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Corporate
Environmental
Report



PIRAEUS BANK



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“Piraeus Bank: Corporate Environmental Report” Athens, 2012



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Photographs: Dimitris Dimopoulos, Piraeus Bank Archives

Design: Betsis Vassilis/Tsitras Giorgos, Graphs & Pagination: Tsitras Giorgos,
Editing: Matzorou Stavroula, Printing: VIVLIOSYNERGATIKI S.A.

The report “Piraeus Bank: Corporate Environmental Report” was printed on FREELIFE VELLUM paper. Ecolabel certified, from post-consumer recycled fibres: 55% of FSC pulp and 5% of cotton fibres. It is completely biodegradable and recyclable.

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This report or excerpts from it may be used with the appropriate citation: “Piraeus Bank: Corporate Environmental Report, Piraeus Bank S.A., 2012”

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Introduction

Quality of the Environment is Quality of Life



At Piraeus Bank Group we strongly believe that environmental protection adds quality to our life and contributes to the creation of a robust society. We want, and we prove it with our everyday targeted actions, the Group's operation to promote the principles of sustainable development, enhancing thus the social, cultural and moral values required today for the harmonious coexistence of humankind and the environment.

Unfortunately, the degradation of the natural environment and climate change, as side effects of an inconsiderate and unsustainable development, combined with the financial crisis, loom as issues that affect our everyday life. The awareness and the active participation of all of us in finding solutions are considered a necessity.

In this spirit and driven by a deep consciousness of Corporate Responsibility, Piraeus Bank has been implementing for years a specific policy that reduces environmental impacts from both its operation and its business activity, while enhancing investments that benefit the environment. The Bank has developed mechanisms and procedures that improve its environmental performance, and mostly it has the conscious participation of its employees in achieving these targets.

This report contains the main achievements of Piraeus Bank's environmental policy in the last two years. Through this report, we want to transfer the knowledge we acquired to our partners, our clients and the general public. Moreover, we want to convey a positive message at a time when the economic and social crisis in Greece requires new values, visions and systematic work.

Sophia Staikou
Chairman of Piraeus Bank Group Cultural Foundation
Head of Corporate Social Responsibility

The Upward Environmental Course of Piraeus Bank



Since 2004, when the implementation of the environmental policy of Piraeus Bank Group was launched, the Bank's performance in environmental management has marked a continuous upward course.

One of the milestones in this course came at the beginning of 2004, when the Board of Directors approved the environmental management policy and the Corporate Social Responsibility (CSR) Sector was created. This was followed the same year by the creation of the Environmental Affairs Office (now the Environment Unit). In 2007, the CSR Committee of the Group was established, with Mrs. Staikou as Chairman and the participation of five General Managers of the Bank, and the General Manager of Piraeus Bank Group Cultural Foundation. 2009 marked a great turn toward green entrepreneurship, materialised through the creation of the Green Banking Sector. In 2010, the green turn of the Bank was reflected in the new setup of the Branches, particularly since 42 of them became essential vehicles for the promotion of green banking. In the same year, the Board adopted a new environmental policy with emphasis on sustainable development and Green Banking, as well as a strategy on climate change.

In this upward course, two consecutive projects - co-funded by the EU through the LIFE instrument - played a crucial role: GREENbanking4Life and climabiz. The former essentially prompted the implementation of the Bank's green policy; the Environmental Management System was created and the first environmental education programmes (e-learning) for the employees were launched. Two years later the environmental management system of the Bank was certified under EMAS and ISO 14001. The second project estimated the impacts of climate change in businesses and identified the business opportunities arising from climate change.

As an indicative outcome of all this systematic effort, it is worth mentioning the reduction of carbon dioxide (CO₂) emissions by 8.8%, of electricity consumption by 7.5%, and of paper consumption by 25%, as well as the recycling of more than 1,300 tonnes of paper. The RES projects, with a total capacity of 364 MW, that were completed until the end of 2011 with the support of the Bank, prevented the emission of 598 thousand tonnes of CO₂, whereas the credit limits surpassed €1 billion.

Finally, it is worth mentioning, that about 1,800 employees have been trained in green business in order to transfer know-how to customers and partners.

This Corporate Environmental Report details the achievements in implementing the Bank's environmental policy over the last two years. They highlight the leading position of Piraeus Bank Group both in environmental management and in supporting green business, which is a sustainable solution for the current crisis. The stable commitment of the Group to the principles of sustainable development as a fundamental requirement for healthy entrepreneurship, becomes today even more urgent as the merger with the former ATEbank creates new opportunities in the development of the responsible farming sector, where with the development of high-quality products, can be a basic pillar of extroversion in Greek economy.

The responsibilities we undertake are morally binding also for the future. We want growth to be a synonym of quality of life and to have human dignity as its core purpose, without compromising environmental and social indicators in the future.

Vrasidas Zavras
General Manager





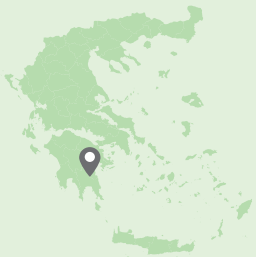
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Piraeus Bank
& the Environ-
ment: A Long-
standing Rela-
tionship



PIRAEUS BANK & THE ENVIRONMENT: A LONGSTANDING RELATIONSHIP

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The Framework - The Corporate Responsibility Principles of Piraeus Bank Group

Corporate Responsibility is the voluntary commitment of the organisation to integrate social, environmental and cultural aspects into business practices and initiatives that go beyond legal obligations, aiming to strengthen social welfare and progress.

Hellenic Network for Corporate Social Responsibility

PRINCIPLES

Harmonious Relationship with Social Partners

Alignment of Business Targets with Social Progress and Solidarity

Corporate Governance Optimization

Adoption of Best Workplace Practices

Environment Protection using natural resources responsibly and supporting environmentally beneficial business activities

Promotion of Culture

COMMITMENTS

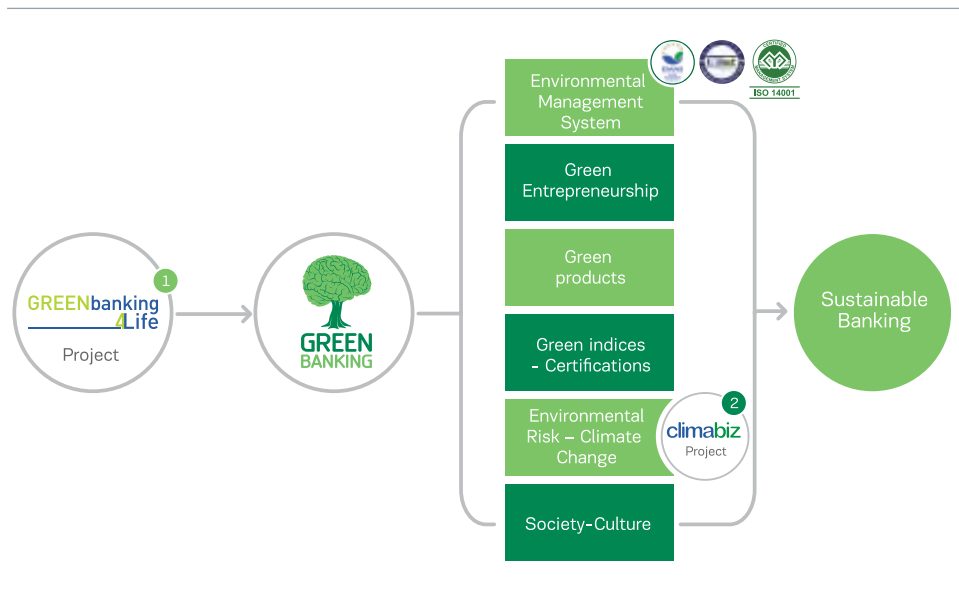
- ✎ Returning part of the value generated by the Bank to its social partners within a strategically designed and systematic framework of social actions
- ✎ Effective customer service before and after product and service sales, with emphasis on the Bank's consulting role
- ✎ Strengthening of entrepreneurial initiatives with the aim of promoting competitive fields with potential and prospects for growth
- ✎ Transparency in governance and operational structures
- ✎ Adoption and realisation of best practices of governance and operation
- ✎ Symmetric and systematic information dissemination to the investment and business communities, media and NGOs
- ✎ Transparent supplier/business partner evaluation and selection procedures
- ✎ Development of a humane and responsible organisation, where competent, committed and inspired employees work collectively by taking advantage of diversity to lead the market, innovate by adding value and ensure the prosperity and sustainable development of the Group
- ✎ Systematic support of green entrepreneurship through development of new green products and enhancement of existing ones
- ✎ Development of strategies to improve the Group's environmental performance and reduce its environmental footprint
- ✎ Implementation of institutional and natural risk management due to climate change and the development of evaluation tools
- ✎ Support to individuals and business and strengthening of the market to better adapt to the effects of climate change
- ✎ Active contribution to the promotion of Greece's cultural identity through the creation of a museum network in Greece and by organising scientific events and educational programmes for adults and minors
- ✎ Continued implementation of research programmes and publications relevant to the purposes of the Piraeus Bank Group Cultural Foundation (PIOP)
- ✎ Safeguarding and highlighting of Piraeus Bank's Historical Archive
- ✎ Provision of scientific advisory material to public and local community bodies in shaping cultural policies

The Environmental Commitment of Piraeus Bank Group

We operate in line with the notion of Social Responsibility, aiming to achieve sustainable development

As part of its corporate responsibility, Piraeus Bank has developed an integrated environmental approach for more than eight years. By decision of its Board of Directors and following the Environmental Management Policy, which had already been in effect since 2004, the Bank adopted a new Environmental Policy in 2010, which responds to contemporary environmental and social standards and fully reflects the new business priorities of the Group. Furthermore, the environmental dimension is included with specific references to the purposes of the Bank's amended (2008) Articles of Association.

The aim of Piraeus Bank Group is to become the leading banking group specialising in green business, based on an innovative development model that adheres to the principles of sustainable banking.



1 Further Information on pg 24

2 Further Information on pg 25 & 65

Piraeus Bank has committed to implementing policies that reduce the environmental impact from both its operation and business activities. At the same time, the Bank realises that addressing contemporary environmental problems creates new business opportunities through investments in clean technologies, in energy conservation and other sectors that boost the economy and create new jobs.

We believe that the protection of the environment creates investment opportunities; hence, we support green entrepreneurship

The New Environmental Policy

The new Environmental Policy, approved by the Board in 2010, meets the contemporary environmental and social standards and fully reflects the new business priorities of the Group within a framework of sustainable development.

Piraeus Bank acknowledges that the principles for sustainable development constitute a fundamental prerequisite for sound entrepreneurship, and thus incorporates environmental criteria in its business procedures and develops strategies aiming to continually improve its environmental performance. Piraeus Bank contributes to tackling the major social and environmental problems facing our planet through designing and implementing actions that target the reduction of its ecological footprint, the support of green business, the management of environmental-climate risk, as well as the conservation of biodiversity.

Piraeus Bank is committed to continually minimizing its operational environmental impacts, by monitoring its environmental performance; setting improvement targets; and by implementing and evaluating environmental management programmes that save energy and water, manage waste, recycle materials, reduce business trips, and promote green procurement. Additionally, the Bank contributes to the protection of the environment through the wide range of e-banking services it provides.

Piraeus Bank has pledged to constantly support green entrepreneurship, and to finance businesses and private individuals who wish to make environmentally-friendly investments, by providing specialised 'green' products-offered under comparatively more favourable terms and conditions. Specifically, Piraeus Bank supports the green fields of renewable energy, energy saving, organic farming, biodiversity conservation, green chemistry, green transportation, water and waste management, environmental restoration, eco-tourism and agritourism. By doing so, Piraeus Bank significantly contributes to the responsible use of natural resources and the retention and/or creation of job positions.

Piraeus Bank incorporates processes and systems that manage environmental and climate risks that may derive from its wide range of business activities (financing-investing). The Bank provides services to help enterprises and private individuals tackle environmental challenges and adapt to climate change. A special emphasis is placed on addressing climate change, through carbon footprint reduction and leveraging opportunities that may arise from climate change.

Piraeus Bank acknowledges that individual and corporate responsibility constitute the foundations of a sustainable society. Therefore, in order to better implement its environmental policy, Piraeus Bank has pledged to continuously educate its employees; and to inform its customers, shareholders, and the general public about the targets and the performance of its environmental actions that collectively aim at improving the quality of life. Additionally, the Bank supports initiatives of third parties i.e. non-profit agencies, organisations or institutions that generate added value by benefiting both humans and the environment.



We assess the impacts of climate change on businesses and support their adaptation to it

The Strategy on Climate Change

In 2010, the Board adopted a specific strategy on climate change, aimed both at reducing the environmental footprint of the Bank and the assessment of the risk posed by climate change for Greek businesses, finding solutions for climate change and the adaptation of enterprises to the new climatic environment, as well as the enhancement of green business.

Recognising the impacts that climate change has on the economy, the society and the environment, Piraeus Bank Group has developed and incorporated a climate change strategy based on four principles:

- (a) Gradual reduction of Piraeus Bank Group's carbon footprint;*
- (b) Support of investments in renewable energy and energy saving projects;*
- (c) Climate change risk assessment for Greek companies;*
- (d) Provision of solutions to businesses in order to tackle climate change issues and adapt to the new climatic conditions.*

The following constitute the main fields of action for Piraeus Bank's climate strategy:

- *Reduction of carbon footprint deriving from the Group's operational activities, through energy efficiency improvement, reduction of business trips and procurement of low energy electric appliances.*



- *Promotion of green banking products, provided under favourable terms and conditions, aiming to support businesses and individuals that invest in renewable energy sectors, such as photovoltaic systems, wind farms, small hydroelectric stations, solar thermal systems, geothermal energy and biomass.*
- *Promotion of green banking products, under favourable terms and conditions for energy saving investments, green transportation and waste management.*

This may include:

- ↳ *Financing building retrofitting, purchase and installation of low energy electro-mechanic equipment, bioclimatic buildings - buildings of high energy efficiency, eco-construction, energy saving materials and technology as well as companies providing energy inspection and services.*
 - ↳ *Financing companies that purchase low carbon emissions transportation means.*
 - ↳ *Financing waste management companies (reduction, reuse, recycling, recovery) that also contribute to the reduction of greenhouse gases.*
- *Climate change regulatory and physical risk management. Development of specialised tools for the assessment of risks deriving from climate change and the investment costs required for adaptation (e.g. changing business strategy, upgrading equipment, new investments). Assessment of economic opportunities deriving from climate change and constantly communicating such information to investors and stakeholders. Finally, support of private individuals and enterprises as well as triggering the market to better adapt to climate change.*

We support green entrepreneurship because it ensures a better quality of life for all of us

The Strategy for Green Entrepreneurship

In July 2010, the Executive Committee of the Group decided on specific actions to strengthen the existing experience of the Bank in the field of green business with two specific objectives:

- that Piraeus Bank Group becomes the leading banking Group specialising in green business both in Greece and in the other countries where it operates
- that this must be based on an innovative new development model, in compliance with the principles of sustainable banking.

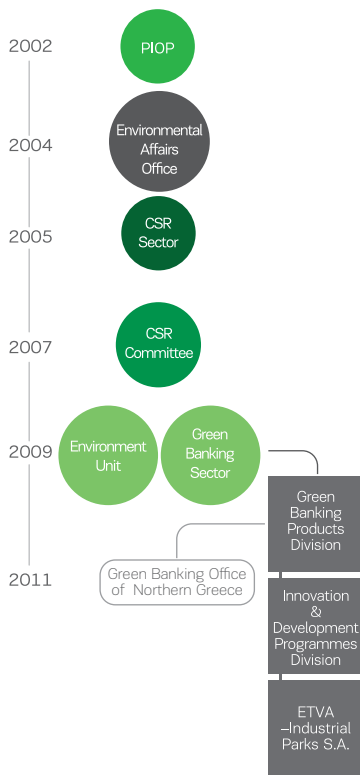
"We will also support and finance companies, institutions, organisations and projects which offer added value and which benefit people and the environment by supporting deposit accounts holders and investors wishing to promote individual and corporate social responsibility in a sustainable society. Our wish is to turn economic development into quality of life by focusing on human dignity without endangering environmental and social indices."



Corporate Responsibility and the Environment in the Bank's Structure

Corporate Social Responsibility Committee

Piraeus Bank has incorporated CSR in its values as a strategic investment, contributing in every possible way to the upgrading of economy and society. In 2005, the CSR Sector was established with a distinct position in the organisational structure of the Group, and, in 2007, the Corporate Social Responsibility Committee of the Piraeus Bank Group was created for the better coordination and implementation of corporate responsibility programmes. The seven-member committee is chaired by Ms. Sophia Staikou, Head of Corporate Social Responsibility and Chairman of the Piraeus Bank Group Cultural Foundation (PIOF). Members of the Committee are the General Managers of Corporate Governance, Group Human Resources, e-Business, Business Planning & Investor Relations, Green Banking and Piraeus Bank Group Cultural Foundation. Among the key responsibilities of the Committee is the evaluation and support of programmes relating to the protection of the natural environment. The Committee meets 2-3 times a year and provides guidance for all pillars of the Bank's Corporate Social Responsibility (Corporate Governance, Relations with Customers and Suppliers, Human Resources, Culture, Society, Environment).



The Environmental Organisational Chart of Piraeus Bank

For the better coordination of its environmental activity, the Bank established in 2004 the Office of Environmental Affairs, which in 2009 became the Environment Unit. In the organisational structure of Piraeus Bank, the Environment Unit falls under the Corporate Social Responsibility Sector, which reports directly to the Chairman of the Board of the Group. Furthermore, in 2009, in the framework of its commitment for the enhancement of green entrepreneurship, a Green Business Sector was created, which includes the following: the Green Banking Products Division, the Innovation & Developmental Programmes Division, the ETVA -Industrial Parks S.A. and the Green Banking Office of Northern Greece, which was launched in 2011. Furthermore, in 2010, a member of the Board was appointed as responsible for environmental issues.

In early 2008, Piraeus Bank opened its GREEN BANKING Branch in Athens, which was the first of its kind in Greece and the Balkans, as yet another initiative by Piraeus Bank to support green entrepreneurship. The Branch aimed to inform the public about the Bank's environmental work and to promote to private individuals, to companies, as well as to large enterprises the potential of Piraeus Bank for investments in new -environmentally friendly- technologies and services. At the beginning of 2012, the GREEN BANKING Branch ceased its operation as it was replaced by 42 new Green Branches throughout Greece.

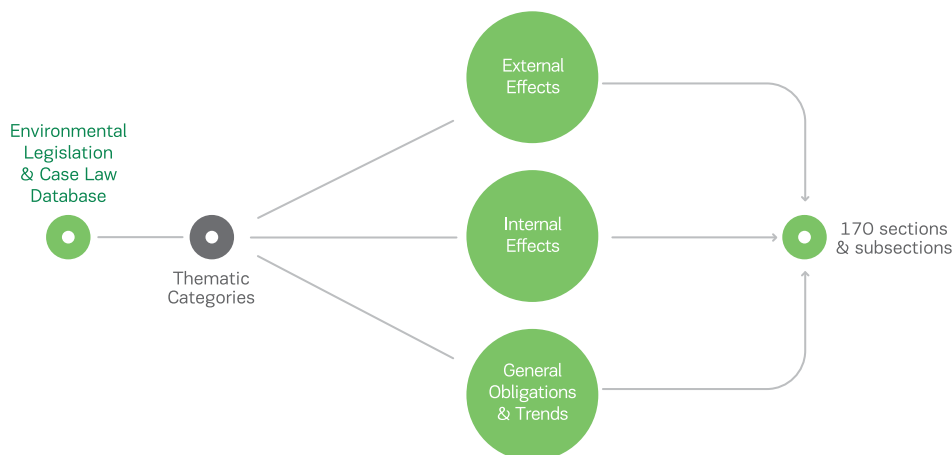


Specially designed teleconference room in all green branches for customer service

The Green Branches

In 2010, 42 selected branches became the main vehicle for the promotion of green entrepreneurship, the reduction of the environmental footprint and the support of responsible and sustainable growth of companies, professionals and households. The branches were renovated to reflect the new Bank's strategy on the promotion of e-banking and green business, and were staffed with personnel specialised in green entrepreneurship. These branches were fitted with technological equipment that allows communication between clients and special consultants of the Bank through video-conferencing, as well as direct banking via winbank stations.

Furthermore, in all branches in Greece a Green Banking Advisor was appointed to promote specialised products and initiatives that favour green entrepreneurship.



The Environmental Legislation & Case Law Database

The Environmental Legislation & Case Law Database (EL&CLD) was developed in 2006 and since then it is constantly updated. It aims at supporting Piraeus Bank's Environmental Policy and compliance with applicable legal requirements and corporate responsibility commitments in the field of environment.

The EL&CLD comprises three broad thematic categories. These include more than one hundred and seventy thematic sections and subsections, containing -amongst others- EU directives and regulations, national laws and presidential decrees, court decisions, administrative decisions on environmental issues and summaries of legislation. All this material provides the Bank with the necessary legal information on:

- a) General obligations and trends in (international, EU and national) environmental law and their importance for the activities of an -environmentally oriented- financial institution.
- b) Legislation and Case Law on operational impacts, aiming at assisting the development of environmental programmes for the prevention and reduction of these impacts and for complying with all relevant provisions, particularly in the framework of the Environmental Management System.
- c) Legislation and Case Law on impacts from business activities, aiming at supporting the Bank's efforts to reduce indirect (business) environmental impacts, particularly through environmental risk assessment, adaptation to climate change, promotion of environmentally friendly investments and green business, as encouraged by respective legal provisions.

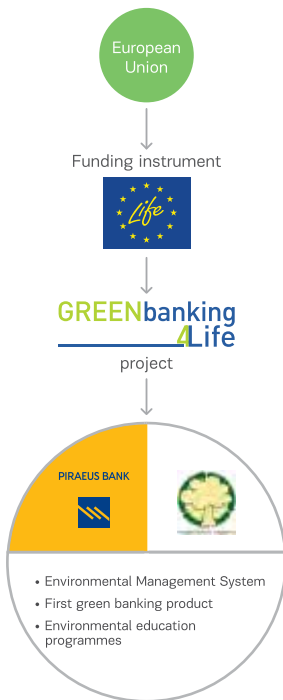
The European Projects of Piraeus Bank



GREENbanking4Life

GREENbanking4Life was a pioneering project approved by the European Commission in the framework of the funding instrument LIFE Environment. The funding instrument LIFE is designed to address contemporary environmental problems of the European Union and has co-funded thousands of projects since 1992. Piraeus Bank is the only bank so far supported by the European Commission through the LIFE instrument for the implementation of its environmental policy. This project essentially laid the foundations for the implementation of the Bank’s green policy. The project covered three years (03.10.2006 - 02.10.2009) and Piraeus Bank was the beneficiary while the environmental organisation Ecological Recycling Society was the partner. The Project introduced a new approach to the cooperation of financial institutions with the civil society, and environmental NGOs in particular.

Major achievements:



- Design of an innovative database that collects data across the Bank and records its environmental footprint.
- Launching of an Environmental Management System (recycling, energy saving, PV systems in 4 buildings, green procurement etc).
- Creation of the 1st green banking product (photovoltaic systems for entrepreneurs) in Greece and the wider Balkan region.
- Preparation of 5 special guides for environmental management in companies.
- Creation of the first environmental education programmes (e-learning) for employees. Launching of weekly green news bulletin on the INTRANET.
- Capacity building by organising a workshop in Athens and participating in international conferences.
- Transfer of know-how to the Bank’s subsidiaries in Romania, Bulgaria and Cyprus.
- Extensive promotion of Green Banking through the Media.

climabiz



Climabiz

In 2010, Piraeus Bank embarked on the implementation of climabiz, another innovative European project, which aims to prepare the market to adapt timely to the new climatic conditions and to exploit the opportunities arising from climate change.

The climabiz project is implemented by Piraeus Bank in collaboration with the environmental organisation WWF Greece and the consultancy FACE³TS specialised in climate change. The project is co-funded by the European Union and more specifically by the funding instrument "LIFE + Environment Policy and Governance." The project covers three years and its areas of action include Greece, Bulgaria, Romania and Cyprus.

Through climabiz, Piraeus Bank contributes to addressing climate change by:

- determining the economic impact and business opportunities arising from climate change in Greece and Southeast Europe;
- creating specific applications (software) for monitoring the economic impact of business opportunities arising from climate change on Greek enterprises;
- informing and supporting businesses for their adaptation to climate change;
- raising awareness of employees and customers, as well as of the general public, about climate change and adaptation.

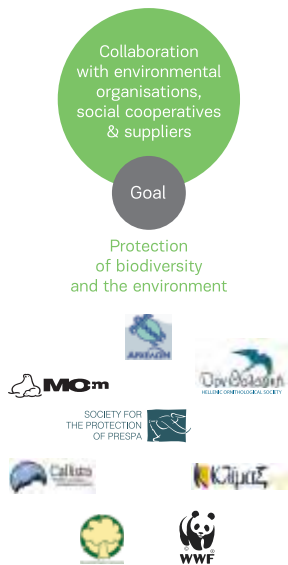
The main achievements of the project are presented in detail in Chapter 04: Climate drives business.



Cooperation with the social cooperative "Klimax - plus" for the collection of paper for recycling in branches and administration buildings

Determining common goals with the partners – suppliers in the frame of Corporate Social Responsibility and sustainable development

Collaboration with Stakeholders



Piraeus Bank has developed a strategic alliance with civil society for the protection of biodiversity and the environment. In this context, it has a long-term collaboration with the environmental organisation MOM for the protection of the endangered Mediterranean Monk Seal. At the same time, it has supported actions of ARCHELON, of the Greek Ornithological Society, of Kallistos, of the Society for the Protection of Prespa and of the Ecological Recycling Society. The involvement of the Ecological Recycling Society, as a partner in the European project GREENbanking4Life (2006-2009) and this of WWF Greece, as a partner in the implementation of the climabiz project (2010-2012), highlights the systematic collaboration that Piraeus Bank seeks to develop with civil society.

Furthermore, Piraeus Bank launched a unique collaboration with the social cooperative "Klimax plus" for the collection of paper for recycling in the Attica region. This cooperation, in addition to its contribution to the achievement of environmental goals, is also part of the Bank's policy to support social groups and organisations involved in the reintegration of disadvantaged individuals into society.

In addition, a common framework of reference for the Bank's partners' and suppliers' involvement in sustainable development activities/programmes is being developed. The objectives are:

- (a) to establish a continuous dialogue between the Bank, its partners and suppliers and exchange expertise and experience;
- (b) to develop and endorse a code of conduct for the protection of human rights, employees' rights, the principles of sustainable and ethical business operation and sustainable management of natural resources;
- (c) to develop actions-programmes with mutual economic, environmental, social benefits.

In the framework of climabiz, a workshop was organised with representatives of business sectors and of the academia to examine the impact of climate change on the economy in Greece. Moreover, a questionnaire on the same issue was also completed by other representatives of companies and organisations and personal interviews were conducted, leading to a comprehensive report.

Environmental Certifications



In 2011, Piraeus Bank became the first Greek bank to have its Environmental Management System (EMS) certified, in all its branches and administration buildings under the EMAS and ISO 14001:2004 environmental standards. EMAS stands for Eco-Management and Audit Scheme. It is a voluntary management tool for companies and other organisations to evaluate, report and improve their environmental performance.

The active participation of employees, the increased transparency requirements and the provision of environmental information to the public are key factors that differentiate and distinguish EMAS from other standards.

The environmental certifications came as result of a longstanding and successful implementation of the Bank's EMS, which started in 2003 with the adoption by the Board of Directors of the "Policy of Environmental Management" and matured through the implementation of the European co-funded project GREENbanking4Life that laid the foundations of the EMS.

The verification of the Environmental Statement of the Bank, confirming its compliance with the EMAS Regulation, was performed by the Cyprus Certification Company (CYC). The same company, which is a member of the IQNET Association-The International Certification Network, also certified the Bank in accordance to the international environmental management standard ISO 14001:2004.

EMAS is a voluntary-based corporate initiative

The Bank:

- complies with the existing environmental legislation
- constantly improves its environmental performance
- strengthens the actions for the prevention of pollution

For the implementation of the environmental management actions, we follow international standards for which we are constantly evaluated

International Participations and Awards



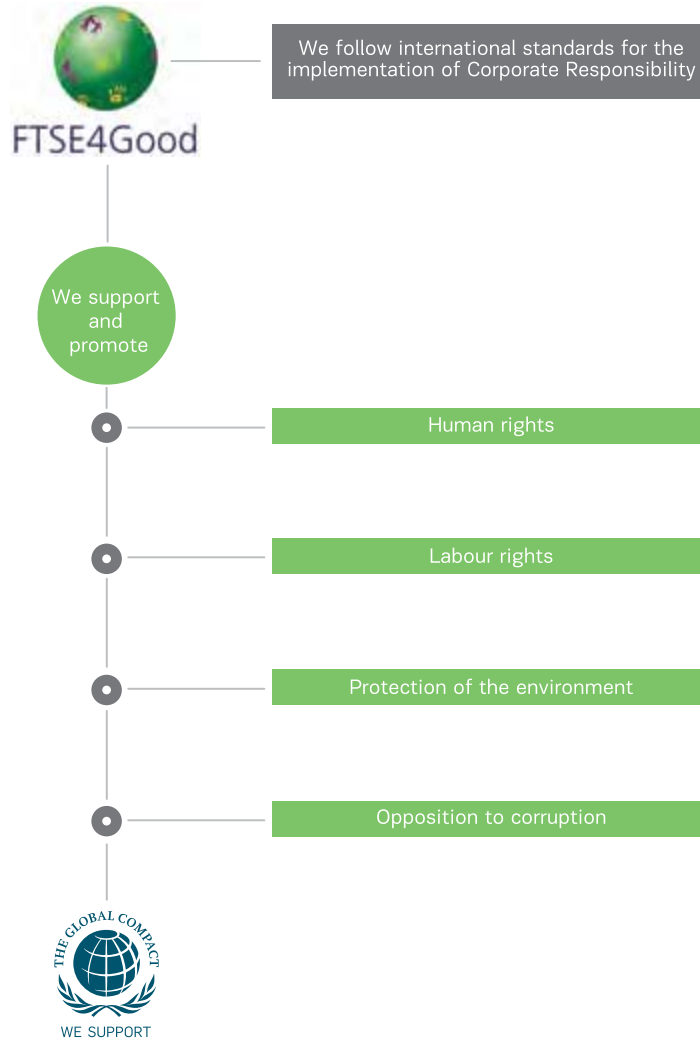
Piraeus Bank participates in international initiatives and indices with a view to promote its corporate responsibility to both the business world and society, in the context of sustainable development. Furthermore, through specific participation procedures, the Bank adopts self-assessment mechanisms based on global standards and practices with a view to continuously improve corporate responsibility policies and practices.

From 2002 to 2011, Piraeus Bank has been meeting the criteria of the FTSE4Good index. This international indicator was developed to objectively measure the performance of companies that follow international standards in the implementation of corporate responsibility programmes. It is a valuable tool for investors or investment advisers who wish to create socially and environmentally responsible investment products.

In early 2004, Piraeus Bank voluntarily joined the Global Compact of the United Nations (UN Global Compact), which refers to 10 key principles regarding human rights, labour rights, environmental protection and anti-corruption actions. Piraeus Bank thus undertook the initiative to support and promote these principles within the field of its activities.

Basic Principles of the Global Compact

1. Support and respect the protection of internationally proclaimed human rights within the company and its sphere of influence
2. Non-involvement of the company in human rights abuses
3. Freedom of association and recognition of the right to collective bargaining
4. Elimination of all forms of forced or compulsory labour
5. Abolition of child labour
6. Elimination of any discrimination in employment and occupation
7. Support of the precautionary principle in the face of environmental challenges
8. Undertaking of initiatives to promote greater environmental responsibility
9. Encouragement of development and diffusion of environmentally friendly technologies
10. Undertaking corporate action against all forms of corruption, including extortion and bribery





UNEP Finance Initiative
Innovative financing for sustainability

We aim at sustainable development into business decisions



Caring for Climate

We actively contribute to climate change mitigation



Ελληνικό Δίκτυο για την Επιχειρησιακή Κοινωνική Ευθύνη

We promote corporate social responsibility



CARBON DISCLOSURE PROJECT

We make efforts for the reduction of greenhouse gas emissions and the rational use of water

In 2007, Piraeus Bank signed the Declaration for joining the UNEP FI (United Nations Environment Programme Finance Initiative). The UNEP FI is a global partnership between the United Nations and the financial sector. This global network involves about 200 banks and insurance companies committed to incorporate sustainable development into business decisions.

Furthermore, in 2007, Piraeus Bank was the first company in Greece to sign the Declaration “Caring for Climate: The business leadership platform” of the UN Global Compact where approximately 360 companies from around the world pioneer in mobilising the market to address climate change. It provides a framework in which companies can promote practical solutions and help shape social consciousness on climate change.

In 2007, Piraeus Bank became a full member of the Hellenic Network for Corporate Social Responsibility, which aims to promote corporate social responsibility to both the business community and society, with the overarching objective being a balance between profitability and sustainable development.

Since 2010, Piraeus Bank has participated in the international non-profit organisation Carbon Disclosure Project, reporting data on the environmental performance and operations of the Bank. The Carbon Disclosure Project (CDP) seeks to change the way in which businesses operate today, so they can address climate change and protect the natural resources of our planet. The CDP has sensitised thousands of businesses and municipalities to disclose their greenhouse gas emissions, the risk from climate change and their strategies for water management.

However, in addition to these participations, Piraeus Bank has also won many awards for its work in social responsibility:

Since 2008, it participates in the Corporate Responsibility Index (CRI). The Corporate Responsibility Index is a globally leading tool for evaluating the performance of CSR in the fields of Society, Environment, Workplace, and Market. In 2008, when the index was first used in Greece, the Bank was awarded the highest distinction given nationally (silver). For 2009 and 2010, Piraeus Bank was awarded the highest distinction given to a Greek company (gold). In 2010, it received a special commendation for its environmental work, and in 2009 it received a special commendation for its social work, carried out mainly through the various activities of the Piraeus Bank Group Cultural Foundation (PIOP). For 2011, the Bank was one of the three companies to be awarded the highest distinction that was given, the Platinum category.

Our corporate responsibility is evaluated by international indices



All the actions we develop intend to address both social and environmental issues

Piraeus Bank received the following distinctions:

- "Green IT Initiative by a Financial Institution" for the promotion of green banking through networks and electronic banking services, during an event organised by the Banking Technology magazine in London.
- "Best Sustainable Financial Institution in Greece" by the "New Economy" international financial magazine. The winners of "The New Economy's Sustainable Finance Awards 2010" are usually companies that have undertaken substantial efforts to provide funding with clear benefits for both the environment and society.
- One of the only 10 Greek companies to be included in the global list of the top 1,000 socially responsible companies, according to an assessment conducted by the CRD Analytics in collaboration with JustMeans.
- One of the 10 companies in Greece to be distinguished for corporate social responsibility activities, according to the Awareness & Social Behaviour Index (ASBI) social barometer.
- Among the 105 companies that globally qualified for Corporate Social Responsibility (CSR) Reports in the "Readers' Choice Awards", organised by the International Organisation Global Reporting Initiative (GRI).
- "THALES" award, a CSR distinction awarded by Money Conferences and Eurocharity to companies for their social and environmental work.
- In the framework of the "BRAVO" Social Reporting Awards, organised for the first time by the non-profit organisation QualityNet Foundation, Piraeus Bank received the first prize in the "Best Approach of Materiality" and "Best Report on Environmental Performance Issues". The Bank also received an honour in the categories of "Best Report on Market Issues", "Better Balanced Approach to Economy-Society-Environment" and "Best Overall Report".
- Highest rating in the banking sector in Greece, rated 6th on a 7 level scale according to the "Environmental Management & Disclosure Index" Report for the "Index of Environmental Management and Transparency", prepared by WWF Greece.

We promote sustainable development since our philosophy is strongly linked to the benefit of the community in which we operate

Our environmental and social work is evaluated by our social partners on a daily basis

In 2011, Piraeus Bank received the following distinctions:

- One of the 15 Greek companies awarded by the "BRAVO" Social Reporting Awards, organised for the second time by the non-profit organisation QualityNet Foundation.
- THALES-CEO & CSR 2011 Award: Best Listed Company in CSR, at the CEO&CSR Money Conference 2011.
- Award from the International Agency "European Finance Marketing Association" (EFMA), as a leading presence in the Social Media in Europe (Best Approach to Social Media in Europe). The award covered the "Think Green" platform, which created an online community of environmentally sensitive users. It has a presence on the most popular social media (Facebook, Twitter, YouTube, Flickr).
- Recognition of successful participation in the FT/IFC SUSTAINABLE FINANCE AWARDS 2011, organised annually by the Financial Times and the International Finance Corporation.
- One of the only 10 Greek companies to be included in the global list of the top 1,000 socially responsible companies, ranking higher than 2010, according to an assessment conducted by the CRD Analytics in collaboration with JustMeans.

General Manager Mrs. Eftichia Kasselaki, in the ceremony where Piraeus Bank was awarded the highest CRI distinction (Platinum)







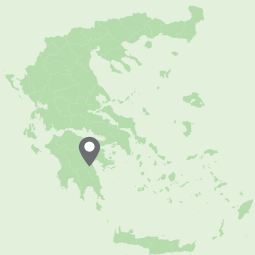
02

Environmental
Management
at Piraeus Bank



ENVIRONMENTAL MANAGEMENT AT PIRAEUS BANK

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Environmental Management

Organisation of the Environmental Management System in Piraeus Bank

Piraeus Bank has committed to implementing policies that reduce the environmental impact from both its operation and its business activity.

In collaboration with relevant Bank Divisions, such as the Group Engineering Project Management & Administration Support Division and the Group IT Operations Division, the Environment Unit organises the monitoring and management of environmental impacts associated with the Bank's activities so as to achieve their reduction. A specially trained employee has been appointed as Environmental Management Coordinator at each Bank branch and administration building in order to achieve the most comprehensive data collection, the effective implementation of environmental management procedures and environmental programmes, as well as for the efficient accomplishment of environmental targets.

Under the coordination of the Environment Unit, data is regularly collected by the Bank Divisions and processed with the help of an **Environmental Footprint Calculation Database** and conclusions are drawn by monitoring specific indicators that reflect the environmental performance of the Bank. Consequently, targets are set and programmes are designed to reduce its environmental footprint.

The background of the Environmental Management in the Bank

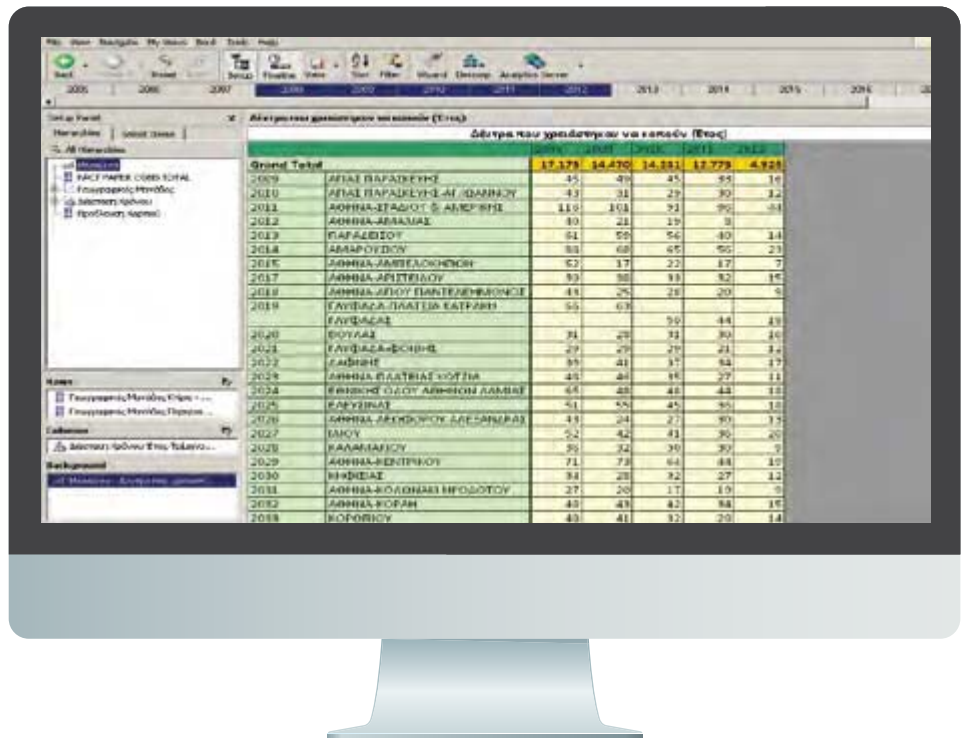


Piraeus Bank's Environmental Footprint Calculation Database

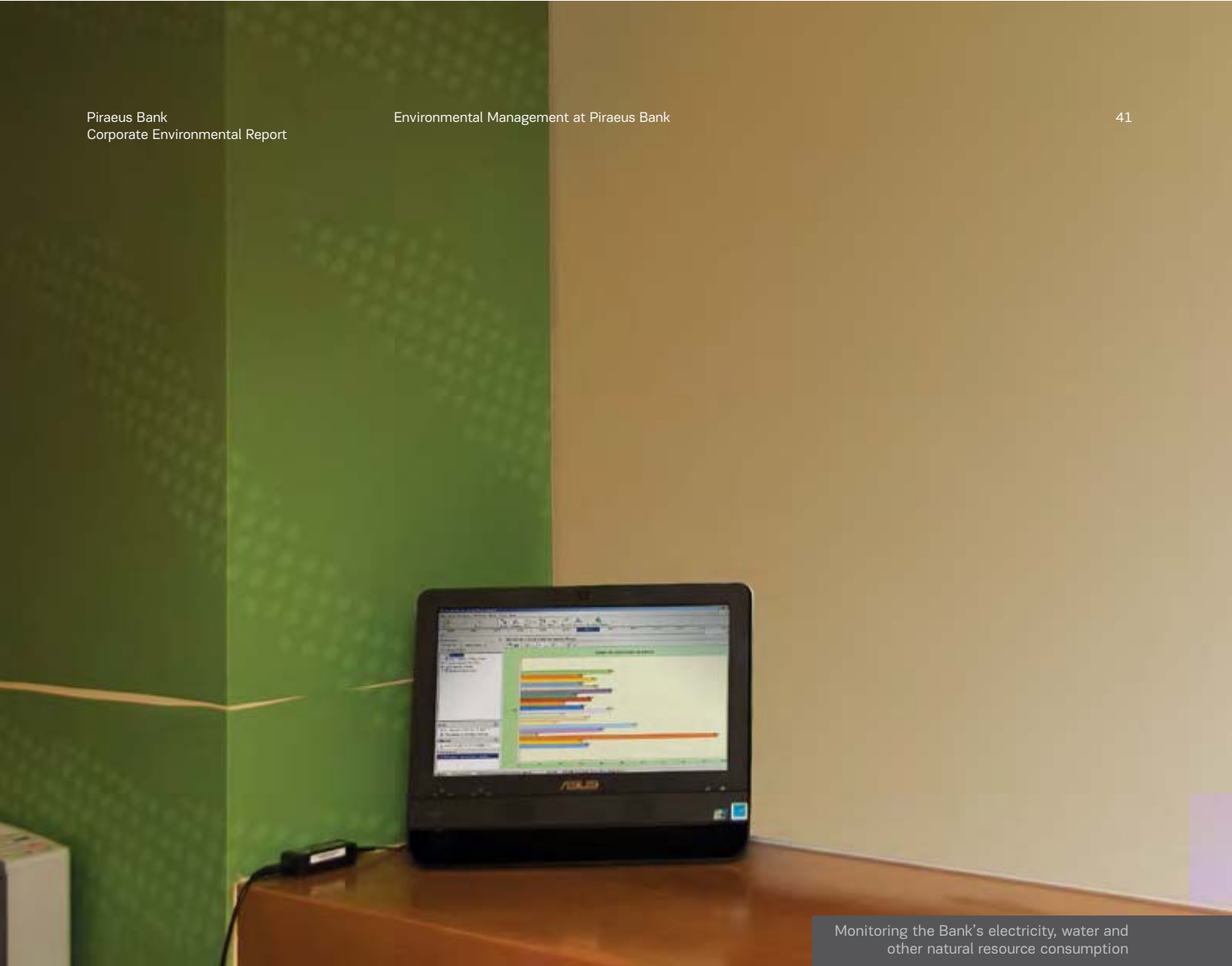
We created an innovative tool for estimating and calculating our environmental footprint

Using an innovative tool, the [Environmental Footprint Calculation Database](#)¹, Piraeus Bank monitors its operational impact, from the consumption of energy, water and other natural resources, to the use of consumables and business travel. Therefore, by changing special coefficients, it is possible to calculate automatically the environmental footprint of every operation of the Bank.

For example, electricity consumption data in KWh are entered from the electricity bill of a branch and the corresponding emissions of pollutants such as carbon dioxide, methane, etc. that are indirectly emitted by this branch are automatically calculated. Similarly, when data on paper consumption in kilos are entered for an administration building, the Database allows the automatic calculation of the trees that had to be cut to produce this paper.



¹ The [Environmental Footprint Calculation Database](#) was created in the framework of the implementation of the GREENbanking4Life project and follows the methodology for data collection and processing that was developed in accordance with the instructions of the Greenhouse Gas Protocol (GHG) Initiative, of the World Institute of Natural Resources.



Monitoring the Bank's electricity, water and other natural resource consumption

The **Database** is a very useful tool because it allows:

- automation of fixed data collection;
- organisation of environmental information in accordance with the requirements of the Bank;
- integration of environmental expertise in the systems of the Bank;
- creation of user-friendly, powerful multivariate analysis tools.

The greatest benefit from the use of the Database is that it allows a more comprehensive design of environmental programmes, with measurable targets, leading to lower operational impact and saving of resources. This tool also enables the monitoring and evaluation of the Bank's environmental performance and its comparison with corporate environmental policies of other organisations. Finally, it maximises the participation and awareness of the human resources.

The **Database** can identify significant fluctuations in the consumption of natural resources compared to average, allowing the Head of the Environment Management of the Bank to inform the relevant departments (e.g. such as the Group Engineering Project Management & Administration Support Division, in case of a water leakage).

Piraeus Bank's Environmental Management System



The Environmental Management System is a tool that integrates our environmental policy in the Group's structure and operation

The Environmental Management System (EMS) developed at Piraeus Bank is fully consistent with the requirements of EU Regulation 1221/2009 for the Eco-Management and Audit Scheme (EMAS) and the Standard ELOT EN ISO 14001:2004.

The certified EMS provides a comprehensive framework for the recording, monitoring and ultimately the reduction of the environmental impacts associated with the Bank's operation and activities.

The Environmental Statement of the Bank, which is prepared and verified on an annual basis, is a summary of the implementation results of the EMS and is available to all interested parties at the Bank's website. The Environmental Statement provides all the elements needed for the implementation of EMS in the Bank, as well as its environmental performance and its compliance with legal obligations regarding the environment.

The EMS is applied to all administrative buildings and branches of Piraeus Bank in Greece; however, it does not cover the Bank's subsidiaries and its facilities abroad, the inclusion of which is scheduled for later stages.



The Environmental Management Programmes

The Bank sets annual environmental objectives and targets, through the specific process of its certified EMS and seeks the systematic monitoring and reduction of the significant environmental impacts from its daily operation, thereby aiming to a continuous improvement of its environmental performance.

The Bank's environmental objectives can be achieved through the successful implementation of specific environmental programmes, engaging the appropriate personnel. It is noteworthy that the vast majority of these programmes are conducted internally by the Bank and especially under the monitoring and coordination of the Group Engineering Project Management & Administration Support Division. This indicates a high level of staff commitment to environmental goals and a joint effort, which is the result of corporate culture and the continuous training of employees.

These include programmes for energy and water saving in the buildings, green procurement, recycling and the reduction of business travels.

Electricity Saving

Replacing branch signs



In 2008, it was first pointed out that there is significant margin for energy saving from the replacement of electronic components on the outside signs of the branches. Therefore, in 2010, a pilot application was implemented in three Bank branches to calculate savings through this particular action, by replacing the existing light bulbs with new-technology energy efficient bulbs.

The results showed that energy savings from this action ranged between 60% and 80%, making this solution very attractive for the entire Bank, as the payback period did not exceed 3 years.

Therefore, in 2011, 332 branch signs were replaced. It was estimated that the total annual energy benefit is approximately 720,000 kWh, saving the emission of more than 580 tonnes of CO₂ every year.

The total length of the signs replaced reached 4.5 km; a distance equal to that from the Temple of the Olympian Zeus to the Delta of Faliro along the Syngrou Avenue!



Installation of 1,000 motion detectors

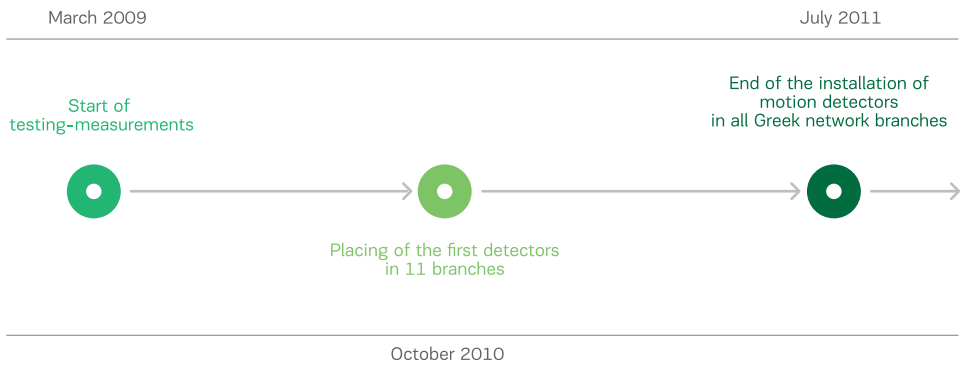
Installation of motion detectors

Motion detectors were installed to control lighting in areas with low traffic, such as WCs and storage spaces of the branches.

In early 2009, motion detectors were placed in the toilets of the administration building on Amerikis street, to determine the savings that can be achieved through the implementation of this action.

The measurement results showed a saving of 75%. However, it should be noted that for an average building, energy saving varies depending on the size of the installation space, but also on the mode of use and ranges between 35% and 45%.

In 2010, the first detectors were placed in 11 branches and the installation of motion detectors in the entire branch network of the Bank was completed during 2011.



Energy saving from the replacement of the halogen light spots with LED type bulbs: up to 80%

Changing halogen light spots

Technological developments and new efficient materials have brought significant advantages in the field of lighting. The lifetime of new technology light bulbs, such as LEDs (Light-Emitting Diode), continuously increases while energy consumption for the same light performance has decreased.

In 2011, the Bank proceeded to a pilot change of the lighting fixtures in the corridors of the administration building at 87 Syngrou Avenue. Halogen spots in those spaces were replaced with LED lamps. The results were particularly encouraging as the savings reached 80%.

By the end of 2011, there was a gradual replacement of halogen light spots in three administration buildings of the Bank in the Attica region.

Time-scheduling system for electric appliances

By installing an extension to the plug sockets and with the computer's help, we can schedule the time when we want the power to be switched off in the selected appliances

Scheduling the electrical appliances

In July 2011, another pilot programme was implemented, aimed to identify:

- the energy-intensive appliances of a typical Bank branch and
- the saving margin achieved through the deactivation of such devices during the non-operating hours of the branch.

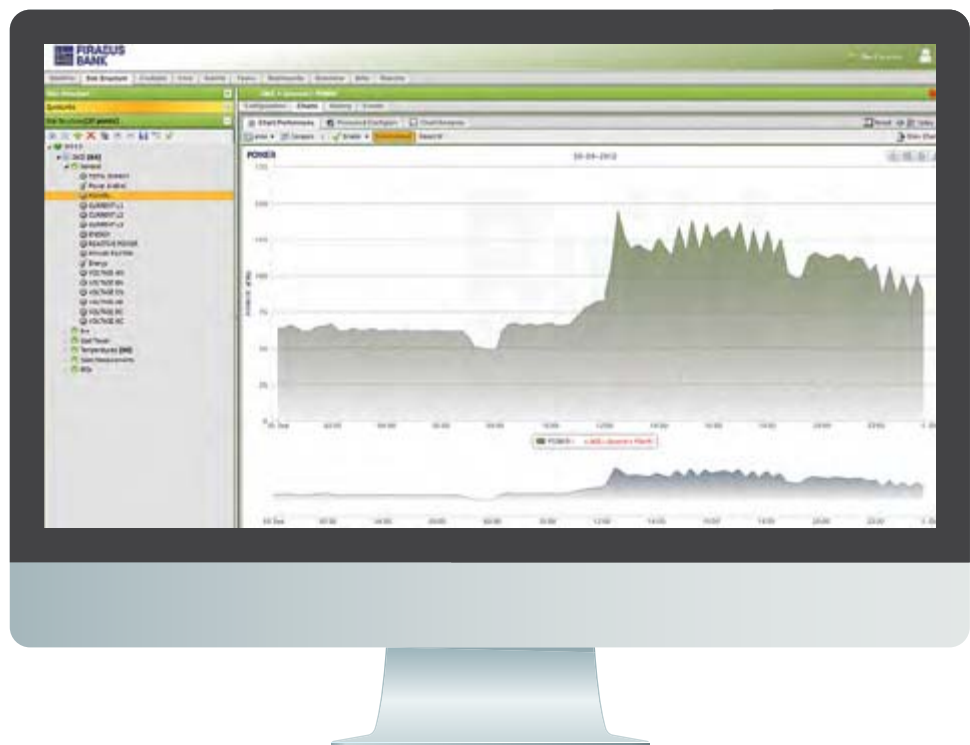
The results showed that electricity savings range between 20% and 30% (under specific conditions they can reach up to 50%), with an on/off programming of electrical devices used in the workplace, such as advertising displays, personal computers, printers, refrigerators etc.



10 branches participate in the pilot monitoring of their energy and water consumption

Energy monitoring programme in branches

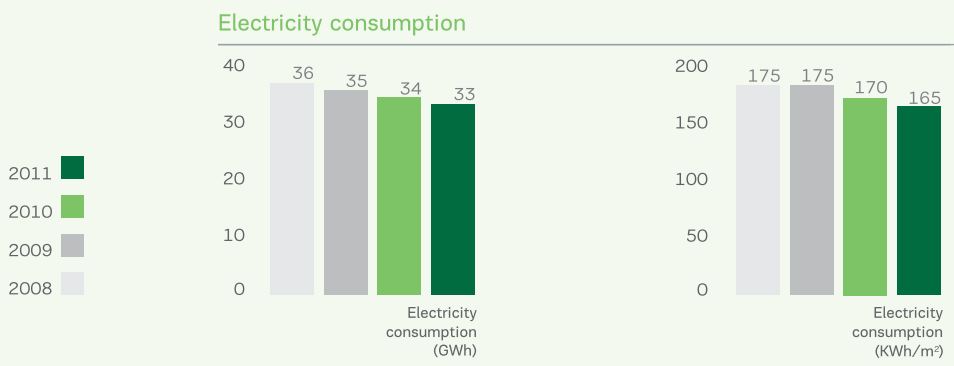
As of 2011, a pilot project is being implemented to monitor -real time- energy consumption and water consumption in 10 Bank branches. The methodology applied, in conjunction with the appropriate equipment and software, enables the Bank to increase the energy efficiency of its branches, to save energy, to reduce operational costs and ultimately to reduce its overall environmental footprint. The analysis of energy consumption, in conjunction with other elements of the Bank's operation, as well as the comparison between branches, demonstrates the effectiveness of energy saving measures without compromising the comfort level of working conditions for employees. Energy and water savings are visualised in real time through special displays and via the Bank's INTRANET.



Since 2008 we have managed to decrease the electricity consumption by nearly 7.5%

Total Electricity Consumption 2009 - 2011

The awareness of employees and the success of environmental programmes have paid off. As of 2009, there has been a 2.5% reduction in electricity consumption compared with 2008, while this decline continued with the same pace for the following years, reaching 7.5% by the end of 2011. The corresponding index of electricity consumption per surface unit decreased by nearly 6% in the course of these three years.



Printing procedures were either replaced by electronic ones or entirely removed

Paper Saving

During the last few years, many attempts have been made to reduce paper consumption. In particular, various banking processes were improved, meaning that numerous printing procedures were either replaced by electronic ones or entirely removed.

Converting to electronic banking procedures

In order to improve the workflow and save consumables, Funds Transfer & Central Operations Division began in 2009 a pilot project, whose implementation required both changes to existing processes and systemic interventions. The use of paper in the Division's daily activities decreased significantly and the overall results were impressive. Since then, the programme has been included in the annual goals, based on the continuous effort to improve the ecological footprint of the Bank.

Special reference should be made to the implementation of the proposal submitted in 2010 as part of this project, which involved the elimination of printing and mailing transaction notices and their replacement by electronic notices, resulting in paper savings of around 50%.

Briefly, the results were as follows:

	Change 2008-2011
Photocopying Paper	-52%
Computer printing paper	-35%
Envelopes	-63%
Printer Cartridges	-89%



Electronic payroll receipt to all Bank employees

Electronic payroll receipt

In an effort to reduce paper consumption within the Bank, as of 2009, all Bank employees receive their salary receipts in electronic form. Detailed calculations have shown that over the last three years, the Bank has saved 6.87 tonnes of paper, solely through this action.

	2009	2010	2011	Total
Paper saved (tn)	2.32	2.31	2.24	6.87



ATM

In 2008, an option for printing out or not the transactions was added on ATMs' screens. Thus, if a user does not want a receipt there is no waste of paper. For instance, in 2008, it was estimated that the paper saved through this action reached 3 tonnes!

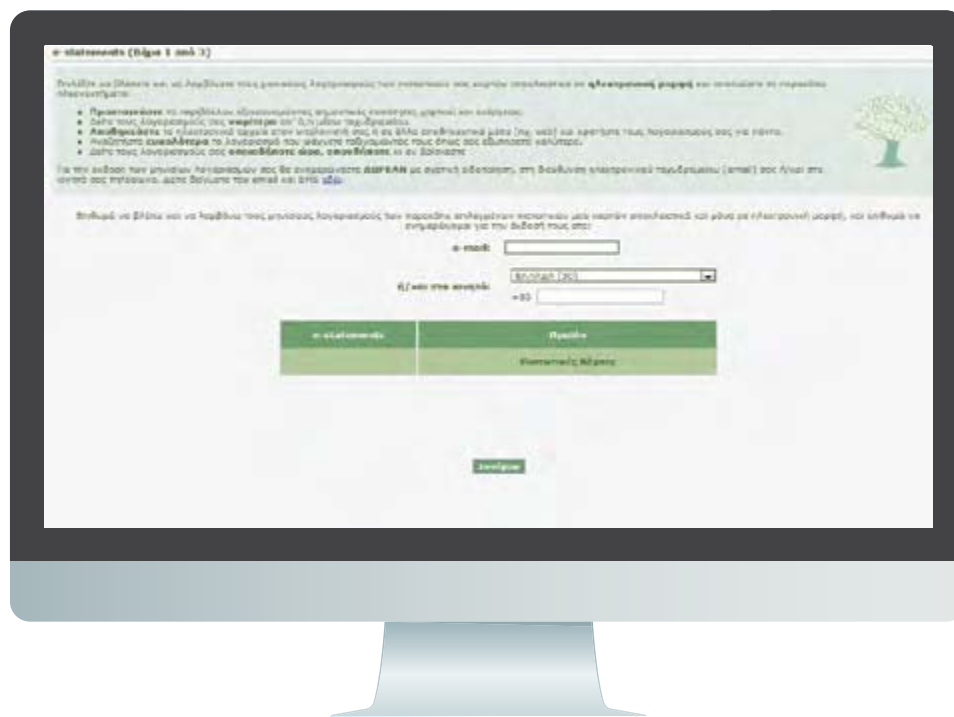
However, it was estimated that most people continued to choose to print out the transaction receipts, in order to see their account balance. Thus, in 2010 a further improvement was made on the ATM interface, through which users can see their account balance on the screen after a transaction.

E-statements are copies, in electronic form, of the actual printouts received by credit card holders by mail and contain their account transactions

E-statements

As of 2011, Piraeus Bank provides an e-statement service for credit cards. E-statements are copies, in electronic form, of the actual printouts received by credit card holders by mail and contain their account transactions. By replacing hard copies with electronic ones, customers actively contribute to energy saving, saving of large quantities of paper and ink and the reduction of pollutants, thanks to the reduction of the transport required.

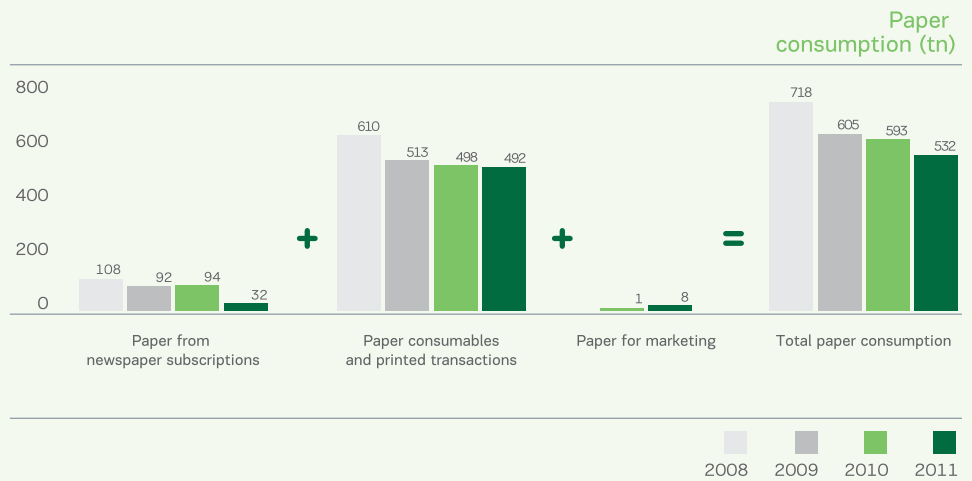
The results of the above action have been encouraging as by the end of 2011, customers who have opted to receive e-statements for their credit card accounts exceeded 10,000, while in 2012 some 10,570 additional customers were expected to opt for e-statements. The Bank's objective is to continuously increase the percentage of credit card holders who use the e-statement service.



By replacing hard copies with electronic ones, the customer actively contributes to energy saving, saving of large quantities of paper and ink and the reduction of pollutants, thanks to the reduction of the transport required

Paper Consumption 2009 - 2011

The Bank managed to reduce paper use by one fourth



Paper recycling bin in a branch of the network



With the term Managed Print Services, we mean the removal of all personal printers and their replacement by powerful central multi-machines, the operation of which is managed by the supply company

Ink Cartridges & Toner Saving

Managed Print Services

A pilot project for the integration and management of printing processes was implemented in 2011 in the two administration buildings in Athens with the largest printing production. Important factors in the selection of the supplier company were the reduction of the number of different models, allowing all needs to be covered by only eight different device types (MFPs), thus greatly simplifying the management of consumables and the necessary training and support of users.

The implementation was performed gradually without interrupting the employees. The results, as expected, showed a significant reduction in both the cost of use and management, as well as a reduction of paper consumption and printing material. More specifically:

- 20% in print-outs
- 35% in paper consumption
- 40% in the total printing cost

Thus, it was decided that the MPS project should be extended to five more administration buildings while some branches were also included in the pilot operation phase, aiming to further saving of supplies and the increase of productivity.

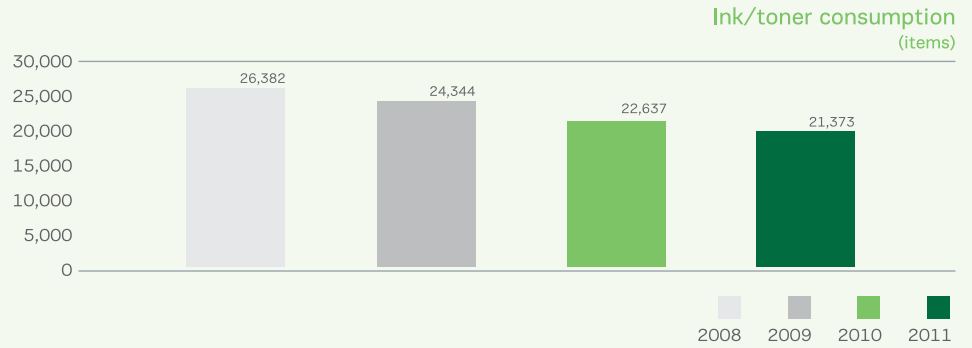
So far, at the seven administration buildings, the total number of devices is reduced by 78%.

Number of printers and copiers

Administration Building	before the application		after the application	
	Photocopiers	Printers	Total	Total
4, Amerikis street	28	212	240	50
18, Panepistimiou street	6	81	87	20
87, Syngrou Avenue	15	202	217	50
142, Syngrou Avenue	11	137	148	26
5, Korai street	7	25	32	12
1-3, Lysikratous & Evripidou street	10	96	106	20
Ethnikis Amynis street	21	124	145	35

Ink Cartridge Consumption 2009 - 2011

Ink cartridge consumption is continuously decreasing and is expected to drop even more thanks to the Managed Print Services technology.



By using a refilled ink we save the production of a new ink cartridge, for which we need 3.1 lt of oil only for the plastic parts!!

Green Supplies

Refilled inks

In 2011, it was estimated that 30% of the inks supplied by the Bank were refilled. For the toners of laser printers, which have the greatest environmental impact, this percentage reached 80%.

Eco-friendly paper

Piraeus Bank has implemented green criteria in its procurement policy. All the need for A3 and A4 paper is covered by recycled, chlorine-free paper. The Bank is one of the largest users of recycled and chlorine-free paper in South-eastern Europe; its initiative created a domino effect in the market, increasing demand for this type of paper. Overall, the environmental benefits of using recycled, chlorine-free paper to date are:

- More than 51,000 trees saved
- More than 1,800,000 kWh saved
- More than 91,500,000 litres of water saved
- More than 1,200,000 kg of solid waste not generated



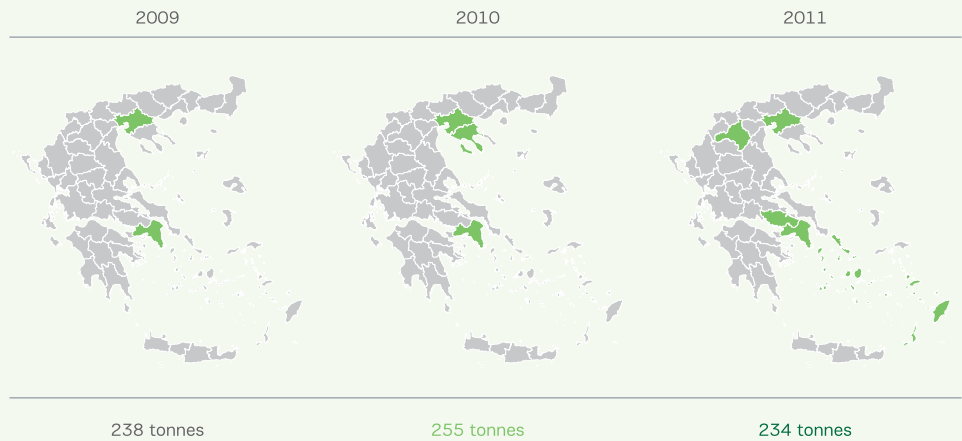
Waste Management

The Bank's recycling programmes are a key factor for the constant and systematic improvement of its environmental footprint. The increasing interest of employees in recycling is continuous. Piraeus Bank has an ideal cooperation with specially licensed waste collectors, as well as with official nationwide collective systems.

Recycling 2009 - 2011

Paper Recycling

Today, we have recycled more than 1,300 tonnes of paper

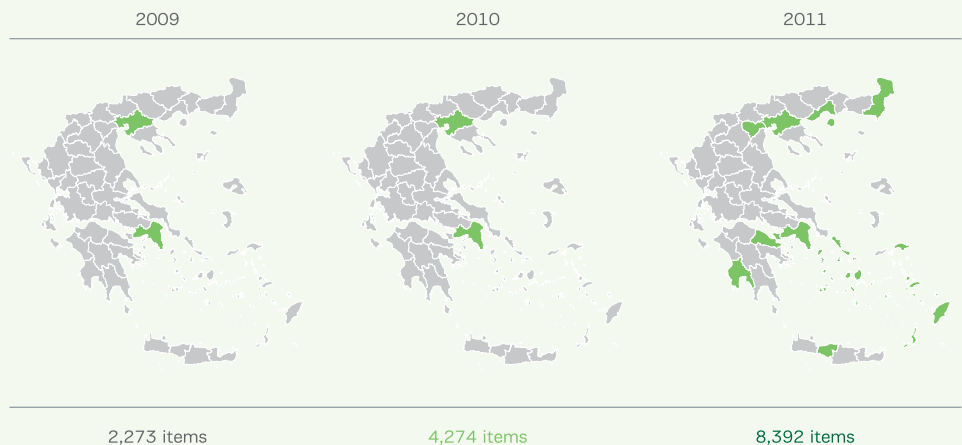


Paper recycling is one of the Bank's first and most successful environmental programme. Since 2011, paper recycling began expanding to areas outside the two major urban Greek centres of Attica and Thessaloniki.



Recycling of ink cartridges - toners

The number of ink cartridges for recycling doubles every year



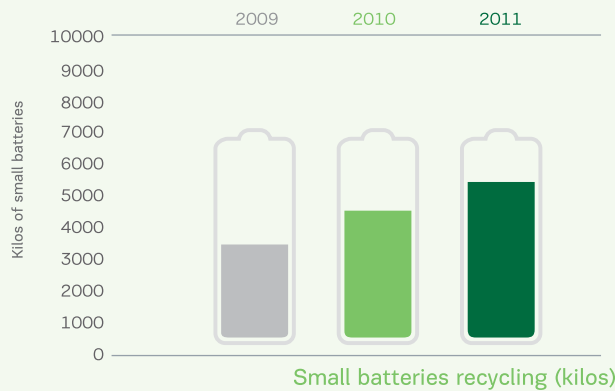
In 2011, the recycling of ink cartridges began expanding outside Attica and Thessaloniki.



All Bank buildings participate in recycling of small batteries

Recycling of small batteries

Each Bank building hosts a specially designed recycle tube of AFIS (Recycling of Small Batteries). In the branches, the tubes are placed in locations accessible to the public, thus giving the Bank's customers the opportunity to participate in small battery recycling. The recycling of small batteries is very important, as the batteries are composed of heavy metals such as cadmium, lead, mercury and nickel, which are particularly dangerous to human health.



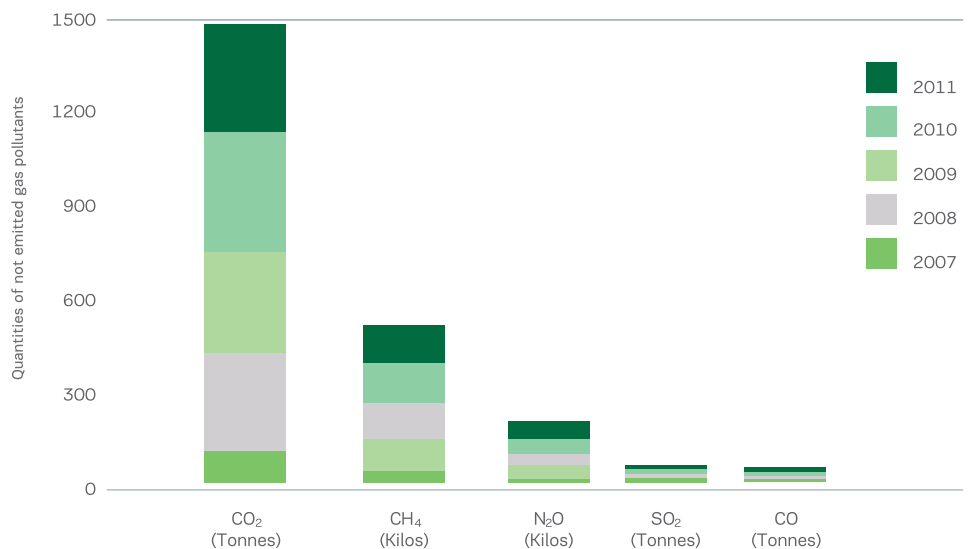
Business Travel

Benefits of e-learning

Piraeus Bank was the first bank in Greece and among the first in Europe to invest heavily in e-learning, as a training tool for its human resources. Thus, employees no longer need to travel to the Bank's training centres, but follow the courses through their PC.



Benefits of e-learning:
8,000,000 less kilometers

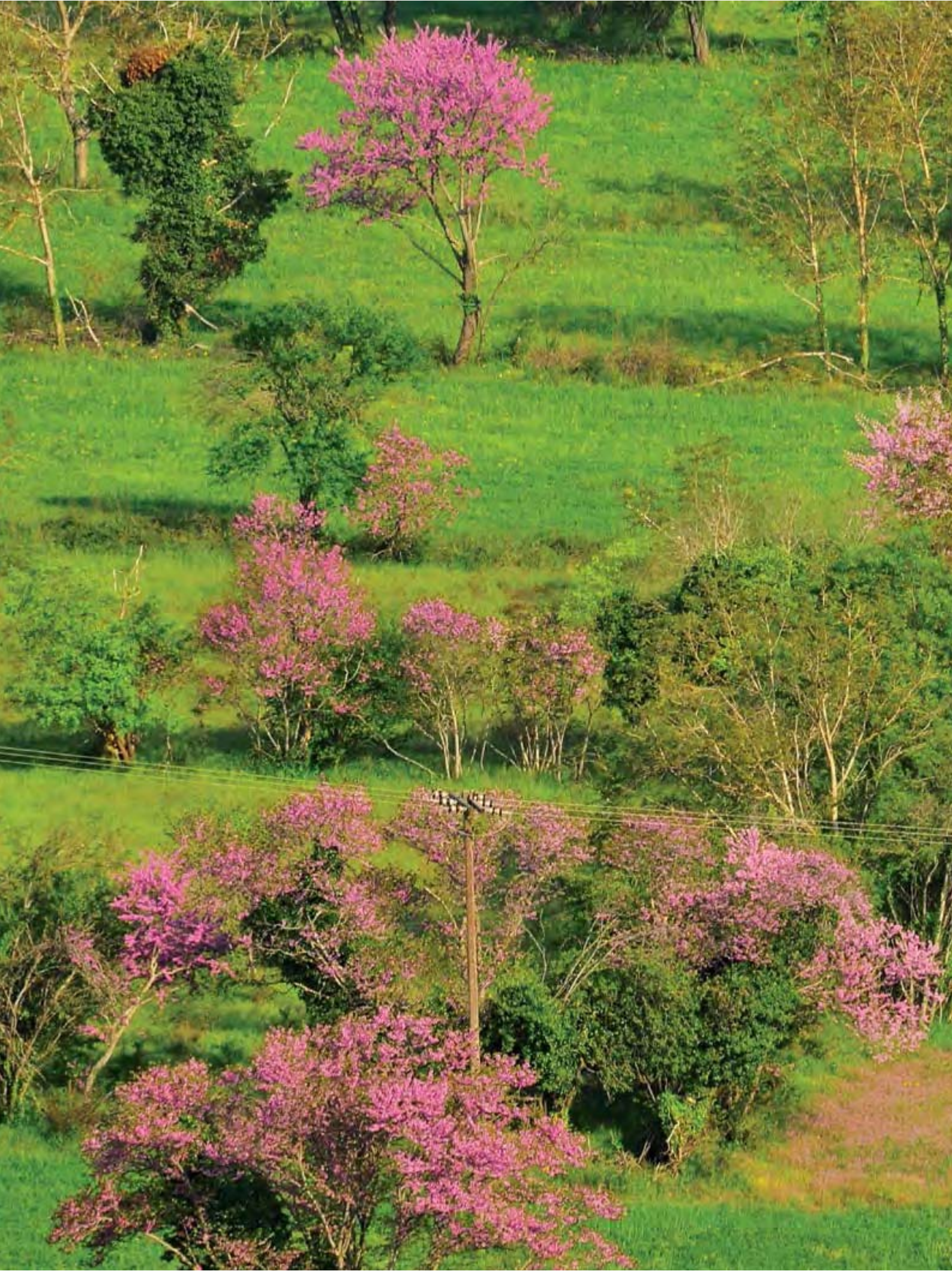


Environmental Footprint 2009 - 2011

Environmental Footprint of Piraeus Bank

	Results		
	2009	2010	2011
Consumables			
Paper consumption due to newspaper subscriptions (tonnes) [I]	92.41	93.59	31.96
Paper consumption due to newspaper subscriptions (kg/employee)	17.21	17.48	6.15
Paper consumption due to the use of paper consumables + transaction forms (tonnes) [II]	161.21	142.53	137.22
Paper consumption in marketing (tonnes) [III]	-	1.43	8.09
Total consumption of conventional paper (tonnes) [I] + [II] + [III]	253.62	237.55	177.27
Total paper consumption (kg/employee)	47	44	34
Ink and toner consumption (items)	24,344	22,367	21,373
Ink and toner consumption (items/employee)	4.53	4.23	4.12
Green Supplies			
Consumption of recycled A4 and A3 paper (tonnes) [IV]	351.39	355.42	355.23
Consumption of recycled A4 and A3 paper (kg/employee)	65	66	68
Total paper consumption (tonnes) [I] + [II] + [III] + [IV]	605.01	592.97	532.51
Total paper consumption (kg/employee)	113	111	103
Percentage of use of chlorine-free recycled paper instead of conventional paper (%)	58	60	67
Energy			
Electricity consumption (kWh)	34.73	34.00	32.85
Electricity consumption (kWh/employee)	6,469	6,351	6,326
Electricity consumption (kWh/m ²)	175	170	165
Heating oil consumption (litres)	91,700	103,800	119,598
Heating oil consumption (litres/employee)	17.08	19.39	23.03
Heating oil consumption (litres/m ²)	0.46	0.52	0.60

	Results		
	2009	2010	2011
Solid waste management			
Quantity of paper recycled (tonnes)	238.18	255.12	233.93
Quantity of paper recycled (kg/employee)	44.36	47.66	45.05
Percentage of paper recycled (recycling/consumption)	39%	43%	44%
Ink and toners recycled (items)	2,273	4,274	8,392
Quantity of plastic recycled (kg)	3,731	5,904	9,593
Quantity of batteries recycled (kg)	3,523	4,496	5,150
Quantity of large batteries recycled (kg)	339	2,181	1,932
Quantity of WEEE recycled (kg)	32,243	2,900	12,835
Travel			
Business travel by plane (km)	2,674,685	2,131,551	1,656,537
Business travel by plane (km/employee)	498	398	319
Business travel by car (km)	8,980,869	7,765,732	7,635,101
Business travel by car (km/employee)	1,673	1,451	1,470
Educational travel by car (km)	152,688	290,358	188,417
Travels saved thanks to e-learning (km)	1,814,342	2,100,193	2,006,543
Gas emissions			
CO ₂ emissions (tonnes)	30,431	29,700	28,7067
CO ₂ emissions (kg/employee)	5,668	5,548	5,528
CH ₄ emissions (tonnes)	0.93	0.84	0.82
CH ₄ emissions (kg/employee)	0.17	0.16	0.16
NO _x emissions (tonnes)	75.99	71.27	68.76
NO _x emissions (kg/employee)	14.15	13.31	13.24
SO ₂ emissions (tonnes)	165.60	95.10	91.91
SO ₂ emissions (kg/employee)	30.84	17.76	17.70
CO emissions (tonnes)	74.66	68.40	66.28
CO emissions (kg/employee)	13.91	12.78	12.76
VOC emissions (tonnes)	10.37	9.23	8.93
VOC emissions (kg/employee)	1.93	1.72	1.72
PM ₁₀ emissions (tonnes)	16.94	15.39	14.87
PM ₁₀ emissions (kg/employee)	3.15	2.87	2.86



A scenic landscape featuring rolling green hills, scattered trees, and vibrant pink blossoms. The scene is captured from an elevated perspective, showing a mix of greenery and colorful flora. Two semi-transparent rectangular boxes are overlaid on the right side of the image. The first box is purple and contains the number '03'. The second box is dark grey and contains the text 'winbank'.

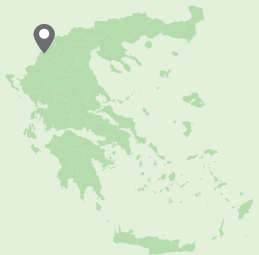
03

winbank



WINBANK

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e- banking



Like the environment, the promotion of e-banking constitutes a strategic pillar for Piraeus Bank. The growing preference - especially over the last 3 years - shown by the Bank's customers for alternative service channels, such as online transactions through winbank, web banking, ATMs, the winbank easypay platform, and the use of Winbank Phone, Mobile and SMS Banking, lead, amongst else, to significant environmental benefits. Given that these transactions would otherwise take place in the branches, the use of electronic channels saves time, money and paper. About 28 million such transactions took place in 2011 and the environmental benefits were estimated at 145 tonnes of paper. This means that these electronic transactions saved a number of trees corresponding to approximately 7 hectares of forest.

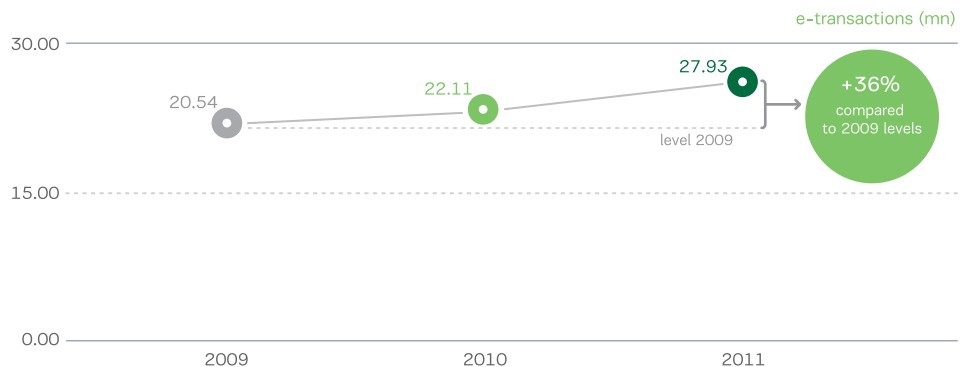
Overall, over the period 2009-2011, more than 70,000,000 electronic transactions saved 335 tonnes of paper.

TOTAL NUMBER OF e-TRANSACTIONS (selected transactions)

Year	2011	2010	2009
Number of Transactions	27,932,675	22,106,661	20,539,299
Total Weight (tn)	145.09	105.22	84.35
Trees saved ¹	3,482	2,525	2,024
Hectares of forest saved ²	6.96	5.05	4.05

- 1. 24 trees are needed to produce one tonne of paper.
- 2. 500 mature trees correspond to 1 hectare of forest.

From 2009 to 2011, the number of e-transactions increased by 36%, proving the preference shown by the Bank's customers for innovative products and faster services.





E-banking services lead to saving precious time for everyone, but also to saving natural resources, the consumption of which has negative impacts on the environment

Specially equipped point, winbank station, to serve electronic customer transactions



Benefits of e-banking

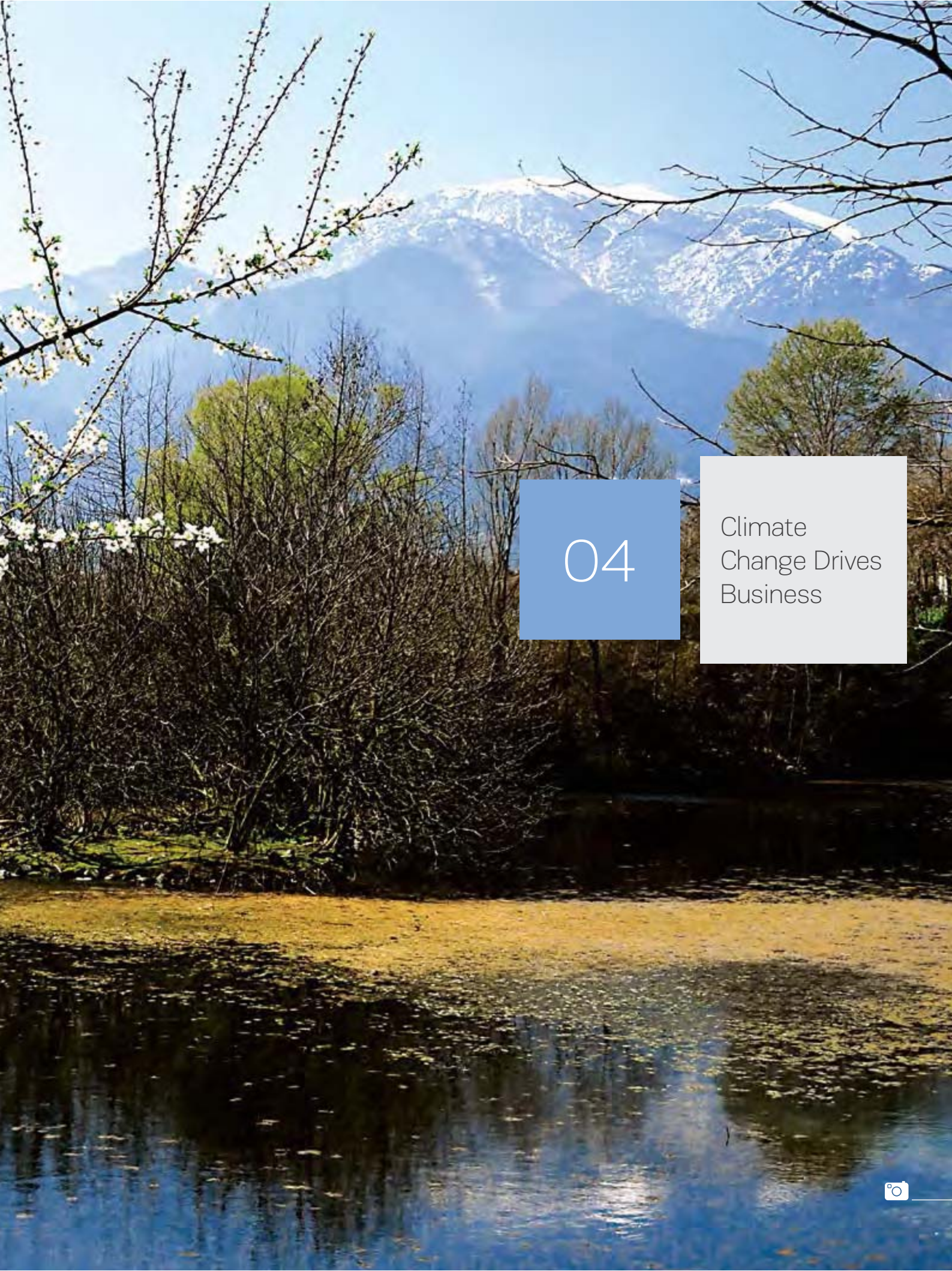
According to a recent study conducted by the E-Business Research Centre (ELTRUN) of the Department of Management Science and Technology of the Athens University of Economics and Business on behalf of Piraeus Bank, the use of e-banking services leads to **savings of 40 tonnes of CO₂ emissions per year by reducing travel** equivalent to the CO₂ absorbed by 3,000 trees over a year!

This study demonstrates, **for the first time in Greece**, the direct and indirect measurable benefits for society and the environment derived from the combined use of alternative banking service channels (web, phone & mobile banking, ATMs, automatic payment machines, etc.).

A further additional survey, conducted via an online questionnaire, provided interesting findings on the perceived value of Piraeus Bank's e-banking services by users, their increased awareness regarding the environment and the way they perceive the corporate social responsibility of the Bank. More specifically:

- 1) 98% of e-banking users are willing to continue using the Bank's online services, while 88% considered Winbank its first choice for future transactions.
- 2) About 95% state that the Winbank service is easy to learn, clear and easy to use.
- 3) The average consumer is sensitive to environmental issues, while looking for ways to save money. In fact:
 - 58% of respondents stated that the use of Winbank sensitises consumers regarding environmental issues;
 - 57% considered the website of Piraeus Bank a "Green Site" while more than half stated that what differentiates this website from other e-banking websites is that it supports environmental actions, and that it promotes Piraeus Bank as an environmentally responsible bank;
 - 84% stated that the use of Winbank helps save paper and thus helps protect the environment.





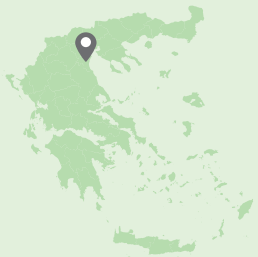
04

Climate
Change Drives
Business



CLIMATE CHANGE DRIVES BUSINESS

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Climate Change and Economy

Climate change is one of the greatest environmental challenges of our time and is already causing significant (positive and negative) effects on the natural and socio-economic environment. The economic impacts of climate change fall into two main categories, physical and regulatory.

The **physical impacts** are impacts that are caused by changing climatic conditions, such as fluctuations in temperature or rainfall (Face³ts, 2011). For example, the reduction in rainfall could reduce the yield per hectare of a crop (e.g. tomatoes, olives, etc.) resulting in reduced turnover for producers. This physical impact could assume greater dimensions. The reduction of the yields of certain crops that cover a large percentage of domestic production leads to a reduction of the products available on the market, rising prices and a financial burden for both small and larger consumers, such as the food industry (e.g. tomato paste industries or olive mills). If a product is exported in large quantities, there is a high probability that its shortage due to climate change can affect an entire economic sector internationally, as happened with the production of grains in Russia in the summer of 2010.

Russia, Summer 2010...

In the summer of 2010, Russia experienced the greatest heat wave of the last 130 years. High temperatures destroyed 17% of its grain crops (133 million acres), production fell to 63.5 million tonnes from about 90 million expected for 2010, while total economic losses exceeded 1 billion Euros. All this created panic in both the domestic and international markets and food prices rose by 0.9% (10-year record) during that period

(Wegren, 2011)

The impact of climate change is not only negative of course. There are crops that benefit from global warming, such as citrus fruit, whose yield per hectare increases, thereby increasing the turnover for producers.

The **regulatory** impacts are the consequences from the change of the regulatory framework, which aims to reduce greenhouse gases emitted by human activity and cause global warming (Face³ts, 2011). The international community is undertaking efforts to contain the average temperature raise to about 2°C above pre-industrial levels, which, according to scientists, will enable the continuation of life on the planet with the least possible impact on ecosystems and human societies. In 1992, at the Rio Convention, the United Nations signed the Framework Convention on Climate Change (UNFCCC), with the goal of stabilising the concentrations of greenhouse gases in the atmosphere at levels that mitigate the effects of climate change. In this framework, the Kyoto Protocol came into force in 2005, under which developed countries committed to reduce their emissions of six greenhouse gases by 5% compared to 1990 levels. Essentially, through the Kyoto Protocol, many countries decided to integrate the costs of climate change in their economies, setting a specific price per tonne of carbon dioxide emitted.

A country can achieve the targets set by the Kyoto Protocol either by directly reducing emissions, or by using the so-called "flexible mechanisms" provided by the Protocol, such as the Emissions Trading Scheme, the Clean Development Mechanism and the Joint Implementation. In response to the challenge of climate change, the European Union (EU) decided to adopt specific targets for reducing greenhouse gas emissions, promoting renewable energy sources and energy efficiency by the year 2020. In this context, Greece will participate in the European Emissions Trading System and is also required to reduce its emissions in non-trading sectors by 4% in 2020 compared to 2005 levels.

One of the sectors that will be mostly affected in Greece is that of energy production. For example, a 300 MW lignite power unit will be called to pay an additional annual fee of around € 65 million to purchase greenhouse gas emissions allowances (€ 25/tonne CO₂). On the other hand, significant investment opportunities arise in the field of Renewable Energy Sources in Greece. The investments required for the construction of RES units to meet national targets total around € 16.8 billion for the entire decade 2010-2020 (Face³ts, 2011). Simultaneously a market for the operation and maintenance of these units will develop, whose turnover is expected to grow from € 43 million in 2010 to € 505 million in 2020 (Face³ts, 2011). Respective investment opportunities, due to climate change, are also presented in other economic sectors in Greece, as discussed in the following sections.

Objectives of the European Union (until 2020) to address Climate Change:

- Mandatory overall reduction of GHG emissions across the EU by 20% compared to 1990 levels, while this figure may rise to 30% if an international agreement to reduce emissions is achieved after 2012 and the end of the first period of commitments under the Kyoto Protocol (Directive 2009/29/EC)
- Mandatory 20% participation of RES in gross final energy consumption at EU level (Directive 2009/28/EC)
- Improvement of energy efficiency by 20% by 2020 compared with a reference scenario (including Directive 2010/31/EC)

Climate Change and the Financial Sector

Given that climate change positively or negatively affects a variety of economic sectors in Greece such as agriculture, tourism, manufacturing, energy production, etc., many Greek companies are affected directly or indirectly. Financial institutions act as intermediaries for ensuring the proper channelling of funds between lenders and borrowers. Many of them are included in the companies affected positively or negatively by climate change, thus indirectly affecting the financial institutions themselves.

Climate change and global warming are not simply theoretical debates among scientists but a reality. The need to implement a new model of green development is evolving, from an ephemeral, as stated by many, political approach to a more collective awareness

Over the last few years many reports have been presented which can size up the costs and benefits from taking action in order to combat climate change. Most economists urge that drastic proposals should be designed towards this direction, which will reinforce the control against investment uncertainty

For example, the above objectives of the European Union for reducing greenhouse gas emissions could create significant economic costs (e.g. costs for buying emissions allowances, increased costs for energy needs, etc.) for the operation of enterprises that have been granted loans, leading to reduced competitiveness and/or failure to fulfil their obligations.

At the same time however new markets open up for banks, such as the funding of projects under the Clean Development Mechanism (CDM) and Joint Implementation (JI) Programs of the Kyoto Protocol, the provision of services and the purchases of emission allowances under the Emissions Trading System, the funding of projects for curbing emissions, renewable energy sources and energy savings, realized by both large companies and by individuals and retail investors.

The climabiz project

Understanding the important role of financial institutions in tackling climate change, in relation to both the recognition of entailed economic risks and the exploitation of investment opportunities, in 2010, Piraeus Bank adopted its own strategy on Climate Change (see p. 18).

The aim of the project is to prepare the market to timely adapt to new conditions and to exploit the opportunities arising from climate change. Climabiz is implemented by Piraeus Bank in collaboration with WWF Greece and FACE³TS and is co-funded by the European Union and more specifically by the financial instrument "LIFE + Environment Policy and Governance". The project started in January 2010, covering three years, and its areas of action include, apart from Greece, Bulgaria, Romania and Cyprus.

The main achievements of the project by 2011 end are shown in the next page.





Report entitled "Climate change and Greek Businesses: Risks and opportunities". The report, prepared by WWF Greece, seeks to provide general information to the business community about the (positive and negative) effects of climate change on the Greek economy.



Report entitled "Climate Change and Business Opportunities". The report, prepared by Face³ts, seeks to inform the business community about the investment opportunities in Greece due to Climate Change.



Development of an innovative application titled: "Climate Risk Management Model" for the valuation of risks arising from climate change for Greek businesses, and the valuation of solutions to mitigate these risks. Specially trained Bank staff handle the Model for the effective communication of the results to clients of Piraeus Bank affected by climate change.



Development of a Green Banking Portal to network companies supplying eco-friendly products/services or showcasing good practices in reducing their environmental footprint.



Training of Piraeus Bank's staff on issues such as "climate change and the economy", "climate change and climate risk assessment", "climate change and business opportunities" through 3 e-learning programmes and educational seminars.

Climate Change and Business Opportunities



New growth opportunities may arise from climate change through innovation and long-term investment in energy efficiency and low carbon technologies

According to the report "Climate Change and Business Opportunities" (Face³ts 2011), many factors can lead to business opportunities associated with climate change.

The **new climatic conditions** are likely to favour the implementation of specific economic activities, through innovation and long-term investments in the energy efficiency and low carbon technologies. For example, the expected increase in temperature could lead to increased sales of specific food industry products (e.g. soft drinks, water, ice-creams). Furthermore, they are likely to form more favourable conditions for tourist activities during the winter months, which may contribute to an increase in tourist arrivals during the low tourist season, provided that appropriate infrastructure is available (e.g. adequate number of beds). **The changing behaviour of consumers**, who by realising the broader environmental problem gradually shift towards environmentally friendly and safe products, is also likely to lead to business opportunities. Typical examples are the increasing demand for organic agricultural products, carbon neutral products, clean energy, etc. Finally, a favourable environment is created for businesses that promote such technological innovations in the market. For example, in the telecommunications industry, the promotion of products associated with a reduction in travel, increased teleworking, etc., shows extensive market penetration.

Face³ts, Piraeus Bank, WWF, "Climate Change and Business Opportunities". Life + "climabiz" Project. Athens: 2011.
Wegren S.K., (2011), Food Security and Russia's 2010 Drought, Eurasian Geography and Economics, 2011, 52, No.1, pp.140-156.

Facing the Risk of Climate Change

The innovation of the project climabiz lies in the development of the Climate Risk Management Model, which assesses the climate risks of Greek businesses in monetary terms and the potential solutions to reduce those. More specifically, the Model allows the calculation of the following results:

- (a) the cost of the physical and regulatory climate risks at the level of the sector, sub-sector and business (affected by climate change),
- (b) the cost of practices a company can implement to reduce its climate risk,
- (c) the environmental footprint (air pollutants, greenhouse gases, liquid waste, solid waste) at sub-sector and business level.

All the above are calculated for the general sectors and sub-sectors of manufacturing, agriculture, shipping, the tertiary sector (hotels, offices, hospitals) and energy production (fossil fuels and renewables).



A low-angle photograph of a wind turbine silhouette against a clear sky transitioning from blue at the top to orange and yellow at the bottom, suggesting a sunset or sunrise. The turbine's tower and nacelle are prominent, with one blade extending towards the top right. Another blade is visible on the left side. The bottom of the image shows the dark silhouettes of trees.

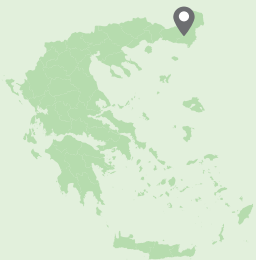
05

Climate Change
and Green
Business



GREEN BUSINESS

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The Concept of Green Banking Today

Global awareness of environmental issues has created a whole new investing and business way of thinking, which imposes changes in the culture as well as in the philosophy of design, but also in the operation of the financial organisations themselves

The term green banking refers to the adaptation of a financial institution to the particularities of the new economy and in particular the active support of investments aimed at sustainable development (UNEP Statement of Commitment by Financial Institutions [FI] on Sustainable Development). This adaptation is expressed and gradually implemented at two levels. The first level covers the creation of specialised units, which develop know-how in this area and plan, create and promote products and services, and are responsible for client contacts in the field of green entrepreneurship. The second level covers the gradual adaptation of the entire financial institution in this direction, with coordination by these specialised units. The first change in a financial institution that decides to move in this direction involves the gradual adjustment of its strategy. Without jeopardising the goal of sustainably maximising the performance of the used capital and the maximum protection of shareholders from their professional risks, it gradually shifts their credit to investments that promote sustainability with common benefits for the economy, society and the environment, the triangle that forms the basis for viable and sustainable growth.

This trend, which has been gaining ground worldwide over the past decade, is still essentially undergoing its first stage in Greece, given that the institutional framework for environmentally friendly investments was defined just recently and its actual implementation is beginning now. Practically, the shift in this direction is assisted by the support, via lower interest rates, of financing projects classified as green through the creation of specific products tailored to the specific needs of each type of investment, and through additional services associated with areas of green entrepreneurship.

The Benefits of the Shift towards Green Development

The key benefits a bank can reap from investing in sustainable development are:



- it guarantees a higher long-term profitability for its shareholders, given that investments in such areas have lower inherent risks and often enjoy state subsidies that render the investments more efficient enhancing the ability to repay the loan, while, under the law, companies investing in these areas gain a competitive economic advantage over other companies;
- it reduces the cost of its own operation through the rationalisation of its energy consumption and the use and consumption of natural resources;
- it contributes on many levels to the effort to reduce the impact of human activity on the environment and climate change, conditions that ensure the necessary resources for the sustainable economic development of society;
- it offers an opportunity to its customer base to meet the demands arising from the applicable legislation;
- it enjoys indirect benefits from its improved image and reputation in society.



Drastic measures should be taken in order to solve the environmental issues that our planet is facing

Green Products and Services

The bulk of a Bank's green products cover the financing sector through loan and leasing products for individuals, small, medium and large companies, as well as through green products designed to meet other clientele needs, such as specialist deposit and investment insurance products and green credit cards. Retail finance products include loans for the bioclimatic conversion of residences, the purchase of low-emission cars, as well as for residential renewable energy installations, and the issuance of credit cards for which part of the interest income from their use is allocated to objectives related to sustainable development. Similar to such credit cards, there are also simple deposit and future - investment products in which customers accept a lower interest rate so that a percentage of the total interest can be allocated to green goals.

For businesses, financing has a much broader scope and covers, among other, investments in all forms of renewable energy, organic farming, large projects for the creation or change of infrastructure to protect the environment through syndicated loans/project financing, as also provides working capital for liabilities arising from carbon trading. At the same time, all funding for green business and private investment is accompanied by corresponding insurance packages, a share of which comes from the banks themselves.

The Philosophy of Green Products

Green products and services contribute to creating efficient and large-scale solutions for a market that responds to environmental problems, new laws and directives and environmental awareness. They thus cover those products and services that enable customers to select a clean solution to reduce the environmental impact of banking. This reduction may come either from tailored strategies or through the creation of an environmental benefit that supports the environmental balance.

Greece is obliged to raise the share of energy consumption produced from renewable resources by 20% until 2020, reducing at the same time the CO₂ emissions by 20% as well. As a result, big investments in this field need to be implemented and thus, new banking products and services to be developed

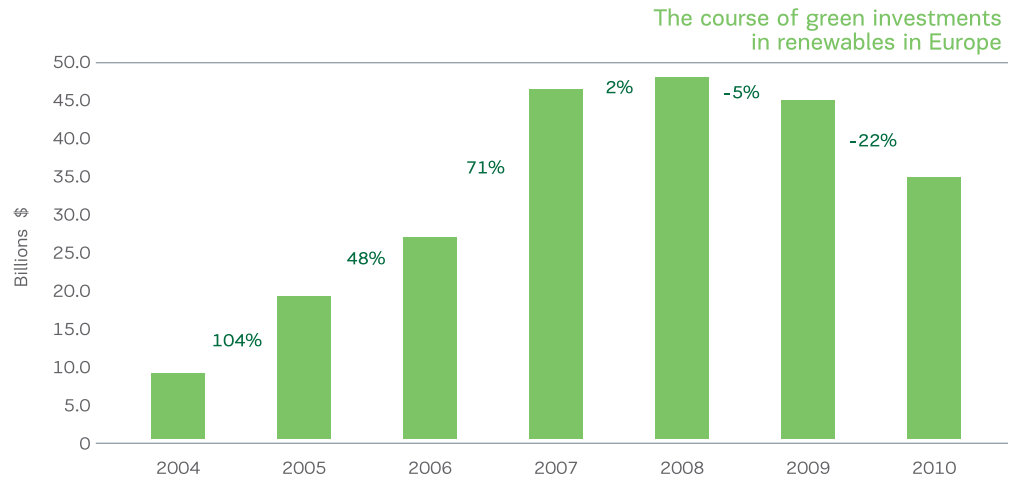
Piraeus Bank and Green Entrepreneurship

Business cannot remain on the sideline since their competitiveness and profitability are directly affected by climate change and environmental degradation

Green Entrepreneurship - A Global Reality

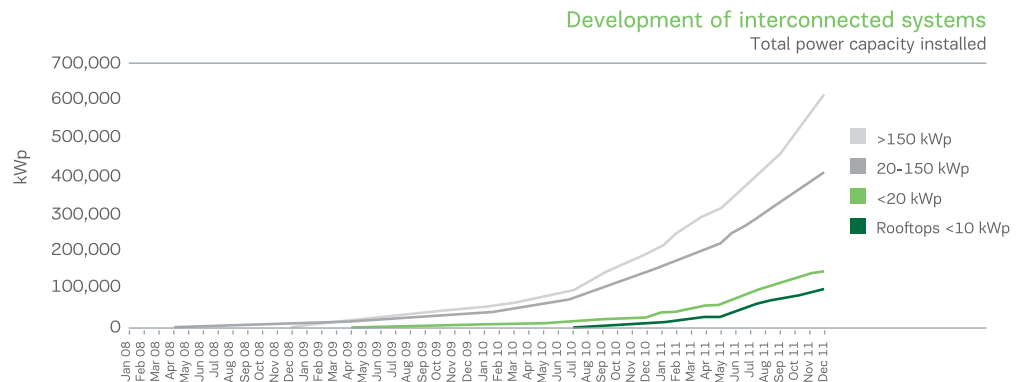
Globally, over the last years, there have been significant investments in the areas of green entrepreneurship, with a strong upward trend. In 2009 and 2010, this trend was reversed due to the worldwide economic crisis, with the exception of investments in Asia and Oceania. The figures for 2011 show that green investments are recovering the upwards trends of previous years.

The upward trend of green entrepreneurship was evident at the European level. Figures were significantly affected by the Eurozone debt crisis, but are still high, demonstrating excellent durability and confirming the theory that green investments are low-risk options, suitable for long-term placement.



(Data: "GLOBAL TRENDS IN RENEWABLE ENERGY INVESTMENT 2011", pg 13, Bloomberg New Energy Finance)

Nationally, green investments, spearheaded by renewable energy sources, are flourishing. The amendment of the legislation and the more favourable conditions for clean power generation, financial tools and the participation of investors, contributed to an almost exponential increase in the installed RES capacity in Greece. Based on the data to date, the market shows a potential for maintaining this developmental impetus.



The course of RES in the Greek territory
(Source: "Greek Market Statistics 2011", pg 2, www.helapco.gr)



With the products and services we offer, the protection of the environment and nature is placed in the centre of our strategy, thus shaping our economic activities

Piraeus Bank and Green Business

Piraeus Bank recognises that the new economic growth model operates decisively in the directions of both social welfare, through maintaining and creating new jobs, and the responsible management of environmental issues.

Piraeus Bank defines as "green entrepreneurship" all business activities associated with at least one of the following seven (7) sectors of the economy:

1. Renewable Energy Sources (RES)
2. Energy saving
3. Alternative waste and water management
4. Green chemistry
5. Green transport
6. Organic farming
7. Ecotourism - Agrotourism

To serve the goal of its specialisation in green entrepreneurship, in 2010, Piraeus Bank decided a series of structural changes, which focus on:

- reforming its corporate identity and adjusting its branch network,
- training and adjusting its human resources to the new structure and character of the Bank, as well as to its new products and their sales,
- corresponding restructure of its operational support through infrastructure and systems,
- identification of the new green products per customer category (business, private) sector, business activity and
- adjustment of all the Group's subsidiaries in this direction.

Green Products and Services

Beyond these organisational and structural changes, Piraeus Bank's conscious decision to support green entrepreneurship was based largely on the operational and product support of the field. To promote green entrepreneurship, the Bank:

- directed the bulk of new funding to investments in green entrepreneurship,
- created and adapted its green products, so as to respond to new market conditions, and
- developed a package of innovative green services targeted at both retail investors and public institutions.

Currently, Piraeus Bank provides a number of loan, insurance and other options, covering diverse needs of individuals, businesses and farmers for investments in renewable energy, energy saving, alternative waste and water management, green chemistry, green transportation, organic agriculture and eco tourism - agrotourism.

The Green Branches of Piraeus Bank's network, a fundamental vehicle for green entrepreneurship





We offer a variety of green insurance and banking products as well as supporting investments that have to do with all economic sectors of green entrepreneurship, such as renewable energy sources, energy saving, etc

Green Insurance and Banking Products

Green Products for Businesses:

that choose either the greening of their existing business or to implement a new investment in any of the above fields (e.g. solar and wind farms, biomass, etc.). In the first case, the Bank undertakes to meet the needs of the upgrading businesses via working capital, while, in the second, it provides medium- and long-term borrowing.

Green Products for Individuals:

- mortgages for customers who choose to buy or build a property with a higher energy rating than that required by the minimum provisions of the new legislation on the energy performance of buildings,
- green repair and consumer loans for individuals who wish to install photovoltaic systems on their house or office roof or to improve the energy efficiency of their house or office roof through repairs/interventions or the purchase of eco-friendly equipment. These loans also cover the programme "Energy Efficiency at Household Buildings" by the Ministry of Environment, Energy & Climate Change.

Green Products for Farmers:

- specialised loans for installing PV stations of up to 100 KW,
- loans for the prepayment of organic farming assistance to professionals and certified organic farmers.

Green Leasing Products for Businesses:

- through its subsidiary Piraeus Leasing, it offers the possibility of obtaining the necessary equipment for the installation of photovoltaic systems through leasing.

Green Insurance Products:

- including special insurance packages for photovoltaic parks, both during their installation/assembly and during their operation, for individuals and businesses.

Necessary prerequisites for the development of every green banking model are: the objective judging, the accurate assessment and the feel of strong responsibility

Green Services and Technical Evaluation of Green Entrepreneurship Projects

Through its subsidiaries, Piraeus Bank Group has designed and developed a package of innovative green services for private individuals, businesses and organisations, which can be applied in all areas of green business. The modern needs of businesses in relation to environmental management and sustainable development is a field in which Piraeus Bank Group can contribute decisively through the evaluation of investment projects and the provision of consultancy services.

The Group's accumulated knowledge and expertise in green entrepreneurship and in the technical aspects of such projects, forms the basis for the full support of investors who wish to explore, create, and eventually set up such investments, through the provided green services.

Taking advantage of the technical expertise of the Green Banking Development Division and the Group's subsidiaries, the Bank has established a system for the technical evaluation of projects. By ensuring the technical integrity of all funded green entrepreneurship projects, it defends the interests of investors and, by extension, of the Bank.

General Manager Mr. Zavras Vrasidas, with the Green Banking Operations Director Mrs. Primikiri Eleni, and Senior Manager Mrs. Iliou Mavika



Trends in Figures - Results



By the end of 2011, green funding was more than 1 billion in total, part of which was for the installation of 364 MW in RES, avoiding the emission of 598 thousand tonnes of CO₂ in the atmosphere

In all financing relating to green business investments, in 2010 Piraeus Bank had a total of € 967 million approved credit limits for private individuals and businesses, up by 51% compared to 2009, while loan balances were € 537 million, marking a corresponding increase of 39%. At the end of 2011, it had € 1,029 million approved limits and € 688 million loan balances, marking a 28% annual increase over 2010. This shows that, despite the adverse conditions, the Bank remains true to its commitment to support green entrepreneurship.

Private loans are of particular interest, as outstanding balances amount to € 73 million, with up to 3,447 of green loans. More specifically, for PV on roofs, at the end of 2011 Piraeus Bank had 2,286 total approved loans, bringing balances to € 66 million, thus achieving a 21% market share. Moreover, by the end of 2011, 12,350 applications had been submitted for the "Energy Efficiency at Household Buildings" programme, with about 7,300 already pre-approved applications, totalling € 92 million. Furthermore, according to ETEAN data, the Bank holds the second position (29%) for decisions to join the programme, as, from the total of 8,227 until 27 December 2011, it had received 2,377.

In terms of business loans for green entrepreneurship, the Small Business and Professionals Division increased its balances to € 171 million, up by 94% compared to 2010. Thus, green loans now represent 17% of the Bank's total portfolio of Small Business and Professionals Division. In addition, green funding to medium enterprises amounted to € 127 million, up by 18% compared to 2010.

Environmental Benefits and Green Financing

	2010	2011
Avoidance of emission of CO ₂	311 th. tonnes	598 th. tonnes
Credit limits and green financing	€ 967 million	€ 1,029 million
Loan balances in green financing	€ 537 million	€ 688 million

It is noted that the above data have been calculated on the assumption that a typical 1MW PV system prevents the release into the atmosphere of about 1,350 tonnes of CO₂ per year. A wind farm and a hydroelectric park of the same capacity prevent the release of 2,450 tonnes and 3,500 tonnes of CO₂ respectively.

Particular emphasis has been given to the installation of photovoltaic parks of up to 150 kW, with 1,394 parks with a total power of 77.8 MW in operation, corresponding to a 25% market share. Similarly, the Bank has financed major projects for the creation of PV parks (of over 150 kW), with a total capacity of 58 MW, with its share standing at 27% of the total market. In total, it has funded 155.9 MW, which account for 25% of the total installed PV capacity in parks and on roofs that are currently in operation.

By the end of 2011, the Bank had financed a total capacity of 178 MW for wind farms, corresponding to 11% of the total wind farm capacity in operation in Greece. The loan balances in this category amounted to € 60 million, while the approved limits were € 69 million.

In small hydroelectric parks, the Bank increased its total funding to 30.2 MW, having funded a share of around 15% of the total hydroelectric park capacity in operation in Greece. The total capacity of RES projects funded by Piraeus Bank amounted to 364 MW. On an annual basis, this funding prevented the emission of 598,000 tonnes of CO₂ in the atmosphere, which would have required 44.5 million trees for its absorption.

Providing consulting services for green entrepreneurship
by Green Banking Advisors







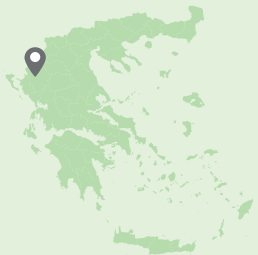
06

Environmental
Communication
and Education
at Piraeus Bank



ENVIRONMENTAL COMMUNICATION AND EDUCATION AT PIRAEUS BANK

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Piraeus Bank and Environmental Communication

In Piraeus Bank Group we acknowledge the fact that the environment is a prerequisite for economic viability and thus for social well-being

At a time where employees, customers, shareholders and other stakeholders demand that companies integrate social and environmental considerations in their policies and decisions, corporate communication is increasingly important. This is for reasons having to do with reputation, trust, reliability, robustness and the dynamics of the business. The information and awareness of the staff and public on environmental issues is a priority for Piraeus Bank. Management measures alone cannot improve the environmental performance of the Bank. What is primarily required is to inform and engage employees. The greater the employee participation, the larger the success of the environmental management programmes.

In 2012, Piraeus Bank participated in the "ECOTEC- Environmental Technologies & Photovoltaic Systems"



Internal Communication

Communication includes the exchange of ideas and information flow and constitutes a training and activating process

The internal communication within the Bank has two components, environmental education and awareness raising of employees.

Environmental Education

Environmental education of the Group's employees takes place at two levels. The first level is general, through e-learning programmes that describe key environmental concepts and the environmental work of the Bank. At the second level, training is more specific and relates mostly to green business, the Bank's green products and its Environmental Management System procedures according to EMAS. The active participation of the employees is a prerequisite for the improvement of the Bank's environmental performance. In general, over 70% of the Bank's employees have participated over the last two years in at least two training activities relating to the environment and green banking.



In order to adapt to the new conditions, Piraeus Bank has designed and implements actions to prepare the executives of the Green Points and green branches, and for the gradual training of the entire workforce on issues of green entrepreneurship and environmental management.

Specifically, in 2010, it organised and implemented an employee training programme involving 25 trainers in 7 cities, with 82 rounds of seminars covering over 54,550 man-hours on green business and Green Banking, attended by more than 2,000 executives.

Our employees are trained in the fields of environment and green entrepreneurship. That way, we can improve our environmental performance and suggest sustainable solutions to our clients

For better training of its human resources, Piraeus Bank in 2011:

- continued extensive and systematic training in green entrepreneurship and green banking, offered through 20 specialised courses for a further 365 Bank executives, both in its branch network and in administration departments. That means that it now has over 1,850 executives trained on these topics,
- implemented 9 courses (in the framework of the climabiz project) on climate change and green entrepreneurship entitled "Business in a new climate", targeted, by geographic region, to 240 employees from 8 cities in Greece,
- carried out in all green branches an intensive programme entitled "Training on the job", which was attended by a total of 355 executives; and
- continued the e-learning training on environmental and climate change issues, meaning that it now has over 3,800 executives trained on these topics.

Environmental education actions 2010-2011

Title	Description
Piraeus Bank and the environment	Five one-hour e-learning courses on sustainable development, energy, water, recycling, green procurement. Created in the framework of GREENbanking4Life
Adaptation to climate change and business opportunities - Part I: Basic information	A new e-learning programme, created in the framework of climabiz, on the risks and opportunities arising from climate change
Environmental Management - EMAS	Special e-learning on the Environmental Management System - EMAS
Green Entrepreneurship	Special e-learning programme in the areas of green entrepreneurship and green products/services of the Bank
Climate Drives Business	Workshops in the framework of the climabiz project, on the risks and opportunities of climate change
Basic principles of green banking	One-day or three-day training sessions on green entrepreneurship, green banking and the green products of the Bank
On the Job Training	One-day training sessions for executives of the Network of 42 Green Branches

Environmental Awareness

Green News



In 2008, in the framework of the European programme GREENbanking4Life, the weekly presentation of "Green News" started on a special intranet site of the Bank, which is accessible to all staff. This action continued after the completion of the project, in the framework of the climabiz project. Each week this features selected short news from the media from around the world relating to the protection of biodiversity and ecosystems, climate change, renewable energy, green entrepreneurship, sustainable development and green banking. On average, 250 employees per month read these "green news". They are also accessible by employees of certain subsidiaries of the Group (e.g. ETVA VIPE, Piraeus Direct Services, Piraeus Bank in Cyprus).

"winners" newsletter

A regular printed edition, the internal newsletter "winners" informs employees about various Group issues. It includes a special section on environmental issues and green banking. Thus, information and the results of environmental initiatives are disseminated to all employees.

Recycling Competitions

The competition "Green Behaviour wins!" was first held in 2009, in the framework of the European programme GREENbanking4Life. It is a recycling competition in which all branches and administration buildings participate. It aims to provide an incentive to the employees to improve their recycling performance (paper, batteries and ink cartridges). Since 2009, the competition continues unfailingly every year. Winning employees in branches and administration buildings receive gifts that enhance their environmental behaviour, such as bicycles, energy-saving lamps and special water-saving devices.

Awareness of energy saving



To inform and sensitise the employees on energy saving issues and practices, a special poster with energy-saving instructions was distributed to all the Bank's branches. This specially designed frame, with special guidelines was placed on a wall where it is also visible by customers. Furthermore, a three-year calendar was published in 2009, including weekly tips and ideas for everyday actions that contribute to environmental protection. The "Calendar 2010-2012 - Simple Practices for a Better Environment" was distributed to employees and other stakeholders.

Οδηγίες Εξοικονόμησης Ενέργειας

Εσωτερικές Περισίδες

- **μειώνουμε τη χρήση φωτισμού ανεβάζοντας** τις περισίδες τις ώρες που οι ακτίνες του ήλιου δεν είναι ενοχλητικές.
- Ο φυσικός φωτισμός από τις ακτίνες του ήλιου ζεσταίνει το χώρο εργασίας μας. Γι' αυτό:
 - το **χειμώνα** αφήνουμε όσο περισσότερο φως γίνεται να περνάει από τα παράθυρα.
 - το **καλοκαίρι** κατεβάζουμε τις περισίδες για να βελτιώσουμε τις συνθήκες θερμικής άνεσης στη θέση εργασίας μας.

Ηλεκτρονικοί Υπολογιστές (Η/Υ)

- Χρησιμοποιούμε τους διακόπτες on/off. Ηλεκτρικές και ηλεκτρονικές συσκευές σε κατάσταση αναμονής (standby) συνεχίζουν να καταναλώνουν ενέργεια.
- Ρυθμίζουμε τους Η/Υ έτσι ώστε να μεταπίπτουν αυτομάτως στην κατάσταση "**sleep mode**", όταν δεν χρησιμοποιούνται για κάποιο χρονικό διάστημα. Η χρήση "**screensaver**" ΔΕΝ εξοικονομεί ενέργεια.
- Κλείνουμε την οθόνη μας όταν φεύγουμε από το γραφείο μας.

Κλιματισμός

- Ρυθμίζουμε τη θερμοκρασία του θερμοστάτη ώστε να μην υπερβαίνει τους 23°C για θέρμανση και όχι κάτω από τους 26°C, για δροσισμό.
- Δεν λειτουργούμε τα κλιματιστικά έχοντας ανοικτά παράθυρα.
- Δεν ψύχουμε ούτε θερμαίνουμε τους χώρους που δεν χρησιμοποιούνται.
- **Κλείνουμε τα κλιματιστικά όταν φεύγουμε.**
- Ρυθμίζουμε το θερμοστάτη στα DATA ROOM πάνω από τους 24°C.

Ηλεκτρικές Συσκευές

- Πριν εκτυπώσουμε:
 - α) χρησιμοποιούμε την επιλογή «**Προεπισκόπηση εκτύπωσης**» για να βεβαιωθούμε ότι θα έχουμε την επιθυμητή εκτύπωση.
 - β) χρησιμοποιούμε την επιλογή «**Εκτύπωση διπλής όψης**» για να μειώσουμε την κατανάλωση χαρτιού στο μισό.
- Αφαιρούμε από την πρίζα περιφερειακές συσκευές τις οποίες δεν χρησιμοποιούμε συχνά (π.χ. scanners).
- Απενεργοποιούμε (διακόπτη στο **off**) τον ηλεκτρικό εξοπλισμό (π.χ. φωτοτυπικό μηχάνημα) τις ώρες που το γραφείο δεν λειτουργεί.

Λαμπτήρες

- Σβήνουμε τα φώτα στους χώρους που δεν χρησιμοποιούνται.
- Χρησιμοποιούμε τοπικό φωτισμό σε σημεία που απαιτείται έντονο φως.
- Αν έχουμε προσωπικό φωτισμό, κλείνουμε το φως όταν φεύγουμε από το γραφείο μας.

A special poster with energy saving tips was distributed to all branches of the Bank's network

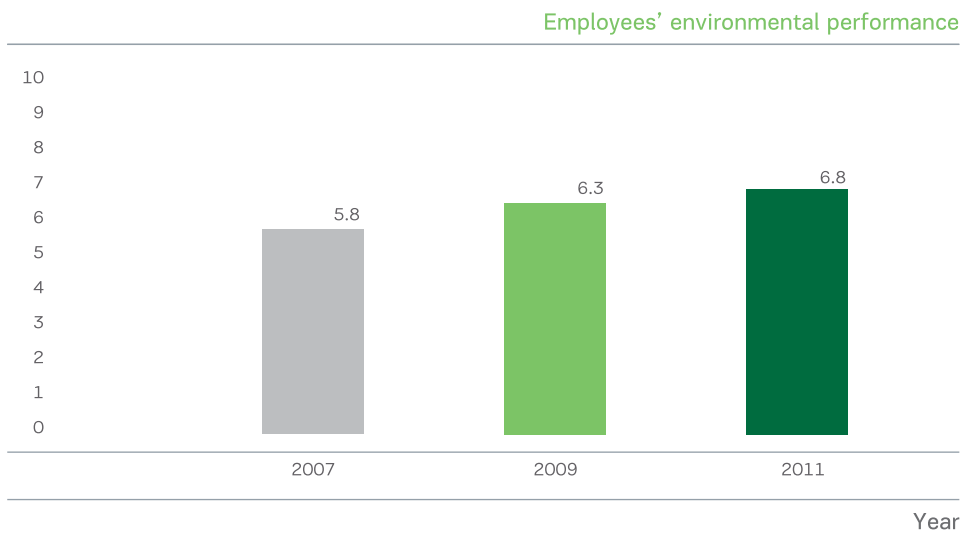


We are the first Greek bank to be certified (2011) in all its branches and administration buildings under the most demanding international environmental standard - EMAS, which stands for Eco-Management and Audit Scheme.

With the active participation of us all, we constantly improve ourselves.

Environmental performance of employees

A survey on the environmental behaviour of the Bank's employees takes place every 2 years. Employees are asked to voluntarily fill in a questionnaire on the INTRANET, the results of which have been analysed by the Ecological Recycling Society. The average environmental performance of employees on a ten-point scale showed an increase from 5.8 in 2007 to 6.3 in 2009 and to 6.8 in 2011.



The improvement of the employees' environmental performance can be attributed to the Bank's systematic effort for environmental education and information in recent years.

Volunteering for the environment

The commitment and constant orientation towards society, the environment and culture, gain greater value by encouraging all employees to get involved in volunteering activities. The Bank's goal is, through volunteering activities, to contribute to establishing corporate values that promote the individual contribution of employees toward a sustainable development and a better future.

In this context, Piraeus Bank organised its first volunteering activity on Sunday, October 24th 2010 in the Environmental Awareness Park "Antonis Tritsis" with the participation of Bank employees. This action was implemented in collaboration with the environmental organisation Greek Ornithological Society.

On Saturday, May 7th 2011, a second volunteering activity took place, where the Bank's volunteers treated fir trees planted recently in the core area of the National Park of Parnitha that was burnt during the 2007 devastating fire. The action was organised in collaboration with the Management Authority of the Parnitha National Park, the Forest Service of Parnitha, the Reforestation Division of Attica and WWF Greece.



External Communication

We spread the message of Corporate Responsibility and we ensure social participation by providing practical advice, showing alternatives and facilitating the actions to be taken



The external communication of Piraeus Bank is accomplished in two ways: first online, in the various websites and social media of the Bank, and through printed promotional publications distributed to stakeholders and various events involving or/and organised by the Bank.

Internet

Piraeus Bank made a special effort for the external communication of its environmental work. Therefore, it implemented many strategies to inform both its customers and subsidiaries, and the wider public.

Social media

Since February 2011, the Bank operates the "Think Green" platform, which has created an online community of users interested in environmental issues, with a presence on the most popular social media (Facebook, Twitter, YouTube, Flickr). The platform has been widely accepted by the public, as in its first year of operation it had already gathered a community of 16,000 friends on facebook.



<http://el-gr.facebook.com/skepsouprasina>



<http://www.youtube.com/user/skepsouprasina>



<http://www.flickr.com/photos/skepsouprasina>



<http://twitter.com/skepsouprasina>

Websites

Within the framework of the European project GREENbanking4Life, a special website was created (www.greenbanking4life.gr), which includes objectives, key actions, and the main results of the project. Within the framework of the European climabiz project, the website www.climabiz.gr was created, which is continuously updated with the progress of the project and the various environmental published issues.

Publications and Events

Reports on the environmental performance and actions of Piraeus Bank



Each year, in conjunction with the Annual Report that presents the financial results of the Bank, the Bank publishes its Corporate Responsibility Report, with a special chapter reporting on the results of environmental management. As part of the EMAS certification of the Environmental Management System, every year since 2011, the Bank publishes its Environmental Statement, which is uploaded on a special website of the Ministry of Environment, Energy & Climate Change (the EMAS registry).

Publications in the framework of projects

In the framework of the climabiz project, a report titled "Climate Change and Greek companies: Risks and opportunities" was completed in 2011. This report aims at providing general information to the business community about the implications of climate change for the Greek economy. The report is distributed to businesses and other stakeholders. In the framework of the same project, a special study on the business opportunities arising from climate change in the Greek market was also prepared in 2011. The study is titled "Climate Change and Business Opportunities" and analyses the sectors of the Greek economy that offer investment opportunities either thanks to climate change per se or to the change in the institutional framework. Specifically, the report analyses the economic opportunities available in the Greek market either due to changing climatic conditions (e.g. extension of the tourist season due to higher temperatures in spring and autumn), or to changes in the institutional framework (e.g. enforcement of carbon emissions limits, promotion of renewable energy sources). The sectors analysed are renewable energy sources in electricity generation, the sector of constructions for energy efficiency in buildings, the finance sector and the carbon markets, insurance, farming, biofuels, food and beverages, telecommunications and tourism.

Participation in conferences and exhibitions

Piraeus Bank participated in various environmental conferences and/or exhibitions, in some of which with its own pavilion. Thus, an executive of the Environment Unit attended the LIFE seminar on climate change, held in Helsinki on 18-19 January 2010, and the Climate Finance 2010 Conference, held in London on 9-10 November 2010. Also, in 2010 Piraeus Bank participated in the exhibitions POMIDA, AGROTICA, FUTURE LEADERS, ECOTEC, PHOTOVOLTAIC, SUNDAYS at the METRO station and in the IENE-Energy Institute of SE Europe "Business to business action 2010". In the same year, it also conducted presentations at the Thessaloniki Chamber of Commerce and Industry, in the workshop of OIKOPOLIS - G. BALIS LLC on the island of Chios, in a scientific conference under the auspices of the Technical Chamber of Greece of the Prefecture of Evia in Chalkida and in the ARENEP conference "Architecture, Energy & Environment in buildings and cities". Moreover, in 2011, it participated again in the ECOTEC and PHOTOVOLTAIC exhibitions, made presentations at the ARENEP conference, the European Bank for Reconstruction and Development EBRD, the Athens International Airport Eleftherios Venizelos, in the conference "Development of the Market for Energy Service Companies (ESCOs) in the International Fair of Thessalonica" and at the International Congress of AgriBioMediterraneo, IFOAM: "Organic Agriculture and Agro-Eco Tourism in the Mediterranean". Finally, in the same year, Piraeus Bank was the sponsor and awarded the winners in the competition for Urban Water Transportation of Thessaloniki.

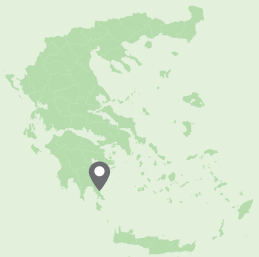





Epilogue



Epilogue



←  Monemvasia,
Lakonia

Trends for a Green Reset of the Economy



We are convinced that in this era, where the environmental impacts of business operations combined with the natural resource depletion become more intense, development becomes a matter that affects our survival, literally and economically. There is a fundamental need for reconciliation between the environment and the economic policy alongside with social participation

Piraeus Bank launched its first attempt to become a more environmentally friendly organisation about 8 years ago. When, in 2004, it adopted for the first time a dedicated Environmental Policy, with an emphasis on environmental management issues, concepts such as "environmental footprint of a financial institution", "green bank", "green banking product" and the "environmental risk assessment" were unknown to the Greek market.

It is therefore noteworthy that Piraeus Bank has been a pioneer in many environmental practices. In that, the two European projects: GREENbanking4Life and climabiz played a crucial role. The launch of the former laid the foundations for the Bank's integrated environmental management system and the creation of the first green banking products. With the implementation of climabiz, the impacts of climate change in greek businesses were estimated in financial terms and the business opportunities arising from climate change were identified.

During all these years, Piraeus Bank has developed and maintained a strategic alliance with civil society for the protection of biodiversity and the environment. At the same time, it cared for continually raising the environmental awareness of its workforce and the other stakeholders, such as customers, shareholders and the general public.

The experience of recent years has shown in practice that environmental protection is a form of investment both for cost savings and for developing new products, needs and markets. The implementation of environmental management in the buildings of the Bank decreased their operating costs by saving energy, water and other natural resources. The branches in the Bank's network now provide cost-benefit analyses for such investment plans. Similarly, many investment opportunities, especially in the field of renewable energy, were supported by Piraeus Bank with products and related consulting services.

Nevertheless what is important, particularly after the absorption of the Agricultural Bank of Greece - action that adds new prospects and significance to the Group - is the support of new ideas for developing unique and competitive Greek products, focused on protecting the particular variety of Greek natural reserves. The uniqueness of local agricultural goods allows for the development of new competitive products; the unique combination of mountain and coastal natural beauty enhances the competitiveness of the tourism product. All these are a few examples of a potential reset of the Greek economy. To ensure the durability and the quality of the economy, investments should be made alongside with the protection of the environment without depleting the natural resources.

Piraeus Bank Group, with a long-time proven environmental consciousness, shapes, supports and enhances initiatives towards this direction and will keep its pioneering role in the sustainable development of the Greek economy.

Abbreviations

AFIS	Recycling of Small Batteries
ARENEP	(Conference on) Architecture, Energy and Environment
ASBI	Awareness and Social Behaviour Index
ATM	Automated Teller Machine
CDM	Clean Development Mechanism
CDP	Carbon Disclosure Project
CRI	Corporate Responsibility Index
CSR	Corporate Social Responsibility
CYC	Cyprus Certification Company
EBRD	European Bank for Reconstruction and Development
EFMA	European Finance Marketing Association
EL&CLD	Environmental Legislation and Case Law Database
ELTRUN	Electronic Trading Research Unit
EMAS	Eco-Management and Audit Scheme
EMS	Environmental Management System
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
HNCSR	Hellenic Network for Social Responsibility
IENE	Institute of Energy for South East Europe
IFOAM	International Foundation for Organic Agriculture
IQNET	International Certification Network
ISO	International Organization for Standardization
JI	Joint Implementation
LED	Light Emitting Diode
MPS	Managed Print Services
PIOP	Piraeus Bank Group Cultural Foundation
POMIDA	Hellenic Property Federation
RES	Renewable Energy Sources
UNEP FI	United Nations Environment Programme Finance Initiative
UNFCCC	United Nations Framework Convention on Climate Change
WEEE	Waste Electrical and Electronic Equipment
WWF	World Wide Fund for Nature
YPEKA	Ministry of Environment, Energy and Climate Change



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