

BANK OF CYPRUS
CORPORATE RESPONSIBILITY REPORT

GRI INDEX

2018

Bank of Cyprus



GRI INDEX

The 2018 Corporate Responsibility Report of Bank of Cyprus is based on the guidelines of the Global Reporting Initiative (GRI STANDARD) and covers the activities implemented in 2018. It was assessed by the Centre for Sustainability and Excellence and complies with in accordance level “Core”.

General Disclosures

Organisational Profile

Disclosure	Description
102-1	<p>Name of the organisation Bank of Cyprus Holdings Public Limited Company</p>
102-2	<p>Activities, brands, products and services The Bank provides a wide range of financial products and services which include:</p> <ul style="list-style-type: none"> • Retail banking • Corporate banking • Brokerage (CISCO) • Commercial banking • Fund management • Finance • Private banking • Factoring • Life insurance (EuroLife) • Investment banking • General Insurance (General Insurance of Cyprus)

Disclosure	Description						
102-3	<p>Location of headquarters 51, Stassinos Street, 2002, Nicosia, Cyprus</p>						
102-4	<p>Location of operations The Bank of Cyprus Group operates through a total of 108 branches in Cyprus. Bank of Cyprus also has representative offices in Russia, Ukraine and China. The scope of this Report is Bank of Cyprus operations in Cyprus.</p>						
102-5	<p>Ownership and legal form The share capital of Bank of Cyprus Holdings Public Limited Company since 19 January 2017 amounted to €44,619,993.30 divided into 446,199,933 ordinary shares of a nominal value of €0.10 each.</p> <p>The following investors hold interests of 3% or more in the issued share capital of Bank of Cyprus Holdings Public Limited Company*:</p> <ul style="list-style-type: none"> • Lamesa Investments Limited (affiliate of Renova Group), with a holding of 9.27% • European Bank for Reconstruction and Development, with a holding of 5.02% • Cyprus Popular Bank Public Co Ltd, with a holding of 4.81% <ul style="list-style-type: none"> • TD Asset Management, with a holding of 3.82%** • Eaton Vance, with a holding of 4.01%** • Senvest Management LLC, with a holding of 3.67%** • Osome Investments Limited, with a holding of 3.03%** <p><i>*In accordance with the shareholders' disclosure obligations pursuant to Irish Transparency Rules and Regulations</i> <i>**As per latest update from the Shareholders for the Annual Financial Report 2018</i></p>						
102-6	<p>Markets served The Group has 108 branches in Cyprus, which serve retail banking, corporate banking, brokerage, private banking, life insurance, general insurance, fund management, factoring and investment banking.</p>						
102-7	<p>Scale of the organisation</p> <table border="1"> <thead> <tr> <th>Year</th> <th>2017</th> <th>2018</th> </tr> </thead> <tbody> <tr> <td>Total no. of employees</td> <td>3,699</td> <td>3,777</td> </tr> </tbody> </table>	Year	2017	2018	Total no. of employees	3,699	3,777
Year	2017	2018					
Total no. of employees	3,699	3,777					

The Annual Financial Results for the year ended 2018 can be found on the Bank's website:

https://www.bankofcyprus.com/globalassets/investor-relations/press-releases/eng/20190328-auditedfy2018-financialresultsannouncement_eng_final.pdf

Disclosure

Description

102-8

Information on employees and other workers

Employee breakdown

By region

Region	2017 No. of Employees	2018 No. of Employees
Nicosia	2,402	2,512
Limassol	675	674
Larnaca/Famagusta	381	365
Paphos	241	226

By position

Position	2017 No. of Employees	2018 No. of Employees
Managers	707	721
Non-Managers	2,992	3,056

By gender

Gender	2017 No. of Employees	2018 No. of Employees
Male	1,484	1,523
Female	2,215	2,254

By age group

Age	2018* No. of Employees
Under 25	40
Age 25 - 34	278
Age 35 - 44	1,357
Age 45 - 54	1,699
Above 54	403

*During 2018, the Bank changed the KPI for the different age groups and there is no comparison with previous years

By years of employment:

Years of Service	2017 No. of Employees	2018 No. of Employees
0 - 10	583	501
11 - 20	1,293	1,415
21 - 30	1,634	1,639
31 - 40	189	222

102-9

Supply chain

The Bank holds itself accountable to the highest transparency standards in all its operations. In this context the Bank has adopted and upgraded its supplier selection assessment procedures in all areas of operation. During 2018, the Bank co-operated with approximately 1,330 suppliers receiving services in Technology (products and services),

Consumables (stationery, office equipment for branches and offices, cleaning materials), Consultancy Services (legal and accounting, valuations, communications and advertising), Security, Technical Services, etc. For 2018, the Bank did not categorize the type of services provided by suppliers.

Disclosure	Description
102-10	<p>Significant changes to the organisation and its supply chain</p> <p>None</p>
102-11	<p>Precautionary Principles or approach</p> <p>The principles governing every Bank of Cyprus requests for bidding for the supply of goods and services are:</p> <p>Fair competition: all candidates must be treated fairly through neutral specification of requirements focusing on meeting specific needs of the Bank.</p> <p>Conflict of interest: any conflicts of interest relating to the Bank's business activity or the parties involved in the process must be explicitly declared.</p> <p>Cost-Quality-Effectiveness: decisions shall not only be made on the basis of the financial proposal but should also factor in the quality of the goods/services as well as in the candidates' performance.</p> <p>Transparency-Data protection: to ensure transparency, all proposal related documents must include all the information necessary to facilitate submission of appropriate and competitive proposals. Information provided to candidates must be protected according to the relevant Bank of Cyprus confidentiality policy.</p> <p>Transparent assessment: assessment of proposals is transparent and utilises standardized methods based on commonly acceptable practices. The integrity of the scoring process and of the criteria structure is ensured through absolute confidentiality prior to the submission of proposals.</p> <p>Accountability (reporting and recording-archiving): all parties involved are obliged to report to the approval manager on any purchase or any use of the Bank of Cyprus budget or resources. The Proposals Archive is subject to review by the qualified Internal Audit staff.</p>
102-12	<p>External initiative</p> <p>Social (main): Cyprus Anticancer Society, Reaction Cyprus, ABR - Alternative Brains Rule, European Youth Parliament (EYP) Cyprus, Funraising, Cyprus Blood Bank, Cyprus Paraplegic Association, Cyprus Alliance For Rare Disorders, Sofia Foundation for Children, Goal sti Zoe (Goal in Life), TEDxLimassol, Cyprus Mathematical Society, Cyprus Computer Society</p> <p>Economic: Cyprus Organisation for Standardization Business Integrity Forum</p>

Disclosure	Description
102-13	<p>Membership of associations</p> <p>The Bank of Cyprus is a member of and is actively present in the following bodies, promoting industry - wide concerns in a national-level dialogue in an effort to continue supporting nationally beneficial policy:</p> <ul style="list-style-type: none"> • Cyprus Employers and Industrialists Federation • Association of Cyprus Banks • Cyprus Advertisers Association • Cyprus Chamber of Commerce and Industry • Limassol Chamber of Commerce and Industry

- Cyprus Securities and Exchange Commission (regulated by but not a member)
- Cyprus Stock Exchange (listed on but not a member)
- Business Integrity Forum (a programme run by the Cyprus Integrity Forum)
- Institute of Certified Public Accountants of Cyprus
- Cyprus Organisation for Standardization
- Cyprus Association of Listed Entities, SYDEK
- CSR Cyprus.

Strategy

Disclosure	Description
102-14	<p>Statement from senior decision-maker</p> <p>Read Bank of Cyprus CEO Statement "Koino Kyprion: Beyond Banking", Corporate Responsibility Report 2018, pages 11-12.</p>

Ethics and Integrity

Disclosure	Description
102-16	<p>Values, principles, standards and norms of behavior</p> <p>Compliance with the Procurements Policy Products and services usage and labelling</p> <p>Compliance with the Anti-bribery Policy The Board of Directors continues to apply a "zero - tolerance" approach to acts of bribery by any of the Bank's employees or any business partners.</p> <p>Payment services The Bank has amended the terms and conditions governing the payment services provided and, based on the relevant law provisions,</p>

- has drafted the following agreements:
- Supplementary Agreement governing the relation between the Bank of Cyprus Public Company Ltd and its customers.
 - Terms and Conditions of the use of Visa/Mastercard/American Express.
 - Terms and Conditions of 1bank.
 - Terms and Conditions governing the execution of payment transactions where the customer does not hold a payments account with Bank of Cyprus Public Company Ltd.
- With every product sold (loan, credit/debit/prepaid card), customers receive a form with all the relevant information, terms and charges.

Financial Crime Compliance Policies

The Bank maintains a zero tolerance policy on money laundering and the financing of terrorism and does not accept excuses for any breaches of the relevant legislation or for breaches of the Bank's internal

policies, procedures or its compliance framework. The policies and procedures are in place to ensure that the Bank fulfils its legal, regulatory and societal obligations to protect the financial system.

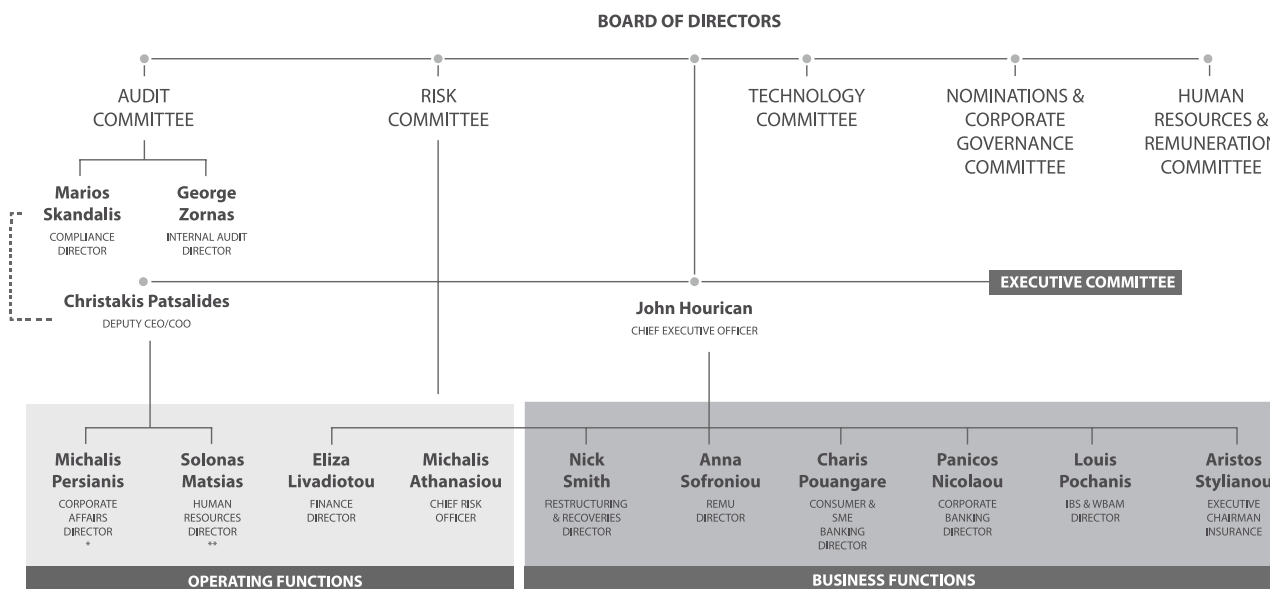
Governance

Disclosure

Description

102-18

Governance structure during 2018



* REPORTS ALSO TO THE CEO ** FUNCTIONALLY REPORTS TO THE HUMAN RESOURCES & REMUNERATION COMMITTEE

The Board's decision to apply the revised UK Code of Corporate Governance voluntarily as from 01/01/2019 is a solid confirmation of the Board's commitment to best international practices of Corporate Governance and Transparency, and is a hallmark of the Bank's new culture.

The Board's commitment to diversity and in achieving its target for 40% representation of the underrepresented gender on the Board by 2020 has led to the appointment of two female Board members in 2018 (approved by the European Central Bank on 23 July and 13 August 2018 respectively).

Adherence to the Code of the Cyprus Stock Exchange and the UK Corporate Governance Code as well as with the Governance Directive of the Central Bank of Cyprus, with adherence to best international practices. The Company has incorporated the provisions of the above

codes in the relevant Group's Corporate Governance policies. The policies, together with the Board Manual, the Terms of Reference of the Board Committees and the practices followed by the Board and its Committees, constitute an important and robust framework for maximising shareholder value.

The Annual Corporate Governance Reports can be found at the Bank's website: <https://www.bankofcyprus.com/globalassets/investor-relations/corporate-governance/annual-corporate-governance-report/english/2018-corporate-governance-report-eng.pdf>

Stakeholder Engagement

Disclosure

Description

102-40

List of stakeholder groups

- Employees
- Shareholders
- Credit Rating Agencies
- Media
- Customers
- Suppliers/ Business Associates
- Community

102-41

Collective bargaining agreements

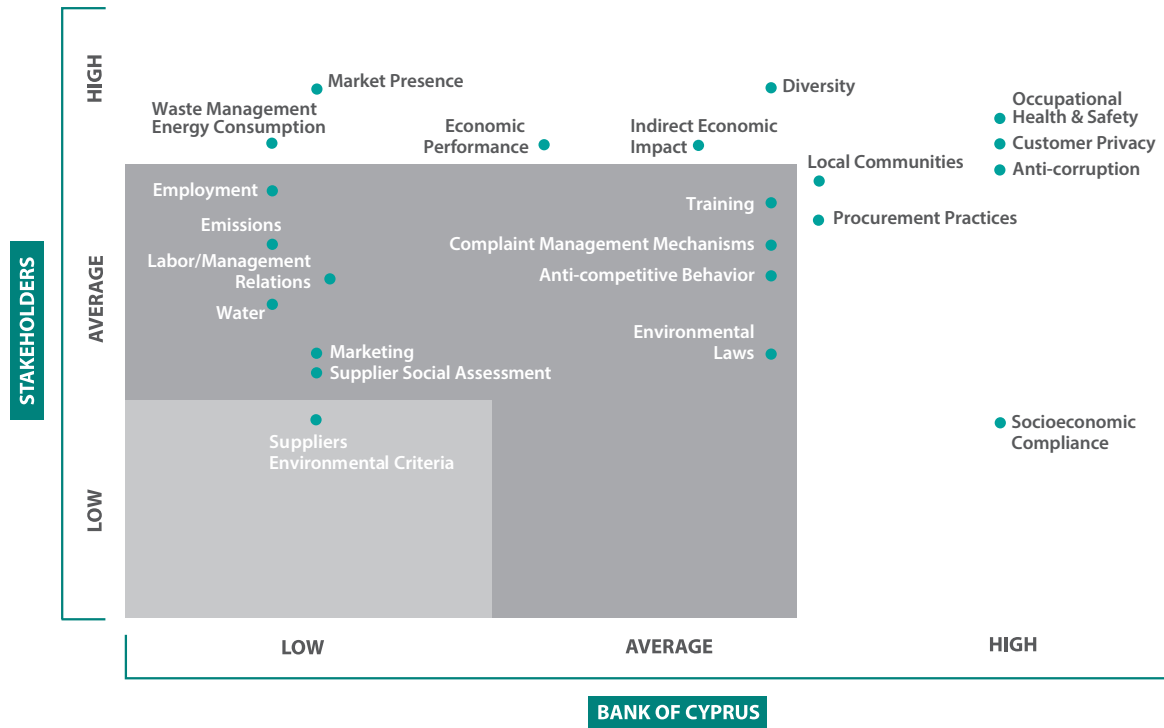
Approx. 99% of the Bank's employees are covered by collective bargaining agreements whereas approx. 98.5% are trade union members.

Disclosure	Description
102-42	<p>Identifying and selecting stakeholders</p> <p>The Bank's communication with its stakeholder group is a continuous process. This enables the Bank to identify and act upon the key demands, concerns and expectations of each Stakeholder group (Employees, suppliers, customers etc.).</p> <p>Through the Bank's daily operations, activities and communication, which is part of its Corporate Responsibility Strategy, the Bank makes sure these demands and concerns are answered in the best possible way; while at the same time it continuously strives to improve performance. See List of Stakeholders above (102-40)</p>
102-43	<p>Approach to stakeholder engagement</p> <p>List of Stakeholders above (102-40)</p>
102-44	<p>Key topics and concerns raised</p> <p>List of Stakeholders above (102-40)</p>

Reporting Practice

Disclosure	Description
102-45	<p>Entities included in the consolidated financial statement</p> <p>https://www.bankofcyprus.com/globalassets/investor-relations/press-releases/eng/20190328-auditedfy2018-financialresultsannouncement_eng_final.pdf</p>
102-46	<p>Defining report content and topic Boundaries</p> <p>To identify the material aspects Bank of Cyprus it has conducted a Materiality Assessment based on the principles of Relevance, Materiality and Prioritization, which analysed input from both external and internal Bank of Cyprus sources. This process comprised the following steps:</p> <p>Step 1: Identification and understanding of material aspects with our stakeholders. The aspects that are material for the Bank of Cyprus were determined following a survey conducted among:</p> <ul style="list-style-type: none"> • Employees • Customers • Representatives of bodies / Non-Governmental Organisations (NGOs) • Media representatives <p>Step 2: Identification and understanding of material corporate strategy aspects for the Bank of Cyprus, through internal processes (staff and senior management).</p> <p>Step 3: Aligning all results in a chart -the "Materiality Matrix". Each aspect was prioritized by a degree of materiality importance according to its relevance for the stakeholders and the Bank of Cyprus.</p> <p>Step 4: The Bank of Cyprus Corporate Responsibility Report presents all aspects with the highest materiality as well as the lowest.</p>

Boundaries and limitations of material aspects Matrix.



102-47

List of material topics

Upon completion of the materiality assessment process, the following topics are considered to be of very high importance:

- Occupational Health & Safety
- Customer Privacy
- Anti-corruption
- Local Communities
- Procurement Practices
- Socioeconomic Compliance
- Diversity and Equal Opportunity
- Indirect economic impact
- Economic Performance
- Market Presence
- Waste Management
- Energy Consumption

Disclosure	Description
102-48	Restatements of information There are no restatements of information
102-49	Changes in reporting A new materiality assessment has been conducted based on GRI Standards. The new material issues are described above in the section List of Material Topics (102-47)
102-50	Reporting period 1.1.2018 - 31.12.2018
102-51	Date of most recent report 2017 Bank of Cyprus- Corporate Responsibility Report
102-52	Reporting cycle Annual
102-53	Contact point for questions regarding the report For any clarifications on the Corporate Responsibility Report for the years 2017 and 2018, please contact the Corporate Affairs Division, Corporate Responsibility at +357 22122304, email: bankofcypruscsr@bankofcyprus.com
102-54	Claims of reporting in accordance with the GRI Standards "In accordance", core option
102-55	GRI content index GRI Table
102-56	External assurance The Bank of Cyprus Corporate Responsibility Report has been assured with the AA1000 Assurance Standard. See Assurance Statement

Specific standard disclosures

Category: Economic

Economic Performance

Disclosure

Description

103

Management Approach

As the leading publicly-traded financial services and banking group in Cyprus, Bank of Cyprus complies with the Corporate Governance Code of the Cyprus Stock Exchange, as well as the Directive on Governance and Management Arrangements of the Central Bank of Cyprus.

The Bank has also elected to apply the UK Code of Corporate Governance and adheres to best practices on corporate governance.

More information can be found in The Bank of Cyprus Corporate Responsibility Report 2018.

201-1



Direct Economic Value Generated and Distributed

https://www.bankofcyprus.com/globalassets/investor-relations/press-releases/eng/20190328-auditedfy2018-financialresultsannouncement_eng_final.pdf

Market Presence

Disclosure

Description

103

Management Approach

Bank of Cyprus is the largest banking and financial services group in Cyprus, with significant market shares across all business segments. Bank of Cyprus is at an advanced stage of its transformation, becoming

a stronger, outcome-driven organisation. The Group has a total of 108 branches in Cyprus as well as representative offices in Russia, Ukraine and China.

202-2

Proportion of senior management hired from the local community

	Senior Management	Board of Directors
% of senior management at significant locations of operations are hired from the local community	86% are Cypriots	36% are Cypriots
The definition used for senior management	All Divisional Directors that report to the CEO or D-CEO, Divisional Directors that report to Board Committees and General Managers of major subsidiaries.	

	Senior Management	Board of Directors
The organisation's geographical definition of "local"	Cyprus	
The definition used for "significant location of operations"	The Bank operates in Cyprus	

Indirect Economic Impacts

Disclosure

Description

103

Management Approach

The Bank of Cyprus remains a strong pillar of the society and a key driver of sustainable growth in Cyprus. The Bank places special emphasis on the protection and support of social partners and society as a whole. In particular it develops initiatives that aim to improve living conditions of the more distressed strata of society, to support sustainable growth and to preserve local culture and history.

Reflected in the logo, "Koino Kyprion" (Common of Cypriots), the Bank undertakes sustainable support actions and shows particular concern for vulnerable social groups. It accordingly participates in

efforts to enhance services related to health, education, and social welfare and thereby contributes to the overall improvement of the everyday life of the society in which it operates.

The Community activities fall within the two pillars: Health and Education.

More information can be found in The Bank of Cyprus Corporate Responsibility Report 2018.

203-1

Infrastructure investment and services supported

- In 1998, Bank of Cyprus in partnership with the Republic of Cyprus founded the Bank of Cyprus Oncology Centre for the treatment of cancer patients in Cyprus. After 20 years, the Bank continues to support the Centre financially and otherwise.
- In 1984, Bank of Cyprus founded the Bank of Cyprus Cultural Foundation with the main strategic aims being to encourage the research and study of Cypriot civilisation in the fields of archaeology, history, art and literature. Throughout the years it developed a series of multi-faceted activities becoming the centre of culture, art and creativity in Cyprus. After 34 years, the Bank continues to support all operations and activities of the Foundation financially and otherwise.

- In 2015, the Bank along with its valued partners founded IDEA, an Innovation Centre and Incubator-Accelerator for start-ups. Its mission is to cultivate the entrepreneurial mindset and to elevate the country on the international innovation map, at the same time encouraging a culture of volunteerism and giving back to the society. Today, IDEA is the only comprehensive, non-profit initiative of its kind in Cyprus, covering the whole spectrum of support relating to innovation and entrepreneurship.

All the above investments fall within the Section "Our Community" within the Corporate Responsibility Report.

Procurement Practices

Disclosure

Description

103

Management Approach

The Group's Procurement Policy is uploaded on the Bank's website in line with our transparency culture. Following the successful implementation of this uniquely robust framework, the Bank received independent recognition of its proven spectacular transformation with

the establishment of its new corporate culture of ethics, as detailed in the Awards, Honours and Certifications section.

More information can be found in The Bank of Cyprus Corporate Responsibility Report 2018.

204-1

Proportion of spending on local suppliers

Percentage of the procurement budget used for significant location of operations that is spent on suppliers local to the operations 70.3% (only local vendors excluding: staff , CBC & ECB fees, Financial Ombudsman, Stock Exchange, Resolution Fees, UNIONS-ETYK OEB KEBE).

Anti-corruption

Disclosure

Description

103

Management Approach

The Bank maintains a zero-tolerance policy for money laundering and terrorism financing and does not accept excuses for any breaches of the relevant legislation or for breaches of the Bank's internal policies, procedures or its compliance framework. The policies and procedures are in place to ensure that the Bank fulfils its legal, regulatory and societal obligations to protect the financial system.

The Bank maintains mechanisms that provide assurance regarding the implementation and effectiveness of Group Policies relating to Anti-Bribery & Corruption, Conflict of Interest and Whistleblowing.

More information can be found in The Bank of Cyprus Corporate Responsibility Report 2018.

Disclosure	Description
205-2	<p>Communication and training on anti-corruption policies and procedures</p> <p>Our policy has been communicated to 12 board members, i.e. 100%, broken down by region as follows: 1 Austria, 1 Sweden, 1 Russia, 2 Switzerland, 1 UK, 1 Ireland, 4 Cyprus, 1 Greece.</p> <p>Through the uploading of the revised Group Policy to the Bank of Cyprus (BoC) portal and the existence of the relevant circular, the policy has been communicated to all employees, i.e. 100%.</p> <p>A summary of the Anti-Bribery and Corruption Group Policy is uploaded to the Bank of Cyprus website.</p>

A relevant to our policy e-learning training course was provided to 12 board members, i.e. 100%, broken down by region as follows: 1 Austria, 1 Sweden, 1 Russia, 2 Switzerland, 1 UK, 1 Ireland, 4 Cyprus, 1 Greece.

Category: Environment

Disclosure	Description
103	<p>Management Approach</p> <p>The key goal and strategic priority is to reduce as far as possible the impact of the Bank's business activities on the environment. One of the main impacts on the environment and climate change comes from</p>

its buildings and Greenhouse gas emissions. In 2018 the Bank measured the main sources of emissions.

302-1



Energy consumption within the organisation

Emission Source	
Diesel for heating	100,000 lt
Electricity consumption	22,210,000 kWh

Waste Management

Disclosure

Description

103

Management Approach

The Bank recognises the importance of waste and resource management, and for that reason Bank of Cyprus had for several years a paper recycling programme in place in all Bank premises.

The Bank's efforts to reduce its impact on natural resources and to minimize its waste stream include several activities and initiatives. During 2018, the upgraded internal portal encouraged employees to further reduce the use of paper in everyday transactions and tasks.

306-2



Waste by type and disposal method

Recycled (in kgs)	2017	2018
Empty packaging of printing toners (laser, inkjet etc.)	1,941	80
Metal (metal parts of old furniture, machinery etc.)	1,160	1,178
Miscellaneous appliances-machines	1,512	9,800
Paper	4,770	735,000
Plastics, glass, wood, metal	3,305	3,070

Recycled (in kgs)	2018
Total weight of hazardous waste	80
Total weight of non-hazardous waste	14,000

Category: Social

Occupational Health & Safety

Disclosure

Description

103

Management Approach

Bank of Cyprus considers the health and safety of its employees as a primary concern. To this end, working conditions are systematically

monitored and upgraded by the Corporate Security, Safety & Health Department.

403-5



Worker training on occupational health and safety

More than 600 employees have received training in security awareness & emergency preparedness and response seminars. Around 200 employees have received First Aid training and all

employees have participated in e-learning health and safety awareness seminars.

Diversity and Equal Opportunity

Disclosure

Description

103

Management Approach

Bank of Cyprus supports equal opportunities as well as respect for diversity. The aim is to ensure that all members of staff receive fair and impartial treatment in the workplace. Therefore, the Bank ensures that all employees receive equal opportunities through relevant practices implemented on employee selection and recruitment, training and

development, performance assessments and rewards, promotions, and transfers. Such practices are adopted and implemented irrespectively of gender, age, religion, ethnicity or race, sexual orientation, physical abilities or political convictions.

405-1



Diversity of governance bodies and employees

a) Percentage of individuals within the organisation's governance bodies (Board of Directors) in each of the following diversity categories:

- Gender: 36% are female.
- Age group: under 30 years (0%), 30-50 years (18%), over 50 years (82%).

b) Nationality Breakdown, see tables below.

1st Nationality

Nationality	No. of staff	% on other nationalities	% on total no of staff
Australian	3	2.70%	0.00%
Austrian	1	0.90%	0.00%
British	17	1.32%	0.00%
Bulgarian	1	0.90%	0.00%
Colombian	1	0.90%	0.00%
Comoran	1	0.90%	0.00%
Czech	1	0.90%	0.00%
Greek	76	68.47%	0.00%
Irish	1	0.90%	0.00%
Moldavian	1	0.90%	0.00%
Rumanian	1	0.90%	0.00%
Russian	4	3.60%	0.00%
Ukrainian	2	1.80%	0.00%
Yugoslavian	1	0.90%	0.00%
	111		

2nd Nationality (1st nationality - Cypriot)

Nationality	No. of staff	% on other nationalities	% on total no of staff
American	2	3.3%	0.1%
Australian	7	11.7%	0.2%
British	26	43.3%	0.7%
Canadian	6	10.0%	0.2%
French	1	1.7%	0.0%
German	1	1.7%	0.0%
Greek	8	13.3%	0.2%
Hungarian	1	1.7%	0.0%
New Zealand	1	1.7%	0.0%
Russian	1	1.7%	0.0%
South African	5	8.3%	0.1%
Swedish	1	1.7%	0.0%
	60		

Local Communities

Disclosure

Description

103

Management Approach

Bank of Cyprus remains a pillar of society and a key driver of sustainable growth in Cyprus. The Bank places special emphasis on the protection and support of social partners and society as a whole. In particular, it develops initiatives that aim to improve the living conditions of the population, the general upgrading of living and cultural standards. Reflected in its logo, "Koino Kypriou" (Common of Cypriots), the Bank

undertakes sustainable support actions and shows particular concern for vulnerable social groups. It accordingly participates in efforts to enhance services related to health, education, and social welfare and thereby contributes to the overall improvement of the life of the society in which it operates. The Bank's community actions fall within the two pillars: Health and Education.

413-1



Operations with local community engagement, impact assessment, and development programmes

In 2018 the Bank supported more than 300 NGOs, charity organisations, associations, municipalities, schools, sports federations and sports academies with the amount of €1 million.

The Bank's community actions fall within the two pillars: Health and Education.

Customer Privacy

Disclosure

Description

103

Management Approach

The security, protection and privacy of personal data are important to the Group so that it may conduct its business fairly and lawfully. The Bank implements a Group Data Protection Policy that outlines the principles governing data privacy and these are fully supported with relevant implementation and monitoring procedures. The Bank is committed to further preserving clients' ability to have better control of their personal data and to pursue their rights under the EU General

Data Protection Regulation (GDPR), in terms of how their personal data is collected, processed and secured. Therefore, the Bank apart from the publication of its Privacy Notice, actively took steps to fully comply with the provisions of GDPR which came into force in May 2018. The Board of Directors and Senior Management are fully supporting the efforts to ensure GDPR compliance.

418-1

Substantiated complaints concerning breach of customer privacy and losses of customer data

During 2018 there were no substantiated complaints concerning breaches of customer privacy or loss of customer data.

Socioeconomic Compliance

Disclosure

Description

103

Management Approach

Integrity, transparency, accountability, confidentiality and sustainability are the core principles of every action of the Bank of Cyprus. In everything that it does, it is creating value for its customers,

shareholders and employees. For the Bank of Cyprus compliance is a culture and a mindset.

419-1

Non-compliance with laws and regulations in the social and economic area

Regarding the Financial Ombudsman 52 complaints were handled during the year.

Boundaries and Limitations of Material Aspects Table

Material Aspects	Boundaries within the organisation	Boundaries outside the organisation	Limitations
Occupational Health & Safety	Bank of Cyprus Employees Shareholders		The report covers only the activities of the Bank of Cyprus in Cyprus
Customer Privacy	Bank of Cyprus	Media Customers	
Anti-corruption	Bank of Cyprus Employees Shareholders	Media Customers Associates	
Local Communities	Bank of Cyprus	Media Community	
Procurement Practices	Bank of Cyprus	Suppliers/ Business Associates	
Socioeconomic Compliance	Bank of Cyprus Shareholders	Customers Community	

Material Aspects	Boundaries within the organisation	Boundaries outside the organisation	Limitations
Diversity and Equal Opportunity	Bank of Cyprus Employees		The report covers only the activities of the Bank of Cyprus in Cyprus
Indirect economic impact	Bank of Cyprus Shareholders	Media Community	
Economic Performance	Bank of Cyprus Shareholders		
Market Presence	Bank of Cyprus	Media Community	
Waste Management	Bank of Cyprus	Community	
Energy Consumption	Bank of Cyprus	Community	

Stakeholders Table

Stakeholders	Key Demands	Communication	Frequency
Employees	<p>Achieve, measure, recognise and reward performance</p> <p>Transparent, interactive and timely communication with employees and provision of honest feedback</p> <p>Creation of a caring and working environment in which employees are supported in their financial, health-related and other needs</p> <p>Provision of opportunities for career advancement and lifelong learning and Development</p>	<p>Personal and/or group meetings and presentations</p> <p>Employee portal and email announcements</p> <p>Open Days</p> <p>Staff Opinion Survey</p> <p>Management Practices Survey</p> <p>Internal Customer Satisfaction Survey</p>	Ongoing
Shareholders	<p>Publication of Annual, Midyear and Quarterly Financial results, as well as publication and distribution of related announcements and presentations</p> <p>Publication of announcements in line with the Group's regulatory obligations and compliance with all the applicable legislation, rules and regulations as these emanate from the listing on the Cyprus Stock Exchange and the London Stock Exchange</p> <p>Deliver appropriate risk adjusted returns</p> <p>Publication of a clear plan of action to achieve Groups' Medium Term Targets</p> <p>Transparency and equitable provision of information to all the investors</p>	<p>Via the website and email</p> <p>Through announcements</p> <p>Annual and Extraordinary</p> <p>General Meetings</p> <p>Conference Calls</p> <p>Meetings</p> <p>Roadshows</p>	<p>Quarterly (Financial Results)</p> <p>Ongoing</p>

Stakeholders	Key Demands	Communication	Frequency
Media	<p>Constant direct contact and cooperation</p> <p>Interviews, press releases</p> <p>Advertising campaigns</p>	<p>Via email</p> <p>Through personal meetings</p> <p>Through Press Conferences</p>	Ongoing
Customers	<p>Transparent financial conditions, reliability and honesty in transactions on products/services</p> <p>Pricing policy</p> <p>Offering flexible products/ services that better meet their needs</p> <p>Flexible procedures/ Cutting red-tape</p> <p>Covering the financing needs of businesses and individuals</p> <p>Offering Facilities/ Arrangement schemes for customers' debts</p> <p>Protection of consumers, personal data and banking secrecy</p>	<p>Via the Bank's website</p> <p>By the post (account statement with a promotional insert)</p> <p>Via telephone from your personal banker</p> <p>Through media campaigns</p> <p>Through personal meetings</p> <p>Through skype or teleconference</p> <p>Through focus groups and surveys</p>	Ongoing
Suppliers/Business Associates	<p>Further enhancing of business relationships</p> <p>Constant contracts and cooperation</p> <p>Transparency and adequate assessment procedures in all areas of cooperation</p> <p>Generating business in the market and greatly contributing to the economy of Cyprus</p>	<p>Business contracts</p> <p>Contact via telephone, e-mail</p> <p>Personal meetings</p>	Ongoing

Stakeholders	Key Demands	Communication	Frequency
Community	Health and Education through our sponsorships/donations & partnerships policy Support a compelling societal need where one exists but is not served by the public sector	Contact via telephone, e-mail Personal meetings Media campaigns Through focus groups and surveys	Ongoing

Our Commitment to Sustainable Development Goals






The Bank of Cyprus has adopted the United Nations 2030 Agenda and as such is represented by the Sustainable Development Goals for 2030. Management has decided that the Bank should actively contribute to the achievement of these goals by promoting the community’s well-being and security, protecting the environment and supporting employee development. The Bank’s main priority is to achieve those



goals directly linked to the activities and challenges specific to the banking sector, and to all material aspects arising from the Bank’s Corporate Responsibility Report.

The table below describes in detail how the Bank’s programmes and actions are associated with the Sustainable Development Goals.



Sustainable Development Goals	Material Aspects Related to Sustainable Development Goals	GRI STANDARDS Indicators	The Bank’s Response Reference in the Corporate Responsibility Report
Ensure healthy lives and promote well-being for all at all ages 	Occupational Health & Safety Local Communities	GRI 403-5 GRI 413-1	The Bank of Cyprus Oncology Centre Cyprus Anticancer Society Occupational Health & Safety Employee wellbeing “Folia Centre”

Sustainable Development Goals	Material Aspects Related to Sustainable Development Goals	GRI STANDARDS Indicators	The Bank's Response Reference in the Corporate Responsibility Report
<p>Obtaining a quality education is the foundation to creating sustainable development.</p> 	Local Communities	GRI 413-1	<p>The Bank of Cyprus Cultural Foundation</p> <p>Educational Programmes #deneinaisxoleio</p> <p>Culture means Business</p> <p>IDEA</p> <p>Employee Training & Education</p>
<p>Achieve gender equality and empower all women and girls</p> 	Diversity and Equal Opportunity	GRI 405-1	Equal Opportunities Policy
<p>Promote inclusive and sustainable economic growth, employment and decent work for all</p> 	<p>Economic Performance</p> <p>Diversity and Equal Opportunity</p>	<p>GRI 201-1</p> <p>GRI 405-1</p>	<p>Financial Results 2018</p> <p>Our People</p> <p>Equal Opportunities Policy</p>
<p>Reduce inequality within and among countries</p> 	Diversity and Equal Opportunity	GRI 405-1	Equal Opportunities Policy
<p>Make cities inclusive, safe, resilient and sustainable</p> 	Local Communities	GRI 413-1	<p>Moments at the Museum</p> <p>NGO Reaction Partnership</p>

Sustainable Development Goals	Material Aspects Related to Sustainable Development Goals	GRI STANDARDS Indicators	The Bank's Response Reference in the Corporate Responsibility Report
Ensure sustainable consumption and production patterns 	Energy Consumption Waste Management	GRI 302-1 GRI 306-2	Energy Saving and Carbon Emissions Reduction Waste Management Paperless Programme
Take urgent action to combat climate change and its impacts 	Energy Consumption	GRI 302-1	Energy Saving and Carbon Emissions Reduction