

Piraeus Financial Holdings S.A.



**Principles for Responsible Banking
4th Reporting and Self-Assessment**



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Explanation of symbols:

 **Back to previous view**

References and external links

 **Internal link**

Contents

Investment Banking
Prioritisation of significant impact areas/topics

61 Governance Structure for Implementation of
the Principles

75 Assurance



We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

Principle 1

Alignment

1.1 Business model

Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g., the distribution of your bank's portfolio (%) in terms of geographies, segments (i.e. by balance sheet and/or off-balance sheet) or by disclosing the number of customers and clients served.

Piraeus Financial Holdings Profile

Piraeus Financial Holdings S.A. is a financial holdings company, listed on the Athens Stock Exchange, and the parent company of the banking institution "Piraeus Bank S.A.".

The key subsidiary of Piraeus Financial Holdings S.A. is Piraeus Bank S.A., it is headquartered in Athens, generates 95% of the Group's revenues.

The Group has a systemic position in the Greek banking market in terms of total assets, which amount to €75.7 billion as of 31 December 2022. The Group holds the most extensive footprint in Greece with 389 branches (plus another 16 branches in 2 countries abroad) and a wide customer base of 5.7 million active customers. As of 31 December 2022, the Group headcount totaled 8,604 employees in the continuing operations.

[Corporate Profile | Piraeus Financial Holdings \(piraeusholdings.gr\)](#)

[Piraeus Financial Results as of 31/12/2022: Annual Financial Report](#)

[2022 Financial Results Presentation](#)

[At a glance](#)

1.2 Strategy alignment

Does your corporate strategy identify and reflect sustainability as strategic priority/ies for your bank?

✓ Yes

• No

Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.

Does your bank also reference any of the following frameworks or sustainability regulatory reporting requirements in its strategic priorities or policies to implement these?

- UN Guiding Principles on Business and Human Rights
- International Labour Organisation fundamental conventions
- ✓ UN Global Compact
- UN Declaration on the Rights of Indigenous Peoples
- ✓ Any applicable regulatory reporting requirements on environmental risk assessments, e.g. on climate risk - please specify which ones: Pillar III Disclosures, EU Non-Financial Reporting Directive (Greek Law 4403/2016), EU Taxonomy (Regulation EU 2020/852 of the European Parliament and of the Council), Sustainable Finance Disclosure Regulation (SFDR), Task Force on Climate-Related Financial Disclosures (TCFD), Disclosures for the Science – Based Targets initiative (SBTi)
- ✓ Any applicable regulatory reporting requirements on social risk assessments, e.g. on modern slavery - please specify which ones: as above
- None of the above

Piraeus Policy Framework on ESG and Climate Change

Piraeus Group seeks to contribute to and operate in alignment with the United Nations Sustainable Development Goals and the Paris Climate Agreement. Piraeus Group aims to support, promote, and finance sustainability with adherence to ESG criteria.

In the context of its responsible business activities, Piraeus Group remains consistent with its commitments regarding the growth of the Greek economy, financing sustainable entrepreneurship, ensuring best workplace practices, reinforcing social coherence, strengthening its relationship with local communities, safeguarding cultural heritage, and protecting the environment.

Sustainability & Business Report 2022, p. 31-40, 73-80

Sustainable Development Policy of Piraeus Group

Piraeus and The Principles for Responsible Banking

Piraeus' alignment with the Principles for Responsible Banking

Piraeus Group aligns with the TCFD Recommendations

Sustainability & ESG Commitments

Sustainable Banking

2022 Financial Results Presentation

Annual Financial Report 2022: Non-financial information 2022 (Greek law 4403/2016): p. 22-48, 27-33

Piraeus Financial Holdings S.A., Six-Month Financial Report as of 30/06/2023

Non-financial information for the first semester of 2023 (Greek law 4403/2016): p. 19-30

Pillar III 2022, p. 70-77

Piraeus Sustainability Commitments (selected)

UN Sustainable Development Goals

Piraeus Group supports the Sustainable Development Goals (SDGs), contributing to the global efforts for a better future. Specifically, in accordance with its ESG strategic priorities and the results of the Materiality Analyses, the Group focuses on supporting the following 13 Goals:



United Nations Global Compact

In 2004, Piraeus Bank became a signatory to the UN Global Compact, a principle-based framework for businesses, stated in ten (10) Principles in the areas of human and labour rights, the environment, and anti-corruption.

Financial Health and Inclusion

The Group has signed the UNEP-FI Commitment for Financial Health and Inclusion, in the context of the Principles for Responsible Banking. The purpose is to support the most vulnerable people to have opportunities to secure and maintain their standard of living and take steps to improve their financial health, such as long-term financial planning and access to credit and insurance.

Piraeus Sustainability Policies and ESG Strategies

Sustainable Development Policy

The Sustainable Development Policy reflects the Group's intentions for business strategies and targets that meet the UN Sustainable Development Goals and the Paris Climate Agreement, by aligning its operations with the UNEP FI Principles for Responsible Banking. It echoes the Group's overall approach to sustainable development and sets the strategic directions to support, promote, and finance sustainability. Through this Policy and guided by the Principles for Responsible Banking, Piraeus Group integrates Environmental, Social and Governance factors in its operation and business activity.

The Piraeus Group Climate and ESG Strategy

Piraeus Group has a clear commitment to sustainability and attaches importance to social activities and environmental considerations, including climate change.

It supports sustainable operations, integrating sustainability criteria into its financing processes, such as RES projects, green buildings, and clean transportation projects. The Strategy is structured in line with the Paris Agreement, the SDGs and the Principles for Responsible Banking, and emphasises 4 dimensions:

- **Reach net zero in own operations:** By monitoring and managing environmental impact closely, investing in operational efficiency solutions and sourcing 100% renewable energy for the bank's buildings.

- **Steer portfolio towards net zero by 2050 or sooner:** By focusing on the carbon intensive sectors and measuring alignment of lending with the Group’s climate and nature solutions.
- **Support and advise customers in line with a carbon neutral and nature positive economy:** By accelerating the green economy, financing transition, and pioneering financing for new technologies and business models.
- **Manage climate and ESG risks:** By fully integrating climate and ESG risks in risk management framework and by helping customers protect their business from climate, societal, and governance related risks providing advice and financing their transition.

As part of its ESG strategy, Piraeus Group promotes Responsible and Sustainable Banking by adopting ESG criteria and has embarked on its Energy Transition plan that will support its customers in moving to a low carbon economy. Piraeus Group has started its journey to become net zero by 2050 at the latest and has defined intermediate science-based targets (by 2030).

Project Proteus

Following the ECB’s “Guide on climate-related and environmental risks: Supervisory expectations relating to risk management & disclosures”, in late 2020 Piraeus Group initiated Project Proteus and allocated resources to align with the 13 expectations of the Guide. Project Proteus aims to integrate ESG risks, initially focused on climate-related and environmental risks (C&E risks), within all functions of the Bank. The governance structure facilitates effective and timely decision-making related to C&E risks, permits the holistic monitoring and implementation of Project Proteus, and ensures Piraeus Group’s operational readiness to participate in dedicated regulatory exercises (e.g., climate stress test exercises).

Piraeus’s dedicated Climate Strategy

Under the dedicated Project Proteus and following the Group’s participation in the Science-Based Targets initiative, Piraeus is currently developing a new Climate Strategy that outlines the climate governance and the framework and methodology for a net-zero pathway. The Strategy also structures the mobilisation of private and institutional capital toward investments that facilitate climate change mitigation and adaptation, and the transition to a low-carbon economy.

Specific indicators are being selected for monitoring and disclosing the identified climate-related risks and opportunities, aligned with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.

Climate Risk Classification

The purpose of Piraeus Group’s Climate Risk Classification is to create a common language and method for its main portfolios’ analysis and assessment regarding climate-related risks. The classification of portfolios is based on their potential impact from climate change, using quantitative and qualitative analysis and concluding with certain heatmaps. This analysis provides useful insights into the extent of the Group’s current exposure to climate-sensitive economic activities, geographical areas, and energy efficiency of the collaterals and provide climate-related information to all stakeholders and key decision-making processes.

Piraeus Group has introduced a common language and understanding/method for deci-

sion making and for business and strategic planning regarding climate-related risks. The aim is to provide useful insights into the Group's current exposure to climate-sensitive sectors, areas, and customers and form the basis for materiality assessment in terms of credit, market, liquidity, operational, reputation, and business and strategic risks. The analysis is based on potential impact from climate-related risks on the Group's material portfolios representing the majority of its exposures (i.e., business portfolio and immovable property held as collateral), using quantitative and qualitative analyses that conclude to certain heat maps.

Green Bond Framework

In 2021, Piraeus Group published its Green Bond Framework, under which it will issue green bonds and use the proceeds to finance the low-carbon economy transition in Greece. The Green Bond Framework will support the Group's ambition to align its business strategy with the needs of individuals and the goals of society, as depicted in the SDGs and the Paris Climate Agreement. Piraeus aspires to contribute to achieving a carbon neutral Europe by 2050, which is a legally binding target prescribed in the recent EU Climate Law, the cornerstone of the European Green Deal.

Exploring biodiversity challenges

Following the signing of the global "Finance for Biodiversity Pledge", to set targets by 2024 for supporting business activities that protect and enhance the natural environment and reverse biodiversity loss, Piraeus Group is participating in international finance and biodiversity initiatives. It follows developments in the financial sector globally and in the EU regarding the management of biodiversity dependency and risks. Piraeus participates in the Advisory Boards of the EU Business & Biodiversity Platform and the Finance for Biodiversity Foundation, and is a partner of PBAF.



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



Principle 2

Impact and Target Setting

2.1 Impact Analysis

Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target-setting. The impact analysis shall be updated regularly¹ and fulfil the following requirements/elements (a-d):²

a. Scope

What is the scope of your bank's impact analysis?

Please describe which parts of the bank's core business areas, products/services across the main geographies that the bank operates in (as described under 1.1) have been considered in the impact analysis. Please also describe which areas have not yet been included, and why.

b. Portfolio composition

Has your bank considered the composition of its portfolio (in %) in the analysis?



Please provide proportional composition of your portfolio globally and per geographical scope:

- by sectors & industries³ for business, corporate and investment banking portfolios (i.e., sector exposure or industry breakdown in %), and/or
- by products & services and by types of customers for consumer and retail banking portfolios.

If your bank has taken another approach to determine the bank's scale of exposure, please elaborate, to show how you have considered where the bank's core business/major activities lie in terms of industries or sectors.

¹That means that where the initial impact analysis has been carried out in a previous period, the information should be updated accordingly, the scope expanded as well as the quality of the impact analysis improved over time.

² Further guidance can be found in the *Interactive Guidance on impact analysis and target setting*.

³ "Key sectors" relative to different impact areas, i.e., those sectors whose positive and negative impacts are particularly strong, are particularly relevant here.

Scope of the Analysis

Following its commitment to the Principles of Responsible Banking, Piraeus is conducting on an annual basis an impact analysis, regarding positive and negative contributions that its financing has on the sustainable development of Greece.

Piraeus and The Principles for Responsible Banking

For the current analysis, Piraeus used version 3 of the “Impact Analysis Tool for Banks” developed by UNEP FI and the Working Group of UNEP FI member banks. The key subsidiary of Piraeus Financial Holdings S.A. is Piraeus Bank S.A., and it is headquartered in Athens Greece, generating 95% of the Group’s revenues; hence, the impact analysis concerns Greece. For each analysed portfolio, the Tool allows the selection of up to 50 different sectors/activities.

Portfolio Composition

PIRAEUS BANK CARTOGRAPHY FOR THE THIRD IMPACT ANALYSISⁱ

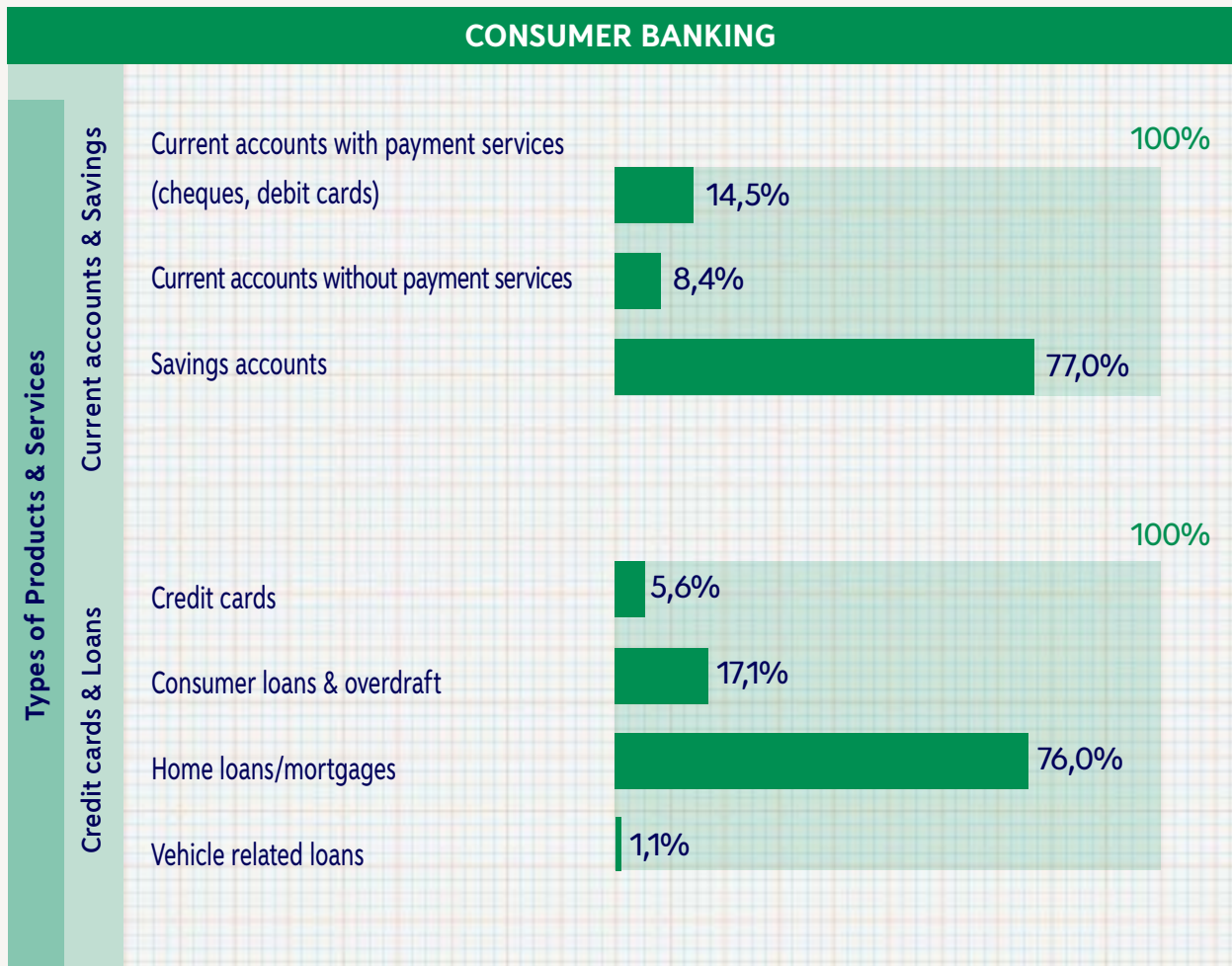
CONSUMER BANKING

| | | |
|-------------------------|--|---|
| Consumer Banking | Provision of products and services to individuals and professionals without NACE CODES | 100% of the Bank’s Consumer portfolio is analysed, regarding Current accounts & savings and Credit cards & loans, in the product categories suggested by the Module |
|-------------------------|--|---|

INSTITUTIONAL BANKING

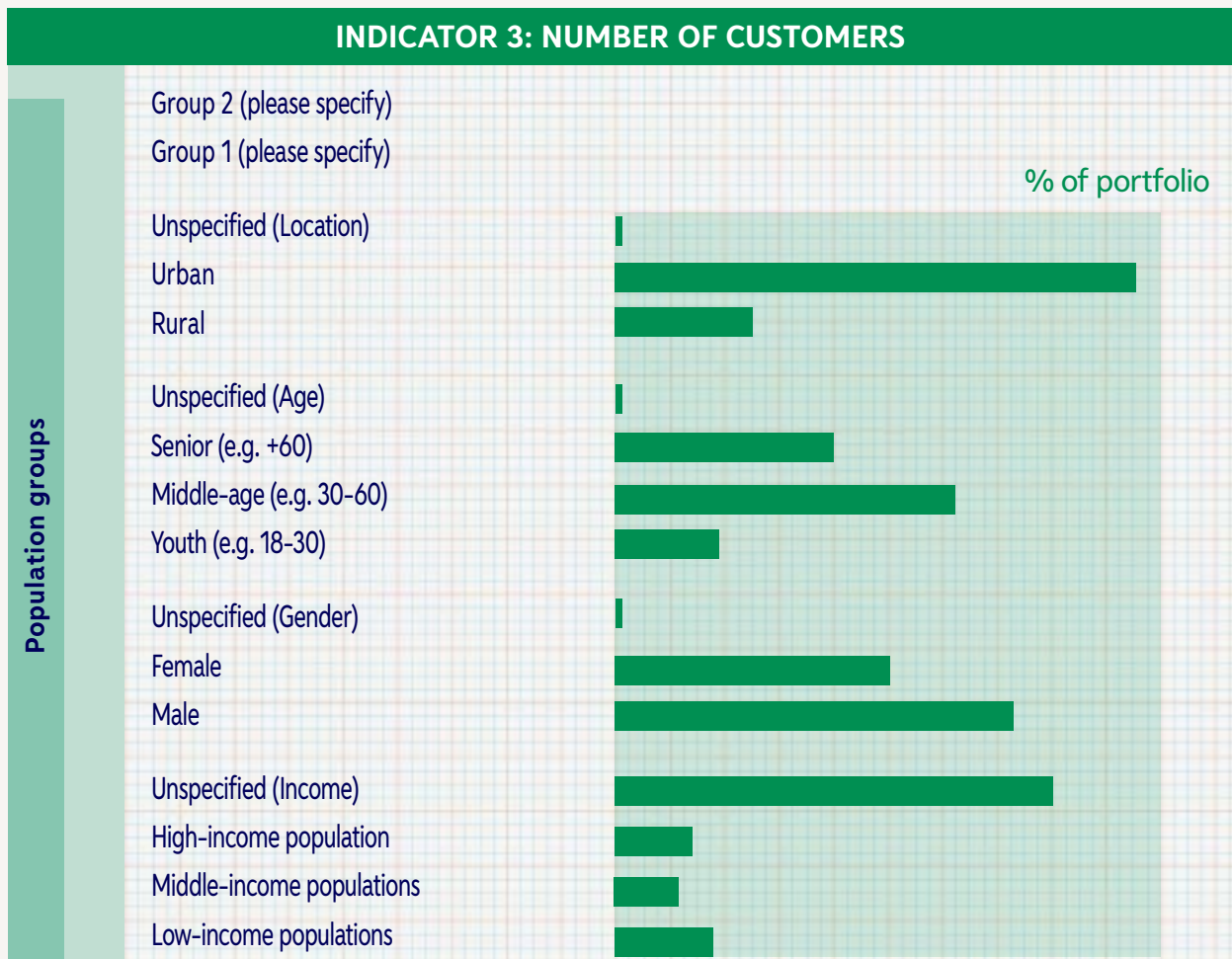
| | | |
|---------------------------|---|--|
| Business Banking | Provision of products and services to local businesses and the state and professionals with NACE CODES: Public and Non-profit Organisations, Small Business, SMEs, MSMEs, Agricultural, SME Recovery clients, professionals | 55% of the Bank’s business portfolio is analysed, i.e., the 50 most highly financed sectors (NACE CODES) |
| Corporate Banking | Provision of products and services to larger clients with NACE CODES: Corporates, Multinationals, Sovereigns, Financial Institutions, Shipping, Tourism sector (hotels), Interbank loans | 95% of the Bank’s corporate portfolio is analysed, i.e., the 50 most highly financed sectors (NACE CODES) |
| Investment Banking | Provision of access to capital markets & raising of capital, on capital markets and related services: bonds and equity with NACE CODES | 79% of the Bank’s investment portfolio is analysed, i.e., the 25 most highly financed sectors (NACE CODES) |

ⁱ Piraeus followed the methodology of the Impact Analysis Tool and proceeded to the above banking cartography of its portfolios. Please refer to Annex II for the composition of the portfolio by products/services and by sectors (NACE CODE).



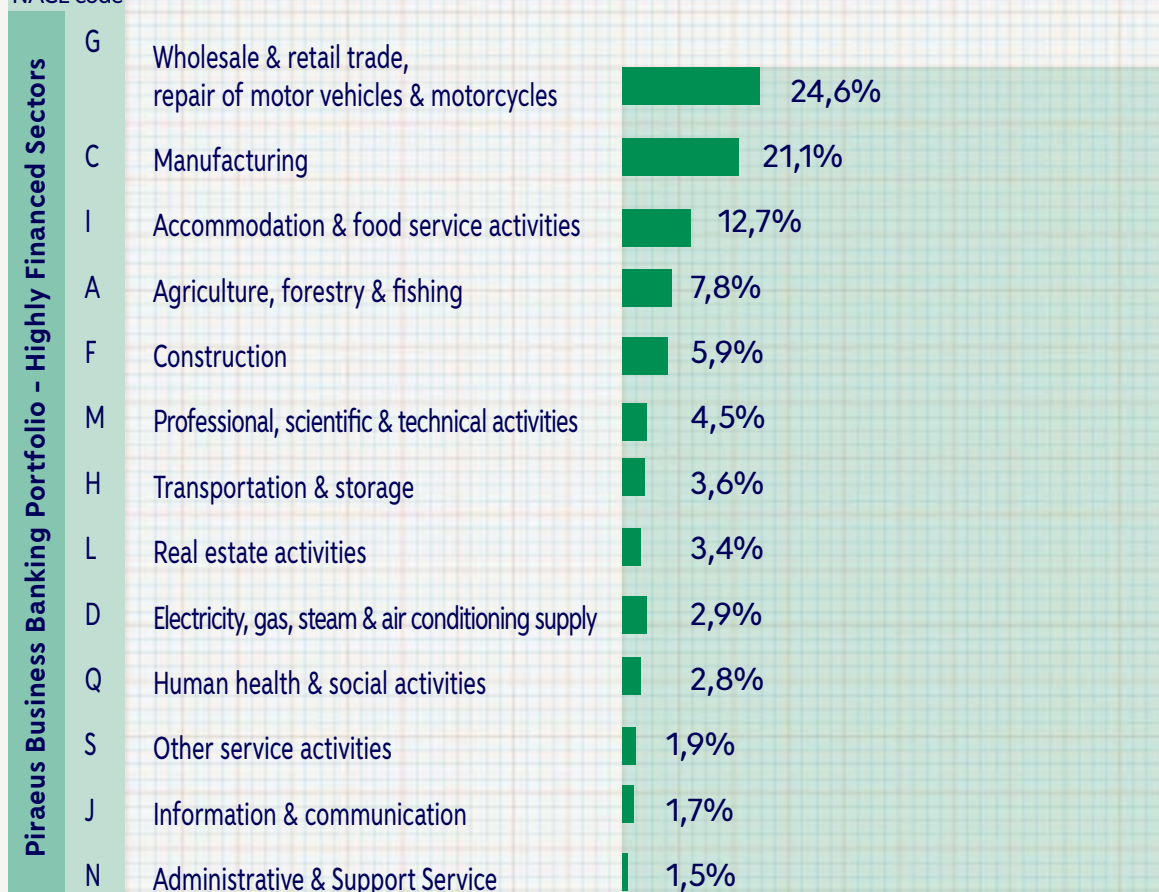
13

The chart below indicates the distribution of consumer banking products across population in Greece. Percentages are not applied due to overlapping of customers per product.



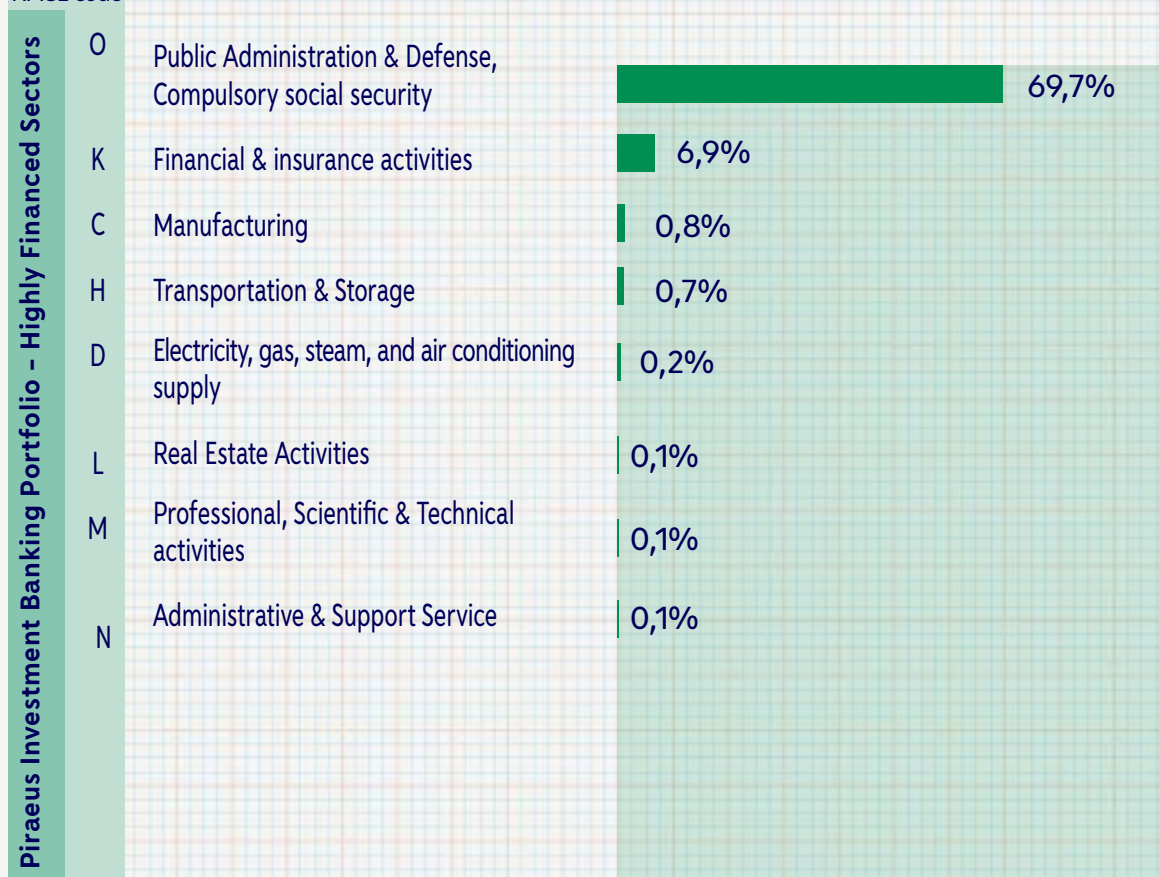
BUSINESS BANKING

NACE code



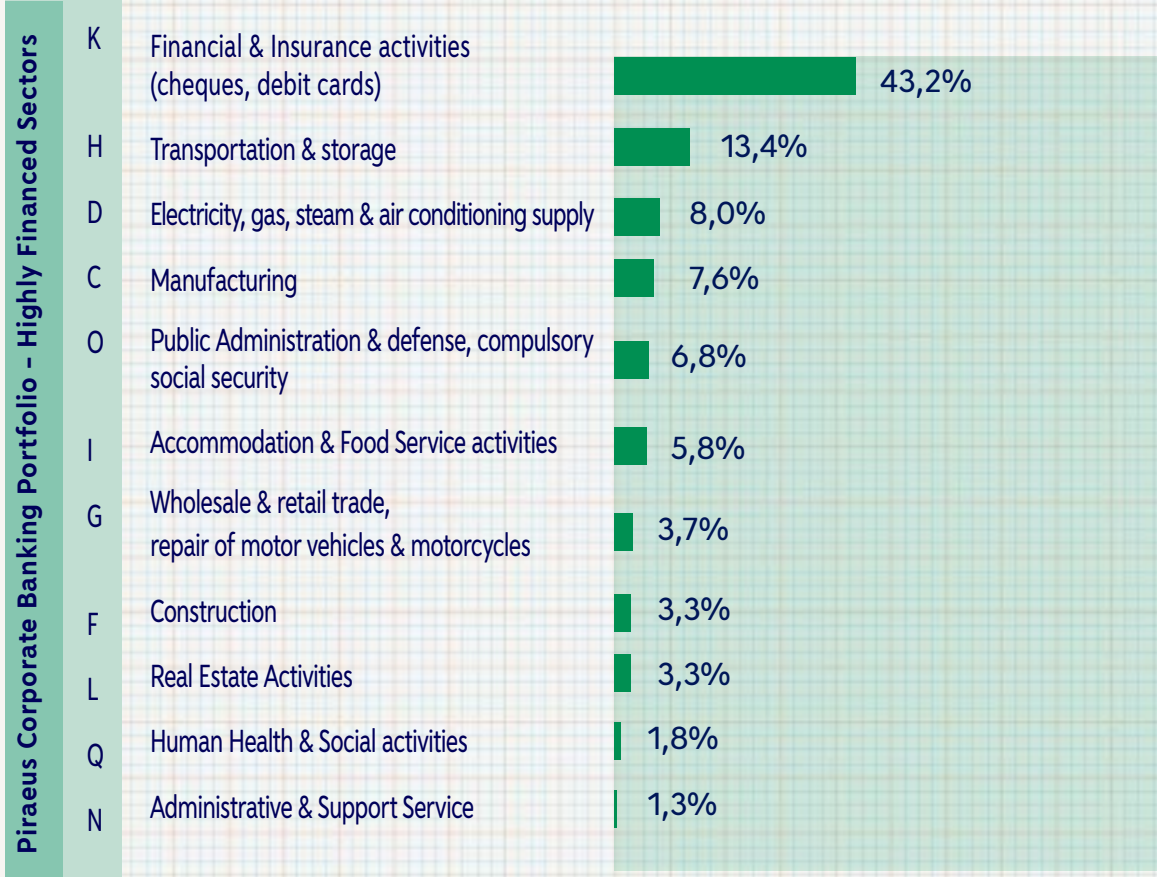
INVESTMENT BANKING

NACE code



CORPORATE BANKING

NACE code



c. Context

What are the main challenges and priorities related to sustainable development in the main countries/regions in which your bank and/or your clients operate? ⁴

Please describe how these have been considered, including what stakeholders you have engaged to help inform this element of the impact analysis.

This step aims to put your bank's portfolio impacts into the context of society's needs.

⁴ Global priorities might alternatively be considered for banks with highly diversified and international portfolios.

In Greece, according to the Context Module and the national priorities, strategies and trends, the country needs are:

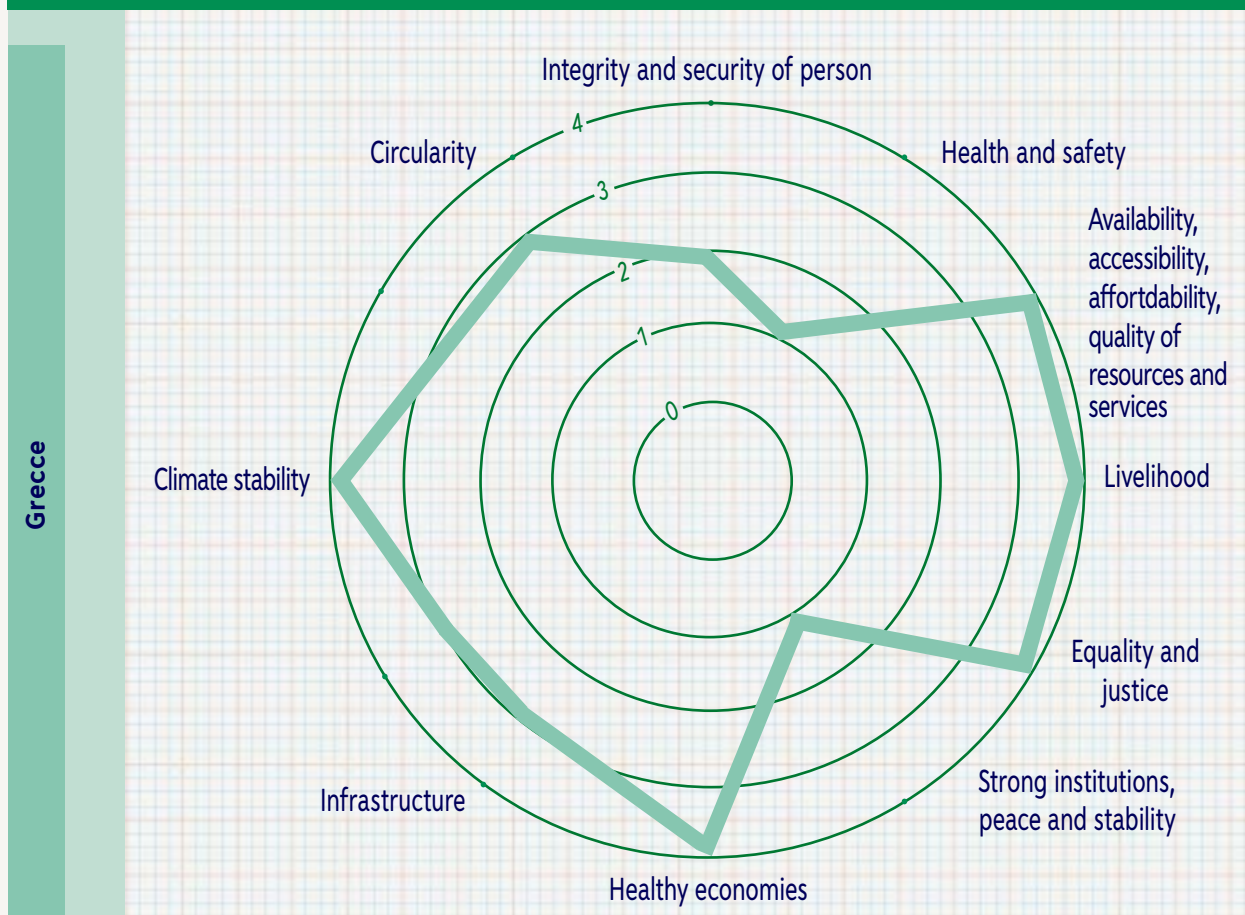
Stakeholder Dialogue

IMPACT AREAS AND IMPACT TOPICS IN GREECE WITH HIGH COUNTRY NEEDSⁱ

| | | |
|---------------------|---|--|
| Social | Availability, accessibility, affordability, quality of resources & services | Housing , Water, Energy, Healthcare and sanitation, Mobility, Information, Culture and heritage |
| | Livelihood | Risk of Poverty , Employment |
| | Equality & Justice | Gender equality, Other: Gender based violence |
| Socio-economic | Healthy economies | Flourishing MSMEs |
| | Infrastructure | Infrastructure |
| | Socio-economic convergence | Socio-economic convergence |
| Natural environment | Climate Stability | Climate Stability |
| | Biodiversity and healthy ecosystems | Waterbodies, Species |
| | Circularity | Resource intensity, Waste |

ⁱ Impact areas and impact topics, where county needs are scored with “3” and “4” (bold stands for “4”) in the Context Module for Greece.

LEVELS OF NEED BASED ON STATISTICAL DATA-SETS ONLY



Based on these first 3 elements of an impact analysis, what positive and negative impact areas has your bank identified? Which (at least two) significant impact areas did you prioritise to pursue your target setting strategy (see 2.2)?⁵

Please disclose.

⁵ To prioritise the areas of most significant impact, a qualitative overlay to the quantitative analysis as described in a., b. and c. will be important, e.g., through stakeholder engagement and further geographic contextualisation.

The current report contains all elements of the third impact analysis conducted

Impact Analysis results per analysed portfolio

Consumer Banking

According to the analysis, Piraeus has positive impacts on the society of Greece, through the banking operations that fall under the categories of current accounts & savings, and credit cards & loans, as shown in Annex II. The positive impacts are observed on the impact area of “Availability, Accessibility, Affordability, Quality of Resources and Services”, and on the topics of Finance, Housing and Mobility, which are also of great significance for the people in Greece. For these results, the Model considers the high percentage of customers who maintain current and savings accounts and therefore the important role the Bank plays in enhancing accessibility to banking services. Through these products, the Bank is supporting the financial wellbeing of people in Greece, since 16.8% of the Bank’s clients are included in the low-income category.

Social

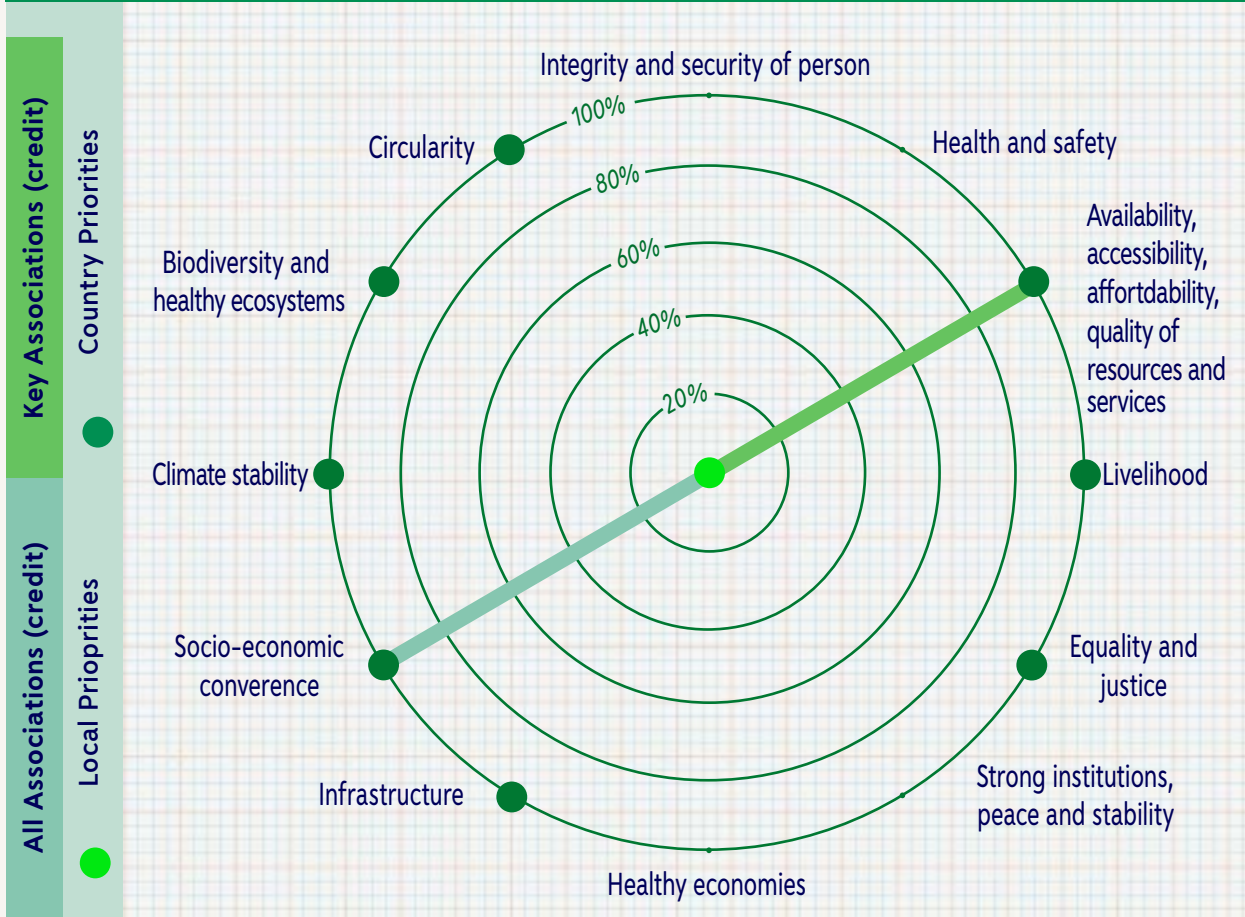
- All the product categories analysed have positive impacts on the topic of Finance since the strengthening of individuals’ access to finance is an integral part of a well-functioning economy.
- Home loans and vehicle related loans strengthen individuals’ access to credit and finance and improve their financial inclusion, while also having positive impacts to the topics of Housing and Mobility—respectively.

Socio – Economic

Credit cards, consumer loans and overdraft, home loans and vehicle related loans contribute to the economic convergence in Greece through strengthening of individuals’ access to finance.

According to the methodology, the granting of credit cards and consumer loans & overdraft may have both positive and negative impacts on the topic of Finance, since on the one hand they contribute to economic convergence through enabling access to finance, yet, on the other hand there is an underlying risk of debt overburden. Furthermore, home loans/mortgages and vehicle related loans may have negative associations with the impact topics of Climate Stability and Resource Intensity since they are energy intensity products and are linked to GHG emissions.

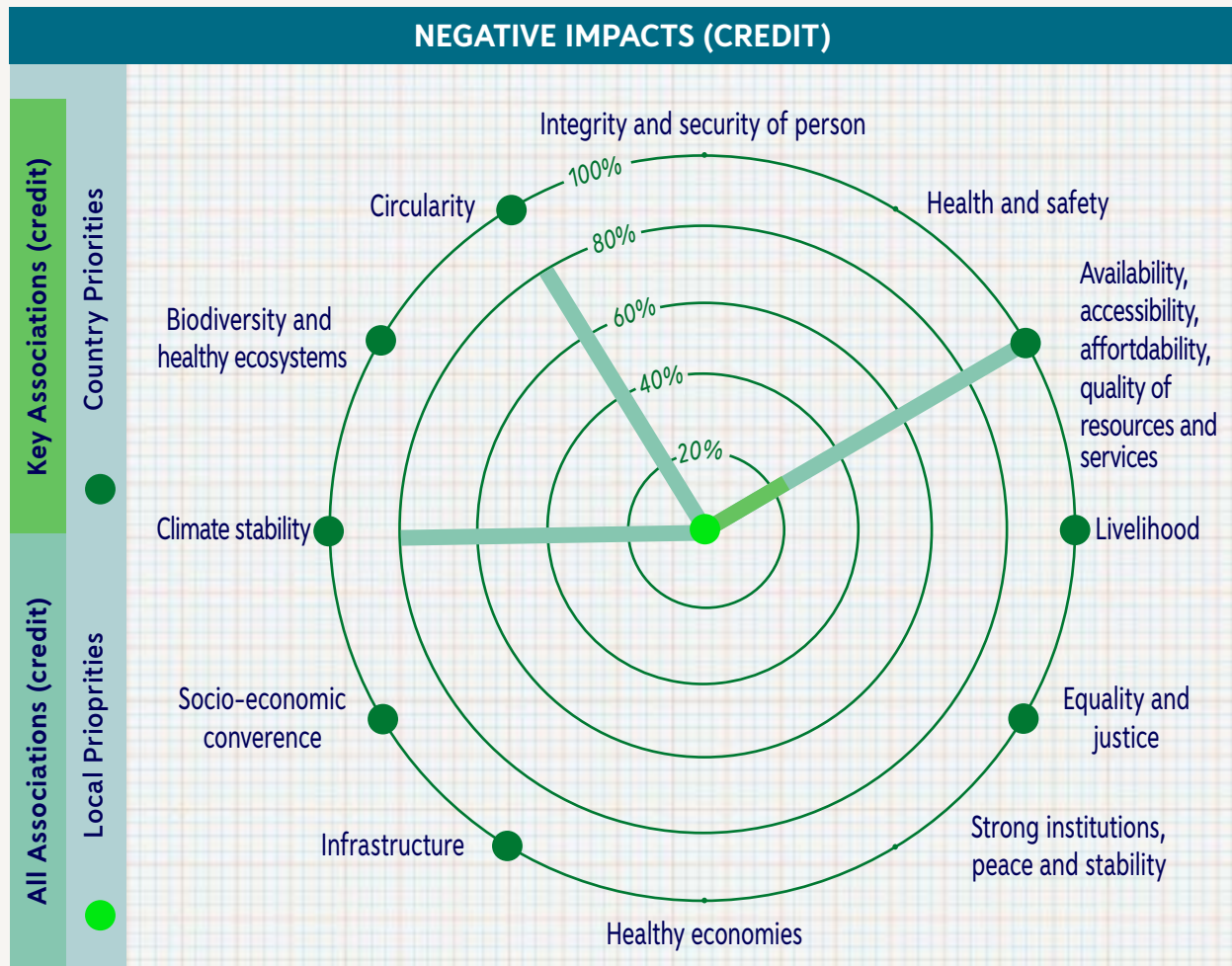
POSITIVE IMPACTS (CREDIT)



The dots do not represent a value. They only show if an impact area is a priority in the country/locations (based on data in the Context Module).

POSITIVE IMPACTS (CURRENT ACCOUNTS AND SAVINGS)





CONSUMER BANKING: PRIORITISATION OF SIGNIFICANT IMPACT AREAS/TOPICS

| Prioritised impact area/topic | Associated Positive Impacts | Associated Negative Impacts |
|-------------------------------|-----------------------------|---|
| Housing | | Species, Habitat, Resource intensity, Waste |

Business Banking

According to the analysis, the whole of Piraeus’s business portfolio that was analysed (55%) has potential positive impacts on the society of Greece and the area of “Livelihood”, which is significant for the needs of the country, and more specifically on the topics of Employment, Wages and Social Protection. Positive impacts are also observed on the impact areas of “Health & Safety” and “Availability, Accessibility, Affordability, Quality of Resources and Services”, and on the topics of Water, Food, Energy, Housing, Healthcare & Sanitation, Education, Mobility, Connectivity, Culture & Heritage, and Finance, which are also of great significance for the people in Greece. The financing of SMEs has positive contribution to “Healthy Economies”. The impact areas of “Infrastructure” and “Climate Stability” also benefit from the activities financed in the Business Banking portfolio. The most financed sector of the business banking portfolio “Hotels and similar accommodation” potentially has both positive and negative impacts on certain sustainability areas, yet there are no strong associations.

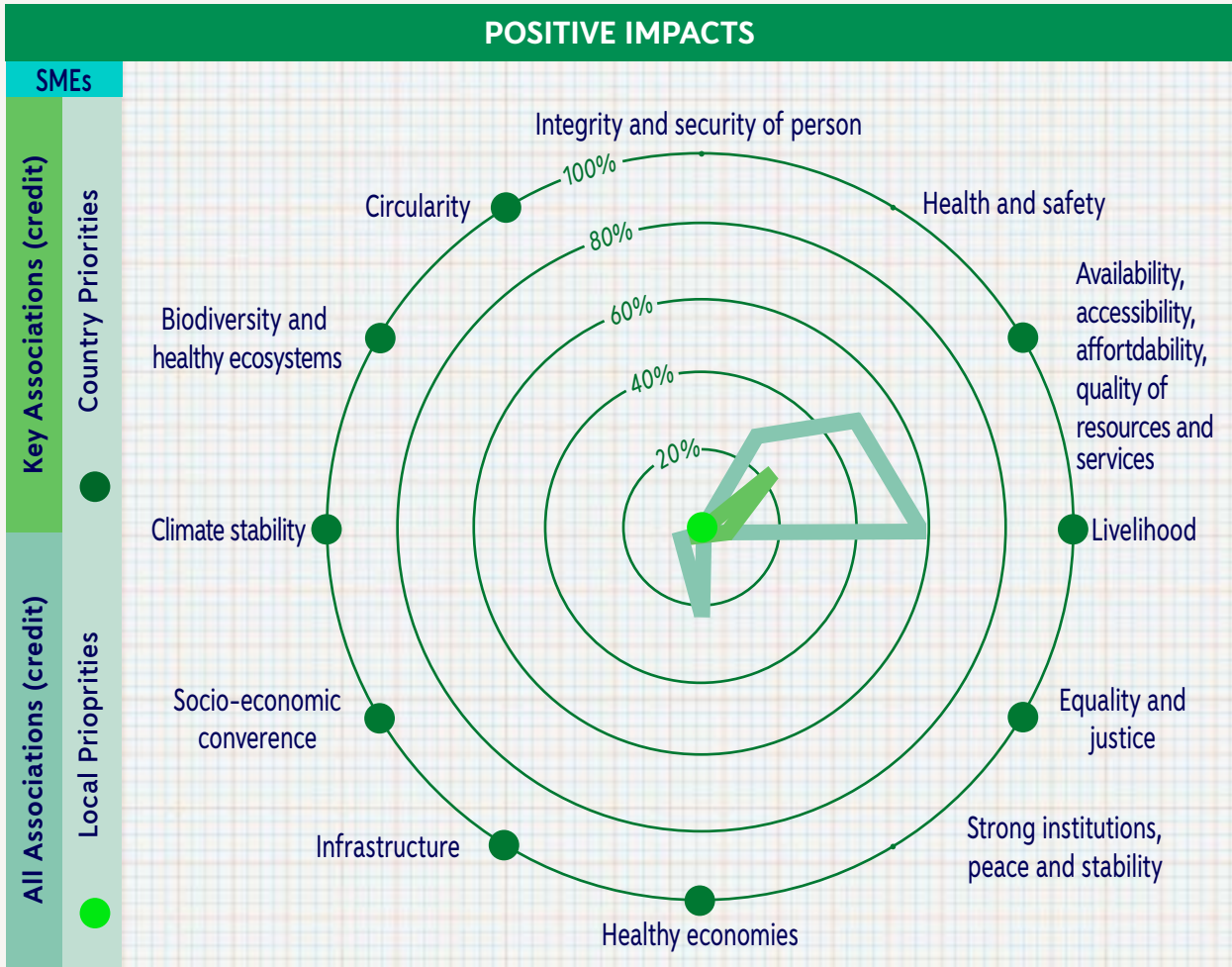
The most significant positive impacts of the business portfolio derive from the financing of key sectors that have positive associations with certain areas of sustainable development:

- 29% of the analysed business portfolio has strong positive contributions to the sustainable development of Greece, through the financing of key sectors.
- 21% of the analysed business portfolio, deriving from the financing of key sectors, has potentially strong positive impacts on the “Availability, Accessibility, Affordability, Quality of Resources and Services” in Greece, while 8% of the portfolio strengthens the accessibility of food in the country, through the financing of agricultural sectors.
- 9% of the analysed business portfolio, deriving from the financing of key sectors, has potentially strong positive impacts on the “Livelihood” of Greece, and the topics of Employment, Wages and Social Protection. These positive contributions derive from the financing of key sectors such as Growing of cereals (except rice), leguminous crops and oil seeds, Post-harvest crop activities, Specialist medical practice activities and legal activities.
- 5% of the analysed business portfolio, deriving from the financing of the key sector Construction of residential and non-residential buildings, has potentially strong positive impacts on the “Infrastructure” of Greece.

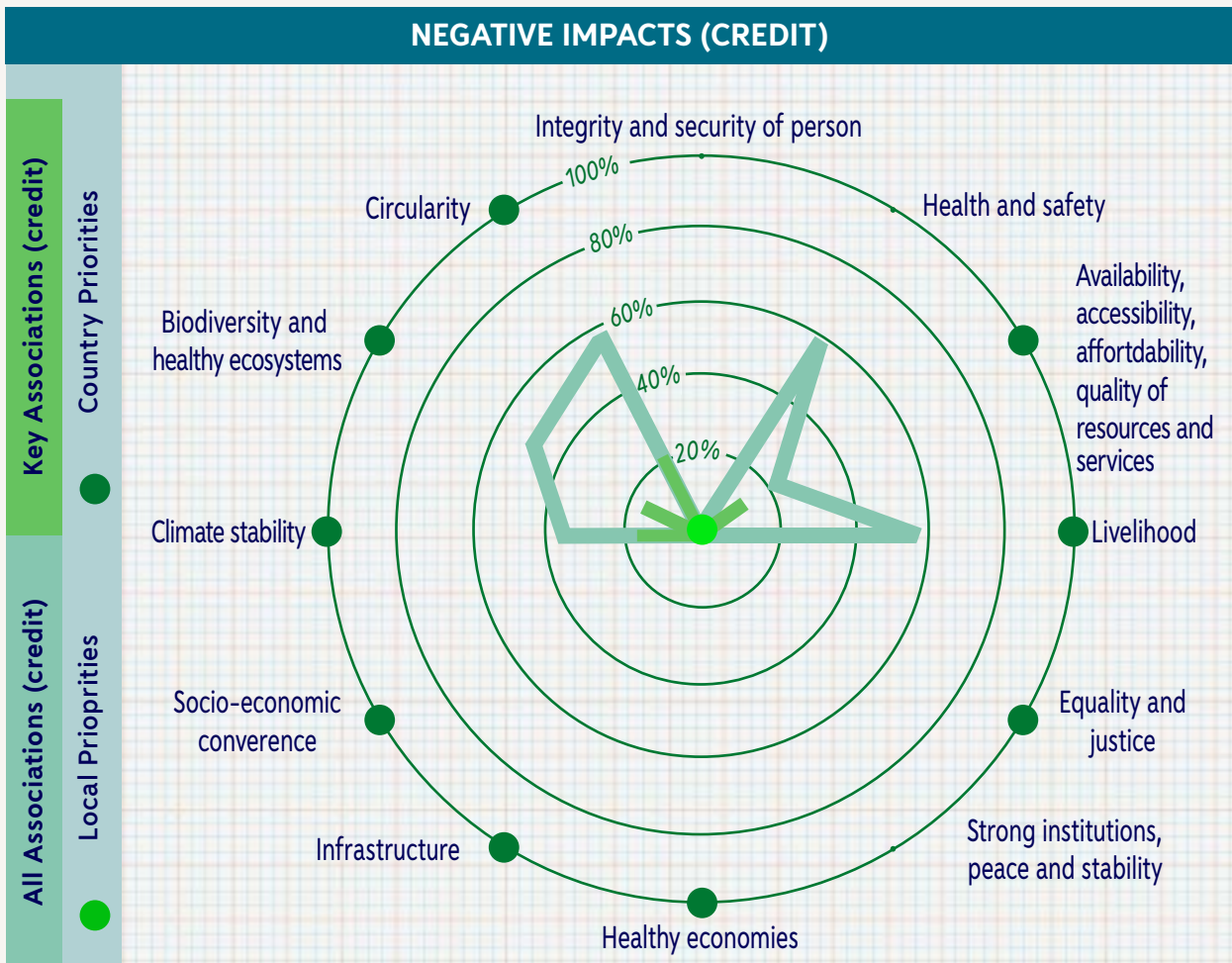
According to the methodology, the financing of activities included in the business portfolio may have negative impacts on the areas of “Health & Safety”, “Circularity”, “Livelihood”, “Biodiversity & Healthy Ecosystems”, “Climate Stability”, “Availability, Accessibility, Affordability, Quality of Resources & Services”, and “Integrity & Security of Person”.

Potential impacts that may have negative associations with sustainability areas derive from the financing of key sectors of the business portfolio:

- 23% of the analysed Business Banking portfolio of Piraeus may have negative contributions to the sustainable development of Greece, through the financing of key sectors that are associated with negative impacts on specific sustainability topics.
- 19% of the analysed business portfolio may have potential negative impacts on the area of “Circularity” in Greece, affecting the topics of Resource Intensity and Waste, mainly through financing the manufacturing of food & beverage products. Financing sectors such as the production of electricity and the construction of residential and non-residential buildings may contribute to high energy demands and water consumption.
- 10% of the analysed business portfolio may have potential negative impacts on the “Biodiversity & Healthy Ecosystems” of Greece, and the topics of Waterbodies, Air, Soil, Species and Habitat, deriving from the financing of key sectors, such as agricultural and manufacturing sectors but also the development of buildings and the sector of transportation.
- 10% of the analysed business portfolio may have potential negative impacts on the “Climate Stability” of Greece, mainly through the financing of key sectors that are responsible for GHG emissions, such as agricultural sectors, construction, and real estate activities.



The dots do not represent a value. They only show if an impact area is a priority in the country/locations (based on data in the Context Module).



BUSINESS BANKING: PRIORITISATION OF SIGNIFICANT IMPACT AREAS/TOPICS

The prioritised impact area for Piraeus, deriving from the business portfolio, is “Healthy Economies”:

- Healthy Economies is a high priority in Greece, scoring “4” in the Country Context Module, especially for the topic of Flourishing MSMEs.
- 42% of the business portfolio has positive impacts on “Healthy Economies” in Greece, while no negative impacts are associated.

| Prioritised impact area/topic | Associated Positive Impacts | Associated Negative Impacts |
|---|--|-----------------------------|
| Healthy Economies and Flourishing MSMEs | Employment, Sector diversity, Socio-economic convergence | Resource intensity, Waste |

Corporate Banking

According to the impact analysis, the whole of corporate portfolio has potential positive impacts on the areas of Greece: “Livelihood”, “Availability, Accessibility, Affordability, Quality of Resources and Services”, “Healthy Economies”, “Infrastructure”, “Health & Safety”, “Socio-economic Convergence”, “Climate Stability”, “Biodiversity & Healthy Ecosystems”, “Integrity & Security of Person”, “Circularity”, “Equality & Justice”, “Strong Institutions, Peace & Stability”.

The most significant positive impacts of the corporate portfolio derive from the financing of key sectors that have strong positive associations with certain sustainability areas:

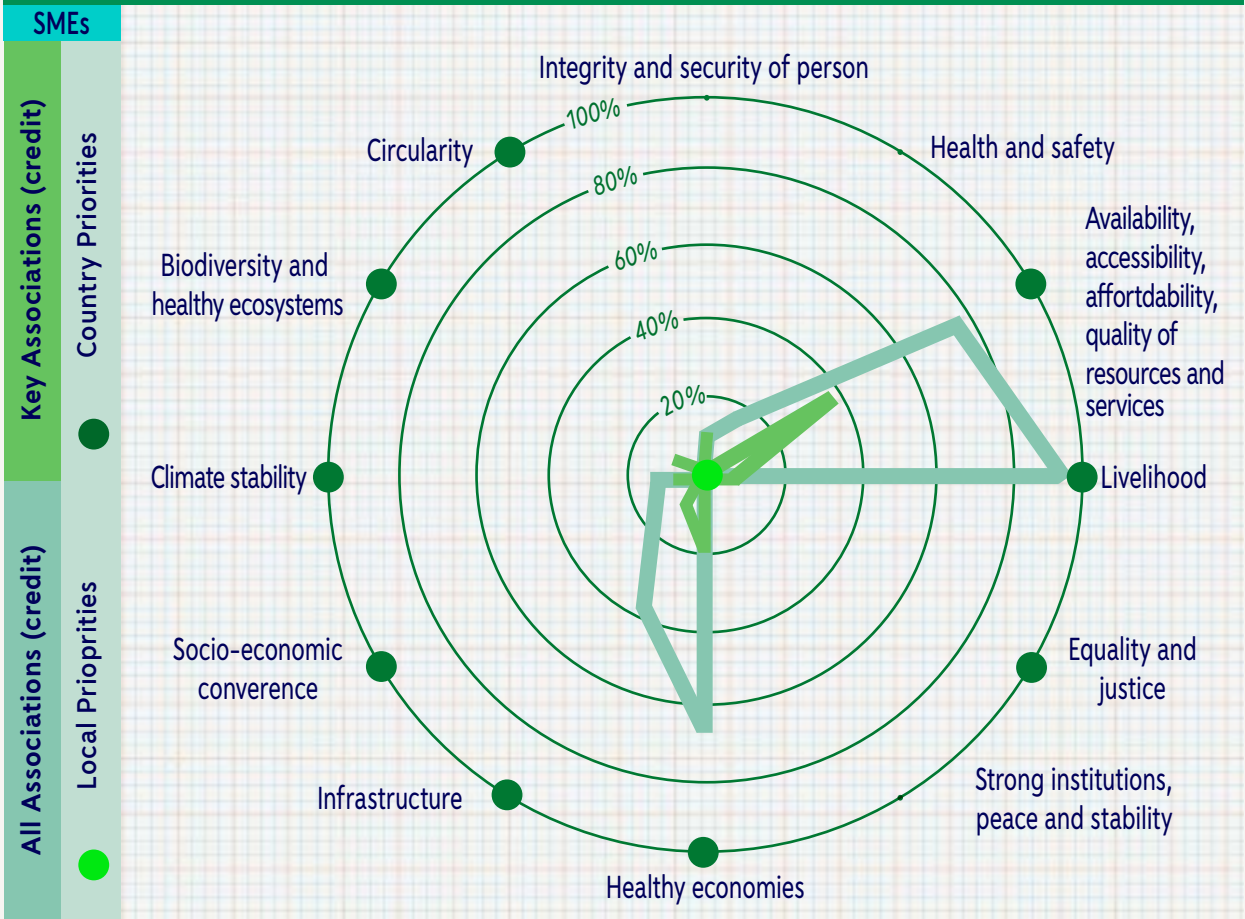
- 53% of the analysed Corporate Banking portfolio of Piraeus has strong positive contributions to the sustainable development of Greece, through the financing of key sectors that are associated with positive impacts on specific sustainability topics.
- 36% of the analysed corporate portfolio has potentially strong positive impacts on the “Availability, Accessibility, Affordability, Quality of Resources and Services” in Greece, deriving from the financing of key sectors such as the Regulation of and contribution to more efficient operation of businesses, Production of electricity, Manufacture of refined petroleum products, and Central Banking. The positive impacts are focused on the topics of Water, Food, Energy, Housing, Healthcare & Sanitation, Education, Mobility, Information, Connectivity, Culture & Heritage, Finance.
- 18% of the analysed corporate portfolio has potentially strong positive impacts on the “Healthy economies” of Greece. The positive impacts derive from the financing of key sectors such as the Regulation of and contribution to more efficient operation of businesses and Central Banking activities.
- 8% of the analysed corporate portfolio, deriving from the financing of key sectors, has potentially strong positive impacts on “Infrastructure”.

According to the impact analysis, the corporate portfolio may have potential negative impacts on the areas of “Health & Safety”, “Circularity”, “Livelihood”, “Biodiversity & Healthy Ecosystems”, “Climate Stability”, “Availability, Accessibility, Affordability, Quality of Resources and Services”, “Integrity & Security of Person”, “Strong Institutions, Peace & Stability”, “Equality & Justice”.

Potential impacts deriving from the financing of key sectors of the corporate portfolio that may have negative associations on sustainability topics:

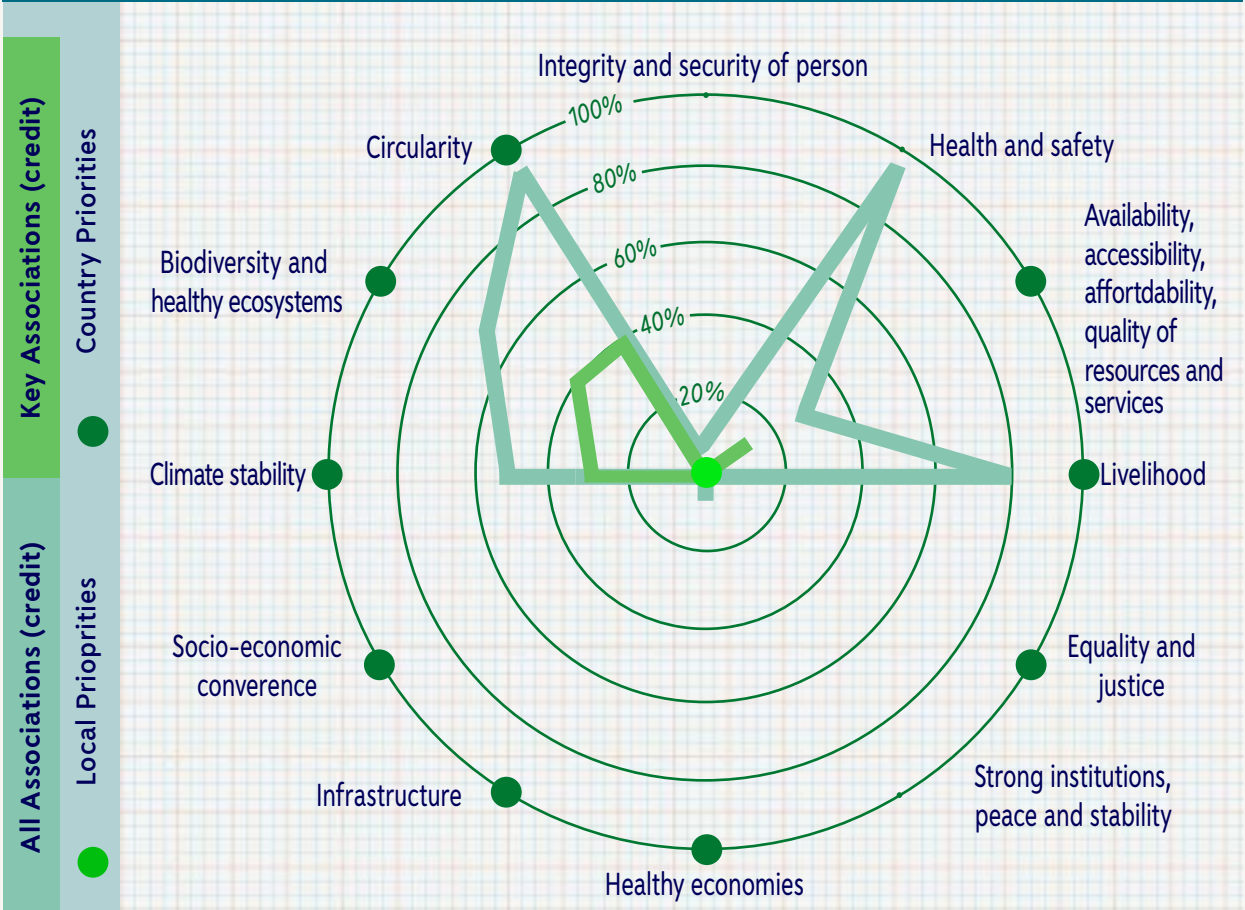
- 55% of the analysed Corporate Banking portfolio of Piraeus may have negative impacts on the sustainable development of Greece, through the financing of key sectors that are associated with negative impacts on specific sustainability topics.
- 40% of the analysed corporate portfolio may have potential negative impacts on the area of “Circularity” and the topics of Resource Intensity and Waste, deriving from the financing of key sectors that may emit GHG emissions, such as Sea and coastal freight water transport, Production of electricity and Manufacture of refined petroleum products.
- 42% of the analysed corporate portfolio may have potential negative impacts on the “Biodiversity & Healthy Ecosystems” of Greece and the topics of Waterbodies, Air, Soil, Species, Habitat, deriving from the financing of key sectors such as Sea and coastal freight water transport, Production/Transmission/Distribution/Trade of electricity and Manufacture of refined petroleum products and cement.
- 32% of the analysed corporate portfolio may have potential negative impacts on the “Climate Stability” of Greece, deriving from the financing of key sectors such as Sea and coastal freight water transport and Manufacture of refined petroleum products.
- 13% of the analysed corporate portfolio may have potential negative impacts on the area of “Availability, Accessibility, Affordability, Quality of Resources and Services” and the topics of Food and Culture & Heritage, deriving from the financing of key electricity sectors and the Construction of utility projects for electricity and telecommunications.

POSITIVE IMPACTS



The dots do not represent a value. They only show if an impact area is a priority in the country/locations (based on data in the Context Module).

NEGATIVE IMPACTS (CREDIT)



CORPORATE BANKING: PRIORITISATION OF SIGNIFICANT IMPACT AREAS/TOPICS

The prioritised impact area for Piraeus, deriving from the corporate portfolio, is “Climate Stability”:

- Climate stability is a high priority in Europe generally and in Greece specifically. It ranks “4” in the Country Context Module.
- 54% of the whole corporate portfolio analysed may have potential negative impacts on the “Climate stability” of Greece.
- 32% of the corporate portfolio derives from sectors that have strong negative associations on the area of Climate, an example being the highly financed sector of Piraeus’s corporate portfolio regarding Sea and coastal freight water transport, a sector that may have negative associations with Climate Stability, due to GHG emissions.
- Piraeus aspires to be a leader in Green Financing and energy transition among Greek banks (€2.5 billion limits) and Climate is always a high priority in the agenda. Piraeus is also the only Greek company among the top European companies included in the Financial Times’ Europe’s Climate Leaders list for three years in a row.
- By mitigating potential negative impacts on climate stability, through the adjustment of the key sectors that are financed and may have negative impacts on this area, Piraeus can simultaneously address further negative impacts associated with the areas of Circularity and Biodiversity & healthy ecosystems, since the sectors financed interact with multiple sustainability topics.

| Prioritised impact area/topic | Associated Positive Impacts | Associated Negative Impacts |
|-------------------------------|--|---|
| Climate Stability | Natural disasters, Health and safety, Waterbodies, Air, Species, Habitat, Resource intensity | Energy, Other vulnerable groups, Socio-economic convergence |

Investment Banking

According to the impact analysis, the whole investment portfolio has potential positive impacts on the areas of “Livelihood”, “Healthy Economies”, “Availability, Accessibility, Affordability, Quality of Resources and Services”, “Infrastructure”, “Health & Safety”, “Integrity & Security of Person”, “Strong Institutions, Peace & Stability”, “Socio-economic Convergence”, “Climate Stability”, “Biodiversity & Healthy Ecosystems”.

The most significant positive impacts, deriving from the financing of key sectors are:

- 71% of the analysed Investment Banking portfolio of Piraeus has strong positive contributions to the sustainable development of Greece, through the financing of key sectors that are associated with positive impacts on specific sustainability topics.
- 70% of the analysed investment portfolio, derives from financing the key sector “General public administration activities” that is strongly linked to positive impacts on “Healthy Economies”, enabling economic activities on the topics of Sector Diversity and Flourishing MSMEs.
- 70% of the analysed investment portfolio, deriving mainly from the financing of the

key sector “General public administration Activities”, has potential positive impacts on the “Availability, Accessibility, Affordability, Quality of Resources and Services” in Greece, focusing on the topic of Finance, as enabler of economic activities.

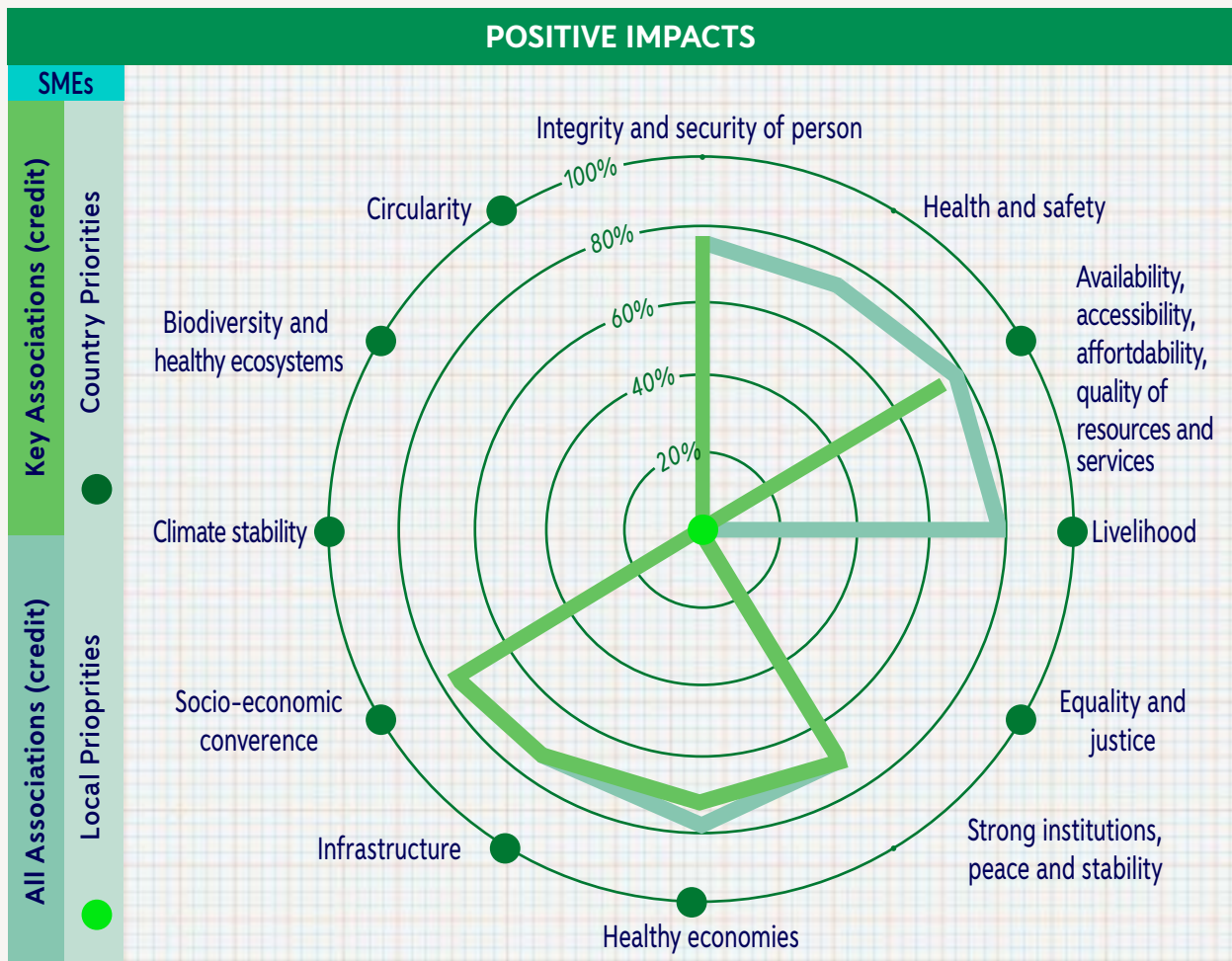
- 70% of the analysed investment portfolio, deriving mainly from the key sector “General public administration activities” has potential positive impacts to Infrastructure.

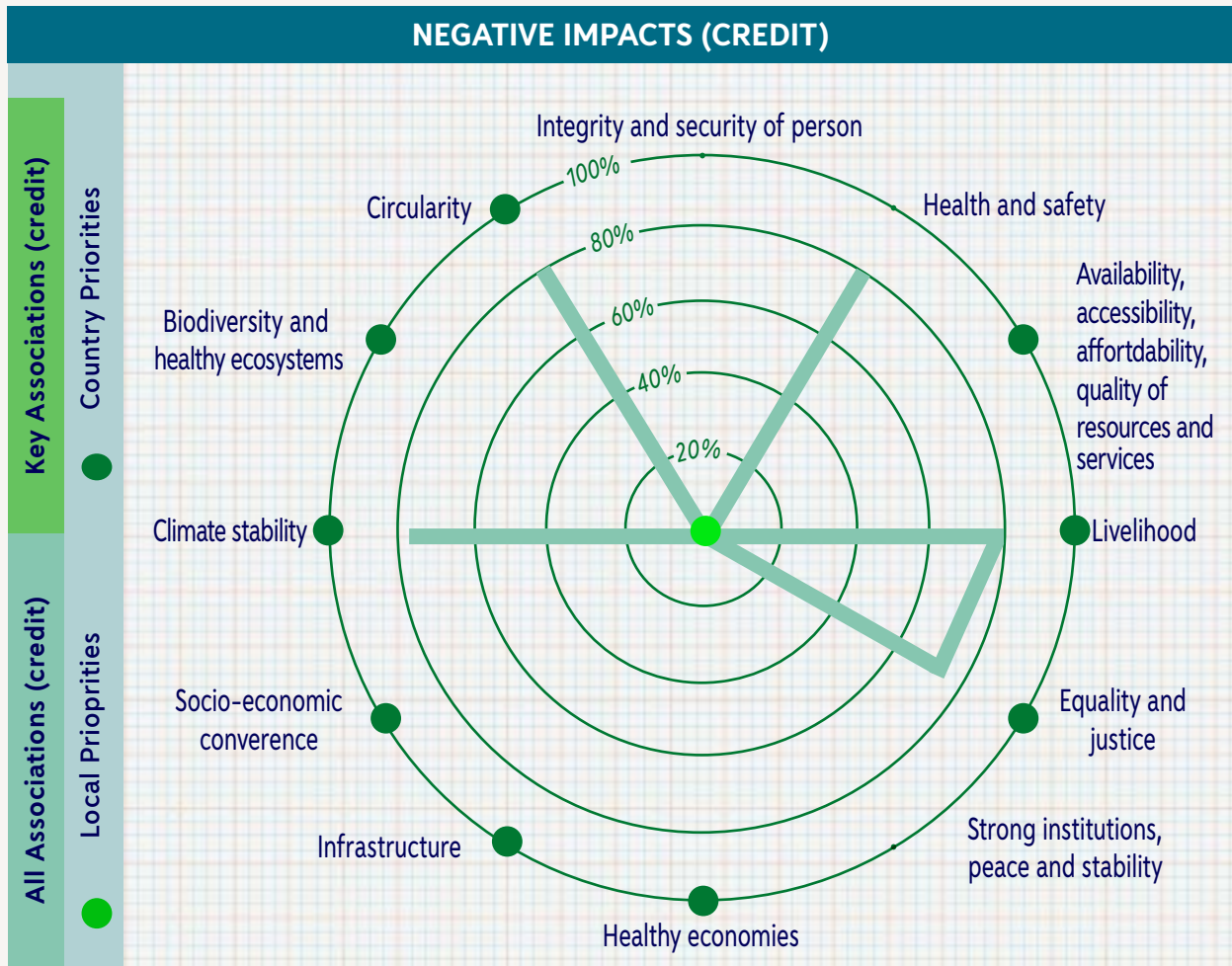
According to the impact analysis, the whole investment portfolio may have potential negative impacts in the areas of “Health & Safety”, “Circularity”, “Livelihood”, “Climate Stability”, “Equality & Justice”, “Strong Institutions, Peace & Stability”, “Biodiversity & Healthy Ecosystems”, “Availability, Accessibility, Affordability, Quality of Resources and Services”, “Integrity & Security of Person”.

- Less than 2% of the analysed Investment Banking portfolio of Piraeus may have negative impacts on the sustainable development of Greece, through the financing of key sectors.

Potential impacts deriving from the financing of key sectors of the investment portfolio that may have negative associations on sustainability topics are considered insignificant:

- 1.5% of the investment portfolio, deriving from key sectors, has potential negative impact on the area of “Circularity” and the topics of Resource Intensity and Waste.
- 1% of the investment portfolio, deriving from key sectors, has potential negative impact on “Climate Stability”.





The dots do not represent a value. They only show if an impact area is a priority in the country/locations (based on data in the Context Module).

INVESTMENT BANKING: PRIORITISATION OF SIGNIFICANT IMPACT AREAS/TOPICS

No significant potential negative impacts result from the impact analysis of the investment banking. The impact areas of “Circularity” and “Climate Stability” could be the only prioritised areas, but with minimum importance. Since “Climate Stability” is a high priority in Greece and is of high importance for Piraeus, the prioritised impact area for Piraeus, deriving from the investment portfolio, is “Climate Stability”.

| Prioritised impact area/topic | Associated Positive Impacts | Associated Negative Impacts |
|-------------------------------|--|---|
| Climate Stability | Natural disasters, Health and safety, Waterbodies, Air, Species, Habitat, Resource intensity | Energy, Other vulnerable groups, Socio-economic convergence |

Following the Impact Analysis and the strategic priorities of the organisation, Piraeus prioritises the following areas and topics as the most significant:

1. Climate Stability
2. Financial Health & Inclusion, focusing on Healthy Economies and Flourishing MSMEs

The actions that Piraeus will undertake to strengthen the areas of Healthy Economies and Climate may further contribute to the following SDGs:



d. For these (min. two prioritised impact areas): Performance measurement

Has your bank identified which sectors & industries as well as types of customers financed or invested in are causing the strongest actual positive or negative impacts?

Please describe how you assessed the performance of these, using appropriate indicators related to significant impact areas that apply to your bank's context.

In determining priority areas for target-setting among its areas of most significant impact, you should consider the bank's current performance levels, i.e. qualitative and/or quantitative indicators and/or proxies of the social, economic and environmental impacts resulting from the bank's activities and provision of products and services. If you have identified climate and/or financial health & inclusion as your most significant impact areas, please also refer to the applicable indicators in the Annex.

If your bank has taken another approach to assess the intensity of impact resulting from the bank's activities and provision of products and services, please describe this.

The outcome of this step will then also provide the baseline (incl. indicators) you can use for setting targets in two areas of most significant impact.

Prioritisation of significant impact areas/topics

- Climate stability
- Healthy economies
Topic "Flourishing MSMEs"

Financial Results Presentation 9M.23,
p. 53, 55, 57-58

Sustainability & Business Report 2022,
p.3, 7, 12, 18, 30-39, 68-76, 96, 102-107

Science-Based Targets

Climate Risk Assessment using the Climabiz Tool

Climate stability

Climate is a strategic priority for Piraeus Group

- Climate stability is a high priority worldwide, in Europe, and in Greece specifically scoring “4” in the Country Context Analysis.
- The area of “Climate Stability” is a priority for Piraeus Group. Piraeus has started its journey to become net zero by 2050 at the latest and has defined intermediate science-based targets (by 2030). Piraeus aspires to be a market leader in Green Financing and energy transition among Greek banks (€2.5 billion limits). Piraeus is also the only Greek company among the top European companies included in the Financial Times’ Europe’s Climate Leaders list for three years in a row.

Climate is a priority, according to the Impact Analysis

- **Business portfolio:** The second most financed sector in the business banking portfolio is “Construction of residential and non-residential buildings”, having strong associations with positive impacts on “Housing” and “Infrastructure” and potential negative ones on “Climate Stability” and “Circularity”.
- **Corporate portfolio:** 55% of the corporate portfolio may have potential negative impacts on “Climate stability”, where 40% of it derives from the financing of key sectors such as Sea and coastal freight water transport and Manufacture of refined petroleum products. The most financed sector of Piraeus’s corporate portfolio is “Sea and coastal freight water transport”, which may have negative associations to Climate Stability.
- **Investment portfolio:** No significant potential negative impacts result from the impact analysis on the investment banking. The impact areas of “Circularity” and “Climate stability” could be the only prioritised areas, but with minimum importance. Since “Climate Stability” is a high priority in Greece and is of high importance for Piraeus, the prioritised impact area for Piraeus, deriving from the investment portfolio, is “Climate Stability”.
- By mitigating potential negative impacts on climate stability, at the same time, Piraeus can address other potential associated impacts on Circularity and Biodiversity & healthy ecosystems, where there is also a part of the Bank’s portfolio with potential negative impacts (interlinkages).

Financial Health & Inclusion

(Healthy economies and Flourishing MSMEs)

Small Businesses are the backbone of Greek economy

- Healthy Economies is a high priority in Greece, scoring “4” in the Country Context Module Analysis, especially for the topic of Flourishing MSMEs.
- The issue of Financial Health & Inclusion is a high priority for the Group, having signed the UNEP-FI Commitment for Financial Health & Inclusion, in the context of the Principles for Responsible Banking. The purpose is to support the most vulnerable people to have opportunities to secure and maintain their standard of living and take steps to improve their financial health, such as long-term financial planning and access to credit and insurance.

Healthy Economies is a priority, according to the Impact Analysis

- **Business portfolio:** 42% of the business portfolio has positive impacts to “Healthy Economies” in Greece, leading with the highly financed sector of Piraeus’s business portfolio, “Hotels and similar accommodation”, while no negative impacts are associated.
- **Investment portfolio:** 70% of the investment portfolio, derives from financing the key sector “General public administration activities” that is strongly linked to positive impacts on “Healthy economies”, enabling economic activities on the topics of Sector diversity and Flourishing MSMEs.

SELF-ASSESSMENT SUMMARY

Which of the following components of impact analysis has your bank completed, in order to identify the areas in which your bank has its most significant (potential) positive and negative impacts? ⁶

| | | | |
|--------------------------------|--------------|-------------|----|
| Scope | ✓ Yes | In progress | No |
| Portfolio composition | ✓ Yes | In progress | No |
| Context | ✓ Yes | In progress | No |
| Performance measurement | ✓ Yes | In progress | No |

Which most significant impact areas have you identified for your bank, as a result of the impact analysis?

| | | |
|---|---|------------------------------|
| Climate change mitigation | ✓ | Gender equality |
| Climate change adaptation | | Decent employment |
| Resource efficiency & circular economy | | Water pollution |
| Biodiversity | | Other: please specify |
| Financial health & inclusion | ✓ | |
| Human rights | | |

How recent is the data used for and disclosed in the impact analysis?

- Up to 6 months prior to publication
- Up to 12 months prior to publication** ✓
- Up to 18 months prior to publication
- Longer than 18 months prior to publication

Open text field to describe potential challenges, aspects not covered by the above etc.: (optional)

⁶ You can respond “Yes” to a question if you have completed one of the described steps, e.g. the initial impact analysis has been carried out, a pilot has been conducted.

2.2 Target Setting

Show that your bank has set and published a minimum of two targets which address at least two different areas of most significant impact that you identified in your impact analysis.

The targets⁷ have to be Specific, Measurable (qualitative or quantitative), Achievable, Relevant and Time-bound (SMART). Please disclose the following elements of target setting (a–d), for each target separately:

a. Alignment

Which international, regional or national policy frameworks to align your bank’s portfolio with⁸ have you identified as relevant?

Show that the selected indicators and targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks.

You can build upon the context items under 2.1.

⁷ Operational targets (relating to for example water consumption in office buildings, gender equality on the bank’s management board or business-trip related greenhouse gas emissions) are not in scope of the PRB.

⁸ Your bank should consider the main challenges and priorities in terms of sustainable development in your main country/ies of operation for the purpose of setting targets. These can be found in National Development Plans and strategies, international goals such as the SDGs or the Paris Climate Agreement, and regional frameworks. Aligning means there should be a clear link between the bank’s targets and these frameworks and priorities, therefore showing how the target supports and drives contributions to the national and global goals.

Piraeus Group targets

Piraeus has proceeded in setting SMART targets in the two priority impact areas. i.e., Climate, and Financial Health & Inclusion, focusing on the Healthy Economy of Greece and Flourishing MSMEs.

Sustainability & Business Report 2022

Common Agricultural Policy 2023–2027

Greece’s CAP Strategic Plan

Climate Targets

In line with its Climate Strategy, Piraeus Group submitted intermediate science-based emission targets to the Science-Based Targets initiative (SBTi) that were validated in December 2022. The targets aim to reduce greenhouse gas emissions by 2023 (with 2019 as base year) both in operations and lending and investment portfolios. For the target setting process, Piraeus adopted the SBTi methodology as it provides a clearly defined pathway for financial institutions to reduce GHG emissions, helping prevent the worst impacts of climate change and future-proof business growth. Piraeus has embarked on a journey to become net zero by 2050 latest.

Financial Health & Inclusion Targets

Piraeus has signed the UNEP FI Commitment for Financial Health & Inclusion, in the context of the Principles for Responsible Banking. The purpose is to support the most vulnerable people to have opportunities to secure and maintain their standard of living and take steps to improve their financial health, such as long-term financial planning and access

to credit and insurance. Piraeus will provide at least 3,000 young farmers with effective access to loans, in order to start or continue their own farmer business and remain in rural areas. Farmers and the agricultural production is of high priority for Piraeus.

Our Climate targets support the global, regional, and national goals on climate change

UN Sustainable Development Goals and Paris Agreement

Piraeus Group supports the Sustainable Development Goals (SDGs), contributing to the global efforts for a better future. Under the Paris Climate Agreement an international treaty on climate change adopted in 2015, human-generated greenhouse gas (GHG) emissions, it is important to fall as soon as possible and reach net zero by 2050.

*EU Climate Action**

EU is moving towards a climate-neutral economy and aspires to implement its commitments under the Paris Climate Agreement, by updating its Nationally Determined Contribution.

Key EU targets for 2030:

- At least 55% cuts in GHG emissions (from 1990 levels).
- At least 42.5% share for renewable energy.
- 11.7% reduction in final energy consumption by 2030.

*Greece's National Energy and Action Plan***

The National Energy and Climate Plan (NECP) is Greece's strategic plan for climate and energy issues, setting out a detailed roadmap regarding the attainment of specific energy and climate objectives by 2030. The NECP sets out and describes priorities and policy measures in respect of a wide range of development and economic activities intended to benefit Greek society.

More specifically, the NECP (drafted in 2019) has set the following objectives for 2030:

- Initially with regard to climate change and emissions, a much higher core objective for reducing GHG emissions by more than 42% compared to emissions in 1990 and more than 56% compared to emissions in 2005, thus exceeding even the core EU targets.
- With regard to renewable energy sources (RES), a much higher objective concerning the share in gross final energy consumption, as there is now an objective for a minimum share of 35%.
- With regard to improving energy efficiency, there is a quantitative objective for final energy consumption in 2030 to be lower than that recorded in 2017.

Piraeus Policy Framework on Climate Change

Piraeus Group has a clear commitment to sustainability and attaches importance to social activities and environmental considerations, including climate change. As part of its ESG

* 2030 climate & energy framework (europa.eu)

** https://energy.ec.europa.eu/system/files/2020-03/el_final_necp_main_en_0.pdf

strategy, Piraeus Group promotes Responsible and Sustainable Banking by adopting ESG criteria and has embarked on its Energy Transition plan that will support its customers in moving to a low carbon economy. Piraeus Group has started its journey to become net zero by 2050 at the latest and has defined intermediate science-based targets (by 2030), by supporting sustainable operations, integrating sustainability criteria into its financing processes, such as RES projects, green buildings, and clean transportation projects.

The new Climate Strategy of Piraeus Group is structured in line with the Paris Agreement, the SDGs and the Principles for Responsible Banking, and emphasises 4 dimensions:

- **Reach net zero in own operations:** By monitoring and managing environmental impact closely, investing in operational efficiency solutions and sourcing 100% renewable energy for the bank's buildings.
- **Steer portfolio towards net zero by 2050 or sooner:** By focusing on the carbon intensive sectors and measuring alignment of lending with the Group's climate and nature solutions.
- **Support and advise customers in line with a carbon neutral and nature positive economy:** By accelerating the green economy, financing transition, and pioneering financing for new technologies and business models.
- **Manage climate and ESG risks:** By fully integrating climate and ESG risks in risk management framework and by helping customers protect their business from climate, societal, and governance related risks providing advice and financing their transition.

Our Financial Health & Inclusion targets are aligned with regional and national policies

EU Common Agriculture Policy (CAP) 2023-27

- The EU Common Agriculture Policy (CAP) 2023–27 provides for several interventions specifically for young farmers. EU countries and Greece in particular tailor their measures to national conditions in their CAP Strategic Plans.
- Complementary income support for young farmers (CISYF) is a voluntary scheme under CAP providing enhanced income support to young farmers who are newly set up for the first time and who are entitled to basic income support.
- More than 65,000 young farmers will benefit from setting-up support in Greece over the period 2023–2027.

Greece's CAP Strategic Plan

- The Greek agricultural sector employs approximately 400,000 people, representing 10% of employment in all sectors. The farm labor force consists mainly of family holdings.
- Unemployment in rural areas remains an issue, especially for young people, in light of the aging population.
- More than 70% of the Greek agricultural area faces natural or other specific constraints (for example: extreme slopes, low temperatures, dryness of soil, unfavorable soil texture, borderline areas, island regions) which significantly affect farming.
- The Greek CAP Plan focuses on improving competitiveness by promoting innovation and

- new technologies, fostering young entrepreneurship and securing a fair income for farmers.
- To ensure a demographic renewal of the agricultural population, as well as a sustainable development of rural areas, Greece will provide in total over €730 million to young farmers, in combination with actions to support their education, provision of advisory services and reinforcement of their business plans.
- More than 70,000 new jobs will be created in rural areas, through support to young farmers, investments in processing and marketing of agricultural products as well as in forest technologies and marketing of forest products.
- More than 65,000 young farmers will benefit from setting-up support. Moreover, Greece will also complement the income of young farmers (below the age of 40) with €70 per hectare, thus spending €140 million over the period 2023–2027.

Piraeus Framework on Agriculture Business Development

The Agri-food sector plays an essential role in Greece’s economic growth. Its economic and social dimension, in terms of social cohesion and regional development, are particularly important. In this direction, important priorities for Piraeus Bank are the sustainable development and the strengthening of cooperation, extroversion, and age renewal of the agricultural working force.

b. Baseline

Have you determined a baseline for selected indicators and assessed the current level of alignment?

Please disclose the indicators used as well as the year of the baseline.

You can build upon the performance measurement undertaken in 2.1 to determine the baseline for your target.

A package of indicators has been developed for climate change mitigation and financial health & inclusion to guide and support banks in their target setting and implementation journey. The overview of indicators can be found in the Annex of this template.

If your bank has prioritised climate mitigation and/or financial health & inclusion as (one of) your most significant impact areas, it is strongly recommended to report on the indicators in the Annex, using an overview table like below including the impact area, all relevant indicators and the corresponding indicator codes:

| Impact area | Indicator code | Response |
|------------------------------|----------------|----------|
| Climate change mitigation | | |
| Impact area | Indicator code | Response |
| Financial health & inclusion | | |

In case you have identified other and/or additional indicators as relevant to determine the baseline and assess the level of alignment towards impact driven targets, please disclose these.

Our Baseline year for our KPIs***

Climate

Piraeus considers 2019 as base year for climate targets.

Financial Health & Inclusion

Piraeus considers 2021 as base year for FH&I targets.

c. Smart targets [incl. key performance indicators (KPIs)]⁹

Please disclose the targets for your first and your second area of most significant impact, if already in place (as well as further impact areas, if in place).

Which KPIs are you using to monitor progress towards reaching the target?

Please disclose.

⁹ Key Performance Indicators are chosen indicators by the bank for the purpose of monitoring progress towards targets.

Climate

Overall, Piraeus Financial Holdings SA commits to:

- reduce GHG emissions from the electricity generation project finance portfolio by 49.1% per kWh by 2030 from a 2019 base year;
- continue financing 100% renewables through 2030;
- reduce GHG emissions from the CRE loans and investments portfolio 50% per square meter for residential buildings and 58.1% per square meter for tertiary buildings by 2030 from a 2019 base year; and
- specific manufacturing sub-sectors which are categorised as high emitting sectors, are included in the applicable target to align its Scope 1, 2 & 3 portfolio temperature score by loan value from 2.95° C in 2019 to 2.59° C by 2027.

SBTi emissions reduction targets

UN Commitment to Financial Health & Inclusion – Summary Report

H1.23 Corporate Presentation, p. 61–70

Sustainability & Business Report 2022, p. 130–132

Target language and summary_Piraeus Financial Holdings S.A. docx (sciencebasedtargets.org)

***  Please refer to 2.2.c for further details on targets and for the current level of alignment.

Piraeus's Climate Targets – SBTi annual target transitioning path

| Operations | GHG emissions Scope 1 & 2 (tCO _{2eq}) (base year 2019) | GHG emissions Scope 1 & 2 (tCO _{2eq}) (base year 2030) | GHG emissions reduction (%) | Actual GHG emissions intensity (2022) | Actual GHG emissions reduction (2022) | |
|---|--|--|--|---|---|-------------------|
| Direct and indirect GHG emissions from branches and administrative buildings | 7,880 | 2,136 | -73% | 2,083 | -74% | ✓ ⁱ |
| Continue annually sourcing 100% renewable electricity through 2030 | | | | | | ✓ |
| Portfolios under the Sectoral Decarbonisation Approach | GHG emissions intensity (base year 2019) in kg CO ₂ /m ² | GHG emissions intensity (target year 2030) in kg CO ₂ /m ² | GHG emissions reduction (%) per m ² | Actual GHG emissions intensity (2022) in kg CO ₂ /m ² | Actual vs expected GHG emissions reduction % (2022) | |
| Commercial Real Estate Loans in household buildings managed by companies | 34 | 17 | -50.2% | 24 | -29.5 -13.8 | ✓ |
| Commercial Real Estate Loans in commercial buildings managed by companies | 59 | 25 | -58.1% | 45 | -23.5 -15.9 | ✓ |
| Commercial Real Estate Investments in residential buildings | 33 | 16 | -50.2% | 25 | -23.1 -13.7 | ✓ |
| Commercial Real Estate Investments in commercial buildings | 71 | 30 | -58.2% | 41 | -41.8 -15.9 | ✓ |
| Investments in listed REITS (Real Estate Companies) | 59 | 25 | -58.1% | 45 | -23.5 -15.9 | ✓ |
| Investments in bonds issued by companies active in electricity production | 0.657tn CO ₂ /MWh | 0.335tn CO ₂ /MWh | -49.1% | 0.5755tn CO ₂ /MWh | -12.5 -13.4 | ✓ |
| Electricity generation Sector: continue financing and investing only in renewable electricity activities through 2030 | | | | | | ✓ |
| Portfolios under the Temperature Rating Method | Portfolio temperature score (base year 2019) | Portfolio temperature score (target year 2027) | Temperature reduction per annum | Actual temperature score for 2022 | | |
| Investment in listed stocks | 2.83°C | 2.42°C | -0.051°C | 3.19°C | | [-] ⁱⁱ |
| Long-term (>1year) loans (for large corporates with 500+ employees) | 2.85°C | 2.43°C | -0.052°C | 2.56°C | | [-] |
| Investment in corporate bonds of listed companies | 1.83°C | 1.80°C | -0.004°C | 2.26°C | | [-] |

i ✓ On track to achieve 2030 target

ii [-] Continue working in order to achieve targets

Piraeus Group promotes responsible and sustainable banking by adopting ESG criteria that combine growth and profitability alongside social and environmental sustainability. Piraeus has embarked on a journey to become net zero by 2050 latest. In this context, the Group has set near-term targets (2027-2030) for operational and financed emissions that were validated by SBTi in December 2022. The financed emissions targets are for below 2° C and refer to nine asset classes representing well over 50% of the total financed emissions.

Electricity in the Bank's buildings is 100% sourced from renewables, leading to zero Scope 2 emissions (market-based) from 2020 and onwards. A target of 73% reduction of Scope 1 and Scope 2 (2019 reference year) emissions by 2030 has also been set under the SBTi.

In 2024, Piraeus will review and ramp up its targets:

- **Defining and adopting 1.5° C pathways. Further engaging with our customers, developing new energy transition solutions.**
- **Including new asset classes as SBTi develops new metrics.**

Piraeus promotes responsible and sustainable banking by adopting ESG criteria that combine growth and profitability alongside social and environmental sustainability. Piraeus has embarked on a journey to become net zero by 2050 latest. In this context, the Group has set near-term targets (2027-2030) for operational and financed emissions that were validated by SBTi in December 2022. Following the new regulatory developments on climate and its international commitments, Piraeus is currently updating and upgrading its Climate Strategy, referring in detail to the climate governance roles and procedures and incorporating quantifiable targets especially for financing energy transition.

Financial Health & Inclusion (Healthy Economies and Flourishing MSMEs)

Piraeus's commitment to Financial Health & Inclusion and published target-setting



A financial holdings company, listed on the Athens Stock Exchange, and the parent company of the banking institution “Piraeus Bank S.A.” with USD 82.6 billion in assets and operating in the Greek financial system. The bank has committed to:

Provide at least 3,000 young farmers, by 2025, with effective access to loans to start or continue their own farming business while remaining in rural areas of all 13 regions of Greece.

This target would signify a lending portfolio shift of close to €35 million and will cover 7.5% of the national target.

This impact target addresses a priority in Greece in line with Greece's Common Agricultural Policy (CAP) Action Plan of facilitating access to capital to at least 40,000 young farmers given the very low access (1.7%) they have had in previous years. The Greek CAP Plan focuses on improving competitiveness by promoting innovation and new technologies, fostering young entrepreneurship, and securing a fair income for farmers in response to the European Union's Common Agricultural Policy (CAP) 2023-27.

To monitor progress towards achieving its targets, Piraeus will measure the number of young farmers that remain active after having received the loan through the Integrated Administration and Control System (IACS), annually, and periodically track:

- Number of loans given to young farmers, starting at a baseline value of zero (2021) as these will be loans specially aimed to support Greece's CAP.
- Amount of loans given to young farmers, starting at a baseline value of zero (2021) as these will be loans specially aimed to support Greece's CAP.



Piraeus Bank, having recognised the need for generational renewal in rural areas and the agricultural sector, offers a complete package of solutions and financial support for young farmers. In particular, during 2022, loans to young farmers make more than 60% of Piraeus Bank’s primary sector financing. Piraeus Bank’s main objective is to cover the liquidity and investment needs of young farmers. The target set for Piraeus to provide at least 3,000 young farmers with effective access to loans, in order to start or continue their own farmer business and remain in rural areas, is new and the progress has not yet been captured in numbers. Farmers and the agricultural production is of high priority for Piraeus.

d. Action plan

Which actions including milestones have you defined to meet the set targets?

Please describe.

Please also show that your bank has analysed and acknowledged significant (potential) indirect impacts of the set targets within the impact area or on other impact areas and that it has set out relevant actions to avoid, mitigate, or compensate potential negative impacts.

Climate

Our Climate Targets

Sustainability & Business Report 2022
p. 32-39, 238-241

Piraeus – farmers

Commitment to SBTi to reduce by over 50% operational & portfolio emissions by 2030, in order to become a net-zero bank no later than 2050.

Our Actions to achieve our science-based climate targets

- Shift towards lower emitting investments or financing and greening existing loan and investment portfolios.
- Improve data quality from companies included in the specific portfolios and further improvement of Scope 1,2 & 3 calculation methodologies.
- Focus on those companies from high emissions sectors, which are expected to make a difference in the outcome regarding the achievement of emission reduction targets.
- Engagement with large business borrowers from high-emitting sectors to set emissions reduction targets and support them during their next steps of implementation.
- Engagement with large corporates with already existing emission targets to urge them to set more ambitious targets, where applicable.

Financial Health & Inclusion (Healthy Economies and Flourishing MSMEs)

Our Financial Health & Inclusion Targets

Provide at least 3,000 young farmers, by 2025, with effective access to loans to start or continue their own farming business while remaining in rural areas of all 13 regions of Greece. This target would signify a lending portfolio shift of close to €35 million and will cover 7.5% of the national target.

Our actions and commitment to support young farmers and MSMEs

The purpose of the commitment is to support the most vulnerable people to have opportunities to secure and maintain their standard of living and take steps to improve their financial health, such as long-term financial planning and access to credit and insurance. Piraeus by providing young farmers with effective access to loans, enhances them in order to start or continue their own farmer business and remain in rural areas. Farmers and the agricultural production is of high priority for Piraeus.

We are supporting the Financial Health & Inclusion of women in Greece

More than the commitment to support young farmers, Piraeus prioritises and promotes gender equality. Endorsing the United Nations Women's Empowerment Principles, realising its responsibility towards society, Piraeus Bank, represented by its CEO, was the first Greek bank to sign the Women's Empowerment Principles (WEPs), a joint initiative of UN Global Compact and UN Women, in April 2021. By endorsing the Principles, Piraeus Bank commits to design and develop initiatives for the advancement and promotion of Gender Equality in the workplace, the market and society.

Piraeus Group applies a multidimensional Corporate Social Responsibility (CSR) strategy, which is directly linked to the development needs of Greek society. The Group is fully committed to contribute to the formation of a society that promotes equal opportunities for women, unemployed youth, students in remote areas, people with disabilities, children's welfare.

This is why the EQUALL programme was created, aiming at developing initiatives to support and foster social equality. The goal is to help women and vulnerable social groups, such as persons with disabilities, vulnerable youths, children from remote areas and refugees, in dealing with any kind of discrimination they may suffer, ensuring their equal access to employment, entrepreneurship and education, which are essential to their autonomy and development.

Piraeus aims to:

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

SELF-ASSESSMENT SUMMARY

Which of the following components of target setting in line with the PRB requirements has your bank completed or is currently in a process of assessing for your:

| | <i>first area of most significant impact:</i> Climate | <i>second area of most significant impact:</i> Financial Health & Inclusion | <i>(If you are setting targets in more impact areas) your third (and subsequent) area(s) of impact: ... (please name it)</i> |
|----------------------|---|---|--|
| Alignment | ✓ Yes In progress No | ✓ Yes In progress No | Yes In progress No |
| Baseline | ✓ Yes In progress No | ✓ Yes In progress No | Yes In progress No |
| Smart targets | ✓ Yes In progress No | ✓ Yes In progress No | Yes In progress No |
| Action plan | ✓ Yes In progress No | ✓ Yes In progress No | Yes In progress No |

2.3 Target implementation and monitoring

For each target separately:

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

Report on your bank's progress since the last report towards achieving each of the set targets and the impact your progress resulted in, using the indicators and KPIs to monitor progress you have defined under 2.2.

Or, in case of changes to implementation plans (relevant for 2nd and subsequent reports only): describe the potential changes (changes to priority impact areas, changes to indicators, acceleration/review of targets, introduction of new milestones or revisions of action plans) and explain why those changes have become necessary.

*Piraeus's progress on its Climate targets*****

- Piraeus Bank is focused on its aspiration to align its loan and investment portfolios to be net zero. The Group committed to SBTi and in July 2022 submitted targets that were validated in December 2022. The financed emissions targets are for below 2° C and refer to nine asset classes representing well over 50% of the total financed emissions.
- Electricity in the Bank's buildings is 100% sourced from renewables, leading to zero Scope 2 emissions (market-based) from 2020 and onwards. A target of 73% reduction of Scope 1 and Scope 2 (2019 reference year) emissions by 2030 has also been set under the SBTi.
- Piraeus is currently working on its participation to the Net-Zero Banking Alliance.

Piraeus's Progress on its Energy targets

- At the end of December 2022, Piraeus's Energy Transition financing envelope comprised of a €1.7 billion (5.4% over gross loans¹), €0.5 billion Green bond (28% over debt securities) and €0.3 billion assets under management in ESG M/F (16% of M/F AuM).
- Piraeus's ambition on energy transition: €5 billion finance stock by 2025 and overall, €8 billion including bonds issuance and in-house ESG Mutual Funds with new loan production representing 12% of total new loans for the period.
- Through the Bank's participation in the programmes of the Greek State and the Ministry of Environment and Energy "Exoikonomo Kat Oikon" regarding energy saving at home, Piraeus Bank has supported more than 30 thousand households to upgrade buildings and improve the environmental performance of homes, reducing their energy costs.

Piraeus's progress on its Sustainable Finance targets

- €1.43 billion is the total financing to individuals and companies for the implementation of green entrepreneurship projects (active loan balances at the end of 2022). Most of the loans have financed renewable energy projects and, in particular, photovoltaic systems, wind farms, small hydroelectric plants and biomass/biogas projects.
- €83 million of these financings have been given to individuals.
- Approx. €1.35 billion have been given to businesses.
- 0.9% the share of the retail portfolio towards green financing.
- 6% the share of the business portfolio towards green financing.

Piraeus Bank has created a new package of specialised products and services, the "Piraeus Green Business 360°". It is a complete proposal of solutions to cover every green business need, such as:

****  Please refer to 2.2.d "Our Actions to achieve our science-based climate targets".

- financing the installation of photovoltaic plants;
- financing for the upgrade of existing photovoltaic plants or the energy upgrade of businesses; and
- the purchase of an electric or hybrid car.

Green Bond

Piraeus Group published the Piraeus Group Green Bond Framework under which it has successfully completed the book building process for the issuance of a €500 million Green Senior Preferred Bond, attracting the interest of many institutional investors.

Financial Health & Inclusion (Healthy Economies and Flourishing MSMEs)

**Sustainability & Business Report 2022,
p. 130–133**

**Investment financing for Young/New Farmers
| Piraeus Bank**

Piraeus's progress on its Farmers' Financial Inclusion targets

Piraeus's target is to provide at least 3,000 young farmers, by 2025, with effective access to loans to start or continue their own farming business while remaining in rural areas of all 13 regions of Greece. This target would signify a lending portfolio shift of close to €35 million and will cover 7.5% of the national target.

Important priorities for Piraeus Bank are the sustainable development and the strengthening of cooperation, extroversion, and age renewal of the agricultural working force.

In 2022, Piraeus Bank, in order to improve access and effective absorption of resources and the completion of its clientele investments, focused on financing viable investment projects, which have been included or will be included in subsidised programmes (Rural Development Programme, Development Law, etc.) or implemented with own resources. For this purpose, Piraeus Bank offers a full range of financial solutions, using flexible pre-financing loan of the value of the grant obtained under the programme, as well as other available financial instruments. In this perspective, Piraeus Bank aims to maximise the use of existing financial instruments for the benefit of its customers. At the same time, it provided working capital to farmers, producer groups, agricultural cooperatives, and SMEs in the agri-food sector covering their increased liquidity needs.

Having recognised the need for generational renewal in rural areas and the agricultural sector, Piraeus Bank offers a complete package of solutions and financial support for young farmers. In particular, during 2022, loans to young farmers make more than 60% of Piraeus Bank's primary sector financing. Piraeus Bank's main objective is to cover the liquidity and investment needs of young farmers.

In the framework of adopting ESG criteria, Piraeus Bank supported the investments in renewable energy sources made by farmers, while at the same time improved its pertinent banking products in order to cover current operating cash flows and to meet financing needs, contributing to the implementation of the National energy and climate plan.



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



Principle 3

Clients and Customers

3.1 Client engagement

Does your bank have a policy or engagement process with clients and customers¹⁰ in place to encourage sustainable practices?

- ✓ Yes
- In progress
- No

Does your bank have a policy for sectors in which you have identified the highest (potential) negative impacts?

- ✓ Yes
- In progress
- No

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities).¹¹ It should include information on relevant policies, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.

This should be based on and in line with the impact analysis, target-setting and action plans put in place by the bank (see P2).

¹⁰A client engagement process is a process of supporting clients towards transitioning their business models in line with sustainability goals by strategically accompanying them through a variety of customer relationship channels.

¹¹Sustainable economic activities promote the transition to a low-carbon, more resource-efficient and sustainable economy.

Piraeus Group aims to support, promote, and finance sustainability with adherence to ESG criteria

Piraeus Financial Holdings Group offers a wide range of financial products and high-quality services to retail and corporate customers, through Piraeus Bank and its subsidiaries.*****

Sustainable Development Policy of Piraeus Group

Green Funding

*****  For further details on our policies, please refer to 5.3.

Piraeus Bank Group manages its business through the following segments:

1. Retail Banking: Mass, Affluent, Small Businesses, and Public Sector entities core customer segments and the relevant channels.
2. Corporate Banking: Large Corporates, Shipping, SMEs and Agricultural core customer segments.
3. Piraeus Financial Markets (PFM): Fixed Income, Foreign Exchange, Treasury activities (including interest rate gap management from all banking activities) and institutional customers.
4. Wealth & Asset Management (WAM): Wealth and asset management activities.

Green Financing – Individuals

Green Financing – Businesses

Green Banking

Electromobility

Agricultural Banking

Sustainability & Business Report 2022, p. 20–33, 70–90, 96, 105–107, 115–117

Environmental & Social Risk Management

www.cdp.net/en: Piraeus 2022 CDP submission is publicly available following log in

Economy

Customer Service & Relations

Personal Data

Social Media | Piraeus Bank

Financing our clients' Positive Impacts

Piraeus Group recognises that it can contribute to the achievement of the Sustainable Development Goals and the Paris Climate Agreement by increasing and directing capital towards activities that have a positive impact on the society and the environment and, conversely, by identifying and limiting financing initiatives that may lead to negative impacts. Therefore, the Bank supports and finances companies, institutions, organisations, and projects which offer added value to stakeholders and offers specialised products and services leading to social and environmental benefits in the following sectors:

- Enhancement of Business Innovation, Rural Development
- Support to Green and Sustainable Entrepreneurship

Supporting Small Businesses and Entrepreneurs

In 2022, Piraeus focused on financing across four key pillars:

- to help businesses navigate during the post-Covid period and amid the war in Ukraine and the energy crisis;
- to stimulate “green entrepreneurship”;
- to support female and start-up entrepreneurship; and
- to support selected economic sectors of special interest.

In 2022, Piraeus Bank continued to support entrepreneurship through subsidised and co-financed programmes by Greek and European bodies, such as the Hellenic Development Bank SA (HDB) and the European Investment Bank (EIB).

Supporting Cultural and Social Activities

Piraeus tries to understand the needs of society and designs actions that contribute to addressing key issues, such as the promotion of gender equality, through the increase of women's representation in business, the labour market and the rural economy, as well as the elimination of gender stereotypes in primary and secondary education. Additional actions that are being taken focus on important social issues, such as support in dealing with humanitarian crises, the social, economic, and labour exclusion of vulnerable young people and people with disabilities, as well as the difficulty of access to quality education of the students living in remote areas of the country.

Implementing a multidimensional corporate responsibility strategy for Society and Culture, Piraeus Bank has created a bundle of products and services EQUALL 360° and Culture and Creativity 360°, specifically designed to further support the social groups targeted by the actions developed (e.g., women entrepreneurs, women farmers, cultural enterprises, etc.).

Supporting our clients through their Energy Transition: “Energy Transition Project”

Piraeus Group has launched its Energy Transition Project as a concrete commercial programme/action plan, which will allow Piraeus to assume a frontrunning role in its customers' transformations to build a better and more sustainable Greek economy. Piraeus Group will leverage a structured approach and its deep understanding of the specific needs of each sector with priority focus on Power Generation, Real estate/buildings, Agriculture and promote a tailor-made approach to support small businesses and individuals.

At the end of December 2022, Piraeus's Energy Transition financing envelope comprised of a €1.7 billion (5.4% over gross loans¹), €0.5 billion Green bond (28% over debt securities) and €0.3 billion assets under management in ESG M/F (16% of M/F AuM).

Piraeus's ambition on energy transition: €5 billion finance stock by 2025 and overall, €8 billion including bonds issuance and in-house ESG Mutual Funds with new loan production representing 12% of total new loans for the period.

Case study

In the energy sector, the keen investment interest of domestic and foreign investors continued unabated, mainly in RES projects, whose strategic importance was further highlighted as a key factor to the country's energy security. The emphasis was first and foremost placed on the financing of RES projects with Feed-In-Premium support schemes and combined cycle gas plants. However, increased financing interest was also noted with respect to innovative transactions, such as the financing of RES projects based on corporate electricity sales contracts, which are expected to make a significant contribution to the country's energy balance in the coming years. In this context, the Bank completed the first RES project financing in Greece on the basis of a long-term electricity sales contract with an independent private energy buyer.

Engaging with our clients to meet our Science-Based Targets

In line with its Climate Strategy, Piraeus Group submitted intermedium terms science-based emission targets to the Science-Based Targets initiative (SBTi) that were validated in December 2022. The targets aim to reduce by 2023 (with 2019 as base year) emissions both in operations and lending and investment portfolios.

The targets are in line with a well below 2° C scenario and refer to nine asset classes that cover 9% of its total investments and lending activities as of 2019, representing 56% of financed emissions. Two SBTi methods were used by Piraeus (Sectoral Decarbonisation Approach-SDA and Temperature Rating Approach-TRA) to link investment and lending portfolios with climate stabilisation pathways. Additionally, Piraeus Group has set near term (2030) targets for operational emissions (Scope 1 and Scope 2). Specifically, Piraeus has committed to reduce absolute Scope 1 and Scope 2 emissions 73% by 2030 from a 2019 base year, as well as to continue annually sourcing 100% renewable energy through 2030 for its Branches and administrative buildings. These targets were determined by SBTi to be in line with a 1.5° C trajectory.

To meet the SBTi targets Piraeus is developing an approach to engage with clients. Specifically, the aim is to focus on those companies from high emitting sectors, which is expected to make a difference in the outcome. An ambition emission reduction target is not sufficient, the size of the client/company, the emissions generated are also considered, as well as the amount of investment or financing from Piraeus Bank. Piraeus is engaging with selected companies to assist them in the next steps of implementing the emission reduction targets, even if large companies in high-emitting sectors have already published emissions targets reviewing their policy and urging for more ambitious targets can make a difference.

3.2 Business opportunities

Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how you have worked on these in the reporting period. Provide information on existing products and services, information on sustainable products developed in terms of value (USD or local currency) and/or as a % of your portfolio, and which SDGs or impact areas you are striving to make a positive impact on (e.g. green mortgages – climate, social bonds – financial inclusion, etc.).

Responsible Investments – ESG Funds

Piraeus has recognised the opportunity of ESG investments as stable & safe and in line with its new Sustainability Policy, its Climate Change Strategy and the new ESG Strategy and Business Plan.

www.cdp.net/en: Piraeus 2022 CDP submission is publicly available following log in

Private Banking

Piraeus Private Banking ESG

Green Funding

Green Banking

Agricultural Banking

ESG Mutual Funds

Piraeus Asset Management MFMC is a member of the PRI Initiative (Principles for Responsible Investment). The PRI is the world's leading proponent of responsible investment and defines responsible investment as a strategy and practice to incorporate environmental, social and governance (ESG) criteria in investment decisions. ESG criteria are the key parameter for investors.

At the end of December 2022, Piraeus Asset Management managed more than €325 million in funds with ESG characteristics, proving its leadership position in the Greek market.

The 2023 goals focus on further integrating ESG criteria into the investment strategy by deepening the data analysis process, liaising with a specialised ESG data provider, as well as enriching the product base with new ESG funds, in line with the new EU Taxonomy.

Green Bond

Piraeus Bank has issued a €500 million Green Senior Preferred Bond, attracting the interest of many institutional investors. With this issuance, the Group has advanced its ESG agenda, demonstrating its commitment to support the Greek economy and has made another step towards the implementation of its medium-term strategy to meet its minimum requirements for own funds and eligible liabilities. A year and a half since the issuance, an amount equal to €428 million of the net proceeds of the inaugural Green Bond issuance was allocated to 638 projects in the renewable energy category, representing 86% of net proceeds and resulting in a total Renewable Energy Sources (RES) capacity of 525 MW. More specifically, the loans relate to the acquisition, development, manufacturing, construction, operation, maintenance, distribution, and transmission of renewable energies such as: offshore and onshore wind, solar photovoltaic (solar PV), and small-scale hydropower (<20 MW). Avoided emissions for the first allocation amounted to approximately 300,000 tonnes of CO₂eq.

Case study: Private Banking

The Private Banking Unit aligned to the Bank's commitment to the Principles for Responsible Banking, the Paris Climate Agreement, and the SDGs and thus, the focus has turned on sustainable investing. A dedicated expert team introduced ESG criteria among key evaluating factors of both new investment opportunities and associated products.

Under this structure Piraeus decided to engage with its Private Banking customers to get them on board on this transition. At Piraeus Private Banking, the goal is to offer the Ultra High Net Worth Individuals and families, with over €500 thousand to invest, the best possible independent and transparent investment solution from a wide product selection pool, with no strains attached. Private Banking customers are unique in that they have large deposits and high status, requiring exceptionally high and consistent levels of service quality (2022: High Net Worth Individuals/€1.7 billion AuM).

Sustainability & Business Report 2022, p. 95, 139-145

Piraeus Bank – cop26

Case studies in ESG Financing (indicative)

Case 1, Case 2, Case 3, Case 4, Case 5, Case 6

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

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

In 2021 another fund was designed and launched in collaboration with Piraeus Asset Management MFMC, the “Piraeus Private Banking ESG Equity Fund”. The fund was addressed to Private Banking Customers, with a long-term investment horizon, who wish to link their investment with the results and dynamics of the companies of the Athens Stock Exchange while promoting the principles of responsible investment.

Sustainable Finance

The fields of energy transition and sustainable banking comprise some of the primary focus areas of the Group for 2023–2025.

In 2021, Piraeus Bank created a new package of specialised products and services, the “Piraeus Green Business 360°”. It is a holistic approach that covers green business needs, such as:

- financing the installation of photovoltaic plants, net metering installations;
- financing the upgrade of existing photovoltaic plants or the energy upgrade;
- of businesses; and
- the purchase of an electric or hybrid car.

Overall, the Group’s exposure in green loans amounted to €2.1 billion at the end of December 2022.

Sustainability-Linked Loans

As part of its strategy for supporting the sustainable development of the Greek economy and aligning its operations with the Principles for Responsible Banking, in 2022, Piraeus Bank continued to provide targeted financing that incorporates performance indicators related to environmental, social and governance (ESG) issues, actively supporting the connection of growth and economic efficiency with social and environmental sustainability. In accordance with relevant international and EU Standards, Piraeus Bank continued in 2022 to integrate ESG criteria in the lending process for MidCaps and Large Corporates, prompting its customers to achieve measurable targets related to:

- energy efficiency improvements;
- CO₂ emissions reductions;
- efficient water usage;
- reduction and management of manufacturing waste;
- recycling increases; and
- labour and social issues.

Piraeus Bank is the first bank in Greece that since 2020 has included ESG criteria in the loan evaluation process for business lending and to date has disbursed a significant number of loans to Large and Medium Sized Enterprises. The total amount of signed agreements until 31/12/2022 exceeded €630 million. The Bank's aim remains to promote the environmental and social responsibility of businesses, support their transition path to a model of sustainable development, and leverage appropriate funding instruments that promote the green transition of Greek society.

Case study: Green Financing

The current sustainability financing situation for Piraeus:

- Largest RES portfolio, exceeding 2GW; At the end of 2022, the total capacity of projects with active balances financed by the Group amounted to 2,081 MW. In particular, photovoltaic systems had active balances by the end of 2022, of over €516 million. The total capacity of all funded photovoltaic parks (and rooftop installations) reaches 984 MW. Significant funding has also been given to wind farm projects as at the end of 2022 active balances exceeded €785 million. At the end of 2022 the total number of wind farms with active loans from the Group reached a total capacity of 1,061 MW. The Bank also has active financing in small hydropower plants with €26 million. 7 biomass/biogas projects are financed by the Bank.
- €2.1 billion sustainable financing limits, the largest energy portfolio among Greek banks.
- First mover in sustainability linked loans (€0.6 billion limits).
- Total financing to individuals and companies for the implementation of projects that are part of green entrepreneurship amount to €1.43 billion (active loan balances at the end of 2022). Most of the loans have financed renewable energy projects and, in particular, photovoltaic systems, wind farms, small hydroelectric plants and biomass/biogas projects.
- €83 million in green funding products to individuals – energy efficiency mortgages and loans for Photovoltaic installations on roof-tops.
- 0.9% of financial volume of green funding products for individuals to the total individuals' loan portfolio of Piraeus.
- 6% financial volume of green funding products for businesses to the total businesses' loan portfolio of Piraeus.
- €1.35 billion in green funding products to businesses for investments in RES and energy efficiency.
- Green bond: €500 million.
- Launched in Q1.23 dedicated “Energy Transition Business Building programme” with mobilisation of entire organisation and specialised “task force”, with a financial envelope of €5 billion for 2023–2025.

Development and/or expansion of low emission goods and services

To meet the climate targets Piraeus has developed a business strategy comprising of two components:

- **Business Portfolio Decarbonisation**
- **Commercial action plan “Energy Transition Plan”**

The National Recovery and Resilience Plan emerges very supportive and a decisive framework, that mobilises more than €22 billion for green investments. The National Energy and Climate Plan (NECP) is Greece’s strategic plan for climate and energy issues, setting out a detailed roadmap regarding the attainment of specific energy and climate objectives by 2030. The plan focuses on 7 core areas that create significant opportunities for Greek banks: Rapid development of renewables, Energy storage, Energy efficiency, Electrification of light transportation, Green hydrogen economy, Synthetic green fuels, Innovation and systemic solutions in carbon capture. Energy transition is already ongoing. In 2022, photovoltaic capacity installed increased by +200% vs. 2021.

Piraeus Bank will assume an essential role, as a significant part of the European funds (approximately €87 billion for the period 2021–2027 for Greece) will be directed towards financing green economy and the country’s energy transition. To this end, Piraeus Group has launched the new Energy Transition Plan (work in progress), a commercial programme/action plan, which will enable the Bank to play a leading role in its customers’ efforts (both businesses and individuals) to build a better and more sustainable Greek economy. We will leverage a structured approach and our deep understanding of the specific needs of each sector with priority focus on Power Generation, Real estate/buildings, Agriculture and promote a tailor-made approach to support small businesses and individuals.

Piraeus 360°

In 2022, Piraeus created “Piraeus New Business Start 360°”, in the context of effectively supporting new businesses. This is a bundle of financing solutions for SMEs in order to holistically cover their needs for financing their business growth and development plans.

Implementing a multidimensional corporate responsibility strategy for Society and Culture, Piraeus Bank has created a bundle of products and services EQUALL 360° and Culture and Creativity 360°, specifically designed to further support the social groups targeted by the actions developed (e.g., women entrepreneurs, women farmers, cultural enterprises, etc.).

Piraeus EQUALL 360°

With a view to enhancing social equality and equal access of women to business activity, Piraeus Bank has created and offers Piraeus EQUALL 360°, a comprehensive bundle of products and services, with special pricing and preferential terms, exclusively for women entrepreneurs.

In September 2022, women entrepreneurs active in the agricultural sector were also added to Piraeus EQUALL 360°. Especially for the women farmers, whose role, both individually and collectively, is multidimensional and decisive for the development of the agricultural

sector and the future, the Bank, in the context of Piraeus EQUALL 360°, has utilised the best available options to provide them with support.

The four thematic sections of the package include, among others, the following benefits for women entrepreneurs:

- **Develop my Business**
- **Manage my Business**
- **Secure my Business**
- **Make my Business more competitive**

In addition, in the “Develop my Business” section, the specialised products of Agricultural Banking (Open Loan for Farmers, Land and Equipment, Loan for the Support of Young/ New Farmers) were added to cover the annual needs of their agricultural holding and the implementation of investments.

Since the launch of Piraeus EQUALL 360° in April 2022, 216 women’s businesses have already joined.

Piraeus Culture and Creativity 360°

Piraeus Bank recognises the value of arts and culture to people and society, and their impact on the economy. It is committed to nurture cultural and creative industries as levers for the country’s sustainability. In particular, the Bank stands by the cultural and creative industries (CCIs) and offers integrated support to allow artists and cultural professionals to continue pursuing their creative work. The Bank created Piraeus Culture and Creativity 360°, a bundle of products and services, specifically designed to empower SMEs active in Arts and Culture (small and medium businesses directly or indirectly linked to cultural products development, e.g. cultural activities entities, cultural and entertainment, production companies, photographers, advertisement agencies, translators, performing arts entities, graphic designers, etc.), in addressing the needs and challenges they face every day, focusing on 4 axes:

- **Developing my business (providing financial and development programmes)**
- **Managing my business (controlling cash flows)**
- **Securing my business (providing modern insurance schemes)**
- **Making my business more competitive (become a member of “yellow business” and “psonizostigeitonia” loyalty programmes)**

By 31/12/2022, 203 out of 16,900 CCIs that constituted a potential clientele, have acquired Piraeus Culture and Creativity 360°.

Piraeus Green Business 360°

In 2021, Piraeus Bank created a new package of specialised products and services, the “Piraeus Green Business 360°”. It is a holistic approach that covers green business needs, such as:

- **financing the installation of photovoltaic plants, net metering installations;**
- **financing the upgrade of existing photovoltaic plants or the energy upgrade**
- **of businesses; and**
- **the purchase of an electric or hybrid car.**

Overall, the Group's exposure in green loans amounted to €2.1 billion at the end of December 2022.

Case Studies on ESG financing

- Packaging manufacturer company. In the context of the new financing, the company is contractually committed to supporting sustainable development, setting indicative goals concerning the significant improvement of energy efficiency, the increase in the use of secondary raw materials and the placing on the market of innovative products, of high environmental performance, with low energy imprint.
- Piraeus finances the acquisition of three operational wind farms with a combined capacity of 24.65 MW.
- First Financing Loan with ESG criteria, amounting to €150 million in RES - total capacity exceeding 120 MW. Piraeus has linked into the financing the following ESG criteria:
 - *Annual Reduction of CO₂ eq emissions over the next five years by at least 20%.*
 - *Implementation of an Eco-Management and Audit Scheme (EMAS) environmental management system.*
- Aluminum systems & pharmaceuticals company, financing with ESG criteria.
- Piraeus Bank finances RES investments of National Energy: Piraeus supports National Energy group, an international investor in RES and has financed the acquisition of c.70 MW of operational wind and solar assets in Greece from Hellenic Capital Partners. This transaction supports National Energy's further growth in the renewables sector in Greece.



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

Principle 4

Stakeholders

4.1 Stakeholder identification and consultation

Does your bank have a process to identify and regularly consult, engage, collaborate and partner with stakeholders (or stakeholder groups)¹² you have identified as relevant in relation to the impact analysis and target setting process?

✓ Yes

- In progress
- No

Please describe which stakeholders (or groups/types of stakeholders) you have identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process.

¹²Such as regulators, investors, governments, suppliers, customers and clients, academia, civil society institutions, communities, representatives of indigenous population and non-profit organisations.

Participations in Global Sustainability Initiatives

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

Piraeus participates in the European Banking Federation and the Hellenic Bank Association and provides institutional support on defining frameworks, principles and implementation strategies. Piraeus is also very active in the EU Business and Biodiversity Platform, shaping EU strategies and policies related to the financing of Biodiversity. It's also an active member of UNEP FI, holds an elected seat on the UNEP FI Banking Board and is one of the two co-chairs.

2023 Annual Reports

Stakeholder Dialogue

Participations in Global Sustainability Initiatives

COP26: The United Nations Climate Change Conference

Sustainability & Business Report 2022, p.42-65, 312-313

Customer Relations

Suppliers Relations

Corporate Presentation

Piraeus & PRB

www.cdp.net/en: Piraeus 2022 CDP submission is publicly available following log in

Stakeholder Dialogue

In the framework of its activities and operations, Piraeus Group has set up appropriate channels to encourage constructive dialogue with each of its stakeholders (the frequency of communication is determined by the nature of the relationship with each stakeholder). Systematic stakeholder engagement enables the Group to identify changes in the environment and to better manage the expectations of the stakeholders.

The PFH Group treats each separate stakeholder dialogue as important. In 2022, the Group engaged in a dialogue with its stakeholders and the following topics were recognised as material: data protection, new technologies in customer service, providing equal access to banking services, responsible banking, respect for the environment (through financing energy transition of businesses and households), the Culture (through Piraeus Bank Group Cultural Foundation/PIOP highlighting the development potential of the country's cultural reserve as well as supporting and promoting the Creative Economy in Greece), promoting human rights and combating unconscious biases and stereotypes in the workplace as pillars of sustainable development, support the new generation and promoting and supporting gender equality as well as the value creation in the society.

Stakeholder Engagement for the Materiality Analysis

Piraeus Bank acknowledges the growing importance of the 17 Sustainable Development Goals, has linked the material topics with its priority sustainability goals. Material topics are aspects that reflect the organisation's significant economic, environmental, and social impact or substantively influence the assessments and the decisions of stakeholders.

Piraeus identifies its key stakeholders, i.e., customers, employees, suppliers, investors/shareholders, investment analysts, media, supervisory and regulatory authorities, the investment community, community/environmental/cultural bodies, NGOs. Piraeus promotes ongoing dialogue with its stakeholders, to remain responsive to their needs and expectations and to highlight material Sustainable Development topics. These topics are used to design and activate mechanisms to continuously improve business operations.

Double materiality

The Double Materiality Survey is based on a structured questionnaire designed to explore the stakeholders' reasonable expectations and interests which, by extension, have an impact on the economy, society, and the environment. These topics arise from the Group's regular communication with its stakeholders and are shaped by current events, prevailing market conditions, existing CSR practices and surveys, and the corporate responsibility indices in which Piraeus is included. Material topics may change over time, as deeper knowledge of these is acquired. Piraeus re-assesses their materiality every year, in the context of compiling the Sustainability and Business Report.

In 2022, Piraeus Bank decided to adopt the GRI Standards 2021 (instead of the GRI Standards 2016 which it had been following for the last 6 years) and to apply for the first time Double Materiality in the Materiality Research, in accordance with the current European framework for publication of non-financial information. Double Materiality is the union of impact materiality and financial materiality. A sustainability topic or information meets therefore the criteria of Double Materiality if it is material from the impact perspective or from the financial perspective or from both perspectives.

Focus Groups to prioritise our ESG material issues

Piraeus addresses the materiality questionnaire to a sample of internal and external stakeholders and organises focus group discussions, benefiting from direct communication and the opportunity for open dialogue and collection of observations. The discussion is coordinated by a third party, in the presence of representatives from an independent audit firm, to ensure that the process adheres to the principles of AA1000 Stakeholder Engagement Standard and that the process is valid. The sustainable development practices are ranked in order of importance for each stakeholder group, depending on the type of their relationship with the Bank.

Suppliers

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

Gender Responsive Procurement

Piraeus Group is committed to creating a business environment of Equal Opportunities for All and is the first financial institution in Greece to sign the United Nations Women's Empowerment Principles, aiming to promote equal opportunities for women in the workplace, marketplace and community.

Social criteria are gradually integrated into the Group's supplier selection process. In procurement tenders, candidate suppliers are requested to provide gender related information for their business, i.e. the ownership status and the governance structure of the company, the share of women in managerial positions, and the gender breakdown of their permanent workforce (Gender Responsive Procurement). The Group integrates these social criteria aiming to strengthen women's entrepreneurship and promote gender equality and women empowerment in the workforce.

Green Procurement

Piraeus Bank recognises the need for environmentally responsible operation and applies a specific green procurement policy. By opting for environmentally friendly products, not only is the Bank's environmental footprint reduced but the development of new "green procurement" markets (such as environmentally-friendly paper, recycled consumables and low CO₂ emission vehicles for company use) is also achieved.

Raising awareness on ESG issues

Piraeus presented its "A to Z ESG Advent calendar" on LinkedIn, in an effort to inform its linked-in followers on issues such as "carbon emissions", "Paris Climate Agreement" etc. For a month, Piraeus published a post dedicated to an ESG relevant issue. Piraeus, following its inclusion in the Financial Times Climate Leaders for 2022, published a promo video on all social media, regarding its environmental and climate performance and its shift towards ESG & Responsible Banking. Piraeus has a dedicated space on its website for Principles for Responsible Banking, where it informs its stakeholders about this issue.



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

Principle 5

Governance & Culture

5.1 Governance Structure for Implementation of the Principles

Does your bank have a governance system in place that incorporates the PRB?

✓ Yes

- In progress
- No

Please describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support the effective implementation of the Principles. This includes information about:

- which committee has responsibility over the sustainability strategy as well as targets approval and monitoring (including information about the highest level of governance the PRB is subjected to),
- details about the chair of the committee and the process and frequency for the board having oversight of PRB implementation (including remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected), as well as
- remuneration practices linked to sustainability targets.

ESG Governance Structure

Piraeus has established a concrete governance structure aligning the guidelines of the six Principles into its everyday operational and business model.

Chairman of the BoD

The Chairman of the Board of Directors (BoD) is actively engaged in the environmental and climate agenda of the Group. The Board Chair is –since 2018– the Chairman of the Piraeus Bank Group Cultural Foundation (PIOP), which is one of the main pillars of Piraeus Bank’s Corporate Responsibility. PIOP Foundation has an active contribution to the promotion of

Board Ethics and ESG Committee

ESG and Corporate Responsibility Committee

www.cdp.net/en: Piraeus 2022 CDP submission is publicly available following log in

Directors’ Remuneration Policy

Sustainability & Business Report 2022, p. 29-36, 284-296

Sustainable Development Policy

Remuneration Report

Corporate Governance Structure & Operating Regulations

Greece's cultural identity. One of PIOP's strategic goals is to link culture with the environment and sustainable development, a goal that is achieved through the creation and management of a network of thematic technological museums in the Greek provinces, where the specific nature of the production in the corresponding region is highlighted, focusing on the triptych People-Environment-Culture.

**Audit Committee, Risk Committee,
Remuneration Committee**

Pillar III 2022, p. 70-77

**Piraeus Financial Holdings Board of
Directors Composition**

**Independent Non-Executive Member of
Piraeus Financial Holdings BoD**

Chief Executive Officer (CEO)

The CEO of Piraeus Group drives the ESG agenda and is regularly informed and very highly engaged in environmental and climate issues of the Group. The CEO has driven the Group's pledge to decarbonise the Bank's portfolio. The CEO also participates in the UNEP FI "Leadership Council". He is updated on all ESG and climate developments and oversees their management.

The CEO is currently overseeing the Energy Transition Project, which is a concrete commercial programme/action plan, which will allow Piraeus to assume a frontrunning role in its clients' transformations to build a better and more sustainable Greek economy. It will leverage a structured approach and deep understanding of the specific needs of each sector with priority focus on Power Generation, Real estate/buildings, Agriculture and promote a tailor-made approach to support small businesses and individuals. Piraeus's ambition on energy transition: €5 billion finance stock by 2025 and overall €8 billion including bonds issuance and in-house Mutual Funds.

Chief Risk Officer (CRO)

The CRO is appointed by the BoD, upon recommendation of the Risk Committee, and his appointment or replacement, following the approval of the Risk Committee, is communicated to the supervisory authorities. The CRO is responsible for the supervision of the Group Risk Management and consequently for the overall management of C&E risks that are integrated in the Risk Management Framework. The CRO is Chair of the Project Proteus Steering Committee and reports directly to the Executive & BoD level Committees.

ESG Expert as a Member of the BoD

An Independent Non-Executive Member of the BoD is an expert on climate related and ESG issues and is very actively engaged in the ESG agenda of the Group, currently serving as the Chair of the Board Ethics and ESG Committee.

Committees related to Sustainability

Board Ethics and ESG Committee

The Committee is responsible for considering the material ethical, environmental, social and governance issues relevant to Piraeus Group's business activities and for supporting the Group in maintaining its position as a reference leader in ethical and ESG and climate issues. The Committee works closely, also by holding joint sessions, with the other Board Committees for

climate and ESG issues which are also related to their mandate. The Committee is headed by a director with international experience in ESG matters.

Risk committee

The Committee is responsible for advising and supporting the Board of Directors regarding the monitoring of the Group's overall actual and future risk strategy and risk appetite, taking into account all types of risks (including climate and environmental, social and governance risks), in order to ensure that they are in line with the business strategy, objectives, corporate culture and values of the Group. The Committee has responsibility to oversee the implementation of the Group's risk strategy and the corresponding limits set and to review a number of possible scenarios, including stressed scenarios, to assess how the Group's risk profile would react to external and internal events. In 2022, the Risk Committee reviewed the Group's Risk & Capital Strategy, including its strategic approach on the front of ESG risks, and opportunities and new ESG-related risk indicators were incorporated in line with Group's ESG action plan.

ESG and Corporate Responsibility Committee

The Committee is chaired by the Group's CEO and is composed of all members of Piraeus's Executive Committee and in early 2023 supplemented by two additional members, the Head of Group Planning, IR & ESG of the Company and Piraeus Bank Head of Group Cultural and Social Initiatives. The composition of the Committee, consisting of cross-functional C-suite and senior executives, reflects the prominent role the management of the Group is expected to play in shaping the Group's approach to managing sustainability issues and integrating the ESG criteria into the Bank's strategy, recognising that this is a key factor in ensuring long-term success and reflecting the fact that these issues are becoming materially relevant to the Group as well as to key stakeholders, such as clients and regulators.

The purpose of this Committee is to promote and monitor responsible and sustainable banking by adopting ESG criteria that combine growth and economic performance with culture, social well-being and environmental sustainability. The Committee ensures the existence of a holistic ESG strategy plan for the Group, with axes:

- the energy transition;
- the zero balance of CO₂ emissions (net zero);
- the strengthening and promotion of culture;
- the support of women, children, and young people, as well as vulnerable social groups in matters of education, employment and social stereotypes; and
- the promotion of governance principles with an emphasis on diversity and inclusion.

The Committee meets regularly at least on a quarterly basis and on an extraordinary basis whenever required at the invitation of its Chairman.

Remuneration linked to Sustainability

Remuneration Committee

The Committee is responsible for ensuring that the Group remuneration policy is consistent with the objectives of the Group's business and risk strategy, including ESG risk-re-

lated objectives, corporate culture and values and long-term interests of the Group. The Committee has responsibility for aligning executive directors' and senior management's remuneration with strategic priorities, including in relation to climate and sustainability matters. In 2022, following respective proposal of the Remuneration Committee to the Board of Directors, an amended version of the Directors' Remuneration Policy was approved by the 2022 Annual General Meeting of Shareholders. The amendments concerned, inter alia, the addition of ESG considerations in remuneration practices.

Directors' Remuneration Policy

The Remuneration Policy contributes to the Company's business strategy and long-term interests by (among others) being consistent with and promoting sound and effective risk management and encouraging Executive Directors to focus on sustained long-term value creation incorporating ESG risk-related objectives.

In July 2022, the AGM approved the amendments of the Company's Directors' Remuneration Policy, following a respective recommendation by the Remuneration Committee and the BoD. These amendments referred to the:

- Alignment with new legislative provisions (Law 4799/2021 transposing CRDV into Greek national legislation) on variable remuneration of Material Risk Takers.
- Introduction of provisions for gender-neutral remuneration policy and equal pay for male and female individuals.
- Climate & ESG considerations in the remuneration policy components.
- Addition of the Annual Variable Incentive Scheme's structure in the Appendix. The Annual Variable Incentive Scheme, which will apply to the executive directors, to the extent permitted by law, has been attached to the Directors' Remuneration Policy in order to guarantee shareholders ex-ante disclosure.

Remuneration Policy

The Remuneration Policy has been instituted by the Group to ensure that employees are remunerated in a way that supports a consistent standard of living and simultaneously maintains motivation. The Group's Remuneration Policy is consistent with the corporate strategy, aiming to align the Group's interests with the interests of its stakeholders, creating value.

The Group Remuneration Policy aims to:

- Attract, retain, and motivate high-caliber employees who achieve the expected results by embracing our corporate values and culture.
- Support a performance-driven culture that is based on excellence and on creating sustainable growth, taking into account Climate & ESG aspects.
- Embrace equal pay policy for male and female employees for equal work or work of equal value supporting a culture of fairness.
- Align remuneration with profitability, capital adequacy, and liquidity while reflecting risk appetite.
- Promote a culture of compliance and effective risk controls.
- Enhance internal and external transparency.

The Director’s Remuneration Policy contributes to the Group’s business strategy and long-term interests by not relying on risk taking, thus encouraging Executive Directors to focus on sustained long-term value creation incorporating ESG risk-related objectives.

Project Proteus for the Management of Climate Risks

Project Proteus Steering Committee

Piraeus Group initiated a dedicated project namely “Project Proteus” to integrate the climate & environmental risks within all functions of the Bank. A dedicated Steering Committee (Project Proteus Steering Committee) is established to provide direction and set the strategy for the implementation of the ECB Roadmap as well as the thematic climate stress test. Furthermore, the Steering Committee has the overall responsibility for the project. The responsibilities of the Committee are:

- Defines the strategy and provides directions as well as sets priorities for the implementation of Project Proteus (ECB Roadmap, Climate ST).
- Reviews the completion status, ad-hoc Information requirements and identifies potential issues.
- Decides and proposes mitigating actions and approves any updates that might be needed on the ECB action plan.
- Discusses and resolves issues escalated by the PMO regarding the implementation of the Project Proteus.
- Provides targeted direction, where needed, to PMO/ Workstream Managers.
- Approves ad hoc targeted information requirements information packages for submission to ECB/SSM/BoG.
- Ensures adequate staffing for the implementation of the ECB roadmap and climate stress test.
- The Head of the SteerCo regularly updates the respective BoD’s Committees, and ExCo.

Central Project Management Office (PMO)

To coordinate and assist in the implementation of the project a dedicated central PMO was established.

The central PMO informs the Steering Committee and Working Groups on the ECB requirements and the deadlines set thereby for the implementation of the ECB roadmap and has the overall project management.

Due to the broad scope of the project, the PMO members are executives from various functions (ESG Unit, ESG Risks, and Regulatory & Resolution Affairs) of Piraeus Group. The responsibilities of the central PMO are:

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

PIRAEUS GROUP ESG & CLIMATE GOVERNANCE STRUCTURE

PIRAEUS FINANCIAL HOLDINGS BOARD

Board Ethics & ESG
Committee

Remuneration
Committee

Risk
Committee

Audit
Committee

PIRAEUS BANK BOARD

Strategy
Committee

Risk
Committee

Audit
Committee

Remuneration
Committee

EXECUTIVE MANAGEMENT COMMITTEES

Group Executive Committee

ESG & Corporate Responsibility Committee

Assets & Liabilities Committee

Operational Risk Committee

Project Proteus Steering Committee

INVOLVED UNITS

1st Line of Defense

- Business Units
- Corporate Development & ESG
- Group Credit

2nd Line of Defense

- Group Risk Management
- Risk Strategy & ESG Risks

3rd Line of Defense

- Group Internal Audit

ESG FRAMEWORK

- Sustainable Development Policy
- ESG Strategy
- Risk Framework
- C&E Risks Framework
- Green Bond Framework
- Strategy Plan
- Business Plan 2023-2025

5.2 Promoting a culture of responsible banking

Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, e-learning, sustainability trainings for client-facing roles, inclusion in remuneration structures and performance management and leadership communication, amongst others).

Code of Ethics

The Code of Conduct and Ethics is the overarching document reflecting the purpose and values of Piraeus Bank Group. It defines and describes the way employees shall conduct themselves when carrying out their work and taking decisions as employees of the Bank. The Code has been drafted in accordance with the Code of Banking Ethics of the Hellenic Bank Association and the Group's compliance standards, policies and methods. In this context, the Code of Ethics and Conduct is fully aligned with the corporate values, representing how these values are transformed into desirable behaviours and applied by all levels of responsibility, with emphasis on the principles of responsibility, meritocracy, and transparency.

The Code includes the Group's basic Policies and Regulations and outlines a set of principles for decision-making in the workplace and applies to all employees across the Group, with emphasis on the principles of responsibility, meritocracy and transparency. The Code is available to everyone in the Organisation through internal communication channels and is accompanied by an interactive training programme. Additionally, the Code is included in the documents provided for reading and signing in every new hire of the Bank, ensuring alignment by all employees with the values and behaviours required.

In 2022, the revision of the Code's content was completed to be aligned with the current institutional and regulatory framework, as well as with the Group's updated policies and regulations.

Training

Targeted training programmes were implemented for each category of the learning pyramid, in accordance with the Bank's strategic priorities, as well as the requirements of specialised roles.

Internal Engagement Initiatives

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

Piraeus Human Resources

Sustainability & Business Report 2022, p. 95, 214-233

Code of Conduct & Ethics

Piraeus Bank LinkedIn account

Annual Financial Report 2022: Non-financial information 2022 (Greek law 4403/2016): p. 22-48p. 27-33

Piraeus Financial Holdings S.A. – Six-Month Financial Report as of 30/06/2023

Non-financial information for the first semester of 2023 (Greek law 4403/2016): p. 19-30

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

Environmental awareness and employee training

Piraeus Bank has developed an Environmental Management System (EMS) in all its branches and administration buildings, which is certified under EMAS and ISO 14001:2015. A specially-trained employee is appointed as Environmental Management Coordinator (EMC) (approx. 360 in total) in all buildings infrastructure to ensure the effective implementation of EMS procedures, recycling and environmental programmes.

In 2022, 321 EMS Coordinators were trained through the updated interactive elearning course on EMAS and the Environmental Management System. The elearning courses aim to promote key environmental concepts and raise awareness about the Bank's environmental work and to actively involve the EMS Coordinators in their tasks. In 2022, a total of 1,138 training man-hours were spent on environmental e-learning, while the Bank's intranet continued to be updated on a monthly basis with news about the environment and sustainability.

Annual environmental management competition

For 12 years in a row, Piraeus Bank is running the annual environmental management competition "Green behaviour wins!", a significant incentive for improving the Bank's carbon footprint and raising employee awareness. In 2022, 800 employees from 12 Branches and 3 administration buildings with the best performance in recycling consumables (paper, batteries, and ink cartridges/toner) and in energy saving were rewarded with symbolic gifts.

Wellbeing: Programme "Ef Zin"

Piraeus, strengthening the Bank's ESG agenda and aiming at the personal and professional balance and well-being of employees, has developed the "Ef Zin" health and well-being programme. "Ef Zin" is a Piraeus Bank well-being actions programme, exclusively addressed to its employees and their families. Its main goal is to connect the multiple aspects of employees' lives to support personal life and work balance.

New ESG e-learning for all

A new special training course is being developed regarding ESG issues and it will be targeted to all employees, regardless of level or responsibilities.

Study on Agriculture and Climate Change

Owing to the frequency of "mega-fires" as a result of climate change, Piraeus will be investigating in the coming years impacts of forest fires on local economies and on its own portfolios. Piraeus has commissioned a report on climate change and agri-food in Greece (to be finalised in 2023). The report will help in understanding the linkage between climate change and forests/water and how they affect our portfolios.

5.3 Policies and due diligence processes

*Does your bank have policies in place that address environmental and social risks within your portfolio?*¹³

Please describe.

Please describe what due diligence processes your bank has installed to identify and manage environmental and social risks associated with your portfolio. This can include aspects such as identification of significant/salient risks, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures you have in place to oversee these risks.

¹³ Applicable examples of types of policies are: exclusion policies for certain sectors/activities; zero-deforestation policies; zero-tolerance policies; gender-related policies; social due diligence policies; stakeholder engagement policies; whistle-blower policies etc., or any applicable national guidelines related to social risks.

Sustainable Development Policy

The Policy reflects the Group's intentions for business strategies and targets that meet the UN Sustainable Development Goals and the Paris Climate Agreement, by aligning its operations with the UNEP FI Principles for Responsible Banking. It echoes the Group's overall approach to sustainable development and sets the strategic directions to support, promote, and finance sustainability.

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

Environmental and Social Management System (ESMS) in business financing

The ESMS aims to evaluate and manage the environmental and social risks from the business activities of financed business customers. The Bank's aim is climate-related and environmental risks to be included at all stages of the credit-granting process since these risks affect the borrower's default risk. With the implementation of the ESMS, environmental and social risks are integrated into the credit assessment.

Sustainable Development Policy of Piraeus Group

Environmental & Social Management System in Business Financing (ESMS)

Sustainability & Business Report 2022, p. 73-88, 102-107, 141-142

www.cdp.net/en: Piraeus 2022 CDP submission is publicly available following log in

Pillar III Disclosures

Pillar III 2022, p. 70-113

Climabiz Tool

360 Funding

Piraeus EQUALL 360°

TCFD Recommendations

The assessment procedure requires that the process starts with the loan applications and/or during the due diligence review.

New and existing loans are ranked as follows:

Category A Risk: loans of dedicated purpose and amount, exceptional and non-repetitive projects with high possibility of creating significant and irreversible impacts to society and environment, affecting also local communities and affiliated areas.

- **High Risk Loans:** Loans of potentially significant environmental or social risks and/or impacts that are multidimensional, irreversible, or unprecedented and which usually affect an area broader than the sites or facilities.
- **Medium Risk Loans:** Loans of potentially significant environmental or social risks and/or impacts that are reversible and which do not usually affect an area broader than the sites or facilities.
- **Low Risk Loans:** Loans of manageable environmental or social risks and/or impacts that are reversible with the implementation of the appropriate measures and which usually affect the sites or facilities. In all categories of E&S risk, the Bank assesses the background of the client and its shareholders in relation to serious environmental and social incidents that may have arisen, utilising all available public information.

According to the ranked category of business activity, the Group undertakes case-by-case due diligence by conducting spot checks and/or off-site checks of permits and licenses. In cases where during the check, the risks are recognised to be ineffectively addressed, a Corrective Action Plan (CAP) is developed with a specific deadline of implementation, which is agreed upon with the customer.

Exclusion List

The Group has incorporated into its Credit Policy a list of business activities that are excluded from financing; environmental, social, reputational and litigation factors are integrated in the Group's Credit Policy.

Environmental and Social factors

The Group does not provide credit facilities to companies operating in sectors included in the Exclusion List according to the ESMS, except for certain sectors where the Group's cumulative exposure does not exceed 5% of the total loan portfolio. For activities within environmentally protected regions (e.g., Natura 2000 Network), rigorous due diligence is applied.

Reputational and Litigation factors

The Group is particularly cautious in providing any type of credit facility to legal entities or individuals who are accused (based on reliable published information, reports, court cases) of environmental crime, money laundering, violation of human and labour rights, bribery, etc. In such cases, Bank officers must immediately inform the competent approval body and, if necessary, the Group Compliance Officer.

Financial and Technical Assessment of Green Projects in the Credit Policy

The Financial and Technical Assessment of Green Projects (e.g., solar panels, wind farms, biogas projects, small hydroelectric, self-generating and electrical storage, etc.) is part of the Group's Credit Policy since 2013. The Group assesses new projects, scrutinising the technology adopted, work components, infrastructure capacity, and expected utilisation rate, skills, and experience of the staff within the organisation implementing the project, etc. The licensing process is monitored throughout the investment, as per national legislation and European standards.

The Financial and Technical Assessment of project sustainability is also carried out at various stages of the project to ensure the continued and uninterrupted operation of the installed equipment and infrastructure, the expected utilisation, and the relevant conditions and estimates set initially. The assessment aims to prevent any operational failures and risks, to the benefit and protection of both the customer/investor and Piraeus Group. In 2022, the Group carried out a total of 2,422 assessments, of which 452 were related to new RES projects.

ESMS Questionnaire

The Group, in the context of its ESMS policy and in order to proceed with an initial screening of its customers' behaviour towards environmental and social matters, has produced a relevant questionnaire that requires information regarding customers' business activities. More specifically, the customers are invited to provide the following environmental information:

- significant accidents or incidents with significant environmental damage in the last two years;
- fines or penalties for non-compliance with environmental regulations;
- potential Health, Safety, & Environment (HSE) liabilities, such as those arising from land/groundwater contamination, related to the company's past/ongoing operations, or related to individuals or legal entities with dominant influence over the project/company from their past/ongoing operations; and
- location of the company/project (proximity) relative to environmentally sensitive areas.

In this context, Piraeus Bank plans to strengthen the holistic assessment and management of ESG risks, by continuing the incorporation of climate-related risks into the ESMS process. Specialised tools (Climabiz) are used for measuring climate adaptation and physical risk associated with each investment, as well as for the entire loan portfolio. In 2023, the process of creating a comprehensive classification system for environmental, social, and climate credit risks is expected to continue, facilitating the provision of finance to businesses for their timely and effective transition to a low-carbon economy.

Interbank ESG Risk Assessment Questionnaire

Further to the ESMS Questionnaire and process and considering the need for banks to obtain detailed and accurate ESG-related information from their counterparties, while avoiding unduly burdensome requirements, a collaborative initiative has been launched

by Greek banks to shape a common ESG Risk Assessment Questionnaire that will be disseminated to business counterparties and will be leveraged by each bank for credit assessment purposes.

The construction of this common ESG Risk Assessment Questionnaire is coordinated by the Hellenic Banking Association (HBA). The initiative also includes the design and implementation of an IT platform to host the common questionnaires.

The Interbank ESG Risk Assessment Questionnaire captures important environmental issues (physical and transition risks, pollution, waste disposal systems, etc.), social issues (human rights policies, labour practices, harassment, etc.) and governance issues. The content of the Interbank Questionnaire is aligned with relevant international standards, guidelines, and supervisory expectations, such as the ones included in the ECB's Guide on Climate-Related and Environmental Risks.

As a next step and upon the completion of the customers' assessment (through the ESMS Questionnaire and the Interbank ESG Risk Assessment Questionnaire), Piraeus Group will engage more actively with its customers, requesting targeted action plans to remediate issues, mitigate ESG-related risks, and support their transition to low-carbon operations.

Climate risk assessment of the Bank's business borrowers

The Bank estimates, through the Climabiz Tool, the climate-related risks of its business borrowers and supports their transition to a low-carbon economy.

The climate risk calculation is done in monetary terms (€) for businesses across different economic sectors that are mostly sensitive to climate change. The calculation methodology is based on the utilisation of three climatic Representative Concentration Pathways (RCP) scenarios of the IPCC (Intergovernmental Panel on Climate Change).

Economic sectors that are more likely to be physically impacted are, amongst others, agriculture, forestry, fisheries, human health, energy, transport and infrastructure, and tourism. Sectors that are likely to be more impacted by the transition to a low-carbon economy include energy, transport, manufacturing, services, construction, and agriculture.

The Climabiz Tool analyses for each economic sector and business borrower two main categories of climate risks and opportunities:

- **Physical risk:** The financial repercussions a company may have due to change of climatic conditions, owing to either longer-term shifts in climate patterns (chronic) or to the frequency and magnitude of extreme events (acute).
- **Transition risk:** The additional costs of a company due to its transition to a low carbon economy: reform of the regulatory framework, risks arising from technology developments, changes in market operating conditions/consumer preferences, etc.

Green Bond Framework

In 2021, Piraeus Group developed the Piraeus Group Green Bond Framework, under which it will issue green bonds and use the proceeds to finance the low-carbon economy transition in Greece. The Green Bond Framework will support the Group's ambition to align its business strategy with the needs of individuals and the goals of society, as depicted

in the SDGs and the Paris Climate Agreement. The Framework is based on principles and guidelines introduced by the Green Bond Principles of the International Capital Markets Association (ICMA) published in 2021.

The Framework defines eligibility criteria in three green areas:

- Renewable Energy
- Green Buildings
- Energy Efficiency

Exclusionary criteria have also been developed for the proceeds of Green Bonds, committing to not be involved in financing any of the following assets or activities: fossil fuel, weapons, gambling, tobacco, adult entertainment, predatory lending, and nuclear.

SELF-ASSESSMENT SUMMARY

Does the CEO or other C-suite officers have regular oversight over the implementation of the Principles through the bank’s governance system?

✓ **Yes**

No

Does the governance system entail structures to oversee PRB implementation (e.g. incl. impact analysis and target setting, actions to achieve these targets and processes of remedial action in the event targets/milestones are not achieved or unexpected neg. impacts are detected)?

✓ **Yes**


No

Does your bank have measures in place to promote a culture of sustainability among employees (as described in 5.2)?

✓ **Yes**

In progress

No



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

Principle 6

Transparency & Accountability

6.1 Assurance

Has this publicly disclosed information on your PRB commitments been assured by an independent assurer?

- ✓ Yes
- Partially
- No

If applicable, please include the link or description of the assurance statement.

**Independent Assurance Statement for
the 2023 Sustainability & Business Report**

**Piraeus – Principles for Responsible
Banking**

6.2 Reporting on other frameworks

Does your bank disclose sustainability information in any of the listed below standards and frameworks?

- ✓ GRI
- SASB
- ✓ CDP
- IFRS Sustainability Disclosure Standards (to be published)
- ✓ TCFD
- ✓ Other: UN Global Compact, ATHEX ESG

GRI

Piraeus discloses non-financial information in accordance with the Global Reporting Initiative Standards (GRI), which define a set of principles for organisations to prepare a complete report about their impacts on sustainable development.

**Sustainability & Business Report 2022,
p. 39, 43–44, 316–324**

**www.cdp.net/en: Piraeus 2022 CDP
submission is publicly available following log in**

Piraeus TCFD Recommendations

Piraeus 2022 TCFD Report

CDP

Piraeus reports its actions on climate change to CDP, since 2010. Progress on SBTi target setting was reported in the CDP questionnaire for the first time in 2023.

TCFD

Following the launch of the TCFD recommendations, Piraeus Bank conducted a SWOT analysis with a view to identifying future actions for optimal climate risk management. Piraeus publishes a standalone TCFD Report, since 2020.

Disclosures in accordance with the EU Taxonomy Regulation

The EU Taxonomy is a classification system establishing a list of environmentally sustainable economic activities. It was designed to play an important role for the EU to scale up sustainable investment and implement the European Green Deal.

The Disclosures Delegated Act that was adopted by the Commission in July 2021 supplements Article 8 of the EU Taxonomy Regulation, and specifies the content, methodology, and presentation of the information to be disclosed by both financial and non-financial undertakings. According to the Disclosures Delegation Act (Commission Delegated Regulation EU 2021/2178), starting from 2022 and onwards, Piraeus Group is required to disclose its EU Taxonomy eligibility ratio in its annual non-financial reporting. As at 31 December 2022, Piraeus Group reported a 26% eligibility ratio, compared to 22% as at 31 December 2021.

The Group aims to align its business objectives with the EU Taxonomy. Its sustainable finance proposition is to support customers with the sustainability transition, taking into account the requirements of the EU Taxonomy.

Pillar III Disclosures (December 2022)

Piraeus Group has introduced qualitative and quantitative ESG-related information under the dedicated section on Pillar III (Chapter 5). This is a key deliverable of Project Proteus and requires granular disclosures and key performance indicators, reflecting the quality of Banks' portfolios from a sustainability perspective, as well as the extent to which institutions are embedding sustainability aspects in their strategic, business and risk management processes.

6.3 Outlook

What are the next steps your bank will undertake in next 12 month-reporting period (particularly on impact analysis¹⁴, target setting¹⁵ and governance structure for implementing the PRB)?

Please describe briefly.

¹⁴ For example outlining plans for increasing the scope by including areas that have not yet been covered, or planned steps in terms of portfolio composition, context and performance measurement

¹⁵ For example outlining plans for baseline measurement, developing targets for (more) impact areas, setting interim targets, developing action plans etc.

Our aspirations and next steps

Piraeus's plans for next steps

- Closer monitoring of SBTi near-term targets and engagement with selected large clients where Piraeus has large exposures to assist or initiate their transition journey.
- Prepare for upgrading portfolios emissions targets for a 1.5° C pathway and setting specific sector targets.
- Finalising the first estimation of Piraeus's financing impacts and dependencies (use of ENCORE tool) on biodiversity.
- Finalise target setting for Financial Health & Inclusion, and set up the mechanism for monitoring progress on selected indicators.
- Finalise and launch the Energy Transition Plan, a commercial action plan, to support clean energy, energy efficiency, e-mobility, and sustainable agriculture.
- Pursue its ambition on energy transition: €5 billion finance stock by 2025 and over €8 billion including bonds issuance and in-house Mutual Funds.
- Embed new EU regulatory requirements (EU Taxonomy, CSRD, SFDR) into Piraeus's systems and build capacity.
- Reinforce internal culture on sustainability and transition through training.

Sustainability & Business Report 2022, p. 32, 35, 79–80, 89–90, 96, 105–107

Commitment to Financial Health & Inclusion – Summary Report, p. 33

Q1.23 Corporate Presentation, p. 62–70

H1.23 Corporate Presentation, p. 60–70

6.4 Challenges

Here is a short section to find out about challenges your bank is possibly facing regarding the implementation of the Principles for Responsible Banking. Your feedback will be helpful to contextualise the collective progress of PRB signatory banks.

What challenges have you prioritised to address when implementing the Principles for Responsible Banking?

Please choose what you consider the top three challenges your bank has prioritised to address in the last 12 months (optional question). If desired, you can elaborate on challenges and how you are tackling these:

- | | |
|---|-----------------------------------|
| ▪ Embedding PRB oversight into governance | ✓ Customer engagement |
| ▪ Gaining or maintaining momentum in the bank | ▪ Stakeholder engagement |
| ▪ Getting started: where to start and what to focus on in the beginning | ✓ Data availability |
| ▪ Conducting an impact analysis | ✓ Data quality |
| ▪ Assessing negative environmental and social impacts | ▪ Access to resources |
| ▪ Choosing the right performance measurement methodology/ies | ▪ Reporting |
| ▪ Setting targets | ▪ Assurance |
| | ▪ Prioritising actions internally |
| | ▪ Other: ... |

Independent Limited Assurance Report to the Management of Piraeus Financial Holdings S.A.

Scope of our work

Piraeus Financial Holdings S.A. (the “Piraeus” or “Client” or “Company” or “HoldCo” or “you” or “your”), has engaged us to perform independent limited assurance reporting in accordance with International Standard on Assurance Engagements (“ISAE”) 3000 (Revised), “Assurance Engagements Other than Audits or Reviews of Historical Financial Information”, issued by the International Auditing and Assurance Standards Board (“IAASB”) over the responses to principles:

- 2.1 Impact Analysis,
- 2.2 Target Setting,
- 2.3 Target Implementation and Monitoring and,
- 5.1 Governance Structure for Implementation of the Principles

(the “selected responses”) of Piraeus, which have been prepared by the Management of Piraeus, included within the Principle for Responsible Banking, 4th Reporting & Self-Assessment (the “4th Reporting and Self-Assessment Template” or the “PRB Report”) for the reporting period January 2022 – December 2022, based on the Principles for Responsible Banking Guidance Document, published by the United Nations Environment Program Finance Initiative (“UNEP FI”) in November 2021 and the Principles for Responsible Banking Reporting and Self -Assessment Template, published by UNEP FI in September 2022 and the basis of preparation presented on pages 11-43/82 & 61-66/82 of the PRB Report (collectively referred hereinafter as the “applicable criteria”).

Our assurance conclusion

Based on our procedures described in this report, and evidence we have obtained, nothing has come to our attention that causes us to believe that the selected responses on pages 11-43/82 & 61-66/82 of the 4th Reporting and Self -Assessment Template for the reporting period January 2022 – December 2022, are not prepared, in all material respects, in accordance with the applicable criteria.

Inherent limitations of the selected responses

- Where, under the scope of our engagement, financial information was used from the Annual Report 2022 and other published information of Piraeus our work was limited to check the accuracy of the transfer of the relevant information to the selected responses.
- Any internal control structure, no matter how effective, cannot eliminate the possibility that fraud, errors or irregularities may occur and remain undetected and because we use selective testing in our engagement, we cannot guarantee that errors or irregularities, if present, will be detected.

- We do not provide any assurance relating to future performance, such as estimates, expectations or targets, or their achievability.
- Our assurance services were limited to the English version of the selected responses. In the event of any inconsistency between the English and Greek versions, as far as our conclusions are concerned, the English version of the selected responses prevails.
- Our assurance procedures did not include testing the Information Technology systems from which data was extracted and aggregated by Piraeus or third parties for the selected responses.

Management responsibilities

The Management of Piraeus is responsible for the preparation of the 4th Reporting and Self-Assessment Template, which complies with the requirements of the applicable criteria and for being satisfied that the selected responses, taken as a whole, is fair, balanced, and understandable.

The Management of Piraeus is also responsible for:

- Preparing, measuring, presenting and reporting the information within the PRB Report.
- Designing, implementing, and maintaining internal processes and controls over information relevant to the preparation of the PRB Report to ensure that they are free from material misstatement, including whether due to fraud or error.
- Providing sufficient access and making available all necessary records, correspondence, information and explanations to allow the successful completion of our work.
- Confirming to Deloitte through written representations that Piraeus has provided Deloitte with all information relevant to our work of which Piraeus is aware.

Deloitte's responsibilities

Deloitte is responsible for:

- Planning and performing procedures to obtain sufficient appropriate evidence in order to express an independent limited assurance conclusion on the selected responses included in the PRB Report.
- Communicating matters that may be relevant to the selected responses to the Management of Piraeus including identified or suspected non-compliance with laws and regulations, fraud or suspected fraud, and bias in the preparation of the selected responses.
- Reporting our conclusion in the form of an independent limited Assurance report to the Management of Piraeus.

Our independence and competence

In conducting our engagement, we complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including international independence standards) related to assurance engagements issued by the

International Ethics Standards Board. This code is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. The fundamental principles of ethics establish the standard of behavior expected of a professional accountant.

Deloitte applies International Standard on Quality Management (“ISQM”) 1 and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Key procedures

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the description of activities undertaken in respect of the PRB Report is likely to arise. Our procedures were informed by the Guidance for assurance providers – Providing Limited Assurance for Reporting – Version 2 (October 2022) published by the UNEP FI in November 2022. These procedures do not necessarily obtain the confidence level as outlined by UNEP FI’s Guidance for assurance providers, but rather what is normally obtained by a practitioner in a limited assurance engagement under ISAE 3000 (Revised). The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the description of activities undertaken in respect of the selected responses we performed the following procedures:

- Through inquiries of management, obtained an understanding of Piraeus, its environment, the processes and information systems relevant to the preparation of the selected responses to identify areas where material misstatements of the subject matter information are likely to arise and to obtain limited assurance to support an inclusion;
- Conducted interviews with personnel of Piraeus to understand the processes and control activities for measuring, reporting, and presenting information in the PRB Report, in accordance with the applicable criteria;
- Performed inquiries with personnel of Piraeus, obtained and reviewed supporting evidence to assess whether disclosures within the selected responses in the PRB Report reflect the Piraeus’ assessment of the stage of implementation of the Principles;
- In respect of Principle 2.1 (Impact Analysis), based on inquiries made with personnel of Piraeus and information obtained and reviewed that Piraeus’ business areas and scope are clearly described, checked the portfolio composition to management information and checked that the challenges and priorities have been analyzed. Furthermore, we checked that Piraeus has disclosed the method for determining its impact areas and has selected what was determined as the two most significant areas of impact.
- In respect of Principle 2.2 (Target Setting), based on inquiries made with personnel of Piraeus and information obtained and reviewed, checked that Piraeus sets targets for the two significant impact areas [Climate stability/Financial Health & Inclusion, focusing on Healthy economies and Flourishing Micro, Small and Medium-Sized Enterprises (“MSMEs”)] and that the targets are linked to that impact areas.

Finally, we checked that the targets are Specific, Measurable, Achievable, Relevant and Time-bound;

- In respect of Principle 2.3 (Target Implementation and Monitoring), based on inquiries made with personnel of Piraeus, obtained and reviewed supporting evidence to assess whether disclosures within the selected responses in the PRB Report reflect the Piraeus' assessment of the stage of implementation of the Principle;
- In respect of Principle 5.1 (Governance Structure for Implementation of the Principles), based on inquiries made with personnel of Piraeus and information obtained and reviewed, we checked the consistency of the disclosures against supporting evidence and that the structure is in line with existing governance structures as defined by Piraeus.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Use of our report

This report is made solely to Management of Piraeus in accordance with ISAE 3000 (Revised) and our agreed terms of engagement. Our work has been undertaken so that we might state to the Management of Piraeus those matters we have agreed to state to them in this report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Piraeus and the Management of Piraeus as a body, for our work, for this report, or for the conclusions we have formed.

Athens, 08 December 2023

The Certified Public Accountant

Konstantinos Kakoliris

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