innovate by adding value and ensure the prosperity and sustainable development of the Group.

4. HARMONIOUS RELATIONSHIP WITH SOCIAL PARTNERS

- Returning part of the value generated by the Bank to its social partners within a strategically designed and systematic framework of social actions.

5. PROMOTION OF CULTURE

- Active contribution to the promotion of Greece's cultural identity through the creation, operation and maintenance of the network of thematic technological museums of the Piraeus Bank Group Cultural Foundation (PIOP), which act as cultural focal points in the Greek regions, and by organizing scientific events and educational programmes for adults and minors.
- Continued implementation of research programmes and publications relevant to the purposes of the Piraeus Bank Group Cultural Foundation (PIOP).
- Safeguarding and highlighting of Piraeus Bank's Historical Archive.
- Provision of scientific advisory material to public and local community bodies and support in shaping cultural policies.
- Operation of a specialized library.

6. ENVIRONMENT PROTECTION USING NATURAL RESOURCES RESPONSIBLY AND SUPPORTING ENVIRONMENTALLY BENEFICIAL BUSINESS ACTIVITIES

- Systematic support of green entrepreneurship through comprehensive services to customers. The Bank's main concern is developing and supporting a wide range of green products and services.
- Development of strategies to improve the Group's environmental performance and reduce its operational environmental footprint.
- Development of innovative solutions for business and biodiversity.
- Development of evaluation tools and procedures to manage climate change risk.
- Support to individuals and enterprises and preparation of market to better adapt to the effects of climate change.

PARTICIPATION IN GLOBAL INITIATIVES AND HARMONISATION WITH INTERNATIONAL STANDARDS

Piraeus Bank abides by the principles of sustainable development and actively participates in global initiatives and sustainability indices. Through these initiatives and based on international standards and practices, the Bank undergoes continuous evaluation and develops its corporate responsibility.

Piraeus Bank aims to continuously enhance its corporate responsibility and to promote its significance to the business and social environment.

GLOBAL INITIATIVES

United Nations Global Compact

Since 2004, Piraeus Bank has been voluntarily participating in the UN Global Compact, actively supporting and promoting its principles, which pertain to human and labour rights, environmental protection and anti-corruption. The 10 Global Compact principles and the actions taken by Piraeus Bank in order to comply with these, are the following:

	BASIC PRINCIPLES	IMPLEMENTATION METHOD DESCRIPTION OR REFERENCE TO THE 2014 CORPORATE RESPONSIBILITY REPORT
HUMAN RIGHTS	<ol style="list-style-type: none"> 1. Support, respect and protection of internationally proclaimed human rights within the businesses and their sphere of influence 2. Ensure that businesses have no complicity in human rights abuses 	<ul style="list-style-type: none"> - Full compliance of the Group with the relevant Greek and international legislation - Implementation of the Group's Human Right's Policy - 2014 Corporate Responsibility Report, Human Resources
LABOUR	<ol style="list-style-type: none"> 3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining 4. Elimination of all forms of forced and compulsory labour 5. Effective abolition of child labour 6. Elimination of discrimination in respect of employment and occupation 	<ul style="list-style-type: none"> - Full compliance of the Group with the relevant Greek and international legislation - 2014 Corporate Responsibility Report, Human Resources
THE ENVIRONMENT	<ol style="list-style-type: none"> 7. Support the precautionary principles in environmental challenges 8. Undertake initiatives to promote greater environmental responsibility 9. Encourage the development and expansion of environmentally-friendly technologies 	<ul style="list-style-type: none"> - 2014 Corporate Responsibility Report, Society, Culture and the Environment
ANTI-CORRUPTION	<ol style="list-style-type: none"> 10. Businesses should work against all forms of corruption, including extortion and bribery 	<ul style="list-style-type: none"> - Code of Conduct and Compliance Policy - Relevant terms in employment contracts - Labour Relations Framework - Control mechanisms and procedures, and anti-money laundering information systems (including fraud detection) - 2014 Corporate Responsibility Report, Corporate Governance - 2014 Corporate Responsibility Report, Human Resources - Training programmes

United Nations Environment Programme Finance Initiative (UNEP FI)

Since 2007, Piraeus Bank participates in the United Nations Environment Programme Finance Initiative (UNEP FI), having signed the UNEP Statement of Commitment by Financial Institutions on Sustainable Development. In accordance with the Statement of Commitment, Piraeus Bank recognizes that economic development needs to be compatible with human welfare and a healthy environment and it has committed itself to taking into consideration protection of the environment, social responsibility and sustainable development in its business decisions.

UN Global Compact “Caring for Climate: The business leadership platform”

The Bank has signed the UN Global Compact “Caring for Climate: The Business Leadership Platform”, which provides a framework for businesses to advance practical solutions and create public awareness on Climate Change issues.

The Hellenic Network for Corporate Social Responsibility

Since 2007, Piraeus Bank has been a full member of the Network; its mission is to promote the notion of Corporate Social Responsibility and best practices applied in Greek businesses.

ISO 26000 Social Responsibility

Since 2013, the Group has been abiding by the International Standard Guidelines for Social Responsibility ISO 26000, with the aim of strengthening and optimally incorporating social responsibility into the Organization’s values and principles. This international Standard contains guidelines for implementation and promotion of the basic principles of Corporate Responsibility in companies’ activities, in the following key issues: organizational governance, human rights, labour practices, the environment, fair operating practices, consumer issues and community involvement and development.

SUSTAINABILITY INDICES AND DISTINCTIONS

Dow Jones Sustainability Index

Piraeus Bank has been selected to be a constituent the Dow Jones Sustainability Index Emerging Markets, following the RobecoSAM Corporate Sustainability Assessment. Piraeus Bank is the only company based in Greece to be included in the Dow Jones Sustainability Index, that tracks the performance of the top 10% of the 800 largest Emerging Markets companies that lead the field in terms of sustainability.

Carbon Disclosure Project (CDP)

Since 2010, Piraeus Bank has been submitting to the CDP information concerning its environmental performance and the respective actions and initiatives. In 2014 the Carbon Disclosure Project rated with 90C the initiatives of Piraeus Bank aimed to tackle climate change, verifying that the Bank takes action in order to integrate climate risk and opportunity in its core business.

Sustainalytics³

The sustainability investment research firm Sustainalytics assessed Piraeus Bank’s actions regarding environmental, social and corporate governance issues and graded it 70 out of 100, ranking it 35th out of 226 banks assessed globally. With this grade, the Bank is characterized as “Outperformer” by Sustainalytics, clearly showing that the Bank’s corporate responsibility initiatives are significantly above average.

³ Assessment: September 12, 2014.

Oekom research AG

The rating agency oekom research AG rated the Bank's performance regarding environmental and social issues with D+, thus recognizing its integrated approach to the implementation of the Environmental Policy and emphasizing the need for further integration of environmental and social factors into the Bank's asset management.

Corporate Responsibility Index (CRI)

In 2014, Piraeus Bank participated in the Corporate Responsibility Institute's annual assessment, receiving the Platinum distinction for the 4th consecutive year.

Investors in People

In 2009 and 2012, the Group's Human Resources & Organizational Training unit received recognition as one of one of the first business units in Greece to receive the international "INVESTORS IN PEOPLE" certification. This certification is still valid at present, thus proving the Group's unfaltering commitment to its decisive role of employer and the enhancement of its competitiveness and business performance through effective management and development of its employees.

HR Excellence Awards

In 2014, the Group's Human Resources & Organizational Training unit received two particularly significant distinctions in the framework of the HR EXCELLENCE AWARDS 2014, in the "Leadership" category. More specifically, the gold award in the category "Psychologically Healthy Working Environment" constituted recognition of the manner of implementation of the Employee Assistance Programmes (EAPs). Moreover, it received the silver award in the category "Managing Change. Cultural Change. Internal Communication; Mergers and Acquisitions" for the training of 6,720 employees that was undertaken in the framework of the mergers and acquisitions.

STAKEHOLDERS' DIALOGUE

Piraeus Bank defines as stakeholders constituents whose actions directly impact or influence its long term course, its business activities and its position in society as well as those on whom the Bank's operations have a direct impact or influence.

INVESTORS

Cooperation Framework

- Provision of precise information regarding the course and strategy of the Group necessary to evaluate investment in Piraeus Bank.

Means of Communication – Cooperation

- Disclosure of Financial Results (presentations, press releases, teleconferences, internet).
- Contact with the Management and the special Investor Relations unit (events, meetings, teleconferences, roadshows).
- Immediate response to individual requests by means of website and e-mail contact form. Contact with the Shareholder Registry.
- General Meetings of Shareholders.

CUSTOMERS

Cooperation Framework

- Responsible information and provision of product and services with respect to the code of business conduct and business ethics.

Means of Communication – Cooperation

- 24h/7 Customer Call Centre
- Branch network and alternative channels (ATMs, e-banking, mobile banking). Customer Service-complaint handling procedure.
- Seminars and informative meetings with customer groups.
- Customer satisfaction survey at regular intervals.
- Structured discussion between customers and the "Relationship Management

- Service” for personalized organization and management of their finances.
- Immediate response to individual requests by means of website and e-mail contact forms.
 - Significant presence in social media
 - Voice of Customer programme: Tool applied for systematic and structured collection and analysis of the customers’ experience with the Bank’s products and services.

INVESTMENT ANALYSTS

Cooperation Framework

- Information regarding the course and strategy of the Group to evaluate investment in Piraeus Bank shares or securities.

Means of Communication – Cooperation

- Regular contact with Management and specialized Investor Relations Division (presentations, meetings, teleconferences, roadshows).
- Disclosure of Financial Results on quarterly basis (presentations, press releases, teleconferences).
- Communication of business developments (press releases).

BANKS

Cooperation Framework

- Mutual Information sharing and collective representation in financial agencies.

Means of Communication – Cooperation

- Contact and meetings with relevant units at each Bank.
- Participation in legislative drafting or technical committees at an international, European and national level.
- Cooperation with foreign financial agencies and associations in the framework of bilateral and multi-lateral collaborations.

BUSINESS COMMUNITY

Cooperation Framework

- Mutual cooperation on a win-win basis.

Means of Communication – Cooperation

- Regular dialogue and cooperation with Trade Associations, Commercial, and Industrial Chambers. Participation in Seminars and other information events.

EMPLOYEES & THEIR FAMILIES

Cooperation Framework

- Open Communication with employees and safeguarding their ongoing development, fair treatment and rewarding.
- Provisions for strengthening employee resilience in order to effectively manage the challenges they face in all aspects of their lives.

- Employee sensitization and strengthening of dialogue regarding corporate responsibility issues.

Means of Communication – Cooperation

- Internal network (Intranet – HR Portal).
- Internal newsletter “winners” distributed to all Group employees.
- Piraeus Bank Group Employee Culture and Satisfaction Surveys.
- Open communication with all employees concerning staffing needs to offer development and transfer opportunities.
- Meetings/events.
- Focus groups.
- Training and development programmes.
- Established procedure for employee performance review and competency appraisal.
- Collective Representation.
- Employee Assistance Programmes for employees and their families.
- Volunteer actions with employee participation.
- Employee- Volunteer Interest Survey.
- Employee cultural sensitivity actions.

STATE-REGULATORY AUTHORITIES

Cooperation Framework

- Group compliance with the regulatory framework.

Means of Communication – Cooperation

- Ordinary and extraordinary communication with supervisory authorities.
- Data provision, report compilation, meetings, participation in consultations.

LOCAL COMMUNITIES

Cooperation Framework

- Supporting local actions.

Means of Communication – Cooperation

- Operation of Museum Network on a national level (support to local economies, job creation, collaboration with local suppliers)
- Organizing/support of local social and cultural events/cultural tours and training programmes at local level
- Providing guidance for cultural development to third parties.

THE MEDIA

Cooperation Framework

- Information, communication and promotion of corporate actions and products of the Group

Means of Communication – Cooperation

- Press releases and conferences.
- Communication through the Bank’s Press Office.
- Social Media.

NON-GOVERNMENTAL ORGANIZATIONS (NGO's)

Cooperation Framework

- Supporting environmental and social actions.

Means of Communication – Cooperation

- Synergies for common interest actions for society, culture and the environment.
Financial support of specific NGO's actions.
- Cooperation through volunteer actions and common European programmes.

SUPPLIERS/SERVICE PROVIDERS

Cooperation Framework

- Cooperation on a win-win basis.

Means of Communication – Cooperation

- Established procedures for supplier and service provider tendering, evaluation and selection through outsourcing.
- Seminars, information meetings and attendance of live material demonstrations for large procurements of information systems, green supplies & procurement etc.

CREDIT RATING AGENCIES

Cooperation Framework

- Information regarding the course and strategy of the Group to evaluate the credit rating of Piraeus Bank.

Means of Communication – Cooperation

- Regular communication and meetings with Management and relevant Bank units.
- Delivery of financial data



CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

Piraeus Bank Group applies the institutional framework of corporate governance, and the recently established regulations on corporate governance as stipulated by the provisions of the Law 4261/2014. Significant role in the corporate function of the Group has the integration of best governance principles in all its activities. At the same time, constant upgrading of the systems of: Governance, internal control, regulatory compliance, transparency and information dissemination towards the investment community constitute key concerns for the Group.

Piraeus Bank safeguards its corporate interests as well as the interests of its shareholders.

- Piraeus Bank has adjusted its Board of Directors' (BoD) composition in order to comply with the applicable legislation pertaining to Executive, Non-Executive and Independent members. The description of BoD members as independent is based on the criteria set by Law 3016/2002 and the Greek banking regulatory framework. In all cases of independent candidate nominations by the BoD, the requirements of both the aforementioned Law and the regulatory framework are met. Moreover, both the legislation and the banking regulatory authority require particularly high skills/abilities and competence of the banks' BoD's both individually and collectively, some of which can only be acquired from extensive banking experience. The Bank has a BoD Member Candidate Nomination Committee, the aim of which is: a) the identification/location/recommendation of candidates in relation to BoD positions available and the approval of these by the BoD or the Annual General Meeting, b) the evaluation of the combination of the breadth of knowledge and experience per subject of Bod members, and c) the description of the individual skills and qualifications that it believes are required to fulfill the BoD member positions. The suitability of BoD members is evaluated by the ECB's Single Supervisory Mechanism.
- The Audit Committee, comprised of non-Executive BoD members, which monitors and evaluates the efficiency and effectiveness of the Internal Control System at Parent and Group levels, based on the data and information provided by the Internal Audit Unit, and findings and remarks of the external auditors and regulatory authorities.
- The Risk Management Committee, which aims to cover all forms of risk (credit, market, operational), and ensure integrated risk control, expert risk management and the required coordination on individual and consolidated basis.

- The Corporate Governance and Board of Directors Secretary units, which are responsible for the development of Corporate Governance actions and programmes approved by the Management, and for the supervision of their implementation in the Bank and the Group's companies in Greece and abroad, and the operational support provided to the BoD and its committees by applying Corporate Governance best practices.
- The Internal Corporate Governance and Operating Regulations Manual, which ensures transparency and symmetrical information, and encompasses issues which are not stipulated in the Bank's Articles of Association but are indispensable for its smooth operation. It also has the Code of Conduct, which governs the obligations of the Group's employees.
- The Group's Internal Audit (Internal Audit Unit under Act 2577/2006 of the Governor of the Bank of Greece), which is independent, reports to the Board of Directors-through the Audit Committee-and the CEO of the Bank, and is responsible for Group-wide internal control.
- The Compliance Unit, which institutes and applies procedures and prepares the annual compliance programme in order to achieve the Group's timely and permanent compliance with the effective regulatory framework, to ensure complete adjustment to the regulatory framework for preventing the involvement of the banking system in legalizing funds that originate from illegal activities and combating terrorism.

Investor Relations, Shareholder Registry and Corporate Announcements services, are entrusted with the task of informing investors, shareholders and appropriate regulatory authorities accordingly.

- In January 2013, Monitoring Trustees were appointed to all 4 systemic banks to monitor the implementation of the responsibilities arising from the state funds that the Bank received. At Piraeus Bank, the firm KPMG undertook the role of Monitoring Trustee.
- Piraeus Bank signed a Relationship Framework Agreement (RFA) regarding banks to which the Hellenic Financial Stability Fund (HFSF) holds limited voting rights (private sector participation equal to or above 10%), according to Law 3864/2010. The RFA regulates the relationship between the Banks and the HFSF, as well as the issues related, among others, to: a) the corporate governance of each Bank, b) the drafting and approval of Restructuring Plan, c) the important liabilities of the Restructuring Plan and changes to the voting rights by the HFSF, d) the monitoring of the Restructuring Plan materialization and the implied risk exposures for the Bank and e) the consensus rights of the Fund. It is noted that the Bank's management will continue to independently determine the Bank's business strategy and policy, according to the Restructuring Plan and the Bank's management bodies continue to hold the responsibility for the day-to-day operations. Information regarding the aforementioned RFA is published according to the regulations of the Memorandum of Economic and Financial Policies (MEFP) on the HFSF internet site (www.hfsf.gr). It is duly noted that Piraeus Bank's restructuring Plan received the approval of the European Commission in July 2014.
- On November 4, 2014, the ECB assumed responsibility for the supervision of banks in the Eurozone, with direct supervision of 120 important bank groups, including Piraeus Bank Group, representing 80% of total banking sector assets

in the EU. The Single Supervisory Mechanism (SSM) constitutes one of the three pillars of the European Banking Union (the other two being the Single Resolution Mechanism –SRM– and the Deposit Guarantee Scheme) and a new system in bank supervision, made up of the ECB and the relevant national authorities of the participating countries, whose basic aim is to contribute to the safety and soundness of banking institutions and to the stability of the European financial system by ensuring consistent performance monitoring.

For more details on implementation of institutional regulations & Corporate Governance practices, please refer to: [Consolidated Annual Financial Report 2014 > Corporate Governance Statement](#)

SUPREME MANAGEMENT BODIES

The supreme body of Piraeus Bank is the Shareholders' General Meeting, and inter alia is responsible for electing the Board of Directors, that manages and represents the Bank judicially and extrajudicially.

Piraeus Bank's Board of Directors, which was elected by the Annual General Meeting of the Shareholders on May 16, 2014, for a three-year term (excluding the representatives of the HFSF and the Greek State) has the following composition at present, after changes (resignations, replacement of members), the formation of the BoD into a body and the appointment of executive and non-executive members, according to Law 3016/2002:

CHAIRMAN OF THE BOARD OF DIRECTORS

Michalis G. Sallas

Non-Executive Member

NON-EXECUTIVE VICE CHAIRMEN

Stavros M. Lekkakos

Nicolaos M. Christodoulakis

INDEPENDENT NON-EXECUTIVE VICE CHAIRMAN

Apostolos S. Tambakakis

EXECUTIVE MEMBERS

Anthimos C. Thomopoulos, Managing Director & CEO

Hariklia A. Apalagaki, Executive Director

NON-EXECUTIVE MEMBERS

Argyro A. Athanasiou, Independent Non Executive Member

Eftychios Th. Vassilakis, Non Executive Member

Iakovos G. Georganas, Non Executive Member

Stylianos D. Golemis, Independent Non Executive Member

Chariton D. Kyriazis, Independent Non Executive Member

Petros A. Pappas, Independent Non Executive Member

Vassilios St. Fourlis, Non Executive Member

THE APPOINTED REPRESENTATIVES PARTICIPATING IN THE BOD ARE:

Ekaterini C.Beritsi, Representative of the Hellenic Financial Stability Fund, according to Law 3864/2010

Gerasimos K. Tsiaparas, Representative of the Greek State, according to Law 3723/2008

For more details, please refer to:

www.piraeusbankgroup.com>Investors>Corporate Governance

Board of Directors Committees

Audit Committee

Risk Management Committee

Remuneration Committee

Board of Members' Nomination Committee

Strategic Planning Committee

Group Executive Committee

Main Executive and Administrative Committees and Councils

Supervisory & NPL Management Council

Information Technology (IT) Planning and Operating Quality Committee

Senior Credit Committee

Workout Committee

Asset-Liability Management Committee (ALCO)

Expenditure Committee

Corporate Responsibility Committee

REMUNERATION POLICY

A remuneration policy has been established, as an integral part of the Group's corporate governance, aimed at deterring from excessive risk-taking and at continually strengthening the Group's values and long-term interests.

The remuneration policy, designed based on the framework of the Governor's Act 2650/19.1.2012 of the Bank of Greece, of the subsequent provisions of Law 4261/2014 (regarding employee remuneration) and of EU Regulations No 450 and No 604/2014, is in accordance with the Group's business strategy and supports its performance-driven culture, which aligns the organization's goals with those of the interested parties, employees, management and shareholders.

The remuneration-defining procedures are clear, recorded and with internal transparency.

The Remuneration Policy is based on the following principles:

- Maximization of performance.
- Talent attraction and retention.
- Alignment of remuneration and rewards with profitability, risk, capital adequacy and sustainable growth.
- Compliance with the regulatory framework.
- Internal transparency.
- Deterring from excessive risk-taking.

REMUNERATION COMMITTEE

The Remuneration Committee is responsible for regular reviews of the Group's Remuneration Policy as well as for monitoring its implementation. The Committee is composed of Non-Executive BoD members, the majority of whom are independent, including the Chairman. The Committee takes into account the long-term interests of the shareholders, investors and interested parties of the credit institution; it is oriented towards long-term, prudent management of the institution and towards prevention or minimizing of conflict of interest situations which would be detrimental to this management.

The function and detailed responsibilities of the Committee are governed by its regulation framework. Its responsibilities include:

- Preparation of the decisions concerning remuneration, ultimately taken by the BoD, which should correspond to their authority, duties, specialization, performance and responsibilities and which have an effect on the institution's risk-taking and management as well as monitoring the implementation of these decisions
- To ensure that during the evaluation of the mechanisms adopted to align the remuneration policy with risks undertaken, all kinds of risks along with the Bank's liquidity and capital adequacy are taken into account.
- Ensuring the necessary advisory contribution of the supervised institution's relevant units (Risk Management, Regulatory Compliance, Internal Audit, Human Resources, Strategic Planning) is provided for shaping, reviewing and consistently applying the remuneration policy, as well as for external experts – when deemed necessary by the BoD.

OTHER INVOLVED PARTIES

The Remuneration Policy is designed by the Group's Human Resources with the participation of the Risk Management, Compliance and Internal Audit Units. It is submitted to the Remuneration Committee which in turn proceeds with any potentially necessary changes before submitting it to the BoD's non-executive members for final approval.

The independent audit units contribute to the design of the Remuneration Policy; however, they are primarily involved with the Policy's review and monitoring process, which is conducted at least once a year.

The non-executive members of the BoD could, if deemed necessary, collaborate with an external advisor. It is duly noted that no external advisor participated in the shaping/review of the Bank's Remuneration Policy in 2014.

REMUNERATION STRUCTURE

Total remuneration may include variable components, apart from the fixed ones, in order to ensure a link between remuneration and long-term business effectiveness. In all cases, standard remuneration constitutes the greatest part of total remuneration.

Variable remuneration may be provided as reward for performance based on pre-defined qualitative and quantitative targets and are linked to the individual's performance, their division, the Bank/Group and the long-term business targets. Indicative criteria that are assessed for payment of variable remuneration may include among other, profitability,

minimum capital adequacy, effectiveness, management of change, development of partnerships etc. Variable remuneration is paid or guaranteed only when they are acceptable based on the Group's broader financial condition and on performance.

Evaluation of employees with control duties is not linked to the outcome of the processes/ units audited by them.

In order to strengthen the link between variable remuneration and long-term Group targets, the award of variable remuneration is spread over time; the amounts awarded for both deferred and not deferred variable components, are not only paid in cash but in other instruments as well (e.g. shares).

CRITERIA FOR CANCELLATION/RETURN OF VARIABLE REMUNERATION

The Bank may cancel payment of deferred variable remuneration if specific performance indicators are not met. The same may apply if serious breaches in regulations/procedures are detected.

Moreover, if at a later date it is decided that the reasons for payment of this variable remuneration were wrong, the total deferred payment originally calculated may be cancelled.

If deceit or misleading of the Group concerning payment of variable remuneration is detected, the employee may be required to return it, with compliance to labor laws.

PRINCIPLE OF PROPORTIONALITY

The Bank applies the current regulatory framework based on the Principle of Proportionality, taking into consideration the Bank's nature and size, its structure, complexity of activities etc.

REMUNERATION DISCLOSURE

The following tables provide quantitative information on remuneration of senior management and employees with significant impact on the Group's risk profile, analyzed by business sector:

REMUNERATION PER BUSINESS SECTOR (in thousand €)

	TOTAL NUMBER OF EMPLOYEES PER BUSINESS AREA	TOTAL FIXED REMUNERATION ¹	TOTAL VARIABLE REMUNERATION
Investment Banking	16	2,007	48
Retail Banking	94	10,056	225
Asset Management	1	11	0
Support Operations	48	5,465	104
Independent Control Operations	31	1,801	24
Other Operations	9	462	0

EMPLOYEE REMUNERATION INCLUDED IN REMUNERATION POLICY (in thousand €)

	BOD MEMBERS	SENIOR MAANGEMENT ²	EMPLOYEES WHOSE ACTIONS DIRECTLY IMPACT RISK PROFILE
EMPLOYEE NUMBERS PER CATEGORY	112	35	199
TOTAL FIXED REMUNERATION	9,824	7,811	19,800
TOTAL VARIABLE REMUNERATION, OF WHICH:			
In cash	424	-	400
In shares	-	-	-
Financial means related to shares	-	-	-
Other means	-	-	-
TOTAL DEFERRED REMUNERATION, OF WHICH:			
Vested	-	-	-
Non-vested	157	-	132
DEFERRED REMUNERATION TO BE PAID AND REDUCED BY ADJUSTMENTS	-	-	-
EMPLOYEES WHO RECEIVED SIGN-IN PAYMENT	-	-	-
TOTAL AMOUNT OF SIGN-IN PAYMENT	-	-	-
EMPLOYEES WHO RECEIVED SEVERANCE PAYMENT	-	-	-
HIGHEST SEVERANCE PAYMENT AMOUNT PAID TO AN INDIVIDUAL	-	-	-

¹ Including severance payment amounts due to Voluntary Exit Scheme (VES). The VES was implemented by Piraeus Bank Group and formulated according to general criteria. The Scheme was addressed to all employees in Piraeus Bank and its Greek subsidiaries, with indefinite term employment contracts and in-house lawyers. VES severance payments were not associated with risk assumption as per the the Bank of Greece Governor's Act 2650/19.01.12. VES Scheme has been duly authorized by the Hellenic Financial Stability Fund (HFSF).

² Senior Management includes employees whose actions directly impact the Group's risk profile.

INTERNAL AUDIT SYSTEM

The Piraeus Bank Group has set up a strong Internal Audit System (IAuS) to ensure protection of its assets, the individual and detailed maintenance and safeguarding of its customers' assets and to ensure the interests of its shareholders. It systematically monitors the efficiency and effectiveness of the existing System, promptly implementing the actions that may be required to constantly deal with and reduce risks as the IAuS aims to not only eliminate possible risks but also deal with them effectively and in a timely manner. At the same time, the Group applies early warning mechanisms to ensure consistent implementation of the IAuS in the Divisions as well as full compliance of all parties involved with the principles and targets of the System.

It is a priority for the Bank to develop and constantly upgrade the Internal Audit system, on both an individual and group level. Auditing mechanisms and procedures - which cover all activities and transactions and are conducive to the Bank's effective and safe operation - are recorded in detail and constitute the IAuS.

Responsible for implementing the IAuS:

1. The Internal Auditor
2. The Audit Committee
3. Internal Audit

In accordance with the effective statutory framework, the IAuS is supported by an integrated communication and Management Information System (MIS) as well as

mechanisms which complement each other and constitute an integrated audit system of the organisational structure and the activities and the Bank as well as of the Regulations.

The members of the Board of Directors have the ultimate responsibility for maintaining, monitoring and assessing the efficiency and effectiveness of IAuS. They assess IAuS annually and design the strategy for its improvement based on the relevant report submitted by the Bank's Administration and on the Audit Committee's report observations. The efficiency evaluation of IAuS on a Bank and Group level is assigned to external, non-regular, chartered auditors/accountants and takes place periodically and at least once every three years and following Audit Committee recommendation. The relevant evaluation report is made known to the Bank of Greece within the first six months of the year following the three-year expiry.

For more details on IAuS and Internal Audit, please refer to:
Annual Financial Report 2014>Corporate Governance Statement

INTERNAL AUDIT

2014 ACTIONS

The Group's Internal Audit is independent and reports to the Bank's Board of Directors, through the Audit Committee and supervises and coordinates the activities of Internal Control units in the Group subsidiaries. Within this context, in 2014, the Group's Internal Audit:

- Maintained its continual observation and monitoring of branch activities in Greece and subsidiary banks in Bulgaria, Romania, Albania, Ukraine and Serbia by means of the Regional Divisions' Auditors , and in particular by developing scenarios of examination of related transactions.
- Continued the development of a data base using own resources aimed at electronic transaction tracing, the development of fraud identification and prevention "scenarios", and at supporting the auditing work performed by Regional Divisions' Auditors.
- Provided consulting in the development of specific Bank processes in order for them to incorporate proper auditing mechanisms.
- Participated in the development and conducting of specialized seminars on more effective operation of branches and combating fraud.
- Conducted the relevant monitoring of effectiveness and efficiency of the Internal Audit System and the Recovery Banking unit.
- Monitoring that corporate governance rules are being implemented with emphasis on monitoring of related party transactions, in accordance with the relevant requirements of the Bank's binding RFA agreement with the HFSF.
- Continued training and further specialization of its resources, directing them towards appropriate professional certifications (CIA, CISA, CFE, CFSA etc.).
- Conducted internal training seminars for the new colleagues from the Greek operations of the Bank of Cyprus, Cyprus Popular Bank, Hellenic Bank and Millennium Bank aiming to more effectively incorporate them into the auditing activities and implementation of these in accordance with the Internal Audit's processes.

2015 KEY TARGETS

The action plan for the Group's 2015 Internal Audit, which aims to continuously perform its duties smoothly and successfully in order to strengthen I AuS operation in the parent Bank, as well as to Group subsidiaries in Greece and abroad, will place particular emphasis on the following, among others:

- Further developing scenarios of examination of related transactions and full integration of Bank subsidiaries in Cyprus and Egypt into the monitoring system.
- Further enhancement of the monitoring processes involved in the Anti-Money

Laundering system (AML) on a Greek Branch Network level.

- Monitoring of effectiveness and efficiency of Recovery Banking Division's Internal Audit System as well as of compliance with the supervisory framework for the management of obligations regarding loans in arrears and non-performing loans (Executive Committee's Act/BoG/42/30.05.14).
- Monitoring that corporate governance rules are being implemented with emphasis on monitoring of related party transactions, in accordance with the relevant requirements of the Bank's binding RFA agreement with the HFSF.
- Application of quality assurance in audit processes at Group level.
- Support the Management for more effective monitoring of findings that remain pending.
- Participation of Internal Audit executives of the Group as speakers at training sessions targeted mainly at Branch executives and new employees, with the aim of informing them about risks assumed while conducting transactions. Moreover, in the framework of the Bank's support towards the shaping of a common culture in the internal audit system of the expanded Piraeus Bank branch network, the Group's General Division of Internal Audit has committed itself to participating in the transfer of the relevant know-how at the Bank's Regional units' meetings and in meetings to this aim both at a Manager and Branch Manager as well as at a total branch employee level.

EXTERNAL AUDITORS

According to the resolution of the General Meeting of Shareholders of Piraeus Bank made on 29.06.2014, the audit firm PricewaterhouseCoopers was chosen as Certified Auditors for Piraeus Bank's stand alone and consolidated financial statements for 2014; specifically Mr. Dimitrios Sourbis (Reg. no. 16891) was appointed Regular Certified Auditor and Ms. Despina Marinou (Reg. no. 17681) as Substitute Certified Auditor. Certified Auditors may offer their services for a period of no more than four consecutive years and their reappointment may take place after the lapse of three consecutive years.

MANAGEMENT INFORMATION

The role of the Management Information System (MIS) unit is to provide timely and reliable information to Management in relation to the Bank's and the Group's profitability and financial information, as well as to indicate the developments requiring corrective measures, thus facilitating decision-making and action-planning.

The provision of continuous and reliable information to the Bank's Management and the other Business and Support units is targeted at operational quality improvement.

In 2014, the MIS unit contributed to the 2015 Budget Targets set according to the new Organizational Structures. At the same time, it continued to contribute to targeted requirements, related to the extraction of both Corporate Reports and Reports presenting the Bank to other organizations.

The last quarter of 2014 saw the commencement of the upgrading of the data processed by the unit, with the inclusion of an analytical dimension of customers as well as of the Arrangements they hold with the Bank. This significant upgrading allowed the unit to effectively support Management's strategic decisions, the main one being the drafting of an RBU analytical monitoring report.

In conjunction with other Consulting firms, the Unit participated in all IT-related projects which commenced during the year. In brief, regular report-drafting can be classified as:

- Daily, whereby developments in the Bank's and the Group's basic figures are reported, as are any notable changes (support of EIS & Financial MIS in the Bank's portal).
 - Weekly, regarding monitoring of pricing policy (average interest rates, spreads) per customer category as well as achievement of branch targets.
 - Monthly, regarding product profitability and operating cost (ALCO support), monitoring and analysis of specialized figures (approvals, loan modification progress, customer application progress) as well as coverage of special accounts receivable (eg Agricultural Sector).
 - Quarterly analysis of profitability and of progress of the Bank and Group's basic business sector turnover (summary published in financial statements).
 - Quarterly analysis of Group volumes, profitability and indices.

COMPLIANCE

2014 ACTIONS

- Appointment of a new Group Compliance Officer.
- Management approved the new organizational structure of the Compliance unit, with the creation of new responsibilities for more effective accomplishment of the heightened compliance requirements of the Bank.
- Successful consolidation of human resources stemming from Geniki Bank, with total Compliance employees now numbering 124.
- Extended inspection and examination of Bank units, Bank subsidiaries and companies on money laundering and terrorist funding and compliance with the regulatory framework in general, with parallel implementation of agreed corrective actions to mitigate regulatory risk.
- Completion of all necessary actions for compliance with the Foreign Account Tax Compliance Act (FATCA).
- Design of training material related to regulatory compliance issues, in collaboration with the Group's Human Resources and Organizational Training.

2015 KEY TARGETS

- Review of the Group Compliance Policy with the aim to incorporate the recent amendments in the regulatory framework.
- Completion of actions to inform customers and provision of the required information to the appropriate Authorities in relation to the bilateral agreement between Greece and the USA.
- Ongoing monitoring and support of the Bank's investment activities, in the framework of the Group Compliance's new structure and operation.
- Upgrading of the AML system regarding monitoring of transactions, in relation to money laundering and terrorist funding.
- Completion of analysis to assess the quality of the control mechanisms in branch network on issues of regulatory compliance risk assessment.
- Conducting of special thematic controls at Bank units for timely identification of possible deviation from the regulatory framework.
- Continual training of Bank employees in anti-money laundering, terrorist funding and regulatory compliance.

The Group's Compliance operates in the context of the "Basel III" supervisory framework and the relevant guidelines of the Bank of Greece. It is headed by the Group Compliance Officer, who is responsible for the Group's Compliance Function. In accordance with the Bank's organizational chart, the Group Compliance reports directly to the Managing Director & CEO and is accountable to the Group's Internal Audit in terms of the adequacy and effectiveness of the compliance procedures. Moreover, the Group's Compliance Officer reports to the Bank's Audit Committee, by means of reports and updates mainly related to monitoring and assessment of its auditing work as well as to strengthening Internal Audit structures.

The Group Compliance has certified its processes according to ISO 9001:2008 standards.

For further information regarding the Group's Compliance Policy please refer to:
www.piraeusbankgroup.com>Investors>Corporate Governance>Compliance

SHAREHOLDER RELATIONS

INVESTOR AND ANALYSTS RELATIONS

Investor information is provided to individual and institutional investors by the Business Planning and Investor Relations Division with the active involvement of the Top Management. Its purpose is to provide systematic and symmetrical information to individual and institutional investors regarding the course and strategy of Piraeus Group. During 2014, a total of 1,059 meetings/briefings were held with investors and analysts both in Greece and abroad, compared to 566 meetings/briefings held in 2013.

SHAREHOLDER REGISTRY

The Shareholder Registry is responsible for providing direct and symmetrical information to all shareholders, as well as assisting them in exercising their rights in accordance with the law and the Bank's Articles of Association.

CORPORATE ANNOUNCEMENTS SERVICE

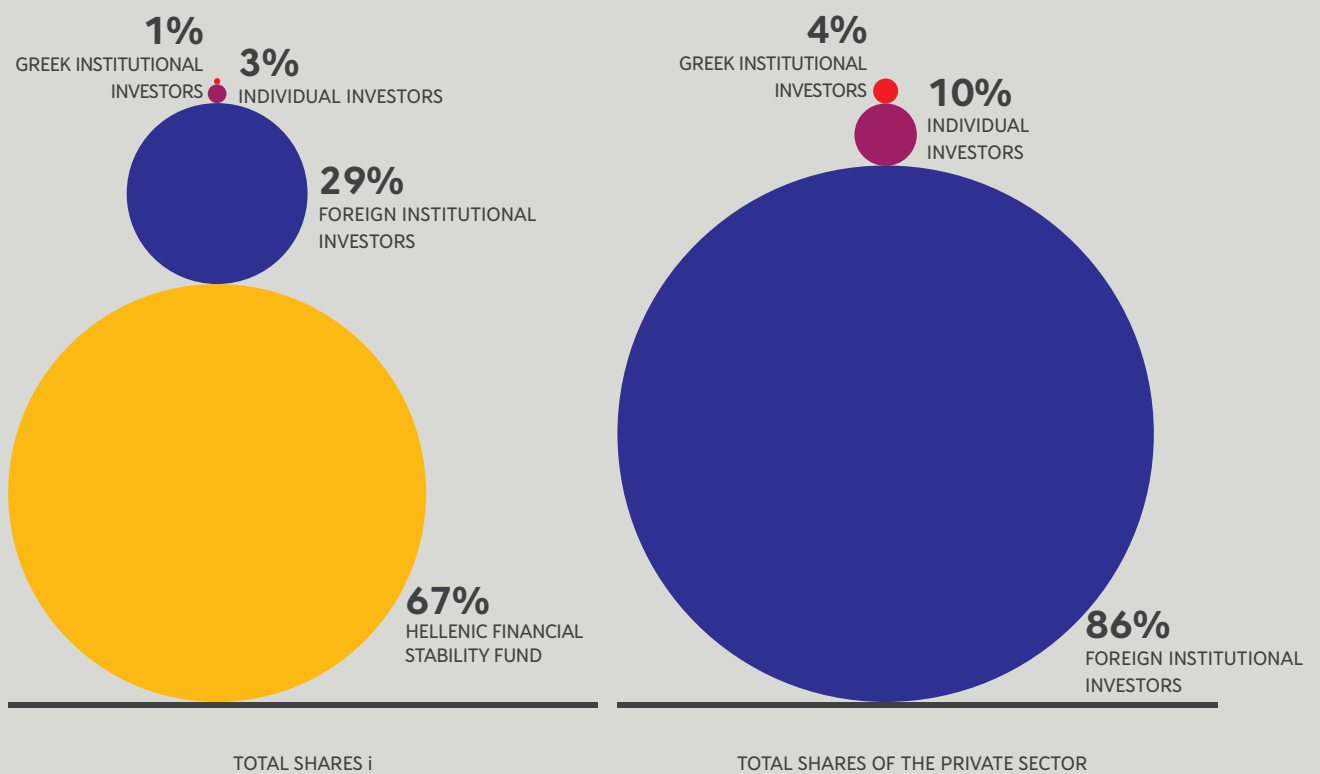
Corporate announcements are the responsibility of the Corporate Announcements Service. It was set up in accordance with Law 3016/2002 and the Capital Market Commission's Board resolution no. 5/204/14.11.2000, and is responsible for the Bank's compliance with the institutional framework of this resolution. The Bank's announcements are sent immediately to the Hellenic Exchanges in order to be recorded in the Daily Official List and to inform the investors.

SHAREHOLDER STRUCTURE

Piraeus Bank is a multi-shareholder company with a shareholder base consisting of eminent representatives of the business world, local and foreign institutional investors and numerous private investors, as well as the HFSF after the recapitalisation which was concluded in June 2013.

In January 2015, the total number of Piraeus Bank's shareholders was 160,490. Out of the total common shares (6,101,979,715 shares of nominal value €0.30 each) 67% was held

SHAREHOLDERS' STRUCTURE ⁱ



ⁱ Data as of 9.01.2015

by the HFSF and 33% by the private sector (more specifically, 30% legal entities and 3% by individuals).

On 21.05.2014, Piraeus Bank fully redeemed the total preference shares amounting €750mn to the Greek State in accordance with Law 3723/2008.

In conclusion, following the Bank's share capital increase, by means of cash payment and contribution in kind in June 2013, the HFSF issued and granted "HFSF Warrants", in accordance with Law 3864/2010, MCA 38/2012 and MCA 6/2013. Each Warrant gives the holder the right to purchase 4.47577327722 HFSF Shares. The valid issued Warrants at the date of the publication of this report are 843,637,022.



CUSTOMER AND SUPPLIER RELATIONSHIP

CUSTOMER AND SUPPLIER RELATIONSHIP

RELATIONSHIPS OF TRUST, TRANSPARENCY AND RESPONSIBILITY

Piraeus Bank's fundamental principles regarding its relationship with its customers, are clearly provided information, transparency in contractual terms and security in all types of transactions, physical and electronic constitute fundamental principles in its relationship with its customers. Its extensive experience, high level of expertise and consistent high quality are a guarantee of comprehensive service provision and of a continually developing relationship of trust.

Forming relationships of trust is the cornerstone of the Bank's relation with its customers.

The Bank has adopted self-regulation mechanisms through all stages of creation, promotion and provision of its products, thus ensuring compliance to the principles of the regulatory framework as well as the rules of the Code of Banking Ethics, which govern the relations between banks and customers.

More specifically, Piraeus Bank is in complete compliance with the Code of Conduct under Law 4224/2013, drawn up by the Bank of Greece (BoG) fully aware of the current economic environment and in response to its customers' needs in repaying their loans, defined by the Bank of Greece (BoG) and announced on 25.08.2013. At the same time, the Bank has developed a broad range of solutions based on assessment of the borrowers' financial situation and their ability to repay their loans in such a manner as to not affect the reasonable standards of living.

The aforementioned framework includes the Arrears Resolution Process (ARP), whereby the Bank commits itself to assist its customers – especially those with attested financial difficulties – in finding solutions on managing of their loans in arrears. Finding the appropriate and timely solution is mutually beneficial as it reinforces a climate of mutual trust and sincere exchange of information.

Considering the constant changes in systems and data security requirements, Piraeus Bank places great importance on banking transactions' and systems' security. Following the absorption of all acquired banking operations, including Geniki Bank which was completed in November 2014, a reassessment of existing security systems took place, as well as a

redesign and optimization of the currently available protection levels. Furthermore, the security systems of acquired Banks were usefully incorporated through their activation and integration to the Bank's operating environment.

Piraeus Bank was the first bank to receive ISO:9001 certification in 2004 and PCI DSS certification in 2011, the latter pertaining to safeguarding of credit card transaction and of cardholder data.

For optimum security of the winbank web banking service, Piraeus Bank's e-Banking services received ISO 9001:2008 certification by TUV Hellas for an 11th consecutive year. Piraeus Bank places particular emphasis on security of internet transactions. For the best possible protection of the winbank web banking service, the Bank applies advanced methods to ensure its customers' transactions, by protecting their data and shielding the channel from third-party access. In this framework, in 2014 Piraeus Bank continued to offer its innovative service Piraeus Customer Protection. In case of loss, theft or suspicion of theft of personal or bank data, this service offers its holder global banking and insurance coverage (wallet & shopping protection). In 2015, the Bank is planning to expand the scope of this service in order to cover more extensively the needs of the Bank's customers.

The aim of the advertising campaigns is to communicate the Bank's products and services sincerely without misleading the potential target group. The content and style of the campaign are evaluated and approved by the Promotion and Advertising Committee, while the final campaign plan is communicated to the Group's Regulatory Compliance, which ensures that the content is in full compliance with the regulatory framework. These processes ensure that the products and services are advertised accurately, without exaggerations, inaccurate or misleading statements, excessive promotion or attempts to conceal any features of such products and services, eliminating any possibility of exploiting the public's unfamiliarity, inexperience or fears.

CORPORATE COMMUNICATION AND PROMOTION

The new corporate identity, which was designed in 2013, continued its uniform application at all customer contact points as well as providing a common image of the Bank in the branches of the former Geniki Bank, which were absorbed by the Piraeus Bank Branch Network.

The slogan that accompanied the Bank's name in all its communication throughout the year was "Piraeus Bank, Solid in motion" thus describing its axes of action and its philosophy: a combination of stability and motion, which ensure its constant development.

On a communication and promotional level, the Group's Marketing & Communication unit supported all aspects of operation of the Bank and Group subsidiaries by means of small, medium and large-scale advertising actions as well as targeted promotional actions on a local level and at particular customer segments. In 2014, emphasis was placed on the promotion of products, services and loans. Indicatively:

- The innovative for the Greek market "Do-It-Yourself" Time Deposit by developing an advertising campaign which promoted the innovative characteristics of the product with the message "In life, you can't do everything yourself...at Piraeus Bank you can"!
- The agricultural products and services, by developing, among others, a special campaign which focused on "the big step" of modernizing the agricultural-nutritional sector and on enhancing exports, realized by Piraeus Bank's Contract Farming Programme.
- The winbank web banking services by means of a modern message "Life is complicated.

Make it a little simpler with winbank”, placing emphasis on the fact that winbank services can facilitate our everyday life, that winbank is the number 1 web banking service in Greece and that it received important awards and distinctions in 2014.

- The “Greece, we stand beside you” sponsorship of the national football team, by designing an extensive communication plan, led by the campaign “Manos Sergios, the 24th National Team player” supporting the national team’s participation in the 2014 World Cup in Brazil.

In 2014, Piraeus Bank received several awards and distinctions for its advertising campaigns, all of which prove the quality and effectiveness of the Bank’s marketing and communication strategy as well as the creative work of its associates.

2014 AWARDS & DISTINCTIONS

AWARDS AND RANKINGS THAT THE PIRAEUS BANK GROUP HAS RECEIVED IN 2014 FOR MARKETING, PR & COMMUNICATIONS WORKS.

MONTH	ORGANIZATION	AWARD/CATEGORY	RANKING
December	Ermis Awards 2014	6 Gold Ermis, 6 Silver Ermis, 6 Bronze Ermis and the top distinction “Ermis Integrated Award” for the integrated communication of the “Manos Sergios/Greek National Team” campaign. 19 Ermis Awards in total.	
November	EPICA Awards 2014	Ermis Silver Award for “Misunderstanding-winbank” campaign/Financail Services for the “Misunderstanding – winbank” campaign/Banking/Insurance & Financial Products/Services	#2
November	Social Media Awards 2014	Ermis Gold Award/Best Use of Social Media-Banking Industry	#1
	Social Media Awards 2014	Ermis Gold Award for “Corporate Communication/Public Relations”/Best Use of Social Media for a Consumer Brand	#1
	Social Media Awards 2014	Ermis Bronze Award for “Best Viral Campaign”/Content	#3
	Social Media Awards 2014	Ermis Silver Award for City Link’s collaborations with The Marie Claire Blog Awards 2014 & DOL SA/Best Social Media Strategy for Event Promotion	#2
July	Effie Hellas 2014	Siler Effie for “Runner” / Corporate Communication	#2
June	ED Awards 2014	Bronze Award for the “2013 Annual Report & Corporate Responsibility Report”/ Annual Report	#3
	ED Awards 2014	Silver Award for the infographics of piraeusbankgroup.com / Infographics	#2
April	EBGE 2014	EBGE Award (Greek Graphic Design and Illustration Award) for the Piraeus bank Logo	#3
	EBGE 2014	EBGE Award (Greek Graphic Design and Illustration Award) for Implementation of Corporate identity/Corporate Identity Implementation	#3
	EBGE 2014	EBGE Award (Greek Graphic Design and Illustration Award) for the infographics of piraeusbankgroup.com /Infographics	#2

FOCUSING ON INDIVIDUAL NEEDS AND CUSTOMER SUPPORT

Since the beginning of the economic crisis, Piraeus Bank has been intensifying its support of its customers- businesses and households- facing difficulties in repaying their loans through debt adjustment programmes for existing loans.

Individualized customer service is a priority for Piraeus Bank. The Bank designs and provides customer-centered services tailored specifically to each customer's needs, such as granting new loans or balance transfer programmes with more favorable terms. Moreover, the Relationship Manager, a specialized bank executive responsible for individualized overseeing of a customer's overall banking relationship, manages, among other things: regular transactions, financial "check-up"⁴, financial planning and portfolio management.

Additionally, in order to make the Bank's products and services accessible to non Greek citizens, specific Bank branches have employees fluent in the equivalent languages.

The Bank seeks to enhance its customers' financial literacy to facilitate their access to its services. Particular emphasis is placed on customer familiarization with the use of new technologies and terminology, thus ensuring their comprehension of special transaction and product terms.

More specifically, in 2014, through the Alternative Channel Promotion Programme "Save Time" – which has been implemented since 2010 by the Customer Experience Management unit – a significant number of customers were introduced to and coached in the use of new transaction channels. The Programme was implemented on a pilot basis at 100 select Branches with use of Tablets, whereby Branch employees can inform visiting customers, present the features of web & mobile banking and make on-the-spot transactions interactively. The "Save Time" programme was awarded in the Customer Service Awards by the Hellenic Institute of Customer Service (HICS) in the "Innovation in Service" category and contributed significantly to enhanced customer experience and to increased use of alternative service channels. Given the results, the Programme is to be expanded to 300 more branches in 2015.

Educating customers and the public in general focuses on issues of environmental management and sustainable development. A dedicated website - Green Banking Portal (www.greenbanking.gr) - was introduced to promote and present good practices of environmental footprint reduction and in green entrepreneurship. This website offers information not only to customers but also to the general public on developments in the environment, climate change and green entrepreneurship.

The "Energy Efficiency at Household Buildings" programme had as a key result the support of households in the energy-upgrading of their homes and the reduction of the cost involved in the process. Indeed, according to the published submission approvals to the programme, the Bank holds the 2nd place (27%) of a total of approx. 49,000 approvals until the end of 2014, with 13,519 approvals.

Additionally in 2014, following the changes in the legislative framework regarding electricity production from RES's, Piraeus Bank and the Green Banking unit proceeded with reassessment of the investment plans of individuals and much more of farmers with photovoltaic stations, at their request. So with a series of measures were taken allowed for the protection of farmer loan-holders who were mostly affected by changes in the Law, thus supporting the investment market in general as well as contributing to the

⁴ A free service which by means of an easily accessible 18 question tool, advises the customer on his finances and recommends the most suitable products.

enhancement of the income of the farmers themselves and of the agricultural sector, which holds a very significant role in Greece.

Piraeus Bank's Green Banking has funded extensive environmental investments, which have contributed to the creation and preservation of 7,000 permanent jobs in the 5-year period from 2010 to 2014, thus supporting employment in the sectors of services, commerce and processing in Greece.

EXTENSIVE BRANCH NETWORK AND ACCESSIBILITY

In 2014, rationalization of the Bank's branch network continued in the framework of the synergies and desired economies of scale following integration of the merged banks. The number of Bank branches was reduced by 234, numbering approx. 800 at year-end. A key concern for the bank is to ensure smooth operation of the new, more extensive branch network and to provide customers with even greater servicing possibilities, allowing it to offer existing and potential customers a more extensive and easily accessible network.

The Bank's key priorities are uninterrupted operation of the new, expanded branch network and direct provision of even greater service possibilities for its customers.

Seeking to further penetrate and develop the local markets of its activity, the Bank has implemented a Commercial Plan per region, periphery and branch. This Plan incorporates specific actions with measurable targets and systematic monitoring in order to ensure utilization of local conditions and the Bank's response to the individual markets' needs.

Moreover, the Branch Network's clear direction and axis of actions are ensured by means of key performance indicators (KPI's) regarding volumes' increase, profitability, cross-selling, customer satisfaction, productivity per job position and balanced employees' skills development.. In this framework, in 2014, the Balanced Scorecard methodology was developed to monitor the Branch Network's qualitative and quantitative performance in implementing the Bank's strategy from four: "Financial Strength", "Customer & Market Expansion", "Optimal Procedures" and "Employee Development". Implementation of Balanced Scorecard at Branch Network is planned for 2015.

AGRICULTURAL DEVELOPMENT, DEVELOPMENT PROGRAMMES AND SUPPORT OF ENTREPRENEURIAL INNOVATION

The Bank recognizes that a recovery of Greek entrepreneurship is a means for re-launching of the Greek economy. In the new economic reality of Greece, the Bank remains focused on its targets with realism, optimism and with full knowledge that its actions have an impact on households and businesses. In this framework, Piraeus Bank supports:

- The efforts towards Greek economic restructuring and initiatives that support entrepreneurship, competitiveness and improved productivity of businesses and sectors.
- Its 5.8 mn customers, according to their specialized needs and demands.

Piraeus Bank Group took a leading role in supporting the agricultural sector, one of the key pillars of growth for the Greek economy.

Since the acquisition of ATEbank in the summer of 2012, Piraeus Bank has been expediting implementation of the investment programmes of the National Strategic Plan for Rural Development for enhancing sector liquidity.

Piraeus Bank already offers a wide range of products to cover both short-term loans for production expenses and medium to long-term loans for the investment needs of agricultural exploitation. These funding programmes include:

- Agricultural Entrepreneurship Fund: targeted at new entrants to the agricultural profession, covering their capital needs for the initial setup and short-term loans to cover production needs. It is also addressed to professional farmers who seek to expand from traditional forms of organization and operation of their production and to invest in business farming and livestock breeding.
- Contract Farming and Livestock Breeding Programme: aims to enhance liquidity and modernize transactions in the agricultural economy; the programme secures prepayment to groups of producers of their total production, usually directed to specific industries (or another buyer).
- Renewable Energy Sources (RES) Investment Financing for Energy-Saving in Agricultural Exploitation Programme: aims to reduce the energy cost of agricultural businesses by encouraging investments in RES's. Such investments include: installation of photovoltaic systems, energy production from waste and farming waste and water- and energy-saving facilities.

In 2014, Piraeus Bank once again provided funding to OPEKEPE – the Greek Payment Authority of Common Agricultural Policy (CAP) Aid Schemes – to bridge disbursement of funds to 650 thous. beneficiaries.

In 2014, the Development Programme unit was responsible for managing the National Strategic Reference Framework (NSRF)'s European Funds for Cohesion Policy and the relevant Investment Legislation and for designing and managing loan products for businesses, in collaboration with institutional partners such as the National Fund for Entrepreneurship and Development (ETEAN SA), the European Investment Bank, the European Investment Fund etc.

For more on Piraeus Bank's financing tools, please refer to:
AR 2014, Greek Operations, Business Banking, Development Programmes, p. 76.

CONTINUOUS IMPROVEMENT OF CUSTOMER SATISFACTION

Constant improvement of the overall customer experience at the service network constitutes a priority for Piraeus Bank.

Since 2001, Piraeus Bank has been systematically conducting the "Customer Satisfaction Survey" annually. Through this process the Bank gathers information about the overall level of customer satisfaction and in particular customer-perception indices. Piraeus Bank's constant aim is to maintain its high degree of customer satisfaction

The survey for 2014 was conducted by the market research company TNS, on a sample of 15,300 Piraeus Bank customers via phone interviews, thus covering the Greek periphery geographically. It should be noted that this is the first measurement post the completion of the absorption of all banking operations acquired by Piraeus Bank in Greece.

Regarding the overall customer experience of Piraeus Bank, the results are positive as 58% of the interviewed customers assessed their overall experience with the Bank as “excellent/very good” and 33% as “good” while only 1.5% as being “poor”.

Although in recent years in Greece the public maintains a relatively negative attitude towards banking institutions, 8 out of 10 customers prefer “strongly” to “very strongly” Piraeus Bank to any other bank.

Focusing on satisfaction regarding the servicing experience at the customers’ main branch of service with individual indicators, “staff politeness” and “staff expertise” scored high. In terms of “providing complete information from the beginning on the terms of the transaction” – a measurement of transparency – it is worth noting that only 1% of total customers interviewed perceive their experience as “poor” whereas 67% of customers grade it as “excellent/very good”. Regarding web banking, it is evaluated as “excellent/very good” by 84% of users.

It should be pointed out that when the survey was conducted, customers were asked to identify areas of improvement in the standard of service provided by the Bank. This information was taken under serious consideration and is being utilized in the implementation of the respective corrective actions.

The Customer Intelligence & Experience Unit of the Bank implemented new actions and expanded its operations on multiple levels. Placing even more emphasis on its customers’ experience with digital means, Piraeus Bank further developed and enhanced the measuring methods of “user experience” and user interface it applies. Indicatively, in 2014 there was extensive use of methods such as user testing, one-to-one user interviews, personas and customer journey maps.

During 2014, the Bank continued its programme “Voice of the Customer” aiming to disseminate a single customer-oriented culture within the Bank and provide a superior level of customer experience. Implementation of the programme is a useful tool for structured collection and analysis of information regarding the customer’s experience with the Bank’s products and services. It also aids with the processing of important information about developing future products and services and potential growth opportunities.

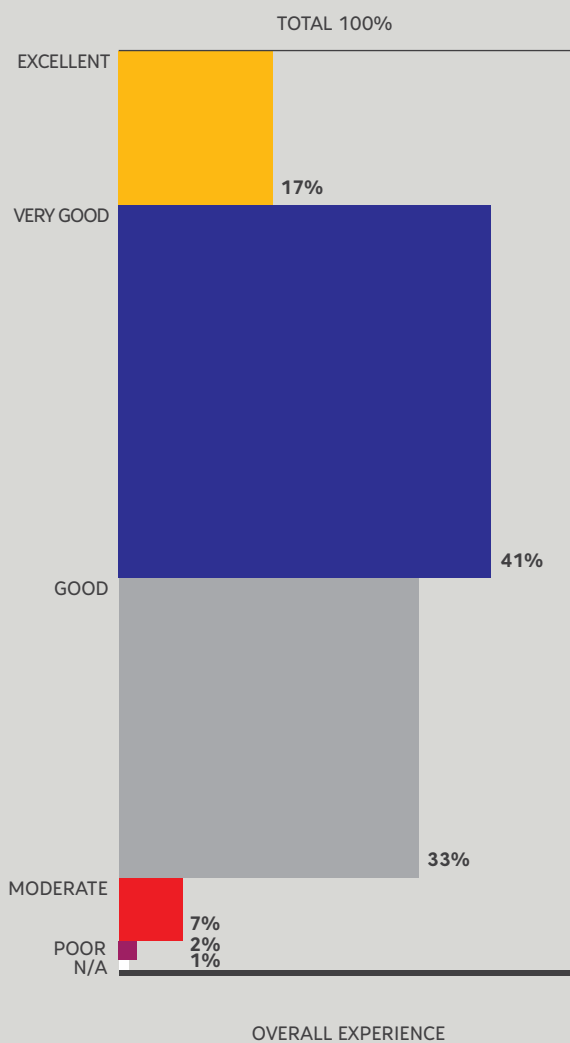
In 2014, 75,000 customers were surveyed by means of the “Voice of the Customer” programme with approx. 200 improvement actions arising for the Bank, of which 60% have already been implemented.

For 2015, a significant increase in the number of surveyed customers is expected in order to achieve measurement of the majority of customers and the consequent improvement actions, where deemed necessary.

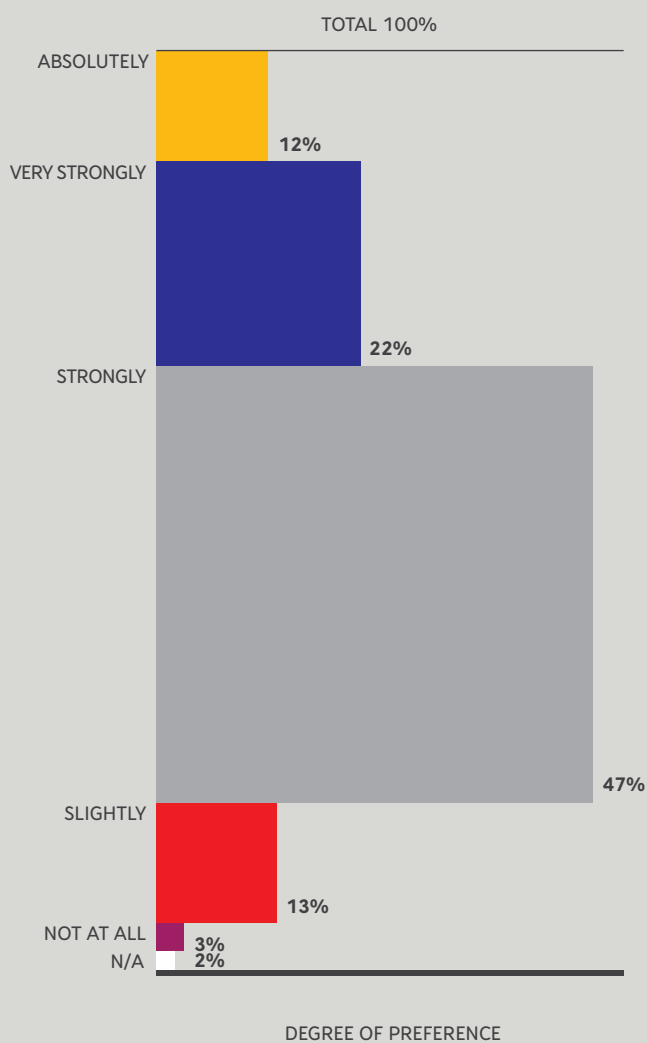
CUSTOMER COMPLAINT SERVICE AND OMBUDSMAN FOR BANKING/INVESTMENT SERVICES

Continual improvement of the quality of services provided constitutes an integral part of Piraeus Bank’s definition of “social responsibility” and any complaint or recommendation is a challenge towards improvement.

PIRAEUS BANK'S OVERALL EXPERIENCE RATING



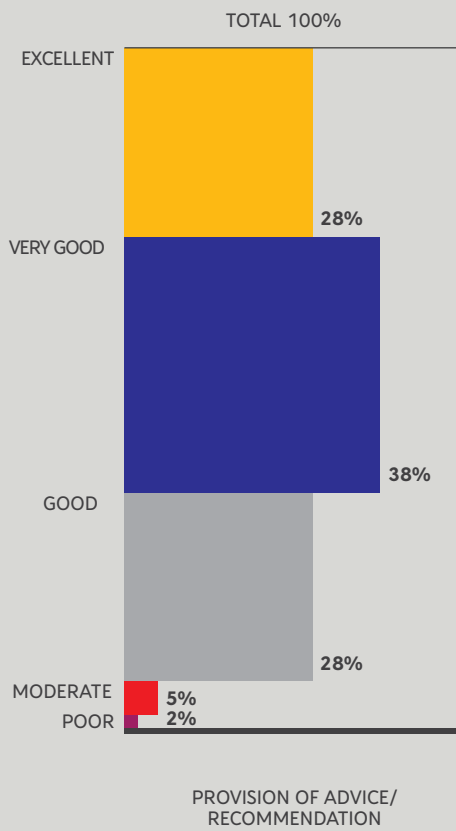
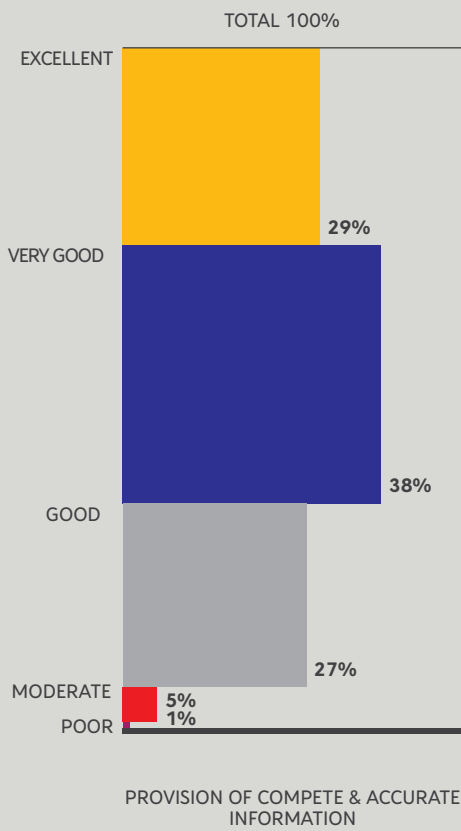
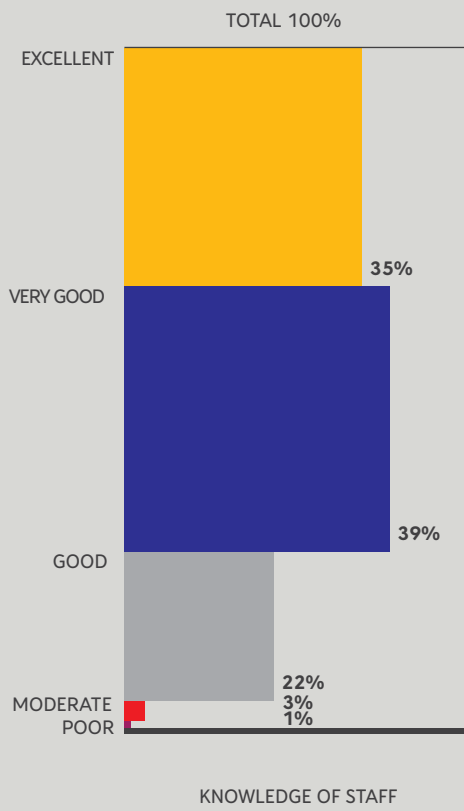
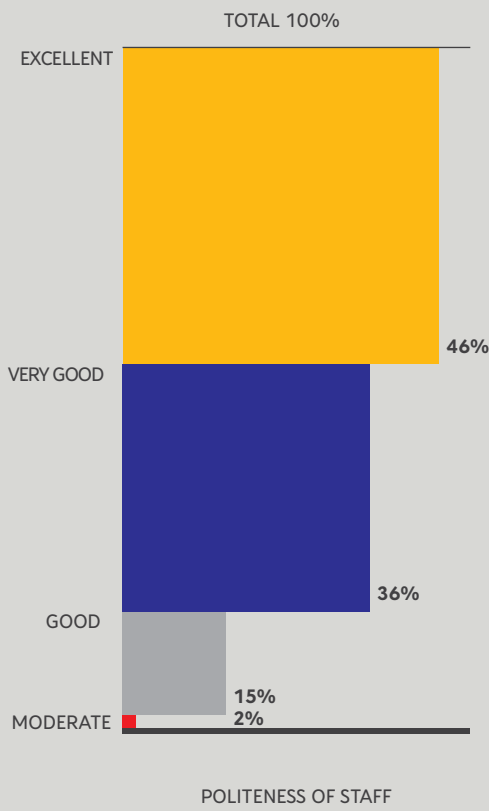
DEGREE OF PREFERENCE OF PIRAEUS BANK OVER ANY OTHER BANK



Note: Percentages are rounded to the nearest integer number

ASSESSMENT PER SERVICE CHANNEL

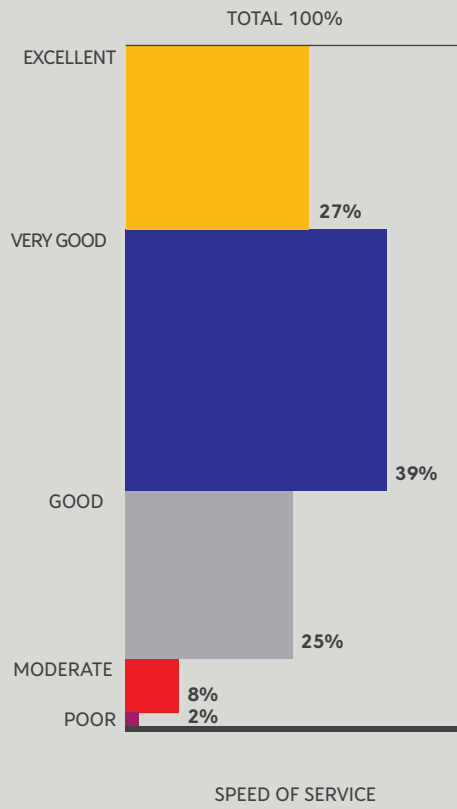
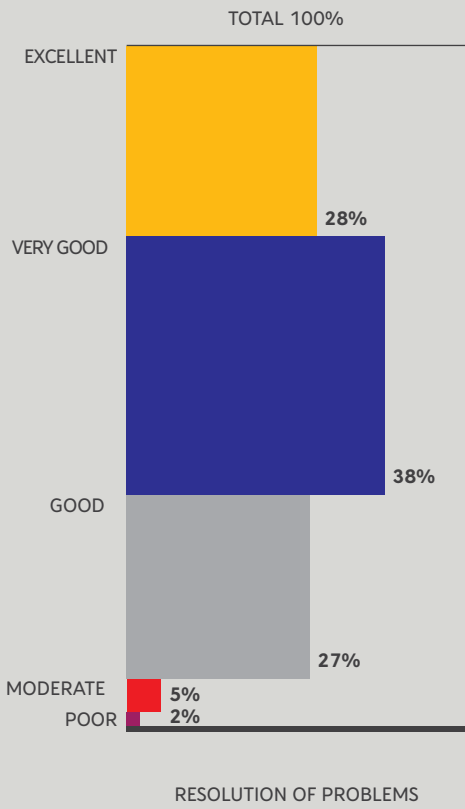
BRANCH



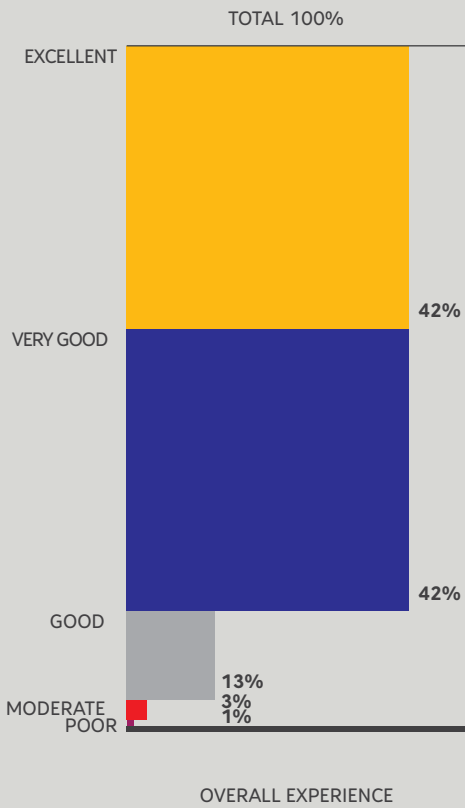
Note: Percentages are rounded to the nearest integer number

ASSESSMENT PER SERVICE CHANNEL

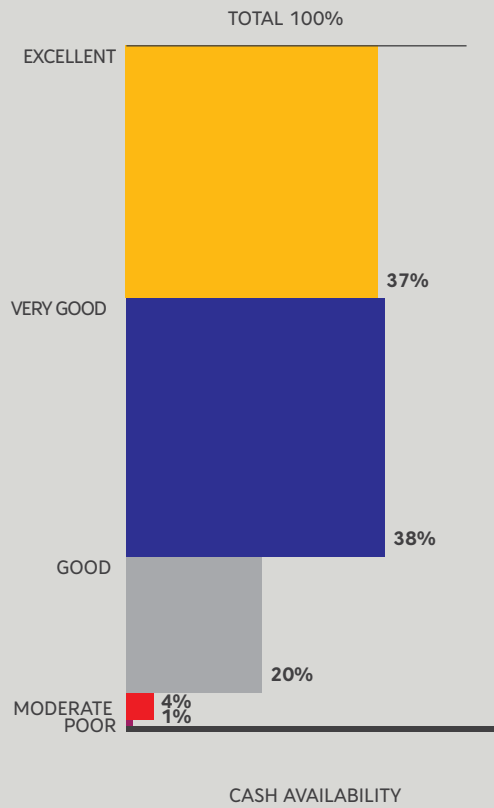
BRANCH



WEB BANKING



ATM



Note: Percentages are rounded to the nearest integer number

At Piraeus Bank, we aim to respond to our customers' requirements with integrity and high standards of service, thus achieving a mutual benefit.

In compliance with the institution of the Banking Ombudsman, the Code of Banking Ethics as well as the Governor's Act 2501 of the Bank of Greece, Piraeus Bank Group has set up a customer service, the Customer Complaint Service (CCS), the main task of which is to investigate and resolve customer issues extra-judicially, while its scope embraces all products and services provided by the Bank.

The Bank places particular emphasis on ensuring satisfaction of its customers' expectations as to high-quality product and service provision.

In this direction, the training of network employees – following the recent mergers and dissemination of uniform practices and methodology in customer information through both the stage of product promotion and their transactions – created a relationship of trust with the customers, thus contributing to effective complaint management.

Enhancement of products and services based on customer complaints also contributed to this end. Constant feedback to the Product and Service Provision units regarding relevant complaints is a permanent amelioration mechanism and is achieved through these units' involvement in the investigation of the complaint and the reply to the Customer.

For more effective management of complaints-applications-questions-recommendations by customers, in 2014, changes were designed and implemented to the Customer Complaint Management e-platform. A mechanism for categorization of cases directly in the CCS's responsibilities and of those cases serviced by the Branch/Unit was developed, so that specific instructions could be attached to the relevant Branch/Unit to handle these cases. These changes enabled CCS's prompt response to complaints' management, improvement of the time required by the relevant Branch/Unit to deal with these while at the same time ensuring transparent and comprehensive reply to the customer.

Moreover, the possibility of key performance indicators (KPI's) adoption at the CCS was examined. Due to the importance of this assessment, an Action Plan has been organized by the Bank for 2015 in order to create the respective e-Platform for KPI's.

All the above resulted in a decrease in the number of complaints in 2014 (39%) versus 2013.

In conclusion, according to the data provided by the Ombudsman for Banking and Investment Services (HOBIS), Piraeus Bank's share of customer cases of their total that were addressed to banking institutions in Greece was recorded at 29%, given the market share held in the Greek market by Piraeus Bank.

DISTRIBUTION OF FILED CUSTOMER CASES / PRODUCT CATEGORY (%)

	2014	2013	CHANGE
Deposits	17.4	13.0	-18
Loans	66.7	68.5	-40
Investment / Structured products	4.1	4.2	-39
Funds Transfers / Payments	3.4	3.4	-39
Other	8.4	10.9	-53
Total	100.0	100.0	-39

ORIGIN OF FILED COMPLAINTS (%)

	2014	2013	CHANGE
Directly by Customer	82.3	89.5	-44
HOBIS	8.4	3.6	46
Consumer's Secretariat	4.5	3.4	-18
Consumer's Ombudsman	3.0	1.3	45
Legal Authorities	0.1	0	50
EKPOIZO - consumer's Union for Quality in Life	0.6	0.1	>100
Other Consumer Protection Organizations	0.4	1.0	-77
Customer Addressed Complaint to Multiple Recipients	0	0.4	-100
Hellenic Ministry of Finance	0	0	-
Hellenic Data Protection Authority	0	0	-
Bank of Greece	0.3	0.2	-6
Other	0.4	0.5	-52
Total	100.0	100.0	-39

Total number 5,114 8,324

Note: including former Geniki Bank data.

SUPPLIER RELATIONSHIP

Piraeus Bank evaluates collaboration proposals and financial offers submitted by potential business partners and suppliers on the basis of specific, objective and measurable criteria, such as the quality to price ratio, reliability, financial viability. There are uniform procedures which apply to all suppliers. Collaboration with all existing suppliers and business partners is regularly evaluated and revised so as to maintain effective collaborations and high-quality services.

In an effort to ensure smooth and transparent supply management, for both products and services to the Group, the "Group Procurement Regulation" has been adopted, which defines relations with existing and potential suppliers. This regulation contains the rules and basic principles on all products and services supplied, and describes the manner in which supply requests of all Group organizational units are handled to cover their operational needs.

It should be noted that the Group Procurement Regulation is governed by the rules and principles as they are described in the section "Outsourcing" of "Piraeus Bank Group Regulatory Compliance Policy", pursuant to Governor's Act 2577/2006 of the Bank of Greece.

This Regulation is uniformly applied to the entire Group (Piraeus Bank and subsidiaries both in Greece and abroad). Its basic goals are:

- The formation of a regulatory framework through which transparent, clear and uniform procurement management procedures take place throughout the Group.
- Transparent and objective evaluation of submitted offers for all procurement tenders for goods or services.

- Definition of quantitative and qualitative specifications for all products and services supplied.
- Mitigation of operational and credit risks which might arise from collaboration with suppliers.
- Timely supply of products and services to the Group's Organizational Units.
- Restraining the cost of supplying products and services, by using e-auctions
- Formation of long-term collaborations with suppliers who are evaluated on a regular basis.
- Establishment of a uniform contractual framework and its enforcement on prospective suppliers and external partners.
- Management of conventional contractual frameworks through specialized applications in order to allow for direct information on the financial data related to the Bank's collaboration with each supplier and to provide timely information on upcoming contract renewals.
- Definition of a cooperation framework between the organizational units involved in the supply management.

In line with its efforts to support local economies and communities and to reduce transportation of goods thus limiting its environmental footprint, the Bank ensures that almost 100% its procurements are made by local suppliers with the exception of furniture, cashier counters and signs, for which the Group has signed a global contract in order to maintain a uniform corporate identity.

A central supplier list is maintained by the Piraeus Bank Group Engineering Project Management & Administration Support unit and is revised annually and approved by the Group's Expenses Committee. Indicatively, in 2014, the Piraeus Bank Group Engineering Project Management & Administration Support unit supplier list reached 3,176 suppliers, of which 2,945 had a budget of under €26,000 (excl.VAT), with the remainder 231 over €26,000. Additionally, regarding the Technology section/sector, it should be noted that on 31.12.2014 active contracts numbered 1,114, of which 261 were formed in 2014. At the same time, the total number of Technology suppliers numbered 511, of which 393 are based in Greece.

Piraeus Bank has been applying "green" criteria to its overall procurement policy since 2005 and collaborates with companies which supply it with recycled chlorine-free paper for its operating needs. In 2014, partnerships with companies were formed to supply paper with strict FSC⁵ environmental standards certification, to be used in printed promotional and communication material, thus increasing demand for this type of FSC⁵ paper in the market. At the same time, conditions are created for suppliers in the market to take environmental criteria as well into account when selecting their products.

⁵ FSC (Forest Stewardship Council), Its mission is to promote environmentally responsible, socially beneficial and economically viable management of the world's forests.



HUMAN RESOURCES

HUMAN RESOURCES

Piraeus Bank Group operates fully acknowledging that human resources constitute a key success factor for any organized activity aimed at achieving Group strategic goals. It perceives human resource management as a complete set of actions and operations undertaken in order to acquire, retain and utilize skilled employees who successfully and productively execute their tasks. Excellent staffing according to business needs and the creation of strong relations with employees are both key points of the Group's philosophy. At the same time, special emphasis is placed on issues of morality, trust, devotion, team spirit and acceptance of diversity in the workplace; these issues ensure equal opportunities in continual employee development as well as non-discriminatory practices in the recruitment process through specific candidate selection systems.

Following the acquisitions of the domestic banking activities of the Bank of Cyprus, Cyprus Popular Bank, Hellenic Bank, the 2013 acquisition of Millennium Bank Greece and the integration of Geniki Bank at the end of 2014, and fully aligned with the Group's strategic goals, a unified policy was applied to allow for smooth and successful transition of employees to the new expanded scheme of the Group.

In 2014, the Bank reaffirmed its commitment towards its employees and ensured job positions, full-employment contracts, support and strengthening of human resources through innovative training, developmental and supportive programmes.

2014 ACTIONS

- Intensification of coordinated actions aimed at the smooth integration of former employees from Hellenic Bank, Cyprus Popular Bank, the Bank of Cyprus, Millennium Bank and Geniki Bank into the Group.
- 98% coverage of vacant positions in the Bank through internal reassignments and promotions.
- Utilization of all employees joined the Piraeus Bank Group, while 32% was placed in senior and top positions.
- Focus on issues of operational integration and common culture of Group employees.
- Conduct of Employee Culture Survey.
- Provision of Employee Support Programmes for all Bank employees and utilization of these by Bank subsidiaries in Cyprus and Serbia.
- Implementation of actions aimed at supporting young generation, with a focus on promotion of youth entrepreneurship, career orientation and cultural awareness.
- Accomplishment of 146 volunteer actions with the participation of 6,742 Group employees in Greece and abroad.
- Achievement of 54 training hours per Group employee on average and 64.5 hours per Bank employee.
- Design and implementation of 7 Schools to provide complete training to executives in specialized positions, as well as 2 Academies.
- Technological and operational upgrading of the central HR management system.
- Creation of a lending library.

2015 KEY TARGETS

- Extension of Employee Support Programmes for the entire Group and focus on , promotion of health and ensuring against psychosocial risk in the workplace.
- Design and implementation of actions towards cultural homogenization based on the results of the Employee Culture Survey.
- Development of business ethics guideline for executives aligned with the Group's Values Model.
- Alignment of the Group's processes, policies and strategic goals with the new corporate value and leadership models.
- Conducting employee satisfaction special surveys.
- Ensuring 48 training hours per employee on average in the Bank.
- Development of high performance executives on the new leadership model through internal Development Centers process.
- Professional coaching to senior and top management.
- Accomplishment of 160 volunteer actions with the participation of 8,000 Group employees.
- Training of all Group employees in Volunteerism and Corporate Responsibility with e-learning.
- Systematic implementation of actions in support of the young generation and youth entrepreneurship.
- Upgrading of the HR Portal.

COMMITMENT TO SAFEGUARDING HUMAN RIGHTS

Piraeus Bank has adopted the principles of the UN Global Compact for the protection of human rights, applies equal opportunity principles to all its actions and is opposed to any form of discrimination, inequality and all forms of harassment in the workplace.

All employees have access to the Group's fully-defined Human Rights Policy on intranet and the HR Portal.

All the Group's policies, procedures and human resource management practices are governed by respect of human rights, ensuring equal opportunities and a work environment that accepts and incorporates diversity.

In 2014, there were eight incidents of human rights violation, which were dealt with in accordance with the aforementioned established procedures for complaint management.

Dissemination of the Policy is achieved through systematic training of the Group's human resources in Greece and abroad and has a twofold aim: to inform and sensitize. This is achieved by ensuring that all employees, on entering the Organization, have access to the specially-designed e-learning training unit which analyses the operating framework and the human rights protection systems ensuring human rights within the Group.

In 2014, in the framework of the actions towards integrates Group culture, the redesign of the relevant e-learning was completed. The new content places emphasis on the concepts of harassment and intimidation, while it constitutes an incident management manual through structured Group procedures. The redesigned e-learning will be available to the Group's employees in Greece in 2015. Additionally, it has been translated so as to be distributed to the Group's subsidiaries abroad.

At the same time, ensuring equal opportunities, the Group proceeded with systematic sensitization and information provision on the relevant issues by organizing of targeted events throughout the year. More specifically, at these events, which had the support and active participation of top management, views were expressed with regard to promotion of the qualities that women bring to the workplace as well as the issues of harassment and intimidation and cyberbullying.

Sensitization of Units to employees with chronic diseases in the workplace was another significant issue this year. The Group aims to provide a support framework to employees facing serious health issues (themselves or family members) while also instructing Units on their smooth integration in the workplace.

In 2014, the Bank supported working mothers in their new role with 99% of new mothers who requested it, utilized their cumulative leave after their maternity leave; 48% took up to 3 months of cumulative leave, 14% took 6 months and 38% took more than 6 months.

In conclusion, with the aim of actively contributing to protection of the principles of human rights, specific evaluation criteria have been designed for its partners and suppliers.

For further information regarding the commitment to safeguarding human rights, please refer to: www.piraeusbankgroup.com>Corporate Responsibility?>Human Resources>Commitment to Safeguarding Human Rights

NUMBER OF PEOPLE WORKING AT PIRAEUS GROUP

At the end of 2014, with the incorporation of employees from Geniki Bank, distribution of employees was :

EMPLOYEE NUMBERS				
	MEN	2014 WOMEN	TOTAL	2013 TOTAL
Piraeus Bank SA	6,147	8,130	14,277	14,084
Piraeus Group Greece (Bank & Subsidiaries)	6,717	8,822	15,539	16,558
Subsidiaries abroad	2,309	3,396	5,705	5,952
Piraeus Bank Group	9,026	12,218	21,244	22,510

Note: including former Geniki Bank data.

The average age of the Group's employees is 39 years; 80% of employees is 45 years old or younger.

The age distribution of human resources of the Group facilitates the introduction and application of changes to the technological infrastructure, the methods and target-setting. The percentage of employees with a university degree and/or postgraduate titles is 70% in Greece and 79% in the subsidiaries abroad.

Additionally, the Group employed people through third-party companies with payment through services-rendered invoice and seasonal employees, mainly in April-October 2014:

TOTAL OF PIRAEUS GROUP'S EXTERNAL PARTNERS					
	MEN		2014 WOMEN		TOTAL
	#	%	#	%	#
Third-party companies	329	50	326	50	655
Services-rendered invoice	76	51	72	49	148
Seasonal Employees (April- October)	110	57	84	43	194

For further information regarding the Group's organizational chart and detailed presentation of the unit operations please refer to: www.piraeusbankgroup.com > Investor Relations > Corporate Governance > Organizational Structure

DISTRIBUTION PER EMPLOYMENT TYPE AND CONTRACT

100% of Piraeus Bank employees receive as a minimum the compensation and benefits agreed to in the employment contracts that resulted from collective bargaining while at Group level, this percentage is 77%.

CONTRACTS		MEN	WOMEN	PERCENTAGE
Bank	Full Time	6,147	8,131	100.0%
	Part Time	0	0	0
	Indefinite Time	6,124	8,118	99.7%
	Definite Time	23	13	0.3%
Group	Full Time	9,013	12,189	99.8%
	Part Time	14	28	0.2%
	Indefinite Time	8,699	11,923	97.1%
	Definite Time	328	294	2.9%

PROMOTING EQUAL OPPORTUNITIES FOR CAREER DEVELOPMENT

Piraeus Bank Group makes great effort to cover internally any hiring needs, giving priority to the existing human resources. Most business needs are covered by internal reallocations.

In 2014, absorption of Geniki Bank was completed (1,096 employees). The smooth integration of the employees from Geniki Bank, as well as the 6,248 employees from the acquisition of the activities of the Cypriot banks in Greece and of Millennium Bank in 2013 continues to constitute a particularly important task for the Group's HR.

The coverage of the Group's operational needs is ensured mostly by internal redeployment.

2014 was a milestone year for the course, quality and size of the Group as well as for its position in the banking sector, due to the size of the absorptions made. With transparency and merit as the focal point and with a strong sense of responsibility, the Group's operational needs were covered by placing people in positions which correspond to their experience. Of the total Cypriot and Millennium bank ,employees integrated into the new organizational chart, 32.4% were placed in senior and top management positions while in the branch network, 36.6% of positions of responsibility were covered by the absorbed banks.

The Bank's equal opportunities policy and its clear orientation towards the effective development of its people, enabled new managers to develop and get promoted, covering positions that arose mainly from the Voluntary Exit Scheme (Sabbatical Plus), in 2014 as well.

	MEN		WOMEN		TOTAL
	#	%	#	%	#
Piraeus Bank Promotions	494	51	475	49	969
Subsidiaries abroad Promotions	115	52	106	48	221

For further information regarding equal opportunities for career development, please refer to www.piraeusbankgroup.com > Corporate Responsibility/Corporate Responsibility > Human Resources > Promoting equal opportunities for career development

SELECTING THE RIGHT PEOPLE FOR THE RIGHT ROLES

The Group ensures that the staffing needs that arise are covered mainly by active employees. Most of the corporate staffing needs are covered through internal reallocation.

The Group places special emphasis on respect for human value, ethos and integrity. This is reflected in philosophy, management practices and the HR selection and recruitment process.

For the purpose of candidate selection and evaluation, the Group uses a set of standard tools, which vary according to the candidate's level of education and experience and which ensure a transparent and objective recruitment procedure. The tools include job simulation exercises, competency tests, occupational personality questionnaires and a structured interview.

This active policy has contributed to optimal utilization of the existing human resources based on their skills and knowledge. More specifically, in 2014, the need arose to cover 6,743 positions at Bank level. 98% of those positions were covered by internal transfers and promotions, and only 2% of positions (144 positions) were covered by external hirings due to the need for completely specialized roles – of these, 65% were men and 35% women.

Piraeus Bank places particular emphasis on the locality of candidates in order to enhance local communities in which the Bank operates.

Locality is one of the key criteria for the Bank where new hirings are concerned. By placing particular emphasis on local candidates, the Group achieves: strengthening of the local communities where it operates as well as better understanding of the local needs, leading to achievement of business goals. 99% of the Branch Managers in the Greek region meet the criterion of locality.

Employee development is an intrinsic part of the Group's culture. Consequently, there is continuous enhancement of a working environment which provides equal opportunities irrespective of gender, age, religion, nationality or physical ability. In the framework of open communication and compliance to selection and staffing procedures, the following are applied:

- Open communication of vacancies and fully transparent selection processes.
- Development and career incentives to all employees in combination with each individual's prospects for development.
- Assessment & Development Centers for middle and senior management roles.

Moreover, expatriation is encouraged, with the secondment of employees to Group subsidiaries abroad for optimal coverage of staffing needs with experienced and able executives. At year-end 2014, at Group level there were 28 international assignments active in 6 countries, of which 1 was a new assignment that commenced during the year. The average duration of an international assignment is 4.1 years. Of these assignments, 7 were Piraeus Bank Cyprus employees with the remainder Piraeus Bank Greece employees.

The Group seeks to cover specialized executive needs by means of International assignments, wherever the Group has presence, while at the same time providing opportunities for development of people with high potential and competitiveness in the market.

More specifically, with expatriates, the following are targeted:

- Coverage of positions in countries with Group presence, where the local market does not provide employees with the required knowledge or experience.
- Transfer of technical and professional know-how, experience and best practices.
- Development of the local employees of international subsidiaries as well as preparing them for succession to the positions.
- Promotion of common Group culture, policy and procedures in countries of Group presence.
- Acquisition of significant experience by employees and enhancement of their management skills in complex situations in a foreign environment, to be transferred later to the Group as value-added expertise - with their repatriation or through a new assignment to another international subsidiary.

www.piraeusbankgroup.com>Human Resources>Human Resource Management

EMPLOYEE TURNOVER

Driven by a deep sense of responsibility and with the key target being the preservation of jobs as well as ensuring the Group's and the human resource's long-term prosperity, in 2014 Piraeus Bank Group gave employees the opportunity to participate in two different Voluntary Exit Schemes.

More specifically, the Voluntary Exit Scheme which had been implemented in 2013 was reactivated in 2014 (with the same terms and conditions), due to legislative changes in the social security and pension rights of certain employee categories. Consequently, 151 Bank employees chose to participate in the Scheme (87 men and 64 women), of whom 63% from Branch Network and 37% from Central Units.

Moreover, in 2014 a new Voluntary Exit Scheme - "Sabbatical Plus" - was introduced to Group employees in Greece, giving the opportunity for immediate exit or long-term leave of absence with remuneration for 2 to 5 years with exit at the end of that period. 978 employees participated in the Scheme.

More specifically, 802 Bank employees participated in the Scheme, almost equally divided between Branch Network and Central Units (48% and 52% respectively). Participants from all other subsidiaries numbered 176 employees.

Additionally, all participants to the Scheme and their families were given the opportunity to utilize the Employee Assistance Programmes (EAP) advisory services, as well as the medical care programmes for two more years after their exit.

As far as voluntary turnover rate is concerned, Piraeus Bank Group recorded a 2% rate in 2014 (excluding the Voluntary Exit Schemes participants). At Bank level, the voluntary turnover rate amounted to less than 1% (62% men and 38% women).

HUMAN RESOURCES COMMUNICATION PHILOSOPHY

Piraeus Bank Group recognizes the vital importance of internal communication, as it promotes open, two-way communication between Management and employees, it creates a sense of security, dignity and collaboration, it reduces any possible tensions and achieves greater and more effective dissemination of knowledge and information - useful

for developing new products and services – to all levels. Moreover, Internal Communication contributes to the shaping of a uniform corporate culture with the Group’s Vision, Mission and Principles guiding it.

As a result of the large scale of absorptions that occurred and the need for timely and accurate information dissemination, the new HR Portal was introduced in 2014 to allow for rapid integration of new employees as well as their motivation and empowerment.

At the same time, the organization’s Intranet is utilized by employees to inform themselves about all operational and business issues as well as brief news. In 2014, Geniki Bank’s website was integrated into Intranet.

www.piraeusbankgroup.com>Human Resources>Human Resource Management>Open Communication

COMPOSING OUR FUTURE

Piraeus Bank Group invests in human resource homogenization to create a common culture and shared values.

Following the successful incorporation of the 6 banks, Piraeus Bank Group has been investing in homogenization of human resources in terms of common culture and values. It has been developing an environment with uniform mechanisms, processes and practices, thus developing employees and skills which encourage, manage and incorporate – yet challenge – change. It is in this direction and with the motto “Composing our future” that HR and the Group Organizational Training unit introduced a broad range of coordinated and targeted actions in early 2014:

“COMPOSING OUR FUTURE” WORKSHOPS

The “Composing our future” Workshops were designed and implemented with the aim of promoting the organization’s new, common values (such as a common workplace profile and work standards, commitment to customers, partners and society); 187 Branch Network and Central Unit employees participated on a voluntary basis – corresponding to 1,496 training man-hours.

EMPLOYEE CULTURE SURVEY

The standard employee satisfaction survey was replaced by culture survey, which was designed and implemented in collaboration with a global external consulting company. In early 2014, all Group employees in Greece had the opportunity to participate in a culture survey entitled: “Composing our future” and express their opinion, thus actively contributing to the framing of a corporate environment that promotes creativity, initiative, collaboration and respect, with a focus on common goals.

Having ensured anonymity and confidentiality for the responses, the percentage of employees amounted to 78% for the Group and 80% for the Bank. The survey indicated a high rate of employee alignment with strategic goals (68%) and the Group’s customer-centered philosophy and homogeneity, regardless of bank origin employment.

The results of the Survey constitute the starting point for implementation of a series of new actions that will strengthen the Group's Vision and the adoption of a uniform corporate culture.

LEADERSHIP TEAM ALIGNMENT

To allow for alignment of the Bank's Branch Network managers and for promotion of its new values-based leadership model, the 17-hour workshop "Leadership Team Alignment" was designed and implemented in collaboration with specialized external consultants, with the participation of senior and top Branch Network Management (36 employees).

DESIGN OF THE NEW VALUES AND LEADERSHIP MODEL

The results of actions such as the Employee Culture Survey, focus groups and the workshops of employee alignment and value prioritization laid the foundations for the shaping of a new values and leadership model which meets the need for a new corporate identity and aims towards transformation of the Group's culture.

In this framework, the new reality was redefined and the new strengths that will continue to successfully guide the Group and its people in the future were shaped: Our Values, Our Leadership Model, Our Operating Principles.

The Group's culture is the link with the employees, guides their perception, actions and feelings, thus adding value to the Group's name and reputation and gaining the trust of its customers and people.

2015 will be the starting point of application of the new model and of its alignment with the processes, policies and strategic goals of the human resources, thus making the value system a daily source of inspiration and action.

HR PORTAL

In 2014, the Group HR introduced the new business portal for Group employees aiming at direct, customer-centered information provision on human resource issues, strengthening of two-way communication and shaping a uniform culture.

With the HR Portal, Group employees are informed daily and receive feedback to issues such as structures, processes, training, development and benefits while receiving guidance from specialized scientific consultants on issues related to their concerns.

From mid-July 2014- when the portal was introduced- to year-end, it received on average 13,952 visits by employees per month. For 2015, the development and incorporation of new functions and communication tools is planned.

INVESTING IN PEOPLE'S DEVELOPMENT

Piraeus Bank Group consistently invests in the development and improvement of its employees' competencies and skills, creating a learning and development environment, aiming to bring out the full potential of its people.

The Group continued to invest in the training of employees and also in raising their awareness on issues related to fraud and corruption, with 13,995 receiving relative training.

The performance appraisal process ensures continuous communication and guidance of employees by their managers and creates the framework for recognizing individual contribution. Similarly, employees are given the opportunity to make self-assessment and prior to finalization of the procedure review their evaluation and openly express their views.

The performance appraisal process is directly linked to the Group's business culture and values; in times of great organizational changes, as the present ones, appraisal procedure is approached with particular prudence, flexibility and sensitiveness.

In this framework, in 2014, no performance appraisals were undertaken for Bank's and subsidiaries' employees in Greece, to allow new employees adjust to the new work environment, integrate into their work group, build relationships of trust, be informed about their unit's policies, processes and targets and gain in-depth knowledge of the scope of their work.

Moreover, training of new employees has commenced, through the e-learning programmes "Management Performance" in order for them to become familiar with the appraisal philosophy, criteria and process and to effectively apply it.

For 2013, performance appraisals were applied only to employees of subsidiaries abroad. Specifically, 3,929 (85%) employees received appraisals of a total 4,601.

In full alignment with its strategy, in 2014 the Group designed and implemented high-added value training actions in the direction of:

- Ensuring smooth operational integration, by means of new IT systems and uniform procedures and products.
- Enhancement of alignment of the employee value and behavior systems promoting a new, uniform culture by means of integrated Schools and Academies.
- Conformity with the existing legal and regulatory framework and the Group's systematic coverage against any possible risks (operational, credit, market).
- Training of employees of new Units that were formed during the Bank's institutional and structural changes period.

HR TRAINING

PIRAEUS BANK	SENIOR & TOP MANAGEMENT		
	TOTAL	MEN	WOMEN
People	345	246	99
Training Man-hours	10,996	7,450	3,546
Average Man-hours	32	30	36

PIRAEUS BANK	MIDDLE MANAGEMENT		
	TOTAL	MEN	WOMEN
People	4,047	1,979	2,068
Training Man-hours	289,929	140,721	149,209
Average Man-hours	72	71	72

PIRAEUS BANK	OTHER EMPLOYEES		
	TOTAL	MEN	WOMEN
People	9,886	3,922	5,964
Training Man-hours	620,763	247,556	373,207
Average Man-hours	63	63	63

GROUP SUBSIDIARY COMPANIES	SENIOR & TOP MANAGEMENT		
	TOTAL	MEN	WOMEN
People	305	199	106
Training Man-hours	10.434	4.908	5.526
Average Man-hours	34	25	52

GROUP SUBSIDIARY COMPANIES	MIDDLE MANAGEMENT & PROFESSIONALS		
	TOTAL	MEN	WOMEN
People	841	403	438
Training Man-hours	35.484	14.347	21.137
Average Man-hours	42	36	48

GROUP SUBSIDIARY COMPANIES	OTHER EMPLOYEES		
	TOTAL	MEN	WOMEN
People	5.821	2.282	3.539
Training Man-hours	174.807	53.966	120.841
Average Man-hours	30	24	34

In total, 1,142,412 training man-hours were recorded in Piraeus Bank Group in 2014 (of which 159,097 in subsidiaries abroad) while 3,071 training courses (in-house and external) were organized or attended. More specifically, at Group level, 54 training man-hours per person on average were recorded (distributed: 52 for men and 55 for women) with the number of Group employees to have attended at least one training course

reaching 93%. The respective figures for Piraeus Bank were 921,687 training man-hours, amounting to 64.5% on average per person (equally distributed between men and women) with 97% of employees having participated in at least one training course during the year.

59% of training man-hours at Group level were addressed to women and 41% to men. Distribution according to the Group's internal hierarchy was as follows: 70% of training man-hours were addressed to employees, 28% to middle and higher management (Branch Managers, Managers) and 2% to top management (Senior Managers, Managers and Heads of Central Units, Assistant General Managers and higher levels).

In the framework of integrating the banking systems of Piraeus Bank, 507 people from the branch network received training in specially designed programmes, related to their position. At the same time, special e-learnings were designed and attended by 398 employees.

Particular emphasis was placed by the Group to issues of Regulatory Compliance and combating fraud and corruption. Via Piraeus Bank Group Regulatory Compliance Policy, which is posted on the Bank's internal communication channel (Intranet), and by continuous training of its employees, the Group seeks to define, determine and prevent the risk of legal and supervisory sanctions, financial losses, damage to Group's reputation, all of which may be incurred by the Group and/or its stakeholders as a result of non- or partial compliance to laws, supervisory authorities' decisions, self-regulatory rules and the code of ethics.

At Group level, 193,767 training man-hours were recorded in regulatory compliance and combating fraud and corruption. Participations reached 29,045; with regard to distribution according to the Group's internal hierarchy, 306 senior and top executives, 3,593 middle-level executives and 10,103 other employees received training.

Respectively, at Bank level, participations reached 21,781, distributed hierarchically as follows: 72 senior and top executives, 2,905 middle-level executives and 6,688 other employees.

In 2014, seven (7) Schools and two (2) Academies were designed and implemented, as particular emphasis was placed on integrated and structured development of employees with specialized roles and on cultivating a uniform culture within the Bank.

The chart below includes concise information about the Schools that were implemented in 2014:

SCHOOL	PARTICIPANTS	MAN-HOURS
Personal Banking	305	19,931
Restructuring	223	4,400
Business Credit	50	844
Business Consultants	124	4,960
Business Centers	104	12,736
Branch Employees	315	17,656
Small Businesses and Professionals Partner	259	14,196

In 2014, 656 employees of Piraeus Bank were certified in providing insurance advice and 178 employees were certified in financial investment services; 873 already certified employees renewed their certification for the next seven years.

In addition, the Bank, steadily oriented towards employee development and Group's

business continuity, implemented a series of training activities aimed at developing and further enhancing managerial and leadership skills.

Specifically in 2014:

- Management Academy was successfully continued for one more year. 157 middle and senior manager attended its courses, from whom 56 graduated in 2014, while the rest will continue attending it in 2015.
- Continuation of the 3-month programmes “School of Management” addressed to middle-level managers of Central Units, aimed at improving the participants’ ability to fulfill their role as heads of units. In 2014, 9 sessions of the programmes were completed, corresponding to a total of 3,992 classroom training man-hours and 169 participants.
- The “Branch Executive School” - a new, modular programme aimed at training and developing Branch Network Managers - was designed and implemented. One of its discrete sections is targeted at enhancing the participants’ leadership and managerial skills and at shaping a uniform culture in the branches’ operation and change management. In 2014, the section “HR and Change Management” was attended by 149 employees, amounting to 2,792 training man-hours.

Aiming towards the creation of a uniform internal Coaching model, an “Internal Coaching Masters of Piraeus Bank” workshop was implemented. With 6-week duration – including 24 classroom training hours. With completion of the programme, 11 Group HR professionals received certification as executive coaches.

E-learning proved to be once again a major foothold for training work. There was optimal use of the Group’s two e-platforms – one for the needs of the Bank’s employees and the other exclusively for the needs of subsidiary companies.

At Group level, 776,680 training man-hours were recorded in e-learning, with the Bank level at 693,493. It should be noted that a high percentage of participation in e-learning courses is recorded in the framework of integrated modular courses, implemented with the use of classroom, e-learning courses or other learning means. In international subsidiaries, 77,946 man-hours of e-learning or distance learning were recorded.

Aimed towards enhancing the Bank’s junior managers’ personal development and managerial skills, 1,545 e-learning programmes were held for professional from Branch Network and Central Units, with or without team management responsibilities, amounting to 7,795 training man-hours.

Moreover, 306 Group executives were assigned to the “Stepping up to Management” e-learning programme, out of which 116 from the Bank and 190 from international subsidiaries; while 213 Group executives – out of which 64 from the Bank and 149 from international subsidiaries - were assigned to the “Harvard Manage Mentor” programme, which both are certified by the prominent Harvard Business School Publishing.

In conclusion, 380 individual training and development plans were designed and executed for professional working in the Bank and 1,322 for the Group in total.

LENDING LIBRARY

In September 2014 the lending library institution was inaugurated. The aim is to provide an additional source of learning and lifelong education to all Piraeus Bank Group employees, to strengthen their theoretical training and to further develop personal aspects and professional skills.

The library provides access to selected titles of the international literature related to basic banking notions, business administration, human resources and personal development.

The library's collection is constantly enriched by purchases and donations. In particular, during the first four months of its function, more than 100 books were lent.

TALENT MANAGEMENT AND RETENTION

Recognizing that one of the key factors of success is its people, via a variety of actions, Piraeus Bank Group ensures the constant development and the best possible use of its employees' skills and abilities to allow for their optimal contribution.

The talent retention strategy has two targets: retention of high potential employees and practices that further enhance and manage the talents' dynamic characteristics so as to be mutually beneficial – for them and the Group. With this in mind, a culture of business excellence and high-standard performance is promoted. The ability to develop and utilize high-potential employees assists in the preparation of the succession plans and the Bank's organizational readiness to respond to changes.

HR MANAGEMENT SYSTEMS

The integrated human resources management system (HRMS) remains the core platform for managing information regarding human resources and for automation of the relevant procedures. In 2014, emphasis was placed on upgrading the system with the latest edition of the platform, thus offering new possibilities of self-service and automation as well as more powerful tools for administrative information provision to the Organization's Management.

The aim for 2015 is to further utilize the possibilities of the new version and enrich the system with upgraded functions that will contribute to increased productivity, speedier decision-making and cultural uniformity within the Organization.

PROVIDING A MODERN AND SAFE WORKING ENVIRONMENT

Piraeus Bank complies with the legislative regulations regarding employees' health and safety. Fully respecting its legal obligations, and showing particular sensitivity to employees' physical and mental health, the Bank takes care to provide a modern, healthy and safe workplace. During 2014, there were no accidents or injuries at Piraeus Bank.

Aiming to reduce the psychosocial risk and its effects in the workplace, the Group has created an integrated system of prevention, evaluation and management of it by implementing specific tools, programmes and services.

Additionally, measurement, evaluation and effective management of absenteeism in the workplace is achieved through a specially designed survey.

www.piraeusbankgroup.com>Human Resources>Human Resource Management>Work Environment

REWARDING HUMAN RESOURCES

Promoting effectiveness and efficiency, employees' high performance is recognized and rewarded. For this reason, bonus systems have been designed to reward both individual and team effort. Short or long term special reward schemes are applied, structured to enhance individual and team effort. Besides efficiency, the following aspects are rewarded:

- Innovation
- Ethics and integrity,
- Social responsibility and
- Excellent professional presence.

www.piraeusbankgroup.com>Human Resources Human>Resource Management>Remuneration & Benefits

SOCIAL POLICY

Piraeus Group aims to offer its employees the compensation and benefits that ensure a satisfactory standard of living and motivate productivity. Total payroll expenses of the Group reached €772 million, on 31 December, 2014, allocated as follows:

STAFF COMPENSATIONS (€ mn.)

	01.01-31.12.2014
Staff Compensations	531
Social Insurance Contributions	133
Other Expenses*	28
Voluntary Exit Scheme Expenses	65
Retirement Benefits Expenses	15
Total	772

*Other expenses include the cost of: medical care, employee death insurance and/or permanent disability coverage (Group Insurance Scheme), preventive check-up for all employees, nursery schools and employer contributions other than social security funds.

www.piraeusbankgroup.com>Human Resources>Human Resource Management>Remuneration & Benefits

In the consolidated new Group, insurance programmes were activated in order to embrace all employees,; these include life insurance plan, permanent disability and health care programmes, as well as children assistance programmes. Furthermore, most of the staff loan-products have been already integrated, while the homogenization of the remainder is in the process.

New mortgage loans worth €1,354,023 were granted to Bank employees in 2014 (loans subject to the terms and conditions of the Sectoral Collective Labor Agreement '84), while employee outstanding loan balances amounted to €246,894,268 at the end of 2014.

In addition, in 2014 for the second consecutive year, the Piraeus Bank Group children's summer camp was organized, hosting 352 employee children (166% increase versus 2013) for two full camp seasons of 15-day duration each, providing a complete programme of entertainment, sports, cultural and environmental activities.

COLLECTIVE REPRESENTATION

Almost all Piraeus Bank employees are represented by six unions, of which the one with the most representatives is recognised as the competent body for bargaining with Management. Seeking to empower the dialogue with employees and their collective representation bodies, in order to establish an even better working environment, the Bank not only fully complies with the respective legislation framework and the individual and business contracts, but also organizes a work meeting among top management executives and Union representatives at least once a month. During these meetings, among other topics, parties exchange information and opinions on the Group's activities- including important operational changes.

www.piraeusbankgroup.com

EMPLOYEE ASSISTANCE PROGRAMMES-EAP's

With an unwavering commitment to homogenization of employee benefits, all Bank employees and members of their families had the opportunity to take advantage of the internationally-certified Employee Assistance Programmes (EAP's). With the gradual integration of Genikis Bank employees, all the above support programmes and services were also made available to both employees and their families.

Employee Assistance Programmes (EAPs) focus on the prevention and guidance for effectively facing challenges of all aspects of employee's lives thus ensuring worklife balance, health and wellness.

More specifically, in collaboration with the external EAP provider the following were provided: a 24/7 Helpline, face to face counselling, critical incident stress management (regarding robberies, serious health issues). These services focus on prevention as well as guidance for more effective management of challenges in all aspects of their lives. In order to strengthen the new employees' familiarization with the EAP Services, particular emphasis was given to sensitizing and informing them through focused briefings. These contributed decisively to the use of the services, thus reflecting the increasing needs and the trust employees placed on Employee Assistance Programmes; this is confirmed by the 100% satisfaction rate of the Programmes' beneficiaries.

The services are designed and developed gradually, according to the needs and challenges that arise in the Organization. At the same time, systematic qualitative and quantitative feedback is given from the external provider and from the internal channels in order to provide targeted response to needs and implement the respective actions and services.

In 2014, the role of EAP's was particularly important as it held a key role in management of workplace, family and personal issues of employees and their families.

In 2014 as well, EAP's were provided to Group subsidiary companies in Cyprus and Serbia, while the 24/7 Helpline and face to face counselling were offered to employees in the Group's subsidiary in Greece.

In the same framework, the support for expatriate Group executives was continued, with the aim of ensuring their smooth transition and that of their families to a new culture and work environment as well as continuously strengthening them in the new challenges they are facing. These support services include, among others, a 24/7 Helpline and face to face counselling for guidance on issues concerning their work and personal life.

Giving emphasis on promoting health and wellness in the workplace, the relevant training and awareness sessions continued to be provided systematically, aiming to reduce operational risk associated with the human factor.

Moreover, employee information was provided via the internal website (intranet), the HR Portal and specific thematic brochures, with issues that address the needs of employees and their families.

In the framework of the Employee Assistance Programmes and placing particular emphasis on the need for offering guidance to teenagers and their parents on the key issue of career orientation, in 2014, 100 high school students were given the opportunity to take a specialised career orientation test and receive individual counselling based on their test results.

www.piraeusbankgroup.com>Human Resources>Human Resource Management>Employee Assistance Programmes

SUPPORT OF THE YOUNG GENERATION AND ENHANCEMENT OF YOUTH ENTREPRENEURSHIP

With the volunteer participation of executives in these programmes, the Group aims to assist young people (students and school graduates) to comprehend the meaning of entrepreneurship, lead them towards of business, housing and consumer credit best practices. At the same time, they are informed about the role of economies, the role of businesses in the global economy as well as the value of competitiveness and innovation.

Recognizing how important the Group's contribution to guidance of young people can be in familiarizing them with the financial environment and developing their business perception while promoting volunteerism, 33 actions were performed at 33 different schools in Greece, in collaboration with the Junior Achievement Greece organization and the Association for Youth Entrepreneurship (SEN). 33 Bank executives and 814 junior and senior high school students participated.

At the same time, youth entrepreneurship is enhanced and the future leaders of Greece and local societies are supported, in collaboration with the Future Leaders Association. More specifically, in 2014, three Bank executives provided guidance, as advisors, to three groups of university students in the design and implementation of NGO projects in various parts of Greece.

Moreover, seeking to boost entrepreneurship and disseminate the Group's best practices, Piraeus Bank's executives are encouraged to participate in conferences and seminars organized domestically or abroad. In 2014, 72 Bank executives participated as speakers at

conferences and scientific meetings, providing expertise and best market practices, thus supporting the business and academic community.

Finally, in the framework of constantly promoting Greek cultural identity, the Piraeus Bank Group Cultural Foundation (PIOP) organizes educational-experiential programmes for employees' children, whose aim is to familiarize primary and secondary school children with the various aspects of technological culture.



SOCIETY, CULTURE AND THE ENVIRONMENT

SOCIETY, CULTURE AND THE ENVIRONMENT

Piraeus Bank has incorporated, on a volunteer basis and driven by solidarity, social and environmental actions into its business activities and its contact with other stakeholders. It is continuously adapting the financial, social and environmental impact of its operation to a balanced approach of economic development, sustainability and social cohesion. In this framework, every year it sponsors and supports various programmes aimed at assisting disadvantaged social groups and protecting the natural environment. Moreover, the Bank has made remarkable contribution to preserving and promoting the cultural heritage of Greece through the Piraeus Bank Group Cultural Foundation (PIOP).

Corporate Social Responsibility remains a strategic investment for Piraeus Bank, through which it contributes to development of the economy and society in every possible way.

The Bank's contributions to actions, programmes and initiatives regarding social, cultural and environmental work in 2014 accounted for 0,9% of the Group's full year recurring operational expenses versus 0,6% for 2013.

CORPORATE RESPONSIBILITY COMMITTEE

Piraeus Bank Group invests in Corporate Responsibility in order to substantially contribute to the promotion of sustainable development through actions that support initiatives concerning society and the environment. In this framework, in 2007 the Corporate Responsibility Committee was established, chaired by Mrs Sofia Staikou, Chairman of the Piraeus Bank Group Cultural Foundation.

Members of the Committee are two Senior General Managers and two General Managers of the Bank in charge of the Group Financial Management, Retail Banking and Green Banking, the Legal Advisor of the Group, the Scientific Advisor of PIOP and the Head of the Environment Unit.

The aim of the Committee is:

- To define, assess and monitor the implementation of the Group's principles and strategy on Corporate Responsibility.

- To set the targets, coordinate and evaluate the actions and programmes that promote sustainability and are related to the pillars of Corporate Responsibility.
- To promote the participation in programmes, partnerships, initiatives and financial instruments that enhance the Group's Corporate Responsibility.

In 2014, the Corporate Responsibility Committee decided in the renewal of the Group's Corporate Responsibility Strategic Goals as they are defined at the following table. The Committee also commenced the process of establishing the Group's strategy on Volunteerism and Partnership Principles with the Bank's suppliers.

PIRAEUS GROUP CORPORATE RESPONSIBILITY STRATEGIC TARGETS

A	TO STRENGTHEN CORPORATE GOVERNANCE	<ul style="list-style-type: none"> i. To strengthen internal monitoring and compliance structures ii. To strengthen the Group's transparency and accountability iii. To promote extroversion
B	TO ENGAGE HUMAN RESOURCES	<ul style="list-style-type: none"> i. To apply best practices in the workplace to allow for employee skill development ii. To create a common Corporate Responsibility culture iii. To place emphasis on continual environmental/social education and training of employees iv. To promote volunteerism and the notion of contribution to society
C	TO DEVELOP A RELATIONSHIP OF COOPERATION WITH OUR SHAREHOLDERS AND PARTNERS	<ul style="list-style-type: none"> i. To inform shareholders and investors about the Group's strategy and Corporate Responsibility issues ii. To promote synergies and support civil society in order to achieve social and environmental targets iii. To educate/train our customers in relation to their banking transactions and inform them about issues of society, culture and the environment iv. To establish a framework of environmental/ social approaches with our suppliers v. To strengthen society and vulnerable groups in particular
D	TO SUPPORT THE KNOWLEDGE SOCIETY	<ul style="list-style-type: none"> i. To organize entrepreneurship schools/programmes in fields such as agricultural development ii. To collaborate with Greek tertiary education institutions/universities in the framework of student internships iii. To support education agencies iv. To facilitate studies by means of targeted educational scholarships
E	TO PROMOTE THE CULTURAL HERITAGE OF GREECE	<ul style="list-style-type: none"> i. To promote Greece's production history by means of thematic museums, publications and other activities ii. To provide scientific knowledge regarding our cultural heritage iii. To interconnect culture and the environment iv. To protect and promote the Group's Archive material v. To educate and sensitize citizens about our cultural heritage and for a more prosperous future.
F	TO PROTECT THE ENVIRONMENT	<ul style="list-style-type: none"> i. To reduce the environmental footprint of the Group's operation ii. To develop strategies to deal with the Bank's climate risk iii. To participate in the restoration and protection of biodiversity and ecosystems
G	TO PROMOTE GREEN ENTREPRENEURSHIP	<ul style="list-style-type: none"> i. To create products and services that support businesses which contribute to the fight against climate change, loss of biodiversity and have as a main priority the creation and preservation of jobs ii. To support businesses and individuals whose investments are beneficial to society and the environment while ensuring the financial viability of such investments
H	TO SUPPORT THE YOUNG GENERATION	<ul style="list-style-type: none"> i. To enhance youth entrepreneurship ii. To contribute to the efforts towards retaining the young generation in Greece iii. To create special youth training programmes
I	TO PROMOTE INNOVATION	<ul style="list-style-type: none"> i. To invest in innovative digital applications for customer information, banking services, operation of PIOP Museums ii. To support business plans that promote innovation

SOCIAL ACTIONS

In 2014, Piraeus Bank Group continued to strengthen and support the fields of family, education, health and entrepreneurship - by means of employee volunteer actions, direct grants and donations and collaboration with Non-Governmental Organizations (NGO's). At the same time, it provided assistance to groups and individuals facing difficulties on a professional and individual level. More specifically:

Recognizing the action of Non-Governmental Organizations (NGO's), Piraeus Group pursued collaborations with these, it supported their efforts in a multitude of ways and made sure its customers' were informed about the NGO's important work. Indicatively, some of the organizations the Group supports are, among others: UNICEF, the Hellenic Society for Disabled Children (ELEPAP), SOS Children's Villages, BOROUME.

The Group also supported many agencies multifariously. These include: the University of Crete through the Special Account for Research Grants (S.A.R.G.), the National Observatory of Athens, the Foundation for Mediterranean Studies (FM), the Hellenic Foundation for European & Foreign Policy (ELIAMEP). Additionally, donations were made to Further and Higher Education Institutions such as the University of Crete, the University of Ioannina, the University of Patras, the International Hellenic University, the Agricultural University of Athens, the Technological Educational Institute of Crete, the School of Pedagogical and Technological Education (ASPETE) branch at Sapes, the Company for the Development and Management of University of Macedonia Property, the Aristotle University Property Development and Management Company.

In the field of education, Piraeus Bank also contributed to the Annual Scholarship Programme of the American Farm School of Thessaloniki with 5 scholarships, supporting the School's efforts to maintain its educational programmes and offer educational opportunities to low-income students with potential.

In 2014, Piraeus Bank approved continuation of the sponsorship of a savings programme for 76 students in the outlying islands of Arkoi and Leipsoi. It is a social action which was initiated in 2009 by the former Geniki Bank, which pledged to deposit €20 to the savings accounts opened for this particular purpose on a monthly basis until 2022 (when the youngest student comes of age) with the aim of supporting the students in the long-term as well as promoting money-saving. Following Geniki Bank's incorporation into the Group, Piraeus Bank continued to support this action, proving once again its dedication to Corporate Social Responsibility.

In the framework of its broader social work and in response to the crucial demands and needs of public health units, in 2014 Piraeus Bank proceeded with donations and financial assistance, in many cases for the purchase of medical equipment and supplies, to Agia Sofia Children's Hospital, Penteli Children's Hospital, the General Hospital of Nikaia "St. Panteleimon", the General Hospital of Thessaloniki Papageorgiou, the University Hospital of Heraklion (Pa.G.N.I.), the Ophthalmiatreio Athinon (Athens Eye-Clinic), 417 NIMTS Hospital Employees' Union, Agios Dimitrios General Hospital.

Aiming to cover the needs and demands of the local communities where it is active, in 2014 Piraeus Bank proceeded with donations to 25 Municipalities and Regions of Greece as well as support to the beneficial social actions of more than 30 social, sports and cultural clubs and associations.

Moreover, it supported various ecclesiastical organizations in aid of their important social work, such as: the Holy Bishopric of Neapolis and Stavroupolis, the Archdiocese of Thessaloniki, the Archdiocese of Ilia and the Orthodox Academy of Crete. Support of the multifarious work of the NGO “Apostoli” of the Holy Achdiocese of Athens continued in an effort to assist vulnerable social groups.

With the firm conviction that creating an environment of dialogue, dissemination of know-how, information and education will aid in promoting entrepreneurship and strengthening Greek economy, in 2014 financial support was provided to events (conferences, symposia, workshops etc.) business agencies and chambers such as the Federation of Industries of Northern Greece (FING), the Union of Hellenic Chambers of Commerce and Industry, the Chamber of Commerce and Industry of Thessaloniki (TCCI), the Hellenic –African Chamber of Commerce and Development, the Hellenic – Serbian Union of Commerce and Industry (ESEVE), the Journalists’ Union of Athens Daily Newspapers, the Hellenic Management Association (EEDE) Department of Thessaloniki.

Piraeus Bank was the first bank to participate in an environmental action of a government agency.

Fully respecting Greece’s natural heritage, in 2014 Piraeus Bank signed a sponsorship contract for transplantation of mature olive trees from expropriated land, thus participating in an innovative environmental action which was implemented by a government agency-ERGA OSE S.A.- for the first time. Moreover, with promotion of Greece’s natural capital as the goal, the Chios Mastiha Growers Association received funding for plant nursery research for preservation of biodiversity in 22 mastic-producing villages in southern Chios – in the framework of the Programme of Mastic-tree DNA Identification.

For Piraeus Bank, the economy maintains its anthropocentric character and progress entails upgrading of the economic and social reality as a whole. For this reason, the Bank has been an active participant in society for years, undertaking sponsorships in the arts and culture and realizing the vision of inspired creators. In this framework, once more a series of events were sponsored at Megaron, The Athens Concert Hall. Contemporary Musical Theatre was the theme selected for 2014, with 4,756 people having the opportunity to enjoy the works of modernist composers with a subversive attitude and a different perception on stage at the Hall.

Additionally, financial support to non-profit sports clubs and associations all over Greece constitute another significant part of the Group’s contribution to young people and their interests, as sports are not only a social institution of pedagogic and educational character but also a cultural benefit which reflects social actions. In this framework and in collaboration with the Hellenic Football Federation, the Group continues to contribute to the national efforts to enhance sports in Greece, remaining a proud Golden Sponsor of the Greek National Football Team.

VOLUNTEERISM

With the aim of promoting a spirit of volunteerism within the Group, in 2014, 146 volunteer actions – sixty-two (62) in subsidiaries abroad- were realized with a focus on the material needs of vulnerable groups (children of all ages, families), enhancing the skills and abilities of teenagers through youth entrepreneurship support programmes,

promoting and utilization of future leaders and strengthening of local communities; fair play in sportsmanship through our participation in corporate charity spirit games; support of the environment and culture through synergies. In 2014, the total number of Bank employees who participated in volunteer initiatives reached 4,115 in Greece, with 305 in subsidiaries in Greece and 2,322 in subsidiaries abroad, with 7.261 people benefitting from these actions and ten organizations.

www.piraeusbankgroup.com>Corporate Responsibility>Human Resources>Volunteerism

PIRAEUS BANK GROUP SUBSIDIARIES AND SOCIETY

Piraeus Bank Group invests in Corporate Responsibility in its international network as well with actions and initiatives that enhance society.

Cyprus

- Collaboration with Europa Donna Cyprus for a 5th consecutive year on actions to support breast cancer campaigns. In 2014, the campaign was enriched with an online petition thus contributing to the State's approval to open the 1st Breast Center in Cyprus.
- Support of the work of Humanitarian Institutions/Organizations such as "One Dream, one Wish", "Theotokos" Foundation, "Association for People with Mental Handicap", the Cyprus Autistic Association, "Committee for Aid to Children in Cyprus", "Vagoni Agapis", the Cyprus Breastfeeding Association "Gift for Life".
- Support of Red Cross volunteer actions for prevention and relief of human pain and emergency response irrespective of race, gender, age, social standing, religion or political convictions.
- Investment in youth education and entrepreneurship with scholarships for and top academic achievers, as well as sponsorship participation of executives in the "Entrepreneurship in Education" programme.

Bulgaria

- "Blagodetel" (Benefactor) campaign in partnership with UNICEF. Since 2011, the Bank has had special co-branded credit and debit cards, use of which contributes to fundraising which is additionally enhanced by the Bank to support the work of UNICEF for children with particular social needs.
- Donations/ Grants to charity organizations that host children with health issues, without family etc.
- Participation in the annual "Career Day" exhibition, collecting CV's and providing career opportunities to university graduates in Bulgaria.
- Collection of goods to aid flood victims in Bulgaria in the spring of 2014.

Albania

- Blood donation for the 6th consecutive year in partnership with the Albanian Red Cross.
- Campaign to inform and sensitize society on breast cancer.
- Donation of food packages to destitute and elderly people on World Food Day, in partnership with the Albanian Red Cross.
- Organizing of recreational actions and sponsorships in support of children from socially vulnerable groups, such as orphans or children with incurable diseases, in the framework of the "Tirana Bank cares" programme.

- Encouragement of youth entrepreneurship through partnerships with the Junior Achievement organization. Top academic achievers from junior high schools were invited to the Bank's Head Offices for an entire day to familiarize themselves with employment and the benefits of the banking sector.
- Donation of technological equipment to schools and public utilities
- Donation of English language learning programme to the SOS Children's Villages.

Romania

- Participation in Princess Margareta of Romania's charity initiative to collect money and school equipment to give 365 children and youths access to education in 2014 and not stop their education due to financial difficulties.

Serbia

- Spreading of sports ideals and fair play as well as support of charity causes through sponsorships and participation in sports activities.
- Support of education through sponsorship of international competitions as well as monetary awards and employment opportunities to students awarded distinction from the Belgrade Banking Academy and the Mathematical Gymnasium Belgrade.
- Participation in actions to combat child abuse through local events and publication of a book in collaboration with UNICEF and the Serbian Association of Managers.
- Financial support to the Rehabilitation Center for Persons with Disabilities for the installation of special access ramps.
- Fundraising through a special bank account in combination with volunteer actions to support flood victims of Serbia in May 2014.

Ukraine

- Participation in charity events and fundraising initiatives in support of NGO's protecting socially vulnerable groups.

Germany – Frankfurt branch

- Selection of external partners employing people with disabilities.

CULTURAL ACTIONS

FRAMEWORK OF OPERATION AND KEY STATUTORY GOALS

The Cultural Foundation of Piraeus Group (PIOP) is a non profit public benefit foundation which is subsidized for its operation by Piraeus Bank. It carries out the planning and implementation of actions and programmes related to culture while at the same time it enacts an important part of the principles and targets of the Group's commitment to Corporate Social Responsibility.

The Cultural Foundation of Piraeus Group (PIOP) supports the preservation and promotion of Greece's cultural heritage, with an emphasis on traditional and industrial technology, and promotes the link between Culture and the Environment.

PIOP aims towards functional link and equal promotion of culture and the environment through the Museums' action plan in the Greek periphery. Thus, the Foundation, and accordingly the Bank, contribute definitively and effectively to the cultural life of Greece.

The Piraeus Bank Group Cultural Foundation's Primary Statutory Targets:

- To educate society on the need to preserve and safeguard the traditional cultural character of Greece as well as its natural environment and industrial development and to implement standard methods for their implementation.
- To safeguard, record and promote Greece's tangible and intangible cultural heritage and identity.
- To safeguard and record Greek traditional and industrial technology, to record the Piraeus Bank Group's history through safeguarding and organizing its archives and to contribute to research on traditional technology and industrial archaeology.
- To contribute to Greece's cultural and economic development by means of research, promotion and exploitation of its cultural reserve.
- To protect and manage the natural, urban and cultural environment.
- To preserve and highlight landscapes within on the principles of sustainable growth and to promote environmental and social awareness to citizens and agencies.

The Piraeus Bank Group Cultural Foundation's statutory targets are fulfilled through:

- Creation and management of an extensive network of thematic technological museums in the Greek region. These museums do not belong to PIOP or the Bank but to the Local Authorities or the Greek State. In accordance with the planning agreements, the Foundation shoulders the museums' exemplary operation, covering their operational and maintenance costs and managing their collections for 50 years. Following that period, the owners of these museums take on these responsibilities, if they choose to do so.
- Implementation of research programmes and serving the research needs of the scientific community.
- Operation of a historical archive connected to the economic –banking, industrial and agricultural – history of Greece and dissemination of its collections to the general and specialized public audiences.
- Publishing of scientific works.
- Cultural actions.
- Strengthening of rescue actions.
- PIOP's involvement in the public dialogue in order to shape and influence cultural policies.

2014 ACTIONS

The first Environmental Statement of the Foundation was verified, in accordance with the requirements of EMAS Regulation, and was registered in the Greek EMAS Registry (registration number EL-000110).

PIOP once again upheld the high specifications for operation in and service to Greek society despite the objective difficulties of the present economic conjunction.

- In 2014 the Foundation's website was updated and now offers many new technical capabilities on a par with the largest Foundations and Museums worldwide.
- Another action of significance in 2014 was the design and implementation of a pilot programme to restore listed buildings in the Historical Center of Ermoupolis.

New programming period

- Commencement of the planning period of thematic redirection, restructuring and activity on the axes of Culture-the Environment.

Cultural and Environmental Corporate Responsibility Principles

- Certification of its buildings in accordance with the requirements of EMAS (Eco Management and Audit Scheme) Regulation and ISO 14001.
- Further integration of Piraeus Group's Corporate Responsibility Principles to PIOP's operation.

Promotion of Greece's intangible cultural heritage

- Inscription of the Know-how of cultivating mastic on the island of Chios on UNESCO's Representative List of the Intangible Cultural Heritage of Humanity,
- Support of the "Mastic Festival", following invitation from the Regional Development Fund of North Aegean and in strong collaboration with the Regional Unit of Chios Department of Tourism.
- Preparation for the children's theatrical play "Mr.Timotheos and the lost gem stone of knowledge".

Museum Network

- Operation of a Network of 7 thematic technological Museums in the Greek regions.
- Continuation of construction of 2 new Museums.
- Implementation of 2 new programmes included in PIOP's Multiannual Action Plan: "Museums, everyday city sites" and "Friends of PIOP".
- Organizing of cultural actions and of speeches on psychosocial health at the Multi-Purpose Halls of the Foundation's Museums.
- Training of employees from five Museums and a number of local community residents in Basic Life Support Training, in collaboration with the Volunteers Samaritans, Rescuers and Lifeguards Corp of the Greek Red Cross.

Historical Archive

- Promotion of PIOP Historical Archive's main work.
- Completion of reconstruction, equipment and of the necessary certifications of the building complex in the area of Tavros.
- Establishment of a 3-year plan.

Library

- Enhancement of the Library's operation with parallel provision for incorporation of former ATEBank's library.
- Participation in the Hellenic Economic Library Network (H.E.LI.N.).

Publications

- Publication of 6 works (5 printed and 1 e-book) and reprinting of 2 university manuals.

Research Work

- Capitalization and promotion of PIOP's research reserve to the general public, to the benefit of the local and research communities.
- Further utilization of the existing research reserve, of the employees' scientific specialization as well as their networking with the research community.

Scientific Advisory Support

- Collaboration with the Athens School of Fine Arts to organize the exhibition "Producing Art" at the Museum at Brickworks Museum N. & S. Tsalapatas and the exhibition/competition "The poetics of Chios from an artistic viewpoint" at the Ottoman Baths in Chios and on the grounds of the Athens School of Fine Arts in Athens.
- Organization of lectures, seminars and speeches.

Education

- Implementation of the co-financed programme "The Network Pausanias 2.0: from the School to the Museum" under the Special Programme "Education and Lifelong Learning".
- Donation of printed educational material to schools: 104 educational folders and 1,705 volumes of PIOP publications.
- The theatrical play for children "Mr. Timotheos and the lost gem stone of knowledge", exclusively prepared for PIOP, was staged at the multi-purpose culture hall "Athinais".
- University student internships, under the supervision of a PIOP employee, were provided to 9 students from Greek universities.
- Contribution to lifelong learning and internships of young scientists and professionals. Provision of internship to young scientists.

Participation in national and international scientific and educational institutions – collaborations

- Signing of three Memoranda of Understanding.
- Speeches by PIOP executives at national and international fora.

Organizing of International Meeting

"CULTURAL LANDSCAPES IN NATURA 2000 SITES: TOWARDS A NEW POLICY FOR THE INTEGRATED MANAGEMENT OF CULTURAL AND NATURAL HERITAGE"

2015 KEY TARGETS

The even greater dissemination of its work to multiple public groups, in accordance with Piraeus Bank Group's Corporate Responsibility Principles, remains as the Foundation's basic goal for the immediate future.

PIOP's immediate goals are to complete the construction and museological work of on the island of Chios and the Silversmithing Museum of Ioannina, thus further expanding PIOP's

influence on the cultural map of Greece.

PIOP will continue the organization of its high-quality actions in the Greek periphery thus supporting local communities on both a cultural and economic level by creating tourist attraction sites. Similar actions will be realized in PIOP's Historical Archive and Library, with a wide range of target groups in Athens.

PIOP's general goals for 2015 are:

- Enhancement of PIOP's extraversion and contribution to the cultural and general development of Greece, by supporting cultural and creative industries, modern culture, and by organizing combined cultural, scientific and environmental actions.
- Improvement of the services provided to museum visitors and to PIOP Library and Historical Archive users.
- Participation in the shaping of policies in the field of culture.
- Implementation of the programme "Friends of PIOP".
- Implementation of the LIFE-Stymfalia programme by Piraeus Bank, with respect to PIOP's responsibilities.

More specifically and by field of action:

Promotion of intangible cultural heritage

- Promotion and utilization of intangible cultural heritage.
- Interconnection of culture and the environment.
- Recording, protection and promotion of cultural landscapes and intangible cultural heritage.
- Pilot implementation of collaboration with the "Diazoma" Association (interactive application that promotes ancient theaters and PIOP museums).

Museum Network

- Increase in the number of visitors to the Museum Network by increasing and enriching the variety of cultural/educational actions in the Museums or at PIOP headquarters.
- Enhancement of the quality of services provided to visitors.
- Operation of Museums as daily open areas in the cities hosting them.
- Enhancing the operation of the Museums in Volos and Soufli.
- Support to cultural tourism in PIOP Museum Network areas.
- Development of Digital Applications at the Museums.
- Support to modern Greek creation and organizing of exhibitions, various educational actions and cultural events.
- Continuation of the Basic Life Support Training programme, in collaboration with the Volunteers Samaritans, Rescuers and Lifeguards Corp of the Red Cross (Nea Smyrni branch), at the Museums and at PIOP buildings in Athens.

Historical Archive

- Operation of the HI as an archival agency with multiple recipients of its cultural products and services.
- Further activation of PIOP in Athens, through the HI.
- Development of technological applications to provide digital data.

Library

- Capitalization of the library's collaboration with local agencies.
- Increase in number of visitors-users.

Publications

- Continuation of PIOP's publishing work covering a broad range of research fields and supporting the character and actions of the thematic technological Museum Network.

Research Work

- Creation of new research reserve, capitalization and promotion of this reserve to the general public.
- Development of a digital inventory of all PIOP research programmes.
- Recording, protection and promotion of cultural sites and intangible cultural heritage.
- Development of digital applications that promote cultural heritage and the natural environment.

Scientific Advisory Support

- Provision of scientific counseling to public bodies and local communities.

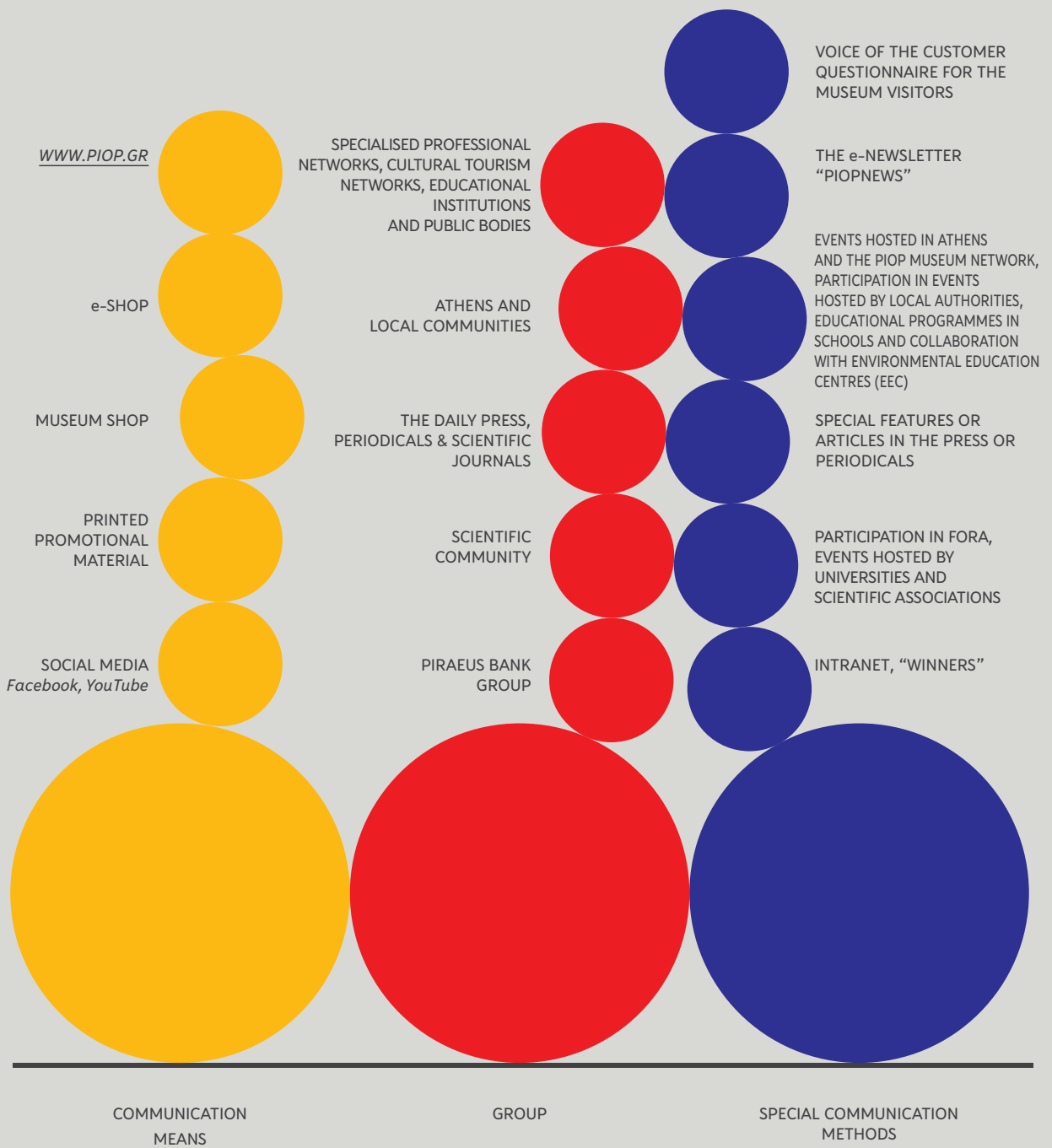
Education

- Implementation of the co-financed programme “The Network Pausanias 2.0: from the School to the Museum” under the Special Programme “Education and Lifelong Learning”.
- Awareness-raising and education on environmental issues.

Participation in National, International Scientific and Educational Institutions – collaborations

- Implementation of partnership with The Eugenides Foundation, in co-hosting the interactive technological exhibition “Seven Keys”.
- Pilot implementation of collaboration with the “Diazoma” Association (interactive application that promotes ancient theaters and PIOP museums).
- Participation in the TopSA programme (Local Plans for Employment) in Arcadia, Nemea and Corinth, in the context of closer cooperation with local communities.
- Creation of the necessary framework for preparation and submission of proposals at national and EU co-funded programmes.

PIOP COMMUNICATION CHART



PIOP'S COMMUNICATION STRATEGY

The Foundation's communication strategy regarding dissemination of information material of its actions is defined by its close relationship to Piraeus Bank, the distinctiveness of its field of operation and the scope described in its Statute. In this framework, communication of the Foundation's work and its significance to the general public is pursued by all appropriate means: lectures, seminars, conferences, exhibitions, films, periodical and book publications, organization and preservation of archive collections, utilization of all means of communication and any other activities that may serve the Foundation's objectives.

SCIENTIFIC AND EXPERIENTIAL ACTIONS

Organizing scientific and experiential actions, with emphasis on producing new and promoting previous research findings, is significant. These actions are organized in a manner which enables local communities to utilize their cultural reserve towards their self-awareness, cultural and economic growth.

PIOP measures and analyzes the effects of its actions on target groups by means of:

- Systematic data collection on visitor numbers to its Museums.
- Visitor log books at the Museums of the Network.
- Systematic recording of requests and comments/complaints.
- Continuous contact with all interested parties and response to written requests and comments.
- Qualitative and quantitative analysis of website visitors.
- Monitoring of response of the e-newsletter "piopnews" recipients.
- Monitoring press releases. Consistent press clipping and record-keeping of articles in order to monitor the effects of PIOP actions.

NEW PLANNING PERIOD

2014 was the first year of implementation and execution of the planning period of thematic redirection, restructuring and activity of PIOP, which had been set on course in 2013. Restructuring of the Foundation's thematic prioritization was based on capitalization of its experience and know-how -established in its previous years of operation- and incorporates the dynamics that are being shaped, mainly by means of the new 2014-2020 EU planning period, the "Creative Europe" programme of the European Commission and UNESCO's Action Plan. This thematic expansion and revision of PIOP's statute, which now incorporates the environment into its statutory goals on a par with culture for the next four years, recognize the prospects emerging in the fields of culture and the environment both in Greece and abroad. Consequently, operational interconnection and promotion on an equal basis of culture and the environment are being designed by means of the PIOP Museums action and by new thematic priorities such as the "Cultural Landscapes" and "Historical Centers". In order to achieve the goal of connecting culture and the environment, close collaboration with Piraeus Bank's Environment unit has been intensified and collaboration with other Institutions in Greece is on course.

CULTURE AND ENVIRONMENTAL PRINCIPLES OF CORPORATE RESPONSIBILITY

The first Environmental Statement of the Foundation was verified, in accordance with the requirements of EMAS Regulation, and was registered in the Greek EMAS Registry (registration number EL-000110).

With the aim of achieving standardized operation and processes with Piraeus Bank's environmental requirements, PIOP obtained EMAS (Eco-Management and Audit Scheme) and ISO 14001 certification for its buildings.

Further integration of Piraeus Group's Corporate Responsibility Principles to PIOP's operation, was pursued consistently in 2014 as well. More specifically, the following were implemented:

- Monitoring of key performance indicators.
- Updating of PIOP's ISO 9001 certification and expansion of the Foundation's quality certification in order to cover new thematic priorities (mainly regarding the Environment), publications, the library and Historical Archive.
- Training of employees (over 2,500 training hours for all 77 employees).

The constantly growing involvement of the Foundation's employees in the implementation of the principles of Corporate Social Responsibility and the relevant commitments of Piraeus Group is achieved through the continuous provision of information, which covers all sectors where it is applied, its actions and public accountability.

PROMOTION OF INTANGIBLE CULTURAL HERITAGE

Inscription of the Know-how of cultivating mastic on the island of Chios on UNESCO's Representative List of the Intangible Cultural Heritage of Humanity constitutes the first national candidacy on the List.

In the framework of promoting Greece's intangible cultural heritage. PIOP provided support to the "Mastic Festival", following invitation from the Regional Development Fund of North Aegean and in strong collaboration with the Regional Unit of Chios Department of Tourism. The Festival is a series of cultural actions and events aimed at raising public awareness of the broader culture of mastic (tangible and intangible heritage, modern artistic creation, connection of natural and cultural environment).

With particular emphasis on safeguarding oral tradition as an element of intangible cultural heritage and in an effort to interconnect the country's wise sayings and proverbs in particular with the Museums' thematics, PIOP offered primary and secondary school children one more tool to learn more about their past. For this purpose, the children's theatrical play "Mr.Timotheos and the lost gem stone of knowledge ", exclusively prepared for PIOP, is staged at the multi-purpose culture hall "Athinais".

In recognition of PIOP's contribution to the promotion of Greece's intangible cultural heritage and highlighting of its cultural capital, PIOP received accreditation by the States Parties of the Convention for the Safeguarding of the Intangible Cultural Heritage to act in an advisory and consultative role in the Intergovernmental Committee of the Convention.

MUSEUM NETWORK

PIOP ensures the sustainability and European-standard operation of a Museum Network in the Greek regions. The Foundation's coordinated actions are also continuously enriched by the knowledge and experience of cultural centers in Greece and Europe.

The Museum Network serves PIOP's fundamental purpose: to safeguard and promote Greece's production history, with emphasis on traditional technology and industrial technology.

The Museum Network consists of seven thematic technological museums which depict and preserve the local traditions of technique and industrial production: Silk Museum- Soufli, Open-Air Water-Power Museum- Dimitiana, Museum of the Olive and Greek Olive Oil-Sparta, Museum of Industrial Olive Oil Production in Lesvos-Aghia Paraskevi, Lesvos island, Rooftile and Brickworks Museum N. & S. Tsalapatas- Volos, Museum of Marble Crafts-Pyrgos, Tinos island, The Environment Museum - Stymfalia.

During 2014, construction continued on two new museums: Chios Mastic Museum on the island of Chios and the Silversmithing Museum of Ioannina, which are to be included in the Museum Network in the immediate future. PIOP ensures the sustainability of these local museums by covering all their operational costs as well as ensuring their smooth operation through a centralized management system; there are also monitoring committees in which local stakeholders and representatives of the Hellenic Ministry of Culture, Education and Religious Affairs also participate. Smooth operation of the Museums also entails dealing with all regular and extraordinary management issues: maintenance-extension work and event supporting, enrichment and management of Museum Shops, café as well as further enrichment of museum collections (data base management, maintenance-storage, organizational support, digital applications etc.).

In addition to contributing to the increase in tourism to distant or island regions, PIOP also contributes to the economic development of local communities, as the majority of goods and products that are sold in the museum cafes and shops are supplied by the local markets. Museum staff are mostly hired from the local community (29 people) and undergo regular training, thus upgrading the standard of services offered to visitors (assistance of people with vision problems, use of audio tour guides, emergency evacuation etc.).

Visitors to the Museum Network reached 129,796 in 2014 with 68% free of charge. It should be noted that despite the economic crisis (and the consequent cultural crisis), the Museums marked a 16% increase in visitor numbers versus 2013. Visitor numbers stem from the support provided by local communities, which recognize the benefits of the promotion of their cultural identity and the promotion of the local economy, and from continuous renewal of cultural actions – by means of periodic exhibitions, lectures, conferences and a multitude of other cultural events. All the Museums have Multi-Purpose Halls, which are vibrant cultural areas where educational programmes, exhibitions, lectures, seminars and other events take place. The Halls are a useful tool for the operation of the Museums, for interconnection with the local society and wider promotion of the Foundation. The events held in the Halls are mostly organized and coordinated by the Foundation. The Halls can be provided for third-party use on a case-by-case basis and mainly in the framework of serving the needs of local communities.

The organizing of high-standard cultural events in the Multi-Purpose Halls of the Museum Network aims to establish the Museums as permanent cultural centers for the local communities in which they operate. The Foundation organizes artistic and scientific actions which are related to the character of each museum or are presented in the whole network; it often collaborates with local bodies and houses their events in its Multi-Purpose Halls. In particular, in 2014, 17 exhibitions, 85 cultural actions, 12 regular and 62 ‘anniversary’ educational programmes for minors and adults as well as 32 event cycles (art workshops, musical meetings, summer children’s workshops, seminars, documentary screenings, children’s films etc.) were organized.

Organizing of speeches on psychosocial health at the Network Museums for the general public with the aim of enhancing the participants’ wellbeing in their daily, personal and professional life through prevention and sensitization, scientific information provision and acquisition of knowledge. The programme was implemented in partnership with the Bank’s Organizational Health Unit and will be continued through 2015.

Recognizing the importance of First Aid provision to visitors at all PIOP buildings, in collaboration with the Volunteers Samaritans, Rescuers and Lifeguards Corp of the Red Cross (Nea Smyrni branch), employees of five Network Museums and a number of local community residents received training in Basic Life Support Training (Cardiopulmonary resuscitation (CPR), choking etc.). The training took place at the museum’s Multi-Purpose Halls with 150 people receiving training. The programme will continue at the other in Museums of the Network 2015.

PIOP HISTORICAL ARCHIVE (HI)

The Piraeus Bank Group is guided by a strong sense of responsibility with regard to the safeguarding and organizing of the archives it has or produces, and which reflect the economic and social parameters of Greece’s contemporary history. The PIOP Historical Archive’s operation supports historical research and cultural production while as serving the needs of ongoing Group activities and is defined by:

- the present-day requirements for cultural management of accessible, historical and environmental friendly archives,
- international experience,
- Piraeus Group’s Corporate Responsibility commitment to culture.

The target is the promotion of the importance of preserving the memory of the archival sources and the utilization of the archive material by multiple recipient groups.

HI operation is not only connected to research and academic groups but also to the education and artistic communities, to Piraeus Group employees, local communities and the general public. The interior and outdoor areas of the building complex housing the PIOP Historical Archive include infrastructures to allow for implementation of operations and actions such as the banking history exhibition, scientific and general-interest events (screenings, temporary exhibitions, tours, presentations), workshops of lifelong learning and creative activities for adults, children’s educational programmes related to the HI as well as the charming café ARXEION and the PIOP souvenir shop.

The PIOP Historical Archive holds the archives of 5 banks (Piraeus Bank, Chios Bank, ATE Bank Greece, Geniki Bank, the Hellenic Industrial Development Bank -ETBAbank),

4 state financial institutions, 55 businesses, 5 private archives and 2 associations. The located archive material is in excess of 16,000 meters long so far and dates to the 1920's. Unbound documents, ledgers, stocks, maps, plans, photographs, audio-visual material, 3-D objects, rare and specialized editions are all part of the collections. By means of this material, a significant part of the economic (agricultural, industrial and banking), and social history of 20th century Greece is reconstructed.

The Archive provides research information on a multitude of topics such as the basic structures and institutions of the Greek economy, Greek agricultural and industrial policy over decades, important aspects of the banking system, rehabilitation of refugees from Asia Minor, the agricultural cooperative movement and foreign aid to post-war Greece. Some of the research topics of specialized researchers or the general public include branches of study of key production sectors and services, specific aspects the state finance policy, research cases of businesses or of local and periphery development, environmental, local and labour history.

In 2014, the HI was fully reorganized, it enriched its collections by 50% and modernized its structure and infrastructures. The completion of reconstruction, provision of the necessary equipment and certifications for the building complex in the area of Tavros, allowed for the development of the HI as an archival agency and a multi-purpose cultural site.

The Group and PIOP's decision to locate the Historical Archive in Tavros contributes to the upgrading of an area by including it in the cultural map of Athens.

The Bank and PIOP established a 3-year plan with regard to HI services, its beneficiaries (the key being Piraeus Group, PIOP, similar agencies, the general public) and future partners. More specifically and by field of action:

Archival work

- Completion of the first General Inventory of Material (16,500 meters of archival material, 50% increase in volume in comparison to previous years).
- Project for the digital documentation and organization of the Historical Archive.
- User Service. PIOP's Historical Archive serves requests by external researchers and Piraeus Group, as it manages a section of the Group's semi-active archive. In 2014, there was a 100% increase in requests served. In order to facilitate the management of requests and the drawing of relevant conclusions, a new electronic application was created for monitoring these requests and the degree of response to them.

Knowledge mining

- Formation of an indicative list of research themes and compilation of information data series to cover the needs of HI's users as well as creation of the relevant applications accessible on PIOP's website.
- Research programme and preparation of an exhibition on banking history as well as documentation of the previous use of the former industrial complex at Tavros.
- Preparation and implementation of pilot educational programmes for children relevant to the nature and the work of the HI, aimed at familiarizing them with issues of remembrance, history and the role of archival agencies.

Promotion of the HI/Synergies

- Events: Scientific (Meeting on the history of Agrotiki Bank, thematic tours), Lifelong learning (5-day Seminar on Archival Standards with 70 participants, DARIAH – 5-day database seminar with 30 participants), General Public (summer screenings, European Cultural Heritage Days, Creative Workshop "Out of Paper").

LIBRARY

Operation of the library, highly specialized in museum studies and cultural management, constitutes one more key action for PIOP. In 2013, work began on incorporating former ATEbank's Library and by 2014, 66% of the collection had been incorporated, consisting mainly of economic and agricultural material. Already including 57,000 Greek and foreign-language titles, it is constantly being enriched in order to better serve the research and education communities. The acquisition of material (monographs, periodical titles and educational materials) is achieved through purchase and exchange with similar institutions (in 2014, 1,586 new titles were acquired). The Library's reading room offers wifi and free access to e-databases which contain the scientific findings of PIOP's integrated research programmes: a) "Information on technology through Archives and Libraries of Venice", the result of a research programme on technology in the Greek regions of the post-Byzantine period, by PIOP in collaboration with the Greek Institute of Byzantine and Post-Byzantine Studies of Venice, b) "Greek Musical Instruments", the result of a five-year research programme from the Department of Music Iconography of the School of Fine Arts, Aristoteleio University of Thessaloniki.

Since July 2014, PIOP Library is a member of the Hellenic Economic Library Network (H.E.LI.N.).

Library users can access part of its catalogue electronically, visit the Library premises and participate in the actions organized. The need to serve another group of readers – children between the ages 4 and 12 – led to the decision to create a children's reading room (remodeling, purchase of books) to allow for implementation of educational programmes.

An action of particular interest was the organizing of a children's book writing and illustration competition for adults, which was concluded with publication of the winning book in e-book form and its adaptation into a theatrical play, performed by the Bank's Amateur Theatrical Group (in collaboration with the Group's HR-Organizational Training units).

The total number of beneficiaries of PIOP Library in 2014 (readers, distant users, borrowing books, educational programmes, small-scale activities and cooperations) reached 5,869.

PUBLICATIONS

Publications from a wide range of research fields, such as the history of technology, industrial archaeology, museological studies, cultural landscapes, historical centers, intangible heritage, economic history, are a defining PIOP action. The Foundation's publications are mainly in coordination with the Museum Network's actions and with the research programmes that are in progress, have already been completed or presented to research or broader communities. They also include submitted studies closely related to the Foundation's statutory objectives. The fact that PIOP publications are selected as university textbooks demonstrates the extent of their success in the scientific world. At the same time, there are also publications with more popularized orientation.

In 2014, 6 works were published (5 printed and 1 e-book), 2 university manuals were reprinted.

- *Anastasia Filippoupoliti, The Environment Museum of Stymphalia*. Guide (“Our Museums” series).
- *Keeping the history of production alive. Museum network of the Piraeus Bank Group Cultural Foundation* (Athens, 2014, PIOP, ΠΙΟΠ, “Our Museums”). It was published in relation to the International Meeting hosted by PIOP “Cultural Landscapes in Natura 2000 sites: towards a new policy for the integrated management of cultural and natural heritage”).
- *Tsalapatas Factory. Producing Art* (exhibition catalogue of the Athens School of Fine Arts at the Museum at Brickworks Museum N. & S. Tsalapatas, Athens, 2014, PIOP, publishing series “Contributions”).
- *The poetics of Chios from an artistic viewpoint* (exhibition catalogue of the Athens School of Fine Arts at the 1st Mastic Festival, Athens, 2014, PIOP, publishing series “Contributions”).
- *Kelly Katsi, Four blurry Christmas balls*, illustrations by Despina Manolarou (Athens, PIOP, 2014, PIOP, publishing series “Tales for Children”). E-book which inaugurates PIOP’s digital publications, realized in the framework of the EMAS certified PIOP environmental programmes. The fairy tale was awarded first place in the children’s book writing and illustration competition for adults, launched by PIOP Library and the Public Library of Kallithea in April 2014).
- *Graham Black, The Engaging Museum: Developing Museums for Visitor Involvement*, (Athens, 2014, PIOP, publishing series “Museology”) (reprint).
- *Konstantina Demiri, The Greek textile industries. Historical and typological investigation*, (Athens, 2014, PIOP publishing series “Monografies”) (reprint).
- In the framework of the EMAS-certified environmental programmes, the exhausted printed edition of the 3-Day Workshop Proceedings Olive and Olive oil. 4th 3-Day Workshop, Kalamata, 7-9 May 1993 was digitized and is now available in e-book form.
- Completion of PIOP’s company newsletter/brochure in Greek and English while preparation for 20 publications was continued, among which: 4 monographies, Three-Day Workshop proceedings, manuals of museology, science and technology, museum and cultural guides, fairy tales, reprinting of publications, educational folders etc.

RESEARCH WORK

Research work remained this year as well an integral part of PIOP’s threefold strategy: research/exhibition/publication for the creation of its museums. This work is interdisciplinary and based on the Foundation’s long-standing, renowned and specialized experience in specific thematic research and the development of similar innovation. The results of this work are implemented in the:

- creation of thematic technological museums,
- enrichment of museum collections,
- organization of exhibitions,
- publication of studies – often setting the basis for the existing bibliography,
- creation of promotional tools for local economies,
- digitization of research output which contributes to research development, and
- the Foundation’s participation in national – scale initiatives on behalf of Greece and in collaboration with well-established cultural institutions.

With regard to topic selection, emphasis is placed on traditional technologies, the country’s natural resource management, material wealth and culture of the recent past.

2014 Actions:

- Further utilization of the research reserve, of employees’ scientific specialization

as well as their networking with the research community for the creation of multiple cultural products and services for the benefit of schools, research, professional and local communities.

- Capitalization of PIOP's research reserve and promotion of this reserve to the general public for the benefit of the local communities and the broader research community.

SCIENTIFIC ADVISORY SUPPORT

Provision of scientific advisory support to national and public agencies, local authorities, educational institutions, Environmental Education Centers (EEC), young scientists, researchers and doctoral candidates upon their request to prepare cultural actions and products or projects related to PIOP topics. In 2013, there were 51 cases. Among these are the following:

2014 Actions:

- Collaboration with the Athens School of Fine Arts to organize the exhibition "Producing Art" at the Museum at Brickworks Museum N. & S. Tsalapatas and the exhibition/competition "The poetics of Chios from an artistic viewpoint" at the Ottoman Baths in Chios and on the grounds of the Athens School of Fine Arts in Athens.
- Lecture on "Management of the museum collections of PIOP" at the Technological Educational Institute of Athens.
- Speech on the topic "Silk Museum in Soufli: people, places and ideas through time" as a part of the Meeting of the Post-Graduate Programme "Museum Studies" of the University of Athens on the topic: "Museum Collections unite us".
- Seminar: "PIOP's Museum Network: Actions-Communication-Promotion" as a part of the Cultural Workshop: "Museums – Cultural Heritage" (Panteion University, Department of Communication, Media, and Culture, 3d year, Culture-Cultural Management orientation). Department Head: D.Voudouri.
- The Courses: "Introduction to Museology" and "The History of Museums" (E.Vlachou) as a part of the module "Housing of Museums in Monuments" of the interdepartmental post-graduate programme "Museum Protection- Programme 1: Conservation and Restoration of Historical Buildings and Complexes" (National Technical University of Athens, School of Architecture).

EDUCATION

Realization of educational actions for lifelong learning in the Museums and its headquarters in Athens is one of PIOP's core operations.

PIOP provides educational lifelong learning actions at its Museums and headquarters in Athens.

Commencement of implementation of the co-financed programme "The Network Pausanias 2.0" under the Special Programme «Education and Lifelong Learning» of the Hellenic Ministry of Culture, Education and Religious Affairs. «Pausanias Network 2.0: from the School to the Museum» is an innovative programme aimed at the development of experiential educational activities and educational material linking the school to the land, natural resources, production

history, cultural heritage and the Museum. The aim is to develop educational activities in the Foundation's Museum Network, taking into account the principles of the "21st Century School Guidelines", in particular the strategic objectives of the promotion of cultural heritage, getting to know the local history, sustainable education and supporting experiential activities.

More specifically, the project proposes:

- to connect the school curriculum with recommendations for the implementation of syncretical research work (project) to take place at the Museum,
- to develop educational activities and teaching material based on or inspired by the cultural landscapes of each area, and
- to create a framework for provision of material, training and support to teachers thus allowing for implementation of the proposals for educational actions regarding new cultural sites.

Accordingly, PIOP commits itself to:

- create and maintain after its expiry the "The Network Pausanias 2.0" with the participation of secondary schools, and
- to assign the rights of use of the educational material, if required, to the Hellenic Ministry of Culture, Education and Religious Affairs with approval by the Institute of Educational Policy (IEP) and respectively allow free to the web application on the Hellenic Ministry of Culture, Education and Religious Affairs website.

PARTICIPATION IN NATIONAL AND INTERNATIONAL SCIENTIFIC AND EDUCATIONAL INSTITUTIONS

Participation in national and international scientific and educational institutions constitutes a key action point for PIOP, and its aims are:

- Contribution to the shaping of cultural policies (presentations/lectures/speeches by PIOP executives in scientific fora, participation in actions organized by the Hellenic Ministry of Culture, Education and Religious Affairs, collaborations within the NSRF framework, participation of executives from the Hellenic Ministry of Culture, Education and Religious Affairs in PIOP Museum Monitoring Committees).
- PIOP's participation in research and academic partnerships for the development of international scientific programmes: "Re-connecting the bonds between archaeological artifacts and historicity" project; "The Civil Society Facility-EU-Turkey Intercultural Dialogue, Museums (ICD-MUSE)" programme.
- PIOP's international networking with scientific agencies, associations (UNESCO, TICCIH, ICOM Greece, TIMS, European Museum Academy-EMA, European Association for Banking History (EABH) e.V., International Council on Archives, Business Archives Council, the Society of Greek Archivists (S.G.A.), General State Archives, Digital Research Infrastructure for the Arts & Humanities (DARIAH) etc.) and with European networks for know-how transfer, the observance of "good practices", enhancement of opportunities for scientific collaborations and the pursuit of common project funding.

In 2014 PIOP signed Memoranda of Understanding with the following agencies:

- European Museum Academy
- Lesvos Museum Network (PIOP is a founding member of the Network)
- Hellenic Economic Library Network - H.E.LI.N.

PIOP executives gave speeches at national and international fora, among which:

- Participation at the Round Table "Synergies as a common strategy for social

sustainability” in the framework of the EU Presidency Conference “Heritage First! Towards A Common Approach for a Sustainable Europe” (Athens, the Acropolis Museum, 6-8/3).

- Speech entitled “Creation and Operation of a Network of nine thematic museums in the Greek periphery: PIOP’s management model ” in the framework of the 2014 International Museum Day celebration, in collaboration with EUNIC Athens, branch of the European Union National Institutes of Culture, and the ICR (International Committee for Regional Museums). Athens, The House of Cyprus, 16/6.
- Speech entitled “A new model for linking heritage protection and sustainable local development –an assessment of the regional network of seven Thematic Museums of the Cultural Foundation of the Piraeus Bank in Greece”, as a part of the 18th General Assembly of ICOMOS (Florence 9-14 November).
- Lecture “From the Silk Museum to the ‘mahalas’: Sericulture – silk manufacturing –attire– daily life in Soufli” at the Icom Costume Committee Annual Meeting 2014, 12/9/2014).
- Lecture entitled “Implementing the Intangible: actions towards an element that will acquire a museum”, 16th annual information meeting on Education and Modern Greek Cultural Heritage “Museums and Intangible Culture: Educational actions for the culture of nutrition” 5/12/2014.

INTERNATIONAL MEETING “CULTURAL LANDSCAPES IN NATURA 2000 SITES: TOWARDS A NEW POLICY FOR THE INTEGRATED MANAGEMENT OF CULTURAL AND NATURAL HERITAGE”

The Piraeus Bank Group Cultural Foundation, organized the International Meeting entitled ‘Cultural Landscapes in Natura 2000 sites: towards a new policy for the integrated management of cultural and natural heritage’, as a part of its efforts to link culture with the environment. The Meeting was held on the 10th and 11th of October at the Acropolis Museum in Athens and the Environment Museum in Stymfalia in collaboration with the Greek Ministry of Culture, Education and Religious Affairs and the Ministry of Reconstruction of Production, Environment and Energy.

Senior officials from the European Commission, representatives of European institutions, representatives of international bodies, foundations and international associations, as well as members of the academic community, experts and civil society organizations attended this International Meeting.

The main objectives of the Meeting were:

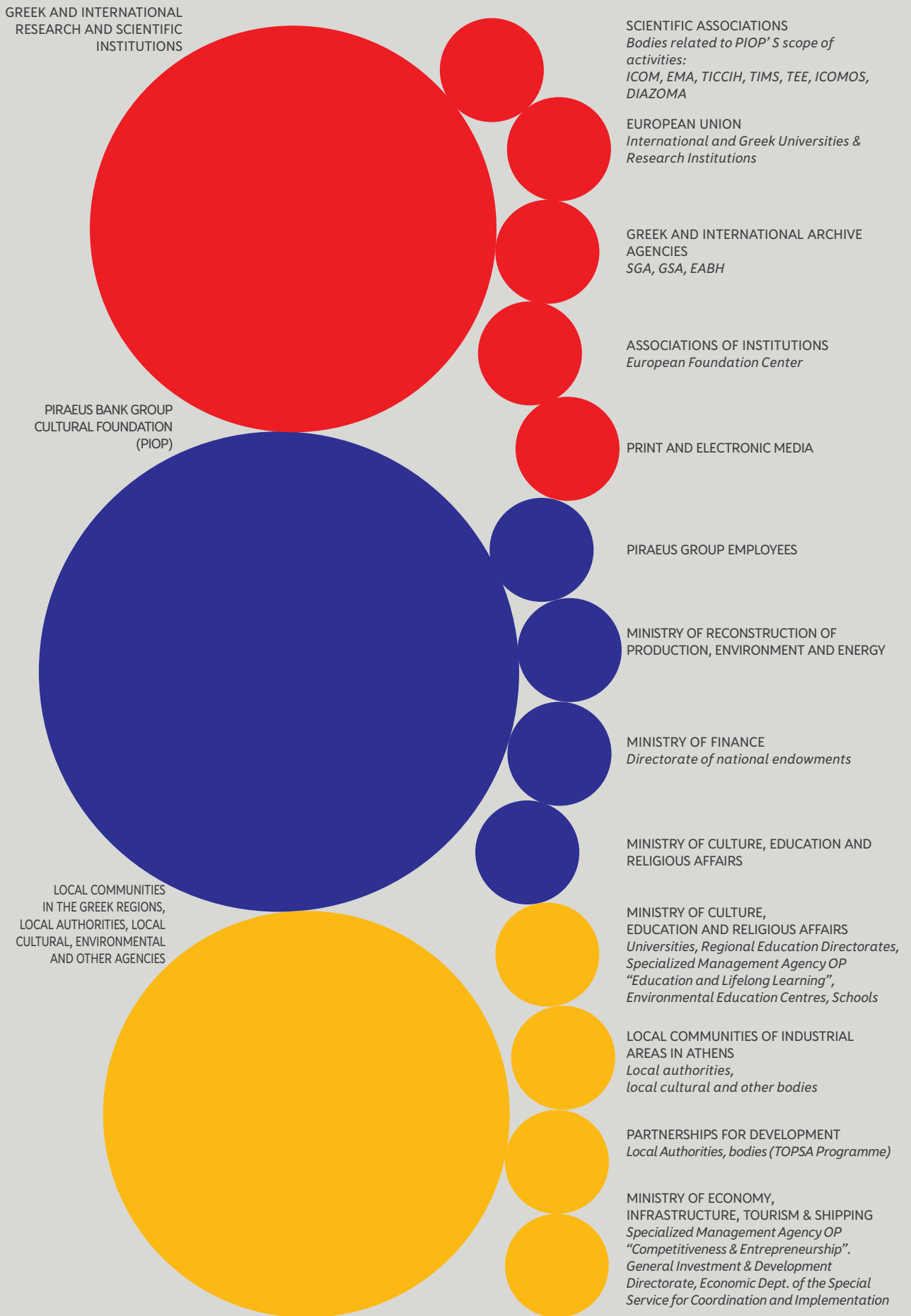
- To examine and document the dual cultural and environmental value of cultural landscapes, particularly those located within the EU Ecological Network Natura 2000.
- To determine the main elements of a new policy which based on the functional association between culture and environment, which among others will aim at: a) integrating management of cultural and natural heritage, b) reversing the deterioration of landscapes and protecting them as common cultural and environmental resources, c) investigating partnerships to protect and manage cultural sites, d) developing new European and international financing instruments, and e) highlighting the potential these sites hold for individual and social welfare.

The participants of the International Meeting acknowledging a) that landscape protection may be enhanced if a clear understanding of how human culture shapes the environment is realized and if, at the same time, nature’s feedback processes that reshape culture

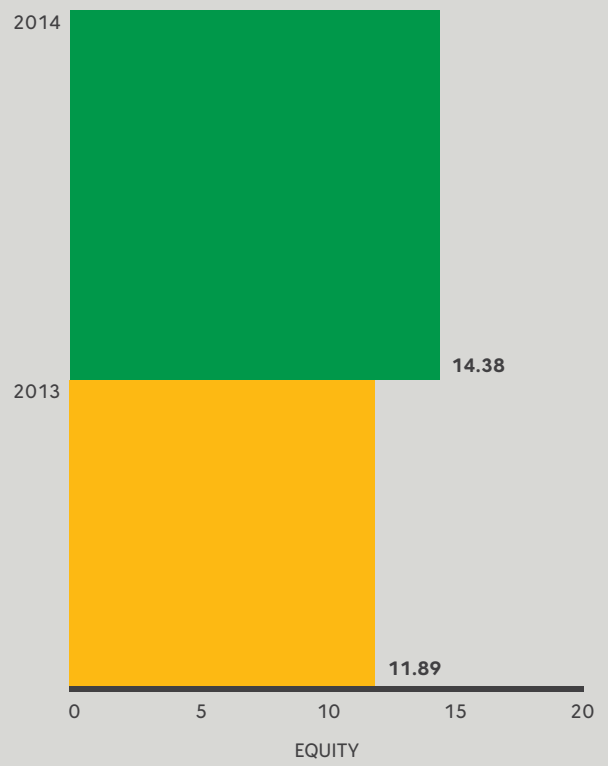
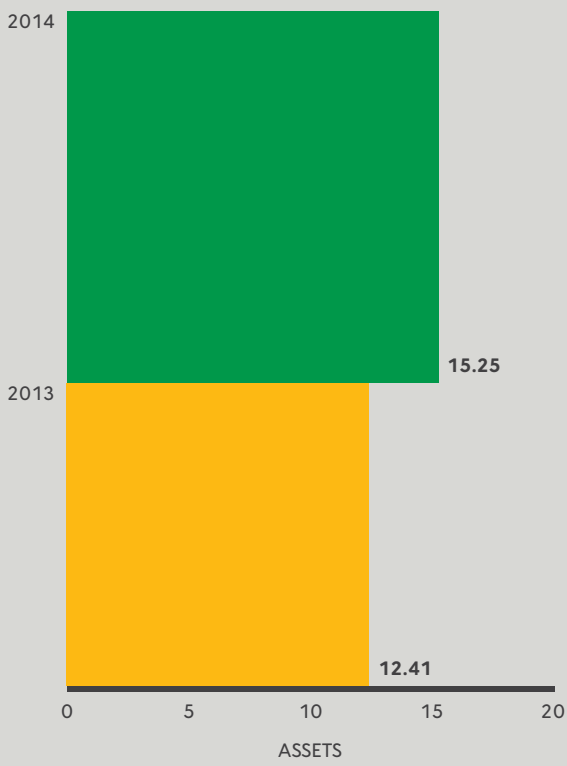
are fully comprehended, and b) that in recent years there is increasing recognition, both internationally and nationally, of the need to manage landscapes as composites of both natural and cultural heritage, signed a common declaration which presents the methods of achieving the aforementioned objectives.

Capitalization of international partnerships that were formed in the framework of the International Meeting constitutes a programmatic goal for PIOP.

PIOP COLLABORATIONS AND SYNERGIES



FINANCIAL VOLUMES OF PIOP (€MN)



Note: Assets and equity data at year-end, while results refer to full year period.

CULTURAL ACTIONS OF PIRAEUS BANK GROUP'S INTERNATIONAL NETWORK

Piraeus Bank Group invests in Corporate Responsibility in its international network as well, with actions and initiatives which promote culture.

Cyprus

- Sponsoring children's theatrical plays to encourage education through entertainment and broader cultural education of youths.
- Preservation of traditions, customs and traditions, art and culture though sponsorship of local events and actions.

Bulgaria

- Support of preservation of social bonds, customs and traditions though sponsorship of traditional, local festivals.
- Sponsorship of art exhibitions in support of the Union of Bulgarian Artists.

Ukraine

- Actions to support and encourage Greeks living in the Ukraine through cultural sponsorships and business synergies.
- Sponsorship of conferences on the socio-economic growth prospects of the Ukraine, support of Startups, international partnership strategies with regard to Sciences – Businesses- Education etc.
- Support of education through sponsorship of a training programme in applied journalism and a competition awarding the "Best Accountant of Ukraine – 2014" in partnership with the Ministry of Finance of Ukraine and the Accountants' Club of Ukraine.

THE ENVIRONMENT

ENVIRONMENTAL ACTIONS

Environmental Policy

Piraeus Bank's environmental programmes are implemented in the framework of its environmental policy, initially shaped in 2004 and updated in 2010, acquiring a clear orientation towards sustainable development and green entrepreneurship.

Dealing with climate change and the interconnection between business and biodiversity protection, constitute distinct focal points for the Group.

For further details, please refer to:

www.piraeusbankgroup.com>Corporate Responsibility>Environment>Environmental Policy Principles

Piraeus Bank Group Environmental Structure

In 2004, Piraeus Bank formed the Environmental Affairs Office for the better coordination of its environmental work, which paved the way for the future developments in this field and in 2009 was divided into the Environment Unit and the Green Banking. This shaped an organizational structure that allows for managing the Bank's environmental footprint from its business activity as well as enhancing green entrepreneurship in Greece in collaboration with its subsidiaries (ETVA Industrial Parks SA, Center of Sustainable Entrepreneurship Excelixi SA). This integrated structure and operation is in accordance with the Group's strategy and incorporates environmental criteria in its operating processes as well as financing value-added investments, thus benefiting people and the environment. Moreover, in 2014 Environmental Management Systems were developed at ETVA Industrial Parks and the Piraeus Bank Group Cultural Foundation (PIOP).

For further details, please refer to:

www.piraeusbankgroup.com > *Corporate Responsibility>Environment>Environmental Policy Principles>Piraeus Bank Group's Green Structure*

Database on Environmental Legislation and Case Law

The dedicated Database on Environmental Legislation & Case Law (DEL&CL) provides the necessary legal information and documentation to implement the Group's Environmental Policy and the corporate responsibility commitments regarding the environment. The DEL&CL now includes more than 200 thematic sections and subsections. In the upcoming period, particular emphasis will be placed on enrichment of topics related to the commitment to preserve and sustainably manage biodiversity, on international initiatives regarding the climate and the interconnection between cultural sites and protected areas of Natura 2000 Network.

2014 ACTIONS

- Renewal of EMAS and ISO 14001 Environmental Management System certification of all new infrastructures integrated into Piraeus Bank during 2012-2013.
- The Piraeus Bank Group Cultural Foundation (PIOP) became the first cultural institution in Greece to receive ISO 14001 certification and EMAS registration number for all its infrastructures.
- Completion of procedures for EMAS and ISO 14001 Environmental Management System certification of ETVA Industrial Parks SA and its pilot implementation at the ETVA Industrial Park in Komotini.
- More than 3,000 employees were trained in environmental issues and green entrepreneurship with the aim of enhancing a common environmental culture. More than 600 executives were trained in issues of energy-saving, waste management, RES, Green Entrepreneurship and environmental banking.
- In 2014, the implementation of the LIFE-Stymfalia project continued - the third in a series of EU co-funded projects - which is coordinated by the Bank. With the conclusion of one year into the project, the foundations were laid for proper management of the wetland following the completion of the Management Plan and the formation of a Local Management Unit for surveillance of the protected area.
- Intensified efforts by Green Banking to actively support green economy. In this framework, Piraeus Bank's financing of innovative actions prevented the emission of significant amounts of CO₂. Additionally, by promoting new fields of green entrepreneurship, it indirectly supported approx. 7,000 jobs, in 2010-2014 while also contributing to the public's awareness of efficient energy use and environmental protection. The constant efforts of the past years were rewarded by the European Business Awards for the Environment. In 2014, the Bank's green products and services received the first place in the Product Award for Sustainable Development category in Greece.
- Significant recognition of the Bank's efforts led to its inclusion in the international Dow Jones Sustainability Index Emerging Markets.
- Commencement of initiative to create a European policy on uniform management of cultural sites connected to Natura 2000 areas through the international conference organized by PIOP on 'Cultural Landscapes in Natura 2000 sites: towards a new policy for the integrated management of cultural and natural landscapes'. In the framework of the strategic goal of interconnecting the Environment with Culture, PIOP Museums underwent energy upgrading and received EMAS certification. Additionally, common actions between the Environment Unit and PIOP took place as well as the joint implementation of the LIFE-Stymfalia project, aimed at the sustainable management of Lake Stymphalia.
- 118 branches have had local energy monitoring systems – BMS/BEMS – installed, of which 73 in 2014.
- 37% increase in paper recycled per employee.
- 60% of total paper consumed is recycled.
- 5% reduction in energy consumption per unit surface.
- Updating and upgrading of Climate Risk Management Model (climabiz project) with special emphasis on assessing climate risk in agriculture and manufacturing.

2015 KEY TARGETS

- Dissemination of the results of the Lake Stymphalia Management Plan. Commencement of implementation of actions and interventions to regulate the water level of the Lake and limit the expansion of reed beds, creation of an environmental trail and a bird watching hide, establishment and operation of a thematic exhibition at the Environment Museum of Stymphalia, and establishment of a Farmers' Network for the promotion of best practices in agriculture and protection of Lake Stymphalia.
- Completion of upgrading process of the Climate Risk Management Model and further utilization of the Model in the Bank's credit policy.
- EMAS and ISO 14001 Environmental Management System (EMS) certification of ETVA Industrial Park in Komotini. Commencement of gradual implementation of EMS as a common environmental management tool at all ETVA Industrial Parks, starting with the ETVA Industrial Park in Lamia.
- Expansion of green procurement programmes.
- HR awareness on the benefits of using environmentally friendly products.
- Reduction of paper consumption in banking activities: 5%.
- Reduction of electricity consumption: 5% per square meter
- Increase in recycling of ink cartridge/toner: 25%
- Shaping a common culture within the Group, by means of educational and voluntary actions which aim to enhance the Group's human resources awareness of corporate responsibility.
- Participation in four e-learning courses regarding the environment and climate change by at least 2,000 employees as well as day-long training of all Bank branch network managers.
- Design and implementation of educational programmes related to the environment and culture for employees' children.

ENVIRONMENTAL MANAGEMENT

In 2014, all new infrastructures acquired from the integration of the other Banks successfully completed their EMAS and ISO 14001 certification.

This success is mainly due to the coordinated actions implemented by the Bank's Administrative Services and the specially-trained employees –the Environmental Management System Coordinators– who are appointed at all branches and administration buildings.

Moreover, the environmental awareness of new colleagues was highly prioritized; along with their integration in Piraeus Bank and their training in the systems and procedures, the new colleagues were informed and attended e-learning courses to meet the requirements of the Environmental Management System. A new section was developed at the Bank's internal network (Intranet), entitled "Environmental Management System", where all necessary information was collected to facilitate all interested parties during the expansion of the EMS. There was gradual completion of all actions required for the implementation of the environmental programmes in the Bank e.g. placing of special recycling bins at all new points.

For the integrated management of environmental data from all the Bank's Organizational Units, a new electronic application was created for data input of recycling of materials as well as water and heating fuel consumption by the Environmental Management System Coordinators. This new application was developed by the Bank in order to respond to its needs in the best possible way. The new application offers the possibility for data collection, thus providing a complete picture of each branch.

In the framework of applying a green procurement policy, in 2014 two environmental programmes were designed, which are expected to be completed in 2015. The first regards the supply of FSC-certified paper for the printing of most bank statements and folders sent to customers. The second programme regards the use of environmentally-certified detergents (with the EU Ecolabel) and is to be implemented on a pilot basis at five (5) Administration buildings of the Bank and at PIOP's offices in Plaka, with parallel information provision to employees and the collaborating cleaning services.

In collaboration with the Hellenic Recovery-Recycling Corporation SA (HERRCo), a new environmental programme was designed for recycling of packaging by Bank employees. Blue packaging recycling bins are to be placed at the canteen area of 15 administration buildings, where employees can discard packaging materials, such as plastic, glass, aluminium.

In 2015, the required actions were launched for the implementation of the following projects:

- Improvement of automation of data input into the Environmental Footprint Database to allow for instant availability of information on the Bank's environmental footprint.
- Carrying out a new economic assessment study regarding the Bank's benefits from the implementation of environmental programmes, following a similar study in 2012.
- Software upgrade of local energy monitoring systems – BEMS – of branches. More specifically, notifications will be sent for immediate handling of cases of non-operation of signs or emergency lights, unnecessary A/C operation etc.
- Implementation of recommendations for reduction of paper and consumables consumption in banking activities.
- Implementation of pilot installations at selected branches to reduce consumption of electricity, heating fuel etc.

Energy Consumption

Energy consumption constitutes the greatest impact on the Bank's environmental footprint. The relevant unit responsible for this issue (Engineering Project Management & Administration Support unit) conducted building and branch renovations. In this framework, energy-saving interventions were designed and implemented in 111 branches, with the aim of reducing energy-consumption, among others.

The most significant interventions that were implemented are presented below:

- Replacement of simple aluminum panels with low-e technology.
- Thermal insulation of rooftops.
- Installation of motion sensors in WCs.
- Installation of BEMS energy-management systems.
- Installation of alternative heating and night cooling pumps.
- Replacement of high consumption lighting bulbs with LED light bulbs.

Pilot Project at Kiato branch

In July 2014 the renovation works at Kiato branch were completed. The objective was to create a model branch. The initial energy recording showed that there was a scope for a considerable improvement in the energy performance of the building.

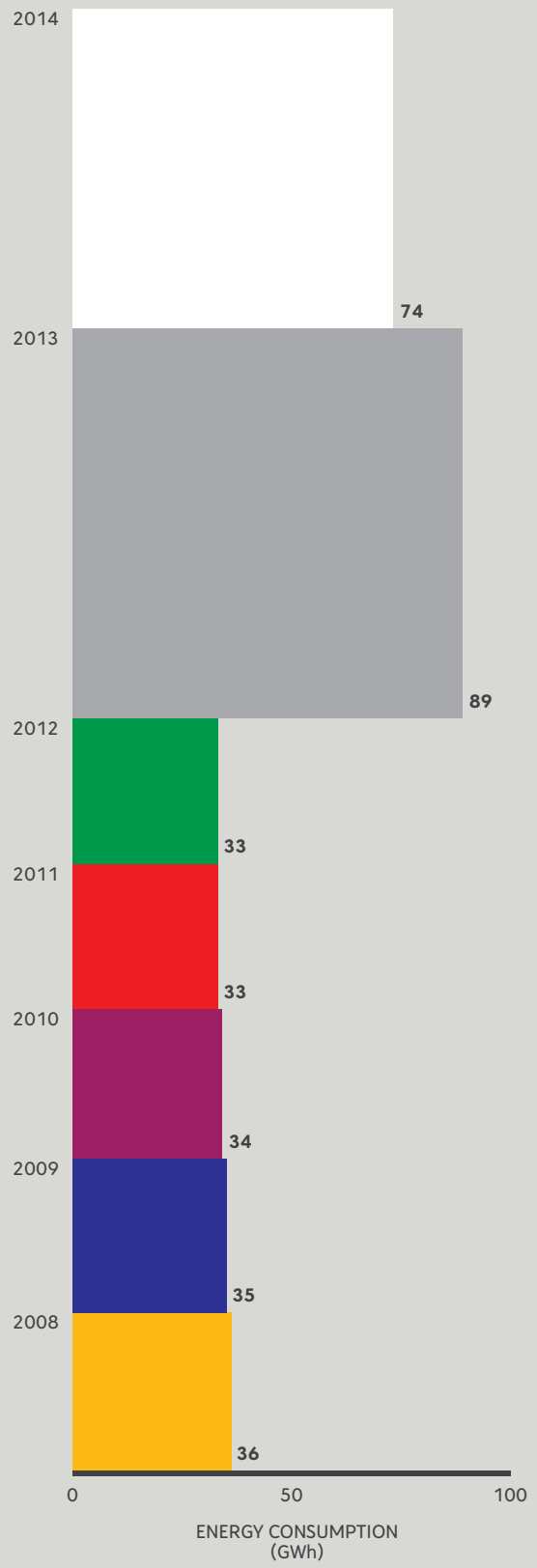
During the renovation, the conclusions of a special energy survey provided the guidelines for further improvements which have been implemented:

- External and internal thermal insulation.
- Use of double glazing - where permitted by the safety regulation with low-e technology.
- Low consumption latest technology lighting systems.
- Heat pump installation.
- A Control system (BEMS) installation for external signs and fans which operates on a quality air criterion (CO₂, VOC), free cooling and recording of internal/ external conditions and energy consumption.
- Ventilation with heat recovery, controlled by BEMS
- Dimming system control for the lights located on the building's perimeter, near the windows.
- Use of motion sensors in low usage areas (WC, kitchen).
- External window blinds.

The above interventions upgraded the building's energy class from D to B+. Initially, the primary energy performance of the building was 317 kWh/m². After the renovation works, the performance was reduced to 140 kWh/m². According to the survey, the energy use decreased to 56%. The energy performance of the building is constantly monitored and evaluated by the BEMS.

Significant energy-saving was noted by replacing high consumption lighting bulbs with LED light bulbs in Bank branches and Buildings. For years, the Bank had been mostly using PL 2X26W light bulbs at its branches, which were both high-consumption and more than were actually required. Now, all renovated buildings undergo photometric studies, with emphasis on energy-saving and upgrading of visual comfort, and LED light bulbs are mostly installed. More specifically, in 2014 light bulbs were replaced at 33 branches. Following the completion of the intervention, an assessment was carried out and based on the results, power indicator lights were reduced from 20.1 W/m² to 9.0 W/m². It should be noted that Law 3661/2008 "Measures to reduce energy consumption in buildings and other provisions" stipulates that bank branches must have installed light power under 15 W/m². When the pre-2014 data are compared with the data after the 2014 renovations, the following benefits accrue:

ENERGY CONSUMPTION



Light power reduction	55%
Light bulb reduction	6%
Installed light power reduction (in accordance with Law 3661/2008)	40%
Financial cost of reduced light bulbs	~ 52,000€
Operating (cost) benefit (92 facilities)	122,662 €/year

In 2014, deactivation of all systems and data centers of the merged banks was completed, resulting in a 30% reduction in electricity consumption. Additionally, upgrading of the PC's operating systems was completed to allow for centralized operation of the separate installed applications with parallel disconnection of branch servers – with average consumption of 400 watt/hour. In 2015, upgrading of the work stations at the Bank's central services to windows 8.1 is scheduled together with the procurement of low power-consumption PCs.

With regard to air conditioning, during the renovation, the most efficient electrical equipment and A/C units on the market are installed.

Electricity consumption

In 2014, a reduction of 18% was noted in electricity consumption, mainly due to the large number of relocations and branch merging that took place within the year. Thus, total electricity consumption reached 73.6 GWh, with the electricity consumption/surface unit ratio decreasing by more than 4.5%.

Heating fuel consumption

In 2014, more than 382,000 litres of heating oil were supplied. The diesel consumption per employee decreased by approx. 25% versus 2013.

Water consumption

With the aim of reducing water consumption in the Bank's buildings, installation of controlled water flow faucets was initiated. In 2014, such switches were installed at each branch under renovation, aimed at limiting unnecessary water use. Moreover, at every branch where BEMS is implemented, there will be water consumption gauge, thus allowing for monitoring the total water consumption at each branch in real time. Especially for 2014, the measurable results showed a small decrease by 14% in total water consumption per employee.

Consumables

Paper and ink cartridge/toner consumption noted a significant increase versus 2013. Mainly due to factors such as:

- increased demand by the expanded branch network and Central Services to cover operating needs
- increased promotional and external communication purposes, and
- adoption of new logo for all printed material.

Moreover, in 2013, use had been made of the existing stock of paper already procured by the individual Organizational units of the merged banks before the operational integration with Piraeus Bank. At the same time, however, there was increased use of recycled paper versus conventional paper to almost 60% of total paper consumption.

Utilization of MPS document management services, in collaboration with external provider, was extended to 14 administration buildings (21 buildings in total), with the aim of optimizing management and document production (avoidance of printing errors) as well as

reducing printing costs. The installation of multifunction machines for the implementation of MPS services was undertaken gradually, taking into consideration the actual printing needs of each building.

Solid Waste Management

In 2014, all new buildings were incorporated in the recycling programmes. At the same time, recycling bins were gradually placed for paper, ink cartridge/toner, batteries and light bulbs.

In collaboration with the licensed partner companies and the equivalent Collective Systems of Alternative Waste Management, a significant number of collections of recyclable consumables was undertaken.

Moreover, with the aim of vacating of storage space at branches and removal of old archives, several waste collection events took place for non-usable reserve of old and blank documents and other paper consumables. It is worth noting that over 870 tonnes of paper were delivered for recycling, while nearly 17,600 ink cartridge/toner were sent for reuse/recycling.

Finally, a collection of about 70 tonnes of old electrical and electronic equipment took place, implemented from alternative Management Collection System Waste.

Transportation

Transportation is defined as total business trips by car (including handling of internal communication) by plane and for training. In 2014, particular emphasis was placed on training of human resources. This is reflected in the 2014 results. Trips by car for training reasons as well as trips prevented due to e-learning courses increased over three-fold versus 2013. In total, over 2,800,000 km of trips were made, while 15,000,000 km of trips by car were prevented.

Gas emissions

The chart below depicts the results concerning total pollutant gas emissions in 2014 from the whole of Piraeus Bank. There was a slight 2% reduction in CO₂ emissions per surface unit while, the CO₂ emissions per employee ratio decreased by 9%.

For the total CO₂ equivalent emissions, the following emissions were estimated:

Direct emissions (Scope 1)

- the heating fuel consumption,
- the gasoline consumption (corporate fleet cars), and
- all refrigerants added to air-conditioning equipment⁶, heat/cooling pumps.

Indirect emissions associated with the electricity consumed in the Bank's buildings (Scope 2)

- electricity consumption in all buildings and branches.

Other indirect emissions (Scope 3)

- employees' road business trips and educational purpose ones (rented and private cars),
- employees' air trips.

⁶ Substances covered by regulation on fluorinated gases.

GAS EMISSIONS

	2013 ^{REAL} ¹	2013 ^{BASE} ²	2014	Trend 2013 ^{BASE} - Target 2015 2014	
CO ₂ EMISSIONS (tonnes)	72,510.36	78,129.84	66,329.05	-15%	
CO ₂ EMISSIONS (kg/m ²)	133.97	131.20	129.05	-2%	-5%
CO ₂ EMISSIONS (kg/employee)	5,148.79	5,069.74	4,607.20	-9%	
CH ₄ EMISSIONS (tonnes)	1.53	1.66	2.05	24%	
CH ₄ EMISSIONS (kg/employee)	0.11	0.11	0.14	33%	
N ₂ O EMISSIONS (tonnes)	0.92	0.99	1.04	5%	
N ₂ O EMISSIONS (kg/employee)	0.07	0.06	0.07	12%	
NO _x EMISSIONS (tonnes)	160.49	173.02	148.46	-14%	
NO _x EMISSIONS (kg/employee)	11.40	11.23	10.31	-8%	
SO ₂ EMISSIONS (tonnes)	233.02	251.14	206.83	-18%	
SO ₂ EMISSIONS (kg/employee)	16.55	16.30	14.37	-12%	
NM VOC EMISSIONS (tonnes)	11.85	12.93	17.16	33%	
NM VOC EMISSIONS (kg/employee)	0.84	0.84	1.19	42%	
CO EMISSIONS (tonnes)	104.12	113.50	148.01	30%	
CO EMISSIONS (kg/employee)	7.39	7.37	10.28	39%	
PM ₁₀ EMISSIONS (tonnes)	39.12	42.15	34.69	-18%	
PM ₁₀ EMISSIONS (kg/employee)	2.78	2.74	2.41	-12%	
CO _{2,eq} EMISSIONS - scope 1 (tonnes) ^{3,5}	2,709.85 ⁴	2,808.13 ⁴	2,262.32	-19%	
CO _{2,eq} EMISSIONS - scope 2 (tonnes) ³	69,466.63	74,883.36	61,683.25	-18%	
CO _{2,eq} EMISSIONS - scope 3 (tonnes) ³	1,757.49	1,887.87	2,980.87	58%	
TOTAL CO_{2,eq} EMISSIONS - scope 1, 2, 3 (tonnes)	73,933.96	79,579.36	66,926.44	-16%	

CO₂ = carbon dioxide, CH₄= methane, N₂O= nitrous oxide, NO_x= nitrogen oxides, SO₂= sulphur dioxide, CO= carbon monoxide, NMVOC= non-methane volatile organic compounds, PM₁₀= particulate matter.

¹ 2013^{real}: : Regards the integrated Bank environmental footprint based on the period of Organisational Unit operation in 2013. Regarding Piraeus Bank Organisational Unit operation before integration with ATEbank, environmental footprint is calculated for all the months of the year, while for acquired banks, the included data are from the date of acquisition of each bank within 2013 until year-end

² 2013^{base}: Regards the environmental footprint he Bank would have had if all the Organisational Units acquired throughout the year had operated. This specific index category constitutes the Bank's environmental footprint report based on which the 2014 targets were set.

³ For calculation of equal CO₂ emissions the following factors were applied: 1 for CO₂, 25 for CH₄ and 298 for N₂O. For further details, please refer to: IPCC, Fourth Assessment Report (AR4), Working Group 1, Chapter 2, Changes in Atmospheric Constituents and in Radiative Forcing, Table 2.14 , p. 212.

⁴ Equivalent CO₂ emissions were updated for 2013, taking into account all refrigerants added in 2013. There was differentiation of total emissions deriving from fuel consumption in road transportation versus 2014 (see the relevant "Gas emissions" section).

⁵ Energy consumption from car transportation of the company's fleet is included.

For further details, please refer to:

www.piraeusbankgroup.com>Corporate Responsibility> Environment> Environmental Fields of Action> Environmental Management> Environmental Footprint

PIRAEUS BANK ENVIRONMENTAL FOOTPRINT

	2013 ^{REAL} ¹	2013 ^{BASE} ²	2014	TREND 2013 ^{BASE} - 2014	TARGET 2015
CONSUMABLES					
Newspaper consumption from subscriptions (tonnes) [I]	37.48	38.33	37.87	-1%	
Paper consumption from the use of paper consumables (tonnes) [II]	370.55	488.50	401.45	-18%	
Paper consumption from marketing (tonnes) [III]	32.11	32.57	128.87	296%	
Total conventional paper consumption (tonnes) [I]+[II]+[III]	440.13	559.40	568.19	2%	
Total conventional paper consumption (kg/employee)	31.25	36.30	39.47	9%	
Total consumption of toner and cartridges (items)	36,479.00	41,186.00	55,202.00	34%	
Total consumption of toner and cartridges (items/employee)	2.59	2.67	3.83	43%	
GREEN PROCUREMENT					
A4 and A3 recycled paper consumption (tonnes) [IV]	270.91	270.91	843.53	211%	
A4 and A3 recycled paper consumption (kg/employee)	19.24	17.58	58.59	233%	
Total paper consumption (tonnes) [I]+[II]+[III]+[IV]	711.04	830.31	1,411.72	70%	-5%
Total paper consumption (kg/employee)	50.49	53.88	98.06	82%	
Percentage of recycled chlorine-free vs. conventional paper (%)	38.10%	32.63%	59.75%	83%	5%
ENERGY CONSUMPTION					
Consumption of electricity (GWh)	82.89	89.35	73.60 ³	-18%	
Consumption of electricity (kWh/employee)	5,885.81	5,798.02	5,112.40	-12%	
Consumption of electricity (kWh/m ²)	153.14	150.05	143.21	-5%	-5%
Heating fuel consumption (litres)	529,957.00	544,186.00	382,833.45	-30%	
Heating fuel consumption (litres/employee)	37.63	35.31	26.59	-25%	
Heating fuel consumption (litres/m ²)	0.98	0.91	0.74	-18%	-4%
Consumption of electricity (GJ)	298,403.32	321,671.63	264,968.79	-18%	
Heating fuel consumption (GJ)	19,230.92	19,747.26	13,892.15	-30%	
Total energy consumption (GJ) ⁴	319,908.39	344,520.07	292,582.27	-15%	
WATER CONSUMPTION					
Water consumption (m ³)	99,425.98	108,734.17	116,284.46	7%	
Water consumption (m ³ /employee)	7.06	7.06	8.08	14%	-3%
SOLID WASTE MANAGEMENT					
Amount of paper recycled (tonnes)	654.64	681.90	874.50	28%	
Amount of paper recycled (kg/employee)	46.48	44.25	60.74	37%	5%
Amount of paper recycled (recycled/consumed) (%)	92.07%	82.13%	61.95%	-25%	
Amount of toner and cartridges recycled (items)	11,143	12,125	17,589	45%	25%
Amount of plastic recycled (kg)	6,153.00	6,153.00	6,656.94	8%	
Amount of batteries recycled (kg)	9,995.48	10,297.15	9,753.87	-5%	
Amount of large accumulators recycled (kg)	1,113.00	1,364.00	4,434.00	225%	
Amount of electrical and electronic equipment recycled (kg) (excl. cat. 5A,5B)	43,863.00	55,604.00	67,306.26	21%	
Amount of light bulbs and lighting equipment recycled (kg)	1,827.00	1,845.00	3,110.60	69%	
TRANSPORTATION					
Business travel by plane (Km)	2,665,074.00	2,799,474.90	3,690,201.60	32%	
Business travel by plane (Km/employee)	189.24	181.65	256.32	41%	
Business travel by car (litres) ⁵ (V)	625,135.69	698,222.17	1,255,413.40	80%	
Business travel by car (Km)	7,913,110.03	8,838,255.00	15,891,309.30	80%	
Business travel by car (Km/employee)	561.89	573.50	1,103.81	92%	
Travel by car for educational purposes (litres) (VI)	44,686.82	44,686.82	224,965.65	403%	
Travel by car for educational purposes (Km)	565,656.00	565,656.00	2,847,666.41	403%	
Total km travelled by car (Km)	8,478,766.03	9,403,911.00	18,738,975.71	99%	
Total gasoline consumption (litres) (V)+(VI)	669,822.52	742,908.99	1,480,379.05	99%	
Travel prevented by opting for e-learning (Km)	3,757,542.00	3,757,542.00	14,962,396.00	298%	

¹ 2013^{real}: Regards the integrated Bank environmental footprint based on the period of Organizational Unit operation in 2013. Regarding Piraeus Bank Organizational Unit operation before integration with ATEbank as well, environmental footprint is calculated for all the months of the year, while for acquired banks, the included data are from the date of acquisition of each bank within 2013 until year-end.

² 2013^{base}: Regards the environmental footprint the Bank would have had if all the Organizational Units acquired throughout the year had operated. This specific index category constitutes the Bank's environmental footprint report based on which the 2014 targets were set.

³ Include accounts received until the first ten days of April 2015.

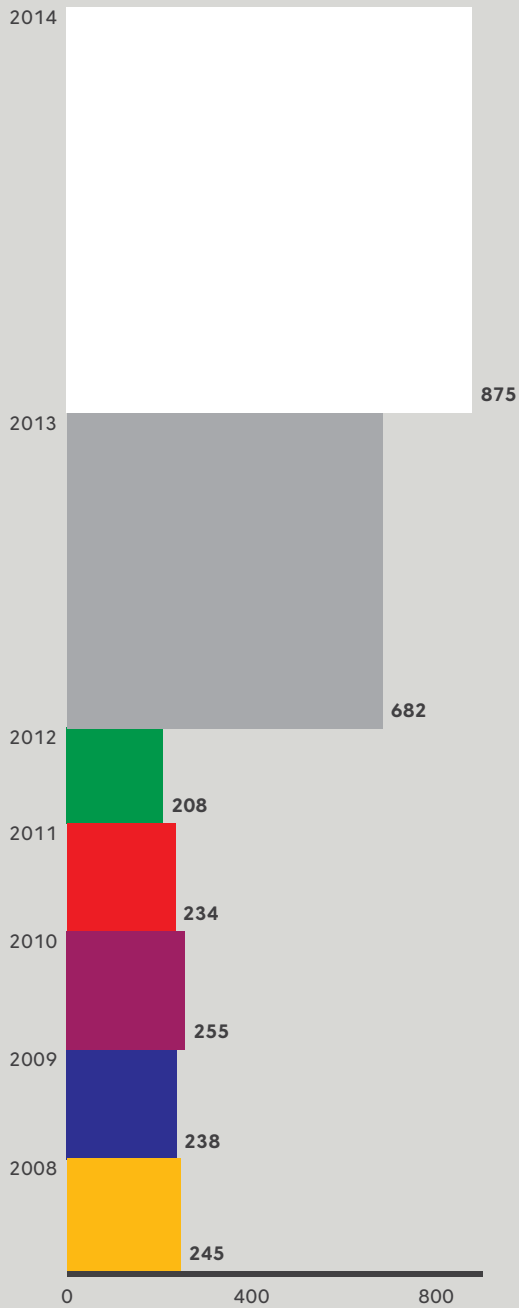
⁴ Energy consumption from car transportation of the company's fleet is included.

⁵ Based on the assumption that all road transportation was made with gasoline-powered vehicles and with fuel consumption at 7.9 liters/100km.

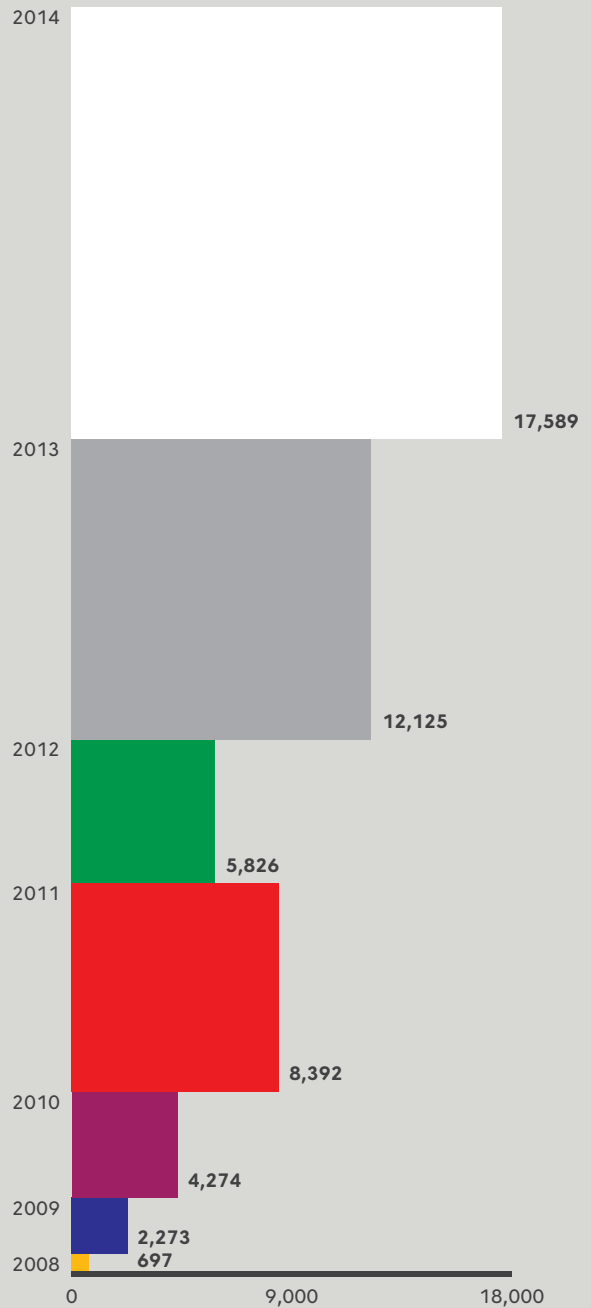
RECYCLED PAPER CONSUMPTION (%)



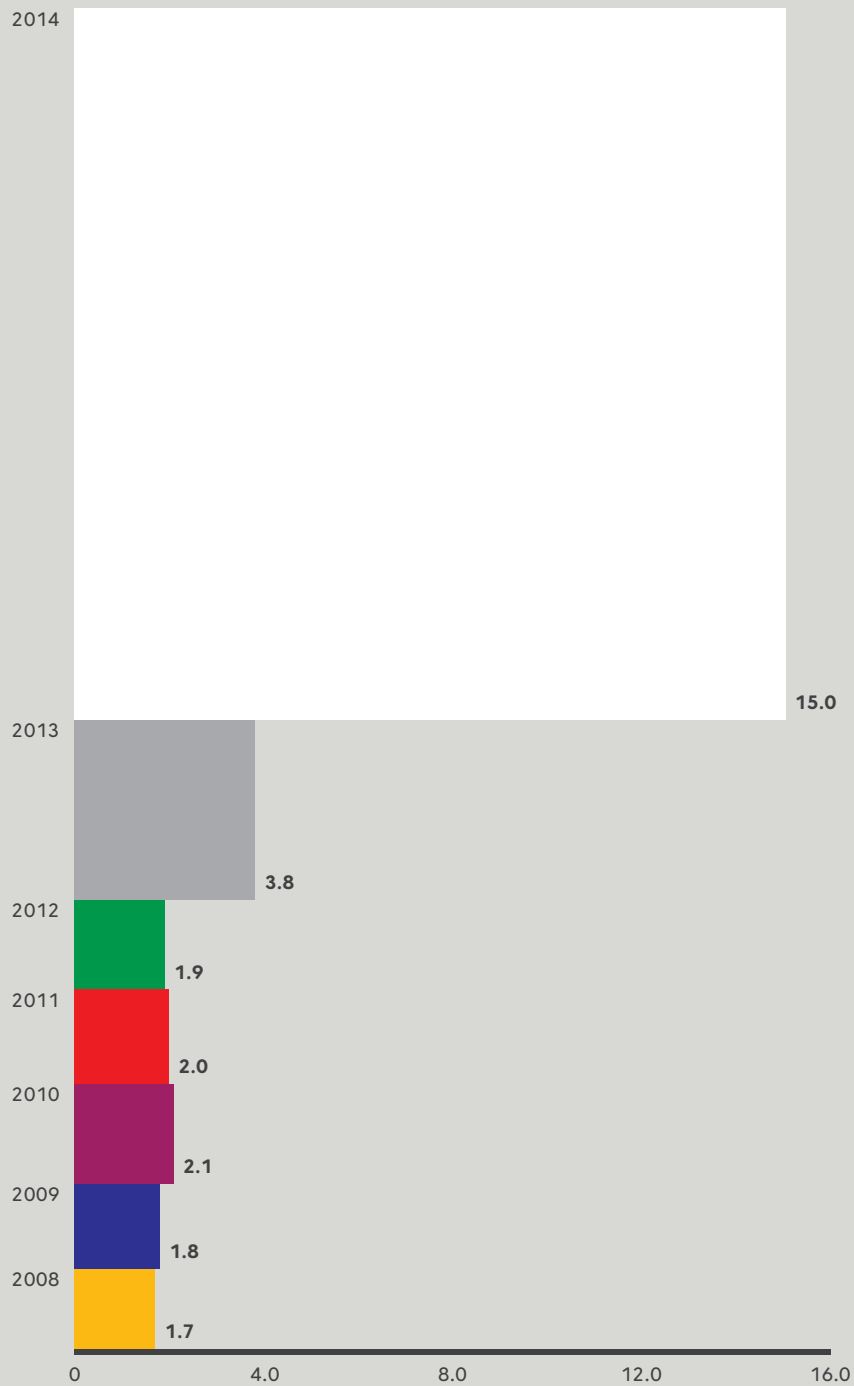
AMOUNT OF PAPER RECYCLED (TONNES)



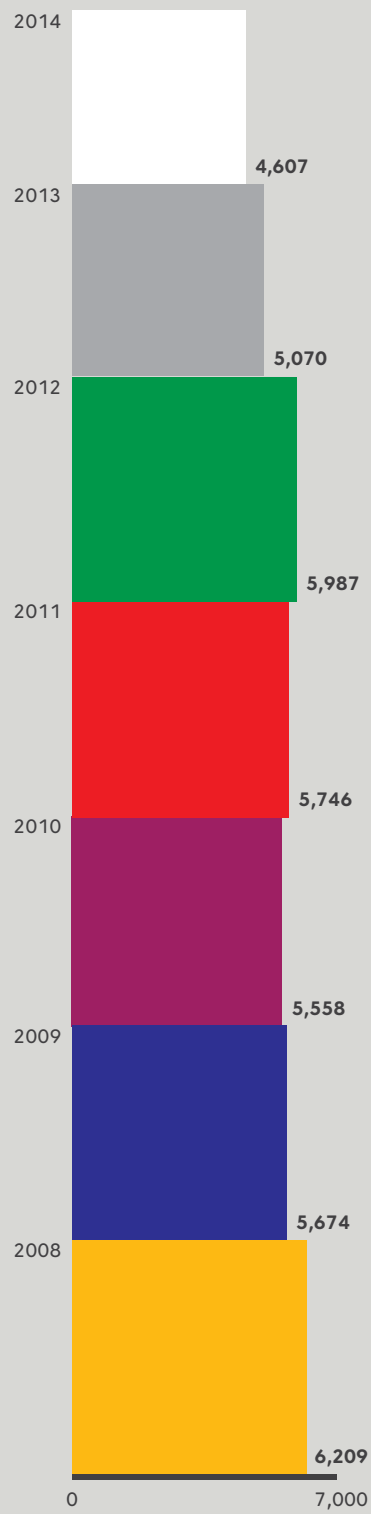
INK CARTRIDGE/TONER REUSE/RECYCLING



ENVIRONMENTAL BENEFITS FROM e-LEARNING (MN KM)



CO₂ EMISSIONS (KG/EMPLOYEE)



ELECTRONIC BANKING

Piraeus Bank's e-banking services (winbank) apart from facilitating banking transactions also significantly contribute to reducing the Bank's environmental footprint. The noteworthy increase in e-banking services (easypay platform, Internet, Phone & Mobile Banking) holds a special role in the environmental benefits that arise and particularly in reducing the consumption of natural resources.

e-Banking transactions reached 71mn (52mn in 2013), with paper saved reaching 343 tonnes (versus 251 tonnes in 2013). Taking into account that for the production of 1 tonne of paper 17 trees are cut, in 2014 the felling of 5,800 trees was prevented.

Additionally, in accordance with the Group's internal environmental management, the employees' monthly bank account and card statements are not printed. The relevant information is provided electronically, through winbank.

CLIMATE RISK ASSESSMENT

In 2014, Piraeus Bank carried on with its strategy to integrate the climate risk in its operations and business activities. For this purpose, the Bank's Environment Unit was enhanced in order to obtain further specialization in assessing and managing the climate risk of the Bank's loan portfolio and of its business customers. In particular, by commencing the process of updating the Climate Risk Management Model, Piraeus Bank is moving towards the next step of mitigating its climate risk. The Climate Risk Management Model's use and development comprises of three main pillars.

The first pillar includes the consideration of climate risk when evaluating the creditworthiness of existing and new business customers of the Bank. The second pillar includes the calculation of climate risk for the Bank's loan portfolio, while the third one aims to strengthen the promotion of green banking products and services through its branch network. More specifically, by means of this Model, businesses with activities in the Greek market will be able to receive information on the impacts of climate change as well as indicative costs of proposed mitigation and adaptation actions.

The Model is the result of cooperation with WWF Greece and FACE³TS, as part of the award winning European project LIFE climabiz.

The first assessment of the climate risk of the Bank's portfolio took place in 2012. By completing the Climate Risk Management Model's update, the Bank proceeds towards a new assessment in monetized terms of the climate risk of its business portfolio. This assessment will take place on an annual basis.

EUROPEAN PROJECT LIFE-STYMFALIA

2014 was a milestone year in the Bank's contribution to the protection of the natural environment. By means of the project LIFE-Stymfalia (LIFE12 NAT/GR/000275), which commenced in October 2013, Piraeus Bank partners with Piraeus Bank Group Cultural Foundation (PIOP), the Municipality of Sikyonion, OIKOM Environmental Studies Ltd., the Society for the Protection of Prespa and the Centre for Renewable Energy Sources and Saving (CRES) with the aim of restoring the Stymphalia wetland and the dynamics of the ecosystem.

With the completion of the first year of the LIFE–Stymfalia project, a Management Plan was conducted for the protected area, analyzing and recording the current state of the wetland and its ecological characteristics, while setting guidelines for its future management, and special action plans for flora and fauna species. Simultaneously, the staffing of the Local Management Unit began, to oversee and manage the protected area, and the first phase of the feasibility study for the exploitation and utilization of the area’s biomass was completed.

Events were held to inform the local community as well as meetings with local authorities, events promoting the LIFE –Stymfalia project at Conferences and Meetings, including the International Meeting “Cultural Landscapes in Natura 2000 sites: towards a new policy for the integrated management of cultural and natural heritage”. The International Meeting was held at the Acropolis Museum in Athens and the Environment Museum in Stymphalia, with senior officials from the European Commission, representatives of European institutions, representatives of international bodies, foundations and international associations, as well as members of the academic community, experts and civil society organizations attending the Meeting.

The LIFE–Stymfalia project aspires to establish an alternative funding scheme based on protection of the Lake as well as financial utilization of the wetland’s reed bed and the biomass of the broader region in order to ensure the sustainability of the management actions even after the conclusion of the project. The creation of this innovative growth model contributes to both national and international targets for protecting biodiversity and alternative financing of the Network Natura 2000.

For more information, please refer to: www.lifestymfalia.gr

GREEN BANKING

Piraeus Bank’s Strategy has been defined on the basis of the great environmental challenges of our times and the promotion of a new growth model with economic development and a minimized environmental and social impact as its focal point.

In the past few years, specific targets have been set to develop and adapt the offered products and services to the present environmental challenges. Thus, by adopting the principles of sustainable development and corporate responsibility in its mode of operation and in its support of customers and the general public, Piraeus Bank has become the most important financial institution in SE Europe to actively support every individual and business investment initiative with emphasis on environmental protection.

In 2014, Piraeus Bank’s Green Banking moved in this direction through coordinated actions such as the following:

- continuous and systematic monitoring of national and EU legislation regarding green economy and new technologies,
- creation of new green products, further promotion of green services through its subsidiaries, updating of existing products, taking into account market trends, and continuation of successful promotional actions (Green Move),
- techno-economic analysis of existing and new green investments in order to assess their qualitative, environmental and technical characteristics,

- continuous support of the expanded Bank branch network and particularly of its Green Banking advisors, Group subsidiaries and customers in green entrepreneurship, and
- design and implementation of special programmes aimed at training, sensitizing and informing Bank employees, shareholders and external stakeholders.

Piraeus Bank’s Green Banking covers a wide range of green entrepreneurship aspects including energy-saving, renewable energy sources (RES), alternative waste and water management, organic farming, agro-tourism, eco-tourism and green chemistry.

The result of Piraeus Bank’s continuous efforts and commitment in this direction is the green investments it supports. At year-end 2014, the approved loan limits reached €1.6bn and loan balances €1.2bn, financing environmental investments of over 20 thousand individuals and businesses (23.5% more than in 2013) in all aspects of green entrepreneurship.

Financing RES projects, among others, had a noteworthy performance, with the total installed capacity reaching 862MW, amounting to 17.8% of total RES installed capacity in Greece. These loans prevented the annual emission of 1,505 thousand tonnes of CO₂, which would require over 113 mn trees to be absorbed.

During 2014, Piraeus Bank’s Green Banking Operations successfully fulfilled the criteria of EFQM for “Commitment to Excellence” certification and also those of the EEDE (HMA-Hellenic Management Association) “Adoption of the Principles of Business Excellence” certification.

PIRAEUS BANK

	2014	2013ⁱ
Capacity (MW) from financing RES	862	798
CO₂ Emissions prevented (thousand tonnes)ⁱⁱ	1,505	1,499
Green loan limits (bn €)	1.6	1.6
Green loan balances(bn €)	1.2	1.2

ⁱ The amount of CO₂ emissions prevented was reviewed for 2013. The change is due to the updating of the CO₂ emission factor for fossil fuel substitution.

ⁱⁱ Calculation of the CO₂ quantities of emissions prevented by Piraeus Bank loans is achieved based on an average rate of CO₂ emissions from Greek non-RES electricity production and the average annual electricity production per RES technology according to the latest published data by the Operator of Electricity Market.

COLLABORATIONS

Piraeus Bank has formed collaborations with various NGOs in order to implement a multitude of actions.

The environmental organization Society for the Protection of Prespa is one of the Bank's partners in implementing the EU project LIFE-Stymfalia, which was initiated in October 2013. In the framework of employee participation in voluntary actions, in 2014 the Bank collaborated with the Hellenic Ornithological Society while also extending its collaboration with the social cooperative enterprise of limited liability "Klimax plus" for the collection of paper to be recycled in Attica.

Additionally, for the better operation and support of the Bank and its customers in green entrepreneurship issues, the Bank has developed a wide range of partnerships with national agencies (the Centre for Renewable Energy Sources and Saving -CRES , the Operator of Electricity Market etc.), private companies involved in environmental protection and management (FACE³TS SA etc.), as well as central government departments and local government (ministries, municipalities, regional administrative bodies etc.).

ENVIRONMENTAL AWARENESS AND TRAINING

Environmental Awareness and Training of employees

A particularly important sector of the Group's environmental policy is the environmental training of employees and society in general. It takes place on two levels. The first one is targeted at all employees and mainly implemented with e-learning programmes that describe basic environmental concepts and the Bank's environmental work. On the second level, training is targeted at specific groups and concerns issues such as green entrepreneurship, the Bank's green products and the Environmental Management System (EMS) procedures in accordance with EMAS.

In 2014, with the increase in employees and infrastructures deriving from the acquired banks, the work of environmental training focused on both the new Environmental Management Coordinators, in relation to EMS, and on broader environmental awareness of employees towards the creation of a common environmental culture. In 2014, a total of 353 Environmental Management Coordinators and over 3,170 employees completed environmental e-learning courses. Additionally, targeted training programmes were held on issues of energy-saving, RES, waste and water management and loans to these fields and at enhancing knowledge on Green Entrepreneurship and environmental banking. Training was provided to Entrepreneurship Center executives, to managers and heads of branches and to subsidiary executives, totalling in excess of 12,000 training man-hours.

In early 2008, "Green News" were presented for the first time on the Bank's intranet and are viewed by 600 employees per month on average. Employees in some Group subsidiaries also have access to it (e.g., ETVA Industrial Parks , Piraeus Direct Services, Piraeus Bank Cyprus).

A significant incentive for employee sensitization is the annual environmental management competitions where employees from the branch network and administrative buildings with the best performance in recycling of consumables and energy-saving are rewarded. An important tool for information dissemination of actions and environmental initiatives to employees is "winners", the Group's internal newsletter.

Volunteerism and Environmental Training of Children

With the aim of promoting volunteerism, in 2014 the Bank organized, with employee participation, voluntary actions such as the clean-up of Vravraona wetlands, visit to the Environment Museum of Stymphalia, visit to the Open-Air Water-Power Museum in Dimitsana, reforestation of Parnitha National Park, as well as the clean-up of the Aghios Mamas wetlands, in Chalkidiki. Additionally, in March 2014 the “Piraeus eco kids” group was formed, whereby employee children participated in environmental and cultural educational actions at PIOP’s Historical Archive building for three consecutive Saturdays, aimed at environmental awareness raising and cultivating environmental aesthetics. At Christmas 2014, a celebration was held for employees’ children, with an environmental focus. In total, in the aforementioned actions 650 people participated, both children and adults.

EXTERNAL COMMUNICATION

Since February 2011, the “Think Green” platform has been running in the most popular social networks (Facebook, Twitter, YouTube, Flickr) which has created an online user community sensitized in environmental issues. The platform has had wide public acceptance in its third year of operation and already has 35,169 friends on facebook.

The Group’s website (www.piraeusbankgroup.com) provides detailed information about all its environmental work; the climabiz and LIFE-Stymfalia websites inform about the progress and deliverables of the corresponding LIFE projects.

In addition, since 2012 a noteworthy information portal, the Green Banking Portal (www.greenbanking.gr), has been running providing information on business networking and the philosophy behind green entrepreneurship. The aim of the portal is to promote businesses that offer green products, to inform about the current legislative framework and to promote best practices in reducing the environmental footprint. In 2014, Green Banking actively participated in workshops and conferences. Moreover, it participated in exhibitions with a specially-designed booth such as the 2014 Panhellenic Exhibition Lamia and the 7th Commercial Exhibition Meeting “Building.Green Expo 2014” at M.E.C. Expo Center.

GROUP SUBSIDIARIES – ENVIRONMENT

Piraeus Bank Group invests in Corporate Responsibility at its international network as well, by means of initiatives and actions that protect the natural environment.

Greece-ETVA INDUSTRIAL PARKS SA

ETVA Industrial Parks SA possesses the strong potential and the expertise in investment procedures and spatial policy for industrial development.

Environmental Management at ETVA Industrial Parks SA

The pilot implementation of Environmental Management System (EMS) of ETVA Industrial Park in Komotini was completed, with useful conclusions and issues arising, which were analyzed and the actions required to address them were initiated, in preparation for their EMS certification in 2015.

Also in 2014, the upgrading projects of the Waste Treatment Facility at the Industrial Park of Thessaloniki received approval. This Park is one of the largest and most important Industrial Areas in Greece with businesses of considerable potential. At the same time, the timeline was defined for implementation of these projects, with joint contribution by

ETVA Industrial Parks SA and Thessaloniki Water Supply & Sewerage Co. S.A. (EYATH SA). The total projects' budget amounts to €4,384,950.00 and is targeted at improving the operation of the Waste Treatment Facility and at ensuring the good quality of the natural recipients in the Thermaic Gulf.

It is worth noting that no ascertained infringements have occurred at ETVA Industrial Parks SA in 2014, as the case has been over the last four years.

ETVA Industrial Parks SA's targets for the upcoming period are EMAS certification and continuous improvement of its environmental performance.

Cyprus

- Posting of "Green News" on intranet, with the aim of internally shaping an environmentally-friendly culture and action.
- Placement of recycling bins in Municipalities and Schools in Cyprus.
- "Corporate Social Responsibility in Environmental Issues" award at the 4th environmental "Green Dot Awards 2014" awards.

Bulgaria

- Sending e-statements for monthly credit card bills to reduce paper-consumption thus protecting the environment.

Romania

- Use of social media to disseminate and encourage environmental actions. Piraeus Bank Romania's corporate website "Curaj Romania" on Facebook was awarded 3d place in the "Environmental Implementation" category at the 2014 Corporate Social Responsibility (CSR) Awards in Romania.

Serbia

- Use of electronic means such as e-newsletter, e-card, e-learning for natural resource-saving and operating cost reduction. Paper consumption decreased by 4% per employee versus 2013; in the past 4 years, Piraeus Bank AD Beograd has recycled 23.5 tonnes of paper.
- Recycling programmes for paper, electronic and electrical equipment.

Germany

- Sponsorship of events promoting Greek Culture and Art.
- Support and encouragement of business actions and synergies between Greece and Germany through participation in Greek-German Business Forums, trade fairs etc.