Eurobank EFG’s motivation for environmental responsibility

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It’s a matter of corporate value and strategy

**OUR VALUES**

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

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

**Team Work**
We value teamwork and the collective effort for corporate success.

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

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

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

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

**Social Contribution**
We contribute with all possible means to the local community we operate. Our contribution reflects the anti-ecological and the values of our shareholders.

**Eurobank EFG**
A wide social contribution approach

Social Contribution

Our Contribution to Society and the Environment

The Eurobank EFG Group has combined its growth with activities in the fields of Education, Culture, Sports and the Environment, which attract the most vibrant and creative forces of a society.

Social contribution is an integral part of the Group's strategy, no matter where it operates, since the management believes that a dynamic and successful enterprise has to participate actively and contribute productively to the social process. Contribution to society is one of the fundamental principles of the Eurobank EFG Group and reflects the anthropocentric mid-set of the bank and its founders.

In 2005, the Bank's sponsorship and social contribution expenditure reached €6.9 million, increased by 15% as compared to 2004. The total social product of the Bank exceeded €894 million, as compared to €701 million in 2004, registering a 27.6% increase.
A wide social contribution approach

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Main motivation factors for the Bank

- Bank’s vision and values
- Financial reasons
  - Reduce operational cost
- Business opportunities
- Compliance with environmental standards
- Reinforce liaison with employees
- Reputation – image building
Brief history of our Environmental Policy evolution

- 2002 Issue of affinity card Visa WWF
- 2003
  - Announcement of the Official Environmental Policy
  - Adoption of an official Environmental Management System (EMS)
- September 2004
  - ISO 14001 Certification (Environmental Policy) for all products and activities in Attica
- End 2004
  - First Annual Report of Environmental Policy results
- June 2005
  - Ratification of Principles for the Environment and the Sustainable Development (United Nations Environment Program – Finance Initiative)
    - one of the 300 financial corporations worldwide-
- 2004-2006
  - Voluntary environmental activities
- May 2006
  - Award for Environmental Management System
The foundation of our Environmental Policy

- Management commitment
- Official and systematic Environmental Policy
- Appropriate management resources and capabilities
  - Special unit (Office for Environment)
  - Experts and consultants
  - Information Systems
  - Budget
- Employees’ active participation
- Gradual evolution and extension

The core of the Environmental Policy

Environmental Management System (EMS)
Environmental Management System (EMS)

- Based on specific methodology (prepared with the support of specialized consultants)
- Fundamental principle
  - **gradual evolution of the Environmental Performance of the Bank**
- In each cycle (phase) we
  - Define the field of application
    - Include new aspects and areas of application
    - Expand the application to other geographical sites or additional institutions of the Group ➔ define goals
  - For each area of application we
    - Identify and assess important business processes (operations), use of resources and business development factors having substantial environmental impact
    - Establish a feasible Actions Plan
    - Set-up the appropriate performance objectives
    - Define Key Performance Indicators
    - Monitor / report / evaluate progress
- Extensive quantitative information gathering (51 different values/indexes)
Initiatives undertaken for financial reasons (i.e. cost reduction by decreasing waste in paper, water, energy) had a substantial environmental impact.

Initiatives undertaken for environmental reasons had a substantial positive financial impact (cost reduction, discipline in using resources etc).

Environmental and financial motivations are not contradictory.

We expect that the success in our Environmental Policy will have a substantial positive financial impact for the Bank.
Areas of action (1)

- **Bank as “polluting” agent**
  - Create discipline and avoid pollution
    - Decrease pollution caused by business operation
    - Increase the use of video / teleconferencing
      (avoid not only cost but also impact of travel & transport on climate change)

- **Bank as consumer of goods and services**
  - Decrease waste of resources consumed in everyday operation
  - Increase recycling initiatives

- **Bank as an environmental agent**
  - Apply environmental standards in our cooperation with partners
Areas of action (2)

**Environment as a Business opportunity for the bank**
- Initiatives related to Customers with environmental content
  - Opportunities to finance renovation projects
    (adoption of more modern and green technology, compliance with environmental standards)
  - Green products
  - Credit criteria based on environmental factors
    (minimize risk of credit)

**Bank as motivator & sponsor of environmental activities**
- Information, training and employee motivation
- Promote awareness and voluntary activities
- Support organizations acting on environmental protection
  - Affinity products (i.e. Visa WWF)
  - Sponsoring events on environment
Green banking product

Affinity card Visa WWF
- More than 75,000 cards issued (about 50,000 active)
- Amount to WWF
  - 2004  129  KEuros
  - 2005  162,1  KEuros
  - Total amount since 2002

411,7 KEuros

Each transaction a gift to the Nature!
- 3 Euros on card issuance
- 0,25 % of each transaction value

Panda is happy!
Green banking product / initiatives

- **Green products concerning the application of environment-friendly technology**
  - 5 products have been launched for SMEs & Professionals
  - Specific loans for
    - the purchase of environment-friendly equipment by dry-cleaning establishments
    - the purchase of environment-friendly taxis and buses (> 2.700)
    - the installation of natural gas facilities in business premises

- **Environmental credit criteria**
  Since 2004 environmental criteria have been adopted for loan application evaluation (related to the environmental impact of customers’ investment projects)
  - avoid risk for the customer and the Bank
Voluntary actions

- Encourage voluntary participation in environmental restoration projects actions
  - Coast cleaning (2004, Attica)
  - Coast cleaning + Afforestation
    - Heraklion / Crete (60 volunteers)
  - Forest protection - Afforestation
    - Mount Parnitha, Attica
  Program “I know, I participate, I protect”
    - Voluntary visits of employees
    - Pupils tours / training material
    - Seminars for professors
    - Tutorials for schools
    - Research on deer

- Εσείς ακόμα ν'ανακαλύψετε την Πάρνηθα;
  Γνωρίζω, Συμμετέχω, Προστατεύω.

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UNEP-FI: What is the environmental responsibility of Banks
Information and awareness

Communication means

- Specific information sessions and training seminars for employees
- Magazine EUROBANKER (internal circulation)
- Corporate Intranet

Very important and encouraging factor

Warm willing acceptance and participation by employees
Some figures for 2005

- Expenditure for sponsorship and social contribution
  - 6,9 million Euros in 2005 (+ 15 % increase as compared to 2004)

- Individual environmental indices have been kept at 2004 levels, with a mean deviation of 5 %, despite the rapid growth of operational income by 25 % in 2005
Energy consumption

- 221 kwh/m², **2.8% less than 2004**
- Environmental-friendly technology in the premises of the bank
- Pilot programs for energy-saving at certain branches
- 75% of air-conditioning units installed were fitted with energy-saving systems
- 38% energy savings / branch, using special signs turned off at nighttime
- Special energy saving device to 91% of signs posted on the Bank’s buildings
Performance indicators 2005 (2)

**Paper**

- Consumption: 83 Kg / employee (growth rate 3 times less than business growth)
- Special recycling / shredding bins in branches and head offices
  - Quantity recycled in 2005: 264 tons ➔ 45 % of paper supplies
  - Expand the program to other cities’ offices

**Total annually recycled paper**

- 2004 (part) 122,000 Kg
- 2005 264,000 Kg
- 2006 (forec.) > 320,000 Kg
Performance indicators 2005 (3)

Water
- Consumption: 0.21 litters per m² (stabilized against 2004, despite rapid growth)

Computer equipment and peripheral
- Preference for material with minimal environmental impact
  - Dry batteries ➔ avoid any leakage of hazardous liquid substances
- Toner recycling (260 points in Attica)
  - 2004: 250 pieces
  - 2005: 850 (2.6% of purchases)
  - 2006 (estim.): 1,850 (13.5% of purchases)
- Donate replaced equipment instead of disposal

Greenhouse Gas Emissions
- Total contribution of Eurobank EFG for 2005: 7 tons / employee
- The goal is to stabilize emissions at this level
30\textsuperscript{th} May 2006

- Panhellenic Association of Companies for the Environment & Central Union of Chambers (under the auspice of European Business Awards for the Environment)
  - awarded Eurobank EFG the prize of innovative environmental methodology

for its Environmental Management System

16,000 employees of EFG Eurobank are encouraged to continue!!
Future directions

We are proud of what we have done, but it isn’t enough ... 

Main future directions

Broaden – while continuing to seek ways to improve performance in the areas already mentioned, the Bank will study ways of broadening the parameters to include other factors such as carbon emissions.

Expand – the experience gained in EMS will now be used to expand its application to other subsidiaries and companies of the Group in Greece and abroad where major investments are being made.

Involve – initiatives will be taken to involve both the stuff and customers of the Bank in the reduction of environmental impact by education, motivation, asking for and utilizing their ideas and encouraging self-assessment.
Acknowledgment

The presented results and the optimism for great improvements in the near future are due to

- The excellent professional work, the sensitivity and the persistence of
  - The Steering Committee for Environmental Policy
  - The staff of the Office for Environment
  - Our Consultant
  - The Bank’s personnel

and, of course,

- to the susceptibility of our organization in social initiatives

Acknowledgments and thanks to all of them
Everything we take from Nature is a loan ...

We have to return it in time …

If we are late paying, we will be charged additional cost …