

PIRAEUS
FINANCIAL HOLDINGS



Principles for Responsible Banking

**3rd Reporting and Self-Assessment Template of
Piraeus Financial Holdings**

September 2022



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PIRAEUS FINANCIAL HOLDINGS IS STRONGLY COMMITTED TO SUSTAINABILITY AND THE PRINCIPLES FOR RESPONSIBLE BANKING

Piraeus Group has played a leading role in shaping the UN Principles for Responsible Banking, for the alignment of bank operations with the Sustainable Development Goals and the Paris Climate Agreement. Piraeus Bank was the only Greek bank to actively participate in preparing the global Principles and is also elected on the UNEP FI Banking Board. Piraeus is very active in supporting sustainability initiatives, and most recently, has signed:

- the Collective Commitment to Climate Action, pledging to finance the low-carbon, climate-resilient economy required to limit global warming to well-below 2 degrees Celsius, striving for 1.5
- the Commitment to Financial Health and Inclusion
- the UN Declaration "United in the Business of a Better World", and
- the Women's Empowerment Principles of the UN Global Compact and UN Women, committing to strengthening and promoting gender equality in the workplace.

With the commitment of the Senior Management, Piraeus has a comprehensive ESG Strategy guided by the Principles for Responsible Banking, to redefine its business model. The strategy is based on four focus areas: Literacy, Corporate Performance, Products and Services, Operational Footprint.

Along with our financial performance aspirations, at Piraeus Group, we systematically move forward in the direction of sustainable banking and we create the infrastructure, policies and strategies that incorporate Environmental, Social and Corporate Governance criteria, known as ESG criteria, in our operations. This strategy will enable us to maximise our contribution to the achievement of the Paris Climate Agreement's targets and the United Nations' sustainable development goals. For the period 2022-2025 we aim to grow our sustainable banking envelope by approximately €9bn.



Reporting and Self-Assessment Requirements	High-level summary of Piraeus' response	Reference(s)/ Link(s) to Piraeus' full response/ relevant information
<div data-bbox="120 379 264 504" data-label="Image"> </div> <p data-bbox="286 373 685 408">PRINCIPLE 1: ALIGNMENT</p> <p data-bbox="286 421 2128 501"><i>We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement, and relevant national and regional frameworks.</i></p>		
<p data-bbox="165 529 488 935">1.1 Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.</p>	<p data-bbox="533 533 990 568">Piraeus New Corporate Profile</p> <p data-bbox="533 612 1715 679">Piraeus Financial Holdings S.A. is a financial holdings company, listed on the Athens Stock Exchange, and the parent company of the banking institution "Piraeus Bank S.A.".</p> <p data-bbox="533 721 1715 823">After the corporate transformation that took place on December 30, 2020, the banking operations were hived down to a new wholly owned banking subsidiary, Piraeus Bank S.A. Certain non-banking sector activities remain with the parent entity of the Group, Piraeus Financial Holdings S.A.</p> <p data-bbox="533 865 1715 999">The key subsidiary of Piraeus Financial Holdings S.A. is Piraeus Bank S.A., it is headquartered in Athens, generates 95% of the Group's revenues, and has approximately 8.9 thousand employees. Piraeus Bank offers a full range of financial products and services to 5.7mn customers in Greece. The Piraeus Bank Group's total assets stood at €79.5bn on 31.03.2022.</p>	<ul data-bbox="1765 529 2123 967" style="list-style-type: none"> ▪ Corporate Profile Piraeus Financial Holdings (piraeusholdings.gr) ▪ Piraeus Financial Results as of 31/12/2021: Piraeus Financial Holdings S.A. - 12M Annual Financial Report ▪ Piraeus Financial Holdings S.A. - Six-Month Financial Report as of 30/06/2022 ▪ H1 2022 Results Presentation as of 03/08/2022
<p data-bbox="165 1031 488 1286">1.2 Describe how your bank has aligned and/or is planning to align its strategy to be consistent with and contribute to society's goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and</p>	<p data-bbox="533 1034 1715 1069">New Sustainable Development Policy and the Principles for Responsible Banking</p> <p data-bbox="533 1114 1715 1318">In 2020 Piraeus updated its Sustainable Development Policy, which was published in 2021, following the approval of the Executive Committee. The Policy reflects the Group's intentions for business strategies and targets that meet the UN Sustainable Development Goals and the Paris Agreement, by aligning its operations with the UNEP FI Principles for Responsible Banking. It echoes the Group's overall approach to sustainable development and sets the strategic directions to support, promote, and finance sustainability.</p>	<ul data-bbox="1765 1031 2123 1286" style="list-style-type: none"> ▪ Piraeus Sustainability Policy ▪ Sustainability & ESG Commitments ▪ Sustainable Banking ▪ Piraeus Group's ESG strategy: Annual Reports Piraeus



relevant national and regional frameworks.

Sustainability & ESG Commitments

Piraeus is very actively engaged in global initiatives for sustainable development; it has signed the Principles for Responsible Banking and supports the UN Sustainable Development Goals (SDGs) and the Paris Climate Agreement. Also, the CEO has signed the (UNEP FI) Collective Commitment to Climate Action, pledging to harmonize the Bank's portfolio with a well-below 2 degrees Celsius economy, while Piraeus has committed to the Science Based Targets initiative. Piraeus has also signed the UN Declaration “United in the Business of a Better World”, the “Women’s Empowerment Principles” and has committed to promoting gender equality in the workspace, the marketplace, and the community. Finally, among the most recent commitments, Piraeus has signed the “Financial Health & Inclusion” initiative that UNEP FI launched in December 2021.

Piraeus is focusing on supporting the SDGs:



Please refer also to the full list of sustainability commitments.

[Financial Holdings \(piraeusholdings.gr\)](https://piraeusholdings.gr)
Sustainability & Business Report 2021, page 63

- [Corporate Presentation](#)
- [Piraeus' Business Plan 2022-2025](#)
- [Principles for Responsible Banking | Piraeus Bank](#)
- [Piraeus' alignment with the Principles](#)
- [Piraeus PRB Report](#)
- [External Assurance](#)
- [Annual Financial Report 2021:](#)
- Non-financial information 2021 (Greek law 4403/2016): p. 27-48
- [Piraeus Financial Holdings S.A. - Six-Month Financial Report as of 30/06/2022](#)
Non-financial information for the first semester of 2022 (Greek law 4403/2016): p. 20-32
- [2022 EU-Wide Climate Stress Test conducted by The European Central Bank](#)



ESG Strategy

Having a strong Top Management commitment, Piraeus' ESG Strategy focuses on four dimensions: literacy, corporate commitment, products and services and operational footprint.

In line with its ESG Strategy, Piraeus has proceeded to the following commitments:

- Piraeus committed to the Science Based Targets initiative and in 2021 assessed the indirect emissions of its business portfolio (Scope 3 cat.15), to adopt emissions reduction targets and submit them to the SBTi within 2022.
- Following the COP 26 Climate Conference, Piraeus aspires to align its loan and investment portfolio with a net zero carbon footprint by 2050. Piraeus has committed to 2030 interim target, using SBTi's scientific guidelines to achieve "net-zero" by 2050. Targets are pending validation.

Project “Proteus”

Following the European Central Bank's "Guide on climate-related and environmental risks: Supervisory expectations relating to risk management & disclosures ", in late 2021, Piraeus launched the ambitious Project “Proteus” to align with the 13 expectations of the Guide.

Project Proteus established a new process for identifying and managing climate risks, aiming to integrate them in the organization's risk management and business decisions. A dedicated Steering Committee (Project Proteus Climate & Environmental Risks Steering Committee) is established to provide direction and set the strategy for the implementation of the ECB Roadmap.

The Committee oversaw Piraeus’ participation in the first ECB Climate Stress Test that took place in 2022, to assess supervised institutions’ level of preparedness for properly managing climate risk. Overall, Piraeus scored at par with the average of the European participating banks in the Exercise, demonstrating that the status of challenges the economy and the Bank itself face regarding climate



change are similar. The results indicated an advanced climate risk stress testing framework (module 1), where Piraeus achieved a top ranking among European peers, while it also performed well on data quality. On the other hand, income reliance on carbon intensive activities was higher than the EU average, also reflecting country-specific characteristics.

For further information on Project Proteus, please refer to 5.1. of this document.

Piraeus's new Climate Strategy

Under Project Proteus and following the Group's participation in the SBTi and the Collective Commitment to Climate Action, Piraeus is currently developing a new Climate Strategy that outlines the climate governance and the framework and methodology for a net-zero pathway. The Strategy also structures the mobilization of private and institutional capital toward investments that facilitate climate change mitigation and adaptation, and the transition to a low-carbon economy. Specific indicators are being selected for monitoring and disclosing the identified climate-related risks and opportunities.

The Strategy is expected to be overseen by the Board Committees, i.e. the Board Ethics & ESG Committee and the Risk Committee and is fully aligned with the TCFD Recommendations.

Business Plan 2022-2025

Piraeus Group outlined its strategic plan for 2022-2025, which enables the Group in attaining a single-digit NPE ratio this year and builds a clear path for tomorrow. The core of the strategy is to further expand Piraeus' position as a leading contributor of stability for the Greek economy.

Our ambition involves a targeted loan expansion of c.€7bn in 2022-2025, reaching c.€35bn performing loans at the end of the period, by focusing on priority sectors such as manufacturing, hospitality, and energy.



Along with our financial performance aspirations, at Piraeus Group, we systematically move forward in the direction of sustainable banking and we create the infrastructure, policies, and strategies of our operations, incorporating ESG criteria. This strategy will enable us to maximise our contribution to the Paris Climate Agreement’s targets and the UN Sustainable Development Goals.

For the period 2022-2025 we aim to grow our sustainable banking envelope by approximately €9bn. For more information see section 2.1 Target Setting.

On board for the new global challenge of financing biodiversity

Piraeus Financial Holdings participated in 2021 in international initiatives to protect biodiversity. Piraeus signed the “Finance for Biodiversity Pledge” in 2021 to set targets until 2024 for the strengthening of business activities that protect the natural environment.

Piraeus is continuing its participation in the EU Business @ Biodiversity platform, a forum that mainly involves financial institutions. Piraeus is also involved in the UNEP FI working group 'Targeting - Biodiversity'. The purpose of this working group is to support financial institutions set targets for biodiversity and also to pilot test the ENCORE tool (ENCORE biodiversity module), which showcases the association of economic activities with natural capital. Piraeus Bank is particularly interested in the ways in which its agricultural portfolio can be aligned with biodiversity protection.

Finally, the Group participates in the global initiative Partnership for Biodiversity Accounting Financials (PBAF), where financial institutions commit to calculate the footprint of their activities on biodiversity, through the development of a common calculation methodology, and to take appropriate initiatives for the restoration and protection of nature.

In addition to its active engagement with these initiatives, Piraeus is also developing a methodology to assess the impact of its business portfolio on biodiversity. The methodology will be completed by the end of 2022.



PRINCIPLE 2: IMPACT AND TARGET SETTING

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

- 2.1 Impact Analysis:
Show that your bank has identified the areas in which it has its most significant (potential) positive and negative impact through an impact analysis that fulfills the following elements:
- Scope: The bank's core business areas, products/services across the main geographies that the bank operates in have been as described under 1.1. have been considered in the scope of the analysis.
 - Scale of Exposure: In identifying its areas of most significant impact the bank has considered where its core

Impact Analysis

Scope of the analysis

For each country of operation, the methodology suggests Banks to proceed to the following banking cartography of their portfolios:

- Consumer banking,
- Business banking,
- Corporate banking and
- Investment banking.

Consumer banking is about delivering products and services to individuals -not businesses- while the other three categories concern business loans. For each portfolio, the Tool allows the selection of up to 30 different sectors / activities per country (with the exception of consumer banking: 15 activities).

Piraeus conducted its second impact analysis for its portfolio, using version 2 of UNEP FI's "Impact Analysis Tool for Banks". Piraeus Bank used 2021 data for its retail, business and corporate portfolio, while also including certain elements of its investment portfolio, aspiring to further expand the scope in its third analysis.

As mentioned, the key subsidiary of Piraeus Financial Holdings S.A. is Piraeus Bank S.A., and it is headquartered in Athens Greece, generating 95% of the Group's revenues. Hence, the impact results concern Greece.

- Impact Analysis:
[Annual Reports | Piraeus Financial Holdings \(piraeusholdings.gr\)](#)
Sustainability & Business Report 2021, pages 68-69

- [Stakeholder Dialogue](#)

Please Refer also to the following information regarding sustainability practices of Piraeus that have positive impact on the economy, society, and environment of Greece:

- [Annual Reports | Piraeus Financial Holdings \(piraeusholdings.gr\)](#)
Sustainability & Business Report 2021:
 - e-branches:150-151,
 - Development & Sustainable Banking: 156-161,
 - Digital Banking: 177-178,
 - Society: 251-256,
 - CSR Programme "Project Future": 255-256,



business/its major activities lie in terms of industries, technologies and geographies.

c) **Context & Relevance:** Your bank has taken into account the most relevant challenges and priorities related to sustainable development in the countries/regions in which it operates.

d) **Scale and intensity/salience of impact:** In identifying its areas of most significant impact, the bank has considered the scale and intensity/salience of the

According to the analysis, the most important sustainability impact areas of Greece that need to be addressed are the following:

Sustainable Development Impact Areas of Greece with the highest needs ¹	
Economy:	Inclusive, Healthy Economies, Economic Convergence
Society:	Employment, Energy, Housing, Justice & Equality, Strong Institutions - Peace & Stability
Environment:	Resources Efficiency / Security

Sustainable development impact areas of Greece with strong needs are also: Water, Food, Mobility, Culture & Heritage, Climate, and Waste.²

Impact Analysis data

Piraeus, proceeded to the impact analysis for its activities in Greece and in particular:

- The Bank's business portfolio includes Public and non-profit Clients, Small Business, SME, Agricultural, SME Recovery Clients. Piraeus entered data to the Tool related to the 30 most highly financed sectors (NACE codes) that correspond to the 50% of its business portfolio.
- The Bank's corporate portfolio includes financing to large and multinational companies, interbank loans, institutional clients, shipping companies, financing to hotels and the tourism sector. Piraeus entered data related to the 30 most highly financed sectors (NACE codes) that correspond to the 95% of its corporate portfolio.
- The Bank's investment portfolio includes the bond loans. Piraeus entered data related to the 30 most highly financed sectors (NACE codes) that correspond to the 92% of its investment portfolio.
- Piraeus entered 100% of its consumer banking portfolio data, in the suggested products.

- Cultural Actions: 265-267
- Piraeus Group Cultural Foundation: 267-274,
- Environment: 283-295
- [Annual Financial Report 2021:](#)
- Non-financial information 2021 (Greek law 4403/2016): p. 27-48
- [Piraeus Financial Holdings S.A. - Six-Month Financial Report as of 30/06/2022](#)
- Non-financial information for the first semester of 2022 (Greek law 4403/2016): p. 20-32

¹ Sustainable development impact areas of Greece with a score: 4 ("Context" sheet in Tool)

² Sustainable development impact areas of Greece with a score: 3 ("Context" sheet in Tool)



<p>(potential) social, economic and environmental impacts resulting from the bank's activities and provision of products and services.</p> <p>(your bank should have engaged with relevant stakeholders to help inform your analysis under elements c) and d))</p> <p>Show that building on this analysis, the bank has</p> <ul style="list-style-type: none"> • Identified and disclosed its areas of most significant (potential) positive and negative impact • Identified strategic business opportunities in relation to the increase of positive impacts / reduction of negative impacts 	<p><u>Impact Analysis results³</u></p> <p><i>General remarks</i></p> <p>The analysis concludes that Piraeus Bank's financing has potential positive impacts on the sustainable economic growth and the society of Greece. The most significant positive impacts are on the pillar of Economy, and specifically in the impact area of Inclusive & Healthy Economy, an area of great importance for the sustainable development of the country. For example, the long-term support of Piraeus Bank to SMEs has a positive impact on the Greek economy, accelerating economic convergence and contributing to reducing inequalities. Among others, the Bank's financing is associated with a positive input to the issues of Employment, Housing, and the area of Culture and Heritage, which are key to the Greek reality.</p> <p>The methodology considers the fact that financing may also have an adverse impact on certain sustainable development aspects, such as Climate and Resources Efficiency / Security.</p> <p><i>Consumer Banking</i></p> <p>The analysis concludes that the consumer banking services have potential positive impacts mostly in the areas of Employment and Inclusive & Healthy Economies, as well as in Justice & Equality, Economic Convergence, and Housing, which are key issues of sustainable development in Greece.</p> <p>According to the methodology, the granting of credit cards has both positive and negative impacts in the area of Inclusive & Healthy Economies. Also, while positive impacts on Housing and Employment arise from the category of housing loans, there may also be negative effects on the environmental issues of Climate and Resources Efficiency / Security.</p>	
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³ Please refer to Annex for the detailed impact analysis results



Business Banking

The business portfolio is associated with positive impacts on Economic Convergence, and Inclusive & Healthy Economies, considering that the portfolio includes small and medium sized enterprises. The methodology also suggests that the business portfolio of the Bank has positive impacts on the areas of Integrity and Security of Person, Food, Employment, and Housing. Also, the business portfolio may have negative associations with the areas of Strong Institutions - Peace & Stability, Waste, and Climate.

Corporate Banking

95% of the Bank's corporate portfolio has mostly positive impacts on the pillars of economy and society, while at the same time it may also have negative associations on the pillars of environment and society.

The corporate portfolio is associated with positive impacts on the issues of Inclusive & Healthy Economies, Health & Sanitation and, also, Housing, Culture & Heritage, Education and Employment, while negative impacts may arise in the areas of Resources Efficiency / Security, Air, Waste, Biodiversity & Ecosystems, Culture & Heritage, Strong Institutions - Peace & Stability.

Investment Banking

92% of the Bank's investment portfolio that was analysed has mostly positive impacts on the pillars of economy and society, while at the same time it may also have negative associations on the pillars of environment and society.

The investment portfolio has positive impacts in the areas of Energy, Health & Sanitation, Employment, Housing, Education, Culture & Heritage, Mobility, and Inclusive & Healthy Economies, while at the same time it may have negative associations with the impact areas of Climate, Resources Efficiency / Security, Biodiversity & Ecosystems, Air, Waste, Culture & Heritage, Water, Health & Sanitation.

For more details on the impact analysis results, please refer to Annex.



Selected impact areas of Piraeus

Considering the analysis and the Bank’s overall business strategy, the focus areas of sustainable development identified are the following:

Significant Sustainable Development Impact Areas for Piraeus		
Economy	Society	Environment
- Inclusive, Healthy Economies	- Employment	- Resources Efficiency
- Economic Convergence	- Housing	- Climate
	- Justice & Equality	- Energy

External Assurance

In the context of Piraeus’ 2021 Sustainability & Business Report, an external independent provider has provided limited assurance on the accuracy and completeness of quantitative data and the reasonability of statements that correspond to the twelve (12) most material topics, as resulted from Piraeus’ materiality analysis, against the requirements of the respective GRI Standards for the Specific Disclosures and the requirements of GRI 103 Standard “Management Approach”.

One of the material issues identified by the Group’s stakeholders is the “Commitment to the Principles of Responsible Banking”. The KPI of this material issue is the completion of the impact analysis, with the use of the UNEP FI “Portfolio Impact Analysis Tool for Banks” version 2; in particular, the impact analysis conducted in 2022 using the Bank’s 2021 data and the target setting in the impact area of climate, following the commitment of Piraeus to the Science – based Target initiative (SBTi).

Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Impact Analysis.

- *Piraeus has fulfilled the requirements regarding Impact Analysis. Please refer also to Annex for the detailed impact analysis results.*



2.2 Target Setting

Show that the bank has set and published a minimum of two **Specific, Measurable** (can be qualitative or quantitative), **Achievable, Relevant and Time-bound** (SMART) targets, which address at least two of the identified “areas of most significant impact”, resulting from the bank’s activities and provision of products and services.

Show that these targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks. The bank should have identified a baseline (assessed against a particular year) and have set targets against this baseline.

Show that the bank has analysed and acknowledged significant (potential) negative

Target setting of Piraeus

Considering the portfolio impact analysis and the organisation’s overall business strategy, the areas of sustainable development that Piraeus strongly prioritises and focuses are the issues of Climate and Financial Health and Inclusion.

Focusing on Climate

Impact area of Climate

Piraeus will be stepping up its effort to incorporate climate and environmental risks in its systems, processes, and business decisions, and work together with clients to collectively address the effects of climate change. Piraeus has already embarked on a strategic plan to become net-zero by 2050 or earlier and has defined targets by 2030 in selected asset classes, representing well over 50% of its financed emissions.

The Group has committed to Collective Commitment to Climate Action initiative and to the Science Based Targets initiative. In 2021 Piraeus also proceeded to assess the indirect emissions of its business portfolio (Scope 3 cat.15), adopted emission reduction targets and submitted an assessment to SBTi in July 2022, aiming to achieve net-zero by 2050.

Piraeus’ Climate Targets:

- Following the COP 26 Climate Conference, Piraeus aspires to align its loan and investment portfolio to be net-zero, by committing to SBT Initiative, participating in the Collective Commitment for Climate Action (UNEP FI) and applying the PCAF methodology.
- Piraeus Group is planning to participate in the Net Zero Banking Alliance by 2024.

- [Sustainable Banking](#)
- [Piraeus’ Business Plan 2022-2025](#)
- [“Supporting Female Entrepreneurship– Piraeus EQUALL 360”](#)
- Corporate Presentation of September 24, ESG agenda and Action Plan, Green Bond Framework, pages 27-28:
- <https://www.piraeusholdings.gr/en/investors/financials/presentation-audio-archiv>
- [Piraeus 6month Financial Report](#)
- [Annual Reports | Piraeus Financial Holdings \(piraeusholdings.gr\)](#)
Sustainability & Business Report 2021:
 - e-branches:150-151,
 - Development & Sustainable Banking: 156-161,
 - Digital Banking: 177-178,
 - Society: 251-256,
 - CSR Programme “Project Future”: 255-256,
 - Cultural Actions: 265-267
 - Piraeus Group Cultural Foundation: 267-274,
 - Environment: 283-295
- [Annual Financial Report 2021:](#)



<p>impacts of the set targets on other dimensions of the SDG/climate change/society's goals and that it has set out relevant actions to mitigate those as far as feasible to maximize the net positive impact of the set targets.</p>	<ul style="list-style-type: none"> ▪ Electricity in Piraeus Bank's buildings is 100% sourced from renewables leading to zero Scope 2 emissions (market-based) from 2020 and onwards. A target of 50% reduction of Scope 1 emissions, by 2030 has also been set. <p>Piraeus' Science – Based Targets: Piraeus has committed to SBTi to reduce by over 50% emissions in Real Estate, Electricity Generation Project Finance, and Corporate Instruments (equities, bonds, loans) by 2030 compared to 2019 (base year). Piraeus's portfolio targets cover 55.8% of total financed emissions associated with Piraeus investment and lending activities.</p> <p><i>Impact area of Energy – Resources Efficiency & Security</i></p> <p>Sustainable Finance The field of energy is one of the focus areas of Piraeus for 2022-2025. The Bank has a dedicated unit, the Development & Sustainable Banking Unit, that monitors national and EU directives, integrates them into the Greek institutional framework, foresees and recognizes investment opportunities, monitors evolving technology and trains Bank executives and also customers. The unit performs a feasibility study for every financial proposal for Renewable Energy Sources (RES) projects and green entrepreneurship, and examines, inter alia, the choice of equipment, the projected cost, the estimated productivity, and the experience of the installer, etc.</p> <p>Through the Bank's participation in the programmes of the Greek State and the Ministry of Environment and Energy "Exoikonomo Kat Oikon" regarding energy saving at home, Piraeus Bank has supported more than 30 thousand households to upgrade buildings and improve the environmental performance of homes, reducing their energy costs.</p> <p>Piraeus Bank has also created a new package of specialized products and services in 2021, the "Piraeus Green Business 360°". It is a complete proposal of solutions to cover every green business need, such as:</p>	<ul style="list-style-type: none"> ▪ Non-financial information 2021 (Greek law 4403/2016): p. 27-48 ▪ Piraeus Financial Holdings S.A. - Six-Month Financial Report as of 30/06/2022 Non-financial information for the first semester of 2022 (Greek law 4403/2016): p. 20-32
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- financing the installation of photovoltaic plants,
- financing for the upgrade of existing photovoltaic plants or the energy upgrade of businesses,
- the purchase of an electric or hybrid car.

Green Bond

Piraeus Group developed the Piraeus Group Green Bond Framework (2021) under which it has successfully completed the book building process for the issuance of a €500 million Green Senior Preferred Bond, attracting the interest of many institutional investors. With this issue, Piraeus Bank is advancing its ESG agenda and is making another step towards the implementation of its medium-term strategy to meet its minimum requirements for own funds and eligible liabilities.

Sustainable Finance 2021 results:

- €2.8bn approved limits on sustainability green financing outstanding exposure
- €1.7bn aggregated balances of green financing portfolio to individuals and businesses
- €1.6 bn in green funding products to businesses for investments in RES and energy efficiency
- €81mn in green funding products to individuals – energy efficiency mortgages and loans for photovoltaic installations on roof-tops
- 0.9% of green funding products for individuals to the total individuals' loan portfolio of Piraeus
- 7.4% financial volume of green funding products for businesses to the total business loan portfolio.

According to the new Business Plan, for the period 2022-2025 we aim to grow our sustainable banking envelope by approximately €9bn, as follows:

- €4.1bn disbursements in retail and business ESG loans
- €3.5bn inflows to ESG Mutual Funds
- €1.8bn ESG bond issuance



Focusing on Financial Health & Inclusion

Impact area of Inclusive, Healthy Economies – Economic Convergence

Over the past four years, Piraeus has built strong foundations for a fully de-risked, resilient, and sustainably profitable Bank. Today, Piraeus Group outlines its strategic business plan for 2022-2025, which enables the Group in attaining a single-digit NPE ratio this year and builds a clear path for tomorrow.

The 2022-2025 Business Plan aims to set distinct strategic priorities for the medium-term that will further enhance stakeholders' confidence in the prospects of our franchise. The core of our strategy is to further expand Piraeus's position as a leading contributor of stability for the Greek economy, supporting growth and innovation.

Our ambition for 2022 – 2025:

- Approximately €27bn new loan disbursements to businesses and households in the 4yr period, leading to net credit expansion of c.€7bn.
- Leader in asset management, with target for almost 2x assets by 2025 to c.€12bn.
- Relying on core business strengths and leading market presence to capture new business opportunities arising from economic landscape and digitization.
- Leading positive impact in ESG, with sustainable banking envelope increase of c.€9bn in the 4yr period (financing, asset management, debt issuance).

Impact area of Justice & Equality

In 2021, Piraeus signed the UN Women's Empowerment Principles (WEPs) and committed to promote gender equality and women's empowerment in the workplace, marketplace & community. Piraeus has also committed to the UNEP FI Financial Health and Inclusion initiative



and is actively involved in the respective working group for the selection of financial health and financial inclusion indicators and for target setting.

The inclusion of Piraeus in the Bloomberg Gender Equality Index for the first time in 2022 has boosted our commitment, making the empowerment of female entrepreneurship and the creation of equal opportunities a key priority for Piraeus. Thus, the programme “Supporting Female Entrepreneurship– Piraeus EQUALL 360°” was successfully launched, providing contemporary solutions for women entrepreneurs.

The programme started in 2022 with the 1st cycle of the following actions: Women Founders and Makers, Women Back to Work and Profession has no Gender (training – mentoring – networking – awareness-raising). The programme is promising since the Bank received more than 4,000 applications for the three actions, with a total capacity of 1,300 positions. More than 100 women are already enrolled in Piraeus EQUALL 360°, and Piraeus Bank has proceeded to more than 100,000 new financing for women's businesses.

Piraeus aims to:

- Be included in the Bloomberg Gender Equality index on an annual basis.
- Upgrade the EQUALL programme and its actions (increase of beneficiaries – enrichment of the content of the actions).
- Design and develop new products and services targeted to women.

Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Target Setting.

Piraeus has set targets based, among others, on the Impact Analysis. The results of the analysis are aligned with Piraeus Group’s Business Plan 2022-2025. Piraeus has fulfilled its requirements regarding Target Setting.



<p>2.3 Plans for Target Implementation and Monitoring</p> <p>Show that your bank has defined actions and milestones to meet the set targets.</p> <p>Show that your bank has put in place the means to measure and monitor progress against the set targets. Definitions of key performance indicators, any changes in these definitions, and any rebasing of baselines should be transparent.</p>	<p>ESG Action Plan</p> <p>Piraeus has a clear and transparent ESG Action Plan, which focuses on key areas with impact and set targets to meet near and medium-term aspirations.</p> <p>Business Plan 2022-2025</p> <p>Piraeus Group outlined its strategic plan for 2022-2025, which enables the Group in attaining a single-digit NPE ratio this year and builds a clear path for tomorrow.</p> <ul style="list-style-type: none"> ▪ The core of our strategy is to further expand Piraeus’ position as a leading contributor of stability for the Greek economy, supporting growth and innovation. ▪ For the period 2022-2025 we aim to grow our sustainable banking envelope by approximately €9bn. <p>Green Bond Framework</p> <p>Piraeus Group developed the Piraeus Group Green Bond Framework (2021) under which it will issue green bonds and use the proceeds to finance the low-carbon economy transition in Greece. The Green Bond Framework will support Piraeus’ ambition to align its business strategy with the needs of individuals and the goals of society, as depicted in the SDGs and the Paris Climate Agreement. The Framework is based on principles and guidelines introduced by the Green Bond Principles (GBP) 2021 version of the International Capital Markets Association (“ICMA”), the “ICMA Principles”.</p> <p>This Green Bond Framework will apply to any future issuance of green bonds from either one of Piraeus Financial Holdings S.A. and Piraeus Bank S.A. Issuance of Green Bonds by either of the two issuers will help contribute to achieving a carbon neutral Europe by 2050, which is a legally binding target prescribed in the recent EU Climate Law, the cornerstone of the European Green Deal.</p>	<ul style="list-style-type: none"> ▪ ESG Action Plan: Piraeus Sustainability Fact Sheet pages 14-15 ▪ Corporate Presentation of September 2022, ESG agenda and Action Plan, Green Bond Framework, pages 23-24: https://www.piraeusholdings.gr/en/investors/financials/presentation-audio-archive ▪ Green Bond Framework ▪ Piraeus Green Bond Framework - Sustainability second party opinion ▪ Piraeus’ PRB Report: http://www.piraeusbank.gr/~media/gr/idiwtes/files/unep-fi/2020_piraeus_bank_prb_report_en.pdf ▪ Annual Reports Piraeus Financial Holdings (piraeusholdings.gr) Sustainability & Business Report 2021: <ul style="list-style-type: none"> ○ e-branches:150-151, ○ Development & Sustainable Banking: 156-161, ○ Digital Banking: 177-178, ○ Society: 251-256, ○ CSR Programme “Project Future”: 255-256,
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	<p>The Framework defines eligibility criteria in three green areas:</p> <ol style="list-style-type: none"> 1. Renewable Energy 2. Green Buildings 3. Energy Efficiency <p>The Eligibility Criteria have been selected according to the ESG policies and strategy of Piraeus and are also based on priorities of the National Recovery and Resilience Plan, the ICMA Green Bond Principles 2021 and current market best practices.</p> <p>Exclusionary Criteria: Piraeus has developed a list of exclusionary criteria for the proceeds of its Green Bonds, committing to not be involved in financing any of the following assets or activities: Fossil Fuel, Weapons, Gambling, Tobacco, Adult entertainment, Predatory lending, Nuclear.</p> <p>The Green Bond Committee (GBC) is responsible for the supervision and implementation of the Framework and reports directly to Piraeus' Asset - Liability Committee (ALCO). The GBC includes senior management representatives of products, business lines and competence lines including Finance, Treasury, Sustainable Banking, Lending and Risk Management, ESG function, and Investor Relations.</p> <p>Piraeus has successfully completed the book building process for the issuance of a €500 million Green Senior Preferred Bond, attracting the interest of many institutional investors. With this issue, Piraeus Bank is advancing its ESG agenda, demonstrating its commitment to support the Greek economy and is making another step towards the implementation of its medium-term strategy to meet its minimum requirements for own funds and eligible liabilities.</p>	<ul style="list-style-type: none"> ○ Cultural Actions: 265-267 ○ Piraeus Group Cultural Foundation: 267-274, ○ Environment: 283-295 <ul style="list-style-type: none"> ▪ Annual Financial Report 2021: Non-financial information 2021 (Greek law 4403/2016): p. 27-48 ▪ Piraeus Financial Holdings S.A. - Six-Month Financial Report as of 30/06/2022 Non-financial information for the first semester of 2022 (Greek law 4403/2016): p. 20-32
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Project “Proteus”

Piraeus Group initiated the dedicated "Project Proteus" to integrate the climate & environmental risks within all functions of the bank. The governance structure facilitates effective and timely decision-making related to climate and environmental risks, permits the holistic monitoring and implementation of the Project Proteus, and ensures the Piraeus Group’s operational readiness to participate in dedicated regulatory exercises (i.e., climate stress test).

A dedicated Steering Committee is established to provide direction and set the strategy for the implementation of the ECB Roadmap as well as the thematic climate stress test. More details on the Project can be found in Principle 5 Governance & Culture.

Calculating our Scope 3 emissions

Piraeus calculates and discloses on an annual basis, the direct and indirect emissions related to its electricity consumption -namely Scope 1 & 2 emissions, since more than ten years. Aiming to expand its environmental monitoring and transparency, Piraeus has proceeded to also assess the indirect Scope 3 emissions for the year 2021 and include them in the carbon footprint assessment.

With reference to the emissions from the Bank’s operation (Scope 3 – categories 1-14), category 3 (Fuel Consumption) was calculated for the first time in 2021, including the upstream leakage emissions associated with electricity consumption, with the combustion of fossil fuels and leakage from the grid. Scope 3 category 15 emissions were measured and reported under the Global GHG Accounting and Reporting Standard for the Financial Industry published by the Partnership for Carbon Accounting Financials (PCAF), covering a large share of the Bank's portfolio, that is equity investments (listed equity and unlisted equity), mortgages, corporate bonds and Commercial Real Estate (loans and investments). Corporate



bonds and CRE (Commercial Real Estate) were included in the calculation of the carbon footprint from the Bank's financing for the first time in 2021.

Scope 3 emissions account for 95% of total GHG emissions. This is mainly due to the Bank's financing, i.e. equity investments, mortgage lending, corporate bonds, and commercial real estate, since if category 15 is excluded, Scope 3 emissions are limited to 55.2% of total GHG emissions.

Piraeus is awaiting validation of its Scope 3 emissions targets associated with the Bank's business loans (category 15) through the Science Based Targets Initiative, while currently preparing its Scope 3 target setting, for the Collective Commitment to Climate Action initiative.

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Plans for Target Implementation and Monitoring.

Piraeus has fulfilled its requirements regarding Plans for Target Implementation and Monitoring. Short and long term targets are set and an action plan is in place.

2.4 Progress on Implementing Targets

For each target separately:

Show that your bank has implemented the actions it had previously defined to meet the set target.

Financial Health & Inclusion	
Impact Area	Inclusive, Healthy Economies and Economic Convergence
Targets	<ul style="list-style-type: none"> Approximately €27bn new loan disbursements to businesses and households in the 4yr period, leading to net credit expansion of c.€7bn. Leader in asset management, with target for almost 2x assets by 2025 to c.€12bn. Relying on core business strengths and leading market presence to capture new business opportunities arising from economic landscape and digitization. Leading positive impact in ESG, with sustainable banking envelope increase of c.€9bn in the 4yr period (financing, asset management, debt issuance).
Implementation Plans	Business Plan 2022 – 2025
Monitoring	Group Planning, IR and ESG
Progress	On track. This is a new plan; thus, specific results are unavailable.

- ESG Action Plan: [Piraeus Sustainability Fact Sheet](#) pages 14-15
- <https://www.piraeusholdings.gr/en/sustainable-banking>
- <https://www.cdp.net/en> (Piraeus 2021 CDP Climate Change response is publicly available following log in)



Or explain why actions could not be implemented / needed to be changed and how your bank is adapting its plan to meet its set target.

Report on your bank's progress over the last 12 months (up to 18 months in your first reporting after becoming a signatory) towards achieving each of the set targets and the impact your progress resulted in. (where feasible and appropriate, banks should include quantitative disclosures)

Impact Area	Justice & Equality
Targets	<ul style="list-style-type: none"> Inclusion in the Bloomberg Gender Equality Index. Upgrade EQUALL programme and its actions (increase of beneficiaries – enrichment of the content of the actions). Design and develop new products and services targeted to women.
Implementation Plans	<ul style="list-style-type: none"> UN Women's Empowerment Principles (WEPs) commitment Financial Health and Inclusion commitment Programme "Supporting Female Entrepreneurship– Piraeus EQUALL 360°"
Monitoring	Group Cultural & Social Initiatives
Progress	<ul style="list-style-type: none"> More than 4,000 applications received for the three actions, with a total capacity of 1,300 positions More than 100 women already enrolled in Piraeus EQUALL 360° More than 100,000 new financing for women's businesses

Climate	
Impact Area	Climate
Targets	<ul style="list-style-type: none"> Following the COP 26 Climate Conference, Piraeus aspires to align its loan and investment portfolios to be net-zero. Piraeus committed to the SBT Initiative and in July 2022 submitted targets for validation, while also participating in the Collective Commitment for Climate Action (UNEP FI). For the scope 3 cat.15 Piraeus Group applies the PCAF methodology. Piraeus Group is planning to participate in the Net Zero Banking Alliance in 2024. Electricity is 100% sourced from renewables leading to zero Scope 2 emissions (market-based) from 2020 and onwards: 50% reduction of Scope 1 emissions, by 2030.
Implementation Plans	<ul style="list-style-type: none"> Collective Commitment to Climate Action Science – Based Targets initiative Purchase of Guarantees of Origin for electricity Participation in the programmes of the Greek State and the Ministry of Environment and Energy "Exoikonomo Kat Oikon" for energy saving at home.
Monitoring	<ul style="list-style-type: none"> Corporate Development & ESG unit



Progress	<ul style="list-style-type: none"> ▪ Assessment of indirect emissions of business portfolio (scope 3 emissions applying the PCAF methodology) for the base year 2019, in order to set targets and communicate them according to the Collective Commitment for Climate Action and within the 3years period, as required. ▪ Submission of SBT for validation. ▪ “Exoikonomo Kat Oikon”: supported more than 30th households
Impact Area	Energy – Resources Efficiency & Security
Targets	<ul style="list-style-type: none"> ▪ €4.1bn disbursements in retail and business ESG loans ▪ €3.5bn inflows to ESG Mutual Funds ▪ €1.8bn ESG bond issuance
Implementation Plans	<ul style="list-style-type: none"> ▪ Business Plan 2022-2025 ▪ Project Proteus ▪ Green Bond Framework
Monitoring	<ul style="list-style-type: none"> ▪ Sustainable and Development Banking & Bank Relations unit ▪ Group Planning, IR and ESG ▪ Corporate & Investment Banking (CIB) ▪ Piraeus Asset Management MFMC
Progress	<ul style="list-style-type: none"> ▪ Issuance of a €500 million Green Senior Preferred Bond, attracting the interest of many institutional investors. ▪ The total amount of signed contracts with integrated ESG criteria exceeded €340 million (Dec 2021).

Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing Targets

Piraeus has fulfilled its requirements regarding Progress on Implementing Targets. Short and long term targets are set and a clear action plan is in place.



PRINCIPLE 3: CLIENTS AND CUSTOMERS

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

3.1 Provide an overview of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers. This should include high-level information on any programmes and actions implemented (and/or planned), their scale and, where possible, the results thereof.

Sustainable Development Policy

The scope of the Piraeus Group Sustainable Development Policy is to support, promote, and finance sustainability with adherence to ESG criteria. The Policy focuses on the areas of corporate governance – economy – society – culture – employees – environment.

In the context of its responsible business activities, Piraeus Group remains consistent with its commitments regarding the growth of the Greek economy, financing sustainable entrepreneurship, ensuring best workplace practices, reinforcing social coherence, strengthening its relationship with local communities, safeguarding cultural heritage and protecting the environment. Through this Policy and guided by the Principles for Responsible Banking, Piraeus Group integrates ESG factors in its operation and business activity.

Positive Impact Financing

The Bank supports and finances companies, institutions, organisations, and projects which offer added value to stakeholders and offers specialised products and services leading to social and environmental benefits.

Through business units and state / European funding, subsidies and guarantees, as well as through financing on favourable terms, Piraeus Bank seeks to facilitate the implementation, development, and modernisation of the business activities of less advantaged socio-economic groups (professional farmers, entrepreneurship of women and young people, etc.). Piraeus Bank constantly designs, develops, and promotes specialised products and services in order to finance innovative investments and green technologies in all sectors of green entrepreneurship.

- [Customer Relations](#)
- [PRB Commitment](#)
- [Environmental & Social Management System in Business Financing \(ESMS\)](#)
- [Sustainable Banking](#)
- [Green Funding](#)
- [Green Financing](#)
- [Agricultural Banking](#)
- [Customer Service & Relations | Piraeus Financial Holdings \(piraeusholdings.gr\)](#)
- [Society | Piraeus Financial Holdings \(piraeusholdings.gr\)](#)
- [Data protection](#)
- [COP26: The United Nations Climate Change Conference](#)



	<p>Customer Relations and the Commitment to the Principles of Responsible Banking</p> <p>As mentioned in the Sustainable Development Policy, Piraeus Group aligns its business strategy and business goals with social progress and solidarity, i.e. with the Sustainable Development Goals and the Paris Climate Agreement. Cooperating with its stakeholders to achieve those goals especially in high-impact sectors is on top of the agenda, thus contributing to the achievement of Sustainable Development Goals 7, 8, 9, 15, and 17.</p> <p>The Bank is also highly interested for its customers' financial literacy and encourages them to implement sustainable practices; it also develops initiatives to support all customers and regularly updates feedback on customer satisfaction.</p> <p>Piraeus has launched a special mini site dedicated to its commitment to the PRB, informing the public on the new developments, and has a very strong presence on linkedin, engaging and raising awareness to all its stakeholders on ESG and climate change issues.</p> <p>Piraeus ensures transparency and clarity of transactions with its customers, both existing and potential ones. It fully complies with the Banking Codes of Conduct which were enacted by inter-bank collaboration under the auspices of the Hellenic Bank Association and govern relations between banks and customers, at all stages of the processes of creation, promotion and provision of products.</p>	<ul style="list-style-type: none"> ▪ Piraeus Bank Social Media Presence ▪ Annual Reports Piraeus Financial Holdings (piraeusholdings.gr) Sustainability & Business Report 2021: <ul style="list-style-type: none"> ▪ e-branches:150-151, ▪ Development & Sustainable Banking: 156-161, ▪ Digital Banking: 177-178, ▪ Society: 251-256, ▪ CSR Programme "Project Future": 255-256, ▪ Cultural Actions: 265-267 ▪ Piraeus Group Cultural Foundation: 267-274, ▪ Environment: 283-295
<p>3.2 Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. This should include information on actions planned/implemented,</p>	<p>Piraeus has shifted to Sustainable & Responsible Banking</p> <p>Following Piraeus' commitment to the Principles for Responsible Banking, Piraeus made a strategic decision to transition towards Sustainable and Responsible Baking and developed an internal governance structure to fulfil this commitment. Piraeus has developed a transition plan which aligns with a "well below 2 degree" world.</p>	<ul style="list-style-type: none"> ▪ Annual Reports Piraeus Financial Holdings (piraeusholdings.gr) Sustainability & Business Report 2021: <ul style="list-style-type: none"> ▪ e-branches:150-151, ▪ Development & Sustainable Banking: 156-161, ▪ Digital Banking: 177-178,



<p>products and services developed, and, where possible, the impacts achieved.</p>	<p>Piraeus's Business Plan is published for 2022-2025, aligned with its Sustainability Policy and ESG strategy and aims to strengthen its position as an ESG leader in the Greek Market, with a sustainable banking envelope increase of c.€9bn in the 4yr period (financing, asset management, debt issuance).</p> <p>Target for 2022-2025:</p> <ul style="list-style-type: none"> ▪ €4.1bn disbursements in retail and business ESG loans ▪ €3.5bn inflows to ESG Mutual Funds ▪ €1.8bn ESG bond issuance. <p>For these ESG targets Piraeus has engaged and collaborated with its clients.</p> <p><i>Case study:</i> Piraeus engaged in a new collaboration with Macquarie group for the financing of a Project Finance transaction in RES market in Greece. Piraeus' CEO inaugurated the collaboration with a speech highlighting the ESG milestones and targets of the Bank:</p> <p>“Through our 2022-2025 Business Plan Piraeus aims to enhance the eligible climate-friendly exposures from 22% in 2021 to 32% at the end of 2025. In terms of new production for 2022-2025, this comprises €4.1bn disbursements in retail and business ESG loans, €3.5bn inflows to ESG Mutual Funds and €1.8bn ESG bond issuance.</p> <p>More specifically, Piraeus has identified a number of strategic priorities, in an integrated approach to climate action.</p> <ol style="list-style-type: none"> 1. Reach net zero in our own operations: [...] our climate action starts by managing our own environmental footprint through our operations. We monitor and manage our environmental impact closely, investing in operational efficiency solutions and sourcing 100% electricity from RES. 2. Steer our portfolio towards net zero by 2050 or sooner: [...] We focus on the sectors that are responsible for the higher greenhouse gas emissions, and measure whether our lending in each sector is aligning with our climate ambition. 3. Support and advise clients in line with a carbon neutral economy: to support our clients in their climate transition we focus on accelerating the green economy, financing the transition, and 	<ul style="list-style-type: none"> ▪ Society: 251-256, ▪ CSR Programme “Project Future”: 255-256, ▪ Cultural Actions: 265-267 ▪ Piraeus Group Cultural Foundation: 267-274, ▪ Environment: 283-295 <ul style="list-style-type: none"> ▪ Environmental & Social Management System in Business Financing (ESMS) ▪ Sustainable Banking ▪ Green Funding ▪ Green Financing ▪ Economy Piraeus Financial Holdings (piraeusholdings.gr) ▪ Piraeus Bank finances renewable energy investments of National Energy ▪ https://www.cdp.net/en: Piraeus 2021 CDP submission is publicly available following log in
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pioneering financing for new technologies and business models. Traditionally such financing has focused more on CIB clients, but we are increasingly offering such solutions to our SME, and retail customers

4. Manage climate and environmental risks: We are progressively integrating the risks associated with climate change in our risk management framework. We also aim to help our clients protect their business from climate risks by advising them and financing their transition.”

Case Study:

The Private Banking Unit has established a dedicated expert team and is introducing ESG criteria among key evaluating factors of both new investment opportunities and associated products.

Under this structure Piraeus engaged with its Private Banking customers in order to get them on board on this transition. At Piraeus Private Banking, the goal is to offer the Ultra High Net Worth Individuals and families, with over €500k to invest, the best possible independent and transparent investment solution from a wide product selection pool, with no strains attached. Private Banking customers are unique in that they have large deposits and high status, requiring exceptionally high and consistent levels of service quality (2021: High Net Worth Individuals / €1.5bn AuM).

Piraeus Bank Private Banking made a strategic decision to inform and engage all its clients on the new ESG Funds.

Piraeus Private Banking in collaboration with Piraeus Asset Management MFMC designed in 2019 and launched in early 2020 the “Piraeus Bank Private Banking World Sustainability Balanced Fund”, the only private label fund exclusively addressed to Private Banking clients. The Fund was addressed to all Private Banking Customers, who match their financial targets to their dedication to social, environmental and moral principles.

In 2021 another fund was designed and launched in collaboration with Piraeus Asset Management MFMC, the “Piraeus Private Banking ESG Equity Fund”. The fund was addressed to Private Banking



Customers, with a long-term investment horizon, who wish to link their investment with the results and dynamics of the companies of the Athens Stock Exchange while promoting the principles of responsible investment.

Environmental & Social Management System in Business Financing (ESMS)

Since 2017, Piraeus developed and implements its Environmental & Social Management System (ESMS) in business financing. The bank informs and engages all its business customers regarding its ESMS Policy and procedures and forms a corrective action plan with the clients in cases of misalignment.

ESMS and ESMS Policy are designed and implemented in line with the Bank's environmental & climate change strategy, the Risk & Capital Strategy, and the Bank's Credit Policy; ESMS is aligned with the Principles for Responsible Banking commitment and also the Group's Corporate Responsibility Principles, Piraeus Bank's Sustainability Policy and Environmental Policy, Piraeus Bank Sustainability Statement, Piraeus Bank's Climate Change Strategy.

Piraeus Bank as primary bank of small and medium-sized enterprises maintains a customer relationship with 80% of SMEs in Greece. The bank informs and engages all of its business customers regarding its ESMS Policy and procedures and forms a corrective action plan with the clients in cases of misalignment.

Integrating Climate Risk in the ESMS, in line with ECB

Due to the regulatory requirements concerning the integration of climate and environmental risks into the Risk Management, [i.e. the ECB's Guide on climate-related and environmental risks - Supervisory expectations relating to risk management and disclosure], Piraeus is in the process to integrate the climate risk calculation results deriving from Piraeus internal Climate Risk Management Model (Climabiz), into the ESMS loan evaluation process. Piraeus's aim is to be able in the near future to evaluate the business borrower's climate risk exposure, additionally to the environmental and social factors already included in the ESMS evaluation process since 2018.



Development of environmentally and socially responsible banking products and services

Piraeus:

- Supports financial literacy
- Pioneers in issuing the first in Greece ESG aligned mutual fund and bond
- Launched the first in Greece Sustainability Linked Loan
- First to launch a set of specialized products and services for the Cultural and Creative Industries
- Focuses on developing new banking products and services (Clean energy, Organic and responsible farming, Investment solutions, Financial inclusion, Female entrepreneurship, Cultural and Creative Industries).

Responsible Banking Services

- e- branches especially designed for people with disabilities (accessibility)
- Protection of personal data
- Customer complaint handling process
- Customer Satisfaction Survey
- Branch Marketing Management plus (BMMplus)
- Check in class for students
- Shop in neighbourhood
- Microloans



PRINCIPLE 4: STAKEHOLDERS

We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

4.1. Describe which stakeholders (or groups/types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders and what issues were addressed/results achieved.

Stakeholder Engagement

Piraeus identifies its key stakeholders, i.e. customers, employees, suppliers, investors / shareholders, investment analysts, media, supervisory & regulatory authorities, the investment community, community / environmental / cultural bodies, NGOs. Piraeus promotes ongoing dialogue with its stakeholders, to remain responsive to their needs and expectations and to highlight material sustainability topics.

Engagement with stakeholders for the annual Materiality Analysis

Piraeus conducts a Materiality Survey and holds focus group discussions, to highlight current material Sustainable Development topics. The Survey is based on a questionnaire designed to explore the stakeholders' reasonable expectations and interests which, have an impact on the economy, society and the environment.

Piraeus addresses the questionnaire to a sample of internal and external stakeholders, and organises focus group discussions. The discussion is coordinated by an external partner in the presence of representatives from an independent audit firm, ensuring that the stakeholder engagement process adheres to the principles of AA1000 Stakeholder Engagement Standard and that the process is valid. In 2021, representatives from the sustainability departments of major companies in the Greek market participated in the focus group, as well as representatives of the Greek market bodies, NGOs, the Hellenic Banking Association.

- [Annual Reports | Piraeus Financial Holdings \(piraeusholdings.gr\)](#)
- [Stakeholder Dialogue](#)
- [Participations in Global Sustainability Initiatives](#)
- [COP26: The United Nations Climate Change Conference](#)
- [Relationships with Customers and Suppliers](#)
- [Annual Reports | Piraeus Financial Holdings \(piraeusholdings.gr\)](#) Sustainability & Business Report 2021:
 - e-branches:150-151,
 - Development & Sustainable Banking: 156-161,
 - Digital Banking: 177-178,
 - Society: 251-256,
 - CSR Programme "Project Future": 255-256,



Relations with Suppliers

Piraeus engages with its suppliers in line with its Group Procurement Regulation and its Green Supplies Policy.

On an annual basis, the Group Procurement Unit (GPU) identifies the key suppliers and coordinates the responsible business units to evaluate their performance. The Bank evaluates the vendors' offers by using technical & financial evaluation Scorecards, taking into account Piraeus Bank's requirements. Aiming to support local economies and societies, as well as to reduce the transportation of materials in order to reduce its environmental footprint, the Bank ensures that procurements are made as much as possible by local or/and domestic suppliers. Piraeus is currently integrating ESG criteria in its official supplier selection processes.

Gender Responsive Procurement

Social criteria are gradually integrated into Piraeus' supplier selection process, under the commitment to the UN Women's Empowerment Principles for creating a business environment of equal opportunities for all and the supporting of Sustainable Development Goal 5 "Gender Equality". In procurement tenders, candidate suppliers are requested to provide gender related information for their business, i.e. the ownership status and the governance structure of the company, the share of women in managerial positions, and the gender breakdown of their permanent workforce (Gender Responsive Procurement).

Green Supplies Policy

Piraeus follows best practices regarding its green procurement, by selecting environmentally friendly products (chlorine free FSC paper, recycled consumables, LED lighting), replacing its company fleet with low fuel consumption vehicles, replacing of electric and electronic equipment with energy-efficient appliances. These practices contribute in reducing its environmental footprint and also in raising employee awareness on responsible behaviour. By opting for environmentally friendly products, Piraeus is also raising demand on responsible procurement services and a new "green procurement" market is being developed.

- Cultural Actions: 265-267
- Piraeus Group Cultural Foundation: 267-274
- Environment: 283-295



Case study:

Piraeus was among the first companies in Greece to request Guarantees of Origin from its electricity suppliers, three years ago, in the context of its Green Procurement Policy and its Environmental Management System. Piraeus contributed in creating the market demand for Guarantees of Origin of electricity sources in Greece. In the beginning, just one electricity supplier was able to address this demand.

Participations in Global Sustainability Initiatives

Piraeus actively participates in national, European and global sustainability initiatives and corporate sustainability assessments, promoting the SDGs, the commitments of the Paris Climate Agreement and the PRB.

Piraeus participates in the European Banking Federation and the Hellenic Bank Association and provides institutional support on defining frameworks, principles and implementation strategies. Piraeus is also very active in the EU Business and Biodiversity Platform, shaping EU strategies and policies related to the financing of Biodiversity. It's also an active member of UNEP FI and holds an elected seat on the UNEP FI Banking Board. As a member of UNEP FI, Piraeus participates in formulating international sustainability strategies in the banking sector.

Raising awareness on sustainability and ESG issues via our digital channels

Piraeus has a dedicated section on its website, and a very strong presence on LinkedIn, to engage and inform and raise awareness to all its stakeholders on ESG and climate change issues.

Examples of initiatives taken:

- During the United Nations Climate Change Conference – COP26, Piraeus dedicated a part of its website and systematically shared all relevant news regarding the Conference. Also, Piraeus highlighted important definitions, such as "National Determined Contributions (NDCs)?", "net-zero", and "Science-Based Targets".



	<ul style="list-style-type: none"> ▪ During December 2021, Piraeus presented its "A to Z ESG Advent calendar" on LinkedIn, in an effort to educate its followers on issues such as "carbon emissions", "Paris Agreement" etc. Starting in December 1st and on each day onwards, Piraeus published a post dedicated to an ESG hot issue. ▪ Piraeus, following its inclusion in the Financial Times Climate Leaders for 2021, published a promo video on all social media, regarding its environmental and climate performance and its shift towards ESG & Responsible Banking. 	
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PRINCIPLE 5: GOVERNANCE & CULTURE

We will implement our commitment to these Principles through effective governance and a culture of responsible banking

<p>5.1 Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.</p>	<p>GOVERNANCE</p> <p>The Sustainable Development Policy and the Principles for Responsible Banking</p> <p>In 2020 Piraeus formulated the new Sustainable Development Policy, which was published in 2021. This Policy reflects the Group's overall approach to sustainable development and sets the strategic directions to support, promote, and finance sustainability.</p> <p>ESG Governance Structure</p> <p>Piraeus Bank has established a concrete governance structure aligning the guidelines of the six Principles into its everyday operational and business model.</p>	<ul style="list-style-type: none"> ▪ Piraeus Sustainability Policy ▪ https://www.cdp.net/en: Piraeus 2021 CDP submission is publicly available following log in ▪ https://www.piraeusholdings.gr/en/sustainable-banking ▪ Annual Reports Piraeus Financial Holdings (piraeusholdings.gr) ▪ Task Force on Climate-Related Financial Disclosures (TCFD), p. 66-68
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	<p><u>Chief Executive Officer</u></p> <p>The Chief Executive Officer (CEO) of Piraeus Group drives the ESG agenda and is regularly updated and engaged in environmental and climate change issues of the Group. The CEO has signed the UNEP FI Principles for Responsible Banking, the (UNEP FI) Collective Commitment to Climate Action, pledging to harmonize the Bank's portfolio with a well below 2 degrees Celsius economy, and the UN Declaration "United in the Business of a Better World", a common statement from business leaders for cooperation beyond borders, where all public and private bodies prove their responsible operation with transparency and no exclusions.</p> <p>The UNEP FI "Leadership Council", where Piraeus Group's CEO participates, brings together CEOs and Chairpersons of banks and insurers currently represented on one of the three elected UNEP FI governance bodies. Piraeus Financial Holdings currently holds an elected seat on the UNEP FI Banking Board. The Council, chaired by UN Under-Secretary General and Executive Director of the UN Environment Programme, addresses issues of climate change and responsible banking and provides vision and strategic direction to UNEP FI in deepening sustainability integration across the industry. It is designed to further mobilise the financial community to support a sustainable, resilient, and inclusive economy.</p> <p><u>Board Ethics & ESG Committee of Piraeus Group</u></p> <p>The objective of the Board Ethics & ESG Committee is:</p> <ol style="list-style-type: none"> a. to consider the material ethical, environmental, social and governance issues relevant to Piraeus Group's business activities and b. to support the Group in maintaining its position as a reference leader in ethical and ESG (environment, society, governance) issues. <p>The Committee is chaired by the Independent Non-Executive Member of the BoD, an expert on ESG issues and climate governance and works closely in coordination with the BoD's Nomination, Remuneration, Audit, Risk and Strategy Committees, in assisting the BoD to meet its ESG responsibilities.</p>	<ul style="list-style-type: none"> ▪ PRB Commitment > Governance & Culture, p. 69 ▪ Details on the responsibilities and the operations of the Board Committee are available here. ▪ Annual Financial Report 2021: Non-financial information 2021 (Greek law 4403/2016): p. 27-48 ▪ Piraeus Financial Holdings S.A. - Six-Month Financial Report as of 30/06/2022 Non-financial information for the first semester of 2022 (Greek law 4403/2016): p. 20-32
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Environment & Society / Culture Related Matters:

The Committee is responsible for monitoring the strategy, policies, initiatives and programs of the Group with respect to society, culture and the environment, including climate change, as well as natural and human-built environments. Where necessary, the Committee consults and works or convenes together with the rest of the Board Committees in order to understand and assess properly certain ESG matters that may be presented and discussed during other Board Committee meetings.

The Committee (selected points):

- Lays the directions and makes recommendations to the BoD and / or relevant Board Committees with regards to the policies and strategies for the management of climate-related, environmental and biodiversity threats, and societal and cultural issues.
- Reviews ESG strategy, goals, targets, monitors progress and makes recommendations to the competent committees and to the Board;
- Oversees the delivery of the Group’s climate resilience strategy and disclosures relating to market standards, as well as the degree of the Group’s alignment with regulatory ESG and climate-related guidance, rules (such as EU Taxonomy, SFDR, ESG sustainability factors within the MiFID framework, et.al.) and expectations;
- Supports the Nomination Committee, in the evaluation of the knowledge, competence and experience of the Board Members in the area of ESG risks, in its assessment of the collective suitability of such members and to further arrange the education of the Board Members in relation to all the above;
- Considers the institution’s response to the Paris Agreement (2015), EU environmental-related policies, local and national policies, as well as the outcomes of well-founded climate-related and environmental assessments and makes recommendations to the BoD;

Chairman of the Board of Directors

The Chairman of the Board of Directors is actively engaged in the environmental and climate agenda of the Group. The Board Chair is -since 2018- the Chairman of the Piraeus Bank Group Cultural Foundation (PIOP),



which is one of the main pillars of Piraeus Bank's Corporate Responsibility. PIOP Foundation has an active contribution to the promotion of Greece's cultural identity. One of PIOP's strategic goals is to link culture with the environment and sustainable development, a goal that is achieved through the creation and management of a network of thematic technological museums in the Greek provinces, where the specific nature of the production in the corresponding region is highlighted, focusing on the triptych People-Environment-Culture.

The new ESG & Corporate Responsibility Committee

In August 2022, the ESG & Corporate Responsibility Committee was established, chaired by the Group's CEO, to promote responsible and sustainable banking and integrate ESG criteria into Piraeus Group's activities. The Committee monitors ESG and corporate responsibility issues and makes suggestions to the Board and the Board Ethics & ESG Committee.

Specifically, the Committee monitors, assesses and suggests:

- The corporate responsibilities and ESG policies and strategies that harmonise the Group's governance and business decisions with the UN SDGs.
- Actions that contribute to the regulatory requirements on climate and environmental risks and to the reduction of the environmental footprint of both the Group and its clients / partners.
- The implementation of the Group's values and the creation of a culture that strengthens the role of employees in achieving the Principles of Responsible Banking.
- Programmes, collaborations, initiatives that promote culture and boost social cohesion
- Actions that reinforce transparency, meritocracy and corporate responsibility and strengthen the Group's extroversion.

Piraeus has also established four units to support its commitment to sustainable and responsible banking and strengthen its ESG strategy implementation: "Group Corporate Development & ESG", "Group Cultural & Social Initiatives", "ESG Risks" (under Group Risk Management) and "ESG Business Development" (under CIB/Development & Sustainable Banking). Executives from the units collaborated on formulating an action plan for the implementation of the Principles for Responsible Banking.



- The Corporate Development & ESG (former Sustainability Unit) is, since 2004, responsible for the Bank's sustainability policies and ESG strategies and falls under Group Business Planning, IR & ESG.
- The Development & Sustainable Banking Unit has been developing green banking products and services, since 2006.
- The Environmental and Social Management System evaluates and manages the E&S risks, from the business activities of financed business customers.

Launching "Project Proteus" for the management of climate risks

Piraeus Group initiated a dedicated project namely "Project Proteus" to integrate the climate and environmental risks within all functions of the banks. The governance structure facilitates effective and timely decision-making related to climate and environmental risks, permits the holistic monitoring and implementation of the Project Proteus, and ensures the Piraeus Group's operational readiness to participate in dedicated regulatory exercises (i.e., climate stress test).

Project Proteus Steering Committee

A dedicated Steering Committee is established to provide direction and set the strategy for the implementation of the ECB Roadmap as well as the thematic climate stress test. Furthermore, the Steering Committee has the overall responsibility for the project, and its main responsibilities are:

- Defines the strategy and provides directions as well as sets priorities for the implementation of the Project Proteus (ECB Roadmap, Climate ST)
- Reviews the completion status, ad-hoc Information requirements and identifies potential issues
- Decides and proposes mitigating actions and approves any updates that might be needed on the ECB action plan
- Discusses and resolves issues escalated by the PMO regarding the implementation of the Project Proteus
- Provides targeted direction, where needed, to PMO/ Workstream Managers



- Approves ad hoc targeted information requirements information packages for submission to ECB/SSM/BoG
- Ensures adequate staffing for the implementation of the ECB roadmap and Climate ST
- The Head of the SteerCo regularly updates the respective BoD’s Committees, and ExCo.

Central Project Management Office

To coordinate and assist in the implementation of the project a dedicated central PMO was established, that informs the Steering Committee and Working Groups on the ECB requirements and the deadlines set for the implementation of the ECB roadmap, while having the overall project management. Due to the broad scope of the project, the PMO members are executives from various functions (ESG Unit, Risk, and Regulatory & Resolution Affairs) of the Piraeus Group.

The responsibilities of the central PMO are:

- Holds the overall responsibility of the project management
- Informs Steering Committee and Working Groups, on the ECB requirements and the deadlines set thereby for the implementation of the ECB roadmap and Climate Stress test
- Escalates issues to C&E Risks Steering Committee
- Cooperates with and supports Task Groups and Workstream Managers
- Prepares the relevant presentations and informative package
- Informs all stakeholders of potential developments and changes to the Project Plan

Workstream Managers

Eight Workstream Managers were appointed to support, coordinate, monitor, and report Task Groups’ activities. The workstream managers’ responsibilities:

- Supports project management and PMO
- Coordinates and facilitates the implementation of the ECB roadmap/Climate ST
- Escalates any issues and informs CPMO



	<ul style="list-style-type: none"> ▪ Reports the progress to the CPMO ▪ Cooperates with dedicated Task Groups. 	
<p>5.2 Describe the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees. This should include a high-level overview of capacity building, inclusion in remuneration structures and performance management and leadership communication, amongst others.</p>	<p>CULTURE</p> <p>"ESG ExCo workshop"</p> <p>In July 2021, a workshop on ESG issues took place Group and title "Framing the vision, building tomorrow", in which executives of the Group's Top Management participated. The workshop aimed was to establish internal alignment on ESG issues within the Organization, identify ESG enablers and corresponding business opportunities and decide on a framework for action within 2022 with measurable impacts and benefits.</p> <p>The Chair of the Board of Directors of the Group participated in the workshop, as well as the Chief Executive Officer, along with all members of the Executive Committee and specialised staff, and in total the participants were about 120.</p> <p>Piraeus' Commitments and Initiatives for its Human Resources</p> <p>Piraeus aspires to:</p> <ul style="list-style-type: none"> ▪ Be the employer of choice, promoting equal ▪ opportunities, respecting diversity and promoting inclusion ▪ Implement talent-retention schemes ▪ Attain shareholder satisfaction on a sustainable basis ▪ Strengthen the financial and sustainability literacy of our stakeholders <p>Piraeus Commitments</p> <ul style="list-style-type: none"> ▪ Safeguard Human Rights ▪ Increase women's participation in the BoD, Executive Committee and top management 	<ul style="list-style-type: none"> ▪ Piraeus Group's Commitments and Initiatives for its Human Resources: Annual Reports Piraeus Financial Holdings (piraeusholdings.gr), p. 229-242 ▪ Culture of ethics & sustainability: p.231 ▪ Environmental Awareness and Employee Training: p. 291-294 ▪ Annual Environmental Management Competition: p. 294 ▪ Piraeus Bank participates in the initiative GENERATION 17: p. 253 ▪ Human Resources Piraeus Financial Holdings (piraeusholdings.gr) ▪ Piraeus Group Code of Ethics ▪ Piraeus Bank LinkedIn account ▪ Annual Financial Report 2021:



	<ul style="list-style-type: none"> ▪ Volunteerism ▪ Train employees on ESG matters (environmental awareness & training, eco-driving etc) ▪ Provide a safe, modern and ergonomic work environment for our people. Give our employees the opportunity to be trained in a systemic way in order to deal effectively with everyday health and safety issues and receive first aid seminars. ▪ Create a culture of Ethics & Sustainability with Diversity and Inclusion <p>Culture of ethics & sustainability</p> <p><u>Code of Ethics</u></p> <p>The Code of Conduct and Ethics is the overarching document reflecting the purpose and values of Piraeus Bank Group. It defines and describes the way employees shall conduct themselves when carrying out their work and taking decisions as employees of the Bank. The Code has been drafted in accordance with the Code of Banking Ethics of the Hellenic Bank Association and the Group's compliance standards, policies and methods.</p> <p>The Code includes the Group's basic Policies and Regulations and outlines a set of principles for decision-making in the workplace and applies to all employees across the Group, with emphasis on the principles of responsibility, meritocracy and transparency.</p> <p>The Code is reviewed at regular intervals by the competent Committees, which propose any revision of part of its content or structure, following proposals submitted by Group HR.</p>	<p>Non-financial information 2021 (Greek law 4403/2016): p. 27-48</p> <ul style="list-style-type: none"> ▪ Piraeus Financial Holdings S.A. - Six-Month Financial Report as of 30/06/2022: Non-financial information for the first semester of 2022 (Greek law 4403/2016): p. 20-32
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Internal Engagement Initiatives

On a regular basis, the Head of Corporate Development & ESG and the Head of ESG communicate and engage with the Top Management and the main drivers of the ESG agenda (the Board Ethics & ESG Committee, the Corporate Responsibility & ESG, the Group CEO, etc) for all new developments, monitoring and reporting.

Also, announcements and communication material is regularly uploaded in the Bank's intranet, for all employees to be in touch with the relevant developments.

Environmental Awareness and Employee Training

In 2021, 64 Environmental Management System (EMS) Coordinators were trained through the updated interactive e-learning course on the Environmental Management and Audit Scheme (EMAS) and the Bank's Environmental Management System. The e-learning courses aim to promote key environmental concepts and raise awareness about the Bank's environmental work and to actively involve the Coordinators in their tasks. In 2021, the environmental e-learning for Natural Resource Management was completed, including information on recycling and the circular economy, water, climate, green procurement and energy. The said e-learning was assigned to the employees of the Bank on the occasion of the World Environment Day and within a month it was attended by more than 2,000 employees. In total, in 2021, a total of 1,185 training man-hours were spent on environmental e-learning.

At the same time, a video on the implementation of the Bank's Environmental Management System was updated, and shown on the screens inside the Bank's branches, on the intranet and on social media, while the Bank's intranet continued to be updated on a monthly basis with news about the environment and sustainability.

Finally, a new special training course is being developed regarding the EU Taxonomy regulation and expectations and it is targeted to selected employees.



Annual Environmental Management Competition

For the 11th consecutive year, Piraeus Bank ran its annual environmental management competition “Green behaviour wins!” a significant incentive for improving the Bank’s environmental footprint and raising employee awareness. More than 670 employees from branches and administration buildings with the best performance in recycling consumables (paper, batteries, and ink cartridges/toner) and energy-saving were rewarded with small gifts with a clear environmental message.

Study on Climate Change and Agriculture

A new study is currently being prepared, titled “The impacts of Climate Change on Agri-food sector”; the study is commissioned by Piraeus, following the alarming mega fires of 2021 and aims to raise awareness among the Group’s stakeholders and the general public, and also to influence Greece’s agenda. The study will be delivered to competent authorities at national and regional level, and will guide the Bank in its strategy for the agri-food sector.

Piraeus Bank participates in the initiative GENERATION 17 and becomes a sponsor of the UN Sustainable Development Goal #5 - Gender Equality

As part of the “GENERATION 17” initiative to promote the Sustainable Development Goals, Piraeus Bank has adopted Goal #5 - Gender Equality. Piraeus created a mural in a central point in downtown Athens, Greece, aiming to inform and raise awareness for a sustainable and equal future for all. The mural depicts a woman who projects her identity and claims her place in society as equal, rejecting exclusion and discrimination.



<p>5.3 Governance Structure for Implementation of the Principles <i>Show that your bank has a governance structure in place for the implementation of the PRB, including:</i></p> <p>a) target-setting and actions to achieve targets set b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected.</p>	<p>Please refer also to 5.1</p>	<ul style="list-style-type: none"> ▪ Annual Financial Report 2021: Non-financial information 2021 (Greek law 4403/2016): p. 27-48 ▪ Piraeus Financial Holdings S.A. - Six-Month Financial Report as of 30/06/2022 Non-financial information for the first semester of 2022 (Greek law 4403/2016): p. 20-32 ▪ Principles for Responsible Banking Piraeus Bank ▪ https://www.cdp.net/en Piraeus response is publicly available following log in
<p>Please provide your bank's conclusion/ statement if it has fulfilled the requirements regarding Governance Structure for Implementation of the Principles.</p>		
<p><i>Piraeus has early set a concrete Governance Structure, thoroughly explained. Piraeus has fulfilled the requirements regarding Governance Structure for Implementation of the Principles.</i></p>		



PRINCIPLE 6: TRANSPARENCY & ACCOUNTABILITY

We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

6.1. Progress on Implementing the Principles

Show that your bank has progressed on implementing the six Principles over the last 12 months (up to 18 months in your first reporting after becoming a signatory) in addition to the setting and implementation of targets in minimum two areas (see 2.1-2.4).

Show that your bank has considered existing and emerging international/regional good practices relevant for the implementation of the six Principles for Responsible Banking. Based on this, it has defined priorities and ambitions to align with good practice.

Show that your bank has implemented/is working on implementing changes in existing practices to reflect and be in line with existing and emerging international/regional good practices and has made progress on

Our ESG Disclosures

The commitment of Piraeus Group to achieve sustainable development is demonstrated by the adoption of standards and principles of global acceptance and recognition and active participation in international initiatives and sustainability assessment indicators.

The Group's non-financial information is presented in detail in the annual Sustainability and Business Reports, based on the Global Reporting Initiative (GRI) guidelines.

The Reports include the "GRI Table" that assigns the disclosure standards with references to both the Report and other published documents of the Group. In addition, the table compares the contents of the Report with the 10 United Nations Global Compact Principles, the 6 Principles for Responsible Banking, the Recommendations of the Task Force on Climate related Financial Disclosures (TCFD) and the indicators of the Non-Financial Information Disclosure Guide of the Athens Stock Exchange.

All data related to the sustainability material issues are externally assured.

Apart from the annual Sustainability and Business Report, Piraeus communicates ESG data and information with the following standard disclosures:

- Annual Financial Report, according to Greek law 4403/2016 that integrates the EU Directive 2014/95/EU – also called the Non-Financial Reporting Directive (NFRD) – that lays down the rules on disclosure of non-financial and diversity information by certain large companies. This directive amends the Accounting Directive 2013/34/EU.

- [Sustainable Banking](#)
- [Annual Financial Report 2021:](#)
Non-financial information 2021 (Greek law 4403/2016): p. 27-48
- [Piraeus Financial Holdings S.A. - Six-Month Financial Report as of 30/06/2022](#)
Non-financial information for the first semester of 2022 (Greek law 4403/2016): p. 20-32
- [TCFD Recommendations | Piraeus Financial Holdings \(piraeusholdings.gr\)](#)
- [Annual Reports | Piraeus Financial Holdings \(piraeusholdings.gr\)](#)
- <https://www.cdp.net/en>
Piraeus response is publicly available following log in



<p>its implementation of these Principles.</p>	<ul style="list-style-type: none"> ▪ Environmental Statement: Piraeus Bank’s 11th Environmental Statement was drafted in accordance with the standards set out in the EMAS Regulation. The report contains useful information about the Bank’s Environmental Management System (EMS), its environmental performance and its compliance with environmental legislation. ▪ TCFD Report: This second TCFD report of Piraeus Group, aims to inform its stakeholders and enhance transparency on how Piraeus manages climate risk. The report is structured around the four TCFD pillars: Governance, Strategy, Risk Management, Metrics and Target Settings. ▪ Sustainability Fact Sheet: communication factsheet regarding all new and material sustainability & ESG development of Piraeus. The updated version is due on Q4 of 2022. ▪ Piraeus' Business Plan 2021-2025: Piraeus published its new Business Plan, articulating its financial and ESG ambitions to the shareholders, the investors, the clients and the public. ▪ CDP Climate Change submission: Piraeus participates in CDP’s Climate Change assessment since 2010 and discloses in detail all required information. <p><u>Examples of the most recent ESG disclosures</u></p> <p><i>European Classification System “EU Taxonomy”</i></p> <p>In 2020, the European Parliament approved the Classification Regulation (EU) 2021/2178 (The Disclosures Delegated Act), introduced an EU-wide classification framework that allows investors and businesses to determine whether certain financial activities are environmentally sustainable. On July 6, 2021, the European Commission published the content, methodology and presentation of the information to be disclosed by financial and non-financial enterprises, in terms of the percentage of their economic activities, of their investments and financing which are environmentally sustainable.</p> <p>Piraeus Group published for the first time in its annual Sustainability and Business Report the percentage of eligible and non-eligible activities against the Classification as a percentage of the Group's total assets (%) at a consolidated level.</p>	<ul style="list-style-type: none"> ▪ Carbon footprint stemming from Piraeus Group's operations and activities ▪ 2022 EU-WIDE CLIMATE STRESS TEST CONDUCTED BY THE EUROPEAN CENTRAL BANK PIRAEUS FINANCIAL HOLDINGS RESULTS ▪ Piraeus Sustainability Policy ▪ Sustainability & ESG Commitments ▪ Piraeus' Business Plan 2022-2025
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EU Climate Stress Test

In 2022, the Group participated in the supervisory exercise of stress test for climate risk "Climate Stress Test", during which the European Central Bank will evaluate how prepared the European banks are for dealing with financial and economic crises arising from climate change and climate risks. The Stress Test was completed in the first half of 2022 by the ECB's Banking Supervision, being an exercise for both banks and for the supervisory authorities.

Overall, Piraeus scored at par with the average of the European participating banks in the Exercise, demonstrating that the status of challenges the economy and the Bank itself face regarding climate change are similar. The results indicated an advanced climate risk stress testing framework (module 1), where Piraeus achieved a top ranking among European peers, while it also performed well on data quality. On the other hand, income reliance on carbon intensive activities was higher than the EU average, also reflecting country-specific characteristics.

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing the Principles for Responsible Banking

Piraeus has fulfilled the requirements regarding Progress on Implementing the Principles for Responsible Banking in many reports, such as its Sustainability & Business Report, in Sustainability Fact Sheet, in PTB Report, etc.

ANNEX

Definitions according to the UNEP FI

- a. **Impact:** An impact is commonly understood as being a change in outcome for a stakeholder. In the context of these Principles this means (aligned with GRI definition) the effect a bank has on people/the society, the economy and the environment and with that on sustainable development. Impacts may be positive or negative, direct or indirect, actual or potential, intended or unintended, short-term or long-term.
- b. **Significant Impact:** Impact that in terms of scale and/or intensity/salience results in a particularly strong/relevant change in outcome for a stakeholder. In the context of these Principles, the concept of *significant* impact is used to ensure banks focus where their actions/business (can) matter most for people, economy and environment and to provide a reasonable and practical threshold for what issues need to be considered/included, similar to the concept of “materiality”.

Piraeus Portfolio Impact Analysis Results:

Consumer Banking

Consumer Banking – Positive Impacts			
Pillar	Positive Impacts to:	UN Sustainable Development Goals	Consumer Banking product
Society	Employment		<ul style="list-style-type: none"> Current accounts, Current accounts without payment services (accounts with cheques and/or debit cards), Current accounts without payment services (rest of accounts)
	Housing	 	<ul style="list-style-type: none"> Home loans / mortgages
	Justice & Equality	  	<p>Targeted to low-income populations:</p> <ul style="list-style-type: none"> Current accounts, Current accounts without payment services (accounts with cheques and/or debit cards), Current accounts without payment services (rest of accounts), Savings accounts, Certificates of deposits, Credit cards
Economy	Economic convergence	  	
	Inclusive, healthy economies	 	



Consumer Banking – Negative Impacts			
Pillar	Negative Impacts to:	UN Sustainable Development Goals	Consumer Banking product
Economy	Inclusive, Healthy Economies	 	<p>Targeted to high-income populations:</p> <ul style="list-style-type: none"> Current accounts, Current accounts without payment services (accounts with cheques and/or debit cards),
Environment	Resources Efficiency / Security	    	<ul style="list-style-type: none"> Home loans /mortgages
	Climate		



Business Banking

Business Banking – Positive Impacts			
Pillar	Positive Impacts to:	UN Sustainable Development Goals	Impacts related to key – sectors (NACE Industry Classification)
Eco no my	Inclusive, Healthy Economies	 	<ul style="list-style-type: none"> 84.13 Regulation of and contribution to more efficient operation of businesses,
	Integrity & Security of Person	 	
Society	Food		<ul style="list-style-type: none"> 01.11 Growing of cereals (except rice), leguminous crops and oil seeds 10.39 Other processing and preserving of fruit and vegetables
	Employment		<ul style="list-style-type: none"> 01.11 Growing of cereals (except rice), leguminous crops and oil seeds, 69.10 Legal activities, 86.22 Specialist medical practice activities, 01.63 Post-harvest crop activities, 69.20 Accounting, bookkeeping and auditing activities; tax consultancy, 71.12 Engineering activities and related technical consultancy
	Housing	 	<ul style="list-style-type: none"> 41.20 Construction of residential and non-residential buildings, 68.20 Rental and operating of own or leased real estate 71.12 Engineering activities and related technical consultancy
	Health & Sanitation	 	<ul style="list-style-type: none"> 68.20 Rental and operating of own or leased real estate, 01.11 Growing of cereals (except rice), leguminous crops and oil seeds 86.22 Specialist medical practice activities 47.73 Dispensing chemist in specialised stores
	Strong Institutions, Peace & Stability	 	<ul style="list-style-type: none"> 69.20 Accounting, bookkeeping and auditing activities; tax consultancy 69.10 Legal activities
	Justice & Equality	  	



Business Banking – Negative Impacts			
Pillar	Negative Impacts to:	UN Sustainable Development Goals	Impacts related to key – sectors (NACE Industry Classification)
Society	Strong Institutions, Peace & stability	 	<ul style="list-style-type: none"> 84.13 Regulation of and contribution to more efficient operation of businesses
Environment	Waste	 	<ul style="list-style-type: none"> 41.20 Construction of residential and non-residential buildings, 10.39 Other processing and preserving of fruit and vegetables, 68.20 Renting and operating of own or leased real estate, 01.11 Growing of cereals (except rice), leguminous crops and oil seeds.
	Resources Efficiency / Security	 	<ul style="list-style-type: none"> 35.11 Production of electricity, 68.20 Renting and operating of own or leased real estate, 01.11: Growing of cereals (except rice), leguminous crops and oil seeds
	Climate		<ul style="list-style-type: none"> 41.20 Construction of residential and non-residential buildings, 10.51 Operation of dairies and cheese making, 11.02 Manufacture of wine from grape 10.91 Manufacture of prepared feeds for farm animals

Corporate Banking

Corporate Banking – Positive Impacts			
Pillar	Positive Impacts to:	UN Sustainable Development Goals	Impacts related to key – sectors (NACE Industry Classification)
Society	Health & Sanitation	 	<ul style="list-style-type: none"> 86.10 Hospital activities,
	Housing	 	<ul style="list-style-type: none"> 68.20 Rental and operating of own or leased real estate, 68.10 Buying and selling of own real estate 68.32 Management of real estate on a fee or contract basis
	Culture & Heritage	 	<ul style="list-style-type: none"> 41.20 Construction of residential and non-residential buildings, 71.12 Engineering activities and related technical consultancy
	Employment		<ul style="list-style-type: none"> 86.10 Hospital activities, 42.11 Construction of roads and motorways, 74.90 Other professional, scientific and technical activities n.e.c., 86.90 Other human health activities.
Economy	Inclusive, Healthy Economies	 	<ul style="list-style-type: none"> Almost all sectors have a positive association 42.11 Construction of roads and motorways



Corporate Banking – Negative Impacts			
Pillar	Negative Impacts to:	UN Sustainable Development Goals	Impacts related to key – sectors (NACE Industry Classification)
Society	Strong Institutions, Peace & Stability	 	<ul style="list-style-type: none"> 64.20 Activities of holding companies 63.99 Other information service activities n.e.c.
	Culture & Heritage	 	<ul style="list-style-type: none"> 68.20 Rental and operating of own or leased real estate
Environment	Air	 	<ul style="list-style-type: none"> 24.10 Manufacture of basic iron and steel and of ferro-alloys, 42.11 Construction of roads and motorways 41.20 Construction of residential and non-residential buildings 35.11 Production of electricity 41.20 Construction of residential and non-residential buildings 51.10 Passenger air transport
	Climate	 	<ul style="list-style-type: none"> 50.20 Sea and coastal freight water transport 19.20 Manufacture of refined petroleum products
	Waste	 	<ul style="list-style-type: none"> 35.11 Production of electricity, 51.10 Passenger air transport
	Resources Efficiency / Security		<ul style="list-style-type: none"> 10.81 Manufacture of sugar, 41.20 Construction of residential and non-residential buildings, 10.86 Manufacture of homogenized food preparations and dietetic food, 10.51 Operation of dairies and cheese making, 10.41 Manufacture of oils and fats.
			<ul style="list-style-type: none"> 50.20 Sea and coastal freight water transport 24.10 Manufacture of basic iron and steel and of ferro-alloys, 35.11 Production of electricity, 51.10 Passenger air transport
			<ul style="list-style-type: none"> 68.10 Buying and selling of own real estate 68.32 Management of real estate on a fee or contract basis



Investment Banking

Investment Banking – Positive Impacts			
Pillar	Positive Impacts to:	UN Sustainable Development Goals	Impacts related to key – sectors (NACE Industry Classification)
Society	Energy		<ul style="list-style-type: none"> 35.11 Production of electricity
	Health & Sanitation		<ul style="list-style-type: none"> 86.10 Hospital activities 21.20 Manufacture of pharmaceutical preparations 68.20 Rental and operating of own or leased real estate, 68.10 Buying and selling of own real estate 68.32 Management of real estate on a fee or contract basis
	Employment		<ul style="list-style-type: none"> 86.10 Hospital activities, 42.11 Construction of roads and motorways, 03.21 Marine aquaculture
	Housing		<ul style="list-style-type: none"> 68.20 Rental and operating of own or leased real estate, 68.10 Buying and selling of own real estate 68.32 Management of real estate on a fee or contract basis
	Culture & Heritage		<ul style="list-style-type: none"> 55.10 Hotels and similar accommodation
	Mobility		<ul style="list-style-type: none"> 42.11 Construction of roads and motorways 45.11 Sale of cars and light motor vehicles 19.20 Manufacture of refined petroleum products, 50.10 Sea and coastal passenger water transport, 77.11 Rental and leasing of cars and light motor vehicles, 52.21 Service activities incidental to land transportation, 46.71 Wholesale of solid, liquid and gaseous fuels and related products
	Strong Institutions, Peace & Stability		<ul style="list-style-type: none"> 60.20 Television programming and broadcasting activities
Economy	Inclusive, Healthy Economies		<ul style="list-style-type: none"> Almost all sectors have a positive association 42.11 Construction of roads and motorways



Investment Banking – Negative impacts				
Pillar	Negative Impacts to:	UN Sustainable Development Goals	Impacts related to key – sectors (NACE Industry Classification)	
Society	Strong Institutions, Peace & Stability	 	<ul style="list-style-type: none"> 64.20 Activities of holding companies 64.30 Trusts, funds and similar financial entities 	
	Culture & Heritage	 	<ul style="list-style-type: none"> 35.11 Production of electricity 	
Environment	Climate	    	<ul style="list-style-type: none"> 35.11 Production of electricity, 19.20 Manufacture of refined petroleum products 35.12 Transmission of electricity, 35.13 Distribution of electricity, 41.20 Construction of residential and non-residential buildings 	<ul style="list-style-type: none"> 68.20 Rental and operating of own or leased real estate 68.10 Buying and selling of own real estate 68.32 Management of real estate on a fee or contract basis
	Biodiversity & Ecosystems		<ul style="list-style-type: none"> 55.10 Hotels and similar accommodation 42.11 Construction of roads and motorways 51.10 Passenger air transport 50.10 Sea and coastal passenger water transport 03.21 Marine aquaculture 	
	Resources Efficiency / Security		<ul style="list-style-type: none"> 50.20 Sea and coastal freight water transport 24.10 Manufacture of basic iron and steel and of ferro-alloys 35.11 Production of electricity, 51.10 Passenger air transport 21.20 Manufacture of pharmaceutical preparations 	
	Waste		<ul style="list-style-type: none"> 41.20 Construction of residential and non-residential buildings 	
	Air		<ul style="list-style-type: none"> 19.20 Manufacture of refined petroleum products 51.10 Passenger air transport 50.10 Sea and coastal passenger water 50.20 Sea and coastal freight water transport 	



