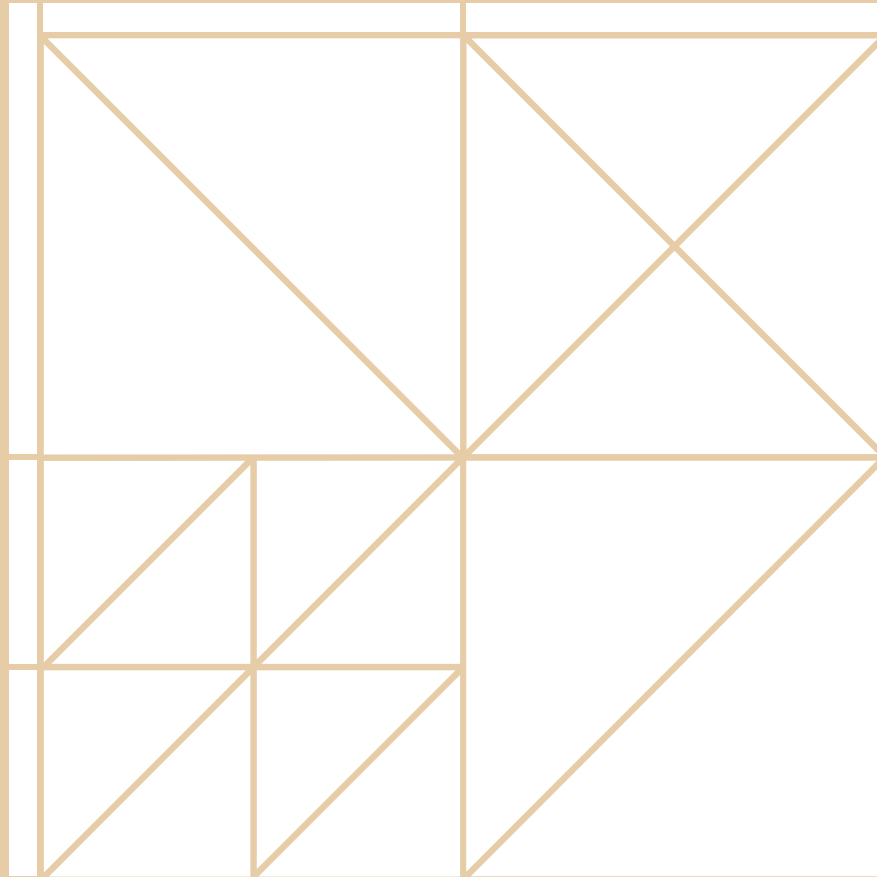
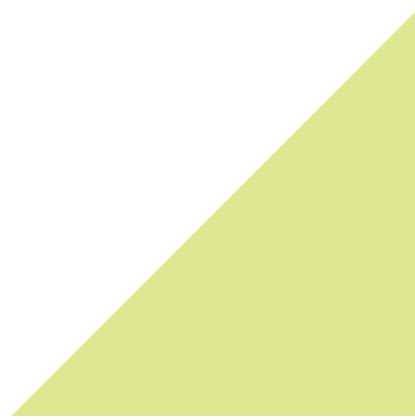
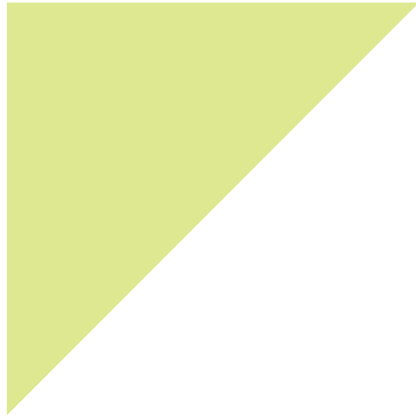


Sustainability & Business Report 2020



Sustainability
& Business Report 2020







SUSTAINABILITY & BUSINESS REPORT 2020



www.piraeusholdings.gr/annual-report

The collection and presentation of the content in the Sustainability & Business Report 2020 are the product of the work of all units of Piraeus Bank and the Group's subsidiaries.

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Piraeus Bank seeks a meaningful dialogue process with stakeholders and is aware that their feedback on the presentation of the financial and non-financial data improves their reporting. We look forward to new impulses and your opinion.

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The Sustainability & Business Report 2020 of Piraeus Bank was printed on Munken Lynx Rough obtained by environmentally-friendly processes.

The Sustainability & Business Report 2020 of Piraeus Bank is available online at:
www.piraeusholdings.gr/annual-report

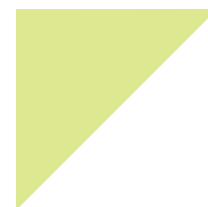


FSC® (Forest Stewardship Council®), Forest Stewardship Council. Its mission is to promote environmentally responsible, socially beneficial and economically viable management of the world's forests.

Tomorrow's opportunities are shaped by today's challenges. We explore, we envision, we contemplate, we judge and we decide. Today's insights and creativity releases energy and builds a better tomorrow.

In 2020, Piraeus Bank transformed and took on the role of the leader in the banking sector adopting a new operating model. Transcending the narrow confines of a financial institution it moves towards assuming a more active, socially and environmentally responsible role.

Piraeus Bank was the only greek bank that participated in the creation of the global Principles for Responsible Banking; today it leads in implementing them. In this way, it paves the way for a sustainable and better future for all.





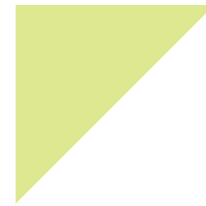
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CHAIRMAN'S NOTE



During 2020 the Covid-19 pandemic was the dominant factor of health, economic and social footprint on a global scale.

This also applied to the Greek economy, as the pandemic has halted its economic recovery and tested its resilience. The GDP of our country decreased by approximately 8%, in 2020 due to the constraints on economic activity, driven by the decline in private consumption, tourism and exports.

In an environment of rising uncertainty, economic growth forecasts are difficult. The gradual return to growth which is the basic scenario from 2021 onwards will be a function of the development of epidemiological data and vaccination programmes at both national and international level. However, despite the risks surrounding the post-pandemic path to economic recovery, the prospects for a return of the Greek economy to normalcy are positive.

At the same time the pandemic has led to positive structural reforms

of great significance. For example the use of technology has accelerated, while leaps and bounds have been made in public administration. Widely accepted initiatives have also been developed, particularly in the fields of health care and education. The use of Next Generation EU funding, the facilities and programmes set up to strengthen the affected sectors of the economy, shortly after the outbreak of the pandemic, are examples of opportunities for a substantial transformation, so that Greece embarks on a significant growth path the forthcoming period based on a new growth model.

Greek banks have a major role to play in this transition, as key arm of the Greek economy, and are already participating in the European programmes and funding mechanisms, providing access to liquidity for many of their customers, standing by their side and responding to their needs. The transformation of the Greek economy is an opportunity and primarily a precondition for the future, and Piraeus Group takes the lead in supporting it.

Piraeus Bank has achieved full operational readiness and continues to

provide its services to 5.5 million customers, with a vision for the next day. Its strong and flexible management structure, its effective corporate governance and transparency mitigate the severe economic shocks.

With the active participation of our employees, we have developed corporate values that support our vision and shape our culture. We engage in open and honest dialogue with our customers to provide them with the best services and solutions to deal with the current difficulties, especially due to the pandemic.

We aim to boost investments that support productivity and employment in fields that are key to a sustainable future across Europe, such as digital transformation, innovation processes in the agri-food sector, infrastructure, sustainable forms of financing, alternative energy and energy storage, innovation and biodiversity protection.

We provide comprehensive support to Greek companies to invest in “clean” technologies through specialised financial tools and advisory services.

Piraeus Bank will continue to pursue sound corporate governance, to implement an effective capital-management strategy, sound liquidity and decisive risk management, for the benefit of its customers, employees, shareholders, and society at large.

Towards this direction, Piraeus Bank was the first Greek bank to embrace the UNEP FI initiative, and was a founding signatory of the United Nations Principles for Responsible Banking along with 29 other banks from around the world.

At Piraeus Bank we recognise the importance and integrate environmental, social and governance (ESG) considerations in our strategic goals and day-to-day business decisions. To this end, we monitor in a continuous basis relevant EU initiatives and adapt our services and operations, adopting international standards for financial market participants, with a view to addressing potential adverse impacts on sustainability, promoting environmental or social considerations and leading to more long-term investments in sustainable economic activities and projects.

Piraeus Bank's strategy includes targets on ESG-related activities, proving our commitment to integrate ESG factors into our business and financial decisions.

In this context our priorities harmonise:

- The Group's business decisions with the Sustainable Development Goals, the objectives of the Paris Agreement

on Climate Change and the Principles for Responsible Banking.

- The Group's values and the creation of a culture that strengthens the role of all our employees in achieving the ESG principles.
- The programmes, collaborations, initiatives and financial instruments that reduce the Group's environmental footprint, promote the transition to Renewable Energy Sources, advocate for responsible investments and strengthen social cohesion by supporting local communities.
- The Group actions that enhance transparency, meritocracy and responsibility and increase its extroversion, providing equal opportunities for all.
- The development and support of activities related to all sectors of cultural creation, with programmes and actions that promote Culture, History, intellectual creation, that preserve and promote the Greek cultural heritage.
- The strengthening of initiatives and actions contributing to society and supporting vulnerable social groups, the new generation and entrepreneurship, the creation of equal opportunities for all, but also the support of the Greek National Health System in the fight against the Covid-19 pandemic.

Our vision is to be a trusted partner for all internal and external stakeholders, making Piraeus Bank a pioneer in the transition to sustainable financing.

The Sustainability & Business Report covers core activities in Piraeus Bank for 2020, and provides an overview of our corporate responsibility principles, our actions and initiatives undertaken in 2020 and our future goals, in accordance with the Global Reporting Initiative, which sets out a framework of guidelines that facilitates publicising and communicating sustainable development issues for the Bank and its stakeholders.

The Report has been reviewed by an independent third party, which demonstrates our commitment to transparency in reporting and ongoing alignment with international best practices.

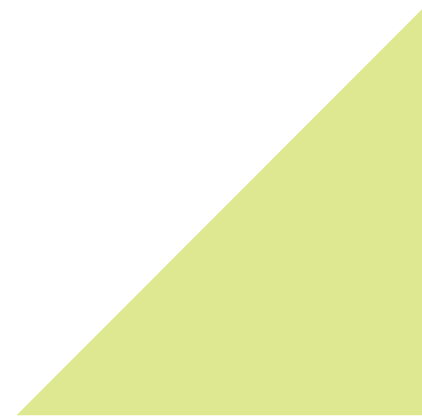
For Piraeus Group and for our employees the transition to recovery and sustainability is the greatest challenge ahead, after a long and difficult period.

Having already proven that the financial sector has fully embraced new technology, a dynamic is generated in which banks have an important role to play in creating sustainable value for everyone.

I remain optimistic that Greek companies and households will successfully face the economic impact of the Covid-19 pandemic and 2021 will mark the strong recovery of the Greek economy, with Piraeus Bank making a decisive contribution and playing a leading role.



George Handjinicolaou
Chairman of the Board of Directors



CEO'S NOTE



In 2020, despite the growth dynamics observed in the first two months of the year, the Greek economy's momentum was affected by the conditions and high level of uncertainty caused by the rapid spread of the global Covid-19 pandemic. In 2020, GDP decreased by 8% because of the Covid-19 pandemic.

However, the change in GDP in the first quarter of 2021 compared to the last quarter of 2020 recorded a clear improvement, recording a quarterly increase of 4.4%.

This, in combination with the gradual recovery of economic activity to continue in the second quarter of 2021, show that the Greek economy is finding its pace again.

Throughout this period, we managed to navigate several headwinds, achieving significant milestones that set the foundation for the future strategic planning of Piraeus Bank.

The Bank's strong financial performance was underpinned by new

loan disbursements of €6.3 billion in 2020 and the resilience of core organic revenues. At the same time the liquidity profile of Piraeus Bank has been consistently improving in recent years. Group deposits increased to €49.6 billion at the end of 2020, increasing 5% year-on-year. Private sector deposits increased by €5 billion in 2020, with an improvement across all customer segments.

Group's gross loans before impairments and adjustments amounted to €49.5 billion at the end of December 2020, while net loans amounted to €39.6 billion. The Bank's domestic performing loan book increased by €1.5 billion in 2020, with business lending the driving factor. Use of credit guarantee schemes to support customers affected by the pandemic amounted to €1.7 billion, in 2020 and to €0.5 billion the first half of 2021, as the Group played an active role in executing the Greek State's financing programmes, providing guarantees and interest rate subsidies. Within the framework of the sub-programme of the Hellenic Development Bank "Covid-19 Busi-

ness Guarantee Fund” to finance SMEs and large corporates with working capital loans, €1.6 billion was allocated to Piraeus Bank. At the same time, the Bank was allocated €0.6 billion as part of the programme run by the Greek Ministry of Development and Investments for a two-year interest subsidy on new financing to SMEs affected by the pandemic. In addition, the “Gefyra 1” (Bridge) programme by the Greek Ministry of Finance for subsidising loans with a primary residence mortgage received a total of more than 160 thousand applications and has entered the implementation phase. Piraeus Bank applications stand at approximately 40 thousand, with balances to receive support expected to reach approximately €1.3 billion. In the “Gefyra 2” program for business loans, for which the application period ended in the end of May 2021, we also received about 30 thousand requests for balances close to €3 billion.

In relation to our internal operations, in 2020 we achieved further reduction of operating costs and enhanced efficiency, thanks to our transformation plan. In 2020 operating expenses amounted to €891 million, down 7% yoy on a like-for-like basis. The like-for-like cost-to-income ratio stood at 47% vs 53% in 2019.

NII plus NFI minus recurring OpEx in 2020 stood at €865 million, up 12% yoy, reflecting the strength of the Bank’s core franchise. This increase shows the growth potential for Piraeus Bank as soon as the economy picks up. Like-for-like pre provision income reached €1,001 million in 2020 compared to €860 million in 2019, an increase of 16% yoy.

Group’s pre-tax losses in 2020 stood at a €530 million compared to a profit of €389 million in 2019. Adjusting for one-off restructuring staff costs and impairments related to Covid-19 and the preparation of the strategic plan of the NPE clean-up implemented during 2021 the Group has booked in 2020 a pre-tax profit of €312 million from its recurring operating lines, against a recurring pre-tax profit of €74 million in 2019. Group net results in 2020 stood at a loss of €668 million, compared to €276 million net profit in 2019.

Special reference should be made to the significant efforts that we – the Management of Piraeus Financial Holdings – have made to identify and develop in-depth corporate actions, which will drastically clean-up our balance sheet, transform our profit prospects and ensure that Piraeus Bank has a solid capital base.

We have decided to step up and speed up our efforts to clean up our balance sheet, a plan that we have been consistently implementing in recent years. This step will allow us to focus on our core operations, the financing of the Greek economy.

This objective is incorporated in the new strategic plan “Sunrise”, which we announced to the investing public and all stakeholders on 16 March 2021. The “Sunrise” plan consists of 3 key pillars to accelerate strategic transformation towards a clean, de-risked and highly profitable Bank, focused on sustainable profitable growth.

Pillar I refers to the acceleration of NPE reduction to reach a single-digit NPE ratio in the next 12 months. In this direction, we derecognize the second quarter of 2021 €7 billion NPEs from the Vega & Phoenix securitizations, while we recently announced another important step in accelerating our plan, the agreement for the sale of the NPEs securitization “Sunrise 1” of an additional €7 billion.

The contribution of the “Hercules” program through which the securitizations of the Sunrise plan are implemented is really decisive and provides the possibility of carrying out these transactions with speed and reliability.

Special mention should be made of our movements during the first half of 2021 months and the significant effort in order to achieve the ambitious goals of the strategic plan “Sunrise”.

We have already successfully completed the increase of the share capital of Piraeus Financial Holdings by €1.4 billion at the end of April, and the issuance of a hybrid title Additional Tier 1 amounting to €0.6 billion at the beginning of June 2021.

The wide participation by institutional investors in both corporate operations and now in the Bank’s equity ensure its private and international character.

At the same time, it is evidence that the clean-up effort and growth strategy that we have been implementing consistently in recent years, despite the unfavourable conditions of the external environment, is recognised as reliable.

In combination with the above, we have undertaken additional actions with a total positive impact of €1 billion on our capital, which have either been completed or are already in progress.

In particular, a) profits of €0.4 billion from the government bond portfolio have already been recorded in the first quarter of 2021, b) €0.3 billion profits from the sale of the card acceptance activity have been launched following the signing of the agreement with Euronet Worldwide in March 2021, and c) €0.3 billion from synthetic securitizations of selected serviced loan portfolios is in the process of implementation within 2021 with the €0.1 billion already completed.

Let me emphasize that the last two transactions, that of the cards, as well as the first synthetic securitization of serviced loan portfolios are the first transactions of their kind for the Greek banking market, a fact that advocates that the management of Piraeus Bank seeks solutions and is a pioneer.

Last, the third pillar of the strategic plan Sunrise refers to a detailed transformation plan for Piraeus Bank to enhance pre-provision income through a combination of top-line strengthening and a reduction in operating costs, along with efficiency improvements and digitization.

The Sunrise plan is vital to achieving our goal for NPE resolution and to transforming the Bank into a clean, efficient and highly profitable Bank for the benefit of our customers, creating attractive returns for our shareholders and at the same time creating sustainable value for society as a whole.

We have drawn up a detailed plan and we firmly believe that our goals are achievable.

This plan envisages an increase in pre-provision income by about 15% by 2024, due to increased operating income from new healthy business, upgraded product offer, improved operational efficiency, the radical transformation of the cost base with emphasis on digitization. The cumulative effect and contribution to pre-provision income is estimated at circa €1.1 billion on a recurring basis in the medium term.

The above result in combination with the clean-up of the balance sheet and with the de-escalated provision expense and the reduced cost for servicing NPEs are expected to bring direct returns to the shareholders that will be in double digits in the medium term.

We remain more committed than ever to achieving our goals.

In this direction we move towards Sustainable Banking and create the internal infrastructure, policies and strategies, including Environmental, Social and Governance (ESG) criteria in our operations. This choice allows for better collaboration with our customers and investors, directing them to long-term and sustainable investments and reducing the environmental footprint of our portfolio.

We identify the sectors of the economy in which the Bank can have the greatest positive impact and we design products and services with ESG criteria to support investments in projects that reduce the

impact of climate change and have a positive effect for society.

A concrete example of the above is one of the most important international initiatives in the field of promoting sustainable development: the UNEP FI Principles for Responsible Banking, for the creation of which we participated from the very beginning together with 29 banks from around the world.

The Principles for Responsible Banking constitute the first global framework for banks to incorporate sustainable development across all areas of business, from strategy to portfolio management and transactions.

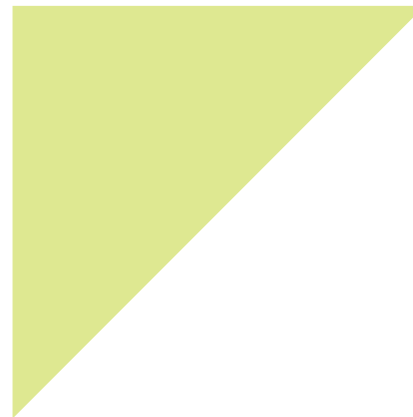
At Piraeus Bank we recognise the importance of ESG criteria in our strategic roadmap, our goals and our daily business decisions, we move across four pillars:

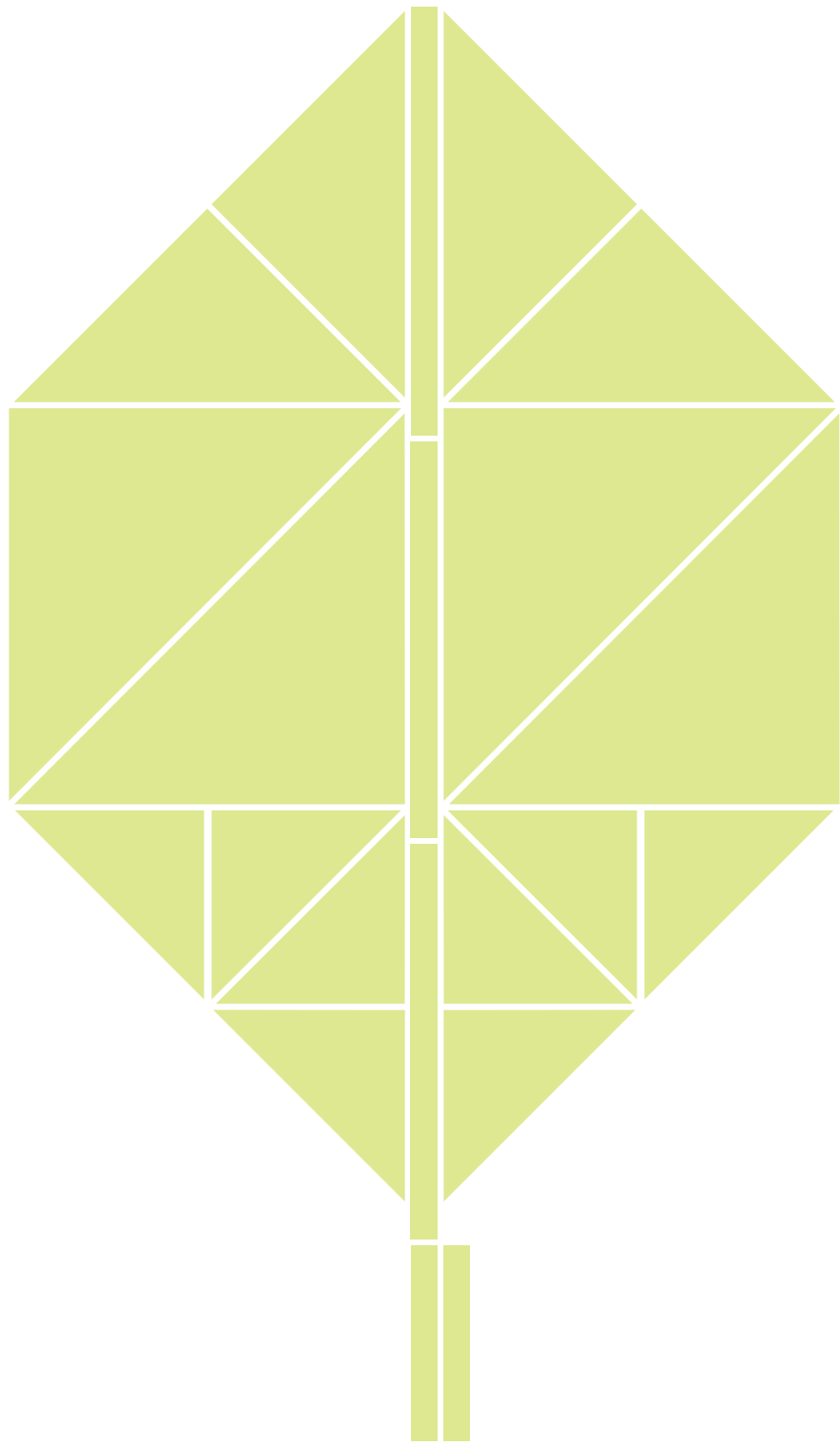
- Implementation of the Group values and creation of a culture that strengthens the role of our employees and customers in understanding the concepts of sustainability and sustainable development, to achieve our ESG goals.
- Measuring the Bank's ESG performance against clear and transparent ESG targets.
- Programmes, partnerships, and promotion of new innovative products in areas that contribute to sustainable development, advocate for responsible investments through the conservation and proper use of natural resources, alignment with the National Energy and Climate Plan, while strengthening social cohesion by supporting local economies.
- Communicating the Bank's various initiatives regarding our environmental footprint, from our operations and funding, social contribution, volunteering, our actions to enhance diversity, the empowerment of women and their contribution to the economy, business and society, and to retain talent in our organization.

What the pandemic has taught us is that we have the ability, we have the manpower, we have the will and we have the solutions. We do not rest on our laurels and we move on to the next day, for the benefit of our customers, our shareholders, and our people.

A handwritten signature in black ink, appearing to read 'Christos Megalou', is written over a thin black diagonal line that starts from the bottom left and extends towards the top right.

Christos Megalou
Chief Executive Officer





INDEPENDENT ASSURANCE STATEMENT

Deloitte.

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TO THE MANAGEMENT OF PIRAEUS FINANCIAL HOLDINGS SA

The Sustainability & Business Report 2020 (“the Report”) of Piraeus Bank SA (“the Bank”) has been prepared by the Piraeus Financial Holdings SA (“the Company”) and the Bank’s Management (collectively referred to as “Piraeus”), based on GRI Sustainability Reporting Standards (GRI Standards), which is responsible for the collection and presentation of the information contained therein. Our responsibility is limited in carrying out a limited assurance engagement on specific scope of the Report, with the exception of the Materiality Principle application for which we provide reasonable assurance.

SCOPE OF WORK

- The provision of limited assurance on the accuracy and completeness of quantitative data and the rea-

sonability of statements related to the GRI General Disclosures that are required as a minimum prerequisite for the “In accordance core” option, according to the GRI 102 Standard.

- The provision of limited assurance on the accuracy and completeness of quantitative data and the reasonability of statements that correspond to the twelve (12) most material topics, as resulted from Piraeus’ materiality analysis, against the requirements of the respective GRI Standards for the Specific Disclosures and the requirements of GRI 103 Standard “Management Approach”.
- The provision of limited assurance on the Report’s “In accordance core” adherence against the GRI Stand-

ards' requirements.

- The provision of reasonable assurance on the accuracy and completeness of quantitative data and the reasonability of statements regarding the application of the Materiality Principle, according to the requirements of the GRI 101 Standard.

The GRI General and Specific Disclosures, under the scope of our engagement, are indicated in the Report's GRI Content Index, found on pages 279-297.

We performed assurance services in accordance with the provisions of "International Standard on Assurance Engagements ISAE 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information" ("ISAE 3000"), issued by the International Auditing and Assurance Standards Board (IAASB). Our procedures for collecting evidence were designed in order to obtain a limited level of assurance, with the exception of the application of the Materiality Principle for which the procedures for collecting evidence were designed in order to obtain a reasonable level of assurance. The procedures in a limited assurance engagement in accordance with ISAE 3000, vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained, had a reasonable assurance engagement been performed.

OUR KEY ASSURANCE PROCEDURES

In order to form our conclusions, we undertook the following procedures:

- Reviewed Piraeus' processes for identifying and determining material topics to be included in the Report and the coverage of these material topics within the Report. Also, we performed media review for topics relevant to the Bank regarding issues of corporate responsibility and sustainable development, review of Sustainability Reports of selected peers and we compared the results from media and peers' review with the material topics identified by the Bank;

- Reviewed the accuracy and completeness of quantitative data related to the results from the materiality analysis conducted by Piraeus, as presented in the Report's materiality map, and the reasonability of statements that pertain to the application of the Materiality Principle;
- Reviewed Piraeus' stakeholder engagement process through, among others, our presence during relevant discussion with focus groups;
- Performed interviews with personnel of Piraeus responsible for managing, collecting and processing data relating to the GRI General and Specific Disclosures, under the scope of our engagement, in order to obtain an understanding of the processes applied for the preparation of the relevant Disclosures of the Report;
- Performed analytical review procedures on the quantitative data related to the GRI General and Specific Disclosures, under the scope of our engagement, and made pertinent inquiries with responsible personnel. In addition, we tested, on a sample basis, the accuracy of the quantitative data against corresponding supporting documentation;
- Performed interviews with the relevant personnel in order to obtain an understanding of Piraeus' corporate responsibility and sustainable development policies and activities for the period 1 January 2020 – 31 December 2020 and the statements related to the GRI General and Specific Disclosures, under the scope of our engagement. We also assessed the reasonability of the statements related to the GRI General and Specific Disclosures, under the scope of our engagement, by obtaining for a sample of statements, corresponding supporting documentation;
- Reviewed the Report for the appropriate presentation of the GRI General and Specific Disclosures, under the

scope of our engagement, including discussions with the relevant personnel about limitations and assumptions relating to the way these data are presented;

- Reviewed the GRI Content Index found on pages 279-297 of the Report, as well as the relevant references included therein, against the GRI Standards' requirements for the "In accordance core" option.

LIMITATIONS

- Our assurance services were limited to the electronic version of the Report.
- Our assurance services were limited to the Greek version of the Report. In the event of any inconsistency between the English and Greek versions, as far as our conclusions are concerned, the Greek version prevails.
- Where, under the scope of our engagement, financial information was used from the Annual Financial Report 2020 and other published information of the Bank and the Company, our work was limited to check the accuracy of the transfer of the relevant information to the Report.
- Our assurance procedures did not include testing the Information Technology systems from which data was extracted and aggregated by Piraeus for the Report.
- The scope of our work did not include any procedures on the accuracy of the survey results assigned to third parties, nor Information Technology systems used by third parties, but was instead limited to the proper transposition of the final results to the Report.
- We do not provide any assurance relating to future performance, such as estimates, expectations or targets, or their achievability.

OUR INDEPENDENCE AND QUALITY CONTROL

- Deloitte applies International Standard on Quality

Control 1 (ISQC 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.

- We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. We have maintained our independence and objectivity and, in particular, there were no events or prohibited services provided which could impair our independence and objectivity.

ROLES AND RESPONSIBILITIES

PIRAEUS

Piraeus' Management is responsible for the preparation of the Report and for the information and statements contained therein. In addition, Piraeus' Management is responsible for establishing and maintaining appropriate performance management and internal control systems used for the production of the reported information.

DELOITTE

Our responsibility is to independently express our conclusion to Piraeus' Management in relation to the assurance services defined in the Scope of Work above, in accordance with our letter of engagement. Our work has been undertaken in order to inform Piraeus' Management on the results of the assurance engagement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Piraeus for our work, for this statement or for the conclusions we have reached.

OUR CONCLUSIONS

Based on the procedures performed and evidence obtained, nothing

INDEPENDENT ASSURANCE STATEMENT

has come to our attention that causes us to believe that the GRI General and Specific Disclosures, under the scope of our engagement, are materially misstated.

In addition, nothing has come to our attention that causes us to believe that the Report does not meet the GRI Standards' requirements of the "In accordance core" option.

In our opinion, the Report has been prepared by applying reasonably, in all material respects, the Materiality Principle, according to the requirements of the GRI 101 Standard.

Athens, 28 July 2021

Dimitris Katsibokis

Reg. No. SOEL: 34671

Deloitte Certified Public Accountants SA

3a Fragoklissias & Granikou Str.

151 25 Maroussi

Reg. No. SOEL: E120

VISION & VALUES OUTLOOK & TARGETS



VISION AND VALUES

The purpose of Piraeus Group is to be a pillar of stability for the Greek economy, to support growth and innovation. Its imprint on society to be positive and lasting, with benefits for customers, employees, investors and society as a whole, in full accordance with the values of the Group.

The values governing the operation of Piraeus Bank are accountability, meritocracy and transparency, geared towards providing the best possible value for all stakeholders.

These values run through the organisation from the top of the hierarchy to its base, to ensure better communication, maximum quality of service, absolute transparency of transactions and a sense of confidence in both the present and the future.

Thus, we express in practice our will to:

- Create value.
- Challenge the frontiers.

- Enthuse our customers.
- Build relationships of trust.

As the country grapples with unprecedented levels of uncertainty, business continuity and continued support for customers affected by the Covid-19 pandemic have become of paramount importance for Piraeus Group.

The progress made on the vaccination front, combined with the “opening” of many social and economic activities and the coordinated efforts of the state to support those affected, create the conditions that will soon lead to the restart of the economy and the return to normalcy in Greece.

In this very positive circumstance, Piraeus Group is at a new starting point, turning the page and establishing reliable and strong prospects for its future.

Both the share capital increase as well as the issue of Additional Tier 1 the largest cumulative capital raise –€2 billion– in Europe in the last four years, were successfully completed during the first half of 2021 representing a milestone both for the journey of Piraeus Bank towards robust profitability and for the return of the Greek economy to a sustainable growth trajectory. The significant demand from large international institutional investors, many of whom return to the Greek market after a long time, is a vote of confidence for the Greek economy.

OUTLOOK AND TARGETS 2021

As the Greek economy emerges from the restrictive measures of Covid-19, prospects for economic recovery are improving. Piraeus Bank is implementing its “Sunrise Plan” to support the expected growth in investments from the second half of 2021 onwards, and the ensuing economic recovery.

Although in the first half of 2021 economic conditions are still affected by the same uncertainties we faced during the last year, growth is expected to be stronger in the second half of the year, with further acceleration in 2022, taking into account the capital inflows expected from the Recovery and Sustainability Fund.

An effective, international and domestic vaccination campaign is crucial to removing mobility restrictions on a sustainable basis and allowing the hardest hit sectors of the economy to return to full normalcy.

A possible prolongation of the health crisis could cause adverse developments in international, European and domestic economic activity and delay the expected economic recovery.

It is understandable that the Greek economy has experienced a significant de-investment since the onset of the domestic crisis a decade ago.

That is why the Next Generation EU program is vital to fill the accumulated investment gap, so that Greece can return to truly sustainable growth.

Next Generation EU support for the Greek economy is equivalent to an additional contribution to GDP growth that will range from 1.5% to 2.5% per year.

We all understand the key role that Piraeus Bank and the other systemic banks of the country play in order for these funds to be directed to sustainable investment projects and to take advantage of the above opportunity through investment financing and attracting resources from the private sector.

Piraeus Bank is expected to play a vital role in making 2021 the year for the restart of the economy. Despite the challenges associated with the Covid-19 pandemic, Piraeus Bank’s operational progress to date exceeds “the Sunrise Plan’s” initial forecasts. Loan disbursements in the first six months of the year amount to €3 billion, with a target of more than €5.5 billion for the whole year.

We are able to support this expected economic growth, providing substantial support to Greek companies, but also to retail customers and professionals.

For the period 2021-2024 we aim to disburse more than €25 billion in new loans to our customers, a move that represents a net credit expansion of approximately €10 billion.

In parallel with our financial performance, at Piraeus Bank we systematically move forward in the axis of Sustainable Banking and create the infrastructure, policies and strategies, including Environmental, Social and Corporate Governance criteria, known as ESG criteria in our operations.

This strategy allows for better cooperation with the Bank’s customers and investors in order to seek long-term and sustainable investments and to reduce the environmental footprint of the Bank’s portfolio.

According to the Financial Times Piraeus Bank is the only Greek bank among the top 300 companies in Europe, in terms of climate change management initiatives and activities. Additional tangible results are expected building on the success achieved: Piraeus Bank won another honorary distinction from the EBRD, the Gold Award in the “Financial Intermediaries” category for its performance in the areas of ESG and sustainable banking.

Aligning our business goals with social progress and the harmonisation of relations with society, the protection of the environment and the support of business activities that produce environmental, social, and economic benefits, is a central strategic pursuit of the Bank.

We are moving forward dynamically to the next day, which will be a day of success and reward for the tireless efforts and hard work of everyone at Piraeus Bank.

2020 AT A GLANCE



2020 was a year of significant progress for Piraeus Group, as it moved towards its aim to de-risk its balance sheet and return to sustainable profitability and returns. On 30 December 2020, the core banking business of Piraeus Bank SA was demerged, by way of hive-down, and was transferred to a newly established credit institution, incorporated under the corporate name “Piraeus Bank Société Anonyme” (“Piraeus Bank” or the “Bank”). Piraeus Bank and its subsidiaries constitute the Piraeus Bank Group.

The non-banking activities were maintained in the parent company, which developed into a holding company and remains listed on the Athens Stock Exchange (ATHEX), under the name Piraeus Financial Holdings SA (the “Company”).

The Company is the parent company of the credit institution under the name “Piraeus Bank Societe Anonyme” and the direct or indirect holding company for all other companies that, prior to the demerger, formed the group, comprising the new Piraeus Financial Holdings Group (the “Group” or “Piraeus” or “Piraeus Group”).

The most important corporate events for the Group during 2020 are the following:

On 3 February 2020, the Group, building on the successful completion of its “Agenda 2020” strategy, affirmed its commitment to “Agenda 2023” with the following aspirations:

- De-risking: the Group will decisively continue de-risking its balance sheet, while stepping up the pace with its strategic direction towards a single-digit NPE ratio.
- Simplification: the Group will maximise resource efficiency, through a simplified organisational structure, further operational cost rationalisation measures, and further optimisation and automation of internal processes.

On 19 February 2020, the Group successfully issued a €500 million Tier 2 bond to institutional investors at an annual fixed coupon rate of 5.50% for the first 5 years, with a one-time reset thereafter, at the prevailing 5-year mid-swap rate, and a credit spread of 577.4 basis points. The bond has a maturity of 10 years, an embedded issuer call option after 5 years (10NC5) and is listed on the Luxembourg Stock Exchange. The final order book was in excess of €4 billion, with interest from more than 350 investors.

On 27 February 2020, the Group activated a plan in cooperation with the National Public Health Organisation (EODY) to address Covid-19 pandemic-related issues. Following the relevant protocol, the Group set in motion its Business Continuity Plan, taking proactive measures which included the segregation of the Bank's critical units, avoiding or reducing physical presence at meetings, and activating remote access office capabilities for critical personnel.

On 6 March 2020, the Group was notified of the decision by the ECB to repeal the limits imposed on its exposure to Hellenic Republic risk, imposed in 2015. Following this decision, the Group increased its position in Greek sovereign debt to €5.1 billion as at 31 December 2020, from €1.6 billion at 31 December 2019.

On 12 March 2020, the ECB banking supervision announced measures that allow banks to operate temporarily below the level of capital defined by the Pillar 2 Guidance (P2G) and the capital conservation buffer (CCB). In addition, banks will also be allowed to partially use capital instruments that do not qualify as Common Equity Tier 1 (CET1) capital, for example Additional Tier 1 or Tier 2 instruments, to meet the Pillar 2 Requirements (P2R).

On 20 March 2020, the ECB banking supervision announced further measures to ensure that its directly supervised banks can continue to fulfil their role to fund households and corporations amid the coronavirus-related economic shock to the global economy. First, within their remit and on a temporary basis, supervisors will exercise flexibility regarding the classification of debtors as "unlikely to pay" when banks call on public guarantees granted in the context of coronavirus. Second, loans that become non-performing and are under public guarantees will benefit from preferential prudential treatment in terms of supervisory expectations about loss provisioning. Third, supervisors will deploy full flexibility when discussing with banks the implementation of NPL reduction strategies, taking into account the extraordinary nature of current market conditions. Lastly, the ECB recommended that all banks avoid procyclical assumptions in their models to determine provisions and that those banks that have not done this so far opt for the IFRS 9 transitional rules.

On 27 March 2020, S&P Global affirmed its "B-" long term rating on the Group, while revising the outlook to stable from positive

On 7 April 2020, the ECB announced that, within the framework of the measures for the mitigation of the effects of the coronavirus pandemic, it waived the eligibility criteria and accepted Greek sovereign debt titles as eligible collateral in Eurosystem credit operations, in order to facilitate Greek banks to finance at a lower cost the stabilisation and recovery of Greek business from the coronavirus pandemic induced slowdown. On the back of this decision, during 2020 Piraeus Bank raised a total of €11.0 billion in ECB's additional temporary LTRO auctions conducted to provide immediate liquidity support to the eurozone's financial system as a mitigating measure against the effects of Covid-19.

On 28 April 2020, the European Commission approved a new banking package, aimed at facilitating bank lending to support the economy and introducing more flexibility in accounting and prudential rules. Key amendments to the current capital regime include: allowing institutions to fully add back to their CET1 capital any increase in new provisions recognised in 2020 and 2021 for the financial assets that are not credit-impaired, eligibility for preferential NPL treatment for publicly guaranteed loans, extending leverage ratio buffer date to 2023 and exempting central bank reserves from the calculation, no longer deducting from CET-1 "prudently valued software assets" allowing more favourable capital treatment of exposures to SME and infrastructure projects.

On 12 May 2020, Moody's Investors Service affirmed the long-term rating of the Group to "Caa2" changing its outlook to stable from positive.

On 15 May 2020, Fitch Ratings affirmed the long-term credit rating of the Group's deposits to "CCC" and its senior unsecured long-term debt rating to "CC".

At its meeting held on 28 May 2020, the Board of Directors of Piraeus Financial Holdings elected Mr. Vassileios Koutentakis, executive general manager, as new executive member, for the remaining tenure of the Board of Directors.

On 16 June 2020, the Group's Extraordinary General Meeting approved the demerger of "Piraeus Insurance Agency SA" by way of absorption by "Piraeus Bank SA" and "Piraeus Agency Solutions Single-Member Société Anonyme for the Provision of Insurance Products' Distribution Services and Financial Services".

On 26 June 2020 Piraeus Financial Holdings new board of directors was elected at the Annual General Meeting of shareholders held on the

same date, and during its session on the same date was constituted as a body and designated its Executive and Non-Executive Members, in accordance with Law 3016/2002 as in force, as follows:

Non-Executive Chairman of the Board

George Handjinicolaou

Vice – Chairman

Karel De Boeck, Independent Non – Executive Member

Executive Board Members

Christos Megalou, Managing Director (CEO)

Vasileios Koutentakis, Executive Member

Independent Non-Executive Board Members

Kontogouris Venetia, Independent Non-Executive Member

Arne Berggren, Independent Non-Executive Member

Enrico Tommaso Cucchiani, Independent Non-Executive Member

David Hexter, Independent Non-Executive Member

Solomon Berahas, Independent Non-Executive Member

Andrew Panzures, Independent Non-Executive Member

Anne Weatherston, Independent Non-Executive Member

Non-Executive Board Members

Alexander Blades, Non-Executive Member

Periklis Dontas, HFSF Representative under Law 3864/2010

The new Board of Directors has a term of three years, namely until the 26 June 2023, which may be extended until the Annual General Meeting convened after such term has lapsed.

On June 2020, the Group announced its new transformation plan for the next 3-5 years, which aims to reduce operating costs by about 20%. In September 2020 the Group launched its execution phase, under a bottom-up approach with 17 initiative themes, 120 projects and 100 operational key value drivers. The key targets of the transformation plan are:

- To step up the commercial proposition of the Bank,

boosting business origination via digital services and automation, fully exploiting high-potential businesses,

- To become the Bank of choice, through a customer-centric, digitally-enabled and targeted segment-value proposition;
- To enhance and empower the Bank’s talent through a more efficient recruitment profile;
- To promote simplification and end-to-end automation across the board to lower cost-to-serve and free-up-commercial focus.

On 30 October 2020, in the context of its transformation plan, the Group announced a Voluntary Exit Scheme (VES) for targeted groups of employees. The cost associated with the full implementation of the 2020 VES amounted to €147 million and has been recognised in the fourth quarter of 2020. Up to 31 December 2020, 865 employees made use of this VES. The Scheme will remain open in 2021.

On 18 December 2020, the Bank announced that it entered into an agreement with Intrum, as part of a consortium with the European Bank of Reconstruction and Development (EBRD), for the sale of the “Iris” portfolio – retail, SB and leasing Non-performing exposures (NPEs). The Iris portfolio consists of c. 53 thousand loans with a total legal claim of €1.7 billion and a gross book value of €0.7 billion as at 28 February 2019. Total consideration corresponds to c. 6% of gross book value. The transaction was concluded on 5 February 2021, after receiving the required approvals from the relevant regulatory authorities, including the Hellenic Financial Stability Fund.

On 28 December 2020, the Group announced that it has signed a binding agreement with Intrum AB regarding the sale of 30% of the mezzanine notes of the “Phoenix” securitization, which amounts to €1.92 billion gross book value. The announcement follows a binding commitment letter signed by both parties on 1 September 2020. The implied valuation of the nominal value of the senior notes and the selling price of the mezzanine notes corresponds to 50% of its gross book value.

THE DEMERGER (HIVE-DOWN)

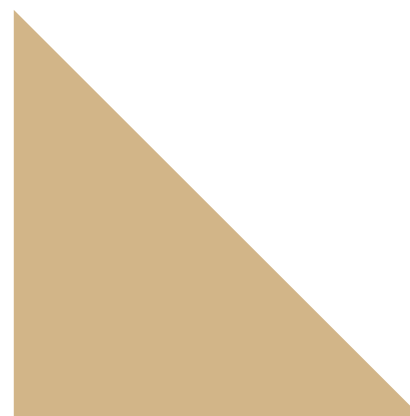
On 23 July 2020, Piraeus Bank’s Board of Directors resolved the commencement of a demerger process through the spin-off (hive-down) of the banking activity sector of the Bank and its contribution into a

new banking entity, which would be licensed as a credit institution and would be a wholly-owned subsidiary of Piraeus Financial Holdings SA. 31 July 2020 was designated as the Transformation Balance Sheet date for the demerger.

On 10 December 2020, an Extraordinary General Meeting of the Group's shareholders was held and approved the Hive-Down. The public announcement by the Group on the decisions passed at the general meeting is available at the following link:

www.piraeusbankgroup.com/en/press-office/press-release/2020/12/apotelesmata-psiforias-ektaktis-genikis-suneleusis-10122020

Following the completion of the hive-down, S&P Global Ratings assigned a "B-" rating to Piraeus Financial Holdings and to the newly established Piraeus Bank. S&P Global Ratings has assigned a stable outlook to both Piraeus Financial Holdings SA and to Piraeus Bank. Fitch Ratings assigned a "CCC" long-term issuer rating to the newly established Piraeus Bank, while it affirmed and withdrew the rating on Piraeus Financial Holdings.



1ST HALF 2021 DEVELOPMENTS



On 4 January, Moody's Investors Service assigned a "Caa2" bank deposit rating to Piraeus Bank SA, the newly established credit institution, and a "Caa3" long-term issuer rating to Piraeus Financial Holdings SA. Moody's has assigned a stable outlook to Piraeus Bank SA and maintained a stable outlook for Piraeus Financial Holdings SA.

On 13 January 2021, the Greek Government and the Bank proceeded with a GGBs exchange; existing sovereign bonds held by the Bank with a nominal value €2.8 billion was replaced with a new GGB of equivalent nominal value maturing in 2050. The exchange took place at market terms and was settled on 20 January 2021. The Group's gain from this exchange amounted to €221 million.

On 14 January 2021, the trading of the 394,400,000 new common registered shares of nominal value €6.00 each in the Athens Stock Exchange commenced, resulting from the share capital increase by €2,366.4 million, further to the conversion of all the Contingent Convertible Securities (CoCos) of the bond loan issued by the Company of

€2,040 million total nominal value and issuance date 2 December 2015, which have been covered in whole by the Hellenic Financial Stability Fund (HFSF), in accordance with Law 3864/2010, the Cabinet Act No 36/02.11.2015 and the respective corporate bodies' resolutions.

In February 2021, Piraeus Bank submitted an application for the inclusion of the Vega securitizations in the "Hercules" Asset Protection Scheme pursuant to Law 4649/2019. The application relates to the provision of a guarantee by the Greek State on the senior notes of approximately €1.4 billion. Furthermore, the Group's net trading income was enhanced by realized gains from interest rate derivatives of €82 million.

On 1 March 2021, Piraeus Financial Holdings SA and Intrum AB (publ) ("Intrum") signed a binding agreement for the sale of thirty percent (30%) of the mezzanine notes of the Vega securitization. The Vega portfolio consists of three special purpose vehicles, namely Vega I NPL Finance DAC, Vega II NPL Finance DAC & Vega III NPL Finance DAC, with a total gross book value of circa €4.9 billion.

On 11 March 2021 the Company entered into a binding agreement with global investor Christofferson, Robb & Company (CRC) for a synthetic (virtual) securitization of performing SME and Corporate loans, with an aggregate gross book value of approximately €1.4 billion, in order to purchase credit protection, under a financial guarantee. As a result of the transaction, the Bank will reduce its RWAs by approximately €0.8 billion and thus will have a regulatory capital accretion of approximately €0.1 billion. The transaction is subject to all customary approvals and completion is expected in the second quarter of 2021. A second synthetic securitization transaction of €1.2 billion RWAs reduction is scheduled for late 2021, with a regulatory capital accretion of approximately €0.2 billion (€0.3 billion in total from both transactions).

On 16 March 2021 the Bank and Euronet Worldwide signed a binding agreement, comprising the carve-out and the sale of its merchant acquiring business unit, as well as the formation of an exclusive long-term sales and distribution partnership, for an initial period of 10 years. Following the completion of the transaction, which is envisaged for the second half of 2021, Euronet Worldwide will act as the exclusive long-term partner of the Bank for the provision of merchant acquiring services to the Bank's customers. As part of the transaction, the Bank will also receive rebates on future net fee income generated by the merchant acquiring business. The total consideration for the transaction amounts to €300 million. The transaction is subject to all customary approvals, including the consent of the HFSF. In addition, on 16 March 2021 the Board of Directors of Piraeus Financial Holdings approved a holistic strategic plan to accelerate its NPE reduction effort and to further enhance the Group's capital position through a combination of certain concerted actions (the "Sunrise Plan"). The Sunrise Plan comprises three conjunct pillars:

- The acceleration of NPE reduction to reach a single-digit NPE ratio in the next 12 months, through the securitization and subsequent de-recognition of NPEs with a total estimated gross book value of up to €19 billion (including the previously announced NPE securitizations, namely Projects Phoenix and Vega). Based on this accelerated plan the Company proceeded with the immediate implementation of the incremental "Sunrise 1" NPE securitization transaction, with a total gross book value of approximately €7 billion and comprising mainly denounced loans. In this context, Piraeus Bank

SA filed an application seeking inclusion of the Sunrise 1 securitization in the "Hercules" Asset Protection Scheme pursuant to Law 4649/2019. The application relates to the granting of the Greek State guarantee on Senior Notes with a total gross value of €2.4 billion.

- A series of capital enhancing actions, with cumulative benefit of approximately €3 billion:
 - A share capital increase of Piraeus Financial Holdings via a non-pre-emptive fully marketed offering
 - Additional Tier 1 issuance by Piraeus Financial Holdings; and
 - Certain other non-dilutive capital accretive actions, including: (i) profit realisation from securities portfolio already completed in the first quarter of 2021; (ii) the carve-out and sale of Piraeus Bank's cards merchant acquiring platform already announced; and (iii) the purchase of credit protection for select on-balance sheet performing loan portfolios (synthetic securitizations). Also announced already; and
- An operational Transformation plan of the Group to enhance pre-provision income through combined top-line growth and reduction of operating expenses, following efficiency improvements and increased digitisation.

On 16 March 2021, the Company's Board of Directors decided to convene an Extraordinary General Meeting (EGM) seeking authorisation to approve a share capital increase of Piraeus Financial Holdings SA via a fully marketed non-pre-emptive offering of €1.0 billion (the Equity Issue). The terms of the Equity Issue are expected to be determined by the Company's Board of Directors, subject to customary and regulatory approvals, including HFSF consent.

On 7 April 2021, the EGM of Piraeus Financial Holdings SA among others, authorised the Board of Directors, in accordance with Article 24 para. 1 of Greek Law 4548/2018, to resolve, with the quorum and majority provided by law, on the increase of the share capital of Piraeus Financial Holdings SA by an amount that cannot exceed three times the

paid-up capital on the date of authorisation, i.e. up to €14,959,064,952, with the issuance of common registered voting shares and to determine the specific terms and timetable of the increase, in accordance with the applicable provisions of Greek Law 4548/2018.

On 16 April 2021, the Board of Directors of Piraeus Financial Holdings SA approved, by virtue of the authorisation granted to it pursuant to the resolution of the EGM held on 7 April 2021, *inter alia*, the following:

- The increase of the share capital of Piraeus Financial Holdings SA by up to €1,200,000,000, in cash, excluding the pre-emptive right of its existing shareholders, and the issuance of up to 1,200,000,000 new common registered voting shares (the “New Shares”), each with a nominal value of €1.00, in accordance with the provisions of Article 24 para. 1 and Article 27 para. 4 of Greek Law 4548/2018 and the Articles of Association of the Company (the “Share Capital Increase”).
- The New Shares will be offered: i. in Greece, to Retail Investors and Qualified Investors, pursuant to a public offer, in accordance with Regulation (EU) 2017/1129, the applicable provisions of Greek Law 4706/2020 and the enabling relevant decisions of the Hellenic Capital Market Commission (the “Public Offering”), and ii. outside Greece, to qualified, institutional and other eligible investors, pursuant to a private placement book-building process, based on a relevant exception from the requirements for the publication of a Prospectus under the Regulations and other applicable legal provisions (the “Institutional Offering” and together with the Public Offering, the “Combined Offering”).

On 20 April 2021, the Company announced its invitation to investors regarding the Public Offering of up to 1,200,000,000 new common registered voting shares of Piraeus Financial Holdings SA. The Public Offering ran for three (3) business days, from 21 April 2021 until 23 April 2021, 16:00 Greek time. The Institutional Offering ran in parallel, between 21 and 23 April 2021.

On 23 April 2021, Piraeus Financial Holdings SA announced that it had

successfully completed the Combined Offering of 1,200,000,000 new common registered voting shares, each bearing a nominal value of €1.00 (the “New Shares”) to (i) institutional investors pursuant to a book-building process outside Greece (the “Institutional Offering”) and (ii) retail and qualified investors in Greece (the “Public Offering”) and, together with the Institutional Offering, the “Combined Offering”). The offer price was set at the top of the initial offer price range of €1.00 to €1.15 per New Share approved by the Board of Directors on 16 April 2021. As a result, Piraeus Financial Holdings SA generated gross proceeds of €1.38 billion from the Combined Offering.

On 27 April 2021, S&P Global Ratings confirmed the long-term credit rating for Piraeus Financial Holdings SA at “B-” with a stable outlook.

On 6 May 2021, Piraeus Financial Holdings SA announced the commencement of trading on the Main Market of the Regulated Securities Market of the Athens Exchange as of 7 May 2021, of 1,200,000,000 new common registered voting shares of the Company, with a nominal value of €1.00 each (the “New Shares”), issued following the share capital increase.

On 11 May 2021, Moody’s Investor Services confirmed the long-term credit rating for Piraeus Financial Holdings SA at “Caa3” and upgraded the outlook to positive from stable.

On 12 May 2021, Piraeus Financial Holdings SA (the “Company”) announced, pursuant to the provisions of Greek Law 3556/2007, as in force, that as of 7 May 2021, the HFSFS directly, John A. Paulson, indirectly through Paulson & Co. Inc., and Helikon Investments Limited indirectly through Helikon Long Short Equity Fund Master ICAV, hold 337,599,150, 232,758,919 and 65,217,391 common registered shares respectively, with a nominal value of €1.00 each, namely 27%, 18.62% and 5.215% of the total voting rights of the Company respectively.

On 10 June, Piraeus Financial Holdings SA successfully completed the issuance of €600 million Additional Tier 1 Notes (AT1 Notes).

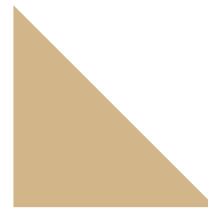
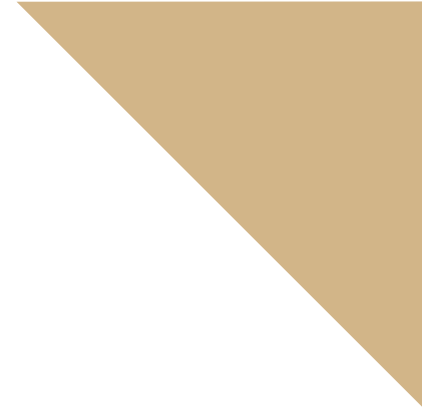
The bond marks Piraeus’ first issuance of an AT1 bond in the international debt capital markets post crisis, following the Bank’s placement of Tier 2 notes in June 2019 and February 2020. The transaction represents the first such transaction out of Greece post 2009.

The issue was subscribed by close to 200 institutional investors, from more than 20 countries, with a total demand reaching €2.2 billion within a few hours of book-building.

On 15 June Piraeus Financial Holdings SA announced that it has reached

definitive agreements with Intrum AB (publ) and Serengeti Asset Management LP for the sale of forty-nine percent (49%) and two percent (2%) of the mezzanine and junior notes of the Sunrise I NPE portfolio respectively.

The Sunrise I portfolio consists of retail and corporate NPEs. It comprises c.205k loan exposures and a gross book value of €7.2 bn, as at 30/09/2020. The Transaction is part of the wider Sunrise transformation programme Piraeus announced on 16 March 2021 and underlines the rapid progress in Piraeus' c.€19 bn NPE clean-up plan, leading to a single-digit NPE ratio within less than 12 months. The expected capital impact of the Transaction stands at c.2.7 percentage points over the December 2020 total capital ratio, taking into account the P&L effect and the RWAs relief of the Transaction.



GROUP FINANCIAL DATA 2020

Piraeus Financial Holdings Group has a systemic position in the Greek banking market, with total assets of €71.6 billion as at 31/12/2020, and market shares of 29% in deposits and 31% in loans (with a 32% share in business lending).

Piraeus holds the most extensive footprint in Greece with 484 branches at the end of 2020.

Additionally 18 branches in 2 countries abroad. The branch network in Greece was reduced by 43 units during 2020, as a result of the rationalisation plan. The Group has a wide customer base of 5.5 million active customers. On 31/12/2020, the Group's headcount totalled 10,379 employees in the continuing operations, of which 10,008 were employed in Greece.

In 2020, Piraeus Financial Holdings Group managed to navigate many

headwinds, achieving significant milestones that set the foundations for the Group's strategy for the future.

The Group's steady operational progress during 2020 is reflected in the disbursement of €6.3 billion new loans, in new deposit inflows of €5.1 billion from the private sector and the resilience of the core organic income. At the same time, the Group achieved operational efficiency through further cost reduction, as part of its transformation plan. This progress highlights the prospects for Piraeus Bank and its future path once the macroeconomic environment recovers.

BALANCE SHEET

Total assets of the Piraeus Financial Holdings amounted to €71.6 billion at 31/12/2020 compared to €61.2 billion as at 31/12/2019.

SELECTED BALANCE SHEET FIGURES

AMOUNTS IN € MN	31/12/2020	31/12/2019	CHANGE
Assets	71,576	61,231	16.9%
Deposits	49,636	47,351	4.8%
Gross Loans before provisions & adjustments	49,528	50,148	-1.2%
Cumulative Provisions	9,904	10,986	-9.9%
Total Equity	7,153	7,773	-8.0%

The Group continued recovering deposits for another year, reaching €49.6 billion on 31/12/2020, corresponding to an increase of 4.8% compared to 31/12/2019. This increase is solely attributable to the Group's activity in Greece. The domestic market share of deposits stood at 29% at the end of 2020. Savings deposits constitute 40.8% of the Group's

total domestic deposits, with time deposits at 27.9%, and sight deposits at 31.3%. Corporate deposits correspond to 26.2% of the Group's total deposit base with retail deposits at 73.7%. The declining trend in time deposits' cost continued during 2020, with new time deposits' cost at 0.1% in Q4 2020 versus 0.3% a year earlier.

DEPOSITS PER CATEGORY

AMOUNTS IN € MN	31/12/2020	31/12/2019	CHANGE
Sights-Savings	35,791	29,316	22%
Time	13,845	18,035	-23%
Total	49,636	47,351	4.8%
Greece	49,439	47,099	5.0%
International Operations	196	251	-22%

Utilisation of the Eurosystem funding increased significantly in 2020, to €10,978 million as at 31/12/2020, compared to €350 million as at 31/12/2019. ECB waiving the eligibility criteria on collateral, allowed Greek Banks and Piraeus to use Greek government debt as collateral for their funding. As a result, Piraeus replaced more expensive repo funding with ECB funding. In this context, interbank repo financing reached €96 million on 31/12/2020 from €2,394 million on 31/12/2019. Funding from debt securities increased through the issuance of €500 million Tier 2 bonds in February 2020.

Gross loans as at 31/12/2020 amounted to €49.5 billion, of which €1.5

billion related to the disbursement of an agri-loan towards OPEKEPE for the distribution of European Commission subsidies to approximately 700,000 farmers (which was repaid in February 2021). Net loans stood at €39.6 billion as at 31/12/2020, with the Group's seasonally adjusted net loans to deposits ratio at 76.8% (excluding seasonal OPEKEPE funding facility), having improved from 79.2% as at 31/12/2019. New loan disbursements in 2020 for the Bank amounted to €6.3 billion from €4.0 billion in 2019. Most new loans were directed to businesses.

The Group's loan portfolio consists of corporate and public sector loans (64.7%), mortgages (27.1%) and consumer, personal and other loans (8.2%).

GROSS LOANS PER CATEGORY			
AMOUNTS IN € MN	31/12/2020	31/12/2019	CHANGE
Business Loans	32,045	32,046	0%
Retail loans	17,483	18,103	-3%
Total	49,528	50,148	-1%
Greece	48,374	48,947	-1%
International Operations	1,153	1,201	-4%

ASSET QUALITY

Addressing the high stock of Non-Performing Exposures (NPEs) is the most important challenge for both Piraeus Bank and the Greek banking system.

The Group's stock of NPEs continued its downward path during 2020, dropping from €24,470 million at the end of 2019 to €22,448 million at

the end of 2020. NPEs over total gross loans ratio for the Group stood at 45.3% as at 31/12/2020 from 48.8% as at 31/12/2019, declining due to the Group's continuous efforts to improve its asset quality, while the Group NPE coverage ratio of loans by ECL Allowance stood at 44.1% as at 31/12/2020 from 44.9% as at 31/12/2019.

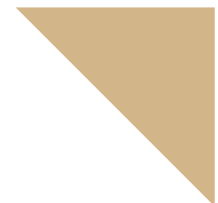
NON-PERFORMING EXPOSURES (NPEs)			
AMOUNTS IN € MN	31/12/2020	31/12/2019	CHANGE
Business Loans	14,553	16,272	-11%
Mortgage	5,742	5,979	-4%
Consumer	2,154	2,219	-3%
Retail Loans	7,896	8,198	-4%
Total NPEs	22,448	24,470	-8.3%

NPEs RATIO			
Corporate Loans	45.4%	50.8%	
Mortgages	42.7%	43.0%	
Consumer	53.3%	53.0%	
Retail Loans	45.2%	45.3%	
Total NPEs	45.3%	48.8%	

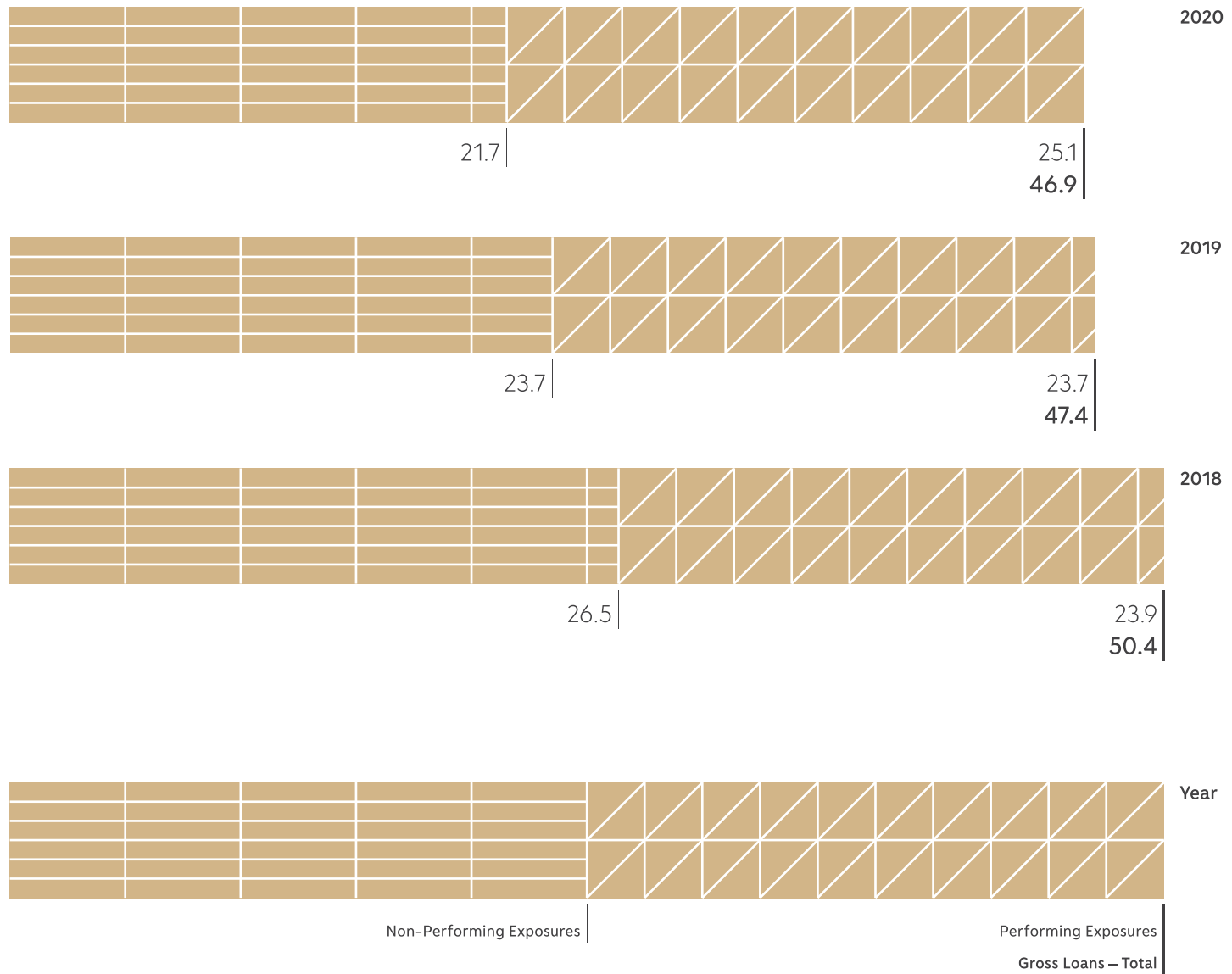
The Group has committed to reduce its NPEs, between September 2018 and December 2021, by approximately 52% (at Group level), included in its operational targets for Non-Performing Exposures to both ECB and Bank of Greece. In mid-March 2020, Piraeus Bank was relieved from the submission of the 2020 NPE Strategy update, due to the uncertainty of the economic outlook related with Covid-19. The Group submitted its updated NPL strategy in September 2020 along with all European Banks, while a refreshed submission took place in March 2021.

The Group's strategy regarding the management of NPEs is to achieve a single-digit NPE ratio within the next 12 months, following the completion of the Group's NPE reduction plan, which consists of a series of individual securitizations, at various stages of completion, for a total amount €19 billion.

A significant element of the NPE reduction plan is the utilisation of the Hellenic Asset Protection Scheme (HAPS, "Hercules") as a mechanism to reduce the NPEs and return the Group's balance sheet to a normalisation phase. Engagement in the securitization schemes is further facilitated through the Group's corporate transformation (Hive-down) and its strategic partnership with the biggest servicing platform in Greece.

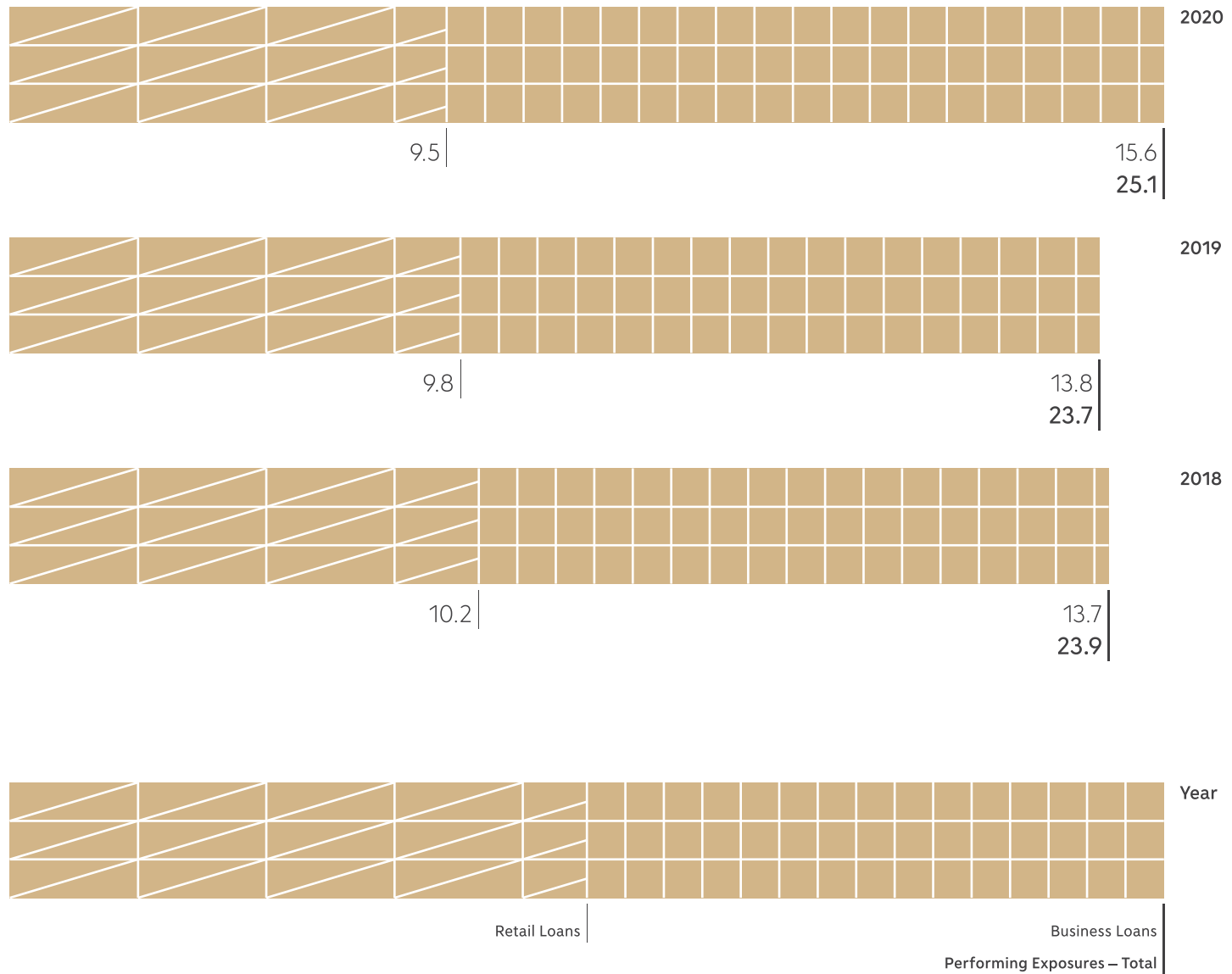


PERFORMING EXPOSURES AND NON-PERFORMING EXPOSURES IN GREECE (€ BN)



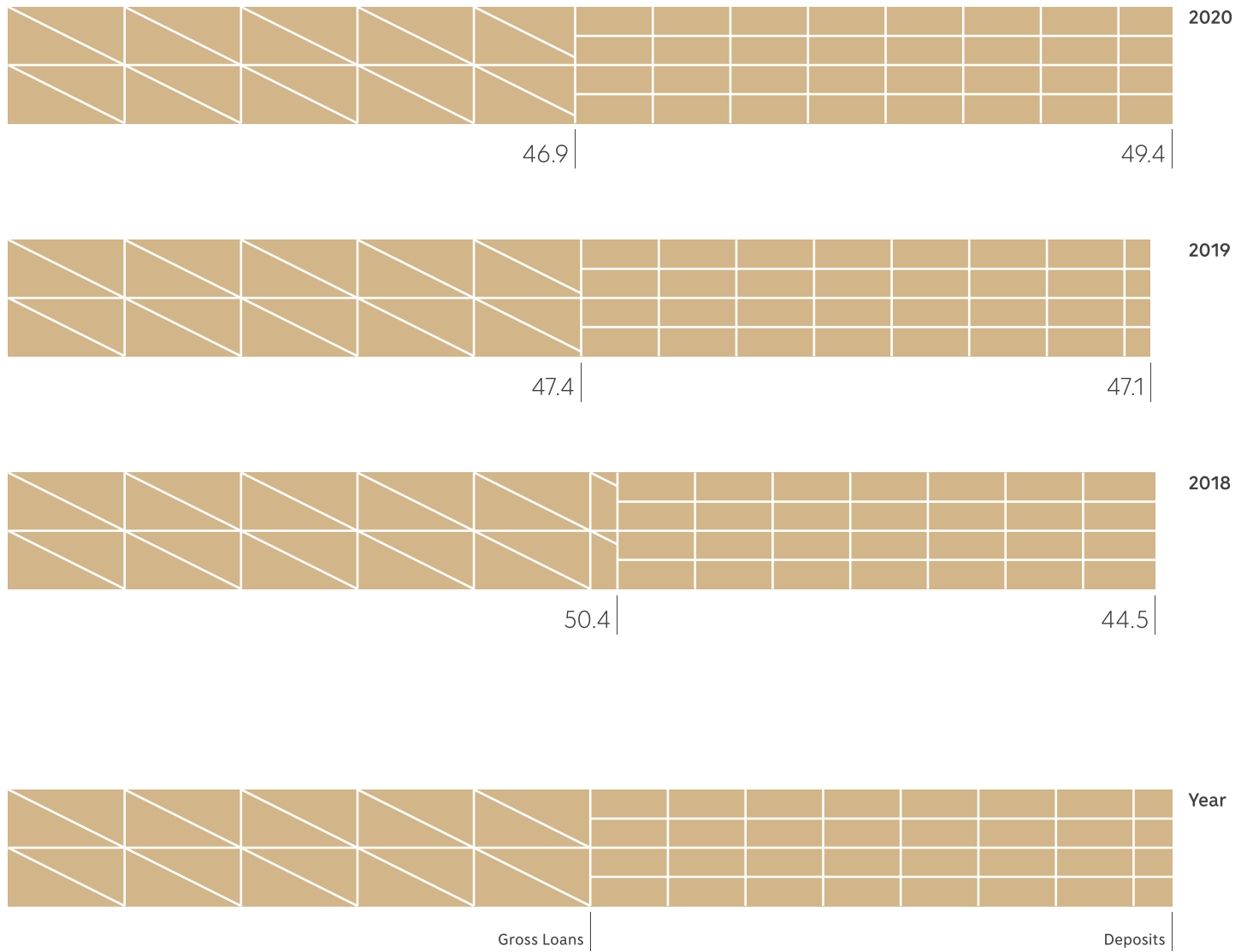
Note: Gross Loans exclude seasonal agri-loan.

**PERFORMING EXPOSURES BUSINESS LOANS
AND PERFORMING EXPOSURES RETAIL LOANS IN GREECE (€ BN)**



Note: Performing Exposures exclude seasonal agri-loan.

DEPOSITS AND GROSS LOANS IN GREECE (€ BN)



Note: Gross Loans exclude seasonal agri-loan.

PROFIT & LOSS

The Group's net interest income (NII) amounted to €1.5 billion in 2020 posting an increase of 3.5% compared to 2019, due to the reduction in the cost of funding (lower deposit rates and increased ECB funding at lower rates compared to the repo market) and higher new disbursements. Net fee and commission income amounted to €317 million in 2020, flat compared to 2019. Other income amounted to €90 million in 2020 from €421 million in 2019, mainly due to the €351 million gain from the Intrum transaction in Q4 2019.

Total net income for 2020 amounted to €1.9 billion from €2.2 billion in 2019, a decrease of 12.9%. Excluding the one-off gain of €351 million from the Intrum transaction in 2019, net income in 2020 increased by 3.8%. The Group's total operating expenses before provisions in 2020 stood at €1.1 billion, compared to €1.0 billion in 2019, mainly as a result of the cost of the 2020 Voluntary Exit Scheme (VES). Excluding the VES cost both from 2020 and 2019 (€147 million and €36 million respectively), total operating expenses amounted to €937 million in 2020, a reduction of 4.1% versus the previous year.

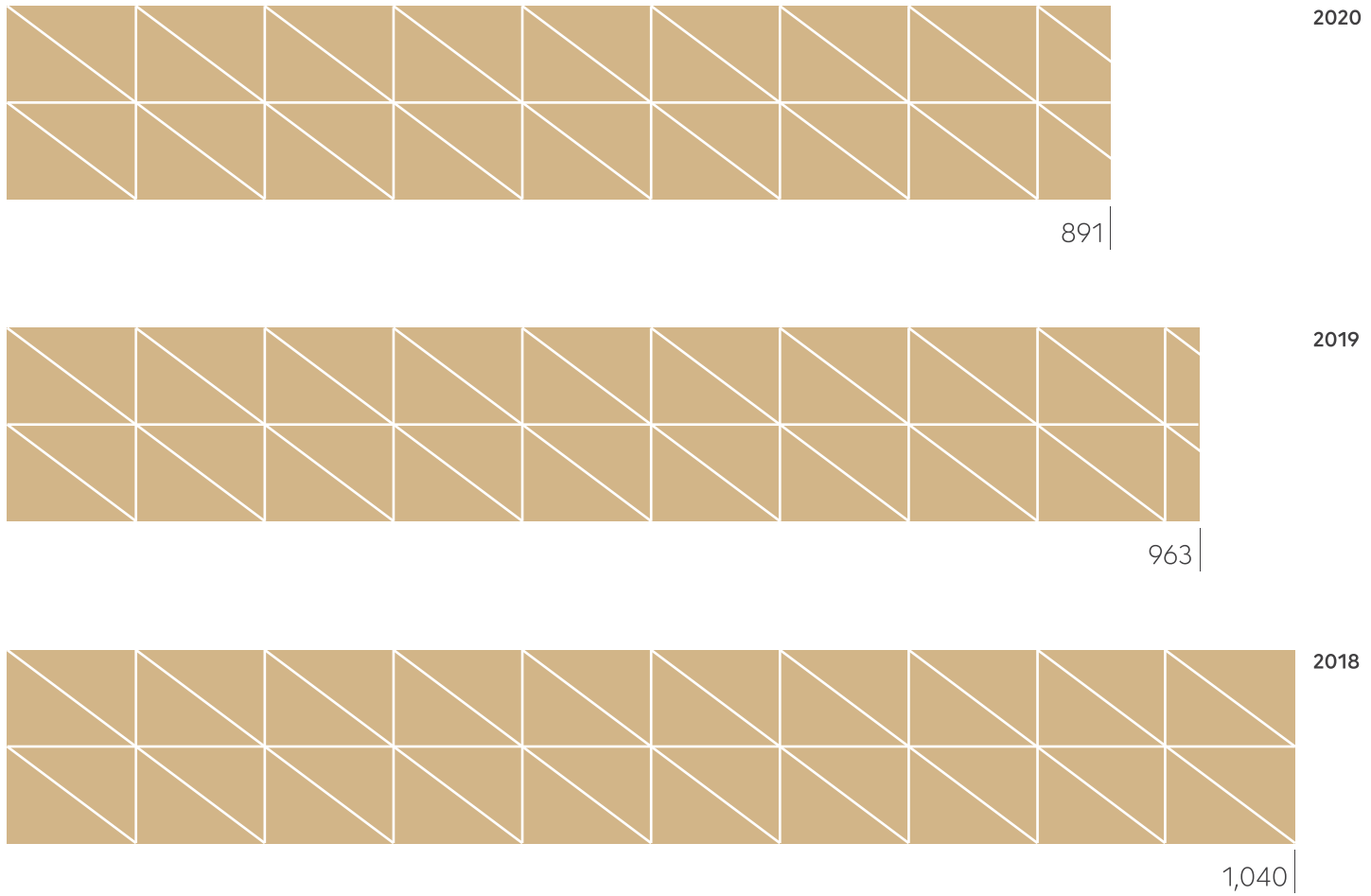
As a result of the above, Group's profit before provisions, impairments, and income tax for 2020 amounted to €0.8 billion, compared to €1.2 billion in 2019, a decrease of 30.4%. Excluding the one-off gain from the Intrum transaction in 2019 and the VES costs in 2019 and 2020, the Group's profit before provisions, impairments and income tax increased by 12.9% in 2020 compared to 2019. The 2020 results were burdened by ECL impairment charge on loans amounting to €1.1 billion, compared to €0.7 billion in 2019. The increase in impairments in 2020 is attributed primarily to the €695 million Covid-19 related impairments on loans, debt securities and other financial assets and other impairments in the context of the new NPE reduction plan.

The Group's profit/(loss) before income tax in 2020 amounted to a loss of €530 million compared to a gain of €389 million in 2019, while profit from continuing operations attributable to equity holders of the Group amounted to a loss of €652 million compared to a profit of €270 million in 2019.

SELECTED PROFIT & LOSS FIGURES

AMOUNTS IN € MN	31/12/2020	31/12/2019	CHANGE
Net Interest Income	1,486	1,435	3.6%
Net Fee & Commission Income	317	318	-0.3%
Other Income	90	421	-78.6%
Net Income	1,893	2,174	-12.9%
Staff Costs	(571)	(504)	13.3%
- excl. VES costs	(424)	(468)	-9.5%
Administrative & Other Expenses	(399)	(386)	3.4%
Depreciation & Amortisation Expenses	(115)	(123)	-6.5%
Total Operating Expenses Before Provisions	(1,084)	(1,013)	7.0%
- excl. VES costs	(937)	(977)	-4.1%
Profit Before Provisions, Impairment and Income Tax	809	1,161	-30.3%
ECL Impairment losses on loans and advances to customers at amortised cost	(1,104)	(710)	55.5%
Other impairment & provisions	(218)	(68)	219.1%
Share of profit of associates and joint ventures	(16)	5	-
Pre Tax Result	(530)	389	-
Income Tax Benefit/(Expense)	(128)	(123)	-
Profit/(Loss)	(668)	276	-
Profit/(Loss) Attributable to Equity holders of the Group (from Continuing Operations)	(652)	270	-
Profit/(Loss) (from Discontinued Operations)	(10)	10	-

OPERATING EXPENSES GROUP LIKE-FOR-LIKE* (€ MN)



* Non-recurring items for 2018 include €120 mn staff retirement plan expenses (VES). For 2019 they include €36 mn VES expenses and €14 mn AuM fee paid to the NPE servicer, while for 2020 they include €147 mn VES expenses and €46 mn AuM fee paid to the NPE servicer.

CAPITAL

As at 31/12/2020, the Group's total equity amounted to €7.2 billion from €7.8 billion a year earlier, mainly due to the current year's losses. The Group's Basel III total capital adequacy ratio (TCR) stood at 15.82% on 31/12/2020 with the Common Equity Tier 1 (CET 1) ratio at 13.75%, covering the Overall Capital Requirement (OCR) level for 2020. The respective figures for 2019 were 14.7% for CET 1 and 15.6% for TCR.

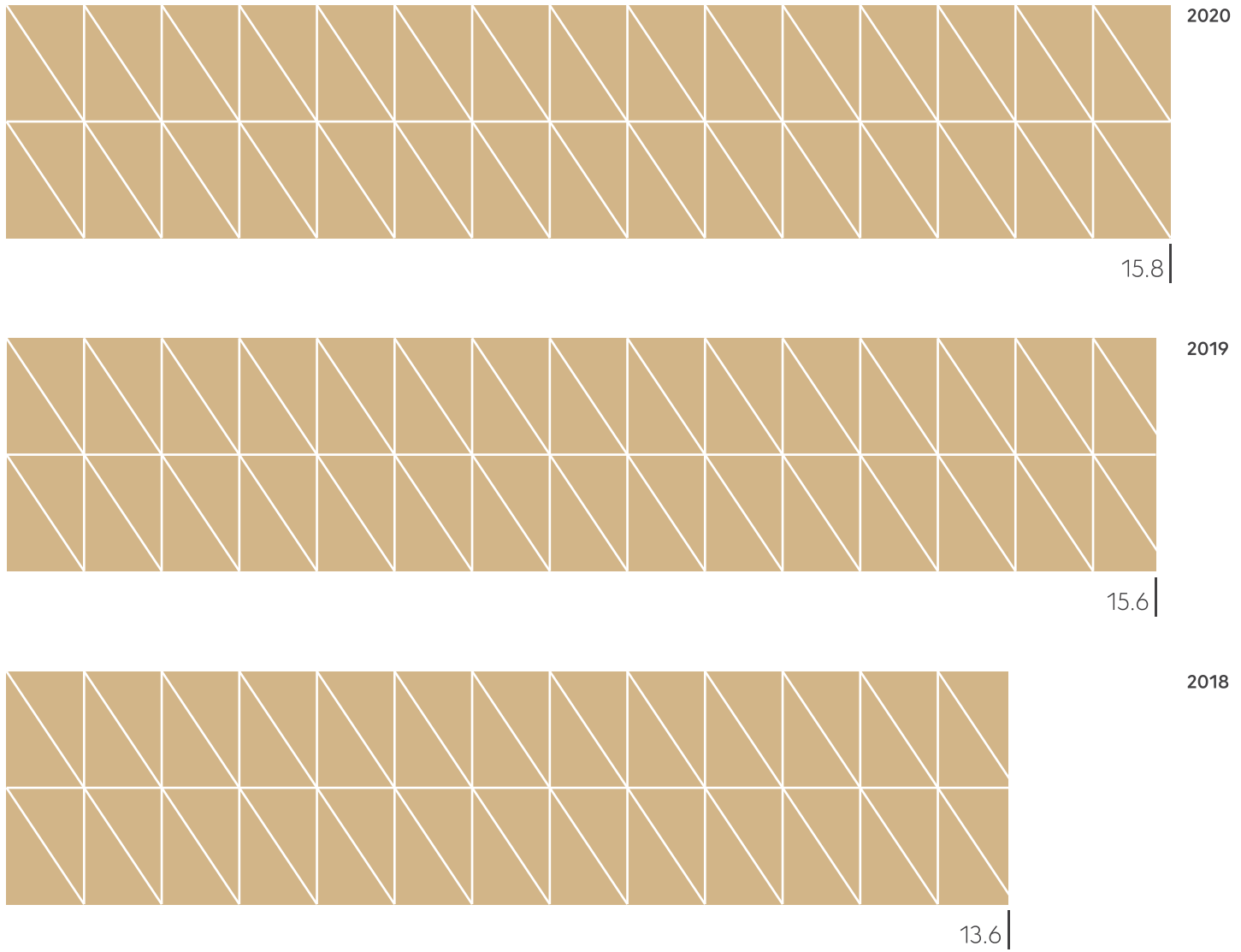
The amount of deferred tax assets included in the Group's regulatory capital in accordance with the provisions of Greek Laws 4172/2013, 4302/2014, 4340/2015, amounted to €3.7 billion on 31/12/2020. The Group's fully loaded TCR stood at 13.4% from 12.9% a year ago.

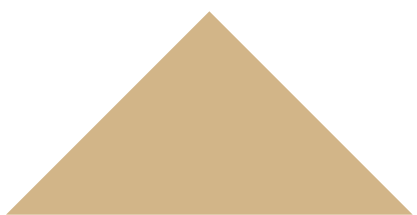
Following the conclusion of the Supervisory Review and Evaluation Process (SREP), the ECB informed Piraeus Financial Holdings Group of its Overall Capital Requirement (OCR), valid for 2021 (excluding Covid-19 mitigating measures). According to the decision, the Group would have to maintain an OCR of 14.25%, which included:

- The minimum Pillar I total capital requirements of 8.00% as per Article 92(1) of Regulation (EU) 575/2013.
- The additional Pillar II capital requirement of 3.25% as per Article 16(2) of Regulation (EU) 1024/2013.
- The fully-loaded capital conservation buffer of 2.50% as per Regulation (EU) 575/2013, and
- The transitional Other Systemically Important Institutions (O-SSI) capital buffer of 0.50% under Greek Law 4261/2014.

The spread of the Covid-19 pandemic has proven to be an unprecedented challenge on a global scale. On 12/03/2020, the ECB announced several measures to address the economic disruptions resulting from Covid-19 on banks under its supervision. Under these measures ECB will allow banks to operate temporarily below the level of capital defined by the Pillar 2 Guidance (P2G) and the capital conservation buffer (CCB). In addition, banks will also be allowed to partially use capital instruments that do not qualify as Common Equity Tier 1 (CET1) capital, for example Additional Tier 1 or Tier 2 instruments, to meet the Pillar 2 Requirements (P2R). This brings forward a measure that was initially scheduled to come into effect in January 2021, as part of the latest revision of the Capital Requirements Directive (CRD V). In light of these developments, the Group's capital stock exceeds the Total SREP Capital Requirement (TSCR) by 457 bps.

TOTAL CAPITAL RATIO (PHASED-IN, %)











SUSTAINABLE DEVELOPMENT

As a pioneer in the field of sustainable development, Piraeus Group has been implementing relevant policies since 2004.

Through its actions Piraeus Group aims at ensuring the prosperity of society, protecting the environment and supporting a sustainable future for all. Its subsidiary “Piraeus Bank” promotes Responsible and Sustainable Banking, having adopted ESG criteria that combine growth and economic efficiency with social and environmental sustainability.

The Bank, with a vision to be the most reliable bank in Greece, is committed to initiatives that go beyond its legal obligations to integrate environmental and social factors into its business activities and practices.

In 2020 it formulated the Sustainable Development Policy, which was published in 2021, following the approval of the Executive Committee. This Policy reflects the Group’s overall approach to sustainable de-

velopment and sets the strategic directions to support, promote, and finance sustainability.

The Sustainable Development Policy reflects the Group’s intentions for business strategies and goals that meet the UN Sustainable Development Goals and the Paris Agreement, by aligning its operations with the UNEP FI (United Nations Environment Programme Finance Initiative) Principles for Responsible Banking.

BUSINESS MODEL FOR SUSTAINABLE DEVELOPMENT



PURPOSE

Piraeus Group aims to be a pillar of stability for the Greek economy, to fuel growth and to promote innovation. Its social footprint should be positive and lasting, for the benefit of its customers, its people, its shareholders and society as a whole, fully reflecting its values.

CORPORATE VALUES

Piraeus Group embraces the following values to ensure maximum quality of service, absolute transparency of transactions and a sense of confidence in both the present and the future:

- We create value.
- We challenge the frontiers.
- We enthuse our customers.
- We build relationships of trust.

SUSTAINABLE DEVELOPMENT PILLARS STRATEGIC TARGETS

Specific, measurable targets are set, paving the way to full restoration of its core assets and to increasing profitability.

SATISFYING STAKEHOLDERS

Piraeus Group's top priority.

SUSTAINABLE SOLUTIONS

A comprehensive set of solutions is developed to allow the extensive use of the Group's capabilities, through focused and effective implementation, aiming to create value from all its operations.

Financial Capital	Sustainability Green Financing outstanding exposure RES projects that have been financed & reduce CO ₂ Sustainability-linked Loans (SLL) and Green Bonds EU & State aid payments to beneficiaries For every €1 of Piraeus Bank value added	€2.1 bn approved limits c.2GW installed led to 4mn tonnes of avoided emissions CO ₂ Pioneer in the market as advisor for Green domestic bonds and for SLL o/w €2.7 bn only to the agricultural sector €0.4 added value is created in the Greek economy
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<p>Natural Capital</p>	<p>Total climate risk of business borrowers</p> <p>Energy consumption/m²</p> <p>RES electricity consumption (Guarantees of Origin)</p> <p>CO₂ emissions/m²</p> <p>Annual average cost savings from environmental programs</p>	<p>0.58% of their total turnover</p> <p>-23.4% reduction (2016-2020)</p> <p>100% of the electricity consumed in the Bank's facilities from renewables</p> <p>-23.7% reduction (2016-2020)</p> <p>€5.5 mn</p>
<p>Social & Cultural Capital</p>	<p>Grants/Donations/Sponsorships with social & cultural benefit</p> <p>Bridge the gap between higher education and the job market</p> <p>Contribution of PLOP Museums</p> <p>Support clients through the Covid-19 crisis</p> <p>Investments in Society, Culture and the Environment</p>	<p>€5 mn</p> <p>Project Future: 5 cycles & 2,600 participants, 3€ of social value generated for each euro invested</p> <p>€23 mn in economic activity</p> <p>Targeted solutions, through all available tools</p> <p>c.1.5% of the Group's OpEx</p>
<p>Human Capital</p>	<p>Inclusion and diversity</p> <p>Employee protection through the Covid-19 crisis</p> <p>Every job in Piraeus Bank indirectly supports</p>	<p>55% of promotions covered by women</p> <p>21% women in top management positions, 49% in management positions</p> <p>The majority of employees are working from home, Covid-19 tests & medical advisor</p> <p>1.4 jobs in the Greek economy</p>
<p>Productive Capital</p>	<p>Modern Banking Experience and accessibility in banking services</p> <p>Digital Banking</p> <p>winbank-Personal Financial Management tools</p>	<p>484 branches nation-wide & 10 e-branches, accessible also to people with disabilities</p> <p>1,888 ATMs & 538 easypay kiosks</p> <p>95% increase of transactions to digital channels</p> <p>offered at no cost to ~2mn active e-banking users, aiming to provide valuable information on managing their financials</p>
<p>Intangible Capital</p>	<p>ESG commitments</p> <p>Acquired expertise</p>	<p>UNEP FI, Collective Commitment to Climate Action, Science-Based Targets, TCFD</p> <p>Climate Risk Management Model, Impact Analysis tool, Energy Office</p>

EUROPEAN, INTERNATIONAL AND NATIONAL FRAMEWORK ON SUSTAINABLE DEVELOPMENT

The Paris Agreement on Climate Change and the Sustainable Development Goals (SDGs) have set a global framework for tackling current environmental and social challenges. The Task Force on Climate-related Financial Disclosures published the TCFD Recommendations, which provide guidance to assist companies in the systematic management of their climate-related risk. The global financial system responded to these challenges with the UNEP FI Principles for Responsible Banking. Following the formulation of the Principles, UNEP FI established working groups on climate-related risk assessment, positive and negative impact analysis and climate target setting.

The European Green Deal is the new growth strategy that aims to transform the EU into the first “climate-neutral” continent by 2050 (greenhouse gas emission reductions target expected to be increased to 55% by 2030). In this context, at least 30% of the total funds of €1.8 trillion from the Next Generation EU (NGEU) Recovery Fund and the EU budget, will be directed to tackling climate change. The European Central Bank Guide to Climate-related and Environmental Risks (November 2020) sets a clear supervisory framework on how the ECB expects banks to govern, prudently manage and transparently disclose such risks.

At a national level, the “National Energy and Climate Plan” (NECP) objectives include the decarbonisation in power generation by 2028 and the transition to a low-carbon economy, through total estimated investments of €43 billion.

THE ESG GROUP STRATEGY FOR THE ENVIRONMENT, SOCIETY AND CORPORATE GOVERNANCE

With the commitment of the Senior Management, Piraeus Group has formalised its ESG Strategy into four focus areas: Literacy, Corporate Performance, Products and Services, Operational Footprint.

As part of its ESG strategy and through its subsidiary “Piraeus Bank”, the Group promotes Responsible and Sustainable Banking by adopting ESG criteria in its processes and activities, that combine growth and financial performance with social and environmental sustainability.

The structure that supports this strategy is significantly strengthened with the creation of the new Group Cultural & Social Initiatives unit and Corporate Development & ESG.

ESG GOVERNANCE STRUCTURE

The Group has a dedicated structure for the implementation of the Principles for Responsible Banking and its ESG Strategy. In particular:

Board of Directors

The Board of Directors approves corporate strategies that are intended to build sustainable long-term financial value for Piraeus Group.

Piraeus Group CEO

The Group CEO is responsible for overseeing the Group’s sustainable and environmental performance and for managing climate-related issues. He has signed the Principles for Responsible Banking, which align the banking sector with the Paris Agreement on Climate Change and the UN Sustainable Development Goals. He has also signed the Collective Commitment to Climate Action (CCCA), the Finance for Biodiversity Pledge, the UN Global Compact “United in the Business of a Better World” and supervises the development and implementation of the Group Action Plan for alignment with the Principles for Responsible Banking.

Ethics Committee of the Board of Directors

The Ethics Committee of the Board of Directors, chaired by the Chairman of the BoD, comprises Executive and Non-Executive Members. The Committee’s role is to review and provide direction to management on policies relating to matters of Ethics, to ensure sound governance in accordance with the Code of Conduct and the Bank’s internal policies, and to oversee the Bank’s environmental and corporate responsibility initiatives and programmes.

Group Executive Committee (ExCo)

The Executive Committee has adopted the “ESMS Policy”. The Credit Policy of the Bank incorporates new environmental and social criteria (E&S) in line with international standards, along with traditional credit criteria. Specific parameters are integrated in the existing loan approval processes and in new or existing business financing projects, for the evaluation and management of the environmental and social risks of each project.

Risk Committee

The Risk Committee is appointed by the Board of Directors and comprises Non-Executive Members with appropriate knowledge, skills and expertise to understand and monitor the Bank's Risk Strategy. The Commission's mission is to ensure that all types of risks associated with the Bank's operations - including operational, environmental and climate risk - are adequately identified and covered.

Chief Risk Officer (CRO)

The CRO is responsible for identifying essential risks including environmental and climate-related risk which are included in the Group's Risk & Capital Strategy.

Corporate Responsibility Committee

The Committee is chaired by the Group's CEO and comprises of senior management executives from various Bank units. The Corporate Responsibility Committee assesses and approves: a) the Group's ESG Policy and Strategy, which align governance and decision-making with the UN Sustainable Development Goals and the 2015 Paris Agreement on Climate, b) the implementation of the Group's corporate values and the creation of a culture that reinforces the employees' role in adopting the Corporate Responsibility Principles, c) programmes, collaborations, initiatives and financing instruments that reduce the Group's environmental footprint, promote culture and strengthen social cohesion, and d) actions that enhance accountability, meritocracy and transparency and strengthen the Group's extroversion. The Corporate Responsibility Committee informs the Board and the Executive Committee about ESG topics.

Three employees from the newly established unit of Group Corporate Development & ESG are members of the Corporate Responsibility Committee and contribute to the shaping of the ESG agenda. These three positions of responsibility also form the "Action Team" of the governing structure for the Principles for Responsible Banking.

Group Corporate Development & ESG

The newly established Group Corporate Development & ESG unit formulates and monitors the implementation of the Group's ESG policies and strategies to promote sustainable development and the achievement of the global Sustainable Development Goals (SDGs) and the Paris Climate Agreement. The unit coordinates the implementation of the Group Corporate Responsibility Principles and promotes the Principles for

Responsible Banking. It strengthens the Group's reputation, enhances transparency, and supports internal and external communication and disclosure of ESG issues to all stakeholders. The new unit has integrated the former Sustainability Unit, which is now called the ESG unit.

The ESG unit monitors, measures and manages the environmental footprint of Piraeus Group, it assesses the climate-related risk of the Bank's business borrowers and captures climate risks within the Credit Policy and the credit-rating process. The ESG unit coordinates the Organisation's participation in global initiatives and corporate sustainability assessments, with the aim of continuous improvement, seeking to create a culture of responsible banking and enhancing transparency in internal and external communication on sustainability. The Group Environmental Management Officer, member of the ESG team, coordinates the Bank's Environmental Management Team (EMT) and participates in the Environmental Management Team of Piraeus Group Cultural Foundation.

The Corporate Development & ESG regularly informs the Chair of the Board, the CEO and relevant committees on environmental, social and governance (ESG) issues, on the economy and the relationship between the Bank and the Group with the wider society.

Group Cultural & Social Initiatives Unit

The newly established Group's Cultural and Social Initiatives unit reports directly to the Chair of the Board. Its mission is: a) To develop and support the creative economy, by promoting culture and intellectual creation, by disseminating history, by preserving and promoting the Greek cultural heritage. b) To develop and support initiatives and actions with a social contribution, especially in the fields of education, healthcare and sports. c) To assist in tackling social problems, to support humanitarian initiatives and the work of social bodies and organisations.

Development & Sustainable Banking and Bank Relations

The Development & Sustainable Banking and Bank Relations unit supports the Bank and the Group in promoting and setting boundaries for Environmental and Sustainable Entrepreneurship through specific products and services that will finance and support innovative, growth ideas, valued business opportunities and environmentally and socially beneficial actions. The unit develops specific products and services linked to all types of development programmes, guarantee funds, interest rate subsidies and co-financing in cooperation with Development

agencies (e.g. HDB – formerly ETEAN, European Investment Bank, Investment Funds, etc.). The Development & Sustainable Banking and Bank Relations unit also provides comprehensive information on issues related to the National Strategic Reference Framework (NSFR), National and Regional Initiatives and the Development Law. It develops the strategy for Green Banking and Development Programmes and plans the development of a clientele and the distribution of relevant funding. Last, it develops and monitors the Bank's relations and operations with Greek and foreign credit institutions.

ESMS Officer

The Head of Corporate and Investment Banking – Wholesale Products – Development & Sustainable Banking serves as the Group ESMS Officer, the person in charge of managing and overseeing the implementation of the ESMS in business financing, in accordance with the “ESMS Policy”. The ESMS Officer ensures that environmental and social risks that may arise from the Bank's business financing are duly assessed and managed.

Head of the Environment Management System of Piraeus Group

The Head of ESG coordinates the implementation of the Environmental Management System (EMS) in the Bank and the Group. They review the Group's Environmental Policy and related strategies, and is in charge of monitoring and upgrading the EMS, identifying risks and opportunities that may affect the EMS.

SUSTAINABLE BANKING AT PIRAEUS BANK

Economy

Piraeus Bank aims to be a pillar of stability and growth for the Greek economy. It is committed to using its products and services to support fundamental changes in the economy, and to ensure a more prosperous future for present and future generations. It provides additional incentives for companies that promote sustainable growth and supports innovative actions.

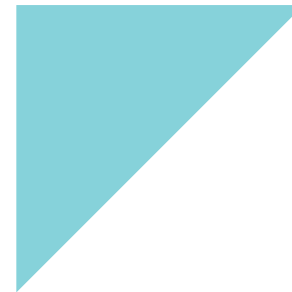
Society

Piraeus Bank invests in responsible strategies and programmes to make a positive and lasting social impact, with benefits for everyone. Piraeus

Bank supports investments with a positive social impact and creates social responsibility programmes and initiatives that promote sustainable development.

Internal Operation

Piraeus Bank places great emphasis on environmental protection and its internal operation, in line with its strategic goal of forming a unified corporate culture across all levels and integrating its values into its structures and operations.



GLOBAL INITIATIVES FOR SUSTAINABLE DEVELOPMENT



Founding bank and signatory:
Principles for Responsible Banking



Signatory:
UN Women's Empowerment Principles



Signatory:
Collective Commitment to Climate Action, for a low-carbon economy



Signatory:
UN Environment Programme Finance Initiative (UNEP FI) – elected on the Banking Board



Signatory:
UN Global Compact (UNGC)
“Caring for Climate: The Business Leadership Platform”



Signatory:
UN Global Compact
UNGC “United in the Business of a Better World”



Supporter:
UN Sustainable Development Goals (SDGs)



Supporter:
Paris Climate Agreement



Member:
EU B@B Platform



Signatory:
Finance for Biodiversity Pledge – committed to set biodiversity targets



Signatory:
PRI – Piraeus Asset Management

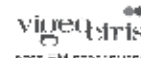


Signatory:
Science Based Targets Initiative for setting targets to reduce carbon emissions



Climate disclosures based on TCFD Recommendations

ESG RATINGS & RECENT DISTINCTIONS



PARTICIPATION IN GLOBAL INITIATIVES FOR SUSTAINABLE DEVELOPMENT

UNITED NATIONS GLOBAL COMPACT

Piraeus Bank participates in the UN Global Compact since 2004. The Bank is committed to the principles of human and labour standards, the environment and anti-corruption. Under the 10 Principles of the UN Global Compact, businesses should:

Human Rights

1. Support and respect the protection of internationally proclaimed human rights.
2. Make sure that they are not complicit in human rights abuses.

Labour

3. Uphold the freedom of association and the effective recognition of the right to collective bargaining.
4. Uphold the elimination of all forms of forced and compulsory labour.
5. Uphold the effective abolition of child labour.
6. Uphold the elimination of discrimination in respect of employment and occupation.

Environment

7. Support a precautionary approach to environmental challenges
8. Undertake initiatives to promote greater environmental responsibility.
9. Encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

10. Work against corruption in all its forms, including extortion and bribery.

For more details on the 10 Principles of the UN Global Compact at Piraeus Bank, see GRI Content Index p. 279 of this Report.

UN GLOBAL COMPACT “CARING FOR CLIMATE: THE BUSINESS LEADERSHIP PLATFORM”

The Bank has signed the UN Global Compact “Caring for Climate: The Business Leadership Platform”, which provides a framework for businesses to advance practical solutions and raise public awareness on Climate Change issues.

UN GLOBAL COMPACT “UNITED IN THE BUSINESS OF A BETTER WORLD”

In 2020 the Group signed the UN Global Compact “United in the Business of a Better World”, a joint statement from business leaders for renewed global cooperation, to show that all public and private institutions are accountable, ethical, inclusive and transparent.

UNITED NATIONS ENVIRONMENT PROGRAMME FINANCE INITIATIVE (UNEP FI)

The Bank has been a member of UNEP FI since 2007. The Bank is committed to environmental protection, social responsibility and sustainable development in its business decisions. In 2020 the Bank was elected on the UNEP FI Banking Board.

COLLECTIVE COMMITMENT TO CLIMATE ACTION (CCCA)

Piraeus Bank participates in the “Collective Commitment to Climate Action”, along with 37 other banks from around the world that have signed the Principles for Responsible Banking and have pledged to align their portfolios and boost financing for sustainable development, to limit the increase in global warming to 1.5 degrees Celsius. These banks intend to create and promote products and services but also to develop relationships with all stakeholders, in order to align their business strategy with the temperature goals of the Paris Agreement.

In December 2020, UNEP FI published a Report providing a snapshot of the progress made by signatory banks in the first year since the launch of the CCCA to deliver on the commitments they have made to reduce direct and indirect CO₂ emissions.



SCIENCE BASED TARGETS INITIATIVE (SBTi)

Following its participation in the CCCA, in July 2020 the Bank committed to the Science Based Targets initiative¹. SBTi proposes specific methodological approaches to calculate CO₂ emissions reduction targets for both the Bank’s operations and its financing.

DECLARATION OF INTENT ON ENERGY EFFICIENCY (UNEP FI)

Piraeus Bank recognises that the financial sector can direct capital flows towards activities and investments that promote energy efficiency and has co-signed the UNEP FI “Declaration of Intent on Energy Efficiency”.

UNEP FI POSITIVE IMPACT INITIATIVE

Piraeus Bank participates in the UNEP FI Positive Impact Initiative for funding projects that have a positive impact on society. It has signed the “Positive Impact Manifesto” for the transition to an inclusive green economy.

UN SUSTAINABLE DEVELOPMENT GOALS

Piraeus Group supports the global Sustainable Development Goals (SDGs), pledging to make a substantial contribution to the global efforts for achieving them. In particular, in accordance with the goal setting, strategic priorities and the results of the Materiality Analyses (2013 - 2020), the Group focuses on strengthening the following 12 Goals:



PARIS PLEDGE FOR ACTION

Piraeus Group has joined the “Paris Pledge for Action” Initiative and has

pledged its commitment on climate action under the Paris Agreement.

EU BUSINESS@BIODIVERSITY PLATFORM

Piraeus Group participates in the EU Business@Biodiversity Platform, a forum for dialogue and policy interface to discuss the links between business, biodiversity and the natural capital at EU level.

FINANCE FOR BIODIVERSITY PLEDGE

Piraeus Group is one of the 26 financial institutions that signed the international “Finance for Biodiversity Pledge” launched at the 75th UN General Assembly in 2020.

HELLENIC NETWORK FOR CORPORATE SOCIAL RESPONSIBILITY (CSR HELLAS)

Piraeus Bank is a full member of CSR Hellas, participating in initiatives regarding the promotion of corporate responsibility in Greek business.

SUSTAINABLE DEVELOPMENT COMMITTEE OF THE HELLENIC BANK ASSOCIATION (HBA)

Piraeus Bank is a member of the Sustainable Development Committee of the Hellenic Bank Association, with active participation in the integration of sustainability in the Greek banking sector.

THE MOST SUSTAINABLE COMPANIES IN GREECE 2020

Piraeus Bank joined the group of “The Most Sustainable Companies in Greece 2020”, an initiative of the QualityNet Foundation, the Greek Network of Responsible Organisations and Active Citizens, which includes companies that approach holistically both sustainable development and its role in the competitiveness of Greek enterprises.

¹ The Science-Based Targets initiative (SBTi) is a collaboration between the CDP, UNGC, the WRI and the WWF, which encourages companies to set scientifically proven GHG emission reduction targets in line with the requirements of the Paris Agreement.

CORPORATE SUSTAINABILITY RATINGS AND AWARDS

Corporate sustainability ratings track the stock performance of the world's leading companies in terms of economic, environmental, and social criteria, and promote the best performers in Corporate Sustainability. Rating agencies systematically monitor Piraeus Bank's ESG performance, motivating the Bank to improve its sustainability practices.

Piraeus Bank is the only Greek company entering the "CDP A list" along with companies with the highest rating "Leadership A" for climate risk management.

PIRAEUS BANK SUSTAINABILITY RATINGS

SUSTAINABILITY INDEX	2020	2019
CDP	Level: Leadership Score: A	Level: Management Score: B
MSCI ESG Research	Level: BBB Score 4.3/10	Level: BBB Score 4.9/10
VIGEO-EIRIS	"Best Emerging Market Performer"	Level: Advanced Performance Score: 60/100 "Best Emerging Market Performer"
oekom Research	Level: Medium Score: C-	Level: Medium Score: C-
ISS Corporate Solutions – Environmental & Social Quality Score	Score: 1/10* (1 is highest)	Score: 1/10 (1 is highest)
ISS Governance Score	Score: 7/10 (1 is highest)	Score: 5/10 (1 is highest)
Forum Ethibel	Member: Ethibel EXCELLENCE Investment Register & Ethibel Pioneer	Member: Ethibel EXCELLENCE Investment Register
Corporate Responsibility Index – CRI	Diamond (2020–2021)	-

*January 2021

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

In 2017 the Task Force on Climate-Related Financial Disclosures (TCFD) of the Financial Stability Board introduced a set of recommendations for climate-related financial disclosures. TCFD Recommendations sug-

gest the voluntary disclosure of detailed information on climate change management in four (4) thematic areas that represent core elements of how an organisation operates: governance, strategy, risk management, metrics and targets.

The European Commission has incorporated TCFD Recommendations into the new Guidelines on reporting climate-related information, included in the EU Action Plan for sustainable growth. The European Banking Authority is also preparing a technical guide “ESG related disclosures”, which is based on the TCFD Recommendations (EBA ACTION PLAN ON SUSTAINABLE FINANCE). Last, the European Central Bank integrated the TCFD Recommendations in the ECB Guide on Climate Related and Environmental Risks in November 2020.

The Bank has already published the first TCFD Report and has responded in detail to the requirements of the Recommendations, in the context of the CDP assessment in which it achieved the best possible “Leadership A” rating in 2020.

The Bank is expected to publish the second TCFD report, which will involve upgrading its alignment with the recommendations.

For more details on the alignment of Piraeus Bank with the TCFD recommendations, see GRI Content Index p. 279 of this Report.

For more information see https://ec.europa.eu/info/publications/180308-action-plan-sustainable-growth_en


https://ec.europa.eu/info/files/190618-climate-related-information-reporting-guidelines_en

https://www.eba.europa.eu/sites/default/documents/files/document_library/EBA%20Action%20plan%20on%20sustainable%20finance.pdf

<https://www.bankingsupervision.europa.eu/ecb/pub/pdf/ssm.202011final-guideonclimate-relatedandenvironmentalrisks-58213f6564.en.pdf>



GOVERNANCE	STRATEGY
<ul style="list-style-type: none"> • The CEO has responsibility for climate-related issues. • The Risk Committee of the Board of Directors, among other Board Committees, takes into account climate parameters in its decisions. • Climate change risks and opportunities are addressed by the Corporate Responsibility Committee and managed by specialised units. • A steering committee coordinates the implementation of ECB Guide on climate-related and environmental risks. • A dedicated unit coordinates the promotion of ESG strategies with other relevant units. 	<p>Piraeus Bank Strategy for Climate Change:</p> <ul style="list-style-type: none"> • Gradual reduction of the carbon footprint of Piraeus Group • Support for investments in renewable energy (RES) and energy saving projects • Climate risk assessment for Greek business borrowers • Provision of solutions for businesses to adapt to the new climate environment <p>Piraeus Bank has identified climate-related risks and opportunities and is launching substantial actions to:</p> <ul style="list-style-type: none"> • Take advantage of climate-related opportunities and expand the development of low carbon and ESG products, promote digitisation and e-banking, and access to new markets. • Test the application of the EU Taxonomy to core banking products as a member of the EBF - UNEP FI working group. • Plan a roadmap for full integration of climate-related and environmental risks into management, processes and decision-making in accordance with the ECB Guide. <p>Piraeus Bank has developed a Climate Risk Management Model based on the latest scientific climate data and a software tool (climabiz), for the calculation of the climate risk of its business borrowers.</p>

RISK MANAGEMENT	METRICS AND TARGETS
<p>Piraeus Bank has established processes for identifying and managing climate-related risks:</p> <ul style="list-style-type: none"> • Annual Risk Identification Process: climate has been identified as a risk factor. • Environmental and Social Management System in business financing (ESMS) in the process of evaluating new business loans. • Environmental Management System (EMS) for the Bank’s infrastructure and operations, certified according to EMAS. • Climate Risk Management Model in line with TCFD Recommendations and UNEP FI climate scenarios • Risk & Capital Strategy includes environmental risks, climate-related risks and social risks. 	<p>Piraeus Bank calculates and publishes on an annual basis:</p> <ul style="list-style-type: none"> • Climate-related risk of its business borrowers • Transition and physical risk of Bank operations and its customers • Its environmental footprint (Scope 1, 2, 3) • The GHG emissions from its financing (Scope 3 - category 15) • The impacts of its portfolio on sustainable development using the UNEP FI Tool <p>Piraeus Bank is involved in climate-related initiatives:</p> <ul style="list-style-type: none"> • Monitors the developments and decisions of the European Supervisory Authorities and the International Climate Change Bodies. • Implements the Principles for Responsible Banking and sets targets for the reduction of the negative impacts on the environment and climate from the Bank’s financing activities. • Participates in international working groups and in the “Collective Commitment to Climate Action” of UNEP FI • Signatory of the Science Based Target initiative to determine and manage emissions from financing. <p>Piraeus Bank upgrades climate risk management:</p> <ul style="list-style-type: none"> • Full alignment of the Climate Risk Management Model with the TCFD Recommendations and the new international methodological approaches. • Gradual integration of climate-related risks into the procedures of the Bank’s Credit Policy. <p>Target Setting</p> <ul style="list-style-type: none"> • By 2050, Piraeus Bank’s portfolio will be net-zero by committing to the SBTi, implementing the PCAF methodology and participating in the Collective Commitment to Climate Action (UNEP FI). • 100% of electricity consumption will come from renewable sources, resulting in zero Scope 2 emissions from 2021. • Reduction of Scope 1 direct GHG emissions by 50% by 2030. • Piraeus Bank earmarks €4.5 billion towards renewable energy, energy savings in buildings, circular economy, sustainable agri-food over the next three years.

COMMITMENT TO THE SIX (6) UN PRINCIPLES FOR RESPONSIBLE BANKING

1. Alignment

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 Agreement and relevant national and regional frameworks.

2. Impact and Target Setting

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

3. Customers

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

4. Stakeholders

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

5. Governance and Culture

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

6. Transparency and Accountability

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

2020 INITIATIVES

- 10 meetings with PRB Ambassadors
- Development of an "ESG Action Plan"
- Participation in UNEP FI working groups for the Principles for Responsible Banking
- Alignment of the Group's Sustainable Development Policy with the PRB
- Impact assessment of Piraeus Bank portfolio on Greece's

sustainable development using the "Portfolio Impact Analysis Tool for Banks"

2021 TARGETS

- Continuation of the application and upgrade of the "Portfolio Impact Analysis Tool for Banks"
- Development of ESG banking products and services
- Further integration of ESG criteria in relevant policies and financial reports
- Active participation in the Collective Commitment to Climate Action (CCCA) initiative and relevant working groups
- Preparation for participation in the industry-led global Net-Zero Banking Alliance
- Promoting the implementation of an action plan for integrating climate risk in the Bank's governance and business decisions

The Group has played a leading role in shaping the UN Principles for Responsible Banking, which aim to align bank operations with the Sustainable Development Goals and the Paris Climate Agreement.

The Principles for Responsible Banking were launched in 2019 under UNEP FI (United Nations Environment Program Finance Initiative), in collaboration with 30 banks-members from around the world. Piraeus Bank was the only Greek bank to actively participate in preparing the global Principles. Piraeus Bank is elected on the UNEP FI Banking Board. In September 2019, the CEO of Piraeus Bank signed the Principles for Responsible Banking, committing the Bank to play an even more important role in achieving a sustainable future. Piraeus Bank also signed the Collective Commitment to Climate Action with 37 other banks, pledging to finance the low-carbon, climate-resilient economy required to limit global warming to well-below 2, striving for 1.5 degrees Celsius.

Integration of Principles for Responsible Banking within the Organisation

Upon signing the PRB, the Bank updated its Sustainable Development

Policy incorporating the Principles. Their application and integration in the Organisation revolve around the following pillars: Governance and Internal Structure – Positive Impact – Culture and Communication.

Governance and Internal Structure

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

The Corporate Responsibility Committee (CRC) chaired by the Group CEO, has the overall supervision for the implementation of the Principles. Senior Bank executives have been appointed as “Responsible Banking Ambassadors” and have subsequently selected the members of the interdepartmental working group “Principles for Responsible Banking Working Group”. Executives from the following units make up the interdepartmental working group: Corporate & Investment Banking, Retail Banking & Distribution Network, Group Risk Management, Piraeus Support/Operations, Corporate Development & ESG, Investor Relations, Piraeus Financial Markets, Group HR. Three members of the CRC form the “Action Team”, which coordinates the “Working Group” and its relations with the other members of the governance structure, and informs the CEO and the Corporate Responsibility Committee about the relevant developments.

Positive Impact

Regarding the second pillar of the Action Plan, the Bank is a partner of UNEP FI in this effort to strengthen positive impacts, to meet the financing needs for achieving the UN Sustainable Development Goals. The Group participates in UNEP FI working groups, such as Impact Analysis, EU Taxonomy (together with the European Banking Federation – EBF), to support the implementation of the Principles and acquire know-how and additional expertise in corporate sustainability issues, such as developing metrics and evaluation criteria for ESG actions.

Piraeus Bank actively participated in the working groups of the “UNEP FI – Positive Impact Initiative”, which designed, developed and presented two specialised and innovative tools, to support banks in measuring their impact on sustainable development. These tools will allow banks,

investors and their service providers to take a holistic approach in analysing and managing their impact. The ultimate goal is to strengthen financing and investments that contribute positively to sustainable development, while mitigating or offsetting the negative effects.

The “Corporate Impact Analysis Tool” analyses the impact of businesses and provides banks and investors with a detailed view of the current situation and the potential for businesses. The second model, a more holistic one, is the “Portfolio Impact Analysis Tool for Banks” that provides banks with an overview of the positive and negative impacts of their portfolio on the economy, society and the environment in which they operate. It enables banks to define strategies to ultimately contribute to the achievement of the Sustainable Development Goals.

Impact Assessment of Piraeus Bank Portfolio using the “Portfolio Impact Analysis Tool for Banks”²

In 2019 the “Portfolio Impact Analysis Tool for Banks” was designed specifically to support signatories to the Principles for Responsible Banking (PRB) in achieving Principle 2 “Impact and Target Setting”. The Tool provides information to signatories regarding the impact of their portfolios.

UNEP FI, the Positive Impact Initiative and a working group of 50 UNEP FI banking members joined forces to design the Tool³. Piraeus Bank is the only Greek bank participating in the formation of the Tool. Through this analysis, a bank can: a) identify its significant positive and negative impacts to sustainable development⁴ through its financing, specifically in the areas of economy, society and the environment, b) set specific targets to increase the positive impact and reduce the negative ones, and c) adjust its portfolio and strengthen its collaborations with customers, in order to achieve its targets.

The methodology of the Tool for the analysis and extraction of results: a) takes into account the important issues of sustainable development that each country faces, in the economy, society and the environment, b) takes into account the correlations between the financing of economic activity sectors and their impact on specific areas of sustainable development⁵, and c) includes the amount of financing per portfolio category.

² See: Impact Analysis Tool for Banks. “This tool was developed by UNEP FI to enable signatories to the Principles for Responsible banking to meet the Principles requirements in terms of impact analysis, namely as a basis for target-setting.”

³ See: Guide to Holistic Impact Analysis.

⁴ UNEP FI identifies 22 impact areas, i.e. 22 key issues in the three pillars of sustainable development: economy/environment/society. See HYPERLINK “<https://www.unepfi.org/publications/positive-impact-publications/the-impact-radar/>” Impact Radar

⁵ The correlations between the branches of economic activity (ISIC codes) and the 22 sustainable development impact areas have been determined in accordance with the IFC: International Finance Corporation > Environmental Health & Safety Guidelines

Piraeus Bank used data for its retail, business and corporate portfolio for the 2020 impact analysis⁶.

The analysis shows that Piraeus Bank financing has possible positive impacts across all three pillars of sustainable development in Greece. The most important positive impacts are identified in the economy – in particular, the inclusive economy, which is crucial for the country’s sustainable development. For example, the long-term support of Piraeus Bank to SMEs has a positive impact on the Greek economy, accelerating economic convergence and reducing inequalities. The Bank’s financing is

also associated with a positive contribution to housing, transport quality and justice and equality, which are crucial in the Greek reality.

The methodology takes into account the fact that financing may also have an adverse impact on certain sustainable development issues such as climate and resources efficiency.

Taking into account the portfolio impact analysis and the Organisation’s overall business strategy⁷, the areas of sustainable development identified are the following:

ECONOMY	SOCIETY	ENVIRONMENT
<ul style="list-style-type: none"> • inclusive healthy economies • economic convergence 	<ul style="list-style-type: none"> • housing • culture & heritage • mobility • access to food 	<ul style="list-style-type: none"> • climate • energy • resources efficiency • biodiversity & ecosystems

The results of the analysis are aligned with Piraeus Group’s action plan for the environment, society and governance.

Culture and Communication

Since participating in the working group for the formulation of the Principles, Piraeus Group has taken a series of targeted actions to make its stakeholders aware of the importance of this initiative. Piraeus Bank executives hold regular meetings with the other systemic banks in Greece and the Hellenic Bank Association, to discuss the harmonisation of the Greek banking system with the Principles for Responsible Banking. The Bank also organised the first event for the official presentation of the Principles in Greece, with the keynote speaker being the Governor of the Bank of Greece and participants from the academic community, the banking sector, research organisations, sustainable development networks, international auditing firms.

In September 2020 the CEO of Piraeus Bank participated in a global online event organised by UNEP FI on the progress of the banking sys-

tem during the first year since signing the Principles for Responsible Banking. The CEO presented all the actions carried out for aligning the Organisation’s operations and the business model with the Principles.

Regarding the strengthening of the culture of responsible banking within the Organisation, Group employees are informed about the developments regarding the Bank’s commitment through Press Releases and posts on the internal network – intranet. In addition, the members of the “Action Team” hold regular meetings with selected executives for synergy-based performance optimisation. Last, an e-learning course is designed to familiarise employees with the Principles and responsible banking.

In 2020, the Bank published the first progress report regarding the Principles for Responsible Banking.

https://www.piraeusbank.gr/~media/gr/idiwtes/images/unep-fi/piraeus-bank-sustainability-fact-sheet_gr.pdf and www.piraeusbank.gr/el/idiwtes/unep-fi

For more details on the Principles for Responsible Banking at Piraeus Bank, see GRI Content Index p. 279 of this Report.

⁶ No personal customer data was used during the analysis. The Bank’s individual banking portfolio includes private customers, professionals (without NACE classification for economic activities), natural persons. The Bank’s commercial portfolio includes SMEs, companies, municipalities and regional bodies, public and non-profit bodies, agricultural enterprises with NACE classification. The business portfolio includes financing to large corporates, institutional customers, shipping companies, hospitality and tourism financing.

⁷ In accordance with the UN Sustainable Development Goals, the Environmental and Social Management System in Business Financing (ESMS), the results of the materiality analyses, the results of the Bank’s corporate sustainability assessments, the target for increasing the positive impact and reducing the negative impact of the portfolio, and the “Science Based Targets” initiative.

METHODOLOGY FOR ANALYSIS OF MATERIAL TOPICS

In the quest for transparency and responsible reporting of the non-financial aspects of its business, every year Piraeus discloses important information about the Group's corporate social responsibility.

Piraeus discloses non-financial information in accordance with the Global Reporting Initiative (GRI), which as of 2006 defines a comprehensible set of standards for sustainability reporting, and communicates its sustainability impacts to its stakeholders. Additionally, adoption and implementation of GRI Standards contributes to a better ranking for Piraeus, which is actively involved in international initiatives and included in corporate sustainability indices. The Group implements international standards and best practices and is regularly assessed, affirming its commitments to sustainable development practices.

Piraeus participates in the UN Global Compact on a voluntary basis. Acknowledging the growing importance of the 17 Sustainable Development Goals (SDGs), Piraeus links the topics with the highest priority for stakeholders and the biggest estimated impact on business, as identified in the materiality survey, 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 & 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.

In addition to the regular two-way dialogue with each stakeholder group, Piraeus applies the reporting principles of Materiality, Stakeholder Inclusiveness, Sustainability Context and Completeness, in accordance with the GRI Standards, to prioritise its sustainable topics. Piraeus conducts a Materiality Survey and holds focus group discussions, to identify material Sustainable Development topics.

The 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 sur-

veys, 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 & Business Report.

Piraeus addresses the 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, ensuring that the stakeholder engagement 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 relationship they have with Piraeus.

As part of the process, participants are asked to assess an extensive range of sustainable development topics regarding the level of materiality, using a standardised materiality scale (from 1=not at all to 5=absolutely material).

The scale ranks topics by their relevance to Piraeus stakeholders and their impact on the Group's sustainable performance. At the same time, participants are encouraged to share their opinions on how to improve, which Piraeus takes into account.

Topics are weighted, prioritised, and plotted on the Materiality Map. The horizontal axis represents the impact assessment by Piraeus Group of these topics on sustainable development, i.e. on society, the economy and the environment, and the vertical axis represents the way in which stakeholders perceive the materiality of each topic.

Both the Materiality Analysis and the current Report receive third-party assurance, a testament to the Group's commitment to transparency and alignment with international best practices.

The 2020 Sustainability and Business Report has been prepared in accordance with the Core Option of the GRI Standards. By adopting this option, Piraeus Bank determines the content and quality guidelines of this Report (Balance, Comparability, Accuracy, Regular and Timely Information, Clarity, Reliability). The information contained in the Financial Services Sector Supplement has been included in the process, namely the FS8 performance indicator which refers to the monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.

The 2020 Materiality Questionnaire included 20 topics. Based on the results of the analysis, 12 material topics were identified for both sides.

Two of these topics were new compared to 2019 and included for the first time in the questionnaire (Addressing the effects of the Covid-19 pandemic, and Sustainable Banking at Piraeus Bank), and one topic was included in last year's questionnaire, but was identified as one of the 12 material topics this year (Commitment to the Principles for Responsible Banking of the United Nations). These 12 material topics are presented and described with a degree of materiality below:

1. Compliance with the Regulatory Framework (Q10)

The Bank complies with the current regulatory framework as is defined by national and European legislation, establishing procedures and ensuring that they are strictly applied.

2. Protection of Personal Data (Q9)

The Bank, in accordance with the current legal framework, has taken all necessary actions, implementing the appropriate technical and organizational measures, committed to ensure and protect in any way the processing of personal data of its stakeholders from loss or leakage, alteration or their otherwise improper processing.

3. Addressing the effects of the Covid-19 pandemic (Q6)

Operating with a sense of responsibility and responding to current challenges, the Bank has taken all necessary measures since the beginning of the pandemic, thus helping to limit the spread of Covid-19 coronavirus and mitigate its effects on the Greek economy.

4. Promotion of tangible and intangible cultural heritage of the country (Q19)

The Bank, through its Cultural Foundation, documents, highlights and promotes the country's tangible and intangible cultural heritage (museum network, research programs, publications, historical archives) contributing to the preservation of its production history and enhancing the access of the regions of Greece to quality cultural goods.

5. Supporting the new generation (Q20)

The Bank supports young people and youth employability by providing specialized training programs that enable them to acquire skills which are useful in their professional careers.

6. Corporate Governance (Q11)

The Bank adopts the principles and best practices of corporate governance ensuring its effective organization, functionality, management and development, aiming at transparency in communication with shareholders, direct and continuous information to the investment

community and safeguarding the interests of all stakeholders.

7. Supporting local communities (Q18)

The Bank operates a network of nine thematic museums in the regions of Greece, contributing to the country's economic growth and prosperity, through the development dynamics of culture and through building relationships of trust at the local level.

8. Sustainable Banking in Piraeus Bank (Q3)

The Bank recognizes the importance of environmental, social and governance criteria in its strategic roadmap, its objectives and its business decisions.

9. Improving environmental performance (Q17)

The Bank develops strategies and programs to reduce its operational environmental footprint, saving natural resources.

10. New technologies (Q2)

The Bank utilizes new technological solutions in order to enhance the quality of the provided products/services to the benefit of its customers.

11. Commitment to the Principles for Responsible Banking of the United Nations (Q7)

The Bank implements the Principles for Responsible Banking by developing actions and reporting on their progress, aiming to achieve the Paris Climate Agreement targets and the United Nations Sustainable Development Goals.

12. Creation of economic value (Q1)

The Bank enhances its financial performance and contributes to the growth of the Greek economy by implementing a specific business plan.

The Sustainability and Business Report refers to the Bank's operations in Greece. In certain cases, other companies of the Group are also mentioned, to depict the corporate social responsibility practices implemented throughout the Group.

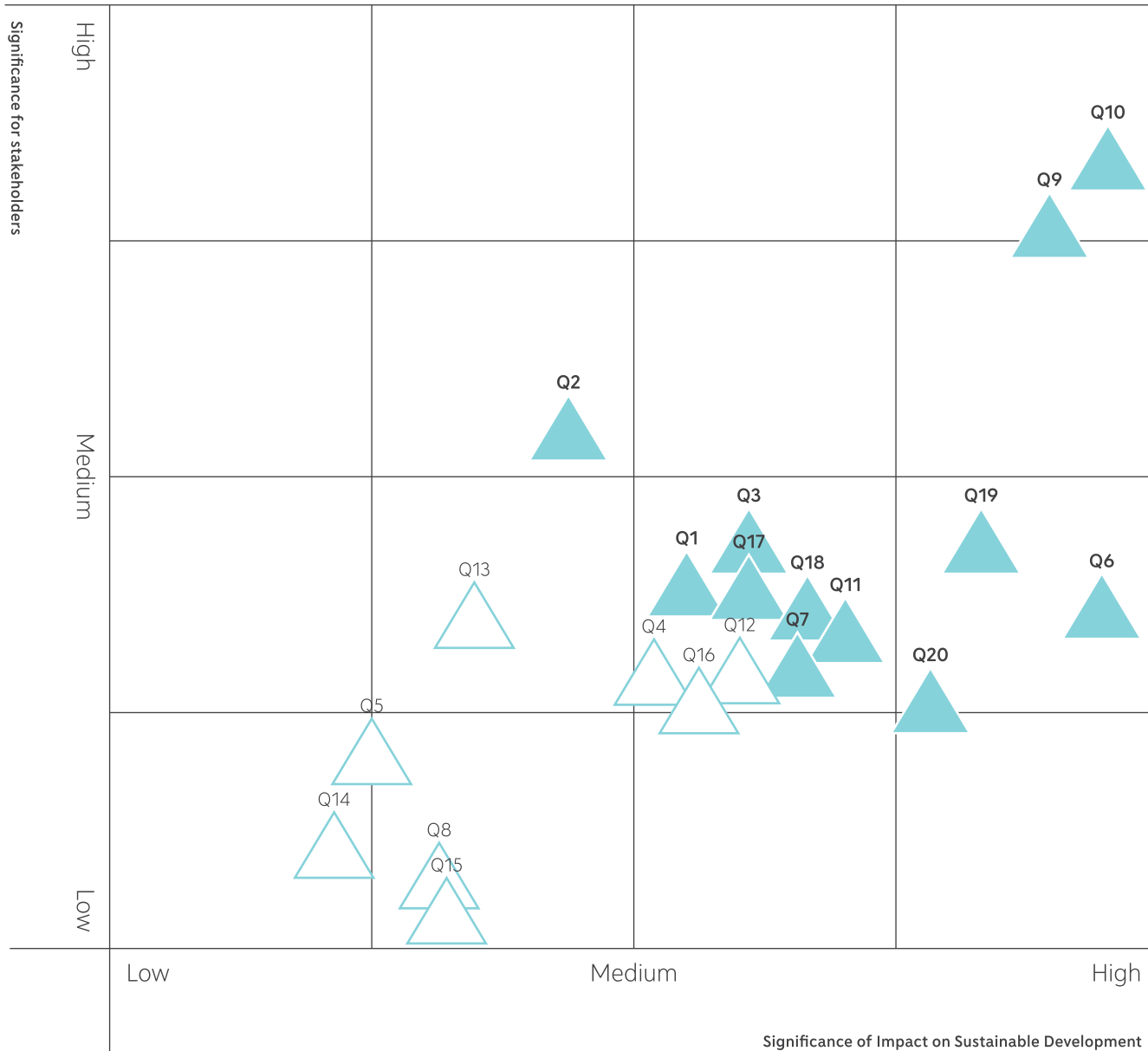
Piraeus appointed an external auditor to provide an Independent Assurance on CSR-related issues (Deloitte Certified Public Accountants SA).

The following table below presents a list of the 12 material topics, their correlation with the relevant GRI Standards and their boundaries.







SUSTAINABLE DEVELOPMENT

MATERIAL ISSUE	CORRESPONDING MATERIAL ISSUE WITH GRI STANDARDS	BOUNDARIES
Creation of Economic Value	Economic Performance	Piraeus Financial Holdings Group, Business Community, Supervisory & Regulatory Authorities, Customers, Suppliers
New technologies	Not available corresponding GRI Standard for Special Disclosures	Piraeus Financial Holdings Group, Customers, Suppliers, Other Banks, Fintech, Competitors
Protection of personal data	Customer Privacy Protection	Piraeus Financial Holdings Group, Customers, Suppliers
Compliance with the Regulatory Framework	Anti-corruption	Piraeus Financial Holdings Group, Business Community, Supervisory & Regulatory Authorities, Customers
Corporate governance	Not available corresponding GRI Standard for Special Disclosures Voluntary option for providing Notifications based on the GRI Standard 102-22	Piraeus Financial Holdings Group, Supervisory & Regulatory Authorities
Commitment to the Principles for Responsible Banking Of the United Nations	Not available corresponding GRI	Piraeus Financial Holdings Group, Supervisory & Regulatory Authorities, Suppliers, Investors/ Shareholders, Customers, State, Community/ environmental/cultural bodies
Improving environmental performance	Standard for Special Disclosures	Piraeus Financial Holdings Group, Suppliers
Supporting Local Communities	Indirect Economic Impact	Piraeus Financial Holdings Group, PLOP, Community/environmental/cultural bodies, Local Communities, NGOs, State
Promote of tangible and intangible cultural heritage of the country	Indirect Economic Impact	Piraeus Financial Holdings Group, PLOP, Community/environmental/ cultural bodies, Local Communities, NGOs, State
Supporting the new generation	Indirect Economic Impact	Piraeus Financial Holdings Group, Business Community, Community/ environmental/cultural bodies, State
Addressing the effects of the Covid-19 pandemic	Not available corresponding GRI Standard for Special Disclosures Voluntary option for providing Notifications based on the GRI Standard 403-6	Piraeus Financial Holdings Group, Customers, State, Suppliers
Sustainable Banking in Piraeus Bank	Product Portfolio	Piraeus Financial Holdings Group, Customers, NGOs, State, Regulatory Authorities, H.O.B.I.S. Ombudsman, Consumer's Ombudsman

MATERIALITY ANALYSIS



MAPPING OF UN SUSTAINABLE DEVELOPMENT GOALS TO MATERIAL TOPICS IN THE REPORT

Q1	Creation of economic value		Q10	Compliance with the regulatory framework
Q2	New technologies		Q9	Protection of personal data
Q3	Sustainable banking in Piraeus Bank		Q6	Addressing the effects of the Covid-19 pandemic
Q4	Responsible financing/investments, social and environmental banking products/services		Q19	Promotion of tangible and intangible cultural heritage of the country
Q5	Financial inclusion		Q20	Supporting the new generation
Q6	Addressing the effects of the Covid-19 pandemic		Q11	Corporate governance
Q7	Commitment to the Principles for Responsible Banking of the United Nations		Q18	Supporting local communities
Q8	Responsible procurement		Q3	Sustainable banking in Piraeus Bank
Q9	Protection of personal data		Q17	Improving environmental performance
Q10	Compliance with the regulatory framework		Q2	New technologies
Q11	Corporate governance		Q7	Commitment to the Principles for Responsible Banking of the United Nations
Q12	Risk management		Q1	Creation of economic value
Q13	Commitment to safeguard human rights			
Q14	Corporate culture and working environment			
Q15	Inclusion and diversity			
Q16	Assessment of climate, environmental and social risk			
Q17	Improving environmental performance			
Q18	Supporting local communities			
Q19	Promotion of tangible and intangible cultural heritage of the country			
Q20	Supporting the new generation			
				
				
				
				
				

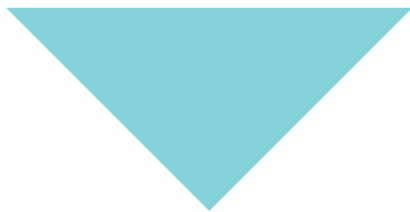
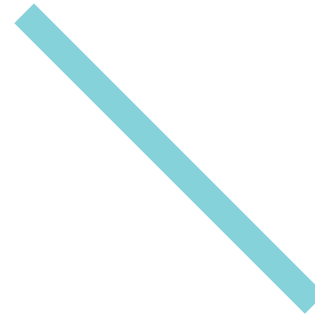
For a concise graphic representation of the material issues of this Report see www.piraeusholdings.gr > Investor Relations > Financial Data > Annual Reports > 2021

STAKEHOLDER DIALOGUE

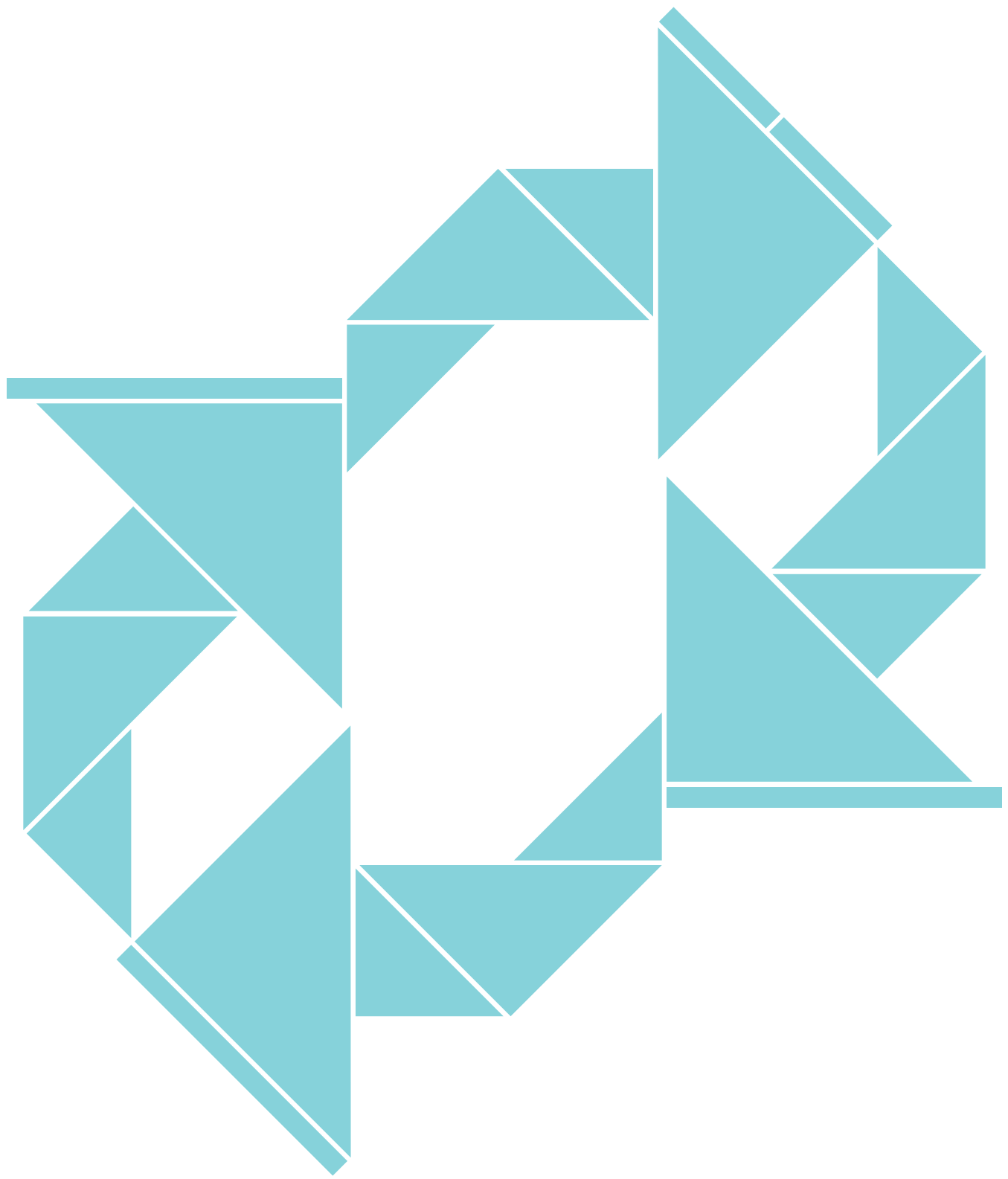
Stakeholders are defined as entities or individuals that can reasonably be expected to be significantly affected by Piraeus Financial Holdings Group's activities, products, and/or services; and whose actions can reasonably be expected to affect the Group's ability to successfully implement its strategies and achieve its objectives.

In the framework of its activities and operations, the 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 Group was involved in the formulation and adoption of the global Principles for Responsible Banking and treats each separate stakeholder dialogue as important. In 2020 the Group engaged in a dialogue with its Stakeholders and the following issues were recognised as material: compliance with the regulatory framework, protection of personal data, addressing the effects of the Covid-19 pandemic, new technologies in customer service, sustainable banking, environment, and cultural heritage as pillars of sustainable development, support youth entrepreneurship, community engagement and value creation. Corporate governance and commitment to the UN Principles for Responsible Banking were also recognised as material topics.

For more details on Piraeus Financial Holdings Group stakeholders' dialogue, see www.piraeusholdings.gr>Investor Relations>Financial Data>Annual Reports>2021











CORPORATE GOVERNANCE, RISK MANAGEMENT AND CONTROLS

CORPORATE GOVERNANCE

During the reporting period until 30 December 2020, date of completion of the Demerger by way of hive-down of the Company's banking activities and its contribution to a newly established credit institution, the Company was subject to the detailed corporate governance regulations applicable to credit institutions. Following the completion of the Demerger, the Company has ceased to be a credit institution but continues to apply most of these regulations and practices, adapted to its current business model, since they constitute best corporate governance practices and largely meet the requirements of the new Greek Law 4706/2020, the Greek Corporate Governance Framework (CGF) applicable to listed companies as of July 2021.

Piraeus Financial Holdings is in the process of revising its policies, internal procedures, operating regulations of the Board and its Committees to ensure that they are aligned to its activities and the new CGF for listed entities that will become effective as of July 2021.

The Articles of Association of the Company were amended and approved by the General Meeting of the Shareholders of the Company on 10/12/2021 following the completion of the Demerger. After the relevant decision of the Extraordinary General Meeting on 07/04/2021 the Articles of Association were amended again.

For the codified text of the Articles of Association, as approved by the competent Supervisory Authority and registered on the General Commercial Registry, see www.piraeusholdings.gr>Investor Relations>Articles of Association

The Company was a credit institution supervised by the ECB until the end of 2020 and therefore applied the strict provisions of Greek Law 4261/2014 and of the Bank of Greece Governor's Act 2577/9.3.2006, the framework governing the operation of credit institutions and setting out the criteria for the evaluation of the Internal Control Systems of credit institutions. As a bank holding company, the Company is still supervised by the ECB and continues to apply, on an optional basis, many of the above principles and procedures as they are the best principles of corporate governance.

The Company applies the Corporate Governance Structure and Operating Regulation (“the Regulation”), which preceded the Demerger. The Company Regulation is under revision, as a result of the demerger and the entry into force, from July 2021, of the new law on Corporate Governance. The Regulation will soon be available through the Company’s website. The Regulation consolidates the legal/regulatory frameworks on corporate governance and international best practice. In addition, it describes in detail the duties and responsibilities and the functions of the Company’s key corporate Bodies, in particular the Board of Directors and its Committees, the Main Executive Committees, and the Group’s central units for Internal Audit, Risk Management and Regulatory Compliance.

Moreover, in the context of the provisions of Greek Law 3864/2010, the Company and the Hellenic Financial Stability Fund (HFSF) have entered into a Relationship Framework Agreement (RFA) dated 27/11/2015. The RFA regulates the relationship between the Company and the HFSF on matters related to, inter alia, the Company’s Corporate Governance, the rights and obligations of the HFSF’s Representative to the Board of Directors and the HFSF’s formal approval on material matters, as well as the monitoring of the risk profile in relation to the approved Risk and Capital Strategy.

The Company’s administrative, management and supervisory bodies, and the Internal Control System (ICS), Regulatory Compliance and Risk Management Systems discussed below, are governed by the institutional framework and corporate governance structure and operating regulations.



INVESTOR RELATIONS

The Investor Relations unit provides the financial community (private and institutional investors) with systematic and symmetrical information on the course and the strategic direction of Piraeus Group, with the active involvement of the Group’s Senior Management. During 2020, a total of 663 meetings/briefings (-2% since 2019) were held with investors and research analysts in Greece and abroad.

GENERAL MEETING OF SHAREHOLDERS

The General Meeting of the Shareholders of Piraeus Financial Holdings SA is its supreme body, and is entitled to decide on every corporate affair. It is responsible, inter alia, for electing the members of the Board of Directors and the external auditors and for approving the Annual Financial

Report which incorporates the Board of Directors’ Management Report and the Consolidated and Separate Financial Statements. The responsibilities of the General Meeting are those provided by the legislative provisions in force and the Company’s Articles of Association.

The Company’s Investor Relations, Shareholder Relations and Corporate Announcements units are charged with informing investors, shareholders and the competent supervisory authorities respectively, to ensure clear communication and transparency of information.

Information on the operation and decisions of the General Meetings of the Company’s shareholders is available on the website: www.piraeusholdings.gr>investor Relations>Corporate Governance/General Meetings

SHAREHOLDER RELATIONS

The Shareholder Registry is responsible for providing direct and symmetrical information to all shareholders, as well as assisting them in exercising their rights in accordance with the law and the Company’s Articles of Association.

CORPORATE ANNOUNCEMENTS

Corporate announcements are the responsibility of the Corporate Announcements Service.

The Corporate Announcements Service was set up in accordance with Law 3016/2002 and the Hellenic Capital Market Commission’s Board resolution no. 5/204/14.11.2000 and is responsible for ensuring the Company’s compliance with the regulatory framework. Corporate announcements are promptly submitted to the Hellenic Exchanges to be recorded in the Daily Official List and for investors to be informed.

SHAREHOLDER STRUCTURE

On 31/12/2020 the total number of the Company’s common shareholders stood at 436,659,164. The HFSF held 26% of the outstanding common shares and the remaining 74% was held by the private sector (66% by legal entities and 8% by individuals). On 4/1/2021, subsequent to the conversion of CoCos into common shares and the increase in the Company’s share capital, the Company’s total shares stood at 836,059,164. The HFSF shareholding in the Company increased to 61%.

BOARD OF DIRECTORS

The Board of Directors (Board) represents Piraeus Financial Holdings SA and is responsible for deciding on any matter concerning the Company's administration, the management of its assets and the pursuit, in general, of its purposes. The Board of Directors is not entitled to decide on matters which, according to the Law or the Articles of Association, belong to the exclusive competence of the General Meeting of Shareholders.

In accordance with Article 8 of its Articles of Association, as in force today, the Company is managed by a Board of Directors (Board) consisting of nine (9) to fifteen (15) members. Pursuant to Greek Law 3016/2002, the Board consists of executive and non-Executive Directors. The number of the non-Executive Directors should not be less than one third (1/3) of the total number of members. Among the non-Executive Directors, at least two (2) should be independent within the meaning of Article 4 of the aforementioned Greek Law. Pursuant to Greek Law 3864/2010, a Representative of the HFSF ("HFSF Representative") participates as a Member to the Board. His responsibilities are determined in Greek Law 3864/2010 and the RFA.

In addition, the RFA provides, inter alia, for the following on the composition of the Company's Board of Directors: a) the Board must be composed of no fewer than seven (7) and no more than fifteen (15) members. Only an odd number of members is permitted, including the HFSF's Representative to the Board, according to Greek Law 3864/2010, b) the Chairperson of the Board must be a non-executive member and should not serve as Chairperson of either the Board's Risk or the Audit's Committee, c) the majority of the Board must comprise non-Executive Directors, 50% of which (rounded to the nearest integer) and in any case no less than three (3) members (excluding the HFSF Representative) should be independent, satisfying the independence criteria of Greek Law 3016/2002 and the Recommendation 2005/162/EC and d) the Board must include at least two (2) Executive Directors.

The Board of Directors has adopted a Policy on the Nomination of Board members.

The Policy is based on the laws and regulations in force at the time of its adoption and incorporates the following: (a) the provisions of Greek Law 4261/2014⁸, (b) EBA Guidelines on the assessment of the suitability of Board members and (c) the provisions of the RFA as well as international best practices. The Policy describes the general principles, the procedure and the criteria of the nomination of Board members (ex-

cluding the HFSF Representative), which include, inter alia, the following: (a) fit and proper criteria, (b) criteria for the avoidance of conflicts of interest, (c) criteria on the availability and dedication of sufficient time for the operations of the Board, (d) criteria with respect to financial experience within the banking sector, commitment on the application of international best banking practices with particular emphasis on risk management, compliance and the Internal Control System (ICS), sufficient knowledge of the regulatory and business environment in which the Company operates as well as (e) criteria concerning the independence, the character and the personality of the candidate Member.

Furthermore, according to the provisions of Greek Law 4261/2014 the members of the Board of Directors of the Company must have a good reputation, have sufficient knowledge, skills and experience, for the purpose of performing their duties, taking into account the special role of a holding company. Board members are subject to a fit-and-proper assessment by the SSM.

According to Greek Law 3864/2010, the HFSF Representative participates in the Board of Directors of the Company. The HFSF informs in writing the Chairperson of the Board about the appointment of the HFSF Representative to the Board of the Company. Following this, the Board shall take all necessary actions in accordance with the Law on Sociétés Anonymes and the Company's Articles of Association to finalise his election, including the announcement of his appointment to the General Meeting of Shareholders.

The HFSF Representative's responsibilities are defined in Greek Law 3864/2010 and the RFA.

Pursuant to the provisions of Greek Law 3864/2010, the HFSF's Representative to the Board of Directors has the following rights:

- The right to request the convention of a General Meeting of shareholders.
- The right to veto any corporate decisions of the Company's Board of Directors:
 - related to dividend distributions and the remuneration policy and bonuses to the Chairperson, the Managing Director and the other Board members, General Managers and their Deputies;
 - if the decision may set at risk the rights of deposit-

⁸ Applicable during the reporting period due to the former status of the Company as a credit institution.

ors or have a material adverse effect on the liquidity, solvency or the prudent and orderly operation of the Company in general (such as business strategy and asset/liability management); and

- related to corporate actions of Article 7A para. 3 of Greek Law 3864/2010 which may significantly affect HFSF's shareholding in the Company.
- The right to request an adjournment of a Board Meeting for three (3) business days in order to receive instructions from the HFSF Executive Committee, such right may be exercised until the end of the Board Meeting.
- The right to call a Board meeting.
- The right to approve the appointment of the Chief Financial Officer (CFO).

In exercising his rights, the HFSF Representative shall respect the Company's business autonomy.

Further to the above, by virtue of the RFA, the HFSF has, inter alia, the following rights related to the operation of administrative Bodies of the Company:

- The HFSF Representative to the Board has the right to participate in the Board of Directors Committees:
 - Audit Committee
 - Risk Committee
 - Remuneration Committee
 - Board members' Nomination Committee
 - Board Ethics and Governance Committee
 - Strategy Committee.

In addition, an Observer appointed by the HFSF attends the meetings of the Board of Directors and the aforementioned Committees, without voting rights.

The HFSF Representative to the Board has the right to include items in the agenda of the meetings of the Board or the committees in which he participates as a Member.

The HFSF Representative to the Board has the right to include items in the agenda of the General Meeting of Shareholders convened by the Board of Directors.

The HFSF provides its prior written consent for several material matters, including, inter alia, any material transactions and corporate transformations.

The HFSF has the right to review the annual Self-Assessment exercise of the Board of Directors. In addition, based on the assessment provided for in Article 10 of Greek Law 3864/2010 or the review of the annual Self-Assessment exercise, the HFSF may proceed to make suggestions for improvements or possible changes to the Company's Corporate Governance framework.

The mandate for the members of the Bank's Board of Directors is three (3) years and is extended until the Annual General Meeting (AGM) which convenes following the expiry of their term. The current Board was elected on the General Meeting held on 26 June 2020 and consequently its term of office expires on 26 June 2023, to be extended according to the aforementioned.

Elections of new members are disclosed as per company law and announced by the Board of Directors at the next General Meeting.

The Company's Board consists of members with international leadership expertise and know-how, particularly in the areas of banking restructurings and the reduction of non-performing loans. Moreover, the Board members possess in depth knowledge and experience of the banking market, actively contribute to the improvement of the corporate governance framework, are leading the respective required amendments whilst participating in the creative debates and the quest for solutions to the challenges faced by the Company and the Group.

Furthermore, the Management of Piraeus Group, in the context of the anthropocentric philosophy that governs the Group's business operation, places special emphasis – in Greece and in the other countries it is active – on the Corporate Responsibility principles that call for the protection and support of social partners and society as a whole. The Group initiates action to improve the living conditions of vulnerable groups of the population, to raise culture, wellbeing, and the living standards, and to protect the environment as a cornerstone of a stable and prosperous society.

The Board members acknowledge that sustainable development principles are a prerequisite for sound business practices and for improving environmental understanding and decision making, for reducing the Group's environmental footprint, for supporting green entrepreneurship,

for managing environmental-climate risk, and for conserving biodiversity, so that the Company and the Group actively participate in tackling the major social and environmental problems facing our planet.

The Management of the Group recognises the strategic importance of CSR; the Ethics and Governance Committee and the Corporate Responsibility Committee were established before the Hive-down and currently operate at the level of Piraeus Bank. The members of these committees monitor and specialise in corporate responsibility issues, including sustainable development.

The Company provides the necessary financial and human resources for the implementation of appropriate introductory and training programmes on an ongoing or ad-hoc basis for the members of the Board.

The Board of Directors of Piraeus Financial Holdings SA, as reconstituted on 26/06/2020, consists of thirteen (13) members, two of which are women. Following the appointment of Executive and Non-Executive Directors pursuant to Greek Law 3016/2002, the Board has the following composition:

George P. Handjinicolaou

Chairman of the Board, Non-Executive BoD Member

Karel G. De Boeck

Vice-Chairman of the Board, Independent Non-Executive BoD Member

Christos I. Megalou

Chief Executive Officer (CEO), Executive BoD Member

Vasileios D. Koutentakis

Executive BoD Member

Venetia G. Kontogouri

Independent Non-Executive BoD Member

Arne S. Berggren

Independent Non-Executive BoD Member

Enrico Tommaso C. Cucchiani

Independent Non-Executive BoD Member

David R. Hexter

Independent Non-Executive BoD Member

Solomon A. Berahas

Independent Non-Executive BoD Member

Andrew D. Panzures

Independent Non-Executive BoD Member

Anne J. Weatherston

Independent Non-Executive BoD Member

Alexander Z. Blades

Non-Executive BoD Member

Periklis N. Dontas

Non-Executive BoD Member, HFSF Representative

According to the revised RFA, an Observer appointed by the HFSF attends the meetings of the Board of Directors, without voting rights.

The Board of Directors is on constant alert, exercising due diligence in performing its duties. In particular, the Board initiates action to encourage sound business practices, to invest in professional training for young people entering the job market. The Board also collaborates with the Greek productive and business world, including SMEs, especially tourism and agriculture, and responsibly and consistently supports the effort to restart the Greek economy.

The fact that there is a wide range of perspectives in the boardroom means that the status quo is being questioned and re-evaluated critically and that information is being carefully evaluated. Diversity in the Boardroom contributes effectively to the expression of different views, and to the avoidance of “groupthink”, and fosters constructive debate so that Non-Executive Directors tactfully contest strategies to glean the best results from management for business. The Company has also adopted a Nomination Policy and a Diversity Policy for the Board of Directors.

In any case, the Company recognises and embraces the importance and the benefits of diversity for safeguarding and improving its competitiveness and innovation as well as for achieving maximum team efficiency and effectiveness. In this context, when nominating new Board members or senior management executives, a combination of elements is taken into consideration, including, inter alia, skills, capabilities, qualifications, experience, educational and professional background, the ethnic origin, the gender, the age and other qualities, which may vary depending on the identified weaknesses and the business or strategy needs of the Company.

In addition, although the percentage of female participation on the Board of the Company does not differ significantly from the average at national and European level, the Company recognises the need for including more women and works towards this direction, despite the strict legal and regulatory framework governing the composition of the Board of Directors that restricts the pool of available nominees.

Detailed information on the responsibilities of the Board, its operation, its current composition and short CVs of Board members are available on the Company website: www.piraeusholdings.gr>Investor relations>Corporate Governance>Board of Directors Composition and www.piraeusholdings.gr>Investor Relations>Financial Statements & Other Information>2020 Annual Financial Report

COMMITTEES

In the context of the continuous improvement of the organizational structure of the Company and the Group, specialized tasks have been assigned to Committees.

The operation of the Committees is governed by the Committees Operating Regulation, which forms part (as an Appendix) of the Company's Corporate Governance Structure and Operating Regulation. The Committees Operating Regulation refers to all the Board Committees, as well as other Executive and Administrative Committees, subject to the specific Operating Regulation of each Committee which prevails to the extent that it deviates from the general rules laid down in the Committees Operating Regulation.

Board of Directors Committees

Audit Committee

The Audit Committee comprises Non-Executive Directors, the majority of whom are independent within the meaning of the provisions of Greek Law 3016/2002. The chairperson of the Audit Committee should be an Independent Non-Executive BoD Member who meets the criteria of Article 10 para. 8 of Greek Law 3864/2010. The HFSF Representative participates as a Member in the Audit Committee, with full voting rights. The Executive Secretary advises the members of the Audit Committee. The Audit Committee operates within the framework of Article 44 of Greek Law 4449/2017, the provisions of Greek Law 4706/2020 and Greek Law 3864/2010, related notices, explanations, and recommendations by the Supervisory Authorities, and the Audit Committee Operating Regulation.

The Chairperson of the Audit Committee fulfils the criteria of the RFA and has, inter alia, solid experience in Internal Audit and is considered an expert, in accordance with Article 10 of Greek Law 3864/2010 and Greek Law 4449/2017. The Committee's members possess the necessary skills and experience to be effective as a committee.

The Group Chief Finance Officer (CFO), the Head of Internal Audit, the Group Chief Risk and Compliance Officer, and other Senior Managers are invited to attend the Audit Committee meetings. The Group's statutory auditors are invited to attend all meetings.

As per the Audit Committee Operating Regulation meetings are held as often as the Chairperson of the Audit Committee considers necessary, subject to a minimum of four meetings annually, once in each financial quarter.

The key functions and responsibilities of the Audit Committee outlined in the Audit Committee Operating Regulation are to:

- Oversee and evaluate the financial reporting and disclosure process for Piraeus Financial Holdings and the Group (annual and interim financial statements).
- Monitor the statutory audit of Piraeus Financial Holdings' and the Group's annual financial statements and the review of the interim financial statements, and cooperate with the statutory auditors on a regular basis.
- Ensure independence of the external auditors in accordance with applicable Greek Law.
- Select and recommend auditors to the Board. Whenever it deems appropriate, the Committee shall also propose replacement or rotation of auditors, which will be appointed in accordance with Article 16 of Regulation (EU) no. 575/2014, Article 44 of Greek Law 4449/2017 and Article 13 of Greek Law 3864/2010.
- Identify weaknesses, make recommendations and monitor the implementation of measures decided by the Board of Directors.
- Propose measures for focus areas that require additional auditing by internal or external auditors.
- Monitor and assess on an annual basis the adequacy and effectiveness of the Internal Control System (ICS) for Piraeus Financial Holdings and the Group, using data and information provided by the Group Internal Audit, the statutory auditors and other supervisory Bodies.
- Evaluate the work of the Group Internal Audit, focusing on the degree of its independence, the scope and quality of its audits, the priorities set by changes in the economic environment, the systems used, the level of risks and the overall efficiency of its operation.

- Monitor and assess on an annual basis the work of the Group Compliance unit.

Risk Committee

The Risk Committee comprises Non-Executive Directors with sufficient knowledge, skills and experience to understand and monitor the Risk Strategy of the Company and the Group. The HFSF Representative of the Board of Piraeus Financial Holdings also participates in the Risk Committee with full voting rights, in accordance with Greek Law 3864/2010.

The number of Committee members cannot be less than three (3) and in total cannot exceed 40% (rounded up to the nearest integer) of the total number of Board members. The majority of the members (rounded up to the nearest integer, excluding the HFSF Representative) are to be independent.

Chairperson: The Chairperson of the Committee is appointed by the Board of Directors and must have significant experience in commercial banking and, preferably, in risk management, and be familiar with the local and global regulatory framework. The Chair of the Board cannot be the Chair of the Risk Committee, while the Chair of the Risk Committee cannot at the same time serve as Chair of the Audit Committee of Piraeus Financial Holdings. The Chair of the Risk Committee must fulfil the criteria of Article 10 of Greek Law 3864/2010.

Members: The members of the Risk Committee must have a sound understanding and experience of the financial sector and the commercial banking sector. At least one Member must be conversant with risk management principles and standards and capital adequacy, and familiar with the local and international regulatory framework.

Secretary: The Risk Committee is aided by an Executive Secretary and a Secretary. The Executive Secretary is appointed by the Board of Directors and is the Risk and Compliance Officer. The Risk and Compliance Officer reports directly to the Risk Committee, is independent and/or is subject to audit by the Group Internal Audit.

Risk Committee members cannot be present, participate, or vote during the discussion of issues that constitute a situation of conflict of interest. Decisions about the appropriate policies and procedures relating to risk management governance or other issues of general application do not fall under the exemption.

Minutes are kept for all Risk Committee meetings and are signed by the members present.

Meetings are held as often as the Chairperson of the Risk Committee considers necessary, subject to a minimum of one meeting per month.

The Risk Committee is responsible, inter alia, for ensuring that:

- Piraeus Financial Holdings and the Group have a well-defined Risk and Capital Strategy and Risk Appetite Framework, in line with the business objectives and the available human and technical resources. Quantitative and qualitative risk appetite statements are structured in line with specific limits and tolerances for the main sources of risk. These are used to set the Risk Appetite Framework of Piraeus Financial Holdings and the Group.
- All sources of risk (including operational risk) associated with operations of the Piraeus Financial Holdings and the Group have been identified, assessed, measured, managed, limited and effectively monitored.
- The risk and control framework, including policies, methods and tools, complies with the Risk and Capital Strategy and the Risk Appetite Framework as well as regulatory and supervisory requirements.

The Risk Committee assists the Board of Directors in fulfilling its oversight responsibilities concerning risk management. It performs the responsibilities set out in the Risk Committee Operating Regulation to ensure:

- Group Risk and Capital Strategy and Risk Appetite Framework have been developed and implemented correctly and are in line with the Business Plan of the Piraeus Financial Holdings Group.
- Piraeus Financial Holdings and the Group have developed and implemented comprehensive policies and procedures and valid methods and tools for the effective identification, recognition, measurement, monitoring, minimisation and control of the risks undertaken.

- The risk and control framework is properly integrated into the decision-making processes of Piraeus Financial Holdings and the Group.

Remuneration Committee

The Remuneration Committee is appointed by the Board of Directors of the Company and comprises at least three (3) Board Members, and no more than 40% of the total number of the Board members, including the HFSF Representative who participates with full voting rights. The majority of the members, including the Chairperson, should be independent members as defined in Article 4 of Greek Law 3016/2002, as currently in force. The Chairperson of the Committee should be an Independent Non-Executive member that fulfills the criteria set out in para. 8 of Article 10 of Greek Law 3864/2010. The members of the Committee shall have, individually and collectively, sufficient knowledge, skills and experience concerning remuneration policies and practices, risk management and control. At least one (1) Member of the Committee should be a Member of the Risk Committee to oversee alignment of the Remuneration Policy with the Company's Risk and Capital Strategy.

An Observer appointed by the HFSF attends the meetings of the Remuneration Committee, without voting rights.

The members of the Remuneration Committee may not serve in concurrent positions or offices or conduct transactions, which may cause a conflict of interest with the mission of the Remuneration Committee. Participation in the Remuneration Committee does not preclude the possibility of sitting on another Board Committee.

Meetings are held as often as the Chairperson of the Remuneration Committee considers necessary, subject to a minimum of four meetings annually.

The Remuneration Committee forms a quorum when half of its members are present. Resolutions by the Remuneration Committee shall be passed by simple majority.

The Remuneration Committee is supported in its work by the Company's units and may, to the extent necessary, engage external advisors and define the terms of cooperation with them. Their fees are charged to the Management's budget.

The objective of the Remuneration Committee, in alignment with the Company's strategy, is to design, monitor the implementation and to periodically review the Group's Remuneration Policy, in accordance with the Bank of Greece Executive Committee's Act 158/1/10.5.2019, and the

provisions of Greek Laws 3864/2010 and 4261/2014, as currently in force. In the execution of its duties, the Remuneration Committee takes into account the long-term interests of shareholders, investors and other stakeholders. The Remuneration Committee monitors the implementation of a structure that links remuneration to performance, for Risk Takers and Non-Risk Takers, overviews the Company's talent management and succession planning policies, and the implementation of strategies aiming at building a corporate culture that will support the Company's objectives and vision. The responsibilities of the Remuneration Committee extend to the Company and its subsidiaries.

The key functions and responsibilities of the Remuneration Committee are, inter alia, to:

- Review the Group's Remuneration Policy on an annual basis, taking into account the findings and recommendations made by the Group Internal Audit regarding a potential revision of the Policy.
- Review the Remuneration Policy for Executive and Non-Executive Directors and for senior managers on a regular basis.
- Propose to the Board of Directors the annual remuneration for Executive and Non-Executive Directors for the coming period.
- Assess whether the proposed variable remuneration framework is compliant with the provisions of the relevant laws, and consistent with the Company's risk appetite and strategies.
- Assess whether the proposed remuneration for senior managers of the Company's independent control units (i.e. Risk Management, Internal Audit and Compliance) is compliant with the Remuneration Policy.
- Review the Company's policy regarding staff loans and other benefits on a regular basis and monitor the credit exposure of the staff and senior management, with emphasis on potential NPEs.
- Monitor equal pay on a regular basis and ensure fair treatment in terms of compensation and benefits regardless of gender, age or bank of origin.

- Review and propose to the Board the strategic objectives, which are the basis for the CEO's remuneration (pay for performance) and measure the CEO's performance against these goals and objectives.
- Review and recommend for BoD approval the policies related to remuneration and important human resource management issues about which the Company should inform other, third parties and present them at the annual General Meeting of Shareholders, such as the Remuneration Policy Of Board Members and the Annual Remuneration Report for Board Members.
- Review and provide information to be submitted to the Annual General Meeting of Shareholders for the activities of the committee.

Nomination Committee

The Nomination Committee comprises at least three (3) Board Members, and no more than 40% of the total number of the Board members, excluding the HFSF Representative. All the members of the Committee should be Non-Executive BoD Members, with the majority being Independent Non-Executive BoD Members. The HFSF Representative is an ex officio Member of the Committee.

The chairperson of the Nomination Committee should be an Independent Non-Executive Director who meets the criteria of Article 10 para. 8a of Greek Law 3864/2010.

The HFSF Observer participates in the Nomination Committee meetings, but has no voting rights.

Meetings are held as often as the Chairperson of the Nomination Committee considers necessary, subject to a minimum of two meetings annually.

The Nomination Committee forms a quorum when 2/3 of its members are present, including the HFSF Representative. Resolutions by the Nomination Committee shall be passed by simple majority of those present or represented.

The Nomination Committee ensures that collectively the Board possesses adequate knowledge and experience to be able to understand the Company's core activities, to oversee its functions, either directly or indirectly through the various Board Committees set up by statute or at the discretion of the Company.

The key functions and responsibilities of the Nomination Committee are to:

- Identify and nominate suitable candidates to be proposed by the Board to the General Meeting for election or re-election upon the expiry of the tenure of the incumbent Board or as replacements for Board positions which become vacant during the Board's term.
- Assess a nominee's "independence" in the context of Greek corporate law and relevant EBA guidelines and examine the eligibility of nominees based on HFSF requirements.
- Review the structure, size and composition (including the aggregate skillset, knowledge, independence, experience and diversity) of the Board and its Committees at least once a year and recommend adjustments that are deemed necessary to the Board.
- Design the succession planning for the Board and senior management over the longer term to ensure Board and Management continuity.
- Adopt a Nomination Criteria Policy for Members of the Board of Directors and review it at least once every two calendar years, taking into account the fit-and-proper criteria set by the EBA and the HFSF law (Greek Law 3864/2010) for Board Members in Greek systemic financial institutions.
- Adopt a Diversity Policy for Board Members and review it every two calendar years.
- Conduct an annual performance assessment of the Board and its Committees and ensure that an annual performance evaluation is conducted for the Chief Executive Officer and the other Board Members, which will be submitted to the Board.
- Liaise with the HFSF in all matters pertaining to the Committee's mandate including coordinating the Board performance evaluation carried out by the HFSF as stipulated in the RFA, and any follow up thereon.
- Assess the independence of the incumbent Non-Executive Directors once every two years.
- Adopt and apply an Induction and Training Policy for Board

Members, to be reviewed at least once every two years and amended, when necessary.

- Oversee the induction and training programmes for Board Members, both on their initial appointment and on an on-going basis.

In performing its duties, the Nomination Committee shall to the extent possible and on an ongoing basis, take into account the need to ensure that the Board's decision-making is not unduly influenced by any one individual or a small group of individuals in a manner that is detrimental to the interests of the Company as a whole.

The Nomination Committee may use any resources it deems appropriate, including external advisors, and is provided with adequate funding to this effect.

Details on the responsibilities, the operation and the current composition of the Board Committees are available at: [www.piraeusholdings.gr/Investor Relations/Corporate Governance/Committees/Piraeus Financial Holdings/Board of Directors Committees](http://www.piraeusholdings.gr/Investor_Relations/Corporate_Governance/Committees/Piraeus_Financial_Holdings/Board_of_Directors_Committees), and the Annual Report 2020, see [www.piraeusholdings.gr/Investor Relations/Financial Statements & Other Information](http://www.piraeusholdings.gr/Investor_Relations/Financial_Statements_&_Other_Information)

Main Executive and Administrative Committees and Councils

Group Executive Committee (ExCo)

The Group Executive Committee comprises senior executives of the Group and is chaired by the CEO, Executive Board Member.

The Board of Directors has delegated the executive management responsibility for the steering of the Company and its subsidiaries⁹ to the Group Executive Committee.

The key functions and responsibilities of the Executive Committee, which it may delegate or assign to administrative Committees, Committee Members or Company executives, are to:

- Monitor the implementation of the Business Plan of the Company and the Group and make appropriate decisions for achieving the Plan's goals.
- Formulate the directions of the Budget and prepare the

Annual Budget for approval by the Board of Directors.

- Appoint administrative committees and outline each committee's scope of activity.
- Approve, complete or amend the Group's accounting policies, in consultation with the Finance Department.
- Determine the interest rate policy and the pricing framework for the Company's products and services.
- Approve the introduction of new and significant changes to existing Company products and services, as well as restructuring products, and define their pricing policy before they are made available to customers.
- Approve the marketing strategy and oversee its implementation and effectiveness.
- Approve the Group's IT strategy.
- Approve proposed partnerships in financial sectors or fields, in consultation with the Heads of the competent business units or support units.
- Approve the Credit Policy principles and rules, and the related governing documents. It also approves any amendments to these rules and principles, with the consent of the Chief Risk Officer, with the exception of the Risk Appetite Framework, for which consent to amendments is given by the Risk Committee.
- Monitor and oversee that Corporate Governance rules and programmes are implemented, and decide which compliance measures should be taken in consultation with competent units or Committees.
- Approve human resources programmes (voluntary exit schemes, remuneration, insurance and other benefits), in line with the approved Group Remuneration Policy, exercising the powers described in Article 3 para. 2 of Greek Law 3016/2002, delegated by the Board of Directors.
- Approve promotions up to one level higher than that of the Director.

⁹ Responsibilities are under review-modification following the hive-down, to be adapted to the new status, organisational structure and activities of the Company.

- Define, within the limit on its approval authority, the approval authority limits of the Company's Management Committees and executives on issues not related to credit approval.
- Inform the Board via its Chairperson at least once every quarter that the Group Executive Committee operates in accordance with the Company's operational strategy and risk strategy.

Details on the responsibilities and the operation of the Group Executive Committee are available at: www.piraeusholdings.gr>Investor Relations>Corporate Governance>Committees>Group Executive Committee

Following the Demerger and according to a Board resolution on 30/12/2020 approving the Company's new organisational structure, the Strategy Committee, the Board Ethics and Governance Committee and the Corporate Responsibility Committee ceased operations. Their business is carried out by the respective Committees of the Company's subsidiary "Piraeus Bank SA".

Board of Directors Committees – Piraeus Bank

Strategy Committee

The Strategy Committee is appointed by the Board of Directors, comprises Non-Executive Directors and is chaired by the Chairperson of the Board. The HFSF Representative participates as a Member in the Strategy Committee, with full voting rights, in accordance with Greek Law 3864/2010. The Executive Secretary, appointed by the Board, advises the members of the Strategy Committee.

An Observer appointed by the HFSF attends the meetings of the Strategy Committee, without voting rights.

The Strategy Committee meets every month, at a time and place and with the agenda set by its Chairperson. The Chairperson may decide to convene an extraordinary meeting of the Strategy Committee or to alter the day or frequency of regular meetings.

In addition to the Strategy Committee members, the following persons may attend committee meetings by invitation, but are not entitled to vote:

- The Chief Executive Officer.

- Members of the Group Executive Committee, upon request by the Chief Executive Officer.
- Senior management or executives responsible for the various areas tabled for discussion by the Committee, upon request by the Chief Executive Officer.
- The Chairperson's strategy advisor.

The Strategy Committee forms a quorum when half of its members are present. Resolutions by the Nomination Committee shall be passed by 2/3 of those present.

The key functions and responsibilities of the Strategy Committee to assist the Bank's Board of Directors in performing its work are outlined in the Strategy Committee Operating Regulation and are to:

- Define the Bank's Strategic objectives and provide guidelines on the Bank's Business Plan, to be drawn up by the CEO and the Group Executive Committee and submitted for approval to the Board of Directors.
- Monitor and oversee the implementation of the approved Business Plan.
- Follow up on a regular basis, analyse and submit strategic recommendations to the Bank's Board of Directors (e.g. capital increases or decreases, acquisitions, mergers, investments or liquidation of participations, strategic alliances, etc.). It also assigns special projects to managers to meet targets and, when necessary, submits a respective proposal to the Board of Directors.
- Monitor, track and analyse potential risks in the implementation of the approved Business Plan and submit recommendations to the Board of Directors on how to address said risks.
- Table draft resolutions on above issues for inclusion in the agenda of the Board of Directors or of the Bank's General Meeting.
- Monitor and submit proposals to the Board of Directors on all issues of strategic importance for the Group.
- Operate as a crisis management committee.

Board Ethics and Governance Committee

The Board Ethics and Governance Committee comprises Non-Executive Directors and Independent Non-Executive Directors and is chaired by the Chairperson of the Board. Group General Counsel is present at the meetings. The HFSF Representative, as per Greek Law 3864/2010, participates as a Member in the Committee, with full voting rights. Depending on the items of the agenda and, if deemed necessary, other Group Executives may attend committee meetings.

Meetings are held as often as the Chairperson of the Board Ethics and Governance Committee considers necessary, subject to a minimum of twice per year.

The Board Ethics and Governance Committee forms a quorum when half of its members are present (rounded up to the nearest integer). Resolutions by the Nomination Committee shall be passed by 2/3 of those present.

The mission of the Committee is to support the Board of Directors and its Committees by proactively setting, monitoring, supporting and overseeing policies and strategies applied by Management, aiming at creating the proper values and corporate culture, so that the Bank operates with moral integrity.

The Ethics and Governance Committee of the Board of Directors has the following responsibilities, as defined in its Operating Regulation, with the main responsibility of supervising, controlling and providing guidance to the Management:

On ethics, the Board Ethics and Governance Committee:

- Recommends to the Board potential revisions to the Bank's Code of Conduct, at least every three years, in consultation with Human Resources and after clearance is provided by the Senior Ethics Advisory Committee (SEAC) and ExCo.
- Monitors Compliance on significant revisions to the Conflict-of-Interest Policy and advises on the matter.
- Oversees Group Compliance on policies regarding:
 - Fair treatment of customers (products and services design and suitability, sales processes, transparency of fees);
 - Compliance with laws and regulations;
 - Politically exposed persons;
 - Connected party transactions.

On governance, the Board Ethics and Governance Committee:

- Reviews cases of misconduct by Board Members.
- Reviews SEAC recommendations and submits to the Board for decision-making, when ExCo Members are involved.
- Advises and makes recommendations to the Board and Management on ethics and code of conduct.
- Advises the Nomination Committee on cases of conflicts of interest involving Board Members.
- Oversees, reviews and approves Internal Audit's Whistleblowing framework and processes, the channels offered and the progress of the investigations.
- Reviews the Complaints and Grievances processes on a periodic basis to encourage fair treatment of customers and proper business conduct.
- Receives reports and reviews findings from Internal Audit, Legal Services, Compliance or Human Resources, on the progress of forensic investigations, litigation cases, regulatory proceedings, or incidents with significant reputational risk, for matters falling within the Committee's competencies.
- Receives reports and reviews findings from the Chairperson of SEAC on cases under examination.

On Corporate Social Responsibility, society, and the environment the Board Ethics and Governance Committee:

- Makes recommendations to the Board regarding the Strategy and policies for the above topics.
- Receives Board Committee action plans and progress reports.
- Oversees the preparation of the Annual Sustainability and Business Report and makes recommendations to the Board regarding the approval of the final report.
- Selects, appoints and approves the remuneration of the External Auditors that provide independent assurance on the Annual Sustainability and Business Report.

- Promotes best practices and ethical behaviour taking into account the interests of customers, employees and society.

Main Administrative Committees – Piraeus Bank

Corporate Responsibility Committee

The Corporate Responsibility Committee is chaired by the Group's CEO. Committee members include other senior executives from the relevant competent units of the Bank. The Corporate Responsibility Committee assesses and approves:

- Group ESG policies (Environment, Society & Governance), which align governance and decision-making with the UN Sustainable Development Goals and the Paris Agreement on Climate Change,
- The implementation of Group values and the creation of a culture that reinforces the employees' role in adopting the Corporate Responsibility Principles,
- Programmes, collaborations, initiatives and financing instruments to reduce the Group's environmental footprint, to promote culture and strengthen social cohesion, and
- Actions that enhance accountability, meritocracy and transparency and strengthen the Group's extroversion.

The Corporate Responsibility Committee informs the Board about ESG topics. In 2020, the Corporate Responsibility Committee coordinated and oversaw all internal processes to formulate a framework of actions and objectives for the implementation of the Principles for Responsible Banking, while emphasis was also placed on cultural and social initiatives.

Details on the Group's corporate governance system (institutional and regulatory framework, composition and operation of administrative and supervisory Bodies and committees, and ICS) are provided in the Corporate Governance Statement of Piraeus Financial Holdings SA and Piraeus Bank SA, which form part of the Annual Financial Report 2020, see www.piraeusholdings.gr>Investor Relations>Financial Data> Financial Statements & Other Information>2020>Piraeus Financial Holdings SA-12 M Annual Financial Report and www.piraeusholdings.gr>Investor Relations>Financial Data>Financial Statements & Other Information>2020>Piraeus Bank SA-12M Annual Financial Report

REMUNERATION POLICY

Purpose

Piraeus Bank Group's ability to implement a comprehensive human capital strategy to attract, retain, reward, and motivate talent is important for the Group's continued success. The Group's Remuneration Policy is consistent with the Group's Corporate Strategy, aiming to align the organisation's interests with the interests of its stakeholders – employees, management, and shareholders.

The Group monitors, reviews, and updates the remuneration processes and structures on a continuous basis and whenever there is a material change, so that they are continuously aligned with the evolving business objectives and regulatory framework. Remuneration practices and related pay grades and salary ranges do not incentivise undue risk-taking, potential conflicts of interest, or the violation of laws and regulations.

The Remuneration Policy aims to:

- Attract, motivate and retain high calibre employees who achieve the expected results by embracing the Group's corporate values and culture.
- Support a performance-driven culture, rewarding excellence and delivery of sustainable growth goals.
- Align remuneration with profitability, capital adequacy, and liquidity while reflecting the disposition for sound risk management.
- Promote a culture of compliance and effective risk management.
- Enhance internal and external transparency to ensure equal pay for equal work.

The key pillars of the Remuneration Policy reflect the most recent regulations in terms of remuneration and incentive policies and practices. Remuneration and incentives are connected to performance, market awareness and aligned with the Group's long-term business strategy to create added value for all stakeholders, establish a risk-related culture to increase efficiency, simplify processes, comply with internal policies and controls, and thus discourage over-exposure to risk.

Policy Governance

The principles and provisions of the Remuneration Policy apply to all employees, including those whose professional activities have a material impact on the Group's risk profile, as determined by the provisions of the applicable regulatory framework.

The Remuneration Policy is set by the Group Human Resources unit, in consultation with Legal Services, Risk Management, Compliance, and Internal Audit. It is then submitted to the Remuneration Committee, which evaluates the Remuneration Policy and practice, taking into account the Group's long-term targets. After making any necessary changes and amendments, the Committee submits its proposals to the Non-Executive Directors for approval.

For as long as the Company is subject to the provisions of Greek Law 3864/2010, the HFSF Representative to the Board has the right to veto decisions regarding the distribution of dividends and the remuneration policy and the provision of bonus concerning the Chairperson, the Chief Executive Officer, and the other Directors, as well as the general managers and their deputies. In addition, prior approval by the HFSF is required for any modification of the Remuneration Policy.

Audit and Control units are involved in designing and validating the Group's Remuneration Policy. Risk review is integrated in the design and implementation of the Remuneration Policy and performed on an ongoing basis. The implementation of the Remuneration Policy is subject to a central and independent review from the Group Internal Audit at least once a year. The Remuneration Policy is also validated by Legal Services for legal-related aspects and by the Regulatory Compliance for compliance-related aspects.

Non-Executive Members of the BoD may retain external advisors to assist them in preparing/reviewing the Remuneration Policy, if and when necessary. No external advisors were retained in the most recent revision of the Group's Remuneration Policy.

Consistent with the Group's strategy and the principles of the Remuneration Policy, Directors' remuneration is governed by the Directors' Remuneration Policy, which applies to the Board Members as per the requirements of Articles 110-111 of Greek Law 4548/2018.

The Remuneration Policy of the Board Members follows the same fundamental principles of the Remuneration Policy that applies to all employees, while, at the same time, recognizing that the remuneration structure of the Board Members is necessarily different from that of employees at lower hierarchical levels of responsibility as a result of their role and their ability to influence the Group's performance.

The Remuneration Committee submits the Directors' Remuneration Policy for review by the Non-Executive Directors. The Directors' Remuneration Policy is then presented to the shareholders' Annual General Meeting for approval, in line with regulatory requirements. The current Directors' Remuneration Policy was submitted and approved by the Annual General Meeting of Shareholders in 2019 and shall be effective for up to four years thereafter and was amended by the Ordinary General Meeting of Shareholders at 22/06/2021.

Details on the Remuneration Policy of Members of the Board of Directors are available: [https://www.piraeusholdings.gr/el/investors/corporate-governance/general-meetings>Ordinary General Meeting of Shareholders 28.06.2019>Explanatory Note> Item 4 "Submission and approval of Remuneration Policy of Members of the Board of Directors" in accordance with articles 110 and 111 of Law 4548/2018](https://www.piraeusholdings.gr/el/investors/corporate-governance/general-meetings>Ordinary%20General%20Meeting%20of%20Shareholders%2028.06.2019>Explanatory%20Note%20Item%204%20%22Submission%20and%20approval%20of%20Remuneration%20Policy%20of%20Members%20of%20the%20Board%20of%20Directors%22%20in%20accordance%20with%20articles%20110%20and%20111%20of%20Law%204548/2018%22%20and%20www.piraeusholdings.gr>Investor%20Relations>Corporate%20Governance>General%20Meetings>Ordinary%20General%20Meeting%20of%20Shareholders%2022.06.2021>Explanatory%20Note>Item%207%20%22Approval%20of%20amendment%20of%20Director's%20Remuneration%20Policy%22) and [www.piraeusholdings.gr>Investor Relations>Corporate Governance>General Meetings>Ordinary General Meeting of Shareholders 22.06.2021>Explanatory Note>Item 7 "Approval of amendment of Director's Remuneration Policy"](https://www.piraeusholdings.gr>Investor%20Relations>Corporate%20Governance>General%20Meetings>Ordinary%20General%20Meeting%20of%20Shareholders%2022.06.2021>Explanatory%20Note>Item%207%20%22Approval%20of%20amendment%20of%20Director's%20Remuneration%20Policy%22)

Remuneration Report

As stipulated in Article 112 of Greek Law 4548/2018 on Sociétés Anonymes, companies with shares listed on a regulated market are required, inter alia, to prepare an annual Remuneration Report, which provides a comprehensive overview of the total remuneration received by each Board Member.

The Remuneration Report, which was first submitted for discussion at the Ordinary General Meeting of Shareholders in 2020, as an item on the agenda, provides a clear and understandable, comprehensive overview of the remuneration of the Board Members. Shareholders were granted the right to have an advisory vote on the Remuneration Report.

The publication of the Remuneration Report is intended to provide increased corporate transparency and accountability of Directors, as well as better shareholder oversight over the Remuneration Policy and related practices. The Remuneration Report provides information that contributes to the Bank's business strategy, long-term interests and sustainability.

For more details on the Remuneration Report of the Board Members, see [www.piraeusholdings.gr/el/investors/corporate-governance/general-meetings>Ordinary General Meeting of Shareholders 22.06.2021>Explanatory Note>Item 6 "Submission for discussion and voting by the General Assembly of the Remuneration Report of the financial year 2020 in accordance with articles 110 and 111 of Law 4548/2018"](https://www.piraeusholdings.gr/el/investors/corporate-governance/general-meetings>Ordinary%20General%20Meeting%20of%20Shareholders%2022.06.2021>Explanatory%20Note>Item%206%20%22Submission%20for%20discussion%20and%20voting%20by%20the%20General%20Assembly%20of%20the%20Remuneration%20Report%20of%20the%20financial%20year%202020%20in%20accordance%20with%20articles%20110%20and%20111%20of%20Law%204548/2018%22)

On 22/06/2021, the Ordinary General Meeting, following the recommendation by the Remuneration Committee and the Board and after taking into account the current relevant legislative and regulatory

framework, approved a) the total net fees and representation expenses for all Board Members. b) the pre-approval of payment of fees to Board Members for the fiscal year 2021.

Detailed information on the remuneration paid in 2020 and on the proposal for the preliminary approval of remuneration for 2021 are available on www.piraeusholdings.gr/el/investors/corporate-governance/general-meetings>Ordinary General Meeting of Shareholders 22.06.2021>Explanatory Note>Item>Item 5 "Approval of remuneration paid in 2020 and preliminary approval of remuneration to be paid to Members of the Board of Directors for the year 2021. Submission and approval of Remuneration Policy of Members of the Board of Directors"

Remuneration Report for Chairperson and CEO

In the context of the re-election of the Chairman of the Board and the CEO by the Annual General Meeting of 26/06/2020, the General Meeting granted permission to the Bank to sign three-year corporate mandate contracts with members of its Board of Directors regarding the positions of the Chief Executive Officer and the Chairman of the Board, extending the existing contracts of the above members, in accordance with the provisions of articles 99 et seq. of Greek Law 4548/2018.

The conclusion of these mandate was preceded by a Fairness Report by an independent auditing company (KPMG Advisors Single Member SA), issued in accordance with the provisions of article 101 of Greek Law 4548/2018, which concluded that these contracts are fair and reasonable for Piraeus Bank SA and its non-affiliated shareholders, including minority shareholders.

The Fairness Report was based on the following information and documents:

- The terms of the Contracts are the same with those of the existing contracts for the positions of CEO and the Chairman of the Board of Directors of the Bank which were approved by the Annual Shareholders Meeting of 28/6/2017, except for the duration which will be three (3) years and will be extended until the date of the Annual Shareholders Meeting, which will be convened in the year in which the three-year term expires. The contract will not be converted to a contract of an indefinite period duration after the end of the three-year period. In addition, the Contracts will take into consideration

the Bank's Directors' Remuneration Policy.

- Published annual financial statements for 2019 issued in accordance with International Financial Reporting Standards.
- Published Remuneration Report for 2019.
- Published Directors' Remuneration Policy, posted on the Group's website.
- The Representation Letter received from the Bank's Management to KPMG, dated 23/6/2020 which is the date confirming the information provided by Management to the Auditor.

More details about the Remuneration Report are available at: www.piraeusholdings.gr/el/investors/corporate-governance/general-meetings>Ordinary General Meeting of Shareholders 26.06.2020>Remuneration Report

Remuneration Structure

The remuneration structure reflects the Group's principles of accountability, meritocracy and transparency.

The Remuneration Policy sets out the Group's total compensation ap-

proach, providing for a package of fixed and variable elements, linking remuneration to both short-term and long-term business goals. It includes monetary and non-monetary elements, including cash, shares, stock options, whether paid upfront or deferred.

REMUNERATION POLICY FRAMEWORK	
Remuneration governance	<ul style="list-style-type: none"> • The Remuneration Committee monitors and reviews the composition and structure of the remuneration package and proposes appropriate changes to the Policy. • The Legal Services, Internal Audit, Compliance, Risk Management and Human Resources units are actively involved in the design of the Remuneration Policy. • The Remuneration Policy is approved by the Non-Executive Directors. • Central independent audit of the Remuneration Policy carried out by Internal Audit. The Remuneration Committee ensures the proposal and timely implementation of a corrective action plan, which it approves. • Remuneration Reports are submitted to the Bank of Greece, in Pillar III Disclosures and as per the regulatory framework.
Remuneration structure	<ul style="list-style-type: none"> • Total remuneration includes fixed and variable components. • Variable remuneration is paid out in cash and other instruments (if required). • A percentage of variable earnings is deferred (if required). • Reference is made to roles that have a significant impact on the Group's risk profile, which are identified and monitored on an annual basis. • There are terms of non-payment and refund of salaries that can be activated under certain conditions.
Determination of Staff Remuneration	<ul style="list-style-type: none"> • Fixed remuneration must be competitive to attract and retain people with the appropriate qualifications, skills, work experience and behaviour that the Group needs. • Individual variable pay for high performance and motivation, so that business goals are achieved in accordance with legal, regulatory and budget constraints. • Variable pay promotes sound and efficient risk management and does not incentivise undue risk-taking.
Performance Reward based on:	<ul style="list-style-type: none"> • Alignment with the market reality, the long-term interests of the shareholders and the Group's strategy. • The fact that they do not adversely affect the Group's capital base. • The Group needs to be profitable and sufficiently capitalised. • Employee contribution to business goals and commitment to corporate values is taken into account. Individual function and Group performance, and the Group risk indicators also taken into account.

Fixed remuneration

Fixed remuneration is the part of remuneration that is stable and irrevocable, determined and given based on the transparent pre-defined criteria and not discretionary, such as, in particular, the professional experience, education and responsibility level, that does not create an incentive to risk taking. Additionally, the base salary is a competitive salary, appropriate for attracting and retaining Group employees, and motivating their engagement. Fixed remuneration is the employees' base salary and therefore ensures their desired standard of living.

The Bank has developed a fixed remuneration framework, which defines the salary structure and range for the different levels of roles, with reference to:

- The relative level of responsibility of the role internally, as determined by job evaluation based on external correlations via market research or relevant comparable reports.
- Individual skillsets and experience.
- Recognising the value of individual performance and employee contribution to meeting business goals.

To implement this framework, the Bank has set up an internal organisational structure, mapping roles, allocating them to families and conducting job evaluations to match levels of responsibility with specific roles. The implementation of the Job Family Model ("JFM") is expected to clarify the roles that are needed and their accountabilities and level of responsibility, provide the basis for career development, enhance internal mobility, lay the foundations for a more structured approach for all HR related processes, such as promotions, based on enriching/increasing accountabilities and competencies linking pay with exceptional performance and talent retention.

In the context of the implementation of the JFM, the Bank has revised its salary policy, which sets out the salary ranges per level of responsibility and role, as well as the development strategy within each range, to award high-contributing roles and talent retention. More specifically, Executive Directors' total compensation is set on the Greek Senior Executive market median as reference, due to the broad range of competencies and expertise that these roles entail. These roles are sourced and attracted from the broader financial sector and other industries from the Greek and European market.

The Fixed Remuneration Policy for Executive Levels (including Heads of Subsidiaries) is reviewed annually by the Remuneration Committee to ensure that salaries are aligned with the principles of the Remuneration Policy.

Benefits

The remuneration structure includes market competitive employee benefits to ensure business efficiency. Benefits include, but are not limited to, Group Benefits (Life and Medical Insurance Schemes, Group Child Assistance Programme, etc.) as well as Individual Benefits related to the internal structure of responsibility levels and/or role (e.g. company car, mobile phones, etc.).

The Group also provides benefits arising from the internal Collective Bargaining Agreement such as: supplementary paid maternity leave for working mothers, day-care allowance, one-off benefit for employees with multiple children, benefits for disabled employees and their dependents, recognition of a university degree for employees and their children, student leave, etc.

In the last quarter of 2020, Piraeus Group was the first among the systemic banks to set up an Institution for Occupational Retirement Provision ("IORP") through which the Group introduced a Defined Contribution Pension Plan for employers. Executive Members and the Chairperson of the Board of the Bank may participate in this programme. The IORP is governed by its Board of Directors and is supervised by the following regulatory authorities: a. the Department of Occupational Insurance, b. the Ministry of Labour and Social Affairs, c. the National Actuarial Authority of Greece, and d. the Hellenic Capital Market Commission.

As per the Articles of Association of Piraeus' IORP, employer and employees make regular and extraordinary contributions to the Defined Contribution Pension Plan. Regular employer contributions are defined as a percentage of the employee's monthly base salary, common for all participants. Employees can also participate in the plan voluntarily, contributing up to a set ceiling of their monthly base salary. The employee contribution can be modified up to twice a year. Insured persons are entitled to receive a lump sum equal to the total of the contributions made by the employer and the employee, provided that the requirements related to age and insurance years in IORP are met. In the event of resignation or voluntary termination of the insurance in IORP before the fulfilling the contribution conditions, the insured receives only his/her individual contributions.

The operation of IORP offers employees the opportunity to boost fu-

ture income, on the one hand through the employer contribution and on the other hand by forming an effective savings tool. In addition, occupational pension funds cover the global need for supplementing public pension schemes, which are under considerable pressure due to the ageing population resulting in the deterioration of the pensioner to active population ratio.

The establishment of the IORP improves the rate of replenishment of the income of the insured and therefore is one of the most attractive benefits that an employer can offer its employees. The Group aims to enhance and modernise its benefits to its employees and the creation of IORP is a step in this direction. At the same time, the Group fulfils another goal, strengthening the employer-employee relationship, and creating a strong professional commitment.

Variable remuneration

Piraeus Group rewards performance and motivates employees on individual, unit and/or group level. Variable remuneration schemes consist of short-term and long-term components, thus rewarding both short-term and long-term performance. Without prejudice to legal or regulatory constraints, these schemes may take the form of either an annual performance plan with bonus pay-outs contingent on completing specified tasks, or the form of an incentive programme with specific performance targets, such as increasing deposits or fees from insurance products, etc.

Pay-outs under a variable remuneration scheme are contingent on applicable, measurable, quantitative, and qualitative criteria established before the task and conditions are met. These criteria incorporate the Group's medium and long-term strategy, aligning the interests of employees with the interests of the organisation and shareholders, and do not incentivise undue risk-taking or reward underperformance. The Group does not have a binding obligation to pay variable remuneration. If the conditions are not favourable, e.g. increased liquidity needs, spending budget overruns, the Group may decide not to pay variable remuneration, even if its financial performance permits it.

Variable pay is a percentage component of fixed remuneration. The desired percentages to reward goal achievement are set in a specific proposal and approval process, which takes into account the banking market, the Group's current financial position and margins. Specific performance targets for variable pay will not be disclosed if considered sensitive information about the competition and the share price of the parent company or conflict with the Bank duty to act in the best interests of its shareholders and customers.

Variable pay is not allowed to exceed 100% of the fixed remuneration. The General Meeting of Shareholders may approve a higher maximum ratio between fixed and variable remuneration, provided that the total amount of variable remuneration does not exceed 200% of the total fixed remuneration for each employee.

For employees whose professional activities have a material impact on the Group's risk profile ("Risk Takers"), the Group does not incentivise undue risk-taking. If variable pay exceeds €25,000 per year, a significant part is deferred and half of it is paid in non-cash awards rather than cash; 50% of variable pay is paid in cash, with the remaining 50% linked to the instruments defined by the applicable regulatory framework. A minimum deferral rate of 40% or 60% respectively can be applied for particularly high amounts. The above ratio – 50% cash and 50% other instruments – applies to both the lump sum and the deferred amount. Regarding the awarded instruments, a retention period of at least one year is set. The deferral period may not be less than three (3) years or as otherwise defined by the applicable legislative and regulatory framework. Variable pay for Risk Takers requires a recommendation from the Remuneration Committee and approval from the Non-Executive Directors.

As a rule, variable pay is an important element of the remuneration of the Executive Directors and senior management; it provides incentives for pursuing the Board's business strategy for the Group, in alignment with the interests of shareholders. In line with existing domestic regulatory restrictions (Greek Law 3864/2010), no variable pay was paid or/and awarded to Executive Directors and senior management in 2020.

Non-Executive Directors do not receive any variable remuneration. In 2020 there were no Board share award plans or employee stock options. Therefore, the Group did not grant any share options to any employees or BoD members.

Extraordinary Compensation

Bonus. The recruitment bonus is a guaranteed variable remuneration as an incentive for joining the Group in exceptional cases and when an offer of cooperation is addressed to experienced professionals who will assume strategic responsibilities. This form of guaranteed variable remuneration is a lump sum paid during the first year of employment, provided that the Group maintains a sound and strong capital base. The maximum amount paid must not exceed three (3) monthly gross salaries.

Severance payments. Severance payments relate to the early termination of the employment contract for employees leaving the Group on terms that may be either mandatory under labour law or by mutual

agreement between the Group and the employee. These payments may include, inter alia, severance pay in the event of restructuring and may be subject to a non-compete clause for up to one (1) year as stipulated by the contract. Severance payments may also be granted for participation in Voluntary Exit Schemes (VES). Voluntary Exit Schemes have set rules and guidelines regarding the amount of pay and are part of the Group's strategy during their implementation phase.

As far as the amount of pay is concerned, depending on the type of severance payment, this should not in any case be less than the minimum amount required by law and should not exceed 24 months of total compensation, unless otherwise stated in the already signed contract of the employee. Provisions for severance pay for Executive Directors and senior management are included in a specific Severance Policy; the severance payment ranges between 12 and 24 months of total compensation, depending on duration of the employment in the Group, the long-term performance, the harmonisation of the Executive's behaviour with the Group's policies and procedures and the age distance from retirement. This Severance Policy is expected to be approved in 2021 by the General Meeting of Shareholders.

Severance payments should not be paid in the event of early termination of the employment relationship due to evidence of a breach or misconduct by the employee (e.g. breach of code of conduct and other internal rules, in particular as regards risks). The Group Human Resources defines the amount of severance payment and takes all necessary approvals.

In any case, the annual remuneration (fixed and variable) of employees and/or Executive and Non-Executive Directors cannot exceed the total remuneration of the Governor of the Bank of Greece.

Malus & Clawback Provisions

The variable remuneration is paid only if it is sustainable according to the financial situation of the organisation, and justified according to the performance of the Group, the business unit and the individual concerned.

Without prejudice to the general principles of national contract law or employment and labour law, total variable remuneration should be considerably contracted where subdued or negative financial performance of the Group occurs, taking into account both current compensation and reductions in pay-outs of amounts previously earned, including through malus or clawback arrangements.

In the event of violations of regulations/procedures, misconduct, failure to comply with the required standards of conduct, or any other equally serious cause, engagement in conduct in violation of rules, the Group

shall be entitled to use any legal means to recover such amounts from the employee. Variable remuneration is paid only if it is sustainable and does not adversely affect the Group's capital adequacy ratios.

Malus and clawback provisions/arrangements for up to 100 % of the total variable remuneration are in force for Executive Directors and other employees, whose role has a significant impact on the Group's risk profile.

Remuneration Disclosures

Table 1 provides quantitative information on 2020 remuneration, broken down by business segment, for employees with a significant impact on the Group's risk profile (Risk Takers) on 31/12/2020. Table 2 shows detailed information about the Remuneration of the Group's Board Members (including subsidiaries) and information about the level of remuneration of senior management.

This information is also available on the Group's website www.piraeusholdings.gr/en/documentation/pillar-iii-disclosures#20201 (Pillar III disclosure)

TABLE 1: QUANTITATIVE INFORMATION ON THE REMUNERATION OF RISK TAKERS BY BUSINESS SEGMENT (EXCLUDING BOARD MEMBERS)

2020 (AMOUNTS IN € THOUSANDS)	NUMBER OF EMPLOYEES	TOTAL FIXED REMUNERATION	TOTAL VARIABLE REMUNERATION
Investment Banking	14	2,017.49	23.60
Retail Banking	38	4,453.15	45.41
Asset Management	9	338.81	0.00
Support Units	55	6,876.12	7.50
Independent Control Units	29	2,140.23	0.0
Other Units	13	1,276.05	0.0

TABLE 2: QUANTITATIVE INFORMATION ON THE REMUNERATION OF BOARD MEMBERS & RISK TAKERS

2020 (AMOUNTS IN € THOUSANDS)	BOARD MEMBERS	SENIOR MANAGEMENT	EMPLOYEES WITH A SIGNIFICANT IMPACT ON THE GROUP'S RISK PROFILE*
Total number of employees per category	62	29	158
Total fixed remuneration	4,080.71	5,902.16	17,101.85
Total variable remuneration in:			76.51
Cash			76.51
Shares			
Stock options			
Other forms of payment			
Total deferred earnings, split into:			
Registered			
Not registered			
Total amount of deferred remuneration awarded during the financial year, paid and contracted through performance adjustments			
Number of employees who received recruitment bonus			
Total amount of recruitment bonuses			
Number of employees who received severance payments			
Total amount of severance payments			
Highest amount of severance payment awarded to a person			

Note: *Senior Management is included in the categories of personnel whose actions have a significant impact on the Group's risk profile.

GROUP COMPLIANCE

Managing compliance

In its capacity as a banking institution supervised by the Bank of Greece (BoG) Piraeus Bank set up the Group Compliance unit in accordance with the provisions of the BoG Governor's Act number 2577/9.3.2006. Group Compliance forms part of the Bank's Internal Control System (ICS) (along with the Group's Internal Audit and Risk Management units), as stipulated in the above Act.

Group Compliance is headed by the Group Compliance Officer (GCO), who is primarily responsible for overseeing and managing the Piraeus Bank Group's compliance programme.

Group Compliance reports directly to the Piraeus Bank Board's Audit Committee, which monitors and evaluates its work via progress reports and briefings, and its activities are subject to audits by Group Internal Audit on the adequacy and effectiveness of compliance procedures. According to the Bank's current organisation chart, Group Compliance reports directly to the CEO on administrative issues.

Statement of purpose for managing compliance

Group Compliance, as a unit, is charged with providing advisory services on compliance-related issues, with performing compliance reviews/audits on the implementation of the Bank's relevant policies and processes in the high-risk areas, and with following developments at national and international level (mainly European Union). At the same time, Group Compliance provides training to raise awareness and ensures "compliance culture" is appropriately disseminated at all hierarchical levels.

Managing compliance

Group Compliance is responsible for the Group's Compliance Policy ("Policy"), which sets the principles and standards for managing compliance risks across Piraeus Group's operations. The Compliance Policy and the system for its implementation meet the requirements of the BoG Governor's Act number 2577/9.3.2006 as in force.

The key areas covered by the Compliance Policy are the following:

- Key guidelines for compliance with the applicable legal and regulatory framework of rules and principles for

Anti-Money Laundering (AML) and Counter-Terrorism Financing (CTF).

- Principles for managing risk from potential non-compliance of the Group and the entities to which activities have been outsourced, in accordance with the applicable legal and regulatory framework.
- Principles for managing conflicts of interest.
- Principles for anti-bribery and anti-corruption management.
- Key guidelines for compliance with the legal and regulatory framework on capital markets and the provision of financial services and market manipulation.
- Key guidelines for compliance with the regulatory framework on matters of transparency and consumer protection.
- Special principles and guidelines for whistleblowing and relations with the media, suppliers, and investors.

With reference to the above and to ensure full compliance with the regulatory framework, the Group puts in place processes to effectively reduce the risk of property or other damage, and to mitigate legal or supervisory penalties for partial or non-compliance.

The Group takes into consideration the regulatory framework and the best practices in the industry in formulating its Compliance Policy and processes.

In 2020, Group Compliance implemented the Action Plan approved by the Audit Committee, in accordance with its organisational structure and the responsibilities of its three (3) pillars, Anti-Money Laundering & Compliance, Compliance Control & Support, and Regulatory & Financial Markets Compliance.

In the context of Anti-Money Laundering & Compliance, the AML system upgrade was completed on December 7, when the new system was put into operation. The new advanced AML system has upgraded capabilities for ML/TF risk management.

At the same time, the Bank's Compliance Policy was updated in accordance with the provisions of Greek Law 4557/2018 on the Prevention of the Use of the Financial System for the Purposes of Money Laundering or Terrorist Financing, which transposed the relevant provisions of EU legislation into Greek law. Targeted changes were made to individual processes, and best practices were adopted, pending the issuance of the relevant Executive Committee Acts by the Bank of Greece.

The targets set for 2020 were met, in terms of managing requests from Supervisory, Judicial and Public Authorities and the related average response time, despite the difficulties presented by the Covid-19 pandemic, as most of the officers had to work from home.

In the context of Compliance Control & Support the Group Controls unit successfully completed its scheduled annual audits on compliance-related issues, with an emphasis on AML/CTF risks, despite the adverse conditions created by the pandemic. The purpose of compliance audits is to identify issues that arise during the implementation of the Group's Policy and to plan corrective actions.

Group Compliance and particularly Compliance Support unit played an important role in creating a "compliance culture" across the Bank, providing ongoing training and awareness on the appropriate governance and reporting mechanisms, relevant policies, instructions and systems. In 2020, Group Compliance carried out AML/CTF online training for 1,666 Bank employees and remote classroom training using Microsoft Teams as a training aid for 343 Bank employees. Due to the Covid-19 pandemic, Group Compliance and "Group Human Resources - Learning & Knowledge Sharing" replaced classroom training with remote classroom training using the Microsoft Teams platform and adapted the relevant educational material. In addition, greater emphasis was placed on e-learning, with the development of additional e-learning programmes.

The Regulatory & Financial Markets Compliance pillar supervised the implementation of important legislation in the relevant EU framework, such as, for example, Greek Law 4714/20120 (DAC 6 - Directive on Administrative Cooperation), concerning mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements.

The same Pillar also completed the review of the Compliance Policy and actively participated in the formulation of Outsourcing Arrangements, following the publication of the guidelines on Outsourcing Arrangements issued by the European Banking Authority (EBA) and adopted by the Bank of Greece (BoG) in the Executive Committee Act No. 178/5/02.10.2020. This is an area of great interest for the European Central Bank and the Single Supervisory Mechanism (SSM). In 2020, this Pillar updated and reviewed the Group Compliance Policy, adapting it to recent institutional developments and the changes brought about by the Bank's corporate transformation.

The same Pillar actively participated in the evaluation of both new and existing products that were modified and offered by the Bank (a significant increase is observed in the offer of services and products through

e-banking), of advertisements and informative texts to customers, thus strengthening the implementation of the relevant institutional framework and reducing the risk of non-compliance. The Pillar was also involved in evaluating and managing cases of conflict of interest, and the acceptance of professional gifts/benefits from customers or third parties. Regulatory & Financial Markets Compliance generally provides support and advice to all of the Bank units on issues falling under their scope of business. Last, Regulatory & Financial Markets Compliance has developed training programmes and conducts training on the implementation of the institutional framework such as MiFID II, banking secrecy, conflict of interest and transparency in the transactions of the Bank's customers.

Measuring Compliance Actions

Piraeus Bank has been providing training on its anti-corruption policy and compliance programmes, for management and employees for many years and will continue to do so every year.

In 2020 the organisation's anti-corruption policy and processes were communicated to the whole Board (i.e. 12 Directors in 2020) and to all Bank employees (i.e. 9,594 people at 31/12/2020), through the Bank's Intranet. Over the same period, 1,803 or 19% of the Bank's total workforce received anti-corruption training.

The tables below depict the breakdown of employees who received anti-corruption training in 2020, by geographical area and hierarchical level.



GEOGRAPHICAL DISTRIBUTION				
IN-CLASS TRAINING AND E-LEARNING	ATTICA	THESSALONIKI	THE REST OF GREECE	TOTAL
Total Employees trained in 2020	1,054	208	541	1,803
Piraeus Bank employees at 31/12/2020	5,379	953	3,262	9,594
Percentage of employees trained in 2020	20%	22%	17%	19%

HIERARCHICAL DISTRIBUTION				
CLASSROOM TRAINING & E-LEARNING	LEADING FAMILY	MANAGEMENT	PROFESSIONALS	TOTAL
Total Employees trained in 2020	0	609	1,194	1,803
Piraeus Bank employees at 31/12/2020	126	3,128	6,340	9,594
Percentage of employees trained in 2020	0%	19%	19%	19%

Note: The distribution of participants by hierarchical level is displayed based on the new “Job Family Model” HRMS.

For 2021, Group Compliance has planned a series of actions to complete the AML system upgrade, by integrating the institutional AML/CTF framework under development, to cover a broad range of issues through the Group Compliance audit schedule and to complete the implementation of the relevant legislative and institutional framework. Group Compliance will also continue providing training on the whole range of the Bank’s operations, as part of its effort to strengthen the “compliance culture”, and to offer employees a better understanding of the regulatory framework.

INTERNAL AUDIT

Internal Control System

Piraeus Financial Holdings Group implements an effective Internal Control System (ICS), which provides reasonable assurance that policies, processes, and control mechanisms, taken together, facilitate its effective and efficient operation.

The senior management bears ultimate responsibility for ensuring the establishment and maintenance of an adequate system of internal control and manages all the practical aspects relating to the effectiveness and efficiency of the system. The effective ICS is supported by an integrated management information system (MIS) and a communication system with clearly defined hierarchical reporting lines and control mechanisms that cover all its activities.

For more information on the ICS see www.piraeusholdings.gr>Investor Relations>Financial Statements & Other Information>Annual Report 2020>Corporate Governance Statement

Internal Audit

The Group Internal Audit unit of Piraeus Financial Holdings (“GIA”) has overall responsibility for the Group’s Internal Audit activity, with the assistance of the Group Internal Audit of Piraeus Bank (“GIA PB”).

The Group Internal Audit units are independent, they report to their Board of Directors through the Audit Committee, and provide reas-

onable, objective, independent and documented assessment on the effectiveness and efficiency of the Internal Control System. Group Internal Audit activity conforms to the International Standards for the Professional Practicing of Internal Auditing, according to an independent assessment.

2020 INITIATIVES

- Strengthen the audit methodology, in accordance with auditing standards, best practices and new trends through the implementation of the following indicative actions:
 - Increased use of Data Analytics and application of continuous auditing practices and automation of the Follow-up.
- Enhance audit work in high priority areas, as per the Supervisory Authorities:
 - Management of NPEs.
 - Personal Data Protection.
 - Internal Capital Adequacy Assessment Process (ICAAP).
 - Internal Liquidity Adequacy Assessment Process (ILAAP).
 - Outsourcing.
 - AML Risk management.
 - Audit the mechanisms adopted in operations to address the effects of the Covid-19 pandemic.
- Increased support to Management in monitoring compliance with the Code of Conduct and Ethics and the work of relevant Committees.
- Further adoption and implementation of KPIs for monitoring Group Internal Audit unit.
- Enhance quality assurance review at Group level.
- Improve audit knowledge and core competencies by participating in auditor training and obtaining relevant professional certifications.

2021 TARGETS

- Continued audit of key operations, as per Annual Plan, with particular emphasis on Corporate Governance, Risk Management and Compliance and considering the possible effects of the Covid-19 pandemic.
- Further use of Data Analytics and application of continuous auditing practices.
- Improve the methodologies used by Group Internal Audit for improved audit work and more efficient management of available resources.
- Support to the Management in monitoring the implementation of the Code of Conduct and Ethics and the work of the Ethics Committees.
- Continued management of whistleblowing reports.
- Strengthen the mechanism for internal fraud prevention and detection by including new and/or updating existing scenarios.
- Use KPIs to monitor and measure the effectiveness of Group Internal Audit operations.
- Play an advisory role in Committees/Working Groups for developing policies, processes, products/services (new or modification of existing) and specific projects.
- Implement a training plan to enrich the knowledge and skills on general audit issues and specialised subjects.

The 2021 action plan for the Group Internal Audit unit concerns the successful and smooth continuation of their work to strengthen the ICS in both the parent and subsidiaries of the Group in Greece and abroad.

EXTERNAL AUDITORS

According to the resolution of the Annual General Meeting of Shareholders of former Piraeus Bank (Piraeus Financial Holdings from 30th December 2020) convened on 26/06/2020, the audit firm Deloitte was chosen as Certified Auditors for Piraeus Financial Holdings SA stand alone and consolidated financial statements for 2020, as they we prepared and

published after the completion of the corporate transformation; more specifically, Mr. Dimitris Koutsos-Koutsopoulos (Reg. no. 26751) was appointed Regular Certified Auditor. It is noted that in accordance with Law 4449/2017 as of 2017, the Certified Auditors may offer their services for a period of no more than five consecutive years and their reappointment may take place after the lapse of three consecutive years.

SUPERVISORY AND REGULATORY AFFAIRS

Under the current supervisory framework and due to the increased number of supervisory authorities monitoring Piraeus Bank [European Central Bank (ECB)-Single Supervisory Mechanism (SSM)/Single Resolution Mechanism (SRM), Bank of Greece (BoG), Hellenic Financial Stability Fund (HFSF), Directorate-General for Competition (DG Comp)], a dedicated Supervisory & Regulatory Affairs Division (SRA) was set up in 2015, with 2 Pillars.

Pillar 1: Supervisory Relations & Regulatory Framework.

Pillar 2: Supervisory Inspections & Assessments.

The Supervisory & Regulatory Affairs unit has the following responsibilities:

- Effective relationship management and liaising with the supervisory authorities [ECB/SSM/BoG, Single Resolution Board (SRB)] and other bodies/institutions with which the Bank has “special commitments” (HFSF, DG Comp).
- Coordinating the Bank’s units to manage requests and submit progress reports, analysing the requirements, and ensuring that requests are properly addressed in a timely manner.
- Project Management Office (PMO) to coordinate the Bank’s units for the successful execution of supervisory projects and for the submission of progress reports.
- Coordinating the Bank and Group units to ensure that supervisory audits/inspections are properly addressed in a timely manner.
- Monitoring the implementation of corrective actions for compliance with supervisory requirements, guidelines and recommendations, and reporting to Management.

- Analysing and identifying areas for improvement and coordinating interdepartmental strategic projects to improve Corporate Governance, the internal audit framework and the Group’s financial/capital position.
- Providing guidance on the adoption of specific regulations/directives inside the organisation.

2020 INITIATIVES

Pillar 1. Supervisory Relations & Regulatory Framework

Pillar 1 is responsible for managing the Group’s relations with Supervisory Authorities (ECB, SSM, BoG, HFSF, SRB, NRA, etc.), for providing any clarifications they may require, and for communicating their feedback within the Group. Supervisory Relations informs the Bank’s Management about the requested data and reports, the supervisory instructions and developments, and about areas that require Management intervention to improve the Group’s profile vis-à-vis Supervisory Authorities and its compliance with the Supervisory requirements. In 2020 Pillar 1 (Supervisory Relations & Regulatory Framework) focused on:

- Communication and relationship management with: ECB, SSM, BoG, HFSF, SRB, NRA.
- PMO on EBA 2021 EU-Wide Stress Test.
- PMO on the Bank’s corporate transformation – Hive down – regarding supervisory issues and the preparation of a file for the licensing of the new Credit Institution.
- PMO on Resolution Plan. Examples include the preparation of annual plans (e.g. FMI’s Contingency Plan, Communication Plan), completion and submission of the second edition of the Bail-in Playbook and submission of the first Resolvability Progress Report and the annual Work Programme.
- PMO on the introduction of New Definition of Default.
- PMO on the new pan-European surveillance report on the effects of the Covid-19 pandemic.
- PMO on the quarterly FINREP/NPE Stocktake progress report, for timely submission and improved data quality.

- PMO on bank-wide supervisory and other important projects (Anacredit, Calendar effect, Benchmark rates reform, Shipping automation, Gap Analysis on EBA draft Guidelines on Loan Origination & Monitoring, etc.).
- PMO on supervisory submissions (e.g. Basel III, Short-Term Exercise (STE), Funding Plan, MREL Data collection template, LDR, EBA Annexes, Additional Liability Report (ALR), Covid-19 Reporting (HFSF, SSM), COR-27, COR2-28, Bank of Greece (BoG) Executive Committee Act No. 175, ad hoc reports-surveys).
- Management and communication through a special platform for data exchange and submission of progress reports to supervisory authorities BoG (Iris) and ECB (Star portal, Astra).
- Coordination of internal units to complete special surveys and questionnaires for the daily reporting of transaction data used to calculate the Euro Short Term Rate (ESTER).
- Coordination, preparation and submission of extensible Business Reporting Language standard (XBRL) progress reports.
- Regular updates to the Management (ExCo, Risk Committee, SteerCo Coordination and Submission of Supervisory Reports) on the status and the implementation of major supervisory projects.
- Provision of data, analyses, reports, presentations, and clarifications to EB, SSM, BoG, HFSF, SRB, National Resolution Authority (NRA), HFSF.
- Monitoring and coordination of actions for improving Supervisory Review and Evaluation Process (SREP) assessment.
- Daily monitoring and analysis of Institutional-Supervisory developments/guidelines and communication to the Group (daily e-mails/updates).
- Training employees from the units involved in preparing information related to supervisory developments, and

regular briefing of ExCo, the Risk Committee and the Board.

- Representing the Bank to institutional Bodies and participation in Workshops with the ECB, SSM, BoG, SRB, NRA, HBA and the European Banking Federation (EBF).

Pillar 2. Supervisory Inspections & Assessments

Supervisory Inspections & Assessment coordinates all relevant Bank and Group units to ensure that the Group is always in a state of preparedness to respond to supervisory inspections and regular supervisory reporting. This Pillar also manages the relationship and communication with supervisory authorities during on-site inspections or with regard to requested regulatory projects and reports.

In 2020 Pillar 2 (Supervisory Inspections & Assessments) focused on:

- Communication and relationship management with supervisory authorities during on-site inspections (OSIs).
- Coordination of Bank's units to collect information and provide clarifications to inspection teams during OSIs.
- Coordination of Bank's units to collect and provide information on specific borrowers, for the Deep-dive Assessment.
- Coordination of Bank's units to create a standard data tape as requested by the supervisory authorities for the purposes of OSIs and concerns the entire loan portfolios of the Bank.
- Coordination of Bank's units to collect and provide information on specific borrowers, for internal use.
- Informing Management on supervisory inspections and assessments and their results (OSIs, Deep-dive Assessment).
- Coordination of Bank's units to formulate responses and corrective measures on the results/reports received by the supervisory authorities on the On-Site Inspections.
- Training employees from the units involved in the inspections on issues related to OSIs.

- Coordination of Bank's units to compile detailed Memos on specific borrowers, and submission to the supervisory authorities.
- Presentations for Management, ECB, SSM, and BoG.
- Executive Management briefing regarding major supervisory inspections.
- Training for employees from units involved in fields related to supervisory developments, and regular briefing of ExCo and the Board.
- PMO on provision of Bank loan files to the Bank's Certified Auditors.
- PMO on findings from previous inspections and reporting to the Risk and Audit Committees.

RISK MANAGEMENT

Piraeus Bank is fully committed to managing and monitoring undertaken risks, at Group and Bank level, so as to ensure stability and business continuity. The prudent implementation and continuous evolution of the risk management framework is a priority and forms an integral part of the Group's business strategy-setting process.

The Board has overall responsibility for developing and overseeing the risk management framework.

The Risk Committee (RC), one of the Board committees, convenes monthly and/or ad hoc, and ensures that the Risk Appetite Framework is fully aligned with the Group's business objectives. The RC reviews the effectiveness of Risk and Capital Strategy and assesses its overall capital adequacy in relation to its risk profile. The Risk Committee reviews and assesses the Group's strategy and goals for managing and reducing troubled assets. In 2020 the Risk Committee convened twelve (12) times.

The Group has effective processes to identify, manage, monitor, and report the risks it is or might be exposed to. The internal control mechanisms in place ensure independent Risk Management, Compliance, and Internal Audit. The Group's organisational structure ensures separation of tasks and prevents potential conflicts of interest.

The Risk and Capital Strategy sets out the principles related to the integrated Risk Management and Risk Appetite Framework to achieve the Group's strategic and business goals, as determined by the Board.

The Risk Appetite Framework is reviewed and updated on a periodic basis, taking into account the current economic environment, the Bank's business plans and historical data, market dynamics, new supervisory and regulatory requirements, the Group's Corporate Governance Framework, international best practices and the shareholders' interests.

Group Risk Management uses a set of key risk indicators/metrics to review and assess the effectiveness of the risk management framework and informs the Management accordingly.

In addition, the Group's Corporate Governance and Risk Appetite Framework are supervised and assessed by the competent authorities. Since November 2014, the Bank, along with the other Greek systemic banks, is under joint supervision by the Single Supervisory Mechanism (SSM), which consists of the European Central Bank (ECB) and the Greek Competent Authority (Bank of Greece, BoG).

GROUP RISK MANAGEMENT

Group Risk Management is an independent unit and has overall responsibility for managing the Group's risks, in accordance with the BoG Governor's Act No. 2577/2006 and the CRD IV regulatory framework. The Head of the Group Risk Management (Group Chief Risk Officer, CRO) is appointed by the Board, upon recommendation of the Risk Committee, and his/her appointment or replacement, following the approval of the Risk Committee, is communicated to the supervisory authorities.

The CRO acts as the Executive Secretary of the Risk Committee and is a member of the Group Executive Committee and of the Bank's major Executive/Management Committees. In the Senior Credit Committee, the Recovery Credit Committee, and the Special Situations Committee, the CRO has veto power and may prevent acts/decisions in possible breach of the Bank's approved Risk and Capital Strategy.

The duties of the main Executive/Management Committees in which the CRO participates are described in the Bank's Corporate Governance Structure and Operating Regulation (Annex 3. Regulations for the Operation of Board Committees, Executive, Management & Other Committees and Boards).

Group Risk Management focuses on ensuring the optimal use of the Bank's resources, its capital, its reputation, and its human resources. The goal is to achieve the return on tangible equity target, through the continued implementation of the Bank's strategic plan, ensuring that business decisions fully comply with the defined Risk Appetite Framework.

In this context, Group Risk Management operations include:

- Capital and liquidity management strategy.
- Increased focus on strategic risk.
- Strengthening Risk Competence and Risk Management performance.
- Increasing interactive governance.
- Establishing a sound risk culture.

Group Risk Management duties include, inter alia, the development and use of risk-adjusted return methods, tools and models, the periodic review of their adequacy, and the provision of support to involved business units. Group Risk Management also plays an active role in setting strategic and business targets and in investment decision-making (in line with the Risk Appetite Framework) and fosters risk intelligent behaviour and a sound risk culture across the Group.

Group Risk Management operations are subject to independent audits by the Internal Audit, which assesses the adequacy and effectiveness of the processes in place.

The organisational structure of Group Risk Management is aligned with the Bank's strategic and tactical objectives, including an efficient and sustainable business model. Group Risk Management aims for optimal capital allocation and strong monitoring and control, in accordance with European supervisory authorities. In addition, Group Risk Management provides the Bank with the best practices, models and risk management methodologies, and acts as an enabler in strengthening the Group's risk culture.

Taking into account the mission and objectives of Group Risk Management unit, the following four-pillar structure has been implemented, with clearly defined functions and responsibilities. The four pillars are:

- Risk
- Balance Sheet & Capital Planning
- Control
- Analytics

As part of the Bank's commitment to enhance its Internal Control Sys-

tem, the role of the Segment Controller was established, with a distinct reference line to the CRO (Segment Head).

Since September 2019, the Risk Culture Programme has been running across the Bank to highlight the desired practices through attitudes and behaviours for effective risk management across the Organisation, in accordance with the Risk and Capital Strategy, the strategic priorities, the corporate values and the Code of Conduct and Ethics. This programme forms part of the Bank's strategy and is a commitment to the supervisory authorities.

Since September 2020, the Risk Culture Programme is coordinated by the Group Human Resources, with the active participation of the CRO and the Steering Committee.

For more information on Group Risk Management, see: www.piraeusbankgroup.com> Documents>Pillar III Disclosures

RISK

The Risk unit is responsible for designing the risk management framework (policies, methodologies, models, and processes) resulting from credit exposures, loan coverage and market and liquidity risks, and Asset and Liability Management. To this end, the unit uses appropriate methods and models to predict, identify, measure, and monitor the aforementioned risks. In addition, the Risk unit provides, on a regular basis, information on managing these risks to the Group's Management and competent Committees, and to the supervisory authorities.

Furthermore, Risk designs and implements the Internal Liquidity Adequacy Assessment Process (ILAAP) and coordinates the preparation and execution of liquidity stress tests.

CREDIT RISK

Credit risk is defined as the potential that a borrower or counterparty of the Group will fail to meet its obligations in accordance with agreed terms and conditions.

Credit risk is the Group's most important source of risk, and its effective monitoring and management is a top priority for senior management. The Group's exposure to credit risk arises mainly from corporate and retail credit, its trading book, various investments and over-the-counter (OTC) derivatives transactions, or other transaction settlements. Credit risk exposure depends on several major variables: macroeconomic and market conditions; the financial health of the borrower, the size and cat-

egory of the credit extension, and the length of the credit term; and the existence of collateral and guarantees.

The implementation of the Group's credit policy, which describes the Group's principles of credit risk management, ensures effective and uniform credit risk monitoring and control. The Group applies a uniform policy for credit assessment, approval, renewal, and monitoring. Credit limits are reviewed and/or renewed at least annually, and the mandate for approving credit risk is cascaded to the credit committees via delegated lending authorities. The authorities are delegated on the basis of powers and at levels appropriate for the risk profile and nature of the exposures. Credit exposures are managed on the basis of the "one obligor principle", under which all facilities to a group of borrowers which are linked to each other are consolidated under one group.

The Credit Risk Management unit designs, specifies and implements credit risk management policies, in accordance with the Group's Risk Appetite Framework, as approved by the Board, and in compliance with applicable laws and regulations.

Following the Covid-19 outbreak, the Credit Risk Management unit developed and led a number of initiatives aimed at assessing and effectively managing the credit impact on the Group's loan portfolio. Such initiatives include:

- Development of a Covid-19 reporting structure for the timely assessment and monitoring of exposures.
- Financial resilience assessment by economic sector.
- Commitment for developing policies, processes and support products that serve the EBA Guidance.
- Planning together with the senior managers the lending strategy for 2021.

Measuring and Monitoring Credit risk

Credit Risk develops the necessary methodology and processes for measuring and monitoring credit risk, to provide effective and timely support to Management and Business Units regarding decision-making, policy formulation, and regulatory compliance.

The Group measures and monitors credit risk related to loans and advances with:

- Regular assessment of the borrower's creditworthiness and probability of default (PD).
- Recovery Rate, an estimate of the loss that would arise in the event of default by the borrower or counterparty, taking into consideration underlying collateral and guarantees, expected recoveries and potential curing from forborne loans.

The Group assesses the creditworthiness of the counterparties and measures the probability of default on their contractual obligations, using credit risk grading models that take into account the categories and specific characteristics of the counterparties. These models combine financial and statistical analysis with the expert judgment of responsible officers.

A credit risk grade is assigned upon initial recognition of a lending exposure and is reviewed periodically (at least annually). Credit risk grades are reviewed whenever relevant new information is received or the Bank's expectation of credit risk has changed. The predictive capability of the credit-risk grading models is reviewed at least annually. Thus, the Group ensures that credit risk grades are accurate and that issues for remedial management are promptly addressed.

New Definition of Default: As of January 1, 2021, Piraeus Financial Holdings applies the new Definition of Default guidelines, issued by the EBA (EBA/GL/2016/07) to achieve alignment of definitions of default for accounting and regulatory purposes (IFRS 9, EBA Guidelines and CRR). This is a change in accounting estimates in accordance with IAS 8.

To comply with the new regulatory requirements, the Group has:

- Introduced new absolute and relative materiality thresholds and the counting of DPD (days past due). These thresholds are applied at facility level for retail exposures and at the obligor level for non-retail exposures. The absolute threshold refers to the sum of all amounts past due and is set at €100 for retail exposures and €500 for non-retail exposures. The relative threshold refers to the ratio of the sum of all amounts past due divided by the total on-balance exposure and is set at 1% for both retail and non-retail exposures. For the amount past due to be classified as material, both the absolute and the

relative thresholds must have been breached, while DPD counting continues for as long as both thresholds are breached. When none of the materiality thresholds are breached, DPD are set to zero.

- Defined additional Unlikely to Pay (UtP) indicators for distressed restructurings to align the definitions of default and non-performing exposures, including the application of a threshold for distressed restructurings in net present value (NPV) terms. An obligation is considered defaulted in terms of net present value when the difference between the net present value of the cash flows before and after the restructuring of an exposure to the net present value of the cash flows before the restructuring exceeds 1%.
- Revised the minimum requirements for return to non-default status. A minimum regulatory probation period of three (3) months is set before a defaulted obligor can be classified as performing, starting when the exposure shows zero days of default or when UtP conditions do not apply. In case of adjustment, the return to non-default state is aligned with the exit criteria from Forborne Non-Performing Exposures (FNPE) to Forborne Performing Exposures (FPE).

To comply with the above requirements, in 2020 the Group carried out a quantitative impact analysis. In the context of this project, the Group has made appropriate changes in its systems to record default status and its components, according to the new DoD. Training has been provided across the Bank to ensure a thorough understanding of all aspects of the new DoD. A parallel execution process was run with the previous definition to ensure a smooth transition to the new DoD from 1 January 2021.

For more details on measuring and monitoring credit risk, see: www.piraeusbankgroup.com>Investor Relations>Financial Data>Financial Statements & Other Information

Credit Management and Credit Risk Reduction Techniques

The Group manages, monitors, and restricts its credit risk exposure

and concentration using a credit limit system that sets the maximum amount that the Group is willing to risk.

When setting customer limits, the Group takes into account any collateral or guarantees that mitigate risks.

The Group categorises credit risk into risk classes, based on the underlying collateral or guarantee and the potential to liquidate them. The Board sets the maximum credit limits to be approved per risk class. Across the Group, no credit is approved by one sole person, since the approval process requires the approval of at least two Officers or a Credit Committee. Credit Committees are set up based on the level of risk exposure. The roles of Credit Committees are set out in the Credit Policy and are particularly important in shaping the quality of the overall credit portfolio.

Credit limits are valid for up to twelve months and are subject to annual or more frequent review. The responsible approval officers of Credit Committees may, under special circumstances, decide granting a credit period of less than twelve months. Credit balances are monitored against set limits and any excesses are reported and addressed in a timely manner.

IMPAIRMENT AND PROVISIONING POLICY

A critical area in the calculation of the expected credit loss (ECL) under IFRS 9 Financial Instruments is the assessment of whether there has been a 'significant increase in credit risk' since initial recognition.

The assessment of what is considered to be a significant increase in credit risk is essential to identify the transition point of the calculation of provisions from the twelve-month period to the total life of the loan. If, following this assessment, a significant increase occurs, the Group recognises a loss provision equal to the amount of expected credit losses over the life of the financial instrument.

To conduct this assessment, the Group compares the risk of default occurring over the expected life of the instrument at the reporting date with the risk of default at the date of initial recognition.

The Group's objective is to identify significant increase in credit risk before the financial instruments become past due.

The Group classifies facilities between the following stages for the purpose of calculating expected credit losses (ECL):

- If, at the reporting date, the financial instrument is non-performing, it is included in “Stage 3” and lifetime ECL are calculated.
- A financial instrument is transferred to “Stage 2” when there is a significant increase in credit risk since origination and lifetime ECL are calculated.
- The remaining financial instruments are classified in “Stage 1” and the 12-month ECL are calculated.

Expected credit loss (ECL) is defined as the difference between all contractual cash flows due to the Group and expected cash flows (i.e. all cash flow delays), discounted at the original effective interest rate (or the original effective interest rate modified for credit risk in the case of financial instruments that are credit-impaired when originated). Cash flows include all the conventional cash flows of the financial instrument, as well as cash flows from the sale of collateral or other credit aid.

Under IFRS 9, expected credit losses are the weighted average credit losses with the probability of default (PD) as the weight. The calculation consists of estimating a range of possible outcomes that includes identifying contingency scenarios that determine the amount and timing of cash flows for each particular outcome, and the estimated probability of that outcome.

ECL is measured either at an individual exposure level – for individually significant facilities – or a collective portfolio level (grouped exposures based on shared credit risk characteristics, e.g. mortgage, consumer loans, etc.).

FORBEARANCE AND RESTRUCTURING POLICY

Forborne exposure is defined as debt contracts to which forbearance measures have been extended. Forbearance measures are concessions by the Group and the Bank towards debtors facing, or about to face, difficulties in meeting their financial commitments. Forbearance may involve modification in the terms and conditions of a contract, and/or a refinancing of the distressed loan contract.

Forbearance measures only lead to derecognition if the terms in the modified contract are substantially different from those stipulated in the original contract.

LIQUIDITY RISK

The Liquidity Risk Management unit is accountable for designing, developing, and maintaining liquidity risk management policies, in accordance with the Group’s Risk Appetite Framework, as approved by the Board, and in compliance with applicable laws and regulations.

Management acknowledges that effective liquidity risk management contributes to the Group’s ability to fulfil its payment obligations and to safeguard its earnings and capital. Liquidity risk refers to the risk of a financial institution being unable to meet its obligations as they fall due, without incurring excessive costs or losses on an ongoing basis, including crisis situations.

The Group applies a uniform Liquidity Risk Policy approved by the Board’s Risk Committee. The Policy is consistent with supervisory regulations and international best practices.

This policy sets out the key definitions and methodologies for liquidity risk assessment, outlines the roles and responsibilities of the units and personnel involved both from the Bank and its subsidiaries, and provides guidelines for managing liquidity risk. To manage liquidity risk effectively, the Group monitors and manages, inter alia, the amount, quality and composition/diversification of its liquid assets, the cash flow from its assets and liabilities (inflows, outflows) in time buckets, the composition/diversification and cost of its funding sources, the composition/diversification and funding capacity of its unencumbered collateral, and its funding needs in local and foreign currencies.

The Liquidity Risk Policy includes a Contingency Funding Plan (CFP) with a set of operational procedures and responsibilities to be activated under liquidity stress. Liquidity crisis situations can be either of a bank-specific nature or caused by a significant general market disruption. The Contingency Funding Plan specifies the procedures for its activation, as well as evidence of operational readiness.

As per Regulation (EU) No. 575/2013, the “Liquidity Coverage Ratio - LCR” and “Net Stable Funding Ratio - NSFR” are calculated on a monthly and quarterly basis respectively, both for the Bank and the Group as a whole. On 31 December 2020 both the LCR and the NSFR ratios exceeded the minimum acceptable supervisory threshold of 100%.

Under Directive (EU) No.2013/36 (known as CRD IV), credit institutions are required to have comprehensive strategies, policies, processes and systems for the identification, measurement, management and monitoring of liquidity risk. As per the Directive, in 2020 the Bank submitted to the SSM its annual report on Individual Liquidity Adequacy Assess-

ment Process (ILAAP), which includes the processes governing liquidity risk management as well as the key findings from the assessment of the current and future liquidity position, both for the Bank and the Group as a whole. Moreover, in the context of ICAAP and ILAAP processes, various crisis simulations scenarios were examined to analyse their impact on the Bank's and the Group's liquidity position.

During 2020, the outbreak of the Covid-19 pandemic proved to be an unprecedented challenge, both on a global and on a European level, but its effects did not impede the upward trend of the Group's main liquidity factors, allowing its liquidity profile to continue on its improving trajectory. Group liquidity remains robust amid the continued Covid-19 pandemic, as the granular deposit base, adequate collateral buffers and the timing of Tier 2 issuance, paired with European Commission, ECB, and Greek Government measures, have effectively mitigated risks during the first and the later phases of the pandemic. The Group LCR has sustained a steadily improving trajectory and profile, remaining comfortably above risk appetite levels, and standing at 175% on 31/12/2020 (from 117% on 31/12/2019), having an adequate liquid assets buffer of €10.2 billion (from €6.5 billion on 2019).

Throughout 2020, the Group continued recovering deposits, which attested further to the depositors' confidence restoration. Customer deposits amounted to €49.6 billion on 31/12/2020, compared to €47.4 billion on 31/12/2019 (+5%), while cost of deposits was reduced significantly.

The ECB measures for the mitigation of the effects of the coronavirus pandemic included its waiver on the eligibility criteria for Greek sovereign debt titles, the launch of Additional Credit Claims framework, the TLTRO III programme extension and favourable haircuts and pricing, led to an increase in the Group's exposure to the Eurosystem, which amounted to €11 billion on 31/12/2020, compared to €350 million in 2019, mainly through the TLTRO facilities (Targeted Long-Term Refinancing Operations).

On 31/12/2020 interbank repo funding amounted to €96 million compared to €2.4 billion on 31/12/2019, while funding from securities issuance increased through the issuance of €500 million Tier 2 Subordinated Notes in February 2020.

On 31/12/2020 Group net loans amounted to €39.7 billion compared to €39.2 billion on 31/12/2019, with the seasonally adjusted net loans to deposits ratio standing at 76.7% and 79.2% respectively (excluding the seasonal OPEKEPE loan).

During 2020, the Group continued to implement actions to improve infrastructure and strengthen policies, processes, and methodologies for meas-

uring liquidity risk. In summary, the most important actions taken include:

- Strong governance of the Liquidity Adequacy Assessment Process (ILAAP).
- Strong Liquidity Risk Policy and Contingency Funding Plan.
- Improved LCR ratio calculation. Daily calculation of LCR ratio.
- Strong Framework for Liquidity Stress-testing.

MARKET RISK

The Market Risk Management unit is accountable for designing, specifying, and maintaining the market risk management policies, in accordance with the Group's Risk Appetite Framework, as approved by the Board, and in compliance with applicable laws and regulations.

Market risk is the risk of losses caused by changes in market prices or rates, including equity prices, interest rates and currency exchange rates.

The Risk Committee has approved a single market risk management policy and defines the market risk management principles and the roles and responsibilities of the units and officers involved.

The Group uses a range of conventional and modern statistical measures forming a framework that captures the material market risks to which the Group is exposed. Sensitivity risk measures, such as CSPV01 (adverse impact on the NPV of bond portfolio for a parallel shift of 1 basis point in the interest spread), and mathematical measures, such as Value at Risk (VaR) are used in day-to-day market risk management.

Exposure to market risks in the trading and non-trading portfolio is managed under selected limits and operational targets that govern and control the market risk on these activities. The exposure limits are monitored on a systematic basis.

VaR is a quantitative measure that shows, with a certain probability, the maximum potential loss in the net present value (NPV) of a portfolio within a specified holding period and a specified confidence level. The Bank implements the following three (3) parametric VaR methodologies to determine its capital requirements for market risk:

- an assumed one-day holding period and a 99% confidence level using equally weighted historical observations from a period of two years;

- an assumed one-day holding period and a 99% confidence level, placing more weight on recent market observations (exponentially weighted moving average volatilities and correlations, $\lambda=0.94$);
- using volatilities and correlations from a crisis period (Stressed VaR), while the estimate is assessed on current positions.

Volatility and correlation are calculated on a day-to-day basis. VaR has well-known limitations, and the Group has a comprehensive

stress testing programme in place to mitigate these limitations. These programmes are based on the main risk factors that may affect the value of the balance sheet items.

The Bank tests the validity of the VaR estimates, by conducting back-testing on the trading book VaR. On a daily basis, the VaR estimate is measured against the actual change in the value of the portfolio, due to changes in market prices.

The VaR estimate for the Group's trading and FVTOCI book and the exponential volatility on 31/12/2020 amounted to €11.24 million. This estimate consists of €11.97 million for interest rate risk, €0.2 million for foreign exchange risk and €2.52 million for equity risk, reduced by €3.44 million due to the diversification effect in the trading and FVTOCI book.

AMOUNT IN €MILLION	BANK TRADING PORTFOLIO TOTAL VaR	VaR INTEREST RATE	VaR EQUITY	VaR FOREIGN EXCHANGE	VaR COMMODITY	DIFFERSIFICATION EFFECT
2020	11.24	11.97	2.52	0.19	0.0	-3.44
2019	11.42	11.43	1.15	0.21	0.0	-1.37
2018	4.38	4.47	1.17	0.16	0.0	-1.43

Overall, VaR ranges at low levels and is in line with the Risk Appetite Framework.

During 2020, the Group continued to implement actions to improve infrastructure and strengthen policies, processes and methodologies for measuring market risk. In summary, the most important actions taken include:

- Implementation of Murex system for VaR calculation
- Review of the Market Risk Limits Framework

INTEREST RATE RISK

The Asset & Liability Management unit is accountable for measuring, monitoring and controlling the framework of interest rate risk management, in accordance with the Group's Risk Appetite Framework, as approved by the Board, and in compliance with applicable laws and regulations.

Interest rate risk is the risk of a potential negative impact on the Group's

and the Bank's financial position, that results from adverse changes in the value or volatility of interest rates.

Changes in interest rates affect the profitability of the Group and the Bank, by changing Net Interest Income and other income or expense sensitive to changes in interest rates.

Changes in interest rates also affect the Fair Value of Assets and Liabilities (Economic Value of Equity-EVE), because the present value of future cash flows (in some cases, the cash flows themselves) changes when interest rates change. Therefore, an effective risk management process is essential to assess, monitor and help maintaining interest rate risk within acceptable limits (through effective hedging, where necessary), to safeguard the financial performance of the Group and the Bank.

The Group and the Bank implement an Interest Risk Policy outlining its IRRBB valuation techniques that rely on maturity and repricing schedules, incorporating behavioural models, where necessary.

The Group and the Bank measures interest rate risk as the change in the NPV of future cash flows arising from existing assets and liabilities as a

result of a change in base interest rates ($\Delta NPV - \Delta EVE$). In addition, the Earnings-at-Risk measure ($EaR - \Delta NII$) measures the negative impact on the projected annual NII from a change in base interest rates.

Management has developed a stress-testing framework for IRRBB, using a set of prescribed interest rate shock scenarios, which include sharp interest rate movements, changes in the shape and level of the current term structure of interest rates and the historical and implied volatility of interest rates.

Management has set appropriate limits for measuring the change in the NPV of the balance sheet items (ΔNPV), as well as for EaR, which are monitored on a regular basis. On 31/12/2020, these indices amounted to €0.85 million (ΔNPV assuming a parallel yield curve shift by 1 basis point - PV01) and €50 million (ΔNII assuming a parallel yield curve shift by 100 basis points).

During 2020, the most important improvement actions carried out include the development of:

- Behavioural Models for Assets, Liabilities and Off-Balance Sheets within the IRRBB framework.
- Framework and Technical Specifications for the measuring IRRBB.

BALANCE SHEET & CAPITAL PLANNING

The Balance Sheet & Capital Planning unit is accountable for planning and implementing the Group's Strategy on Capital Adequacy, Supervisory and Internal Capital, in accordance with the Group's Risk Ap-

petite Framework, as approved by the Board, and in compliance with applicable laws and regulations.

In particular, Balance Sheet & Capital Planning supports the formulation and implementation of the Group's strategy for effective risk management, for balance sheet optimisation and for achieving business objectives, by:

- Developing, maintaining and running an adequate risk appetite framework in accordance with the guidelines of the Risk Committee and the Board of Directors.
- Implementing a comprehensive framework for monitoring and evaluating capital planning. Preparing and conducting regular stress-testing
- Measuring, monitoring and managing capital needs arising from the operations of the Bank and its subsidiaries.

The Group's regulatory capital is calculated in accordance with applicable laws and regulations, the Directive (EU) No. 2013/36 (CRDIV) and Regulation (EU) No. 575/2013 (CRR), as approved by the European Council. The regulatory framework requires financial institutions to maintain a minimum level of regulatory capital, taking into account the undertaken risks.

The following table presents selected capital adequacy data for the Group as at 31/12/2020.

The capital adequacy data were calculated under the existing regulat-

SELECTED CAPITAL ADEQUACY DATA	
AMOUNTS IN €MN	31/12/2020
Common Equity Tier 1	5,927
Tier 1 Capital	5,927
Own Funds	6,816
Total RWAs*	43,097
Capital Adequacy Ratio	15.82%
CET1 Capital ratio 1	13.75%
Leverage ratio	8.56%

* (on and off-balance sheet items)

ory framework, taking into account – when relevant – the appropriate transitional provisions laid down in Regulation (EU) No. 575/2013. The capital adequacy ratios cover the minimum regulatory requirements.

The Group's capital management practices include:

- Compliance with capital requirements against risks taken, in accordance with the supervisory framework.
- Preservation of the Group's ability to continue on a going concern basis, to provide returns and benefits to its shareholders and to ensure the trust of its customers.
- Maintenance of a strong and solid capital base, to support the Group's Business Plan.
- Maintenance and enhancement of existing infrastructure, policies, processes and methodologies to meet supervisory requirements, in Greece and abroad.
- Spreading and improving the capital management culture.

During 2020, the Group continued to enhance the effectiveness of its infrastructure and its policies, processes and methodologies related to risk measurement and capital planning. In summary, the most important actions taken include:

- Enhancement of the framework for measuring and managing capital adequacy, followed by an upgrade of technical infrastructure.
- Improvement of Pillar I and III policy and processes.
- Participation in drafting the Bank's Significant Risk Transfer (SRT) policy in preparation for planned NPE Securitizations.
- Configuration of calculator for measuring capital requirements for securitization exposures and production of the relevant supervisory reports,
- Preparation for the forthcoming changes in the supervisory framework for calculating capital requirements under CRR2 (SA-CCR, FRTB, Prudential Backstop, capital for investment in CIUs).
- Measurement of the impact of RWA variability and pre-

paration for the implementation of the new DoD.

- Analysis and transformation of business continuity processes following the hive-down.
- Strengthening the capacity to generate reports to cover emergency requests by the supervisory authorities in the context of managing the risks posed by the Covid-19 pandemic.
- Ongoing contribution to the successful implementation of initiatives for Risk Weighted Assets (RWA) management.
- Enhanced governance of the Internal Capital Adequacy Assessment Process (ICAAP).
- Ongoing improvement of the Basel Pillar II framework of principles, policies, processes and methodologies for ICAAP, taking into account current EBA and SSM directives and guidelines.
- Enhanced governance, methodologies and infrastructure for conducting internal and supervisory Stress Testing.
- Participation in drafting the Bank's Significant Risk Transfer (SRT) policy, preparation for planned NPE Securitizations, periodic diagnostic tests on the balance sheet structure and participation in efforts for balance sheet optimization.
- Update of the Risk and Capital Strategy in accordance with the Group's strategy and the current conditions/obligations.

CONTROL

The Control unit is accountable for identifying, monitoring and assessing all types of risks (credit, market, operational, liquidity, etc.) arising from the Bank's operations. Control is responsible for the design, development, implementation and evaluation of an adequate Internal Control System that ensures effective and efficient Bank operations, and assists Management in achieving its business goals. Control collaborates with the Segment Controllers to achieve these objectives.

In addition, Control is responsible for the design, development, implementation of an effective operational risk management (ORM) framework (policies, methodologies and processes), compliant with the Group's Risk & Capital Strategy, and applicable laws and regulations.

The Control unit also designs and conducts credit risk reviews covering the Group's loan portfolio. In particular, the unit (a) conducts periodic Credit Reviews of credit limits, in terms of both the level and type of risks undertaken, at borrower level (or group of borrowers), as well as the Bank's Credit Policy, and (b) runs sample checks to monitor credit risk effectively.

In addition, through the Model Validation Unit, Control unit conducts independent assessments of the Bank's models, to validate their robustness, consistency and accuracy. The scope of the validation includes models measuring credit risk, operational risk, market risk and liquidity risk, interest rate risk, and other models used within the Bank. The assessments are prioritised under the Annual Model Validation Plan, which is approved by the Model Validation Committee. Validation reports with the analysis and findings of model validation including the relevant recommendations are submitted for approval to the Model Validation Committee. During the periodic validations, follow-up for rectifying model weaknesses is carried out. Validation reports are also communicated to the relevant Segment/Unit Controllers, to ensure the implementation of corrective actions, while Internal Control Deficiencies (ICDs) identified during the validation of the models are reported to the Operational Risk & Control.

OPERATIONAL RISK

The Operational Risk & Control unit is accountable for designing, specifying and implementing the operational risk policies, processes and methodologies, in accordance with the Group's Risk Appetite Framework, as approved by the Board, and in compliance with applicable laws and regulations.

The Operational Risk & Control unit is also responsible for providing information on these risks to the Group's competent Committees and Management.

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or external incidents.

Every year the Bank reviews its operational risks. The following classes of risks have been identified under Operational Risk:

- Fraud risk (internal and external).
- People risk.
- Conduct & financial crime risk.

- Legal, compliance & reporting risk.
- Business continuity risk.
- Process execution & organisational change risk.
- Third party and outsourcing risk.
- Model risk.
- Physical security and safety risk.
- Information and communication technology (ICT) risk.

The Group recognises its exposure to Operational Risk and has established a firm risk management framework for all its operations. Operational Risk Management includes:

- Risk and Control Self-Assessment (RCSA) for all the Bank's units and the Group's subsidiaries.
- Assessment of the adequacy of the design and the effectiveness of controls.
- Stress-test scenarios for operational risk.
- Setting and monitoring of operational risk indicators and limits.
- Creating and monitoring of corrective action plans.
- Operational Risk incident and loss-event management; collection and analysis of operational risk actual loss events and incidents to identify the cause, as well as any deficiencies in the control environment.
- VaR and internal capital estimation.
- New products and processes review.
- Internal and external reporting.

The Bank quantifies and monitors its exposure to operational risk on a regular basis, using a set of indicators, which include:

- Key Risk Indicators set under the Group's Risk Appetite Framework monitored against specific limits, which are reviewed on a regular basis. Regular reporting of KRIs to Management and the competent Committees (indicat-

ively: CRO, Operational Risk Committee (ORCO), Risk Committee, Audit Committee). KRIs relate to:

- Actual loss due to operational risk incidents. Incidents that were accounted for are monitored separately from incidents that occurred during the monitoring/reporting period.
- Estimated losses due to operational risk incidents (extracted from the RCSA).
- VaR from exposure to operational risk.
- Financial efficiency of the Internal Control System.
- In addition to the above, there is a set of KRIs via the RCSA at the unit and company/subsidiary level, including VaR, qualitative impacts of operational risk incidents, and control effectiveness. These indicators are presented in reports at the level of units, segments and companies/subsidiaries.
- A set of KRIs has been established to monitor risks identified through the RCSA process.

An important role in monitoring operational risks has been assigned to the Operational Risk Committee (ORCO), which was established in 2018 with strong representation from members of the Executive Committee. The information that ORCO receives on a regular basis, concerns:

- The evolution of the Bank's operational risk profile,
- significant events and operational risk losses, with an analysis of their underlying causes,
- significant weaknesses in the Internal Control System identified through fast track reporting,
- the results of Operational Risk Assessment Process (ORAPs) for significant events or initiatives that affect the Group's risk profile,
- the implementation of major projects to improve the Internal Control System and the Operational Risk Management framework.
- Finally, ORCO is regularly informed by both the Internal

Audit and the Group Compliance units on important audit findings, as well as the agreed corrective actions.

In 2020 the Bank continued its efforts to further strengthen the Internal Control System and the overall operational risk management framework. Indicative initiatives towards this direction were:

- Developing infrastructure for managing Internal Control Deficiencies identified by internal and external reviews (in progress).
- Strengthening the process for collecting and analysing operational risk losses, with emphasis on credit related losses, as well as events related to legal actions against the Bank (in progress).
- Activation of a fast-track process for identification, reporting and resolution of Internal Control Deficiencies (completed).
- Strengthening ICT and security risk management in the second line of defence (in progress).
- Strengthening risk assessment methodology and controls (in progress).
- Updating the operational risk typology to meet current business needs, new challenges and areas of supervisory interest (completed).
- Strengthening the information process for critical operational risk incidents (completed).
- Coordinating ORAPs (Operational Risk Assessment Process) for important events or initiatives that affect the Group's risk profile (such as the Covid-19 pandemic, the hive down, the transformation), to identify and assess the relevant risks, to monitor the mitigation actions and to inform Management and the competent Bodies (in progress).

The Group implements and evolves the risk management framework, seeking to optimise operations and control mechanisms, to minimise

financial losses from operating risk events, to develop a unified and understandable “culture” across the Group, to assess the level of risk exposure, and to prevent potential, unexpected and catastrophic losses from future operational risk events.

CREDIT CONTROL

The Credit Control unit is responsible for the independent, regular, qualitative review of the credit risk embedded in Piraeus Bank Group’s loan portfolio, including performing and non-performing Corporate loans (Large Corporate, Real Estate & Project Financing, Shipping, SMEs, Agriculture, SBs) and Retail loans, and the loan portfolio of Factoring and Leasing subsidiaries.

The purpose of the Credit Control unit is to ensure compliance with the Credit Policy and the Rules governing all types of lending via regular and ad hoc credit reviews and audits, in order to reduce the credit risk undertaken and to strengthen the credit risk recognition culture, which will lead to shielding of the Bank’s Balance Sheet.

The mission was implemented across two pillars until 30/9/2020:

- Ex post, through:
 - Credit Reviews; borrower review, at borrower level (or group of borrowers), and process review, to assess compliance with Credit Policy and processes. As part of this mission, Credit Control performs sample checks on borrowers, and assesses the quality of each credit facility and the credit risk management practices. The assessment is carried out using data extracted from the Bank’s systems, a thorough review of the credit files kept by the business units, and after contacting the competent lending and credit officers. The outcome of each Credit Review is recorded in the Evaluation Report along with Proposed Corrective Actions, which are sent to the units involved and the Segment Controllers for feedback and rectification of weaknesses. The Credit Control unit regularly reviews the progress of the proposed corrective actions.

- Systematic monitoring of high credit risk areas for the business portfolio. The findings of the review are sent to the competent units involved and the Reports with the key findings are sent to the CRO, the Group Controller and the Senior Management.
- Ex ante, through an overview of cases examined by the Credit Approval and Provisioning Committee. The ex-ante review ended on 30/9/2020, in the context of the project for redesigning the Credit model.

In Q2 2020 the Credit Control unit divided its tasks into Performing and Troubled Assets.

Also, during 2020, the Credit Control unit implemented the following actions:

- The 2020 annual credit risk review was completed. A sample of 434 borrowers with balances of €6.4 billion from the core portfolio was reviewed and 394 corrective actions were proposed and a sample of 410 borrowers with balances of €4.7 billion from the non-core portfolio and 313 corrective actions were proposed.
- A sample of 1,354 credit approvals for €729 million in requests was reviewed, as part of the oversight for the implementation of Delegated Authorities to the Servicer, and the rules and policies governing loan approvals. 338 of these credit approvals (€207.6 million) relates to Covid-19 related loans.
- For the portfolio managed by the Servicer, two (2) write-off evaluation projects in retail portfolios were completed for a total sample of 354 borrowers and balances of €71.2 million, sampling overview of the Commercial Workout Portfolio Unit (152 borrowers with balances of approximately €2 billion); the 20 largest borrowers were re-evaluated.
- An ad hoc credit review of borrowers deemed as Unlikely to Pay (UtP) was conducted for 57 borrowers with balances of

€1.5 billion and an ad hoc credit review of 16 borrowers with balances of €62.2 million.

- In the fourth quarter of 2020, a credit review started for borrowers affected by the Covid-19 pandemic; the sample included 190 borrowers from the core portfolio with balances of €2.6 billion and 115 borrowers from the non-core portfolio with balances of €927 million.
- The data intensive process was continued for the Bank's performing portfolio in terms of flagging, recognition and settlement of the effects of credit risk. Data related to expired credit lines, new disbursements, overdraft accounts, concentration in large issuers of post-dated checks and invoice debtors were reviewed.
- The above process was strengthened in the second half of 2020 with additional reviews for i) the declassification of borrowers from the UtP criteria, where all the cases of the Bank's business portfolio were examined -22 borrowers- with balances of €210 million, and ii) soft UtP criteria, where 206 borrowers from the core portfolio were examined with balances of €960 million. For 70% of the cases, a follow-up was performed within the year and the findings were confirmed (using updated data).
- The Credit Review form for a borrower or group of connected borrowers was amended (following the new criteria) and enriched.
- Until the third quarter of 2020 executives from the unit participated as Observers in the Bank's Senior Approval Committees: Senior Credit Committee (SCC), Recovery Credit Committee (RCC), Core Banking A and RBU A Committees (Corporate & Shipping, SME and International), and in all the meetings of the Provisioning Committee. They were also responsible for supporting the CRO & Deputy CRO as members of the above Committees. In the fourth quarter of 2020,

this activity ended in the context of the implementation of the project for the redesign of the Credit model.

- The findings from the above review and evaluation projects are followed-up on a regular basis; the frequency of the follow-up is determined by the nature and importance of each finding.

MODEL VALIDATION

The Model Validation unit contributes to restricting risks arising from flaws in model design or implementation and incorrect use of models¹⁰ using a Model Validation Framework. The purpose of the validation process is to assess, independently of the model owner and developer, whether the accuracy and efficiency of the model is satisfactory and the model meets all requirements or whether improvements need to be made.

The unit conducts a variety of activities to ensure well-performing models in the areas of counterparty credit, operational, market, liquidity, and interest rate risk. The validation process is also used to assess other models used by the Bank. The assessments are prioritised in the context of the Annual Model Validation Plan, which is approved by the Model Validation Committee. Priority is given to models used for the purpose of decision-making, preparing financial statements, ICAAP, Stress-testing, etc.

Validation reports summarise the findings from the qualitative and quantitative review, including observations, suggested improvements or remedial actions, and are presented to the Model Validation Committee, which decides on corrective actions for model weaknesses analysis. Model owners also receive the validation report and are responsible for the timely rectification of model weaknesses. Validation reports are also communicated to the relevant Segment/Unit Controllers¹¹, so that the findings are included in the RCSA of the Units, as part of the broader framework for effective model validation.

The Model Validation team is responsible for:

- Construction and update of Model Validation Framework comprising Policy, Methodology and Model De-

¹⁰ The term model refers to a quantitative method that applies statistical or mathematical theories, techniques and assumptions to process input data into quantitative estimates for the purposes of decision-making.

¹¹ The roles and duties of Segment/Unit Controllers are described in the Bank's Policy regarding the Internal Control System (ICS).

velopment Documentation, as well as Model Validation Process.

- Setting up and maintaining an Annual Model Validation Plan and Model Validation Inventory.
- Independent Model Validation assessments for qualitative and quantitative characteristics – initial validation and annual re-validation – within the scope of the approved Annual Model Validation Plan. The validation process includes:
 - qualitative assessment: input and data processing, model design, conceptual soundness, internal and external requirements and model performance.
 - quantitative assessment for segmentation capacity, accuracy and stability.
 - recommendations and remedial actions for model weaknesses.
 - submission of validation reports to the Model Validation Committee.
 - follow-up and ongoing rectification of model weaknesses.

In 2020 the Model Validation unit implemented the following actions:

- Improved the Unit's organisational structure and the respective roles and responsibilities.
- Enhanced the follow-up process of model validation findings.
- Standardised templates for validation reports with more in-depth analysis.
- Improvements in C-Star validation platform for credit risk models.
- Implemented Annual Model Validation Plan 2020, carry-out 153 model validations. Indicatively:
 - IFRS9 Credit Risk Models
 - Retail Banking Portfolio Credit Risk Models
 - Business Portfolio Credit Risk Models

- Market Risk and Interest Rate Risk Models
- Models used in Stress Testing Exercises
- Other Bank Models, such as the Climate Risk Assessment (Climabiz).
- Participated in the Risk Culture Programme; planning and implementing a risk culture and conducting "Knowledge Sharing Sessions" between the units of Group Risk Management.

ANALYTICS

The Analytics unit uses analytics to improve Operational Risk Management and supports the Bank's decision-making framework. The unit also coordinates and monitors projects requiring the contribution of all the individual units of Group Risk Management.

To fulfil its mission, Analytics operational structure is divided into 3 key pillars:

Group Risk Project Management Office (PMO)

- Coordinates Group Risk Management projects. Annual planning to ensure that the projects are aligned with Group Risk Management strategy and are prioritised properly. PMO monitors the progress of the projects.
- Coordinates working groups in selected Group Risk Management projects by developing detailed Projects Plans, ensuring timely implementation and submission of project deliverables.
- Shapes Group Risk Management annual budget and monitors compliance with the annual targets.
- Coordinates and links Group Risk Management units, builds up cooperation and represents them in activities that require cooperation with other units of the Bank.

Forensics/Solutions

The basic mission of Forensics/Solutions is the support of the Bank's framework for strategic decision-making, using quantitative and qual-

itative tools, applications, and actions. In particular:

- Review and identify areas for improvement in terms of portfolios, products, processes, partnerships and results optimisation, in collaboration with other Group Risk Management teams.
- Assess interfaces between Bank units, Group Companies and third parties, to diagnose potential risks, present proposed actions to stakeholders and coordinate actions.
- Striking a balance between the obligations imposed by the supervisory framework and the opportunities in product/portfolio/services/innovation, providing strategic direction to the units regarding their areas of interest.
- Coordination, development and maintenance of the risk-based pricing framework (policy, methodology, processes) and guidance to the units involved in the implementation and adoption of this framework.
- Design, implementation, coordination and conduct of training and awareness programmes for the Group's employees on risk-based pricing and other areas of interest, as identified by forensics.
- Development and direction of the Bank's business units towards a risk culture for improving their operational efficiency.
- Participation and/or undertaking and coordination of ad-hoc plans/projects at Bank and Group level for process optimisation and risk monitoring tools.
- Act as a link between the individual units of Group Risk Management, as well as between the Group Risk Management and the other Group units to strengthen approaches for consistency, efficiency and risk minimisation.

Risk Data Office & Operations

The unit's main mission is to monitor and improve the degree of compliance with data risk management and related reports, in accordance with the supervisory standards and best practices. For this purpose:

- Participates in working groups and undertakes tasks in the Group's strategic transformation projects.
- Supports the Group Risk Management units in the risk data collection and handling process.
- Ensures compliance with the Group's policies and regulations and the applicable supervisory framework regarding data management and quality. It represents Group Risk Management in the structures of the Data Governance Framework.
- Plans data management processes and flows, in line with the requirements of the Group's policies and good practices defined by the supervisory authorities.
- Highlights data quality issues and takes action to resolve them.

In 2020 the Analytics unit coordinated or participated in a series of initiatives fully aligned with the Group Risk Management strategy. Specifically:

- Overall coordination for the participation of the Bank in the 2021 EBA Stress Test.
- Participation in strategic projects, such as corporate transformation, securitisation, sales of loan portfolios, etc.
- Participation in project teams and organisational structures, and completion of actions to improve the quality of data used in internal and supervisory reports.
- Participation in project groups and actions, to automate risk data collection and handling process.
- Review all internally generated reports by Group Risk Management, to simplify the process for their production (using new methods and tools) and to reduce time

required to prepare them.

- Submission of total Group Risk Management budget for 2020, aiming at rational resource management and cost reduction.
- Review all the unit's third-party contracts to ensure the smooth transition of partnerships after the completion of the corporate transformation.
- Support the unit to ensure uninterrupted operation due to Covid-19.
- Active participation in actions that cultivate a risk culture and awareness in the organisation.

SEGMENT CONTROLLER

The Segment Controller, in collaboration with the Unit Controllers at each unit of the Group Risk Management, is responsible for promoting a sound risk culture and ensuring that an effective Internal Control System is in place. The Controllers identify and manage operational risks as part of the first line of defence of Group Risk Management through the following responsibilities:

- Identification and analysis of weaknesses and participation in the definition of corrective actions.
- Coordination, participation, and monitoring of RCSA processes and general implementation of the operational risk management framework in the Group Risk Management Units.
- Carrying out gap analysis and evaluation of documents (policies, procedures) at Group Risk Management level.
- Monitoring audits and implementation of action plans regarding the findings of internal and external auditors.
- Participation in projects (at Segment & Bank level) to integrate control mechanisms. Coordination of the Group Risk Management Business Continuity Plan.
- Collaboration and regular update of the CRO on the progress of the annual plan and report when required.

CRO OFFICE

The CRO Office is under the direct responsibility of the CRO and supports and monitors the work of Group Risk Management.

The CRO Office is also responsible for the duties of the Risk Committee Secretariat and monitors the implementation of the Committee's decisions.

GROUP CREDIT

The Group Credit unit plays a major role in boosting the Bank's performing loan portfolio and in effectively managing the troubled portfolio. It is responsible for drafting and updating Credit Policy, and experienced Credit Officers ensure its full implementation.

The Head and the executives of Group Credit actively participate in several Committees and Projects that aim to improve the efficiency of the processes for approving, managing and monitoring credit risk. They play an active role in assessing early warning levels.

Group Credit played an essential role in implementing the strategy for managing borrowers affected by the Covid-19 pandemic and in implementing moratoria of payments to borrowers who meet the eligibility criteria.

Corporate, Shipping & Financial Institutions Credit

The Corporate, Shipping & Financial Institutions Credit unit participates in the credit approval process for the portfolio of Large Corporates, Shipping and Structured Finance, and Leasing and Factoring subsidiaries and sets the risk limits for financial institutions.

Credit expansion focused on providing financial assistance to viable Greek companies and to businesses impacted by the Covid-19 pandemic.

SME Credit

The SME Credit unit participates in the credit approval process for the portfolio of Commercial Banking, Agricultural Banking, and Leasing and Factoring subsidiaries.

In 2020 the SME Credit unit approved new loan disbursements to sustainable businesses and to businesses impacted by the Covid-19 pandemic, making use of development programmes in which the Bank participated, and the related co-financing and risk-sharing tools.

Small Business & Retail Credit

The Small Business & Retail Credit unit has taken steps to improve and automate the portfolio assessment and monitoring processes, to increase efficiency, to improve response time, to reduce operational risk and production costs.

In the context of responsible lending, a key pillar of its credit philosophy, in 2020 the Small Business & Retail Credit unit focused on addressing the needs of Greek households, small and agricultural businesses in mutually beneficial relationships of cooperation. It managed increased loan requests, by using meritocracy and applying credit policy rules and practices.

In addition, in 2020 the unit supported businesses impacted by the Covid-19 pandemic, making use of development programmes.

In 2020 the Small Business & Retail Credit unit renewed its ISO 9001:2015 international certification for its credit approval process for Small Businesses and Individuals, for Consumer, Mortgage and Merchant Credit, and for Agricultural Credit, demonstrating its commitment to providing integrated services, enhancing customer satisfaction and improving the Bank's profile and overall business performance. Piraeus Bank is the only domestic credit institution with this certification.

NON-CORE CREDIT

In 2020 the Non-Core Credit unit continued its ongoing effort for the effective management of high credit risk of the Non-Core credit portfolio, for monitoring the effectiveness of forbearance measures and the implementation of credit policy and approval processes. Payment moratoria were applied to borrowers meeting the eligibility criteria.

In 2020 efforts were intensified on restructuring NPEs for cooperating and viable customers, through a variety of debt restructuring and forbearance measures in line with the provisions of the supervisory and legislative framework. At the same time, efforts were made to identify financial difficulties and probability of default in a timely manner, and to assess the risk of financial loss.

The Non-Core Credit unit joined up with the NPE Management unit to find the forbearance/restructuring measure with the maximum possible recovery of debts in terms of Net Present Value, assessing the viability/sustainability of the creditors and their ability to repay.

The Non-Core Credit unit participated in all Recovery & Workout Committees handling the troubled portfolio.

The Non-Core Credit unit is actively involved in major projects for optimising NPL management, for improving the efficiency of credit risk assessment, approval, management and monitoring processes, and for making the operation of the units involved more effective (e.g. updating approval process, product review). Non-Core Credit is manned with experienced Credit Officers.

CREDIT POLICY & PORTFOLIO ANALYSIS

The Credit Policy & Portfolio Analysis unit is responsible for compiling and updating the credit policy of the Bank and the Group's subsidiaries.

The Credit Policy is fully aligned with the regulatory framework. The goal remains to strike a balance between the risk assumed by the Bank through its lending operations and the significant support it offers to Greek companies and households, due to its dominant position in the market.

The Group applies a uniform policy regarding the assessment and the processes for approving, renewing, and monitoring loans. Credit limits are revised and/or renewed at least annually, and credit approval authority is assigned to the credit committees, taking into account the size and the type of credit risk undertaken by the Group for each borrower or group of connected borrowers (concept of single borrower).

SUPPLIER RELATIONS

CENTRALISED PROCUREMENT MODEL

At the end of 2018 Piraeus Bank adopted a centralised model for purchasing all required goods and services along the key pillars:

- Modernising and upgrading the existing procurement policy, taking into account international best practices.
- Seeking opportunities for cost reduction and streamlining, while maintaining the quality of the products and services purchased.
- Monitoring the efficiency of important suppliers on a systematic basis, using specific indicators.

In this context, a Group Procurement unit has been established and is charged with the centralised procurement management. The Group

Procurement unit, inter alia, is responsible for the uniform implementation of the Group Procurement Policy, for updating the relevant processes and for creating a single central structure to support the centralized procurement and supplier management.

NEW PROCUREMENT POLICY

A key condition for the transition to the new operating framework was the revision of the Procurement Policy, which was completed in September 2020.

The revised Group Procurement Policy defines, inter alia: the rules and principles governing the procedures for the purchase of goods and services, the mechanism for procurement requests by the Organisational units of Piraeus Group to meet their operational needs, and the management relationship with existing or potential suppliers of goods/services or third parties.

RELATIONSHIP WITH SUPPLIERS

During the procurement phase, suppliers are initially asked to fully comply with the Bank's Rules and Regulations. At the same time, in addition to their financial offers, companies are obliged to submit information and documentation regarding their viability/sustainability and the quality of their services, such as the company's profile, legal documentation, certifications, technical specifications, etc. The requested additional information varies depending on the nature of the procurement. In cases where it is technically feasible, specific environmental and social criteria are taken into account (e.g. Environmental Certifications).

As part of its effort to support local economies and societies and reduce the environmental footprint due to the transfer of goods, the Bank purchases most of its supplies from local and/or domestic suppliers.

In addition, the Bank evaluates its suppliers at regular intervals as part of its effort to maintain a high quality of services and a high degree of cooperation. It holds informative meetings with major suppliers and seeks to improve the terms of cooperation. The Bank pays its obligations to suppliers and partners promptly, in accordance with the contract payment terms.

In 2020, more than 9,000 suppliers delivered products or services across the Bank. Most of them operate in Greece, thus the Bank supports the whole range of businesses – from free-lance professionals and very small businesses to large businesses – and consequently the Greek economy.

2021 TARGETS

- Complete review of procurement processes to implement new procurement policy.
- Creation of new group-wide structure to support centralised procurement and supplier management.
- Setting KPIs to monitor supplier efficiency.

EMERGENCY ACTIONS DUE TO COVID-19

The following are some of the actions implemented by the Group Procurement unit in 2020 to deal with the Covid-19 pandemic:

- In March 2020, the Group Procurement unit contacted suppliers that are critical to the smooth operation of the Bank, informing them of all the actions that the Bank has taken to ensure its business continuity. At the same time, the unit asked to be informed about the respective measures adopted by suppliers to ensure their business continuity. The goal was twofold, the health and safety of employees of both parties and the uninterrupted provision of services to the Bank.
- In the context of reducing/preventing the spread of the coronavirus, as well as the health and safety of employees and customers, direct tenders were held for the supply of goods (e.g. healthcare supplies) and services (e.g. disinfection/cleaning). The tenders continued throughout 2020, always ensuring the adequacy of the required quantities.



22,000 litres of liquid antiseptics	Intensification of cleaning & disinfection in the Bank's buildings
350,000 pairs of disposable latex gloves	1,800 Plexiglas dividers for branch tellers
370,000 disposable surgical masks	2,200 glass and wooden dividers in the Bank's buildings
145,000 reusable protective cloth masks	1,700 headphones with built-in microphone
240 laptops	35 infrared thermometers

TRAINING SUPPLIERS ON SUSTAINABLE DEVELOPMENT

In the context of the inclusion of Piraeus Bank in the group of The Most Sustainable Companies in Greece 2020, two of the Bank's suppliers received training on Sustainable Development, on the Greek Sustainability Code, a standard referenced in the ESG Reporting Guide of the Athens Stock Exchange, and officially recognised by the European Commission. The suppliers who received this training have been close Group partners for many years.

GREEN PROCUREMENT

In 2020 Piraeus Bank continued applying its green procurement policy, partnering with companies supplying environmentally friendly products, such as paper with FSC (Forest Stewardship Council) environ-

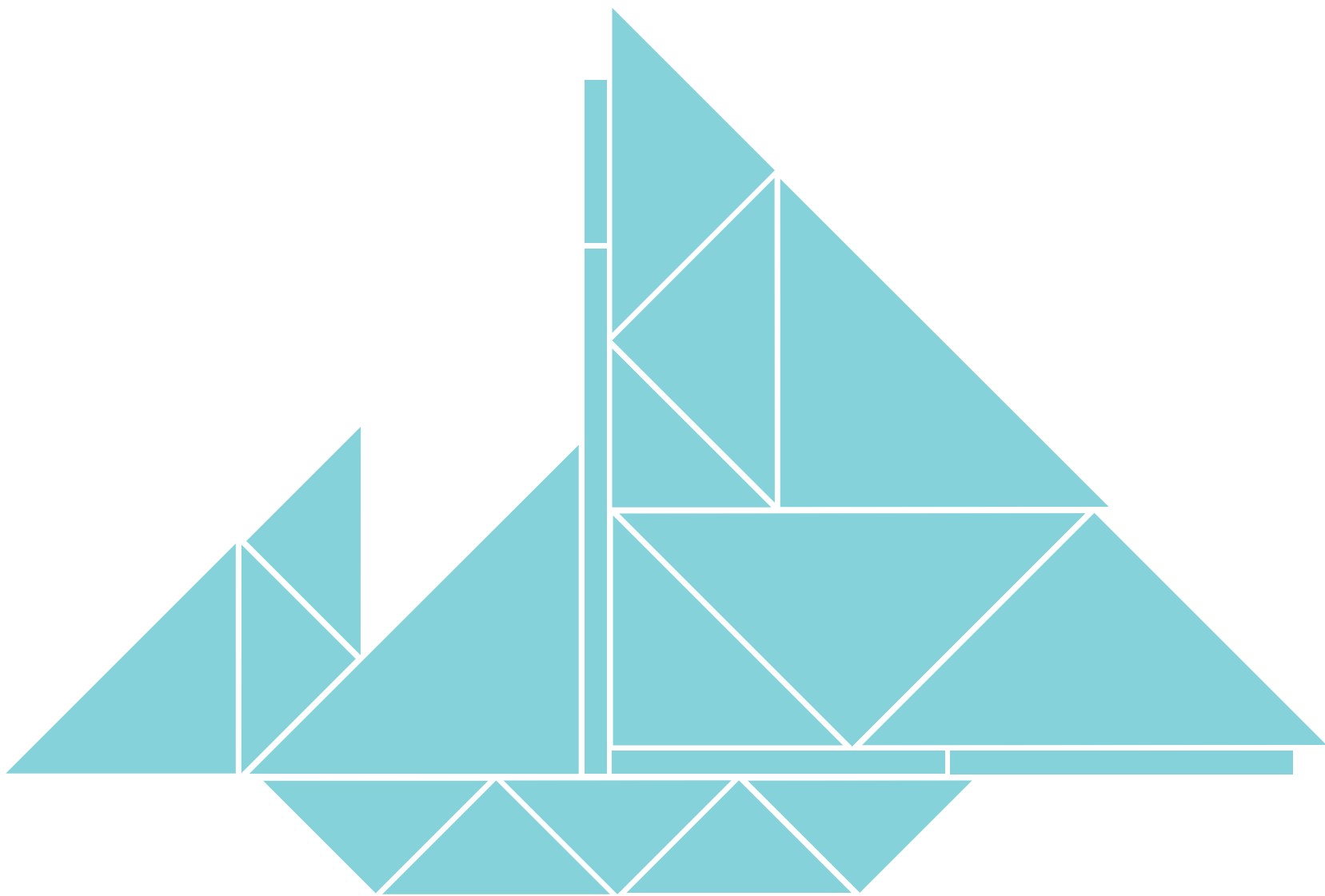
mental certification, recycled consumables, energy-saving light bulbs, eco-friendly cleaning products with the Eco-Label certification, and biodegradable bags in selected administration buildings.

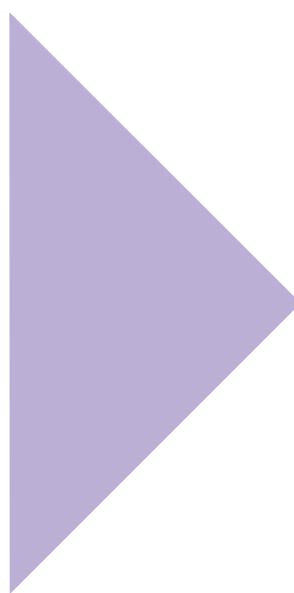
Electrical and electronic equipment (screens, laptops and refurbished PCs) are gradually being replaced with energy-efficient appliances ("energy star" label). In recent years, Piraeus Bank has been awarded an A+ rating in the ISS-oekom ESG Corporate Rating assessment, for its IT procurements.

In 2020 Piraeus Bank purchased Guarantees of Origin (GOs) from Heron Thermoelectric SA, PPC SA and N.R.G. SA, certifying a 100% RES share in electricity consumption on the Bank's premises. A recall was made for 43,193 MWh, confirming that for the total electricity consumed at the Bank's premises, the same amount of energy was generated from RES.









PIRAEUS BANK GROUP BUSINESS



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.

PIRAEUS BANK GROUP ORGANISATIONAL STRUCTURE

Piraeus Bank Group manages its business through the following reporting segments:

Business Retail Banking: includes retail customers, mass, affluent, private banking, small businesses, freelancers and the self-employed, and the public sector entities core customer segments, and the relevant channels.

Corporate Banking: includes Large Corporates, Shipping, SMEs and Agricultural core customer segments.

Piraeus Financial Markets (PFM): includes fixed income, foreign ex-

change, treasury activities (including the management of the interest rate gap resulting from all banking activities) and institutional clients.

Other: includes all management related activities not allocated to specific customer segments and all funding transactions approved by the Group Assets/Liabilities Management Committee (“ALCO”). Following the most recent segmental architecture changes, this reportable segment now includes the management of REOs, non-client related Group’s equity participations and international banking.

Following the completion of the Intrum Transaction in October 2020, Management established a NPE Management Unit (NPE MU), charged with managing/servicing the Group’s domestic NPE portfolio and consequently revised the Group’s segmental architecture, as follows:

- The non-core part of REO, and Group’s equity participations and international banking were spun-off from the

Piraeus Legacy Unit (“PLU”) reportable segment and recognised, along with the core part, as distinct segments.

- The PLU, which following the aforementioned change consisted solely of the NPE management unit, was transferred to NPE MU.

NPE MU: Includes the management of non-core NPEs, irrespectively of whether they are serviced by the Group or third parties. The accrued fees payable to Intrum Hellas Credit Servicing SA for servicing the Group’s NPE portfolio are reported in this segment.

In July 2020, the Cultural & Social Activities Unit was established to develop CSR activities in the pillars of Society and Culture:

- Develop and support activities related to all sectors of cultural creation, with programmes and actions that promote Culture, History, intellectual creation, preserve and promote the Greek cultural heritage.
- Develop and support initiatives and actions based on social contribution and in particular the strengthening of education, healthcare, sports, as well as assistance in tackling social problems, supporting humanitarian initiatives and supporting the work of social organisations.

CORPORATE TRANSFORMATION

The corporate transformation of Piraeus Bank SA was completed with a balance sheet date for the hive-down on 30/12/2020. The Extraordinary General Meeting of Shareholders on 10/12/2020 approved the hive-down and the articles of association of the new financial holding company, as well as of the new corporate entity, which holds the banking license.

Piraeus Financial Holdings SA is a holding company, listed on the ATHEX, and the parent company of the credit institution under the name “Piraeus Bank SA”.

Following the corporate transformation that was completed on 30/12/2020, the core banking operations were demerged and transferred to a new subsidiary bank (Piraeus Bank SA). Specific non-banking operations were maintained by the parent company of the Group, which evolved into a holding company, listed on the Athens Stock Ex-

change (Piraeus Financial Holdings SA).

Piraeus Bank is the main subsidiary of Piraeus Financial Holdings producing 95% of the Group’s income. Piraeus Bank is based in Athens, has approximately 10,000 employees, and provides a wide range of financial products and services to 5.5 million customers in Greece. The total assets of Piraeus Bank Group amounted to €71.6 billion on 31/12/2020.

TRANSFORMATION PLAN

In September 2020, Piraeus Bank launched the implementation phase of “ACT”, an ambitious transformation plan (“Transformation Plan”, “Plan” or the “Programme”), following the planning phase which ran over a very short period of time, between May and September 2020, turning the health crisis into an opportunity for strategic planning and taking into account the new socio-economic conditions in the post-Covid period. This is an ambitious, holistic, forward-looking and dynamic transformation plan, which aims to transform the Bank’s operations at all levels.

In order to ensure successful strategic implementation and to support the overall effort, Management proceeded early on in the planning phase (Aug. 2020), to:

- Establish the “Transformation Committee” a special committee charged with monitoring the implementation of the Plan, chaired by the CEO of the Bank.
- Establish a new Transformation & Business Strategy Unit, the responsibilities of which include:
 - Project coordination and successful implementation to ensure speed and coherence for the best possible result,
 - Evaluation of the feasibility of all strategic projects to ensure the best utilisation of the Bank’s resources and the alignment of projects with the Management’s broader strategic objectives.

STRUCTURE AND STRATEGIC PRIORITIES OF TRANSFORMATION PLAN

The Plan consists of 3 pillars of action and 2 horizontal pillars that sup-

PILLARS		
1 – Retail customer proposition	2 – Commercial customer proposition	3 – Efficiency and simplification
4 – HR and talent management		
5 – Technology and data management		

EXECUTIVES			
Pillar Owners 4 Executive General Managers	Initiative Leaders 7 General Managers 16 Senior Directors / Directors	Business Owners (55 FTEs) 39 Senior Executives 16 Executives	Contributors (435 FTEs)

- 3 action pillars and 2 horizontal support pillars
- 17 thematic initiatives

- More than 500 executives with active participation in the program
- More than 300 projects

port all actions and includes 17 thematic initiatives consisting of more than 300 projects to be implemented over the next 3 years. To ensure the successful implementation of this critical and complex Plan, a governance framework was developed in accordance with international best practices and in compliance with the Bank’s three key principles, namely “Accountability - Meritocracy - Transparency”. This framework includes, in addition to the establishment of the Transformation Committee and the Transformation and Business Strategy Unit, the following:

- The Bank’s Senior General Managers and the members of its Executive Committee (Pillar Owners) are responsible for the successful implementation of the Plan’s action pillars.

- Responsibility for the implementation of the individual thematic initiatives and projects has been assigned to General Managers and Senior Directors (Initiative Leaders) and executives from all levels (Business Owners) respectively, in order to diffuse responsibility to as many executives as possible. Their commitment will lead the Bank transformation in the coming years.
- The detailed recording of all the individual steps of a project and the regular weekly monitoring of progress through special tools/applications.
- The identification and commitment to KPIs that are

monitored on a regular basis and to a specific economic value that must be created by each pillar.

- The establishment of regular check-ins between the heads of the pillars of the Plan, the head of the Transformation and Business Strategy Unit and the Transformation Committee and the resolution of any delays and other strategic decisions.

The Transformation plan was designed with the principles of sustainability in mind, so that the Transformation leaves a lasting imprint on the Organisation. The goal is for Piraeus Bank to be the first bank of choice in Greece, profitable and with a clean balance sheet, with emphasis on digital technology and a modern business model that will ensure vigilance, action and adaptability, so that the Bank responds to ever-changing conditions and the challenges of the future. The Plan's strategic priorities are described as follows:

- Upgrading the Bank's retail platform with new banking operations and an improved portfolio of digital services/products, fully supporting high-growth companies.
- Promotion of Piraeus Bank as a bank of first choice by adopting a customer-centric and modern, digital approach to providing targeted proposals per customer segment and category.
- Promoting simplification and automation in all sectors to save costs and free up resources for commercial activities.
- Adoption of a modern model for (co)working, governance and human resource management with emphasis on innovation, adaptability, speed of decision-making and implementation (new models of cooperation for the combination, diffusion and better utilisation of internal know-how and skills, new role structure, talent development, skills enhancement and modern staffing model).

ACT has been developed seeking a transition to a new business model with the following features:

- More efficient structure: reduction of operating costs by 20%.
- Enhanced digital presence: tripling sales through digital channels.
- Differentiated operation: increase in the contribution of net fee and commission income in relation to NII from ~ 20%-80%, to ~ 30%-70%.
- Innovative practices & processes: 35% increase in time invested in digital transformation projects.
- Focus on the goal: > 50% of the time in the branch network is dedicated to revenue-generating activities.
- Balance Sheet Clean up: achieving single digit NPE ratio.
- Productivity Improvement: increase in turnover and core income per employee.

At the same time, at the core of the transformation is the development of a business model that will enhance adaptability, direct collaboration and action.

In this context, the name of the "ACT" Plan (Achieve - Change - Together) refers to the call for action to the Bank's executives, each according to their role and all together collectively, to achieve the final target. At the same time, ACT is formed with the three words that mean, individually and jointly, the necessary motivational behaviours for the successful implementation of the Plan that shape the slogan: We achieve, We change, Together.

2020 INITIATIVES

The first phase of ACT was completed in 2020 with the implementation of the following actions:

- The planning phase of the Transformation plan was completed - Participation of more than 50 Senior Bank Executives
- Formation of Transformation Committee
- Formation of Transformation & Business Strategy Unit
- Implementation of the Voluntary Exit Scheme – More

than 1,000 employees left the Bank with an estimated cost savings of €40 million per annum

- Rationalisation of the branch network
- Design of a new IT sourcing model

2021 TARGETS

Finally, the Plan's action plan for 2021 focuses on the following actions (more than 200 transformation projects):

- Further Rationalisation and modernisation of the network operating model
- Enhance sales opportunities (digital sales/distance selling, greater emphasis on revenue-generating business)
- Redesign and optimisation of the loan approval and disbursement process (Lending Process Redesign)
- Transformation of the operating model of the centralised services
- Implementation of a new IT sourcing model

RESPONSE TO SUPPORT CUSTOMERS AFFECTED BY COVID-19

Since the beginning of the pandemic in our country, Greek banks have been implementing actions with three main objectives:

- support for households to mitigate the impact of the health crisis,
- immediate provision of liquidity to companies to help them cope with the sharp drop in their revenues, focusing on the heavily affected key sectors of the economy, and
- ensuring growth prospects of the Greek economy, by supporting critical projects and investments.

Several support measures and policies have already been introduced

to prevent the crisis from becoming “permanent” and to push economic recovery. It is extremely important that the Greek authorities act quickly and decisively in this area.

To achieve these objectives, banks moved along three pillars, adapting their strategy, and planning according to their customers' needs, by making optimal use of all available and appropriate means and measures:

- Continuous and seamless financing of the Greek economy. In 2020, Greek banks financed the economy with more than €20 billion.
- Deferral of loan instalments for distressed households and businesses. For the period January-December 2020, payment of loan instalments was deferred for approximately 400,000 companies and individuals, to the amount of €20 billion, thus mitigating the economic shock caused by the health crisis.
- Reduction of NPLs to free up funds to be channelled into the Greek economy. Banks successfully made good use of the instruments offered by the “Hercules” asset protection scheme to manage NPLs, by attracting international investors and ensuring that there will be no burden for Greek taxpayers.

Piraeus Bank has exhausted the resources allocated to it by the aforementioned programmes. In total, the contribution of Piraeus Bank amounted to €2.2 billion, used to finance Greek companies.

Out of the total available funds of €3.6 billion of the “Covid-19 Business Guarantee Fund”, which was set up as an independent unit within the Hellenic Development Bank to finance small, medium and large enterprises with guaranteed working capital loans, an amount of €1.0 billion was allocated to Piraeus Bank.

Piraeus Bank also participates in the programme offering an interest rate subsidy for the first two years on new financing to SMEs affected by the pandemic measures. There are 3.2 thousand approved requests for loans totalling €0.4 billion from a total of €1.4 billion for the Greek market.

At the same time, the resources of the Hellenic Development Bank

Guarantee Fund were extended from €1 billion to €1.8 billion, and requests were received as part of the extension of the 2-year interest rate subsidy programme from €0.4 billion to €0.6 billion.

In addition, the “Gefyra” (Bridge) programme by the Greek Ministry of Finance for subsidising loans with a primary residence mortgage received a total of approximately 160 thousand applications and has entered the implementation phase. Piraeus Bank applications stand at approximately 29 thousand, with balances of approximately €1.2 billion.

RETAIL BANKING

DEVELOPMENT OF RETAIL BANKING

Branch network

Piraeus Bank Branch Network is undergoing a transformation – keeping in line with Global and European trends – to cater to changing customer needs. Piraeus Bank is redefining the banking experience

to cover customer needs, with emphasis on multi-channel service and on enhancing the efficiency of its banking operations.

The Branch Network, which is the largest Network in Greece, provides broad geographic and population coverage, even in remote or inaccessible areas all over Greece. On 31/12/2020, it had 484 Branches.

In 2020 particular emphasis was placed on training and certifying executives, to service the needs of Small Businesses, freelancers and the self-employed, to offer personalised service to high-growth Upper Mass customers, and to Personal Banking customers. Training was also provided on managing/servicing Green Banking. Moreover, using its deep knowledge of the Agricultural Sector and its needs, support is provided to rural customers, since the support for the primary sector of the Greek economy is a standing priority for the Bank.

SPECIALISED SERVICE AT THE BRANCH NETWORK	
SERVICE	PERCENTAGE OF BRANCHES OFFERING THE SERVICE
Personal Banking Personal Advisor	48
Small Business and Professional Consultant	46
Upper Mass customer service executives	86
Safe deposit boxes	68
Free wifi access	Most branches have free wifi access

Selected branches also provide:

- Piraeus Gold services, with an exclusive customer service point for all Gold Products and Services; and
- Specialised Banking Services to Shipping Customers at the Shipping Branch in Piraeus.

The Bank continued to invest in innovative technology, providing the customer with online transaction processing options, replacing old ATM technology, installing new Easy Pay kiosks and automatic passbook up-

date machines, upgrading winbank e-banking and mobile banking services, while developing digital services, such as e-signature.

The e-branch network has also expanded, with ten fully-automated branches in operation, improving the quality of customer service with extended opening hours on weekdays and Saturdays and thus offering a “Modern Banking Experience”.

PERIPHERY	BRANCHES	E-BRANCHES	ATM	APS
East Macedonia & Thrace	26		96	25
Attica	167	5	517	213
North Aegean	11		45	10
West Greece	27		95	29
West Macedonia	12		45	12
Epirus	14	1	57	19
Thessaly	26	1	101	29
Ionian Islands	10		81	10
Central Macedonia	80	1	286	88
Crete	34	2	191	33
South Aegean	19		182	19
Peloponnese	30		109	26
Mainland Greece	28		73	25
Total	484	10	1,878	538

RETAIL BANKING

Mass Segment

The Mass Segment serves over 5 million retail customers with more than €14 billion funds under management and €6 billion loan balances.

In 2020, the challenges of the Covid-19 pandemic led the Bank to organise a series of actions to support the trading activity of its customers.

At the same time, the Upper Mass customer service model was upgraded with specialised executives.

The contribution of the selected Upper Mass clientele to the overall results of the Mass Segment was particularly important:

- 100% contribution in the production of investment products.
- 57% contribution in the production of investment-related insurance programmes.
- 47% contribution in the production of loan products.

In 2020, the Bank continued its targeted actions for promoting financial services to Mass Segment customers, through various communication channels.

The Mass Segment combined with the Bank's other strategic initiatives, resulted in meeting the business objectives for Retail Banking, with a great contribution from the Mass Segment. Indicatively:

- 36% contribution in deposits' net increase.
- 73% contribution in new retail loan disbursements (mortgage & consumer).

2020 INITIATIVES

- A series of actions were implemented to ensure the provision of uninterrupted service to the Bank's customers during the pandemic. Indicatively:
 - Limits were imposed on transactions at branch

- cashiers to reduce overcrowding, in coordination with the Hellenic Banking Association.
- Targeted actions for registering new customers on the digital channels and strengthening the transaction activity of the already active customers (instead of the branch).
 - Educating customers on the use of digital channels through advertising and the use of social media.
 - Expanding the number of products available through digital channels.
- Educational activities were carried out on the distribution of Investment Products, with main reference to the Portfolio Management service. These actions resulted in:
 - Increased penetration of Investment Products to customers, by 7%.
 - Increased balances by 40%.
 - Great emphasis was placed on the utilisation of the selected Upper Mass clientele, through scheduled meetings and a structured communication process, with important results:
 - 20% Increase in Funds under Management.
 - 9% increase in the Cross-selling Index.
 - Training of the Network executives responsible for serving the Upper Mass customers continued and was enriched, to improve their know-how and increase their commercial efficiency.
 - Actions were carried out to encourage the use of Daily Banking products by the Bank's new customers.

Affluent Banking Segment

In a year of special circumstances and challenges due to the Covid-19 pandemic, the Affluent Segment lived up to the circumstances and continued supporting the Bank's strategic priorities.

In the context of intense competition and in an environment of low interest rates, it managed to attract €426 million in new deposits and boost revenues from products and services, contributing to the Bank's profitability.

In addition, the Affluent Segment with €171 million net sales in Mutual Funds contributed significantly to the significant increase of the market share of Piraeus Asset Management MFMC in the Greek market from 11.4% in 2019 to 13.9% in 2020.

As a result of the business plan and the coordinated actions for the promotion of high profitability products, the cross-selling index increased to 6.34x. The assets under management (AUM) amounted to €16 billion, with an increase in the average AUM per customer and a significant percentage being placed in investment products.

2020 INITIATIVES

The actions implemented in 2020 focused on creating a framework of seamless communication and service to Affluent customers so that the Bank would be able to respond to the new conditions and continue supporting its strategic goals.

- Adoption of alternative ways of communication and service through teleconferencing with the customer's Personal Advisor, ensuring personalised remote service.
- Possibility of acquiring products through winbank during the teleconference with the Personal Advisor for customers registered with winbank.
- Priority service, customers with high priority are served first without having to queue.
- Emphasis on scheduled appointments using SMS reminders to the customer for appointment adherence.
- Reminder through alternative channels of the possibility to communicate with the dedicated telephone service line for Affluent customers by call, chat and video call.
- Observance of wait times on the dedicated telephone service line despite increased line traffic.
- Continued cooperation with the Cultural Foundation of the Piraeus Group (PIOP) to support local communities. Expanding the educational programmes of the School for Personal Advisors, with emphasis on developing the skills of branch executives.

In 2020 a new innovative application for financial services, iPlan, was implemented and presented, as part of the Bank's effort to provide services that improve customer experience. The iPlan application offers Affluent Segment customers a range of services designed to support them with financial planning. The iPlan application is an interactive tool designed to ensure the direct cooperation of the customer and the Personal Advisor in order to highlight its added value and to promote all the high value services and products available by the Bank for the customer's assets.

Private Banking

2020 has been one of the most challenging years for everyone. New ways were developed to communicate, work, promote physical and mental health and a new world of business opportunities emerged. Modern technology and the commitment to sustainability proved to be allies for Private Banking and guide its next steps. In a year when everything changed, Private Banking adapted and changed. It upgraded services, enhanced flexibility and, monitoring the emerging new reality, it laid new foundations and prospects for the future.

Operating in a challenging environment, the main concern for Piraeus Bank Private Banking was to continue providing secure support to all its customers. Focused on its Red-Carpet Service strategy, Private Banking provided services to Piraeus Bank's Ultra High Net Worth Individuals, assisting them in achieving their investment goals and successfully covering their needs.

Throughout 2020, aligned with the strategy and business goals of Piraeus Bank Group, Private Banking took action, making headway towards operational excellence using technologies that enable safe and efficient operations. As a result, customer experience improved, and value was added for all stakeholders, customers and shareholders of Piraeus Bank.

In 2020 Private Banking once again met all its quantitative and qualitative targets despite the adverse conditions created by the Covid-19 pandemic. Assets under Management (AuM) increased by 15%, while commission income – Net Commission Income (NCI) and Net Fee income (NFI) – increased by 16%. At the same time, the Return on Invested Assets (ROIA) and Return on Assets (ROA) continued to improve and are in full harmonisation with international practices.

Private Banking has once again proven that it has fast reflexes, evolving its robust operating model and keeping all its operations intact and unaffected throughout the year. Through Wealth Solutions, its specialist

market analysis and asset management division, International Private Banking and its exclusive partnerships with reputable international financial institutions, Private Banking has remained committed to providing a highly demanding client's asset management experience. Its executives, certified by the international organisation Fitch, used all the available digital means of communication developed by Private Banking, to support customers on a daily basis. Its relationships of trust with customers were solidified, exceeding customer expectations, as executives provided innovative, fully personalised options, international solutions and a leading global market intelligence.

2020 INITIATIVES

- Piraeus Private Banking ESG World Sustainability Balanced Fund: The first private label Private Banking ESG Fund, exclusively for Private Banking customers, was welcomed by investors, raising over €20 million, and ranked second in terms of AuM among ESG mutual funds in Piraeus AEDAK, despite the conditions created by the Covid-19 pandemic. It is the first mutual fund in Greece that invests in shares and bonds of companies from around the world that adopt and apply sustainability principles in their operations.
- Piraeus Private Banking MEGAtrends Global Equity Fund: A new private label Fund has been designed exclusively for Private Banking customers with thematic investing under four international goals: Value Investing, Digital Innovation, Health Care, Environmental Social Governance (ESG).
- Tailor Made Discretionary Portfolio Management: 25% increase of the Assets under Management in this discretionary service, the most innovative solution by Greek standards.
- Gold Finger Strategy: Private Banking ranked second from all the Bank's units, in terms of volume of transactions in gold products, bars and sovereigns, proving the success of its strategy to enhance the customers' basic positions in their asset mix. The strategy which adds value both to

customers and to the Bank capitalises on the important alliance with “The Royal Mint”, for unlimited trading and secure custody of Gold Sovereigns and Bars.

- Responding and adapting to the demands created by the Covid-19 pandemic: The uninterrupted supply of products and services continued. Private Banking adapted to the challenges created by the new conditions and continued providing turnkey investment advisory and portfolio solutions to prominent customers. It made use of the digital channels, sending personalised communications, providing timely and valid information on financial developments – both domestically and internationally.
- Executive Training: The new conditions created by the Covid-19 pandemic created the need for continued adaptation and training of Private Banking executives. Practices were adopted to enhance their knowledge and skills in order to deliver the best customer service possible and manage the new complex conditions.
- Awards: Best Customer Service Initiative, Most Innovative Private Banking, Best Private Bank. Private Banking won three international awards for 2020 in recognition of its commitment to providing quality services to its customers.

Piraeus Bank Private Banking has the experience, knowledge, and tools to move quickly and efficiently in 2021. Successfully meeting the challenges, it has strengthened its business model and is prepared for any future. It is committed to excellence in managing its customers' assets through the creation of new products, the improvement of existing ones, as well as the development of international strategic partnerships. It aims for Sustainable Development and contributes substantially to the enhancement of the benefit between customers, employees and shareholders.

SMALL BUSINESS BANKING SEGMENT

Small Businesses, freelancers and the self-employed (SB) are the backbone of the Greek economy, as there are more than 800 thousand. Piraeus Bank stood by this important customer segment,

demonstrating sensitivity and rapid response to its needs with measures such as the suspension of instalment payments on loans for businesses in specific sectors affected by the coronavirus. At the same time, it launched important actions and initiatives, playing a leading role in supporting and restructuring the market, setting a different framework in the bank-customer relationship and managed to show remarkable commercial results.

The SB Segment carried out its business in full compliance with the data protection rules and the regulatory framework set by the Bank regarding corporate communication with customers and the commercial campaigns carried out during the year. Results:

- 2020 was a milestone year for small business financing. Processes were shortened and following prompt decision-making and fast response to the increased needs for funding due to the pandemic, new disbursements exceeded €600 million, with high absorption of funds from development and support programmes.
- Significant inflow of new deposits amounting to €1.8 billion, mainly due to the support measures taken to combat Covid-19, the disbursements of TEPIX II and the reduced consumption.
- Increase of the product index per customer to 5.1 for all customers and to 6.5 for priority customers (high-growth business customers). There was a significant increase in the penetration rates of insurance products, credit cards and business loans.
- POS turnover stood at €3.6 billion compared to €3.2 billion in 2019, recording a significant increase of 13%. In addition, actions to maximise the value of existing acquiring relationships continued.
- The segment's commission income increased by approximately 11%, mainly on the back of business financing, which amounted to €6.9 million, up 69% compared to 2019. Acquiring fee income increased 8% yoy.
- Regarding the delays in loan repayments, the picture at the end of 2020 is improved compared to 2019.

2020 INITIATIVES

- Significant increase in scheduled meetings and customer base coverage in a year when communication with customers became more difficult, even though it was of paramount importance.
- The Business Banking Plus model for small businesses was enhanced, with trained relationship managers throughout the branch network offering a high level of service and a holistic approach to selected customers.
- The Bank demonstrates its practical support to local communities and businesses, with the Shopping in the Neighbourhood programme announced in September 2020. A unique and innovative programme that offers incentives and benefits to both the buying public and businesses. Its aim is to create local mutual support communities that have common needs and aspirations. The programme is open to small and tiny businesses with physical stores, from more than 20 sectors of the economy (flower shops, cars, bookstores-toys-entertainment, clothing-shoes-sports, restaurants-bars-cafes, electronic and electrical equipment, cosmetics-beauty, jewellery-optics, materials-paints and general household items, tourist, food-beverages, pharmacies). Shopping in the Neighbourhood, which is part of the Bank's actions to support small local businesses, will be enriched with additional activities supporting the modernisation, development, and prospects of small businesses in the current environment.
- The Bank launched the yellow business Rewards Programme for Small Businesses, freelancers and self-employed professionals. Through yellow business, customers are rewarded with yellows for their relationship with Piraeus Bank. Customers collect yellows by using corporate cards, business loans, POS/e-POS, payroll package, winbank web & mobile banking service and winbank business application and redeem yellows at

the POS/ePOS of affiliated merchants, and yellow Gift Vouchers at the Branch Network. Customers also benefit from offers from other affiliated merchants of the Programme, such as Shell, Public, HERON, AVIS, ICAP, Henry Dunant hospital, etc.

- Targeted marketing campaigns for products and services available to Small Businesses were implemented through different channels.

2021 TARGETS

In line with the Bank's strategy for 2021, the main targets for the SB Segment include:

- increasing customers with high value and prospects and aim at providing more efficient service.
- actions to increase the penetration rates of products and services in the customer base, utilising analytical models and tools.
- increase profitability through new sources of revenue.
- Focused customer-centric approach using new ways and channels of communication, in the context of the Bank's digital transformation.

Business Loans

2020 was a milestone year for business financing as new disbursements exceeded the Bank's strategic goals.

The loan portfolio increased by €478 million, with financing provided to more than 6,300 customers, most of them for the first time. The new disbursements came mainly from Covid 19-related programmes and in particular:

- TEPIX II - Business Financing – Entrepreneurship Fund II - Subprogramme 3 Working Capital with an interest rate subsidy.

- Guarantee Fund for Covid 19,

Piraeus Bank absorbed and disposed most funds from the Hellenic Development Bank (HDB).

The mix of business financing actions in which the Bank actively participated was an important source of support for businesses affected by the pandemic. Two schemes were developed at the initiative of Greek Banks, the supervisory authorities and the State. The first scheme offered small businesses the opportunity to defer capital payment on business loans for 2020 and the second scheme involved an interest subsidy programme for 5 months.

At the same time, the target set for the average financing rate was met, the new production mix improved in favour of interest-bearing loans, while the average balance of open limits increased.

Finally, the Bank collaborated with the European Investment Fund (EIF) to develop a new financial instrument for microloans up to €25,000 for vulnerable business groups and start-ups, with the guarantee of the fund, opening a new window to small businesses.

In 2021 Piraeus Bank aims to play a leading role again in covering the working capital and investment needs of businesses, utilising all available financial instruments from European guarantee funds and the new actions within the framework of the NSRF 2021-2027, thereby contributing to the overall well-being and economic growth during the gradual return to normalcy.

In Greece, business loan balances at the end of 2020 amounted to €32.1 billion, with the Bank's market share at the end of December 2020 standing at 33%.

PUBLIC & NON-PROFIT ORGANISATIONS (NPOS) SEGMENT

During 2020, the Public & NPOs Segment supported the Bank's strategic priorities and played an important role in preserving deposits and in the further reduction of the cost of deposits. Public Entities have an obligation, as published in the Government Gazette, to transfer their surplus cash from the commercial banking system to a cash management account in Bank of Greece. The assets under management amounted to €2.2 billion.

2020 INITIATIVES

- Successful renewal of the Bank's large collaborations

(Athens Bar Association, Hellenic Ministry of National Defence, Thessaloniki Bar Association, Democritus University of Thrace) on favourable terms and with significant benefits. The renewal and consolidation of collaborations with large Institutions have important spill-over benefits for other segments (mass, affluent, SB) since these collaborations also transfer the relationship of their employees or members.

- Maintaining and reinforcing existing collaborations with the Public Sector Bodies and competitive tendering.
- Targeted actions to reduce transaction costs through automation and to reduce deposit costs.

RETAIL PLANNING OPERATIONAL RISK & CONTROL CENTER

With its broad range of activities, the Retail Planning Operational Risk & Control Centre contributed to forming a common framework for the design, synthesis and systematic monitoring of the strategy for Retail Banking & Distribution Networks, while ensuring the efficiency and effectiveness of operations, through the development and continuous improvement of the Internal Control System (ICS).

The Retail Planning Operational Risk & Control Centre effectively monitors risks and controls. To this effect, an internal structure has been set up in every Unit, charged with preventing, supervising, and managing operational risks.

In addition, the Centre played an active role in developing, coordinating, supporting and monitoring the overall business and marketing plan for Retail Banking, contributing to the Bank's strategic plan.

The Centre is responsible for the Customer Domain and collaborated with the Data Governance Office to settle a significant number of Customer findings through centralised actions and improvements in systems and processes.

In addition, new metrics were introduced, and existing ones were upgraded to monitor compliance and alignment with supervisory requirements, and to monitor and resolve findings.

The Unit will be implementing targeted actions over the next period, contributing substantially to improving Customer data.

RETAIL PERFORMANCE MONITORING

In 2020 the Performance Monitoring unit actively contributed to Piraeus Bank Retail playing a leadership role in driving the sustainable finance agenda and creating economic value, implementing working from home protocols as part of its Covid-19 preventive measures.

For the sixth consecutive year and in collaboration with the competent Bank Divisions, the Unit monitored the efficiency of the Branch Network, using an upgraded version of the “PYXIDA-ScoreCard”. The unit developed 17 main and 53 secondary KPIs for measuring performance for each customer segment, in alignment with the Management’s strategic priorities and the objectives of the Branch Network.

During 2020, the Retail Performance Monitoring unit monitored the consolidated and detailed Budget of Revenues and Expenses for Retail Banking. It also carried out initiatives for further processing and analysis of the financial data to facilitate decision-making for the Retail Management team.

At the same time, the unit actively supported the Bank’s transformation projects, especially those involving the Branch Network.

Other actions include:

- Participation in monitoring the implementation of the projects submitted by Retail units, ensuring the prioritisation and the observance of the relevant cost budget.
- Design of the second phase of the project “Epichirimatiki Arktos”, strengthening the commercial approach to Small Businesses, Professionals & Farmers.
- Coordination of actions for reviewing operating expenses and cost-cutting.
- Systematisation of timely and accurate forecasting for results and revenues at the production process.

The following have been added to the 2021 plan:

- Timely completion of projects related to the Bank’s transformation.
- Optimisation of the unit’s processes to automate actions and minimise operational risk.

RETAIL DEPOSITS AND INVESTMENT PRODUCTS

The Bank’s 2020 priorities included retaining its leading position in deposits, achieving a decrease in the underlying deposit costs, and increasing sales of investment products. In a difficult year, the Bank managed to overcome the challenges and achieve its goals, with outstanding business performance.

In 2020 Retail deposits increased by €3.3 billion yoy to €42.6 billion. The Bank retained its leading market share in households with a 29.7% share and increased its business share by circa 3% to 22.9%. At the same time, total annual cost for Retail deposits decreased by 20 basis points (bps), on the back of the strong decline in the monthly cost of new time deposits by 27 bps, despite intense competition.

The Bank stood by its customers with regular communication, and through coordinated actions managed in a short period of time to fully recover from the massive global liquidation of investments last March, after the coronavirus pandemic sparked fears of an impending economic crisis.

This success was reflected in the net sales of Piraeus Asset Management MFMC Funds to Retail customers, which amounted to €200 million, making a 130% contribution in the market increase (Net Market Sales €185 million). The success was driven by the portfolio management service through the OPTIMUM investment portfolios, a comprehensive investment proposal suitable for every investment profile. These performances led to a significant increase in the share of Piraeus Asset Management MFMC from 11.4% to 13.9%.

In addition, the Bank’s share in transactions on securities listed on the Athens Stock Exchange increased to 9.28% from 7.48% in 2019. Finally, special mention should be made of the contribution of Retail Banking to the successful IPOs for the issuance and listing of corporate bonds in 2020.

In 2021 the Bank plans to reduce the cost of deposits even more and to expand its customer base in investment products. At the same time, actions have been planned that focus on the further digitization of the operation and updating of deposit products, contributing to the reduction of the Bank’s environmental footprint.

LOANS FOR INDIVIDUALS

In 2020 the Covid-19 pandemic posed unprecedented challenges to economic growth and the psychology of consumers. Nevertheless, Piraeus Bank continued to support its customers, with its Mortgage and Consumer loan disbursements at 2019 levels.

Targeted actions were designed and implemented to support customers affected by the health crisis, such as the instalment deferral for Mortgage and Consumer loans. Customers could submit their applications easily and securely, through winbank e-banking, receiving a fast response, no physical contact involved. For 2021, the Bank has designed and will offer specialised programmes for the gradual return of its customers to a normal instalment payment regime.

With the return of the Greek economy to a sustainable growth trajectory in 2021, Piraeus Bank's vision is to be the essential and trusted solution to meet customer needs for mortgage and consumer loans, contributing to economic growth and increasing its leading market shares.

In Greece, loan balances at the end of 2020 amounted to €13.3 billion for mortgages and €3.2 billion for consumer loans (excluding credit cards), while the Bank's market shares at the end December 2020 amounted to 27% and 26% respectively.

MORTGAGE CREDIT

2020 was a year full of surprises which impacted, inter alia, the real estate market, with uncertainty keeping prospective buyers on the side-lines. Nevertheless, Piraeus Bank disbursed mortgage loans to consumers who decided to purchase or build a new home or renovate their home. Mortgage loan disbursements remained at 2019 levels.

In addition to the instalment deferral for existing customers affected by the pandemic, Piraeus Bank participated in the Greek State's "Gefyra" (Bridge) programme and gave borrowers with a primary residence mortgage, the opportunity to apply for a 9-month subsidy on their instalments. Piraeus Bank supports its customers, offering tailored advice and information so that they would not miss out on this opportunity offered by the state.

In addition, Piraeus Bank participated in the new programme "Exoikonomo – Autonomo" by the Ministry of the Environment and Energy. The Bank provides (uninterruptedly since 2011) Greek households with financial assistance to improve the energy efficiency of their primary residence, playing a part in the path to economic growth, improving the energy efficiency of the housing building stock, cost savings and improving the population's energy efficiency awareness.

Following the success of the previous programme, Piraeus Bank was selected as a financial intermediary in 1/3 of the applications submitted in 2020 for inclusion in the new programme, following the successful marketing campaigns and its relevant experience.

Finally, following the introduction of its policy on the pricing of floating rate mortgage loans in 2019, in 2020 the Bank completed the design of fixed-rate mortgage loans with personalised-pricing and no down payment. Customers enjoy fixed monthly payments even for the entire duration of the loan, with tailored interest rates, which take into account factors such as credit history, collateral provided, requested loan amount and loan term. Customers may reduce the loan term or loan amount and benefit from an even lower interest rate. Fixed-rate mortgage loans are expected to be made available in the first quarter of 2021.

CONSUMER CREDIT

In 2020, Consumer Credit supported borrowers in dealing with the effects of the Covid-19 pandemic and focused on two other axes: Support for "green" and sustainable development and implementation of the Bank's strategy towards digital transformation.

Continuing its pioneering actions to support "green" and sustainable development, Piraeus Bank created the ev-loan, the specialised loan to finance the purchase of electric vehicles on competitive terms, actively supporting e-mobility as the most environmentally friendly and affordable mode of transport.

For those who chose two-wheeled vehicles for their travels, Piraeus Bank continued to offer special financing programmes for the purchase of electric bicycles and electric motorcycles/scooters with competitive pricing, and a fast and simple approval process.

At the same time, the addition of automations and improvements to the consumer lending process remained a key strategic goal for the Bank and was not hampered by the pandemic and its impact.

In 2021, the path towards automation and digital transformation will continue, as the Bank will continue improving the processes across all channels and providing the customer with high value-added products.

Card Issuing

In 2020 momentum continued in the Greek card market, as the implementation of measures to contain the spread of the Covid-19 pandemic favoured electronic transactions, and consequently card transactions. The number of cards in circulation reached 18.4 million, posting a 2% annual increase, with debit cards at 76% of total cards in circulation. The number of card transactions increased by 25.2% to 1.21 billion, while the value of purchase transactions reached €34.3 billion, posting 12% annual growth rate. The use of plastic money for small transactions increased,

as the average value of transaction per card decreased significantly (from €32 to €28), while card cash withdrawals decreased by 7%.

The pandemic has been a catalyst for several changes in consumer behaviour regarding their transactions and purchases. The penetration of contactless transactions is characteristic, reaching 92% of all card transactions.

For Piraeus Bank the value of card transactions reached €10.7 billion in 2020, posting an annual increase of 13%, in line with the market. As a result, Piraeus Bank managed to maintain its market share for another year, retaining its position as market leader in the Greek card market since 2017. In addition, cards in circulation reached 5.3 million (+1%), with debit cards showing an annual increase of +2.4%, twice the increase for the total market.

Regarding the development and promotion of new products/services, an important and innovative project has been completed; customers can use the e-card service on the winbank application to acquire a new credit card. It is a digital process that improves customer experience and is part of the Bank's digital transformation strategy. Since the launch of the e-card, 16% of new cards are now issued digitally, significantly reducing the relevant operating costs.

Other important projects include winbank pay, the new digital wallet that enables customers to easily make daily transactions using only their mobile phone, the e-PIN issuance for debit cards via winbank web and mobile app. Over a short period of time the penetration of the winbank pay service in active mobile banking users has reached 15%, with over 30,000 active wallets. At the same time, more than 170 marketing campaigns were launched to promote the use of existing cards and issuance of new cards.

Finally, a series of initiatives were implemented to rationalise procurement costs and operating costs, by at least €8 million in total.

Merchant Acquiring

In 2020 the public health crisis triggered by Covid-19 has had an impact on nearly all aspects of daily life and has put the economy on an uncertain footing. Piraeus Bank remained focused on boosting economic growth and supporting professionals and businesses, and invested in infrastructure, resources, and know-how to serve the payments network. In 2020 there was a peak in the evolution of electronic payments and Piraeus Bank continued to be the first choice for merchant acquiring. The Bank offers a full range of services covering the needs of a modern business, capitalising on its in-depth knowledge of the market,

its years of experience and know-how. Its portfolio includes important organisations and companies, for which electronic payments are a dominant means of transaction.

Card transactions increased compared to the previous year (7% in terms of turnover value, 29% in terms of transactions volume and 87% in terms of net result), with the Bank maintaining its large market share in the Greek market. At the end of the year, the Bank had large network-wide coverage, with more than 245,000 EFT/POS terminals installed in more than 205,000 points of sale. Thus, Piraeus Bank supports card transactions for all types and sizes of Greek businesses (physical or online stores) operating in Greece and/or abroad.

Regarding e-commerce the Bank entered important profitable new partnerships, retaining its leading role in the Greek market for over a decade.

One of the Bank's strategic priorities is to create a profitable and sustainable business model; electronic transactions (using cards or other means of payment) are an important source of revenue in the form of fee income and value-added services, such as paying in instalments, Dynamic Currency Conversion (DCC), and an opportunity for cross-selling to a broad customer base.

Piraeus Bank is a key participant in the payments ecosystem and remains committed to maintaining and upgrading its platform, adapting to changing conditions and economic recovery, and offering a high level of service, new functionalities and tailored solutions to support start-ups and boost business and economic growth.

e-Payments

In 2020, 68% of payments to organisations and companies were made through the Bank's digital channels. As a service, e-payments continued to be a growing source of fee income, with the Bank entering new partnerships. One in three payments in Greece is made through Piraeus Bank's channels, demonstrating the customers' confidence in its payment system. During the year, the number of businesses served by Piraeus Bank in its capacity as Creditor Bank increased, with more than 284 partnering organisations in the DIAS Interbank Electronic Payment System. Piraeus Bank assisted businesses in modernising their payment collection processes and laying the foundation for multifaceted banking co-operation throughout their transaction circuits.

The Easy pay POINT service offers a bill payment facility at the premises of third parties partnering with Piraeus Bank. Customers can pay their bills by cash or card (VISA/Mastercard). The service is available to all con-

sumers, whether they are customers of Piraeus Bank or not. The service grew in 2020, with new points of presence. The Bank capitalises on its partnerships with E-money and Payment Institutions and retail chains. Transactions increased by 53% yoy and by 54% yoy in terms of payments volume and turnover value respectively. The service is constantly enriched with new payments, expanding the options available to users.

INSURANCE – BANCASSURANCE

Piraeus Bank set up its Bancassurance in 2008 to sell insurance products through the Bank's distribution channels (branches, winbank). In 2020 the Group's total portfolio under management amounted to €330 million (gross premiums), recording a significant increase of 20%, compared to 2019 and contributing 12% of the Group's net fee income. Piraeus Bank maintains its market-leading position in the Greek bancassurance market, especially in the General Insurance Sector, and its portfolio corresponds to ~ 8% of the total Insurance Market for 2020.

With its specialised know-how, innovative products, and optimal customer service quality, Bancassurance continues to maximise value for both the Bank and its customers, capitalising on strategic partnerships with NN Hellas and ERGO insurance companies.

In 2020, Bancassurance's primary goal was to further utilise its customer base, having created one of the largest insurance portfolios with more than 800 thousand customers.

Cross-selling increased, especially for health and property-related products, as a result of the dynamics of the accredited insurance advisors in the Branch Network and the Group and the introduction of appropriate tools and products. The significant discounts offered on insurance products throughout the year, by the strategic partners NN and ERGO contributed to the increase in cross-selling.

Bancassurance covers all the insurance needs for individual customers, both with Life and General Insurance products, and in 2020 it focused on developing new products for businesses and improving and enriching existing ones. At the same time, utilising the Branch Network and the Bank's alternative channels, Bancassurance continued its systematic approach to customer segmentation (Base Mass, Upper Mass, Affluent, SB, Agri), in alignment with the institutional and regulatory framework (GDPR/IDD).

In 2020 general insurance products were available online, on winbank e-banking. Customers have online access to the insurance plans by ERGO Insurance, to Secure Wallet for the protection of their personal

belongings and to My Home Content for the protection of the content of their residence.

In the context of the effective management of the coronavirus-related crisis customers can purchase remotely, from their place, the insurance products that meet their needs, with the guidance of the Bank's accredited insurance advisors.

The main goal for 2021 remains the continuous development and improvement of the required processes and systems for the sale and management of insurance products, for monitoring the quality of sales and the sustainability of the portfolio.

As of 31/12/2020, following the corporate transformation, Piraeus Financial Holdings acts as an insurance intermediary and sells insurance products, in the name and on behalf of the insurance companies with which it cooperates.

E-BRANCH

Using New Technologies to Improve Customer Service

Taking into account the success of the e-branch model, in 2020 the Bank set up an e-branch in a selected location in Peristeri, offering more customers superior banking experience, with innovative solutions that make their daily life easier. Additionally, training continued for non-tech savvy customers in the use of ATMs.

In 2020 e-branches contributed to the decongestion of neighbouring branches although to a lesser extent than in previous years as the pandemic affected the traffic of the Bank's network of branches including the e-branches, as evidenced by the transaction migration index, i.e. the percentage of transactions executed in each e-branch in relation to all transactions executed at the respective Affiliate Branch even under the adverse conditions of the pandemic customers have shown a preference for the implementation of their transactions through the digital services in relation to traditional ways. In this context there has also been an increase in the use of digital channels such as the winbank e-banking platform by senior citizens and non-tech savvy customers, following their digital education in order to be able to execute their transactions safely from home without having to visit points service and to contact other customers or the bank staff. In addition, customer satisfaction (CSAT) indicators, as derived from the Satisfaction Pad entries, show superior quality of service and customer experience, due to the flexibility and speed of carrying out transactions in a pleasant and friendly environment. The e-questionnaire on the Satisfaction Pad is in the process of being

modified so that customers can record their improvement suggestions.

E-branches make a remarkable contribution to the Bank's profitability and efficiency, reducing operating costs following the mitigation of transactions to digital channels, increasing the number of transactions and commission income accordingly, and attracting back deposits

E-branches also make an important contribution to society. The extended opening hours (even on Saturdays) offer employees and companies more flexibility of when to carry out their banking transactions. The experienced service staff are available to help customers, including the elderly and non-tech savvy customers, with their transactions, to inform them about the services provided, and to train them on the use of the Bank's machines and digital services. Thus, another innovation is introduced into the banking service, with the employee not sitting face-to-face with the customer, but rather standing upright next to him/her, giving a sense of equality, trust, security, and confidence.

Piraeus Bank aims to empower the new generation. Towards this direction it carried out educational activities in e-branches for schools and colleges, during which students were guided through the e-branches and were informed about the role and responsibilities of the Bank employee. In order to protect all participants in these actions, it was decided to stop them for the rest of 2020 due to the outbreak of the Covid-19 pandemic, with the intention of continuing as soon as conditions allow.

The most significant contribution of e-branches is the fact that they cover specialised banking needs of vulnerable groups of people who are likely to require special assistance, such as people with disabilities. Piraeus Bank is particularly sensitive towards people with vision, hearing and mobility impairment and has taken the initiative to facilitate their banking transactions through technological innovations. Thus, customers with disabilities can conduct transactions 24/7, including cash deposits, withdrawals and payments, through ATMs and easypay machines, in easily accessible and indoor areas. In particular, the services provided are as follows:

People with vision impairment:

- Customer guidance by a facilitator throughout their stay in the e-branch.
- Transactions can be carried out through the "Remote Cashier", using Braille, with no requirement for witness presence and signature.
- Voice support for winbank e-banking navigation and training.

- Online Registration for winbank e-banking, without having to visit a branch or physically sign a contract.

People with hearing impairment:

- Transactions through the "Remote Cashier" service with employees trained in the Greek sign language.
- Interactive touchscreen with information on available machines and transactions offered at the e-branch.

People with mobility problems:

- Easy ramp access and ease to move around inside the e-branch.
- Customer guidance by a facilitator throughout their stay in the e-branch
- Easy wheelchair access to the "Remote Cashier" service.

Some of these services are available in all the branches of the network. For example, hearing, visually impaired people can now visit any Bank branch to apply for and acquire a debit card, to carry out cash debit and/or credit transactions without the need for witness presence and signatures, provided that they can receive SMS alerts on their mobile phones, since this is the means by which they are informed of the transaction and can verify its accuracy. In addition, they can subscribe to winbank e-banking services without having to physically sign a contract.

The design and implementation of existing and future services for people with disabilities is carried out in collaboration with the respective Associations and the Hellenic National Confederation of Disabled People, to ensure that their needs are truly covered and to continuously improve processes and services.

Already, as part of the services provided for the visually impaired, the Bank has created an innovative voice support service with headphones, for ATM transactions. For the first time in Greece, hearing impaired people can easily be served at an ATM to:

- Withdraw money from the primary account linked to the debit card.
- Change PIN.

- Withdraw money using instant cash.

In this way, Piraeus Bank protects their right to privacy, one of their main concerns.

Daily statistics are collected from e-branch employees on the number of disabled people visiting each e-branch and the number of transactions they carry out.

Due to their wide acceptance by customers of all categories and ages, e-branches are an integral part of the Bank's Branch Network and have become a reference point in international articles, as one of the most successful case studies in the European Banking market.

RETAIL BANKING FRAUD MANAGEMENT

In the fast-changing landscape of internet and mobile fraud, the latest trends in fraud are monitored continuously, on a daily basis a process which involves increased complexity. What was advanced yesterday becomes outdated and old the next day, pushing the RBFM unit to constantly evolve its approach and tools.

Consumers now get to pick how they want to pay (which channel to use), and when, and want to do it fast. But as retailers and e-commerce merchants add new payment mechanisms and expand channels to online and international domains, they inadvertently create new opportunities for fraudsters.

2020 was a year of challenges given the change in the market and the evolution of transactions. The transfer of transactions to electronic payment channels due to Covid-19 is not surprising, neither is the fact that the volume of online transactions has increased. Consequently, there is a corresponding increase in cases of fraud management and handling.

The Unit operated continuously on a 24/7 basis to limit malicious transactions, to guarantee the security of the Bank's customers' transactions and to reduce the operational risk.

The Unit actively engaged in security awareness campaigns about the safe use of the Bank's products. In addition, it responded responsibly and effectively to fraud monitoring, given that the portfolio risk exposure doubled from the previous year.

Aiming to create a sense of security and trust and knowing that multi-layer fraud management is the way to go, in 2020 work was carried out to replace existing security systems with a new customer-centric

platform for monitoring retail transactions.

In 2021, the RBFM unit aims to complete the new platform through a new customer profile-oriented approach to detect and prevent emerging fraud, and enhance customer experience.

Developing a multi-layer fraud management system that incorporates cyber security and user authentication in retail banking is the best strategy for detecting and preventing fraud without annoying users.

CUSTOMER VALUE MANAGEMENT

Retail Banking continued to support its customers during the pandemic. In 2020 Retail Banking utilised advanced analytics and all the Bank's communication channels to inform each customer timely and accurately about the available protection and reinforcement solutions that match his/her characteristics. Throughout the year 25 campaigns were organised sending targeted messages to approximately 2.6 million Bank customers on how to manage the effects of the pandemic. As a result, there was broad participation in the relevant support measures.

Aiming to continuously improve customer experience, in 2020 Retail Banking expanded the Next Best Action analytics to consider multiple different actions that could be taken for customers from the Small Business and Professionals segment. Following the successful customer-centric marketing model that has been in place for all Retail Banking customers over the last two years, with response rates of over 30%, Next Best Action analytics show what the new best action is for every Small Business, freelancer and self-employed, taking into account professional and individual banking needs. The proposals are selected from the Bank's wide range of products and services and are calculated using modern predictive machine learning algorithms.

In 2020 Retail Banking developed a structured plan for below-the-line communications for targeted marketing towards its customers, which was implemented through the Bank's internal channels. The effectiveness of this plan was enhanced through the following actions:

- Selected channels were utilised at the time that the customers themselves choose to carry out their banking activities, to obtain GDPR consent for advertising communication. Consent was also given through the ATM channel.
- The use of digital channels has expanded, as exit evid-

enced by the fact that there was 100% increase in e-mails and advertising alerts to active winbank users compared to 2019.

- Messages were sent via Viber, reducing costs, improving customer experience and increasing the effectiveness of promotions.
- Winbank alerts package was designed and developed, to support Retail customers in their financial planning.
- Follow-up communication was introduced for the autonomous acquisition of online products from Retail customers, with joint exploitation of the digital channels, the Call Centre and the Branch Network.
- Proposals for customers covered a number of innovative and dynamic activities within the Group, such as the “Shopping in the Neighbourhood” programme for Small Businesses, freelancers and the self-employed, the e-card campaign, the “Project Future” for young people, the “Check In Class” for students, the yellow business loyalty scheme. Customers were informed about new ways of communication and remote service.

As a result of the above, during 2020, targeted advertising campaigns were communicated to approximately 3.9 million Bank customers (with a 75% increase in the number of campaigns compared to 2019), with a positive customer response; 1 in 5 customers extended their product relationship with the Bank as a direct result of the targeted approach.

Finally, Retail Banking used targeted analysis to support strategic decision-making for a wide range of activities, such as the design of new products and services, the pricing of transactions and services, as well as the formation of the best service model for selected customer segments.

CORPORATE BANKING

LARGE CORPORATES

Large Corporate unit, with credit limits approaching €10 billion at the end of 2020, is responsible for covering the financial and banking needs of corporate customers with a turnover of over €50 million. The unit is the key point of contact for corporate customers and strives to

provide holistic solutions in the whole range of services and products of Piraeus Bank Group.

During 2020 Large Corporate unit focused on further strengthening existing customer relationships and expanding its customer base with new customers from all productive sectors of the economy, with emphasis on supporting sustainable development, innovation, and entrepreneurship. At the same time the unit focused on supporting industries that have been hit hard by the pandemic but also those that have had to respond to the increased demand, channelling substantial amount of liquidity to the market.

Towards this direction, in 2020 new loan disbursements exceeded €2.0 billion from €1.1 billion the previous year, boosting Bank's performing loans portfolio and increasing net interest income. In the context of supporting customers to deal with the impact of the pandemic crisis, specific financial instruments were activated to provide the necessary liquidity and to cover their inelastic obligations. It should be pointed out that significant amounts of financing were promptly approved under the guarantee of the Hellenic Development Bank.

In addition, during 2020 Large Corporate unit concluded to the first Sustainability Linked Loans (SLL), a novelty for both the Bank and the domestic market. SLL's terms are contingent on the customers' performance on pre-defined ESG metrics, which are contractually agreed and independently verified. Sustainability Linked Loans are a typical product through which companies are rewarded for having a positive impact to society and environment and are evaluated under the view of actively doing good and not by doing no harm, while they benefit from more favourable terms.

Simultaneously, the unit placed great emphasis on utilising its loan and non-loan customer portfolio, setting and updating common goals with the Bank's Business Units, in order to strengthen cross-selling, to provide comprehensive services to customers and to increase revenue from ancillary business, such as Payments, Collections, Cash Management and Trade Finance. In addition, the unit managed to maintain effective collaboration with the Group's Leasing and Factoring subsidiaries to increase income and reduce the undertaken risks of the Group through targeted tools.

PROJECT FINANCE

The Project Finance unit:

- Arranges and provides funding through Project Finance arrangements for capital-intensive investment projects,

by structuring the financing around the project's operating cash flow.

- Advises on major infrastructure projects and Public-Private Partnerships (PPPs),
- Manages Structural Programme Loans – loans used to co-finance investments made under EU programmes.
- Structures and arranges Leveraged Buy Outs (LBOs) for acquisitions and mergers.

The Project Finance Unit contributes to investment plans by offering a comprehensive, customised bundle of loan and/or capital financing solutions, including the use of European financial instruments, and by providing advisory services. In 2020 the Project Finance portfolio amounted to €1.8 billion.

The Project Finance unit's strategy focuses on maintaining the Bank's leading role and providing responsible financing to key sectors in the Greek economy, in line with market trends and the country's development policy, on the following pillars:

- Energy sector, in particular Renewable Energy Sources (RES):
 - Finance new RES projects (mainly wind farms and photovoltaic parks, and secondary hydroelectric parks and biogas plants), and make use of the policy measures set out in the "National Energy and Climate Plan 2020–2030" (ENCP 2020–2030).
 - Support entities participating in the auction for Energy Sales Contracts (ESCs) with Letters of Guarantee and financial programs.
 - Provide financing to domestic and international investors for the acquisition of RES projects, taking advantage of the growing investment interest. Include sustainable development and green business financing in its investment portfolio.
- Infrastructure and transport sector:
 - Finance sustainable investments with growth poten-

tial for the Greek economy, focusing on the future of the Greek economy.

- Finance new domestic investments and FDIs to support the country's privatisation programme.

The main goal of the Project Finance function is to create added value for the Bank and its customers, through effective portfolio management and its development using a customised approach to each transaction. The team seeks to capitalise on synergies and offer additional services from other Bank units as part of its holistic approach to covering customer needs.

In 2020 the Covid-19 pandemic resulted in a full-scale global crisis. However, the impact of this crisis on the energy market and RES was limited – there was an unprecedented investment surge in RES projects, both by domestic and foreign investors. On the contrary, the economic impact of the Covid-19 pandemic on infrastructure projects, such as highways and airports, was significant as they were impaired by the loss of traffic and revenues. Uncertainty over the duration of the pandemic and the timing of the economic recovery led to a postponement of investment plans. Recognising the urgency of the situation in a timely manner, the Project Finance function provided support to the impacted infrastructure companies, either by providing new liquidity, or by adjusting instalments and other contractual terms.

REAL ESTATE FINANCE & HOSPITALITY PROJECTS

In 2020 the Bank continued its dynamic expansion in Real Estate finance and hospitality projects, despite the challenges posed by the pandemic, aiming to provide the best possible service to its customers with Commercial Real Estate Investment and Development Finance.

Taking advantage of its accumulated know-how, its network of customers and partners, its deep knowledge of the domestic market and its understanding of the international real estate market, the Bank intensified its activities, taking part in emblematic financing and strengthening its market share, even in the midst of a pandemic.

In 2020 special attention was paid (a) to intensify professional relations with existing customers and develop new relations with domestic and international real estate investors, aiming at the qualitative expansion of its customer base and the balanced development of its loan portfolio, and (b) to support existing customers given the particular problems in the real estate market including tourist real estate affected by the pandemic

and related control measures, such as closure of shops, malls, etc.

As previously, business focused on supporting institutional investors, such as Real Estate Investment Companies (REICs), and eminent local and international real estate developers, hotel operators, and office buildings.

In this context, in 2020 the Bank actively participated in organising financing for the largest real estate development project in the country, the project for the development of the former Hellinikon Airport by Lamda Development and its subsidiaries. Piraeus Bank has taken on with another systemic Greek bank the financing associated with the first phase of the investment in the Hellinikon project. By participating in this scheme, the Bank proves in practice its commitment to financing important Greek real estate projects.

The primary strategic goal in the field of Real Estate finance and hospitality projects remains the creation of added value for the Bank and its customers through the provision of customised financing and similar services in the field, while at the same time closely monitoring and adjusting its financing and services based on the latest developments in the field of environmental issues but also the ESG principles concerning real estate.

Overall, despite the difficulties that prevailed and continue to prevail in the real estate markets due to the pandemic, the Bank remains active in the field of real estate and hospitality and is dynamically placed in the market to be able to serve its customers in the post-pandemic era, when real estate projects are expected to pick up. The Bank will contribute to the growth of the Greek economy, pursuing real estate projects.

SHIPPING FINANCE

The Bank has been providing a wide and comprehensive range of financial services to Greek shipping companies for many years.

The Shipping Finance function provides financing for the purchase of vessels in the shipping market (dry bulk, tankers, containers and LNG), and covers the specialised operating needs of shipping companies (issuance of Letters of Guarantee, working capital financing, cash management, web banking, currency conversions, interest rate hedging products). At the same time, the Shipping Finance function develops supplementary services and promotes the Bank's entire product portfolio.

2020 was characterised by intense volatility in the shipping market, mainly due to the impact of the Covid-19 pandemic, which created significant investment opportunities, which Greek shipping groups capit-

alised on. In this context, the Shipping Finance function had significant financial activity.

The global spread of the Covid-19 in early 2020 had a significant impact on seaborne trade trends of dry bulk carriers, due to the suspension of economic activity in China, by far the largest commodity importer in the world. Following the containment of the pandemic in the second half of 2020 and the recovery in China and other countries, the dry bulk market improved (including revenue and scrap values). The dry bulk market is expected to maintain its strong trajectory in 2021, coupled with the expected recovery in global economic activity following the containment of the pandemic, and limited new orders.

The trend for tankers in 2020 was the opposite. The drop in global oil demand in the first half of 2020, due to a global economic contraction driven by the Covid-19 pandemic which had major impact on transport, coupled with the inability of the world's oil-producers to curb crude oil output, resulted in a drop in crude oil spot prices and a contango market, where futures contracts were trading at a premium to the spot price. This in turn favoured the withdrawal of liquid cargo vessels from the market to be used for floating storage, thus disproportionately reducing the number of vessels available to trade, and significantly increasing their revenue and scrap value. The picture was reversed in the second half of 2020 with the gradual return of the vessels that had been used for floating storage. However, trading was not adequately offset by the anaemic improvement in demand, resulting in a significant deterioration in revenue and scraps values for tankers. The tanker market is expected to gradually pick up in 2021, on the back of the expected recovery in global economic activity (especially transport) following the containment of the pandemic and limited new orders.

In this context, the Bank's approach remains conservative, focusing on the optimal management of the existing portfolio and on improving its quality, by providing targeted new financing to existing and new customers. The key strategy remains the pooling the portfolio of selected and acclaimed customers, actively proving their continuous support throughout the shipping market cycle

COMMERCIAL BANKING

The economic contraction during 2020 had a negative impact on employment and the productive process of a wide range of companies.

SMEs were particularly vulnerable to the crisis because of their size and the inability to quickly adapt to the operating conditions created by the economic impact of the coronavirus crisis.

Piraeus Bank bore most of the responsibility being the primary Bank for a large number of SMEs and presented innovative proposals and effective actions.

The actions focused on managing the uncertainty created by the pandemic and centered on proposals for time-saving measures and financing instruments.

The business sectors affected the most are trade, crafts and manufacturing, transport and supply chain, hospitality and catering. The Bank's customers operating in the sectors were affected and consequently sought targeted liquidity solutions or suspension of payments.

Eligible companies affected by Covid-19 were entitled to suspension of performing loan repayments (for the principal amount) until December 31, 2020, as per the guidelines of the Ministry of Finance. On December 3, due to the continuing adverse effects of the Covid-19 pandemic and following EBA recommendations, the Hellenic Banking Association announced the decision of its member-banks to extend the application period for inclusion in the programmes for the deferral of payment of loan instalments or the existing programmes of suspension of payments until the end of March 2021, under specific eligible criteria.

From the offset of the pandemic the Bank has been implementing strategies in various sectors and business segments. A special Task Force was set up with the participation of senior executives and the Bank's lending units and prepared possible solutions and quick approval processes for borrowers meeting specific eligibility criteria.

As part of this strategy, the Bank identified borrowers who adhered to their debt payment schedule before the coronavirus crisis in order to support them during the pandemic so that they could return to serving their debt obligations regularly after the crisis.

Particularly for the hospitality industry, due to the extraordinary circumstances, a separate programme was designed for the postponement of loan instalment payments, with a longer period for repayment of the capitalised instalments, to address the seasonality of this industry.

In addition to these support measures, Piraeus Bank actively participates in the implementation of the Greek State's financing programmes for guarantees and interest rate subsidies. Out of the total available funds of the "Covid-19 Business Guarantee Fund", which was set up as an independent unit within the Hellenic Development Bank to finance small, medium and large enterprises with guaranteed working capital loans, an amount of €1.6 billion was allocated to Piraeus Bank. Piraeus Bank also participates in the programme financed by the Ministry of Development offering an interest rate subsidy for the first two years on new financing to

SMEs affected by the pandemic, with an amount of €0.6 billion.

The Greek economy has experienced a significant decrease in investment activity since the beginning of the financial crisis a decade ago.

That is why Next Generation EU (NGEU) is a key recovery instrument which will help Greece return to sustainable growth.

Next Generation EU funding for the Greek economy is equivalent to an additional contribution to GDP growth that will range between 1.5% and 2.5% per annum.

At the same time, Piraeus Bank and the other Greek banks play a major role in absorbing these funds from sustainable investment projects and seize the above opportunity through additional investment financing and attracting resources from the private sector.

Piraeus Bank faced the consequences and responded to the unprecedented conditions imposed by the Covid-19 pandemic and the lockdown and is expected to make a significant contribution for 2021 to be a year for the restart of the economy and for small and medium enterprises.

The Bank provides support to its customers, with new loan disbursements of over €6 billion since the beginning of the year, covering the increased demand for credit, aiming to close the year with over €5.5 billion. Specifically, new disbursements of SME loans on 31/12/2020 amounted to €1.5 billion.

Towards this direction, the Bank has proven its support for business activity geared towards an extroverted, competitive and digital growth model, enhancing productivity, innovation and job creation jobs.

Piraeus Bank continues to utilise for the benefit of its customers, especially SMEs, all the available financing instruments and capabilities, in order to assist the business activity to overcome the consequences of the multi-year recession, to grow and become a driving force for growth and employment in Greece.

Participating in the developments and shaping the next day for SMEs, Piraeus Bank undertakes specific initiatives to inform potential investors about: a) New data. b) Development financing instruments. c) Investment opportunities.

At the same time the Bank aims to play a leading role in restarting the economy and in cooperation with the competent state bodies, proposes: a) Simplified Approval Process for submitting Funding Proposals. b) Evaluation of investment proposals using transparency and meritocracy, with responsibility for implementation lying with the Banks. At the same time, a series of internal reforms are carried out to offer an integrated ap-

proach to customer service, to support the Greek market and the restart of the hospitality sector, the agri-food and exports, industry, artisanal crafts, logistics and infrastructures. These reforms include:

- Effective customer segmentation.
- Customer Engagement Communication Model.
- Digitization of support application programme interface.
- Complete overhaul of Banking processes.

AGRICULTURAL BUSINESS DEVELOPMENT DIVISION

Key policy principles and strategic priorities

Piraeus Bank realises that financing should be more than just a flow of capital. Looking into the future it is important that the capital is more than just funding, and that it brings with it the capability to be used as a lever to solve serious structural problems in the agricultural sector.

Piraeus Bank understands that modern agriculture must be economically sustainable and environmentally friendly, as reflected in the European Green Deal.

Piraeus Bank supports the agri-food sector so that it rises up to the challenges of Sustainable Development. It is an advocate for Sustainable Banking, offering customised products and services, tailored to the investment needs of each farmer, as well as farm liquidity to cover working capital needs.

The Bank also monitors and actively participates in market developments, and has the experience, know-how and the will to support Greece's agri-food sector on its path towards a sustainable future, providing funding and targeted initiatives.

Key priorities of the Bank are the excellent customer service, and the full coverage of farmer needs with innovative and flexible financial tools.

Holistic approach to the agricultural sector

The Bank uses a holistic approach to support the Greek agri-food sector. It has a deep understanding of the market and the needs and assists its customers in fulfilling their targets and their vision, by providing modern customised products, flexible financing, high quality service and the most innovative and effective solutions.

Support healthy and sustainable entrepreneurship & respond to changes in market demand

Piraeus Bank supports the agricultural sector and is committed to its long-term success. To this end, in 2020 it approved new financing for agricultural businesses, to cover both their short-term and investment needs.

Following its agreement with the European Investment Fund (EIF) Piraeus Bank created and offered the new product "EaSI Microfinance for Farmers". The new financing tool will be used to support small agricultural businesses and entrepreneurs from disadvantaged groups, ensuring liquidity and providing loans on preferential terms and reduced collateral.

For farmers whose investment plans are financed under the Rural Development Programme, the Bank offers a complete package of solutions, which includes the possibility of an investment loan and a letter of guarantee for pre-payment. In addition, in 2020 the Bank created a more flexible financing product for the pre-financing of the grant. Thus, the Bank fully supports the implementation of healthy investment plans and contributes to the timely completion of the investment.

Piraeus Bank also contributes to the farmers' effort to reduce production costs. The "Farmer's Card" offers liquidity to thousands of farmers. Furthermore, the "Farmers' Micro-finance" loan enable farmers to swiftly cover any emergency costs, such as possible repairs of agricultural equipment, tire purchase, etc. In addition, the Working Capital for Farmers (WCF) provided funds to cover their annual needs.

Piraeus Bank has extended its cooperation with companies in the field of agricultural machinery and equipment by including new companies in the programme, to cover the financial needs of the market and farmers who want to invest in equipment related to their agricultural holdings. To cover the financial needs of the market and of farmers who want to invest in equipment related to their farms, Piraeus Bank extended its cooperation scheme to include companies selling agricultural machinery, agricultural and livestock equipment, and solutions for sustainable farming.

For farmers wishing to invest in Renewable Energy Sources, the Bank designed and offered the new Programme "RES Financing for farmers and agricultural enterprises". It is a portfolio of products covering the needs of its customers regarding the installation of new photovoltaic stations – for the sale of electricity or for energy offset –, or upgrading existing PV stations. The Bank improved its processes to provide tailored service by adapting the most appropriate solution to the needs of each producer or agricultural business.

Piraeus Bank and ERGO Insurance Company offer a full range of customised insurance plans to cover the risks in agricultural production, includ-



ing crop insurance, livestock insurance and greenhouse insurance.

Piraeus Leasing, the Group's leasing subsidiary, offers customised leasing proposals with preferential terms for natural persons or legal entities active in the primary sector, including leasing of agricultural land, and leasing of agricultural equipment (commercial vehicles, trucks, tractors, mechanical equipment, production units, etc.).

The Bank continuously improves its portfolio of products and services and includes new, innovative loans.

Support the new generation in the agricultural sector

Piraeus Bank understands that it takes time for young farmers to start up their own business, and that agricultural returns tend to be cyclical in nature, and this is reflected in the products it offers.

Piraeus Bank offers young farmers – under the age of 40 – a loan to purchase arable land with interest rate subsidies up to 100%. Farmers acquire land to increase the size of their farms and, ultimately, increase efficiency.

Piraeus Bank supports farmers with their start-up costs through the “Young and New Farmers Loan”, which covers investment capital (e.g. purchase of plant and/or livestock, construction of stables, purchase of equipment, etc.), whether they are included in financial support programmes or not.

Disseminate knowledge and experience to the market

Piraeus Bank continued to sponsor a wide range of events and publications, such as the magazine “EPI GIS”. Readers can learn about the Bank's specialised products and initiatives for farmers, innovation in the primary sector and the latest developments in the agricultural economy.

Piraeus Bank was present at the most important events in the agricultural sector (Gaia, Economist, Agrotechnology, etc.).

Medium-term ambitions, plans and targets

Piraeus Bank uses its know-how to offer comprehensive solutions to every healthy agricultural business.

Over the next period, Piraeus Bank, following the agreement with the European Investment Fund (EIF), will proceed with the creation of flexible financing products to finance, on favourable terms investment projects

in the primary sector and in the processing of agricultural products.

The Bank closely monitors the ongoing discussions of the Common Agricultural Policy 2021-2027, so as to continue its substantial contribution to the development of the agri-food sector.

The Bank will continue to enhance the efficiency and competitiveness of agricultural businesses, to finance investments that increase the added value of the final product, while reducing production costs and rationalising the operation.

The Bank works on case-by-case basis to offer the most appropriate combination of solutions.

In addition, the Bank's continued investments in renewable energy sources and sustainable agricultural production systems, harnesses agro-ecological processes toward higher efficiency and lower production costs.

Finally, Piraeus Bank is Greece's agricultural bank and supports its transition to "tomorrow". Farmers will benefit from the use of modern technology, such as the adoption of digital agriculture services.

CONTRACT FARMING

The Contract Farming and Livestock Programme run by Piraeus Bank is an initiative launched in 2013 as part of the Bank's strategy to support the agri-food sector, a key pillar of the Greek economy.

This Programme is a dynamic lever for the country's rural development, as it adapts to market needs and makes use of the potential of all those involved in the agricultural sector. It contributes to the modernisation and improvement of the primary sector's competitiveness. In this context, Contract Farming guarantees the liquidity for producing, processing, and marketing agricultural products, improving efficiency and extroversion in the agricultural sector. Contract Farming has left its mark on agriculture, with mutual benefits for farmers/producers, processing/commercial enterprises and cooperatives, as confirmed by the growth in Contract Farming financing and the expanding range of products.

The Bank also offers the Contract Banking Agricultural Inputs programme. The Bank ensures liquidity for agricultural supply stores so that they can buy from their suppliers, negotiating better terms. Thus, the Bank has a holistic approach to the value chain of the Greek agri-food sector and helps reduce the production costs of agricultural products.

The Bank also runs the Contract Banking for Hotels programme, which

links hotels and food suppliers, offering mutual benefits to both parties, establishing strong partnerships, and promoting Greek agricultural products to tourists who visit our country. Under the Contract Banking for Hotels programme, the Bank finances hotels to procure branded certified products from companies and cooperatives registered with the Contract Farming and Livestock Programme.

The Bank enhanced the Contract Banking for Retailers programme. In particular, the Bank finances retailers to negotiate better terms with the suppliers/companies participating in the Contract Farming and Livestock Programme.

Finally, the Bank facilitates Greek business extroversion by financing export activities with the innovative “Export Contract Banking” programme.

The programme addresses Companies and Agricultural Cooperatives, existing or potential beneficiaries of the Contract Farming programme, which already export their products and wish to increase their exports, or which do not currently export but aim to enter new markets. Piraeus Factoring SA offers participating companies a comprehensive bundle of export trade services, tailored to their level of export capacity and readiness.

Our goal is the development and implementation of new practices and models of cooperation that will lead to a comprehensive approach to sustainable development, which will connect people with technology and the environment.

AGRICULTURAL ENTREPRENEURSHIP CENTRES

For another year, Piraeus Bank maintained a dominant position in financing and supporting agricultural service cooperatives.

The Agricultural Entrepreneurship Centres are charged with developing and managing business relationships with Agricultural Cooperatives, Agricultural Corporate Partnerships, Groups, Producers' Organisations and other cooperatives of the agri-food sector.

Through this structure, Piraeus Bank provides credit facilities (working capital, loans, factoring, leasing, LGs), to most cooperative legal entities, which are financed by the Banking system.

The Agricultural Entrepreneurship Centres are distributed in three areas (Northern, Central and Southern Greece) and currently serve more than 300 customers. Customer Consultants in all the big capitals of the Prefectures provide direct and high-level customised support and service to the agricultural service cooperatives, ensuring personal contact and prompt customer service.

Most customers maintain an exclusive credit relationship with Piraeus Bank. Even in the limited cases of customers that cooperate with competitive banks, Piraeus Bank is their primary bank in terms of loans and other activities.

In 2020, new loans to agricultural service cooperatives increased dynamically, while for 2021 the credit expansion targets remain ambitious, in line with the return to growth of the Greek economy.

As the leading Bank in the Agri-food sector, we approach cooperative schemes with a long-term perspective and we believe that the agricultural service cooperatives of today and tomorrow should function as a point of reference, a benchmark. Cooperatives must be able to compete effectively with other commercial firms in the domestic and globalized economic environment.

Therefore, and within this framework, we are not limited to providing credit to cooperatives. We understand what cooperatives need at each of the different phases of their lifecycles (vertically & horizontally), and we can support them with relevant financial and non-financial solutions (holistic approach). We help cooperatives to implement their investment plans but also to plan and implement the strategies required to redefine their business model towards extroversion and sustainable growth.

LOAN SYNDICATIONS

Loan Syndications facilitates the entire Bank's Syndicated Loan Portfolio, covering all business units.

Loan Syndications aims to create added value by organising, structuring and monitoring syndicated loans and by acting as Agent Bank.

Over the last five years, between 2016 and 2020, Piraeus Bank has undertaken the roles of lead arranger and agent for corporate syndicated bond loans, structured finance -mainly infrastructure and energy projects-, convertible bond loans, debt restructuring and merger and acquisition financing.

In 2020, Piraeus Bank, through Loan Syndications, participated in all transactions in the Greek syndicated loan market, acting as Coordinator or Mandated Lead Arranger (MLA) in 23 syndicated loans, with transaction volumes reaching €1.65 billion, contributing significantly to the Bank's fee and commission income and other sources of income.

More specifically, in 2020, Piraeus Bank acted as coordinator and bookrunner for the Issue of a Common Bond Loan of €270 million for the company GEK TERNA Motorways and also actively participated as a

MLA in the syndicated loan facility of €400 million of the Independent Power Transmission Operator (IPTO) SA Concurrently, Piraeus Bank arranged significant loan restructurings, including those for the companies ALUMIL SA and VARVARESOS SA.

TRANSACTION BANKING

Transaction Banking offers a wide range of commercial banking services to Corporate and Investment Banking (CIB) customers, including Collections, Payments, Cash Management, Trade Finance and Supply Chain Financing services, aiming to facilitate companies in their day-to-day business activity, in managing their daily transactional banking needs and in optimising their supply chain.

In 2020 Transaction Banking continued to support corporate customers and build trusted relationships, by offering high value-added services.

Despite the challenges posed by the imposition of restrictions due to the coronavirus pandemic, the unit managed to increase its revenues, posting an increase in market share in an environment with negative growth rates.

In the context of supporting Greek export companies, emphasis was placed on utilising the opportunities provided by the guarantee and financing programmes of the European Investment Bank (EIB) and the European Bank for Reconstruction and Development (EBRD). It is indicative that the use of the limits that have been secured in the framework of these programmes reached 80% on 31/12/2020. At the same time, financing was also provided to import companies, using tools such as import financing and early payment of Letter of Credit.

Piraeus Bank received EBRD's prize for the Most Active Issuing Bank in 2019 – Green Trade for its environmentally friendly projects in trade under its Green Trade Facilitation Programme.

Simultaneously, targeted actions were carried out to promote and increase the use of the Bank's digital channels. It is noteworthy that the value of transactions made through digital channels by customers under Transaction Banking's servicing perimeter increased by about 40% in 2020 compared to 2019, with 94% of credit transfers made through digital channels.

In 2020, deposit machine activations as part of Bank in Office service, an automated cash management solution, increased by 11%. Through the Bank in Office deposit machines, €2.0 billion cash inflows were managed, despite the fact that during the year approximately 25% of

the deposit machines were not available due to the suspension of operations imposed by Covid-19 restrictions.

In 2021 Transaction Banking will continue targeting new customers, expanding its market share, and improving profitability. In line with the Bank's Transformation Programme, Transaction Banking is already in the process of developing a comprehensive and innovative integrated transaction banking platform that will align payments, collections, cash management and Trade Finance products, that will maximise the corporate banking experience.

DEVELOPMENT & SUSTAINABLE BANKING AND BANK RELATIONS

DEVELOPMENT & SUSTAINABLE BANKING

The "Development & Sustainable Banking and Bank Relations" unit is charged with setting the limits and promoting Sustainable Banking. The unit designs products and services that finance and support innovative sustainable ideas, environmentally and socially beneficial initiatives, and vulnerable social groups. It is also responsible for predicting and identifying relevant investment opportunities. The unit performs a feasibility study for every renewable energy and green entrepreneurship project, and examines, inter alia, the choice of equipment, the projected cost, the estimated productivity and the experience of the installer, etc. Following the recent restructuring the unit is also in charge of the relations with the international banking community (Bank Relations) and its Head supervises the Frankfurt Branch.

In addition, the unit manages the Bank's relationship with international and Greek agencies such as the Hellenic Development Bank SA (HDB, formerly ETEAN SA), the Export Credit Insurance Organisation (ECIO), the European Investment Bank (EIB), the European Investment Fund (EIF), the Greek Investment Fund (Institute for Growth – IfG), the European Bank for Reconstruction and Development (EBRD), etc. The unit implements and monitors banking products in cooperation with these agencies.

The unit capitalises on these partnerships and is responsible for embedding and implementing ESG into the Bank's strategy. It offers a range of financing instruments that enable Greek companies to access sustainable financing during a period of prolonged recession for the country. In 2020 Piraeus Bank had the ability, in combination with the necessary support from these partnerships, to support Greek businesses that were exposed to the pandemic's effects and enhance their liquidity. In this context Piraeus Bank:

- Offered financing tools to help companies achieve the UN SDGs and goals of the Paris Agreement on Climate Change, and to boost RES investment and energy efficiency.
- Offered funding on favourable pricing terms to support vulnerable social groups, enhancing growth and creating new jobs.
- Helped companies to put sustainable development at the core of business models and to build up their competitiveness in the international market.
- Helped companies to enter new innovative business sectors.
- Created special products and services (e.g. guarantee and risk-sharing products) to facilitate business access to finance, supporting their efforts to remain viable in a volatile economic environment.
- Promoted environmentally and socially responsible products and services, an effort that has been assessed by the Bank's stakeholders as particularly important for the sustainable development of the country.
- Created special Covid Response products to help Greek companies to confront ongoing challenges from the pandemic and boost their resilience.

In summary, the financial instruments offered by Piraeus Bank in cooperation with international and Greek agencies are the following:

Collaborations with European Investment Bank (EIB)

Piraeus Bank and European Investment Bank have jointly created financing tools to provide liquidity funding to SMEs and MidCaps, operating in most sectors of the economy, with emphasis on manufacturing, trade, tourism, services, and the primary sector. Funding is provided in the form of working capital or investment loans.

EIB Loans for SMEs & Midcaps

Since 2016 Piraeus Bank has been providing SMEs and MidCaps with loans of up to €12.5 million, on favourable terms. EIB finance amounts

to €100 million, with the limitation that only up to 30% will be dedicated to MidCaps and 70% goes to SMEs.

EIB Loan for Youth Employment

On 28/6/2019, Piraeus Bank signed a new loan agreement with EIB for a total amount of €100 million, through the “EIB Loan for Youth Employment” programme. At least 70% of the total portfolio will be allocated to SMEs, and at least 30% of the portfolio will be provided to companies that support youth employment as part of the “Youth Employment” initiative. The distribution of the products started in 2020. Companies financed by Piraeus Bank and meeting the conditions for joining the initiative also enjoyed an additional pricing advantage of 0.20% (20 basis points) per annum.

EIB Agriculture & Bioeconomy

At the beginning of the year Piraeus Bank signed an agreement for a financing programme of €100 million, as part of the “EIB Agriculture & Bioeconomy” programme. The new agriculture financing programme is expected to accelerate the use of new technology, improve the quality of agricultural products and enable the Greek agriculture and agribusiness to better serve domestic and international markets. At least 70% of the total portfolio will be allocated SMEs operating in the agricultural sector, and at least 10% of the portfolio will be provided as dedicated financing to encourage Young Farmer sole proprietorships or Legal Entities controlled by Young Farmers.

PF4EE

Piraeus Bank is the only Greek Bank participating in the Private Finance for Energy Efficiency (PF4EE) instrument. PF4EE is a pilot and innovative liquidity and loan guarantee instrument managed by the EIB and funded by the European Commission's Programme for the Environment and Climate Action (LIFE programme). The instrument will be used to finance energy efficiency-enhancing investments. Beneficiaries include energy efficiency investments with a total budget of up to €10 million, and the size of the energy-efficiency loans to be provided could range between €40 thousand and €5 million for SMEs. For all other cases, the size of the loans ranges goes up to €1.125 million.

Infrastructure Funds of Funds (InfraFoF)

Piraeus Bank participates in the Infrastructure Funds of Funds (Infra-

FoF) set up by the Ministry of Development and Investments and the EIB to provide financing of €450 million unlocking total investments of at least €650 million. The InfraFoF was launched in 2020 to finance investments in energy efficiency and renewable energy, and sustainable urban development projects.

Sustainability Linked Loans

In 2020 Piraeus Bank provided targeted financing to businesses using ESG considerations when selecting investment opportunities, thus contributing to the achievement of the UN SDGs. It financed selected companies applying ESG criteria, a novelty for both Greece and the Bank. This practice follows up on the financing of renewable energy and energy saving projects that have been in place for the last 15 years and reflects the Bank's expectations for supporting projects for sustainable development.

Collaboration with European Investment Fund (EIF)

Over the last two years Piraeus Bank has been extending its cooperation with the European Investment Fund (EIF). The Bank acts as an intermediary and has expanded the portfolio of existing financial instruments, and entered into new agreements, to provide even more companies with access to finance.

The EIF guarantee allows the Bank to provide beneficiaries with access to financing on more favourable terms and reduced collateral, while strengthening the EU's objectives to support entrepreneurship, growth, employment, research and innovation.

COSME Loan Guarantee Facility

Liquidity to SMEs for working capital needs and investment in tangible or intangible fixed assets. The initial agreement between Piraeus Bank and EIF for the COSME Loan Guarantee Facility amounted to €170 million Bank. Due to the high demand from eligible businesses, Piraeus Bank signed two extensions of its initial agreement with European Investment Fund (EIF), and the portfolio totalled €900 million.

Innovfin Guarantee Facility

Liquidity to SMEs and MidCaps for Research & Innovation (R&I) business proposals. With the support of the EU, as part of the programme "Horizon 2020 Financial Tool" and the European Fund for Strategic Investments (EFSI), a guarantee is granted for 50% of the loan amount, with

a ten-year maximum guarantee period. In 2020 Piraeus Bank disbursed approximately €100 million.

EU Programme for Employment and Social Innovation/EaSI

In March 2020, Piraeus Bank activated the EaSI guarantee tool, with a total portfolio of €50 million, making it available to farmers and micro-enterprises. The main goal of the programme is to finance very small businesses and entrepreneurs from disadvantaged and under-represented groups in all sectors of the economy, in the form of microcredit (loans up to €25 thousand).

The Programme also includes the provision of targeted training, counselling, and guidance services (Mentoring programmes) to beneficiaries, through the Centre of Sustainable Entrepreneurship "Excelixi SA" of Piraeus Bank Group.

ESIF-EAFRD Agricultural Guarantee Fund

In October 2020 Piraeus Bank entered into an agreement with EIF to improve access to financing for businesses in the Greek agriculture sector, under the new Rural Development Guarantee Fund. Each financing transaction will be covered to a guaranteed rate of up to 80%.

The Bank participates in the programme with a total budget of €200 million, confirming its strategic choice to support the agricultural sector.

Investment Guarantee Fund

At the end of the year Piraeus Bank entered into an agreement EIF for the new Guarantee Fund to support SMEs, with a €200 million participation in the investment scheme. The scheme will improve access to finance by Greek companies from all sectors of the economy and accelerate low-interest investment to enhance competitiveness and foster greater entrepreneurship. This initiative ensures that Greek companies can expand, innovate, and create jobs in the years ahead.

Hellenic Investment Fund (Institute for Growth - IfG)

Piraeus Bank and the Hellenic Investment Fund (Institute for Growth - IfG) are jointly financing businesses active in the manufacturing, tourism, trade, and service industries. Liquidity is provided by the Greek State and the German development bank Kreditanstalt für Wiederaufbau (KfW), to cover investment and working capital costs for the growing SMEs. The financial instruments offered to companies include:

- Attractive terms.
- Financing of new and/or existing activities.

The initiative's budget for Piraeus Bank amounted to €99.3 million. The Bank is in the process of reallocating the funds raised from repayments of loans already granted, as per the terms of the initiative. In total, taking advantage of this opportunity, more than €230 million have been allocated to companies.

Trade Finance Facilitation - European Investment Bank (EIB) and European Bank for Reconstruction and Development (EBRD)

Piraeus Bank supports foreign trade for Greek extroverted businesses. Through its cooperation with EIB and the EBRD, guarantees are provided to selected foreign correspondent banks to cover their risk for Letters of Credit (LCs) and Letters of Guarantee (LGs) issued by Piraeus Bank. Eligible transactions cover a wide range of goods and services. In total, the Bank has secured a total guarantee of €250 million for these transactions.

Export Credit Insurance Organisation (ECIO)

Piraeus Bank continued its collaboration with ECIO, offering the "Extroversion" (Exostrefia) Programme to Greek export businesses. The Programme combines insurance and funding for export credits granted by Greek exporters to buyers abroad. Piraeus Bank participated in the Programme by providing export working capital to companies that have insured their export credits with the ECIO, by discounting the receivables.

Entrepreneurship Fund in collaboration with the Hellenic Development Bank SA (HDB)

Piraeus Bank in collaboration with the Hellenic Development Bank SA (HDB) has been participating since 2013 in the "TEPIX - Business Restart" Action. In early 2018, the Bank signed an Addendum for the continuation of "TEPIX-Business Restart (Intermediate)".

The contracts for the loans in this action were finalised in March 2019, and the new Action "Business Financing" of the Entrepreneurship Fund II (TEPIX II) was initiated immediately after. Through this Action, co-financed loans are provided to cover operating and/or investment costs on favourable terms, as the funds provided by HDB are interest-free. The total budget for working capital and investment loans was ex-

hausted in 2020. Piraeus Bank starred in the availability of this action, having granted €191 million to more than 1,300 companies.

Financial Solutions in the context of the Covid-19 pandemic

Piraeus Bank collaborated with Greek and European Development Agencies to help SMEs and Large Corporates facing liquidity shortages to confront ongoing challenges from the pandemic and boost their resilience. The following financial solutions were offered

Business Guarantee Fund, Phases I and II

Piraeus Bank participated in the "Covid 19 Business Guarantee Fund", offered by the Hellenic Development Bank (HDB) to support businesses' access to loan capital, by enhancing their liquidity with working capital loans. The total available funds to support economic growth were in excess of €1 billion.

The HDB guaranteed 80% per loan, which the Bank used to finance Greek SMEs and Large Corporates from all sectors of the economy.

TEPIX II - Working Capital with Interest Rate Subsidy due to Covid-19

Piraeus Bank expanded its cooperation with HDB and participated in the targeted sub-programmes of the Entrepreneurship Fund (TEPIX II), actively supporting companies to confront ongoing challenges from the pandemic and boost their resilience and employment, necessary preconditions for economic growth.

The targeted sub-programme launched in 2020 aimed to cover working capital needs of SMEs affected by the Covid-19 outbreak offering working capital loans, on preferential terms and with an 100% interest rate subsidy for the first two years.

In total, more than €500 million were disbursed to more than 5,300 companies during the year.

COSME COVID RESPONSE – European Investment Fund

Piraeus Bank expanded its cooperation with the European Investment Fund (EIF) to create a new loan guarantee programme under COSME, "COSME- Covid 19".

The maximum credit line of the "COSME - Covid 19" programme amounts to €198 million, with the EIF offering a 80% guarantee rate per loan.

The purpose of this new Initiative is to help SMEs mitigate liquidity and working capital challenges, resulting from the decline in their revenues and the reduction of consumer demand due to the outbreak of Covid-19.

EIB COVID RESPONSE – European Investment Bank

Piraeus Bank and EIB have a long-standing cooperation. The financing packages include dedicated liquidity lines.

In this context, in November 2020, Piraeus Bank and EIB signed an agreement for the programme “EIB COVID-19 RESPONSE for SMEs & MIDCAPS”, which aims to support SMEs and MidCaps in Greece – from all sectors – affected by the current crisis and help them withstand the negative impact of the Covid-19 pandemic. The maximum credit line of this Programme amounts to €150 million.

This financial instrument can support all small and medium-sized enterprises, regardless of industry, which have had an impact on their economic activity due to the pandemic.

Interest rate subsidy on existing loans of SMEs affected by Covid-19 outbreak

The Bank participated in the scheme by the Greek Ministry of Development and Investments to help SMEs affected by Covid-19 outbreak.

Through this scheme, the interest and the corresponding contribution of Greek Law 128/1975 on existing loans maintained by the affected SMEs were subsidised for the period April-August 2020. Approximately 7,700 applications were approved and were subsidised with approximately €67 million.

Energy Saving at Home II (Exoikonomisi Kat’ Oikon II – Phase A and B)

Piraeus Bank has been participating in the co-financing scheme “Energy saving at Home” since 2011 and has gained a high market share, on average 40%, as well as significant know-how and experience.

Piraeus Bank has a deep knowledge on green entrepreneurship business and a long-standing experience in managing development programmes, which it has used to serve customers/beneficiaries quickly and efficiently. It provides high quality services and responds to their applications immediately, enhancing energy savings for approximately 28 thousand households.

Since December 2020, the Bank participates in the new programme “Save-Autonomy”, which aims to upgrade energy and autonomy of buildings in the residential sector. In this way the Bank facilitates:

- Implementation of the National Energy and Climate Plan of Greece (NECP).
- Strengthening the competitiveness of the economy.
- Improving Energy Efficiency in residential buildings.
- Cost savings for households.
- Improvement of the living standards of citizens.

Comprehensive Support Framework

The Comprehensive Support Framework is available to customers whose business plans are included in financing schemes (NSRF – Development Law), to help them complete their investment plans. The Bank monitors the relevance of the costs with the technical annexes included in the investment plans and assesses how reasonable these costs are. The Bank also mediates the correct payment of the receipts, ensuring that customer and Bank funds are used in project-related costs. In many cases the use of the stake itself is confirmed as part of the investment proposal. The Comprehensive Support Framework includes the issuance of Letters of Guarantee to facilitate timely receipt of advance subsidy payments, and the granting of investment loans with favourable terms.

Green Products

Piraeus Bank has been providing lending to individuals and companies opting for environment-friendly technologies since 2006, to help them improve the energy efficiency of their homes and facilities, to ensure self-production of their energy needs, to produce electricity from Renewable Energy Sources (RES) and generally to promote investment in sustainable entrepreneurship. The Bank’s comprehensive portfolio to Greek companies and retail customers includes financing on favourable terms, and advisory services to promote environmentally and socially responsible products and services. The Bank’s management and its stakeholders agree on the importance of Green products to the country’s sustainable development (materiality questionnaire).

Piraeus Bank aims to help companies to adapt to the new sustainable development model, to build up their competitiveness in the international market, to reduce their operating costs, to improve energy efficiency, to enter new innovative sectors and to smoothly adapt to the

transition to a low-carbon economy. The Bank provides access to liquidity for Greek companies and retail customers implementing investment projects with a positive impact. Advisory services include, inter alia, proposals for modernising and adopting good practices.

At the same time, the Bank offers Green consumer loans to buy energy-efficient home appliances and equipment, to install photovoltaic systems in their homes (net metering) and to repair and protect homes, improving their energy efficiency.

Total green consumer and business loans amounted to €1.48 billion (active loan balance at the end of 2020). Most of the funding was directed to RES projects, namely installation of solar panels – on rooftops and on land – wind farms, small hydroelectric power stations and biomass/biogas projects. Green consumer loans amounted to €83 million with business loans standing at circa €1.4 billion. Green lending accounts for 0.6% of Piraeus Bank Group’s consumer and 4.8% of its business portfolio.

Project Sustainability Assessment and Environmental and Social Management System in Business Credit (ESMS)

The financial sector plays a major role in financing the transition to a low-carbon economy and sustainable finance and takes a holistic approach to assessing the needs and options for financing sustainable development. Piraeus Bank promotes Sustainable Finance through its Development & Sustainable Banking and Bank Relations function. To this effect it applies two “Risk Assessments for Sustainable Finance” in business credit:

- Environmental & Social Risk Assessment for business credit; holistic risk assessment for new investments and/or existing corporate activities and facilities.
- Financial and Technical Assessment of Green Projects to evaluate new “green” investments; examine, inter alia, technology adopted and estimated cost, works components, infrastructure capacity and expected utilisation rate, skills and experience of the staff within the organisation implementing the project, and the licensing maturity.

The Environmental & Social Risk Assessment is part of the Credit Policy, Risk Policy and the business credit appraisal process since 2018, with

the implementation of the Environmental and Social Management System (ESMS). The main objective of the ESMS is to identify and assess the environmental and social impact of the lending activities, in addition to the economic ones, to be used in the Bank’s new credit approval process.

Environmental, health, safety and social risks are required considerations in risk assessment for credit facilities, in accordance with the national legal framework and international standards. Piraeus Bank carries out a holistic approach to companies and proposed business plans, recognising, assessing, and managing all relevant credit risks. With this holistic approach, Bank customers and shareholders are protected.

With this approach to risk assessment and management, the Bank supports its customers to:

- Adapt their business towards the new sustainable development model.
- Become more competitive in the international market.
- Reduce operating costs.
- Enter new innovative sectors.
- Adapt to the new standards.
- Make use of the benefits, opportunities and incentives provided by the institutional framework and the new sustainable business model.

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 Bank’s Credit Policy since 2013. The Team assesses new projects, scrutinising the technology adopted, works 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 as 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 the Bank, taking into account the balancing requirements of the projects.

In 2020 Piraeus Bank carried out a total of 2,080 evaluations (including new projects, renewals, insurance contacts, etc.).

2021 TARGETS

Piraeus Bank was the only Greek bank to participate in formulating the six Principles for Responsible Banking of the United Nations – UNEP FI, in November 2018, and one of the 130 Banks in the world, which signed – in September 2019 – its commitment to comply with the Principles for Responsible Banking towards a Sustainable Future.

The six Principles for Responsible Banking define the framework for the development of Sustainable Banking in the near future and commit banks to set quantitative and qualitative targets to address potential negative impacts from their activities, and to increase the positive impact of their business on society and the environment.

As part of its commitment, in 2020 Piraeus Bank enriched its portfolio of green products for farmers, by creating new loans for financing agricultural PV investment, energy netting, repowering and covering working capital needs. For 2021, an even greater expansion of green loan products is planned for the customers of micro and SMEs, but also of Factoring.

Training and Communication

Due to the special circumstances created due to the pandemic, during the year emphasis was placed on the internal training of colleagues from the Business Units involved with the products of the unit. In particular, the unit participated in 3 online training events for new Small Business and Professional Partners (SBPPs). Training focused on subsidies, and products and services that promote sustainable entrepreneurship. In particular, the Bank's financing tools, the importance of specific actions under the NSRF and the procedures that have been designed for companies participating in the financial assistance schemes were presented. In addition, concepts of sustainable entrepreneurship were explained and the Bank's green products and services were presented in order to inform the customers from the Branch Network.

In total, more than 50 executives were trained from the Branch Network and the other Business Units.

Internet

Piraeus Bank is the only Bank that recognises in practice the added value of subsidised programmes to Greek business and the business

opportunities that arise through sustainable entrepreneurship. To this effect, the Bank has created two dedicated sites, on financial support programmes and sustainable entrepreneurship respectively.

www.360funding.gr

The 360° funding portal provides reliable information about the full range of funding schemes, such as NSRF, Greek Development Law, agricultural subsidies, and European schemes. 360° funding portal is aimed at existing or potential entrepreneurs (SMEs), freelancers and farmers. Its main advantage over similar platforms is that it has a user-friendly search engine for quick and easy access to information about the funding schemes available to cover investment needs.

www.360funding.gr provides the following free of charge:

- Access to information about funding schemes.
- Search engine to identify the appropriate funding scheme, based on the individual needs of each company.
- Detailed information guides about funding schemes.
- Information about Piraeus Bank's product and service packages which may be combined with funding schemes for investment completion.

For the last 3.5 years the 360° funding portal has been used as a reliable and effective source of information for financial support schemes; more than 313 thousand unique visitors have logged on, of which 41 thousand in the last year. Visitors can ask related questions through an online contact form. By the end of 2020, 643 contact forms had been submitted and answered by Bank executives.

www.greenbanking.gr

Piraeus Bank is the only Bank operating an innovative online communication channel, originally developed 8 years ago, the Green Banking Portal. Green businesses and companies wishing to improve their environmental performance can use the website to promote their products/services and their good practices for reducing their environmental footprint, consolidating their position in the market. In addition, the website provides information on green business and on the supervisory framework for green investments.

International Participations

Through its Development & Sustainable Banking and Bank Relations unit Piraeus Bank monitors the developments at international, European and national level regarding the transition to sustainable finance.

Piraeus Bank participates in working groups created under the UNEP FI (United Nations Environment Programme Finance Initiative) for implementing the following initiatives:

- Principles for Responsible Banking
- Principles for Positive Impact Finance
- Property Working Group-Energy Efficiency
- Banking and Taxonomy (UNEP FI/EBF collaboration).

INTERNATIONAL BANK RELATIONS

International Bank Relations celebrated its first year under the Corporate and Investment Banking unit. It offers a secure framework of established partners with a strong presence in the international banking community in order to serve the operations of the Bank's Units and its customers.

The Covid-19 pandemic has been an unprecedented shock to the global banking system. One of the function's most important tasks in the first half of 2020 was ensuring the continuity of services with Credit Institutions and avoiding adverse effects. Through continuous communications, it affirmed the Bank's uninterrupted operations and its commitment to serving its customers by adjusting immediately to the new situation. It confirmed continuity of services with partnering Credit Institutions building a sense of security and trust, successfully maintaining partnerships built in previous years, despite the unfavourable economic environment created due to the pandemic, while entering new ones.

During the second half of the year, the function actively participated in two important Projects of Piraeus Bank:

- The first was the closure of the London branch. The International Bank Relations Unit contributed to the smooth termination of correspondent relationships maintained by the Branch and to the continuity of servicing the loan portfolio transferred to Piraeus Bank.
- The second was Piraeus Bank's corporate transformation

(hive-down). The unit prepared itself and communicated with partnering Credit Institutions to ensure smooth transition and continuity of the New Bank's operations, without any disturbance in existing relationships.

Finally, in 2020 the International Bank Relations unit joined Corporate & Investment Banking, and the ensuing synergies contributed to the completion of "green" commercial transactions that, in turn, led to the EBRD "Green Trade Award" for the 2019.

FRANKFURT BRANCH

The Frankfurt branch was integrated in Piraeus Bank Group in the second half of 2012, following the acquisition of the "healthy" part of former ATEBank.

The Frankfurt branch is the only presence of Piraeus Bank in Central Europe, and Piraeus Bank is the only Greek bank operating in Germany.

At the end of 2017, in the framework of its new strategy, Piraeus Bank decided to convert the existing model from a Retail branch to a Service and Banking Centre for Extroverted Greek Businesses.

Today the Frankfurt branch offers a wide range of products and services, such as credit facilities for Individuals and Professionals, credit facilities for Businesses, participation in Loans Syndications, participation in Bond Loans, Retail and Corporate Sight Deposit Accounts, Special Business Liquidity Management Accounts, Savings and Term Deposits, Debit Cards, Cash Transfer Services, Expatriate Pension Payments, Cheque/Foreign Exchange Operations, Web Banking, Trade Finance Services and Products (such as issuance and early payment of Letter of Credit), services for Greek companies (provision of meeting rooms, electronic equipment, information on German suppliers, and organisation of meetings with German companies). As at 31/12/2020, customer loans amounted to €0.5 billion with deposits at €0.1 billion.

LEASING

Piraeus Leasing SA manages the leasing activities of Piraeus Bank Group. The portfolio under management (pre-provision receivables and property) includes the operations of Piraeus Leases (ex Cyprus Leasing SA) and CPB Leasing SA and amounts to approximately €2 billion.

Based on the statistics published annually by the Association of Greek Leasing Companies the company has a 38% market share, ranking first amongst the companies operating in Greece.

Despite the unprecedented financial crisis caused by the pandemic, the company, on a consolidated level, showed stability. Net income increased to €36 million in 2020 from €33 million in 2019, recording an increase of 10%. The continued dynamics is mainly due to the organic development and the active management of the portfolio of repossessed properties.

In 2020 new leasing contracts amounted to €140 million, of which more than €100 million were disbursed within the year.

Operating expenses dropped 13% from 2019 levels.

As a result, profit before taxes and provisions for 2020 increased 34% to €22 million from €16 million in 2019, on the back of exceptional proceeds from the sale of repossessed properties.

The goals for 2021 are to maintain the leading position in the market through the customer-centric approach and to create value through the introduction of new standards in customer service.

BUSINESS FACTORING – PIRAEUS FACTORING

Piraeus Factoring, a subsidiary of the Piraeus Group, with a 20-year presence in Factoring, provides factoring services both in the domestic market and in the international market. Piraeus Factoring, a member of Factors Chain International (FCI), which numbers approximately 400 members from 90 countries, has received numerous awards from FCI for its excellent quality of service. It ranked fourth Export Factor in the world in 2019, as announced at the FCI 51st Annual Meeting. Piraeus Factoring is also a founding and active member of the Hellenic Factors Association (HFA), with representation on both the BoD and its individual Committees.

2020 was a year of growth for Piraeus Factoring in terms of both turnover (total assigned receivables) and financial balances, which were up 10% yoy and 11% yoy respectively. Profitability remained at satisfactory levels with a low NPE ratio over time.

In 2020 major events included the expansion of the customer base, the synergies with the Bank's Segments, and the maintenance of the high quality of the loan portfolio.

Piraeus Factoring supports financially healthy and dynamic companies to boost their turnover, doing business in Greece and abroad. It provides

financing, management services and credit risk insurance coverage.

Piraeus Factoring's goal for 2021 is to increase its market share through credit expansion, providing support and growth to its existing customers and developing a new healthy portfolio. The company focuses on providing high-quality customer service, capitalising on its skilled professionals and its automated processes.

INVESTMENT BANKING

Piraeus Bank provides financial advisory services on mergers and acquisitions and offers consulting and underwriting services on the entire spectrum of Capital Market products.

In 2020 the Bank successfully participated in major privatisations, M&As, and underwriting projects, etc.

In 2020 in its capacity as financial advisor to the Hellenic Republic Asset Development Fund (HRADF), Piraeus Bank advised on some of the most important privatisation projects, such as the privatisation of DEPA Infrastructure SA and DEPA Trade SA (Public Gas Corporation) and the development of the Golf property – North Afantou in Rhodes. Piraeus Bank also advised an investment grouping on the HRADF tender for the Egnatia Odos concession contract.

In the private sector, Piraeus Bank was one of the market leaders in underwriting/placements, acting as Coordinator/Underwriter and Bookrunner in the public offers for the issue of common bond loans and the admission of the bonds of Greek companies for trading on the Athens Exchange (ATHEX) (GEK Terna SA, Lamda Development SA and OPAP SA), holding the largest share in bond offerings to investors. Piraeus Bank also acted as Joint Lead Manager and Arranger in the ABS issuance of AVIS, which was fully covered by international institutional investors. Piraeus Bank also acted as advisor to Issuer Trastor REIC on its share capital increase. It also advised Bitros Steel SA on the spin-off of its steel products trading segment and its absorption by SIDMA SA.

With regard to Public Offerings on the Athens Exchange (ATHEX), the Bank provided financial advisory services to Andromeda Seafood Sociedad Limitada on its public takeover bid to the shareholders of Perseus SA, to Ancostar Hellas Holdings SA on its public takeover bid to the shareholders of Newsphone Hellas SA AUDIOTEX, and to Newco United Group Hellas SARL on its public takeover bid to the shareholders of FORTHNET SA. Piraeus Bank also provided financial advisory services to the BoD of "Nireus Aquaculture SA" and to the BoD of "Selonda Aquaculture SA".

BROKERAGE ACTIVITIES – PIRAEUS SECURITIES SA

In 2020 Piraeus Securities SA (Piraeus Sec) continued playing an important role in the capital market developments, ranking first in terms of trading value in the ATHEX for the second consecutive year, with a market share of 18.85%. The company consolidated its position in the whole range of brokerage services, including trading in equities (ATHEX and international stock exchanges), in fixed-income securities, in derivatives, and research and analysis recommendations.

Piraeus Sec main activities include mediation for the purchase of Greek and foreign shares and derivatives, mediation for the purchase of government and corporate bonds, provision of credit for margin accounts, and processing stock market transactions. Through its new online trading platform, Piraeus Sec offers fast and secure online transactions for private investors in Greece and abroad.

Piraeus Sec has long-standing partnerships with foreign institutional investors, having responded successfully to their demands. The insightful analysis and recommendations, the speed and accuracy in performing demanding stock exchange transactions have made Piraeus Sec the first choice for most international investment banks active in the Greek Stock Exchange.

The company's Analysis division is considered one of the best in the Greek market and has received several awards from international organisations for the quality of its products.

Piraeus Securities was the first brokerage firm in Greece to trade in derivatives and is one of the founding members of the ATHEX Derivatives Market (ADM). The derivatives division is the leader in all the products it trades.

The Market Making division is one of the two most active in the Greek market, as it provides liquidity to 23 shares and 26 derivatives listed on the ATHEX, and the list of companies entering into Market-Making/Liquidity Provisioning Agreements with Piraeus Sec is constantly growing.

The International Markets division significantly strengthened its presence by providing specialised investment services that cover the needs of investors on an international scale. The company offers its customers access to over 40 stock exchanges worldwide, as well as more than 20 international online trading platforms.

In 2020 turnover for Piraeus Sec amounted to €14.9 million, with pre-tax profits of €1.3 million. Total assets amounted to €139.4 million, with shareholders' equity of €60.2 million.

ETVA VIPE – ETVA INDUSTRIAL & BUSINESS PARKS SA

ETVA Industrial & Business Parks SA (ETVA VIPE) is Greece's market leader in managing Industrial Areas and Business Parks. Piraeus Bank is the majority shareholder (65%), with Hellenic Corporation of Assets and Participations SA (HCAP) holding a 35% stake in the company. ETVA VIPE has 27 industrial areas and business parks all over the country, and manages 25 of them, continuously streamlining their operating costs. More than 2,200 businesses with total annual turnover of approximately €9 bn operate on its premises, employing more than 30,000 people. ETVA VIPE provides integrated facility services to companies operating on its premises, it offers construction project management services, and energy-related services, through the construction and operation of PV stations and RES projects. Finally, it also conducts financial and technical feasibility studies for investment plans in the business parks.

2020 was a year of significant changes as the pandemic and the new strain of coronavirus (2019-nCoV) hit the productive sectors of the Greek economy. ETVA VIPE supported the interrupted operation of processing plants and other front-line industries in its areas. At the same time preventive measures to contain the spread of the virus were taken in its offices, applying best practices (alternating staff with similar roles between floors, spatial planning, implementation of teleworking and work facilitation measures). Despite the objective difficulties for Greek society as a whole, ETVA VIPE stood by the businesses in the industrial areas.

2020 was a milestone year for ETVA VIPE; its Strategic Plan was developed in 2020 and is expected to be finalised in 2021. The Strategic Plan stressed important issues for the future of Industrial and Business Parks in general, but at the same time highlighted its new prospects and underlined its vision for the future.

In this context, the operation of the company was strengthened with simplified organisational structures and a comprehensive plan for its staff. It made use of its experienced and trained human resources to create added value and a strong identity for all stakeholders. ETVA VIPE remains committed to Industrial Development, makes the best use of the industrial land it manages and designs projects with an environmental and business character.

Mission and Vision

The efficient management and use of industrial areas, the development of modern and environmentally sustainable business parks, and the provision of both traditional and innovative services remain top priorities, with the following targets:

- Build a profitable and sustainable organisation in accordance with Piraeus Bank Group and HCAP standards.
- Provide support to established businesses, realising business synergies and facilitating intelligent networking.
- Create opportunities for attracting new ventures, for the benefit of both the local and regional development of the country.
- Play a crucial role in the country's economic growth and industrial development, in particular the development of business parks and related initiatives, and on matters of applied, environmental technologies at national and international level.

In 2020 ETVA VIPE actively participated in the legislative initiatives organised by the General Secretariat for Industry of the Ministry of Development and Investments. It submitted its proposals, both for creating a standard operating procedure (SOP) for Parks and for the Law Drafting Committee, to succeed in updating their basic framework law (Greek Law 3982/2011). ETVA VIPE has more than 50 years of experience in organising and developing parks and is well placed to develop not only legislative interventions but also comprehensive proposals for improving the institution of organised entrepreneurship.

An important tool for the development of ownership - constitution of the surface right- which has been instituted on the initiative of ETVA VIPE was developed for parks. It is a new commercial model, which keeps up with the fast-paced technological and market developments.

The development programme of ETVA VIPE for the next period includes the following projects:

New Industrial Zones

One of the priorities of ETVA VIPE is zoning industrial areas in key economic nodes, such as the Metropolitan Centres of Attica and Thessaloniki and in neighbouring areas (e.g. Corinth with the development of an Industrial Area). In addition, the development of other locations in productive prefectures is an opportunity for stimulating regional GDP, with a potential expansion of the Industrial Areas of Patras and Heraklion. Over the next period, the expansion of the Thessaloniki Industrial Area is important, as it is the country's largest Industrial Area, with an area of 9,500 acres, and is fully saturated. However, its ideal location

makes it a pivotal project, especially if combined with logistics projects. The Metropolitan Area of Thessaloniki can be a centre for entrepreneurship with integrated planning and sustainable character.

Thriasio Logistics Centre and the prospect of expansion (Thriasio II)

The 588 acres plot – Trade Logistics Centre (Thriasio I)– is being developed by a subsidiary of ETVA VIPE. The project is close to being approved by the European Commission's Directorate General for Competition (DG Comp).

ETVA VIPE has gone one step further, planning the development of the adjacent 1,450-acre plot, within the Thriasio Pedio freight complex, for the development of a freight railway station and marshalling yard, for the purchase and installation of equipment for intermodal and other forms of freight transfer and loading (Thriasio II). With this addition, the company intends to create a comprehensive transit node in Southeast Europe, with the prospect of becoming an international transit hub.

Oinofyta Rehabilitation Business Park

The project, with a total budget of €84 million, is organised by the Informal Industrial Concentrations (IICs) at Oinofyta, Viotia, as a Rehabilitation Business Park, pursuant to Greek Law 3982/2011. The return on investment focuses on the prospect of creating a land reserve, applying the rules for the development of Business Parks, with infrastructure and grid street plans. A Letter of Intent was signed on 24/4/2017 with the main stakeholders and was a key milestone in its implementation. Following the amendment of Greek Law 3982/2011 in 2019, the conditions were introduced for establishing a Business Park Development Company (EANEP). The first phase of the Business Plan was completed in 2020 and the preliminary designs for the Park Development application process were awarded to certified consultants and designers.

Agrologistics with cold storage

Capitalising on its experience with the Thriasio Logistics Centre, ETVA VIPE is planning the development of cold-storage facilities in the Thessaloniki Industrial Park, in an area of 50 acres. Using Preliminary Studies as a guide for the location and operation of Agro-Logistics Parks, ETVA VIPE confirmed the lack of a market for warehouses and identified the increase in sales of agricultural products. The project focuses on the creation of a model agro-storage unit at a key location (VIPET), to play an active role in the market, covering at least approximately 10-15% of the market.

Energy Investments (RES - PV)

The 4.99 MWp solar farm installation at the “Mesokomo Farm” location of Municipality of Lagadas, Thessaloniki has been operating at full capacity since November 2018, with an estimated annual revenue of €600 thousand for ETVA VIPE. The return on investment lies in the fact that it generates a fixed income for ETVA VIPE through the sale of the generated energy.

The supply of electricity and the energy market in general is a promising field of services provided and of energy conservation.

Kozani Business Park

The licence for the development of the Kozani Business Park is pending approval, in the context of Law 3982/2011. The 680-acre Business Park will yield approximately 400 acres to the industrial land reserve, with a required investment of €0.5 million. The Park is expected to offer a different growth model for the Western Macedonia Region in the post-Lignite era, supporting economically sustainable activities and creating new jobs. The final licence is expected in 2021.

Agricultural Business Park in Pella

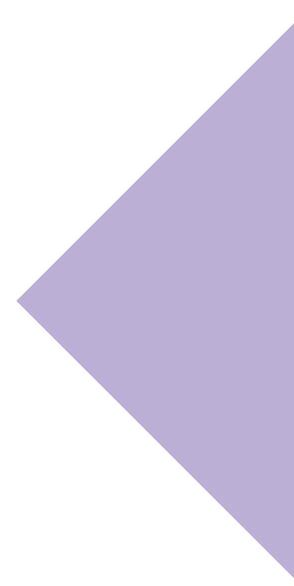
The licence for the development of the Agricultural Business Park in Pella is pending approval from the Department of Business Parks Licensing of the Ministry of Economy and Development. The Park aims to support the rural entrepreneurship of the wider region and to attract related investments. The first phase of the Park's development will yield 400 acres of business land. The budget for the first phase amounts to €6.2 million. The final licence is expected in 2021.

Development of innovation - strengthening extroversion in start-ups

ETVA VIPE will carry out a project to record and analyse the Industry 4.0 technologies and trends through the circular economy in the field of industrial management as well as their potential benefits. The project is expected to highlight the advantages in the interconnection between entrepreneurial ecosystems and young ventures with an organisation in the field of industrial management such as ETVA VIPE.

Financing from the Recovery and Resilience Facility

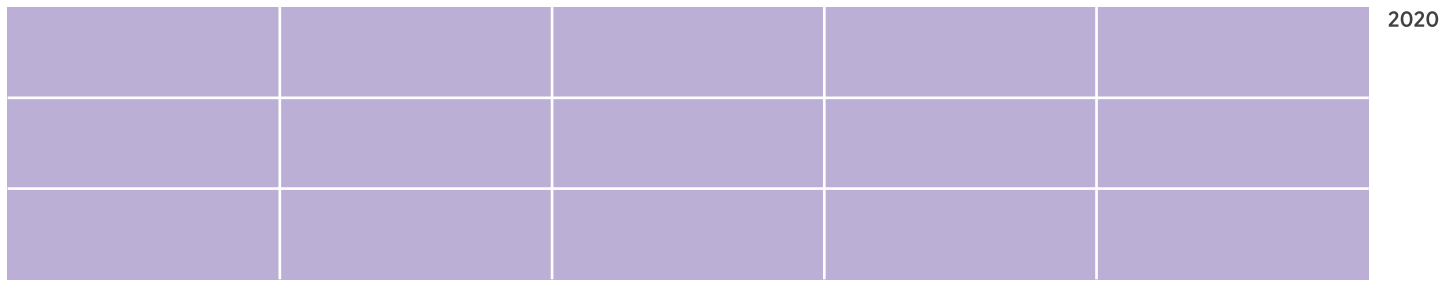
The Recovery and Resilience Facility is the key instrument at the heart of Next Generation EU funding to help the EU emerge stronger and more resilient from the current crisis. ETVA VIPE is entitled to receive financing in loans and grants like other Organised Business Hosts. ETVA VIPE also seeks up to €300 million from the Just Transition Fund (JTF) for the creation of projects utilising the infrastructure and redefining the organised areas. The process will take place after the public consultation launched on the Action Plan is completed. In both cases the goal is to provide incentives for private investment to improve the business environment, to reduce predicaments in the business community, to join the 4th Industrial Revolution and to transition to a cyclical economy and green energy production.



CUSTOMERS IN GREECE (MN)

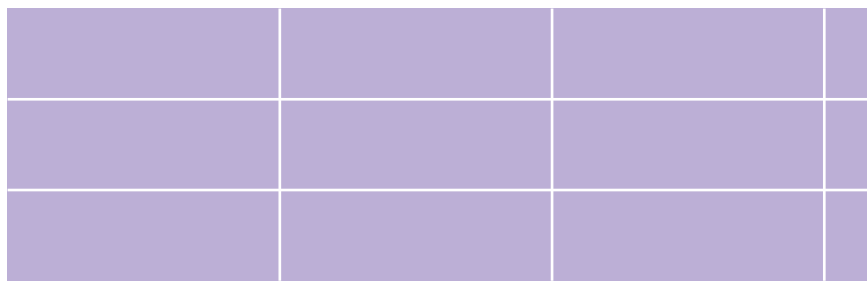


NEW LOAN PRODUCTION (€ BN)



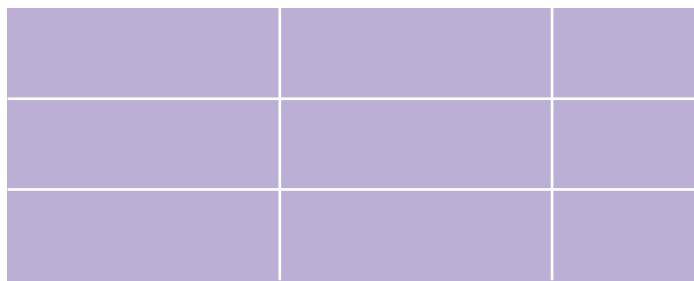
6.3

2020



4.0

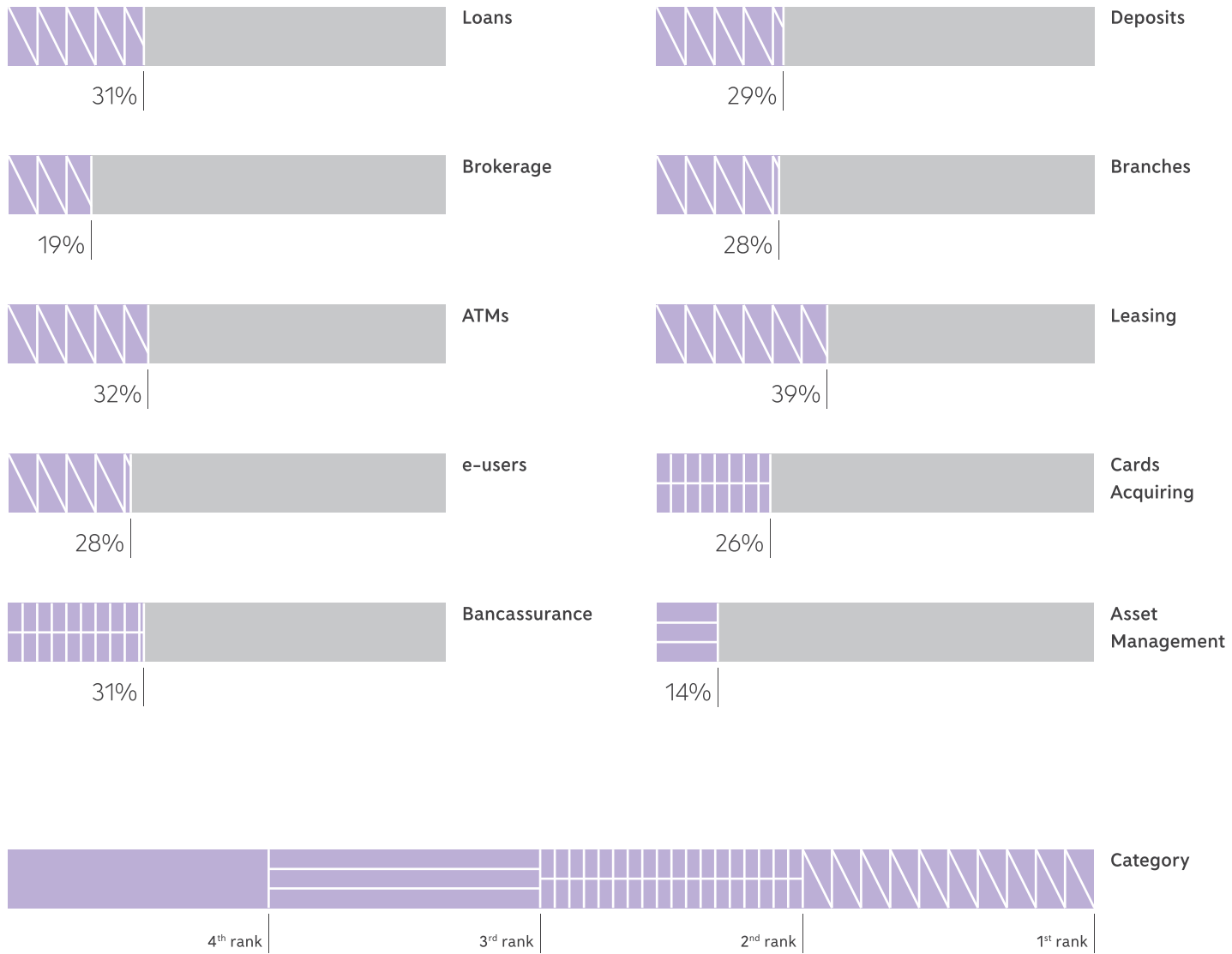
2019



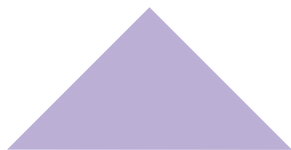
3.2

2018

RANKING OF PIRAEUS BANK BASED ON MARKET SHARE ON 31.12.2020



Note: The ranking relates to Piraeus Bank's position vs the other 3 largest Greek banks.



PIRAEUS FINANCIAL MARKETS BUSINESS ACTIVITY

Piraeus Financial Markets (PFM) is responsible for the efficient management of liquidity, with a view to optimise funding of the Group's operations, ensuring access to international financial markets, managing FOREX positions and risks, interest rate and fixed income markets. PFM also serves institutional investors, such as insurance companies and brokerage firms. In addition, PFM develops and promotes investment products and offers asset management tools through Mutual Funds and discretionary portfolio management.

BUSINESS DEVELOPMENTS

In addition to the significant contribution of the PFM to the Bank's gross results, mainly due to the bond activity and the continued reduction of financing costs, the LCR liquidity index improved pointedly to levels above 170% mainly due to the significant increase in deposits and the ease in the ECB's conditions for the use of credit claims as collateral, as part of its monetary policy.

The Bank's regulatory capital strengthened due to the issuance of a €500 million Tier 2 bond in February. Demand for the issue was strong [300+ investors].

A record low was recorded in the cost of time deposits, converging further with the European average, thus contributing to the further reduction of the Banks total cost of financing.

In its capacity as Primary Dealer in the Greek Government Bond (GGBs) market, the Bank continued acting as a market maker, making on a daily basis binding bids and offers for all GGBs and T-Bills [Electronic Secondary Securities Market (HDAT), Bloomberg, etc.], providing liquidity to the GGBs Spot & Repo market, and promoting GGBs to domestic and international investors. Once again Piraeus Bank ranked first Primary Dealer in the assessment carried out by the BoG on 21 Greek and International Financial Institutions.

Once again PFM provided all the Bank's customers with access to the international money and capital markets, offering, inter alia, Asset Liability Management (ALM) and hedging, at a competitive price.

Focusing on the customer, in 2020 PFM adopted successfully a unified approach to promote investment products and services. These efforts culminated in the significant increase in Revenue from FOREX and Mutual Funds.

ACHIEVING SYNERGIES

PFM business activity is inextricably linked to achieving synergies which have led to improved services, increased customer protection and process automation, with emphasis on cost reduction and increased transparency of transactions. Towards this direction, the necessary infrastructure has been further improved which, on the one hand, improves the "Customer Experience" in the new digital age, and on the other hand, facilitates the transition to an investment management environment, as a key lever for promoting Investment Products in a structured environment.

A coordinated effort is underway to promote client portfolio management services, including, inter alia, mutual funds of Piraeus Asset Management MFMC, innovative investment products and solutions, executive training, and mechanisms for continuous support and monitoring. Indicatively, Piraeus Asset Management MFMC increased the funds under management to €2 billion [Historical high], of which €1.2 billion concerns Customer funds invested in Mutual Funds, achieving attractive returns, in excess of benchmark indices.

Similar efforts are made across the entire range of investment products, such as Gold Products (Creation of the gold centre in Thessaloniki, the third in a row in the territory) and Foreign Exchange (Update of FX Forwards Contract Documents and upgrade of Infrastructure for trading and monitoring of FX Forwards for Institutional Investors & SMEs).

The successful management of the demanding challenges posed by Covid-19 is noteworthy. Health and safety of employees and the uninterrupted operations remained PFM's top priority. Existing structures, processes and infrastructure were set in motion without disrupting business continuity.

In the context of optimising internal processes, several projects were carried out using current technology and existing mechanisms at no additional cost and utilising, almost exclusively, the Bank's internal resources. In line with the requirements and the changes of the Regulatory Framework, projects were implemented, mainly regarding compliance with MiFID II, which allowed the automation and transparency of transactions, improving the quality of their execution, while reducing operational risks.

ACTION PLAN FOR THE IMPLEMENTATION OF THE PRINCIPLES FOR RESPONSIBLE BANKING

ESG Initiatives The medium-long-term objectives of the PFM include integrating ESG into the Bank's future issuances (Green, Social Bonds, etc.) with different requirements per bond type/rating. The Bank has

already issued Covered Bonds with the participation of supranational organisations, with proceeds channelled exclusively for financing SMEs in Greece, totalling €700 million.

TÜV Hellas renewed the ISO 9001:2015 Quality Management System certification for Piraeus Bank's screening models for stocks, bonds, mutual funds, and benchmark investment portfolios, demonstrating the Bank's commitment to quality service and customer satisfaction.

Piraeus Asset Management MFMC was one of the first investment companies to incorporate ESG Criteria in its investment process. It first addressed ESG issues in 2015, while since 2019 it is a member of the Principles for Responsible Investing (PRI)¹², having integrated the ESG in its Investment Policies for securities. In 2021 the company aims to use EU Taxonomy to assess and classify its investments and to align its processes with the EU's Sustainability Financial Disclosure Regulation (SFDR).

The Mutual Funds managed by Piraeus Asset Management MFMC include the Piraeus Balanced ESG Responsible Investing Fund of Funds which places its assets in Undertakings for the Collective Investment in Transferable Securities (UCITS) or other collective investment undertakings. It is the first in the Greek market to include its ESG criteria in the investment proposal (Feb-2017). With assets now in excess of €90 million, it has increased almost 20 times since its inception [~ 4,500 UCITS] and is by far the largest ESG Mutual Fund in the Greek market. It has a three-star MorningStar rating.

The company has another ESG Fund, currently amounting to €21 million, for the customers of Piraeus Bank' Private Banking, "Piraeus Private Banking World Sustainability Balanced Fund". The Fund invests in selected shares and bonds of large companies and MidCaps in the United States and the European Union (including Greece), on the basis of the adoption and implementation of the ESG Criteria.

As a result, every year Piraeus Asset Management MFMC organises workshops on "Asset Management for Pension Funds", providing an analysis of the investment environment, responsible investments, and the trends in the professional portfolio management strategies.

FINANCIAL LITERACY

At PFM it is an end in itself to transfer knowledge and experience in

our area of expertise both to our partners within the Bank and to our customers. Our goal is to make others understand PFM products and understand economic concepts.

This is achieved through several activities:

Every day the PFM unit sends several Communication Updates, in the form of reports, forms, e-mails, etc.; PFM Communication, the internal communication for Piraeus Group, and Market Alert, sent out to institutional and corporate customers, contain important news related to the markets and factors that may affect the markets. Our customers [corporate and institutional] receive daily & weekly updates [Markets at a Glance, Daily Global Market Overview, Greece Weekly Overview, ECB & FED Watch].

Equally important is the quarterly publication of the investment strategy. Although similar publications are widely circulated worldwide, Piraeus Bank's investment strategy is the only publication in the Greek language, thus accessible to all our customers.

Standard telephone updates with many participants. For the last 5 years, weekly teleconferences have been held with the participation of #100 internal partners. The aim is to inform and align with deposits and current developments in the Markets.

The main priorities include training colleagues from collaborating Bank units on PFM products and services and on how to promote them effectively. For this reason, the PFM School was created, which consists of e-learning and on-site training programmes.

Finally, events/presentations where information is given to customers, CFOs and Business executives, regarding products and services and information on the latest developments in the Bank. Ad-hoc updates/presentations regarding the presentation of a specific Treasury product, according to the customer's requirement, as well as presentation of alternative personalised proposals to Corporate and Institutional customers.

WORKING PRACTICES

At PFM, the workplace combines high-end infrastructure and technology, with emphasis on security and quality. The existing infrastructure complies with modern international standards and is similar to that used in Dealing Rooms, making users more precise and productive.

¹² The PRI Initiative was launched in 2006 with the support of the United Nations and the UNEP FI, to understand the impact of Environmental, Social and Governance Criteria (ESG) on investments and calling for companies to incorporate them in decision-making.

The “Free-Seating” arrangement allows employees to log in at any free workstation, taking their individual, familiar working environment with them, regardless of where they sit, as the personal computers are situated centrally in the building. In addition to the obvious business advantage of this flexibility, this system architecture greatly simplifies central management of systems, without interruptions to ongoing operations, ensuring a comfortable office climate thanks to lower heat, contributing to contingency planning and business continuity. The layout facilitates communication and promotes teamwork. The whole layout follows the “Open Space” philosophy with similar workstations. Thus, a large clutter-free space was created which is governed by a sense of continuity.

PFM business activity creates the need for continuous learning, providing employees with the opportunity to improve management skills to deal with complex situations. The need to invest in PFM human resources has been a primary goal from the beginning. Based on the scope of work [Trading, Management, Financial Product Sales, Analysis], PFM has adopted practices aimed at improving the professional skills and competencies required to address current and future business needs.

In addition to the distinct structure and roles and responsibilities of PFM units, sub-committees have been set up to evaluate all PFM activities and assist in the smooth running and management of the sector and promote cooperation and exchange of views. Recognising the importance of communication and cooperation, an internal information system, PFM Portal [VOICE], has been operating since 2015, to which all employees of the sector and selective executives from Bank units have access. PFM Portal has daily and regular information on markets, products and services, practices and regulations, internal processes of the sector, organisation structure, facilities, employees. Important topics are posted on a daily basis for information regarding the activities of the segment.

NPE MANAGEMENT & PARTICIPATIONS UNIT

Managing the Bank's non-performing exposures (NPEs) remains one of the key pillars of the Bank's strategy. In this context, in 2019 Piraeus Bank entered into a strategic partnership with Intrum Hellas, a Receivables Servicer, for servicing the Bank's NPEs.

NPE Management & Participations Unit was set up in October 2019 with the full and overall responsibility of the Bank's exposures which are managed by Receivables Servicer and DoValue (SOLAR portfolio). The Unit is charged with defining the NPE reduction plan and monitor-

ing its execution, as well as monitoring the financial result (P&L) of the loans under management (securitized or not). In 2020, two additional teams joined the unit. Group Participations is charged with managing the Bank's equity positions, as they arise through the management of NPEs, as well as the overall management of the Group's corporate holdings portfolio. Portfolio Sales & Structuring is charged with managing the NPE portfolio sales or other restructuring solutions from the beginning of the respective agreement until completion.

The Unit consists of six (6) pillars with, inter alia, the following basic responsibilities:

PORTFOLIO SALES & STRUCTURING



- Balance sheet review to identify value creation opportunities through portfolio sales or alternative restructuring.
- Prepares vendor sales packs. Supports the selection process of external advisors.
- Identification of selected buyers and mediation between the parties during the due diligence process, facilitating all other external parties involved in a possible transaction (e.g. consultants, rating agencies, regulators).
- Structures the negotiation and agreement with potential investors, including the final legal documentation of the transaction.

NPE STRATEGY, PLANNING & MONITORING

- Annual budget for NPE portfolio reduction in collaboration with Receivables Servicer and the Units of the Bank involved in monitoring the NPE portfolio, and regular monitoring of the effectiveness of NPE management and individual KPIs.
- Determines the perimeter of portfolios for sale.
- Prepares information for the Executive Committees of the Bank, supervisory authorities (HFSF, SSM, JST), external advisors and the Bank's external auditors.

- Co-manages the Billing Engine for calculating the Servicing Fee to the Receivables Servicers.
- Coordinates the Units for transferring loans between Core Banking and the perimeter of Receivables Servicer.
- Cost Budgeting and Monitoring.

WHOLESALE PORTFOLIO MANAGEMENT

- Responsibility for the perimeter portfolio of Servicers (Intrum & DoValue) for Wholesale borrowers.
- Monitors and coordinates the implementation of an audit framework, to ensure the compliance of the Receivables Servicer with the current policies of the Group and the supervisory requirements.
- Monitors the effectiveness of NPE Portfolio management by Servicers.
- Voting right in Bank Approval Committees (A, B, C above) and in the interbank Committees, Interbank Credit/Operations Committee (Solar Portfolio) and Out-of-Court Workout (O.C.W.).
- Participates in Bank Approval Committees, representing the Receivables Servicer with whom it cooperates in setting the customer management methodology and in the interbank Committees.
- Introduce/Escalate issues to the Governance Committee and monitor their resolution based on its instructions.
- Monitors approvals of discounts on the invoice for Customers within the Perimeter.
- Signs binding letters and complex contracts such as Resolution Agreements in accordance with Art. 106 of the Bankruptcy Law, Shareholder Agreements, Term Sheets etc.
- Attends and participates in out-of-court and in-court pre-insolvency procedures, when required.

RETAIL, SB & AGRI PORTFOLIO MANAGEMENT

- Manages the Retail, SB & Agri Recovery & Workout portfolio, monitors the volumes and develops the management strategy, in cooperation with the competent Bank Units (Group Risk Management, Group Legal, Group Credit, Group Compliance). First line of defence for the Bank in the overall management of this portfolio.
- Portfolio management according to the Bank's strategy and the specific directions (NPE Plan, Modification Loss Budget, Denouncement budget, KPIs, etc.)
- Participates in Bank Approval Committee A for borrower requests for the specific portfolio and outside the scope of the Receivables Servicer.
- Participates in the determined quarterly Impairment Process.
- Design, develops and updates existing or new products, depending on the needs that are formed, either at the initiative of the Unit or upon the recommendation of the Receivables Servicer.
- Participates in ad hoc projects related to securitisation of NPL portfolios. Supports work related to these projects and cooperates with responsible consultants (internal or external partners), controls and updates data in the systems, etc.

NPE GOVERNANCE & OPERATIONS

- Liaison between Piraeus Bank and Receivables Servicer:
 - Interaction between Receivables Servicer and the Bank (dispute resolution, handbook updates, customer history), manage proposed changes from the Receivables Servicer.
 - Information on the proposed organisational changes of the Receivable Servicer and comments in the context of the SLAs.
- Registers IT Requests submitted by the Receivables



Servicer, to be evaluated by the Bank's mechanisms on whether they should be implemented.

- Coordinates the contractual relationship.
- Coordinates actions on Data Quality issues that arise from the implementation of the Bank's Data Governance Framework.
- Supports, mediates, and monitors the introduction of corrective actions resulting from the audit findings (Internal Audit, Credit Control, and Compliance).

GROUP PARTICIPATIONS

- Active management of the Group's participations (such as acquisitions, sales, portfolio transfers, etc.).
- Assigns work to Consultants, evaluates Due Diligence reports, VDR recommendation, negotiates with the contracting parties, designs and records business terms and commitments in contractual documents. Implements the planned, and/or the restructuring of existing Group business activities.
- Evaluates and processes proposals, submits recommendations to ExCo and monitors the implementation of projects, related to corporate operations, such as: capital restructurings, mergers and other corporate transformations, in order to improve the performance of Group participants. Investigates and measures their impact on the Bank's and the Group's financials.
- Represents the Bank in the supreme decision-making body of the companies, the General Meeting, either directly or in cooperation with other Units, defending the interests of the Group.
- Carries out valuations and impairment testing (IAS 36 Impairment of Assets) on Participations, i.e. Subsidiaries, Affiliates and FVTP&L and FVTOCI participations.

The Supervisory and NPL Management Council, responsible, inter alia, for

the strategic management of NPLs, cooperates with Group Risk Management to mutually understand and develop the appropriate methodology for assessing the risk of the Receivables Servicer portfolio.

The Group's Risk Management Committee is informed, at least on a monthly basis, about the progress of the Receivables Servicer's portfolio. The Risk Management Committee monitors the evolution of key NPL metrics per portfolio, both independently and as part of the Bank's commitments to SSM and HFSF, and consequently monitors the effectiveness of the cooperation with Intrum Hellas.

STRATEGIC PARTNERSHIP WITH INTRUM

The new servicer company, 80% owned by Intrum and 20% owned by Piraeus Bank, services Piraeus Bank's existing NPEs and real estate portfolio (REO) along with any new inflows, on an exclusive basis. The new servicer company also manages NPEs and REO of third parties.

The transaction's main benefits for Piraeus Bank include:

- Enhancement of Piraeus' NPE recovery prospects, facilitating the achievement of the Bank's NPE reduction targets.
- Leveraging the Bank's internal NPE servicing platform, with Intrum's best-in-class practices and extensive servicing experience in multiple European jurisdictions.

2020 was the first year of full cooperation with Intrum Hellas, with an increasing number of challenges in the smooth transition of the operating model and the achievement of business objectives, which were heightened because of the pandemic. The ability to quickly adapt the operating model and individual objectives enhanced the value of this strategic partnership, further contributing to the Bank's results.

INTERNATIONAL BUSINESS UNIT (IBU)

The International Business unit serves more than 4,500 foreign legal entities whose operations require a high level of due diligence, strict and continuous supervision and thorough audit, and evaluation and verification of all transactions. As part of the Group Strategy in 2019 the Unit's strategy evolved from a managerial to a customer-centric one. In terms of the Organisation structure there are two distinct operational

pillars, Development Sector and Support Sector (Back Office is included in Development).

The Development Sector is responsible for attracting foreign legal entities, evaluating requests for cooperation with the Piraeus Group, evaluating transactional behaviour and financial data, verifying data of Beneficial Owners and KYC (Know Your Customer) of customers, suggesting cooperation and offer of Bank products and services as well as for the annual evaluation of very high-risk customers.

The Support Sector implements and supports all the management work and services, issues LGs with counter-guarantees from foreign Banks, implements the Bank's contractual obligations with the troubled asset portfolio management companies (Amoeba, APS, etc.). In addition to the above, the Support Sector manages all alerts and Compliance tasks of I.B.U. customers.

In 2020 the Unit aimed to continue providing high-quality services and products to foreign legal entities. It continued providing smooth and uninterrupted service at a distance, regardless of the special conditions that prevailed in 2020, cross-selling Piraeus Group products and services.

In 2020 there was a significant increase in commission revenues (+52.65%) and operating revenues (+38.97%). There were more than 240 thousand incoming and outgoing remittances, amounting to more than €1.4 billion, and deposits amounted to €0.4 billion at the end of 2020.

The image of the I.B.U. for 2020, reflects the Bank's overall effort and is considered satisfactory, with an increase in business, an increase in commissions and revenues, positive results, creating a strong basis for further development of this customer segment.

REAL ESTATE OPERATIONS

PICAR SA

PICAR SA manages the commercial property of the 65,000 sq.m. City Link complex – owned by the Military Pension Fund – until 2027, with a possibility to extend until 2052. The City Link complex covers the building block between Stadiou, Voukourestiou, Panepistimiou and Amerikis streets in the centre of Athens.

City Link tenants are among the most trustworthy and well-known Greek and international companies, adding prestige to the complex and the company. In addition to the headquarters of Piraeus Bank (9,343 sq.m.), the Attica Department Store (31,241 sq.m.), the theatres “Pallas”, “Alikí” and “Mikro Pallas” (8,224 sq.m.), the Health Club Spa

Holmes Place Athens (3,057 sq.m.). On the ground floor and inside the Spyromilliou Arcade one finds the luxurious dining areas Athénée, Clemente, Pasaji, Ilios and Salon de Bricolage. The City Link complex is also surrounded by shops of the best-known international and domestic designers, Hermes, Cartier, Salvatore Ferragamo, Philipp Plein, Brooks Brothers, Replay, Kalogirou, Underarmour and Links of London.

In 2020 the company faced the effects of the Covid-19 pandemic by safeguarding the health and safety of its customers and employees. Pumps with liquid antiseptic and protective means were installed and the premises were periodically disinfected. Additionally, plexiglas dividers were placed in public contact areas and all public areas were marked with instructions for safe stay.

As part of the plan to develop sustainable development strategy for the “City Link” complex, PICAR and Piraeus Bank launched a complete set of actions and initiatives, applying the SDGs and received a Sustainability Certificate from the German Sustainable Building Council (Deutsche Gesellschaft für Nachhaltiges Bauen - DGNB eV).

The required actions included carrying out audits of the current state of the City Link complex in terms of sustainability, drafting the necessary standards and required documents, as well as modifying and optimising operating procedures in order to harmonise them with the requirements of the sustainability model.

In the City Link complex, a closed-circuit CCTV was installed, in accordance with the terms of protection of personal data that apply to customers during the passage and stay in the common areas.

In 2020 Picar's annual revenues from fixed and variable rents (due to turnover), as well as from re-pricing of electricity-water supply expenses amounted to €11.9 million. Most of the rent income (€8.0 million) came from Attica Department Store and Piraeus Bank. Based on the provisional financial statements to be audited by the Chartered Auditors-Accountants, total Assets amounted to €139.7 million, including the fair value of real estate investments. Equity amounted to €28.7 million and Pre-Tax Losses for 2020 amounted to €15.9 million, mainly due to the valuation of the fair value of City Link complex.

In general, in 2020 the pandemic hit the shops, restaurants and theatres operating in the City Link complex, as their operations were suspended for many months throughout the year and a significant loss of operating income. Especially the dining areas remain closed for the entire duration of the health crisis. Businesses and employees were supported through government compensation and measures taken to maintain the operation of businesses. The support measures also concern

reductions in the rents paid which constitute the company's income. The pandemic followed an existing negative economic situation, and its consequences will last into 2021, making it difficult for businesses and shops to survive.

Picar is also moving in the same logic. Following the successful legal restructuring of its basic operating expenses arising from the existing Building Concession Agreement from the Army Share Fund, in order to ensure its viability in the coming years, Picar will proceed proportionally to reduce the rents of companies and shops operating in the City Link complex. The beginning was made with reductions in rent from Piraeus Bank as well as from tenants whose income and operation showed a proven significant contraction. The rental restructurings will be extended to all tenants and are considered particularly important both for the course of the Picar company and for the operation and viability of the employees of the City Link complex. In the past tenants had called for market rents in line with the current economic situation and this request had been addressed in recent years. The City Link premises were fully utilised but in 2020 they were severely hit by the financial consequences of the pandemic. There is a significant need for business support which Picar aims to provide as the company managing the City Link.

The goal for 2021 is to maintain the support measures for the viability of the companies operating in the City Link complex and the gradual transition to business as usual by the year-end. We look forward to a full restoration of operation in the second half of the year, following the universal vaccination of the population and the lifting of restrictive measures that will allow free movement of citizens as well as the arrival of tourists. Picar will take advantage of the positive climate that is expected after the end of the health crisis with events and activities that will be undertaken and will culminate at the end of the year during the festive Christmas period.

Improving the use of City Link premises is under continuous monitoring and a possible site review is an important part of the company's strategy for the immediate future.

PIRAEUS REAL ESTATE SA

Piraeus Real Estate SA provides customers with comprehensive agency and consulting services and is the Group's key player in the real estate sector, heading several subsidiaries in Greece.

The company's full range of real estate services include property planning, development, and management. Its scope includes property appraisals, property sale-and-leaseback programmes, project manage-

ment and monitoring, project and facility management, and investment advisory service.

In 2020 the company addressed the impact of the Covid-19 pandemic effectively triggering business continuity policies and processes. The staff worked remotely – teleworking – throughout the period, using equipment, applications and instructions provided by the company and the Group, minimising attendance at the workplace. All the preventive measures to promote the health and safety of employees were taken in the offices at 5, Korai St. personal protective equipment (PPE) was distributed to the staff (e.g., liquid antiseptics, masks) and periodic disinfection of the premises was carried out. Additionally, Plexiglas dividers were placed in public contact areas and all public areas were marked with instructions for safe work.

In 2020, the company's total revenues amounted to €10.64 million from operations and €0.19 million from other income. Out of the total €10.64 million approximately 53% derived from property appraisals, 34% from sales management and due diligence (legal-notarial-technical) of the real estate portfolio to be used by the Bank and the Group's subsidiaries, with the remaining revenue deriving from facility management services (“City Link” Shopping Centre in Athens and “Limani” Shopping Centre in Thessaloniki), project management services for subsidiaries, and other advisory income. Based on the provisional financial statements to be audited by the Chartered Auditors-Accountants, total Assets amounted to €19.3 million. Equity amounted to €15.8 million and Profit before Tax for 2020 amounted to €2.5 million.

The company has carried out significant actions to improve property management services. The innovative property auction website Properties4sale for promoting REOs for sale, and the multiple channels (estate agents, sale through auctions, branch network) resulted in the targeted disposal of Group REOs. In addition, the corporate site www.pbre.gr was developed for posting REOs for sale and accepting customer requests for the purchase of real estate. The company focuses on the active management of the Group's properties, using appropriate financial models and best practices to ensure efficient management.

Additionally, the company provides advisory services and know-how on the development and management of the Group's real estate portfolio. In particular, the company performs due diligences to examine the property in technical, legal, tax and land register terms, real estate listing preparation and improvement services, real estate appraisal, property valuation and documentation using uniform standards and portfolio segmentation, as well as managing inventory, creating work orders, and assigning sales. The company also appraises and advises on issues of property market maturity.

Piraeus Real Estate has developed methodologies and tools to support various Bank Units and other Group companies in evaluating their mortgaged properties and REOs, to facilitate decision-making regarding the restructuring of NPEs, the auction process, and the use and sale of real estate.

Piraeus Real Estate, in cooperation with Piraeus Bank and other companies, have been implementing long-term contracts with EIB for the management of the JESSICA Urban Development Funds. In addition, the company offers financial advisory services to the Greek State/Hellenic Republic Asset Development Fund SA (HRADF) in recording and utilising public property.

Piraeus Real Estate is guided by the Principles for Responsible Investment (PRI) and recognises that an economically efficient, sustainable global financial system is a necessity for long-term value creation. Such a system will reward long-term, responsible investment and benefit the environment and society as a whole.

The policies pursued are based on the principle that economic performance and sustainable, ethical corporate governance, such as managing the company's carbon footprint and ensuring accountability checks, add value. These policies include the development of sustainable business plans, the evaluation and management of significant assets for sustainable development, energy saving through the development of natural resource monitoring systems and the continuous information and training of staff on environmental protection.

The company's goal for 2021 is to maintain the preventive measures to deal with the pandemic until the universal vaccination of the population and the lifting of restrictive measures that will allow a gradual transition to business as usual. It aims to maintain its profitability and use new systems and tools to expand its customer base and range of services, and to actively contribute to achieving the Group's commitments and goals, through the active management of the real estate portfolio.

TECHNOLOGY, ORGANISATION AND CENTRAL OPERATIONS

DIGITAL BANKING

Using New Technologies to improve Customer Service

Piraeus Bank recognised the special circumstances that arose as a result of the Covid-19 pandemic and implemented relief measures for affected customers. Customers could use winbank web banking or visit a branch to request:

- Suspension of cheque encashment
- Suspension of loan repayments for current mortgage and consumer loans
- Suspension of payment for current business loans for SMEs and self-employed

Also, since the beginning of the restrictions due to Covid-19, there has been a significant increase in customers who had the need to conduct their transactions or manage their products digitally and securely.

Piraeus Bank listened to the needs of its customers and created detailed instructions on how to access and use the Bank's digital services (winbank e-banking/winbank mobile app), covering issues such as:

- Winbank registration:
 - Steps for online registration via winbank web banking service
 - Steps for online registration via winbank mobile app
- Basic functions/transactions through winbank:
 - *How can I see the transactions (purchase or cash withdrawals) I made with my card?*
 - *How can I pay a bill through winbank web banking?*
 - *How can I pay my loan through winbank web banking?*
 - *How can I transfer cash through winbank web banking?*
 - *How can I make a money transfer via winbank web banking?*
- Customer self-service:
 - How do I insert extra PIN on winbank
 - Username reminder for winbank login
 - Reset password for winbank login
 - Restore access to winbank

From the first days of the crisis, instructions were made available on the winbank website, at e-branches, in the network branches and on the Bank's social media. Thus, customers not previously registered with the winbank service, had access to detailed instructions to register easily,

quickly and free of charge from their own home, for easy, secure and time-saving daily banking transactions.

In 2020, new features were added to the winbank web banking service, such as:

- Identification at *gov.gr* using winbank credentials.
- Ability to purchase digital content
- e-Card application
- Opening a time deposit with co-beneficiaries
- Aggregated view of other Banks' accounts
- Currency conversion
- e-PIN issuance

Also, in 2020, new features were added to the winbank mobile app, such as:

- Ability to purchase digital content.
- Currency conversion.
- e-PIN issuance.
- Possibility of contactless payments (winbank pay).

In 2020 there was a significant increase in digital transaction migration (the number of transactions through digital channels as a percent of total transactions) with 92% of total transactions going through digital channels (vs 86% in 2019). Progress of the digital transaction migration is monitored using metrics measuring the volume of transactions at the cashiers' desks as a percentage of the volume of digital transactions. Therefore, metrics and targets are set at branch level, to monitor digital transaction migration for all transactions that may be conducted both through digital channels and at the branch. In 2019, the winbank transaction migration was calculated, measuring the number of transactions performed through winbank web banking and mobile banking as a percentage of similar transactions conducted at the Bank. Winbank transaction migration stood at 89% in 2020 from 79% in 2019.

Piraeus Bank Group is committed to stepping up its efforts to further increase the use of the winbank web banking and winbank mobile app during 2021, by including new and innovative services.

Piraeus Bank, committed to continuously improving its customer services, renewed its ISO 9001: 2015 certification for winbank.

winbank web banking

In 2020 the number of active winbank users, who used winbank web banking or winbank mobile banking, increased by 58% ytd and 89% ytd respectively.

Winbank online registration is free for Piraeus Bank customers. The process is simple and it takes only a few minutes, and there is no need for the customer to visit a branch.

winbank mobile banking

There was a significant increase of 31% in winbank mobile users, with a 52% increase in the volume of money transactions.

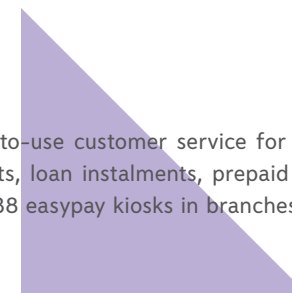
ATM

Piraeus Bank's ATM network covers the entire country and securely serves its customers 24/7. At the end of 2020 the ATM network had 1,878 ATM machines scattered across the country, in urban centres, provincial towns and even remote locations. Through its extensive ATM network Piraeus Bank actively supports all socio-economic classes.

In 2020 new features and functions were added to the ATM network to: Obtain GDPR consent and provide voice guidance for the visually impaired.

easypay kiosks

In order to provide fast and easy-to-use customer service for daily transactions (deposits, bill payments, loan instalments, prepaid card charging), the Bank has installed 538 easypay kiosks in branches and at partnering merchants.



GROUP TECHNOLOGY

Strategic Transformation - IT Master Plan

Piraeus Bank's strategy is intertwined with IT and the continuous development of new projects and operating models using cutting-edge technologies. In this context, in 2020 the IT Master Plan was finalised and charts the strategic direction and transformation of the Techno-

logy sector so that it can confront the challenges over the next three years and boost the Bank's resilience.

IT Master Plan's new operating model supports the Bank in achieving its business goals. The new operating model ensures standardisation of processes, of project management and implementation, and introduces flexible management of productive resources through strategic partnerships. At the same time, the Plan outlines the new technological directions and the Organisation's new architectural landscape to meet individual needs with a unified design and to achieve synergies and economies of scale.

IT Governance

In addition to the IT Master Plan that aligns IT investments and priorities more closely with the business, and following the new organisational structure and the business model of informatics, the following pillars were covered in the framework of the IT Governance and Architecture Capabilities project:

- Organising the Enterprise Architecture division and defining its processes and operating model.
- Recording the basic structures and processes that cover the key areas of IT governance, such as quality and effective IT service management, demand management (ranging from small IT requests to major and strategic IT investments), standardised IT project management and monitoring, management and monitoring of relations and contracts with suppliers and financial budgeting and reporting.
- Introducing key performance indicators (KPIs) to measure and monitor the quality of the offered products and services.

The chart below compares the ratio of technology investments to the Bank's total Technology costs, versus an average of circa 300 financial institutions worldwide, as provided by the Gartner agency.

Innovation and Regulatory Obligations

On Site ATM Cash Demand Prediction

The project involves the use of Artificial Intelligence (AI) technology

to improve and automate the replenishing process so as to ensure that on-site ATMs don't run out of money. The new tool uses live ATM data and predictive machine-learning algorithms that factor in recent withdrawal trends to calculate how much money is needed, where and when. Authorised branch employees are informed on a daily basis. The new tool uses AI to provide data-driven forecasting of cash withdrawals, enabling the branches to plan deliveries to replenish automated teller machines (ATMs) more accurately and efficiently.

Implementation of new PSDII compliant solution for OTPs

To meet the increased identification needs of Winbank subscribers (mainly Legal Entities representatives), the Bank replaced hard tokens with new QR code tokens that are PSDII compliant. All the data (beneficiary account number, transaction amount) will be displayed on the token screen by simply scanning the QR code from the online banking page, and then signed with a One Time Password (OTP) which is dynamically linked with the transaction data.

Developing & Improving IT Systems

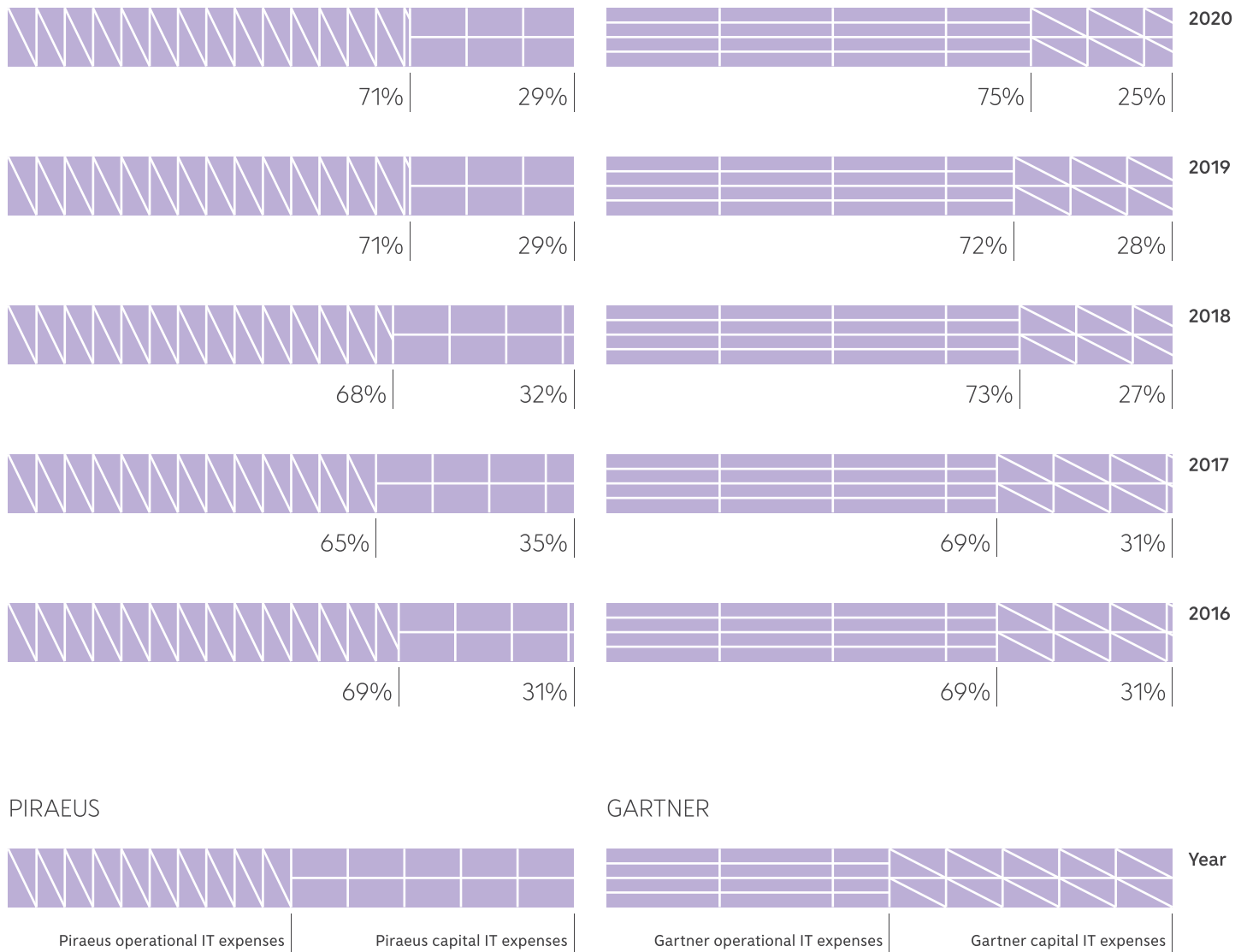
Instant payments

Piraeus Bank developed instant payments in euro recognising the need to increase the speed with which payments are made and to promote innovative, secure, and efficient payments. Instant payments are electronic retail payments that are processed in real time, 24 hours a day, 365 days a year, where the recipient's payment service provider (PSP) immediately informs the payer's PSP whether the money has been received or not and, in the case of a successful transaction, to make the funds available to the recipient. This is irrespective of the underlying payment instrument used and the underlying arrangements for clearing and settlement. Instant payments have significantly increased the speed with which euro payments are made and received in the European Union (EU).

Fraud Prevention

Implementation of new system "Fraud Prevention - Safer payments", which has significantly upgraded the Bank's capabilities in preventing suspicious transactions before they are even approved. The new application works in Issuing and Acquiring environment (Cards, Merchants, Winbank, Winbank mobile app and ATM). The advantages of using the new system are the following:

OPERATIONAL VS CAPITAL IT SPENDING OF PIRAEUS BANK

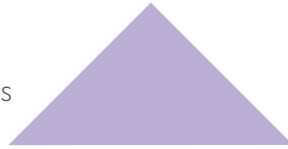


- Significant reduction of the total annual loss recorded in the Bank's financial statements.
- Simplification and improvement of communication with the customer.
- Enhanced Bank's credibility.
- Prevention of suspicious transactions before approval.

3D Secure

Given the rapid increase in the volume of e-commerce transactions, the need was recognised to implement an alternative way of certifying customers who are not e-banking subscribers so that their transactions are not rejected. Therefore, the Bank's systems were adapted to the 3D Secure standards, which aims to:

- Result in lower human resources
- Prevent mistakes
- Use information by linking with other card/customer data.



NetReveal Anti-Money Laundering System

The Anti Money Laundering System was replaced with NetReveal AML Transaction Monitoring, an end-to-end solution that manages all aspects of anti-money laundering detection, investigation, and reporting. The solution combines human intelligence with machine learning and advanced analytics to drive efficiency and help prevent more financial crime:

- Machine learning reduces false positive alerts by 30% -50%
- 30% - 40% faster detection
- Centralised 360 degree customer view consolidates alerts, evidence and metrics

Use new Viber channel for marketing campaigns

Collaboration with Viber Marketing/Messaging service providers for sending targeted marketing material through the respective platform

and interface with existing campaign management system. The new system offers the following benefits:

- More contact points with the customer.
- Reduced communication costs compared to SMS, due to lower per unit cost of sending messages.
- Improved customer experience and increased campaign efficiency, through enriched content (visuals, action buttons, links) versus plain text SMS.
- Ability to receive and manage feedback.
- Infrastructure to extend to other apps.

Operational & Technological Infrastructure

Work from home

The coronavirus pandemic acted as a digital accelerator to lay the foundations for the immediate implementation of teleworking, with the Bank adapting directly to this new reality. In order to enable the staff of the Bank's Central Operations to continue working uninterruptedly without physical presence at the workplace to ensure the Bank's business continuity, the remote access infrastructure was upgraded and Web Sharing tools (Webex, Microsoft Teams) were introduced for smooth communication between employees. This infrastructure was upgraded to such an extent and in such a way, that potentially all the Bank employees can work remotely.

Infrastructure Upgrade

In addition to the upgrade of the infrastructure to serve the needs of teleworking, a significant number of projects were implemented regarding the qualitative and quantitative upgrade of the Bank's infrastructure related to:

- Telecommunication Lines & Networks
- Firewalls, Proxies
- Host Systems & HSMs
- Servers

- Storage
- Virtual Infrastructure
- ATMs

Group Data Management & Analytics

The Bank created the vertically integrated Group Data Management & Analytics unit to bring together, integrate and centrally coordinate all responsibilities, projects, activities and data management and analytics teams under a unified strategy and leadership, to upgrade Piraeus Bank to a data-driven organisation utilising the business value deriving from the data that constitute a strategic asset for the Group. This new function will be headed by the Group Chief Data Officer with a clear mission to guide the Bank's data management strategy and use it for value creation.

Strategy

The unit defines the Bank's data strategy and oversees the organisation's agenda for data management and analytics, introduces and provides technologies, tools, approaches and methodologies for creating business value and maximising data utilisation. The function also sets the vision for data management as a strategic business asset, activates and operates data governance and quality to maintain data integrity and accuracy. The function creates significant business value and forms a value proposition using information from data analytics and oversees the development and implementation of data management and analytics platforms and sets the standards, policies and processes for data management at Group level. The function leads the creation of a data-driven culture, the corresponding capabilities and the dissemination of knowledge of the value of the data throughout the organisation.

- Develops the Company's data management and analytics strategy, ensuring alignment with the Bank's overall strategy.
- Sets, maintains and supports the implementation of the data management operational model and the strategic and business roadmap for the revenue generation approach.
- Focus on innovation and the use of emerging techno-

logies to confront the challenge of data management and analytics and to create a framework that identifies opportunities for data utilisation and decision-making techniques to create business value and promote business change.

- Ownership and responsibility for the technical data architecture as well as the infrastructure for data management and analytics and reports with the creation of an integrated data supply chain from their acquisition to completion, storage, processing, and use.
- Develops and updates policies, processes and fundamental data governance principles focusing on quality, ethics, control, and risk.

CENTRAL OPERATIONS

Central Operations provides high quality services to internal and external customers, and is committed to managing available resources efficiently, through daily planning, by utilising staff in the best possible manner, by limiting request-processing time, and finally by revising/optimising processes and technological infrastructure.

2020 brought unprecedented global developments as a result of the Covid-19 pandemic. The unit, aligned with the Bank's priorities, regarding the health and safety of employees, strictly followed the Organisation's strategy and activated the Business Continuity Plan. It adopted new ways of work and communication, minimising disruption to daily work and planned actions. Despite adverse conditions and lockdowns, the unit showed adaptability and resilience.

The measures dealing with the effects of the coronavirus, included the general suspension of the judicial system between 13/3/2020 and 31/5/2020 and from 9/11/2020 until the end of the year. As a result, the Bank did not receive compulsory attachments during the above periods and witnessed a significant reduction in these operations. Nevertheless, there was an increased volume of work in other critical fields, for example Legitimation of inheritance rights, Codification of digitised documents, Analysis and identification of customer data. At the same time, organisational restructuring was completed, with functions and tasks reorganised and a significant reduction in manpower.

In addition to the daily work, in 2020 a series of actions was implemented, the most important of which are noted below:

- As part of the process of lifting of debtors' bank secrecy by the Social Security Debts Collection Centre (KEAO) the Bank can now receive obtain, process and exchange information on the debtor's relevant assets and transactions in a digital file instead of paper.
- Data settlement for confiscations in the Bank's systems.
- Improving the infrastructure for the secure storage and maintenance of electronic files for confiscations.
- Creation of detailed manuals – instructions for using the Appian system, for all the steps of managing the confiscations performed by the Debtors Control Centres.
- Transfer of active business customers from the London branch to the systems of Greece.
- Completion of the Data Cleansing project (Editing Arrangements Addresses for Natural Persons).
- Various data sorting projects – Customer data, Development and recording of Business Requirements Documents for the projects (business requirements) of the unit.
- Update processes.
- Complete annual review of RCSA, BIA, BCP, etc.

Cash management

Piraeus Bank is the commercial bank in Greece that specialises in cash management products and services. Through a modern network of five Cash Processing Centres, deploying the best processes and systems, it ensures the smooth cash replenishing of the largest branch network and ATMs in Greece. The specialisation and the infrastructure make Piraeus Bank the top choice in cash management services, APS and deposit devices, foreign exchange, and investment gold transactions.

Fully aligned with the Bank's digital transformation, in 2020 Piraeus Bank Cash Management implemented the predicting system for replenishing the largest On-site ATM network in Greece. The new tool uses Artificial Intelligence and Machine Learning to provide data-driven forecasting of

cash withdrawals, enabling the branches to plan deliveries to replenish automated teller machines (ATMs) more accurately and efficiently, with impressive results in terms of controlling operating expenses, risk and liquidity. Indicatively, with the integration of this tool, for 2020 the average balance per On-site ATM decreased by 54%, while the return rate has already improved by 5%.

Piraeus Bank managed to control the cost of replenishing more than 3,500 Cash Points (Branches, ATMs, APS, Deposit Devices) of the Bank. In 2020, the total cost of replenishing reduced by 6% compared to the previous year, representing the efforts to optimise the supply chain but also the continuous review of the Bank's framework of cooperation with the money transport companies.

Last, in relation to the effects of the Covid-19 pandemic in the field of Cash Management, although remote working could not be implemented, a combination of the maximum possible telework rate with the alternative shift model, enabled us to operate continuously and safely reducing the proportion of employees in the workplace to below 40%.

Funds transfer

In 2020 the spread of the Covid-19 pandemic, which affected aspects of everyday life, also had a major impact on the work of the Funds Transfer unit. The unit successfully responded to the new working conditions, following the guidelines by the Greek state and the Bank, with the health and safety of employees and the provision of uninterrupted service to the Bank's customers at the top of its agenda.

In particular, the function quickly adapted to the new conditions and successfully implemented telework (Work From Home), with 86% of employees working remotely, where possible. At the same time, the function made adjustments to ensure the digital management and execution of work and the optimal customer service. Indicatively, the following are mentioned:

- Installation and use of remote operation application.
- Provision of tools and equipment necessary for telework to certain employees.
- Digital management and archiving of works, with the parallel reorganisation of processes in order to become paperless.
- Planning an alternative process in case of shutting down of the Athens Clearing Office of the Bank of Greece and

implementation of actions to support the new legal framework regarding the affected companies (e.g. suspension of payments on shares)

Despite the difficult economic situation due to Covid-19, the unit made coordinated moves fully in line with the Bank's strategic directions to enhance the digital transformation and increase the Bank's profitability.

Further workflow automations and process improvements were implemented, intended to provide customers with an improved experience in executing their daily incoming and outgoing remittances. The improvements were made to enhance the use of digital networks, as reflected in the ever-increasing use of electronic funds transfers (EFT) over traditional money transfers. 97% of total money transfers were made through the EFT systems, compared to 93% in 2019. As a result, 77% of the total fees associated with transferring funds come from EFT. At the operational level, the degree of automation of the workflow averaged 98.17% compared to 97.76% in 2019.

Following coordinated efforts to promote the Funds Transfer services to the Bank's Retail customers, business increased 11% compared to 2019, with stable fee income from Retail Payments and enhancing the Bank's profitability. Last, true to its profile as an innovator, the Bank invested in new innovative technologies and in 2020 was the first Greek bank and one of the first in the world to implement the Swift GPI pre-validation service, participating in a pilot programme with the largest banks in the world.

In the same context, the function provided the Instant Payments service nationwide, offering customers the ability to make payments and credit the money to the beneficiary in real time and at any time, any day and time of the week (24/7/365).

Custody Services

2020 was an extremely difficult year where unprecedented conditions prevailed locally and globally. Uncertainty about the evolution of the pandemic and the economy created a new demanding environment where we all had to adapt and respond with quick reflexes. The Custody Services function following the Bank's strategy to ensure the health and safety of all:

- Made use of technological infrastructure for remote work.

- Formulated and adopted new processes for the provision of uninterrupted service to the Bank's customers.
- Adapted its products and services to the new data.
- Successfully managed the large increase in trading activity resulting from the strong volatility of international markets.

Responding to the new market challenges, the Bank decided to expand its activities and take on the role of General Clearing Member of the Energy Exchange Markets, to offer new services exclusively to energy corporate customers. The Greek Energy Exchange is one of the main pillars for the implementation of the European Union target model, which seeks to create a single European energy market. The project was completed in a very short time and included the configuration of the new contractual framework, the design and installation of new applications, the creation of interfaces with the Market systems and the realisation of meetings with potential clients in collaboration with the Securities Services Unit. The excellent coordination of the Teams and the commitment of those involved resulted in the full support of our customers from the first day of operation of the new market.

Last year was a year of distinctions for the Custody Services unit, sealing the high quality of services provided for post-trade activities, to domestic and international clients, in the context of their investment activities in the local and foreign markets. At the "Leaders in Custody Awards" for 2020, Piraeus Bank was named Best in Survey for Custody Services & Securities Services by Global Custodian magazine. Piraeus Bank received the highest score in all sub-categories from Institutional customers who participated in the survey.

Throughout the year, the Custody Services unit proceeded to create new technological infrastructures and to review the processes to comply with the institutional and regulatory framework but also to provide innovative products and services to domestic and international customers.

Our goal for 2021 is for the Bank's Custody Services unit to remain a reference point in the market, both for the high level of its executives and for the further improvement of its operational efficiency and effectiveness. to be the first choice for customers.

Loans Administration

2020 was marked as the year of challenges in dealing with the

Covid-19 pandemic and protecting society from the consequences of the virus itself as well as the related financial difficulties.

In this effort to strengthen the national economy, the Loans Administration function responded to the challenges in a timely and effective manner.

Employees immediately adapted to the new working conditions, both with the activation of the BCP plan before the first confirmed Covid-19 case in the country, as well as with remote working for a large percentage.

Informal teams were set up inside the Unit to service Covid-19-related transactions. Examples include:

- Disbursements of 7.5 thousand loans totalling €1.7 billion from the TEPIX II (BF3 & BF4) and Guarantee (HDB) programmes
- Moratoria (suspension of instalment payments on loans – both the amortisation part and the contractual interest)
- Interest subsidies
- “Gefyra” (Bridge) programme

The strategy of the Loans Administration unit was based on the pillars:

- Lending Customer Services
- Collateral Custodian
- Trade Finance & L/Gs Administration

Using available resources (technology, experienced and educated personnel, and product and non-product channels) to create economic value, the Loans Administration unit continued to place emphasis on managing the Bank's customers actively and efficiently, aiming to:

- Reduce operating costs.
- Limit operational risk.
- Provide high quality service to internal and external customers.
- Comply with the regulatory framework.

As a result, in the 2020 the Loans Administration unit participated in the following projects:

- Successful implementation of Project LYRA.
- Transfer of London Branch business.
- Continuation of Lending Process Redesign projects. Examples include the Drawdown Optimisation project, to reduce “Time to Cash”.
- ERMIS Project which started in the 4th quarter of 2020 and is expected to be completed in 2021.
- Expansion of collaborations through the new Rural Development Programme (RDP) as well as the Programme “Equip-Modernise” (new loans to customers – farmers €20.2 million).
- New loan disbursements of €5.6 billion [including €1.7 billion under the HDB & TEPIX-II programmes (BF3 & BF4)].

In 2020, the following started operating:

- NPE Portfolio Servicing Administration Unit – serves the loan portfolio that has been transferred to third parties.
- Collaterals Management team – data correction in the Bank's systems, regarding Core Banking loans, as identified by the KPIs of the Data Governance domains.

With these goals in mind:

- Operational tactical services
- Time to cash
- Minimise Operational Risk
- Simplification in operations (saving resources through economies of scale, etc.).

2021 TARGETS

- Review its operating model.
- Setting and monitoring KPIs.

- Review processes.
- Determine automations.

ORGANISATION & OPERATION QUALITY

The Group Organisation and Operation Quality function supports the implementation of the Bank Continuity Plan. It plays a role in achieving the corporate transformation goals for improved efficiency and effectiveness and the clean-up of the balance sheet, by developing innovative internal tools and utilising new technologies in collaboration with the competent Group Technology Units. The monitoring and execution of the Bank's internal operations is enhanced through process automation, while management time and operating costs are limited.

In 2020 and challenged by the Covid-19 pandemic, the Organisation and Operation Quality unit participated in projects that contributed to the health and safety of employees and customers, supported the mitigation of the financial impact of the health crisis on individuals and companies, and ensured the smooth operation of the Bank. In collaboration with other competent units, teleworking was successfully implemented (work from home), and the Mass Notification System was activated. The Organisation and Operation Quality unit worked on a) the implementation of the suspension of instalment payments on retail and business loans, b) the subsidy to borrowers on their instalments under the "Gefyra" (Bridge) programme, c) the interest rate subsidy on business loans, and d) the financing Small Businesses and Professionals under the guarantee of the Hellenic Development Bank and the Business Guarantee Fund.

The Organisation and Operation Quality unit also supported a programme that gives customers affected by the health crisis the opportunity to benefit from the measure for the deferral and/or suspension for Credit Card Debt. Accordingly, systematic adjustments were made to the Bank's processes to enable customers to suspend the payment dates for their securities in accordance with applicable legislation to address the effects of the pandemic. In addition, making effective use of the tools offered by new technologies, the Organisation and Operation Quality unit contributed to limiting unnecessary travel through a) the creation of the framework for accepting e-certificates issued by the Single Digital Portal of Public Administration gov.gr, b) the activation of e-mail transactions for Corporate customers and Investment Banking, c) the application – to a selected clientele – of Remote Signing through a One Time Certificate or by an approved provider.

Regarding automation and IT support to the Bank's operations, the "Organisational Charts" application was developed in the Process Management System (ARIS), which provides a graphical representation of the Bank's roles, as well as their staffing. The Organisation and Operation Quality unit also participated in the project of interconnection and exchange of data of Thesis systems with the respective Property Base of Intrum REO Servicer, so that the latter can undertake the management of the Bank's real estate portfolio. The integration of new processes and the improvement of existing ones in the APPIAN platform continued, including the process for dealing with customer requests to exercise their rights under the GDPR, the management of changes in credit, prepaid and debit cards, the launch of accounting automation in the Bank and Euronet systems, the completion of the recording of operational specifications for the automation of legal procedures, the support of the new hierarchical and role structure of the Bank (Job Family Model – JFM), as well as the necessary changes to the Identity Management System (IDM).

Regarding the improvements of existing processes and functions, the process for managing customer consent for promotions was activated in the Bank's ATM network and the adaptations to the applications for remote update, distribution and sale of insurance products and investment portfolios with the use of EIDAS-compatible certified digital signatures were completed. Bank debit and deposit card holders were given the opportunity to obtain a new PIN code for their card promptly and securely, through simple options in winbank and mobile banking. The goal for next year is to provide the service through the branch network and the call center, and to expand it to credit and prepaid cards. In addition, a functionality has been implemented to review transactions from customers whose personal data has not been updated, while the process will be created that will provide the possibility for customers to update their data, no branch visit required. In the same direction, a project was launched for customers (natural persons) with a Greek VAT number to be able to update customer data through the Single Digital Portal e-GovKYC (Know Your Customer).

Regarding the implementation of the institutional framework and compliance with the instructions of the supervisory authorities, a three-year project was completed which included a series of actions related to making the Group fully compliant with all the pillars of MiFID II/MiFIR. Aiming to adopt Regulation (EU) 2019/518 of the European Parliament and of the EU Council, the processes were completed for informing customers and cardholders of other banks – transacting with the Bank through ATMs and cooperating companies – about the currency conversion charges for card transactions. Significant

“FINREP Stock Take” processes were carried out in the infrastructure to ensure the immediate and valid provision of information to the supervisory authorities for the effective monitoring of the credit risk. Following a relevant directive of the EBA, the necessary actions were designed and launched to define the criteria for default at the borrower or exposure level. The new definition of default has been significantly applied to the existing infrastructure for calculating Unlikely To Pay (UTP) and is taken into account in the results for the subject data. With regard to the Impairment Test Procedure Tool, a new In-trum service line for assessing, calculating and approving individual provisions for its portfolio was integrated, and Credit Risk was included in its flows, monitoring the individual provisions, and an algorithm for determining the Going/Gone was activated. In addition, work has been completed in accordance with (a) ESMA guidelines on informing the supervisor and the investing public, about the securitisations of the Phoenix and Vega portfolios, (b) OECD guidelines for an accurate and complete record of the tax residence data of the customers who are tax liable in foreign countries, c) Independent Authority for Public Revenue (IAPR) guidelines on the correct routing of customer data to the reference countries.

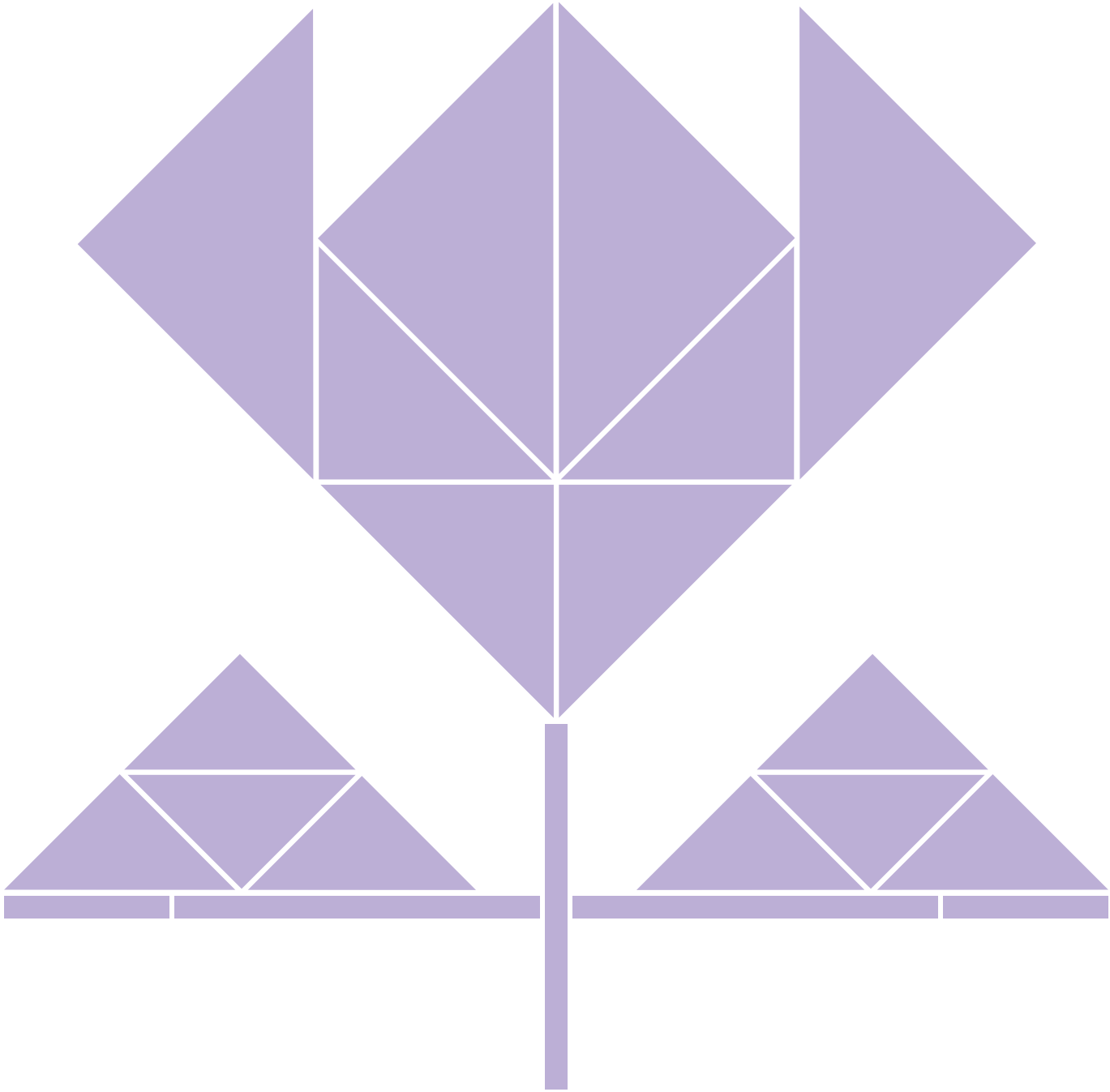
Last, the System for the Prevention and Suppression of Money Laundering (Net Reveal) was upgraded, while in 2021 the System will be extended to the Frankfurt Branch to meet the requirement of the German supervisory authority.

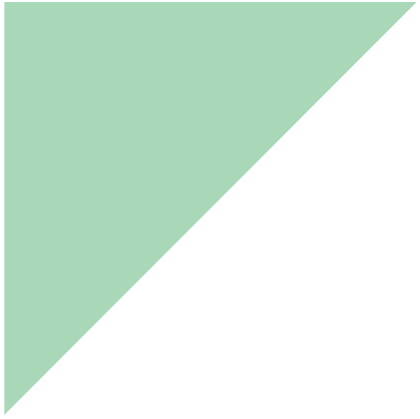
In the context of strengthening the Bank’s digital profile and in cooperation with other competent functions a) the process of obtaining a credit card was simplified with the new e-card service that enables customers to complete an online application at any time they want (24/7) and receive the card at their place without visiting a branch, b) the yellow business programmes, “Shopping in the neighbourhood”, “Entertainment and Digital Content” were launched, c) the project of developing the infrastructure for the distribution and monitoring of investment portfolios continued, d) the new service “Voice Support for ATM transactions” was created to serve people with visual impairments, and e) the new 24/7 “Instant Payments” interbank euro transfer service was launched, through which it is possible to execute the transfer immediately and to credit the recipient's account within 10 seconds.

In 2020, data governance work expanded. The number of audited information increased, a set of Key Performance Indicators (KPIs) were defined to track the quality of Critical Data Elements (CDEs) and systematically monitor any changes. In addition, 60 new indicators were designed and introduced, and improvements were made

to 31 older ones in the areas of customer data, credit agreements, collateral, lending and business lending limits. Regarding deposits, cards, lending account transactions and risk management data, 16 new indicators were introduced to cover the most important data.







CUSTOMERS



CUSTOMER RELATIONS

Piraeus Bank, the largest bank in Greece in terms of total assets, loans and deposits, plays a prominent role in enhancing economic growth, and boosting prosperity for its customers and society at large.

With its vision to be recognised as Greece's most trusted bank, Piraeus Bank creates long-term value for its customers and focuses on meeting their needs, taking into account economic, social, and environmental factors.

Relationships of trust are built by providing open and clear communication, transparency in terms and conditions of cooperation, as well as security in the execution of transactions across all service channels, including digital service channels.

Compliance monitoring and enforcement mechanisms have been set up to ensure that the design, promotion, and distribution of new and existing products comply with existing laws and regulations, and the

Code of Banking Ethics. The Bank provides the public with clear and accurate information about its products and services, with no false or misleading representation, no undue promotion or attempt to disguise product characteristics.

In addition, the Bank focuses on promoting financial literacy for customers by providing money management knowledge and skills to help build effective financial plans through its business and social initiatives, and a variety of communication channels.

The Covid-19 pandemic has impacted every aspect of life, and everyone is gravely concerned about how to deal with its effects. Piraeus Bank remains fully committed to supporting those whose livelihoods have been affected by this unprecedented situation in Greece, constantly adapting its products and services to the changing circumstances, encouraging, and increasing customer education on the use of digital banking.

CUSTOMERS

Governed by its Environmental Social Governance agenda, Piraeus Bank has taken proactive measures to contain the spread of Covid-19 pandemic and to mitigate its impact. The Bank has been operating in line with the guideline and recommendations by the Authorities since the beginning of the pandemic, strictly and consistently adhering to the recommendations of the Ministry of Health and the National Public Health Organisation (EODY). The Bank's top priority has been to safeguard the health and safety of its customers, employees, and other stakeholders, as well as maintaining financial and social stability.

In addition, measures were implemented to limit the need for customers to visit branches and motivate them to use digital channels, minimising the impact on banking relationships and customer trust. Piraeus Bank has invested heavily in technology and infrastructure that facilitate remote service arrangements. Indicatively, retail customers can now access customer service representatives via video conference. Customers can also apply online for insurance and investment products, with the support of the Personal Advisor, without visiting a bank branch, following the Bank investments in the Winbank infrastructure and applications. These applications will soon be made available to Small Businesses, freelancers and self-employed professionals.

RETAIL CUSTOMERS

Piraeus Bank has built a customer-centric business model in retail banking; trained financial representatives provide tailored customer service and financial advice to customer segments sharing common characteristics and needs, matching customer segment with value proposition.

The Bank aims to be the one-stop-shop retail banking destination for its individual consumers. It offers products and services that are tailored for specific customer needs, embedding banking and other services within consumer lifestyles, and encouraging customers to bring all their banking business to Piraeus Bank. Customers can execute a variety of transactions using both physical and digital channels. Customers may reserve their branch visits for special advice from Relationship Managers.

Piraeus Bank aims to become a trusted advisor to all retail customers – no matter which segment he/she belongs to – on short-term and long-term personal finance management.

Customers are encouraged to schedule one-to-one in-branch appointments for information about Financial Planning. Through constructive dialogue, Piraeus Bank can help customers set goals and develop a financial plan.

In addition to one-to-one in-branch meetings, customer service improves through the continuous upgrade in the Bank's systems and processes, using modern tools and services. The Bank embraces its customer-centric digital transformation.

Indicatively, Retail Banking Customers enjoy the following benefits:

- Dynamic/flexible personalised pricing based on the customer profile, e.g. for loan products.
- Customer recognition solutions across all touch points, e.g. the branch, e-banking (winbank), ATMs, etc.
- Targeted multi-channel marketing and product portfolios, based on customer preferences and history.
- Ability to set up a financial plan or trust Personal Advisors to manage their assets, as well as a variety of services depending on desired risk tolerance and risk appetite (e.g. Portfolio Management).

At the same time, the Bank provides training – courses and certifications – for Retail Banking financial representatives, on modern customer service methods, in order to provide value-added banking services to its customers.

CORPORATE CUSTOMERS

Piraeus Bank has a strong presence and expertise in corporate banking, offering a range of banking products and service. Corporate Banking offers a targeted and comprehensive proposition to Corporate Customers, capitalising on synergies with the Bank's other business units.

In the Large Corporate segment, Piraeus Bank strives to cover its customers' financial and banking needs and to assist in the implementation of their investment plans. In this context, five specialised groups have been formed within the segment, responsible for the development and management of relationships with companies operating mainly in the following sectors: Construction, Energy, Basic Metals, Oil, Health, Industry, Food, Telecommunications and Tourism. These groups aim to provide corporate customers with a comprehensive range of services and products from the Piraeus Bank Group. The main goal of the segment is to expand business offerings to existing customers and to attract new customers, with emphasis on supporting sustainable development, innovation, and entrepreneurship.

In the Structured & Shipping Finance segment, Piraeus Bank provides tailored financing to customers for new investments in key sectors of the Greek economy, such as energy and infrastructure (Project Finance), commercial real estate and hospitality (Real Estate Finance and Hospitality Projects) and Shipping Finance. Structured & Shipping Finance provides structured finance to companies created to undertake a particular project or to acquire specific assets, on the basis of the expected cash flows of these projects and/or assets.

The Small and Medium Enterprises segment adapted rapidly and effectively to the new reality imposed by the pandemic.

Health and safety of employees and customers remained the Bank's top priority. Employees switched to teleworking (work from home) and continued providing direction and solutions to the customers.

Ideas and initiatives were modified to take into account the uncertainty caused by Covid-19, and targeted the creation of financial tools for time-saving purposes.

Being the largest Bank in Greece, Piraeus Bank has a responsibility to support the economy. As such, it remained close to its customers offering effective solutions and promoting innovation, while applying social distancing.

Regarding Agricultural Banking, Piraeus Bank has set up Agricultural Entrepreneurship Centres, charged with building and managing working relationships with Agricultural Cooperatives, Agricultural Corporate Partnerships, Groups, Producers' Organisations, and other cooperatives.

Piraeus Bank has three Agricultural Entrepreneurship Centres (Northern, Central and Southern Greece) and Agricultural Banking Relationship Managers in the capitals of all the major prefectures. Agricultural Banking Relationship Managers work closely with the customers to provide them with credit facilities and deliver high-quality customer service and tailored financial services. The services offered are not limited to agricultural financing. As part of its holistic approach to business, Piraeus Bank serves all agricultural business needs of the cooperatives and partnerships, offering financial support throughout their operating cycle and financing their investment plans.

At the same time, Piraeus Bank offers a variety of services to assist individuals in managing their trade finances, placing emphasis on promoting and increasing the use of the Bank's digital channels, both for new and existing day-to-day services.

The development and management of the cooperation with corporate customers is carried out by the Customer Relationship Managers, who are supported by a team of specialists in corporate banking products

and services. Customer Relationship Managers are the main banking partners for corporate customers. They have proven expertise in providing industry knowledge and are responsible for the customer's overall business relationship with Piraeus Bank Group.

PROTECTION OF PERSONAL DATA

Piraeus Bank has taken all the steps required by the GDPR, having implemented all appropriate technical and organisational measures for the lawful adherence, processing and safe retention of personal data files. The Bank is committed to ensure and protect in every way the processing of customer personal data against any loss or leakage, alteration, transfer, or any other unlawful processing.

In 2020, Piraeus Bank Data Protection Office – in collaboration with Group HR – was staffed with one more employee, bringing the Office's total staff to seven employees.

POLICIES AND PROCESSES

Piraeus Bank designed and implemented a data protection policy and related processes to ensure that all the Bank's Units adhere to the legal requirements under the GDPR. The data protection policy sets out the basic GDPR principles that must be observed regarding the processing of personal data, the purposes of processing, the lawfulness of processing, the rights of individuals and the exercise of those rights. The processes describe and provide guidance on all the necessary actions regarding the security and protection of personal data, the management of the processors, the management of the processing files, as well as the case of violation of personal data.

All existing policies and processes, the Data Protection Policy and the individual processes related to the management of personal data were reviewed/revised in 2019. Employees have adhered to the revised policies and processes; no breach has been observed or reported.

The General Data Protection Regulation was also reviewed and updated to reflect changes in the Bank's operations and to permeate all its processes.

AUTOMATION OF DATA PROTECTION OFFICE TASKS

The Bank fully automated its system for managing data subject requests, and following the successful pilot phase, its operational phase was launched in December 2020.

NOTIFICATION OF A PERSONAL DATA BREACH

Like 2019, in 2020 Piraeus Bank did not receive any substantiated complaints/grievances/reports regarding customer privacy violations. No data leaks, thefts, or loss were identified in 2020.

The Bank's efforts paid off. Its policies, processes, the existing security systems, and the GDPR staff awareness training resulted in the Bank achieving its goal for zero data breaches.

DATA SUBJECT ACCESS REQUESTS

In 2020 Piraeus Bank managed approximately one thousand eight hundred and ten (1,810) data subject access requests (DSARs) and four hundred and thirteen (413) extrajudicial requests; most of the DSARs were made by data subjects withdrawing consent to data transfer to a debt collection agency. There was a 48% increase in DSARs since 2019.

In addition, in 2020, Piraeus Bank received one hundred and ninety-five (195) DSARs for recordings of telephone calls. There was a 100% increase in these DSARs since 2019.

It is noted that all DSARs were fulfilled within the time limit set by the GDPR.

CUSTOMER COMPLAINTS MANAGEMENT

Some of the DSARs fulfilled by the Data Protection Office concern complaints forwarded by the Customer Complaints Service (CCS) unit of the Group's Organisation as there are cases where the complaints lodged include GDPR-related issues.

No customer breach report was found when handling requests through the customer complaints service.

REQUESTS BY THE HELLENIC DATA PROTECTION AUTHORITY

In 2020, Piraeus Bank received eight (8) requests from the Hellenic Data Protection Authority, which were handled within the prescribed period.

PRODUCT REVIEW/MARKETING CAMPAIGNS

The Data Protection Office participated in thirty-one (31) Product Working

Group meetings to review new products and/or modify existing products, thus ensuring implementation of one of the GDPR's fundamental principles, Privacy by Design.

One hundred and eleven (111) processing manuals of the Group's Organisation unit were reviewed for GDPR compliance.

The Data Protection Office reviewed at least 415 requests for marketing Piraeus Bank products/services, to ensure GDPR compliance.

CONTRACTS/AGREEMENTS WITH PROCESSORS

Piraeus Bank strictly complies with the directives and requirements associated with appointing processors in all new data processing agreements and renewals of existing data processing agreements. The Bank incorporates the Supplementary Agreement and Questionnaire for Data Processors in its standard Data Processing Agreement (DPA), in accordance with the principles of the GDPR. The Data Protection Office reviewed at least twenty-six (26) external and internal cases for assigning data processing activities. One hundred and fifteen (115) contracts were reviewed for GDPR-related issues.

RECORD OF PROCESSING ACTIVITIES

As a Controller and a Processor of personal data the Bank maintains records of processing activities.

These records are to be used as an accountability instrument and proof of compliance, as required by GDPR Article 30. They consist of individual files that are kept at all Business Units involved in data processing.

Following the maintenance and monitoring of Piraeus Bank's records of processing activities, the need to create three new records arose. Two of these records were finalised within 2020, with the third record expected to be completed in the first semester of 2021.

In all the records of processing activities, Piraeus Bank has thoroughly examined the recorded lawful bases for processing, to ensure that there is a strong and valid legal basis for each and every instance of data processing.

DATA PRIVACY NOTICE

Piraeus Bank communicates with data subjects before sharing the data with another organisation.

In 2020, in the context of the Phoenix, Vega, Iris and Arctos projects, the Bank informed data subjects in writing (personalised mail), through press releases and via the Bank's website.

IMPORTANT PROJECTS

In 2020, Piraeus Bank completed its Transformation Plan to improve operational efficiency and effectiveness and accelerate the de-risking of its balance sheet.

As part of this project, working groups were formed to ensure, on the one hand, the successful completion of the transformation, and on the other hand, the smooth transition to the Group's new organisational structure. Piraeus Bank's Data Protection Office actively participated in the project:

- in the Communications Work stream
- in the creation of the Privacy Notice for the staff and customers of Piraeus Financial Holdings
- in the creation of the new Piraeus Financial Holdings Record of processing activities and in making the required changes in Piraeus Bank Record of processing activities.

OBTAINING AND MANAGING CONSENT

The existing customer consent mechanisms have been running smoothly since 2018.

Following completion of the project for obtaining and managing consent through the ATM network, there are four channels available for obtaining and managing consent, namely, the Branch Network, e-banking, the customer service call centre, and the ATM network.

At the end of 2020, 3,778,378 out of Piraeus Bank's 7,195,254 customers have responded to the request for consent to receiving marketing messages or promotions. 2,718,368 have expressed clear affirmative action to receiving marketing messages or promotions about Piraeus Bank products/services, up from 1,900,000 in 2019, an increase of almost 43%. 1,060,010 customers do not want to receive marketing messages or promotions. The 3,416,876 customers who have not responded to the request are treated as not having consented to receiving marketing messages or promotions, thus the Bank protects their rights and freedoms.

BANK EMPLOYEES

Since 2018 Piraeus Bank has been implementing Personal Data Protection and GDPR staff awareness training. The GDPR course has been assigned to 10,690 employees and completed by 8,289 employees (75% completion rate).

The goal for 2021 is for full implementation of the GDPR staff awareness course, with 100% participation.

BANK PARTICIPATION

Piraeus Bank participates in the Committee of the Hellenic Banks Association for compliance of the Hellenic Banking System with the GDPR.

It follows that Piraeus Bank applies the appropriate technical and organisational measures to ensure the protection and security of the personal data of its employees, customers, and associates/partners.

CUSTOMER COMPLAINT HANDLING PROCESS

Piraeus Bank recognises the importance of two-way communication between the Bank and its customers and endeavours to build long-term business relationships, based on trust. A critical part of maintaining a strong business relationship involves the resolution of issues that may arise when failing to meet customer expectations or when settling out-of-court disputes.

In 2020, the Bank reviewed its complaint handling process. Aiming to raise staff awareness, a Complaint Handling Policy was designed that outlines the key "principles" and "values" and clearly defines the complaint handling process; detailed information about the Bank's internal complaint handling system and alternative dispute resolution (ADR) mechanisms is available at the Bank's Touch Points and via its website.

In addition, a common set of rules have been adopted making the complaint handling process objective and transparent. When handling complaints the Bank looks for a "fair" solution, safeguarding data protection and privacy, and guaranteeing immediate notification of the complainant about the handling process.

The Customer Complaints Service (CCS) is responsible for the Bank's single "Complaint Handling Mechanism". The "Complaint Handling Mechanism" is fully aligned with the relevant legislative and regulatory framework, at national and international level, having adopted the provisions of the BoG Executive Committee Act no. 157/1/2.4.2019 and the

CUSTOMERS

European Joint Committee Guidelines on complaints-handling (EBA). However, one of the Policy's key principles is identifying and following-up on the root causes of complaints rather than simply managing their consequences. The management of complaints/grievances and their statistical analysis are tools for identifying areas for improvement as well as issues that entail operational and legal risk.

Last year the mechanism was upgraded, using big data and advanced analytics to improve the Bank's products/services/processes and to take corrective actions. Piraeus Bank designed and upgraded its complaint handling system and developed management tools to ensure that its Complaint Handling Policy is observed. The Bank complies with the requirements of the regulatory framework, and aims to improve its services, to increase the efficiency and effectiveness of the CCS, and to introduce KPIs for monitoring operational risk.

In November 2020 new instructions and requirements were sent by the Bank of Greece, as part of the obligation of credit institutions to report complaints/grievances (Supreme Court of Greece 716/26.10.2020) and all actions have been taken to ensure that the commitments are executed to adapt the pro-

cess and the systemic developments, ensuring full harmonisation.

Finally, given the unprecedented circumstances in 2020, the Bank's main concern was to promptly adapt to the new reality. All available resources were utilised in the best possible way, the framework was adapted in line with national recommendations to mitigate the spread of the coronavirus, and the Bank fulfilled its commitment for efficient and timely handling of complaints/grievances.

In 2020, 5,470 customer complaints were submitted to the Bank and 499 complaints were filed at Alternative Dispute Resolution Agents (ADRs) and the General Secretariat of Commerce and Consumer Protection (Public Authority) by customers who chose to resolve their dispute with the Bank in out-of-court settlements. Following the investigation and handling of the cases in cooperation with the Units involved, the CCS responded in writing, explaining the Bank's position on the complaints to the customers, to the ADRs and to the Public Authority.

The following table shows total complaints submitted compared to a year ago.

NUMBER OF COMPLAINTS					
	2020	%	CHANGE %	2019	%
Direct submission to the Bank	5,470	92	20	4,577	92
Submission to Alternative Dispute Resolution Agents	499	8	19	419	8
Consumer's Ombudsman	243	44	31	186	44
Hellenic Ombudsman for Banking-Investment Services (HOBIS)	136	27	21	112	27
General Secretariat of Commerce and Consumer Protection	120	29	-1	121	29
Total	5,969*	100	19	4,996	100

*Total number of complaints submitted to the Bank for the period 01/01-31/12/2020.

PROCESSING DAYS (CALENDAR)					
	2020	%	CHANGE %	2019	%
0-45	5,257	82	36	3,878	85
> 45	1,146	18	64	697	15
Total	6,403**	100	40	4,575	100

** Total number of resolved cases for the period 01/01-31/12/2020, irrespective of when the complaint was filed.

82% of the reported cases in 2020 were resolved within 45 days (the time limit set by the current legal framework). When an answer could not be provided within the expected time limits (18% of total reported cases), the CCS timely informed the complainant/ADR/Public Authority in writing about the causes of the delay and indicated when the Bank's investigation was expected to be completed.

CORPORATE COMMUNICATION AND MARKETING

Group Marketing, Customer Experience & Loyalty is responsible for managing and projecting the Bank's corporate image and its corporate culture, both internally and externally, through planned marketing and advertising campaigns for its products and services. At the same time, the Unit ensures that all the Bank's corporate communication reflects its corporate identity, as grounded in Piraeus Bank's strategic Vision and Values.

The Covid-19 pandemic has had a major impact on the Greek economy, challenging small businesses and larger organisations and affecting business-customer relationships.

In 2020, recognising existing risks and difficulties, Group Marketing, Customer Experience & Loyalty opted for initiatives and strategies enhancing the Bank's customer-centric culture, managing strong long-term relationships with its current shareholders, customers, employees, and other stakeholders, while also cultivating new business relationships. Once more, the Bank met its targets, using fair and responsible marketing for its products and services, and bringing all stakeholders together.

In 2020, the highlight of the Bank's corporate communication was the creation of the new corporate slogan, taking into account the new communication strategy, as well as the reinforcement of its corporate image through a campaign targeting Sustainable Banking, as reflected in these three pillars: economy, society and environment.

NEW CORPORATE SLOGAN "EMPOWERING EVERY TOMORROW"

In January 2020 Piraeus Bank designed its new corporate slogan, with the message "Empowering every tomorrow". Guided by Corporate Responsibility, Piraeus Bank is repositioning its brand that builds on the strategy and puts us in a place to play a more active, socially and environmentally responsible role towards society, the economy, the market, actively empowering every tomorrow. Analysing each word of the message, Piraeus Bank:

- Empowering: Has the power and size to provide market and individual support; support is more important now than ever before.
- Every: With a human-centric and customer-centric character, it prioritises customer needs, treating each customer individually. Through its strong network and the highest level of customer service, it invests in maintaining long-term relationships of trust and responds to all customers: individuals, professionals, farmers, businesses and investors.
- Tomorrow: It strengthens and guides towards a sustainable tomorrow, with a commitment to harmonise and implement the Global Principles for Responsible Banking. It follows an innovative and sustainable business model, going beyond the boundaries of a financial institution, and builds a strong brand essence, striving for competitive differentiation. Focusing on society, culture and the environment, it promises sustainable economic growth.

“SUSTAINABLE BANKING” CORPORATE CAMPAIGN

At the end of 2020, Piraeus Bank enhanced its corporate image by adopting a new campaign for Sustainable Banking. Sustainable Banking helps create a better world, with more possibilities. This is what our children deserve.

The new campaign for sustainable banking conveys the message that the path to a sustainable future is based on innovation and a sustainable action plan.

2020 ADVERTISING CAMPAIGNS

In 2020 Group Marketing, Customer Experience & Loyalty designed and implemented advertising campaigns to promote the most important initiatives, including innovative e-services – protecting customers in their digital transactions, an integral part of daily life – the yellow customer loyalty programme, all types of cards, savings products, and the financing tools for SMEs. Group Marketing, Customer Experience & Loyalty also designed and implemented targeted campaigns to fight the pandemic, to support the Greek National Health System, to promote customer safety, using new online services and creating social messages. More specifically, the following advertising campaigns were implemented:

- “Mortgage Loans”
- “Gold Sovereign”
- “e-loan”
- “Heating costs”
- “City Link”
- “Business Banking Plus”
- CSR programme “Project Future”
- “Safe transaction and payments with Winbank” (Covid-19)
- “Henry Dunant hospital”
- “Pay & Save to support the Greek National Health System” (Covid-19)
- “Entrepreneurship Fund TEPIX” (Covid-19)
- “Financing programme for farmers’ investment plans”
- “Covid 19 Business Guarantee Fund”
- “PIOP” Piraeus Bank Cultural Foundation
- “Holidays in instalments” credit card
- “Tax Obligations – 12 instalments”

- Leasing
- “Agricultural RES”
- “ev-Loan”
- “yellow Back to School” (Covid-19)
- “Gefyra (bridge) programme”
- “Shop in the neighbourhood” programme (for businesses)
- “e-Card”
- “Winbank Pay”
- “yellow Virtual Athens Marathon” (Covid-19)
- “Exoikonomo – Autonomo”
- “Online card transactions” (Covid-19)
- Corporate campaign “Sustainable Banking: Financing Tomorrow”
- “yellow Christmas”
- “Pillars – Retail Banking”



COMMUNICATION CAMPAIGNS

Mortgage Loans

The first communication campaign in 2020 was the mortgage loan campaign offering flexible personalised pricing; the Bank’s main goal is to be a market leader in the mortgage market.

Business Banking Plus

In February 2020, the Bank launched the Business Banking Plus campaign; Business Banking Plus is an innovative banking model for businesses, freelancers and the self-employed. Relationship Managers present the new banking model to the customer in specially designed meeting rooms in the branch network; direct communication is enhanced through personal interaction and the dedicated customer service line.

Project Future

In early March 2020, when the first cases of Covid-19 in Greece were reported, the Bank focused on communicating Project Future and the positive message of the “Your Future is waiting for you” campaign.

For more details on the program Project Future, see chapter Society, p. 234 of this Report.

Winbank – Secure and Contactless Transactions

As a response to the government's calls to limit non-essential movement and to ensure the safety of customers and employees, we launched an advertising campaign for winbank and Piraeus Bank cards, encouraging customers to stay home, make contactless transactions and use winbank digital channels, which offers a wide range of banking transactions.

Pay & Save

Support the Greek National Health System campaign

At the end of March, when a ban on non-essential transport and movement of people was announced by the government, there was a large increase in the use of cards for contactless and electronic purchases. This prompted us to design and implement a CSR campaign to support the Greek National Health System, through debit cards and winbank's Pay & Save platform.

We invited our customers to use the Pay & Save service for their savings, and Piraeus Bank offered the equivalent with the total amount banked by customers to the Ministry of Health, for fighting the virus.

During the campaign, the visits to the Bank's website increased by 314% compared to the previous period. As a result, the total amount collected for the support of the Greek National Health System amounted to €420,000.

Subsidised Working Capital for Businesses

An advertising campaign was launched on all the available media, focusing on the re-opening of businesses. The aim was to provide companies with liquidity (working capital) and ensure their post-lockdown business continuity. As a result, 13,806 applications were made, with total disbursements of €194.6 million.

Business Financing Guarantee

Piraeus Bank promptly followed up on the government's announcements about new business support programmes, and responded to business financing needs, especially for companies hit by the pandemic. A 360o communication was created for the new loan guarantee, with total disbursements of €146.9 million.

winbank pay & eCard

In 2020, Piraeus Bank introduced new digital products and services.

These products, made available through winbank, include winbank pay to make contactless payments using a mobile phone, and eCard, the new Piraeus Bank online credit card– no visit to a branch required.

The Bank launched an umbrella marketing campaign for its comprehensive range of digital products, placing emphasis on the ease and speed in daily transactions, system health and improved online security.

The advertising campaign took place in November 2020, marking a great success and a significant increase in the number of active WinbankPay users, who more than doubled, showing an increase of +142% compared to the previous month. Respectively, 23,744 applications were made for the eCard, 5,055 new cards were issued, representing 15% of the total production.

SPECIAL ADVERTISING CAMPAIGNS

Agricultural Programmes

Supporting the farmer and the agricultural sector is a key priority for Piraeus Bank. In 2020 we launched the following advertising campaigns for the Bank's agricultural programmes and products:

- “New Contract farming”
- “Financing programme for farmers' investment plans”
- “Renewable Energy Sources for Farmers”

These advertising campaigns were aired on the “Weather Forecast for Farmers” on a nationwide TV channel, and published in the “Epi Gis” magazine and several regional media:

- “Weather Forecast for Farmers”. The Bank maintained its daily contact with farmers through its exclusive collaboration with the “Weather Forecast for Farmers” on ANT1 TV. The show provides farmers with useful weather information and forecasts. The opening and closing credits of the show – duration of 10 minutes– are branded with the Bank's logo and a clock, advertising its agricultural products and services. All the weather forecasts are available on a special section on ANT1 site.



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- “Epi Gis” magazine. In 2014 Piraeus Bank launched the “Epi Gis” magazine, a free periodic publication about agricultural economics and entrepreneurial agriculture. This magazine is available at the Bank’s branches and contains farming and agriculture news and features. At the same time, a relationship of trust with the agricultural sector is maintained.

Tomorrow of Businesses

The communication of the continuous enrichment with innovative products and services were presented every week in the second half of 2020, in the news section “Tomorrow of Business” of the current affairs programme “Proinoi Typoi”, as well as in ANT1 evening news.

Through specialised content and following the news and the dynamic business environment, as formed in 2020, Piraeus Bank informed and supported businesses about corporate developments and markets news in a challenging environment, and invested in transforming, developing, and bringing small businesses into the future.

BANCASSURANCE

In 2020 Piraeus Bank continued advertising its healthcare and property insurance products. These products are the outcome of the long-term cooperation between Piraeus Bank Bancassurance and leading insurance companies, ERGO – General Insurance and NN Hellas – Health/Life Insurance.

In this context, a series of campaigns were launched, advertising Health Solutions Gold, Smart Move, and e-NSURANCE for the purchase of insurance products through winbank.

SPORTS MARKETING

In 2020, 23 advertising and marketing campaigns were launched for sports credit cards included in the Bank’s product portfolio:

- AEK FC Mastercard
- Aris BC Mastercard

- Champions Card Mastercard
- Olympiacos FC Mastercard
- Olympiacos BC World Mastercard
- OFI FC Visa
- Panathinaikos FC Visa

The Bank adapted its campaigns to the new reality created by the pandemic, aiming to preserve fan interaction, even at a time when sporting events were cancelled, and stadiums were closed. It created online experiences and video content for the following cards: Olympiacos FC Mastercard, AEK FC Mastercard, Panathinaikos FC Visa and OFI FC Visa.

In July 2020 Piraeus Bank announced its cooperation with the Hellenic Athletics Federation (SEGAS). The Bank provides financial assistance for organising national sports championships in Greece and abroad and other similar events. Piraeus Bank is now the “Official Sponsor” of SEGAS, and its events, including the “Athens Marathon”. In 2020 due to the restrictive measures, in the midst of the pandemic, the Marathon was held online. The so-called “Virtual Athens Marathon 2020” replaced the classic Athens Marathon road races, and Piraeus Bank created a campaign promoting sports and road races, and the safety of athletes.

DIGITAL MARKETING

Social Media

Piraeus Bank has a social media presence in the following channels: Facebook, Twitter, LinkedIn, Instagram and YouTube. Content related to corporate communication, activities, campaigns, products, the loyalty programme and the Bank’s e-banking are hosted on the Bank’s social media platforms. In 2020 a total of 2,398 posts were created advertising the Bank’s products and services. The Bank’s social media pages are the most visited in Greece, confirming the Bank’s effective social media presence.

In 2020 the following analytics were recorded regarding page followers and posts:

- 76,350 followers (5.5% increase vs 2019) and 465 posts on Piraeus Bank Facebook page.

- 63,190 followers (6% increase vs 2019) and 291 posts on winbank Facebook page.
- 94,730 followers (7% increase vs 2019), and 256 posts on yellow loyalty programme Facebook page.
- 60,812 followers (22% increase vs 2019) and 553 posts on Piraeus Bank LinkedIn page.
- 6,998 followers (4% increase vs 2019) and 491 tweets on Piraeus Bank Twitter.
- 10,006 followers (2% increase vs 2019), 139 new videos and 7,720,000 views on Piraeus Bank YouTube channel.

The Digital Marketing team and the Bank's Customer Call Centre jointly handled approximately 48,000 user messages and requests on social media, with an average response time of less than 30'. Messages were up 274% compared to 2019, an increase mainly related to the ongoing challenges from the pandemic.

Number of visitors of the Bank's websites

- *Piraeusbank.gr*, advertises all the Bank's products and services, most of the Bank's online marketing and advertising campaigns are posted on the site. 34.5 million page views from 6.3 million unique visitors.
- *projectfuture.gr*, the Bank's CSR Programme, linking education to the job market. 158 thousand page views from 114 thousand unique visitors.
- *blog.piraeusbank.gr*, the Bank's new blog, which was created to host content related to products, services, and activities. 68 thousand page views from 57 thousand unique visitors.

A total of 1.46 billion views of the Bank's online advertising campaigns (websites, social media, YouTube, etc.) led to 6.8 million visits to its websites (35% increase vs 2019).

PHILANTHROPY

As part of its CSR programme, which lies at the heart of Piraeus Bank Group's philosophy, in 2020 the Group renewed its support to the child-care work of "Apostoli", the NGO of the Holy Archdiocese of Athens.

The Bank and its insurance partner NN Hellas jointly deposited €5 in the "Apostoli" account (€2.5 by Piraeus Bank and €2.5 by NN Hellas) for every Smart Move insurance plan developed by NN Hellas and offered at the Bank's branches.

Financial support through these insurance plans amounted to €5,030, with an equal contribution made by NN Hellas.

USER EXPERIENCE

The User Experience team participated in a number of projects falling under the Bank's digital strategy. The team conducted Heuristic Evaluation, interviews, usability workshops, User Testing, and other usability inspection techniques, to measure the usability of user interfaces. The team used their findings to design and implement user friendly applications for the Bank's digital and physical channels.

In 2020 the upgrade of the Bank's digital channels continued. Winbank online & mobile banking tools were enhanced with new services and features, to support remote customer access, at a time when the pandemic put a spotlight on digital financial services. The new credit e-card online application and the winbank pay digital wallet were launched. As for financial planning services available to customers, winbank users can now link bank accounts and cards from other systemic banks to their winbank account.

In addition, new websites were designed and launched, such as *eleftheroi.gr*, marking the 200th anniversary of the Greek War of Independence, and *psonizostigeitonia.gr*, an important initiative supporting local businesses. The Yellow Rewards Programme portal was completely redesigned, on the occasion of the launch of yellow business. The Private Banking website was also redesigned. Finally, new implementations have been planned and are expected to be completed in 2021, in accordance with the Bank's strategic pillars.

WEBSITES MANAGEMENT TEAM

The Websites Management team is responsible for managing the promotion and positioning of the Group's business on the websites it manages.

CUSTOMERS

The Covid-19 pandemic put a spotlight on the team's importance and reflexes. Throughout 2020 the team promptly updated and upgraded the sites, created customised content to serve the campaigns carried out for specific initiatives, and uploaded guidelines for financial institutions, as published by competent authorities.

10 new websites were created to promote innovative online services – now a one-way path in a customer's everyday life, offering secure transactions, as well as new services and products for customers in the midst of a pandemic.

In 2020, the Websites Management team redesigned and launched the yellow loyalty programme website. The programme rewards loyal customers that frequently engage with the Bank, all types of cards, savings products and financial support tools for Small and Medium Enterprises.

The team also launched www.piraeusbankblog.gr, a new channel for communicating with the Bank's customers about its products, services, and operations, as well as topics of various interests.

In 2020 the team also launched connected.piraeusbank.gr, the Bank's new internal blog, an additional communication pillar inside the Group hosting content related to the Bank's products, services, and operations.

Finally, in 2020, the team started redesigning the new Private Banking site, to be completed in 2021.

LOYALTY

The Loyalty team remained committed to strengthening the Bank's customer-centric culture. It focused on expanding the customer base and delivering great customer service, focusing on processes for managing and improving customer service. The yellow Rewards Programme now reaches out to 40% of the Bank's active clientele. The team developed the yellow business Rewards Programme which includes more than 50,000 small businesses, freelancers and self-employed professionals.

Yellow Rewards Programme

In 2020, the yellow Rewards Programme retained its status as one of the most successful Banking and other commercial loyalty schemes and was a reference point for the brand equity of Piraeus Bank.

There are more than 2 million yellow Rewards Programme members and membership is steadily growing. At least 90% of the members live the total yellow experience, using Piraeus Bank products and ser-

vices to collect yellows and redeem the points collected. At the same time, 50% of Members redeemed yellows at the 19 yellow Rewards Programme premium merchants and the 31 affiliated merchants, in a physical or an online store.

In addition, in 2020, more banking practices were included in the Programme, while new affiliated merchants joined the Programme. As part of the "Shopping in the Neighbourhood" Programme, 6,000 new yellow redemption points were acquired throughout the country. Finally, in cooperation with the Bank's Product Units and the Programme's affiliated merchants, 37 marketing & advertising campaigns were rolled out, of which 11 used the ATL approach.

Yellow Business Rewards Programme

The Bank launched the yellow business Rewards Programme, as part of its effort to evolve the Loyalty Programme, guided by the needs of its customers. This extension of the yellow Reward Programme to include Small Businesses, freelancers and self-employed professionals, is pioneering and innovative by Greek standards. Through yellow business, Piraeus Bank offers its business customers multifaceted and practical support, especially in the unprecedented and demanding current situation. The privileges and benefits offered extend beyond banking products and services.

The +50,000 companies-members of yellow business benefit on a daily basis, earning and redeeming yellows, while enjoying exclusive business offers from other affiliated merchants of the Programme, such as Shell, Public, IRON, AVIS, etc. In addition, the member companies can also participate as yellows redemption points in the "Shopping in the Neighbourhood" initiative and benefit from the influx of new customers and increased turnover.

In 2021 the Loyalty programme aims to enrich the ways of rewarding yellows, focusing on Small Businesses, freelancers and self-employed professionals, to expand the network of Partner Businesses with additional large brands in the Greek market, and to launch the yellow mobile application. With the new application yellow will leave its digital footprint on the loyalty platforms, offering a personalised experience to yellow Programme members, and a new dynamic in the interaction and promotion of the Programme and the Bank in general.

CULTURAL AND SOCIAL INITIATIVES

In 2020 City Link was the liveliest spot in downtown Athens, hosting

unique events and exhibitions, in accordance with the measures adopted in response to the Covid-19 outbreak. The Spyromiliou Arcade embraced society and culture, hosting the following events:

Art exhibition “Our bright star”

For the third consecutive year, City Link hosted an exhibition of paintings created by children from the SOS Children’s Villages in Vari, in the art workshop jointly organised by SOS Children’s Villages and the Piraeus Bank Group. In 2020, the children painted 13 stars, which were exhibited during 13-29 February, hanging from the glass roof of the Spyromiliou Arcade, sending a message of optimism and good luck for 2020.

“Adopt your City”

PICAR - the company that manages the City Link - and Piraeus Real Estate are actively participating in the upgrading of the image of the capital, in response to the “Adopt your city” programme created by the City of Athens, which aims to achieve the “culture of everyday life”. In this context the companies gifted the Cleaning and Recycling Department of the Municipality of Athens, with one of the twelve modern, highly efficient and easy-to-use self-propelled electric urban vacuum cleaners, with zero pollution, quiet operation and the possibility of moving on the sidewalk and the street. At the same time and within the framework of the same program, at the end of 2019, they decorated and illuminated the pedestrian street of Voukourestiou, in the section between Stadiou and Panepistimiou streets, thus welcoming 2020 in a dazzling manner.

“Thank you Night”

In March 2020 “Make-A-Wish Greece” held its annual “Thank you Night”, to report on the Foundation’s work during the previous year and to express its gratitude to volunteers, donors, and supporters. Piraeus Real Estate, PICAR and City Link embrace initiatives aimed at helping fellow human beings in need, especially when it comes to children, and are long-term supporters of the “Make-A-Wish” Foundation, which fulfils the wishes of children suffering from serious diseases.

“Together for Children”

City Link always participates in fundraising events, when called to help. In the summer of 2020, the Spyromiliou Arcade hosted an exhibition stand for the Association “Together for Children”, to support the initiative “Together we Create”. “Together we Create” invited eight artists

to design original and numbered collectible T-shirts, sponsored by and sold exclusively at KALOGIROU shops. All proceeds from the sale of T-shirts were donated to support families experiencing financial hardship due to Covid-19.

Once again, City Link received an award at the RETAIL BUSINESS AWARDS, in the RETAIL MALL & PARK category, in recognition of the hard work put in by employees, and the loyalty of its visitors. City Link was recognised as the most functional, easily accessible, and environmentally friendly “Retail Mall & Park”, with a wide variety of shops and the best customer experience. An important criterion is its role in Retail development, in attracting investments for the creation of new stores and jobs, as well as in promoting good practices in Real Estate.

PIRAEUS REAL ESTATE

Donation to the Holy Metropolis of Nea Ionia

With a strong sense of social responsibility Piraeus Bank Group donated a land plot of 6,900 sq.m. on Irakleiou Avenue to the Holy Metropolis of Nea Ionia and Philadelphia. The Ionian Centre will be built on the plot to house the activities of the Holy Metropolis. The Ionian Centre is expected to be a point of reference in terms of social and cultural activities in the area and will host a Church, a Museum with church relics from Asia Minor, a Culture and Youth Centre, a Kindergarten, a Reception Room, a Hospitality Centre.

BRANCH MARKETING MANAGEMENT

The BMMplus dashboard, the Bank’s two-way marketing communication channel for the promotion of products and services played a part in helping each Bank branch building its own image:

- production and distribution of only essential marketing material,
- reduction of the Bank’s carbon footprint,
- effective branch-based marketing,
- minimisation of branch employee time spent on providing information, and
- support to local branch teams in executing effective community sponsorships.

The overall environmental performance over the period 2014-2020:

- 1,920 trees were not cut,
- 96 tonnes of CO₂ were not released,
- 80 tons of paper were not consumed, and
- 4,175,000 litres of water were saved.

UPGRADED DYNAMIC BRANCH IMAGE MANAGEMENT PLATFORM

Branch Marketing Management plus (BMMplus)

In 2020, the teams from Branch Network Marketing, Trade Marketing & Local Activities, Customer Value Management and Data Intelligence & CRM continued regenerating BMMPlus with CRM data, Customer Analytics, and mapping data on Prefectures and Regions for important sectors of social, economic, and business activity, in Bank branch locations. These projects aim to:

- Offer optimal and targeted product advertising and marketing, based on customer preferences and needs, and prepare local action plans, making use of local activity data;
- Promote the branch as an important “pillar” of communication, with the effective distribution of advertising and marketing material (printed and digital), fully adapted to local needs, and using the means available at the branch; and
- Improve customer experience.

The operation of the BMMPlus platform is expected to reduce the cost of producing marketing material and the Bank’s carbon footprint.

LOCAL INITIATIVES TARGETING SPECIFIC CUSTOMER SEGMENTS

The Bank’s communication and marketing included advertising campaigns and initiatives for specific customer segments:

- Advertising campaign and information about Piraeus Bank Private Banking, with “High Standard Experience” as its motto, in dedicated press and in newsletters on the international trends in Private Banking.
- Creation of opportunities for local communities to attract new customers, to strengthen its relationships with existing customers and develop relationships with institutions and organisations, making use of:
 - “prosperity indicators” from Regions and Prefectures all over Greece,
 - Customer statistics, surveys for the prefectures of the region “mapping” data on important aspects of social, economic, and business activity and model customer profiles based on geographical, economic, and behavioural characteristics.

CHECK IN CLASS

For a sixth consecutive year, particular emphasis was placed on students as a specific customer segment. The “Check In Class” marketing campaign, launched in 2015 at 13 Academic Institutions to promote products and services for students, continued in 2020 at 77 public and private academic institutions – adapted to the changing circumstances due to the pandemic.

Built on the premise of “Rewarding student attendance at the Academic Institution in which he/she is studying” and his/her participation in distant learning (Check In e-Class), the mobile app aims to improve the financial literacy of students and provides information about the Bank’s Loyalty programme. The Bank reached out to 350,000 students, supporting Retail Banking and Branch Network targets. The Bank’s corporate image and reputation was strong in 81 cities with a large student presence; the 2020 Customer Satisfaction Survey shows a strong relationship between students and Piraeus Bank. A TRI*M Index of 90 shows that students are the customer segment with the highest customer satisfaction.

114,354 students have participated in this campaign, and 27,254 visits have been made to 278 branches.

The “Check In Class Notes” application, with a motto “You become great when you share knowledge”, gained added value in 2020 due to the pandemic. The application provides students with the ability to share course notes and material with other app users, receiving Note-Points that they

can convert to yellows. This note sharing app generated interest, with 3 out of 4 students registering for Piraeus Bank's reward programme. The app contains information on the curricula of all the country's Academic Institutions, listing approximately 36,000 courses. More than 10,000 course notes have been shared between students-users in 29 Academic Institutions, with an ever-increasing trend. Children of the Bank's employees studying at Academic Institutions actively participate in the interaction.

Project Future, Piraeus Bank's CSR Programme linking university graduates to the job market is also featured on the app, to inform the student community and especially the graduates.

The Branch Network Marketing team markets this campaign, through push notifications, newsletters, etc. to the ever-growing database. "Check In Class" was presented at schools and departments teaching marketing and communication using new technologies. Students from the respective academic institutions actively participate in the marketing campaign.

SHOPPING IN THE NEIGHBOURHOOD: SUPPORT PROGRAMME FOR SMALL BUSINESSES

In 2020, 57 presentations of the "Shopping in the Neighbourhood" programme were held in trade associations and chambers, more than 912,000 transactions were made at affiliated merchants, 6 affiliated merchants won €1,000, and 600 consumers received a refund of the purchase price. A 360o marketing campaign was developed to launch the programme and register businesses. The digital marketing campaign inviting professionals to register their business with the Programme received 6.8 million views from professionals visiting winbank.

PARTICIPATION IN EXHIBITIONS, CONFERENCES, EVENTS

In 2020, Piraeus Bank used advanced technology to plan and organise safe online corporate events and special informative and promotional initiatives, in line with its corporate identity and its strategy. The Bank also participated in online and hybrid conferences, webinars, large forums, supporting the business community and contributing to economic growth. Indicatively:

- Corporate events with regional customers
- Corporate event with Agricultural Baking customers, Northern Greece

- Events and inhouse seminars for Piraeus Bank agricultural segment
- Participation in the Agrotica exhibition with an exhibition stand
- Participation in the Horeca exhibition with an exhibition stand
- Endeavor Greece, The future of agriculture in the post Covid-19 era: Innovation challenges and opportunities
- Greek Economic Summit Gala Dinner with Government - American-Hellenic Chamber of Commerce
- Greek Economic Summit, Forging Ahead in Challenging Times - American-Hellenic Chamber of Commerce
- Meeting between Senior Management and Governmental and Institutional Bodies
- The Economist Events, The World In 2020 Gala
- The Economist Events, Eurozone's quest for a coronavirus vaccine
- The Economist Events, 24th Roundtable with the Government of Greece
- The Economist Events "5th Agricultural Business Summit"
- The Economist Events, "EU Recovery and Resilience Fund for Greece"
- E-branch inauguration, Larissa
- Piraeus Gold inauguration, Ionos Dragoumi Thessaloniki
- "Trade Finance and Winbank Tools" event
- Delphi Digital Events, Refuelling the Economy: the Role of Banks in the Covid-19 era
- 5th Delphi Economic Forum | 9-12 June 2020-Delphi Economic Forum
- Delphi Forum "Meeting of Strategic Members"
- 10th annual Capital Link
- 22nd Capital Link Invest in Greece Forum
- Partnership Agreement with TERNA ENERGY GROUP
- Partnership Agreement with General Secretariat of Greeks Abroad of the Ministry of Foreign Affairs
- Partnership Agreement with MATRIX PACK
- Syndicated bond loan signed by Independent Power Transmission Operator (IPTO) and the Banks

CUSTOMERS

- FTE Summit: 10th Annual Follow the Entrepreneur Investor Summit
- FTE Summit: Briefing Agenda
- Thessaloniki International Fair (TIF) – Thessaloniki Helexpo Forum
- Online conference “Sustainable Banking: Financing Tomorrow”
- Sustainability Forum 2020
- 3rd Athens Investment Forum
- Greek National Opera, anniversary production “Madama Butterfly”
- Piraeus Bank of Directors Strategy Day

CUSTOMER EXPERIENCE

Voice of the Customer

In 2020, the Voice of the Customer (VoC) team continued working towards improving customer experience. VoC analysts measured the experience of more than 11,000 Retail Banking customers at 14 customer touch-points (Moments of Truth). Text Analytics (Machine Learning and Natural Language Processing) was used to analyse more than 53,000 spontaneous comments from 30,000 customers on all channels. There were 968 suggestions for improvement, of which 20% have already been implemented, and 9% are being prepared for implementation.

2020 AWARDS AND DISTINCTIONS

Piraeus Bank won a number of awards and distinctions for its marketing, communication and public relations initiatives:

EVENT	CATEGORY	AWARD/DISTINCTION
RETAIL BUSINESS AWARDS	-	RETAIL MALL & PARK for City Link
Loyalty Awards 2020	1.1 Banking	GOLD Best in Loyalty & Engagement for Check In Class Notes
Loyalty Awards 2020	-	GOLD Most Innovative Initiative for Check In Class Notes
Loyalty Awards 2020	-	BRONZE Best Use of Brand Advocates & Influencers for Check In Class Notes
Loyalty Awards 2020	14.1 Best Use of Mobile	GOLD Best Use of Digital Technology for Check In Class Notes
Sales Excellence Awards 2020	4.1 es Increase (Services/Products/Industry/Retail)	BRONZE Excellent Performance in Sales for Check In Class
Impact BITE Awards 2020	1.2 Specialised Sector Apps	SILVER Awards to Businesses for Optimal Use/Utilisation of ICTs for Check In Class
Impact BITE Awards 2020	1.2.11 Training	SILVER Awards to Businesses for Optimal Use/Utilisation of ICTs for Check In Class
Impact BITE Awards 2020	1.1 Operational & Business Apps	GOLD Awards to Businesses for Optimal Use/Utilisation of ICTs for Branch Marketing Management plus (BMMplus)
Impact BITE Awards 2020	1.1.2 CRM & Digital Marketing	GOLD Awards to Businesses for Optimal Use/Utilisation of ICTs for Branch Marketing Management plus (BMMplus)
Digital Marketing Awards		GOLD Best Personalized Service – winbank – Simple and Organised
Digital Marketing Awards		GOLD Best CSR Award for/by a Web Publisher – Project Future

Digital Marketing Awards

Digital Marketing Awards

Social Media Awards

Social Media Awards

Social Media Awards

Social Media Awards

Social Media Awards

Mixx Awards 2020

Mixx Awards 2020

Peak Awards 2020

Peak Awards 2020

GOLD Best Effectiveness Campaign for a Brand - Miles & More World Mastercard

BRONZE Best Search Marketing for a Web Publisher - Ongoing SEM Campaign

PLATINUM Best of LinkedIn - Project Future CEO campaign

SILVER Best of LinkedIn - Piraeus Bank LinkedIn page

BRONZE Best of Facebook Family of Apps/Innovation - Project Future Campaign 4th Cycle

BRONZE Best of YouTube/Communication - winbank Youtube channel

BRONZE Best of YouTube/Innovation - Project Future Campaign 4th Cycle

SILVER Award - Ongoing SEM Campaign for Banking Products and Services

Members Award - Ongoing SEM Campaign for Banking Products and Services

BRONZE Best Campaigns in Performance Marketing

Best Lead Generation Campaign Project Future 4th Cycle

CUSTOMER SATISFACTION SURVEY

Every year Piraeus Bank conducts a “Customer Satisfaction Survey” (CSAT) to measure its customers’ satisfaction with their banking experience. Customer satisfaction continues to be a priority for Piraeus Bank.

In 2020, KANTAR carried out Computer Aided Telephone Interviewing (CATI) to measure customer satisfaction, administering a 12-minute survey to a sample of 15,352 active customers (natural persons, at least 1 transaction in the last 6 months), across the country. The survey was conducted in accordance with the ICC/ESOMAR International Code on Market, Opinion and Social Research, the Data Analytics and Association of Greek Market & Opinion Research Companies (SEDEA) code of conduct, and the quality control specifications defined by PESS (Quality Control in Data Collection).

Overall customer satisfaction with Piraeus Bank has declined during Covid-19 pandemic, even though it remains relatively high. 70% of customers said that Piraeus Bank supported them during the pandemic, rating the support and the solutions offered as “excellent/very good”.

Overall customer satisfaction is quite high, with 68% of the interviewees rating their experience with Piraeus Bank as “excellent/very good”, 24% as “good” and 6% as “average”, while only 1% rated it as

“poor”. Nine (9) out of ten (10) Bank customers prefer Piraeus Bank “extremely/very strongly” over other banks.

According to the 2020 survey, customer satisfaction at the primary branch of service declined, even though it remains relatively high. Focusing on the individual indicators, “staff courtesy” and “staff expertise” indicators scored the highest. In terms of “providing comprehensive and transparent information”, 74% of customers rate the branch as “excellent/very good” and only 1% as “poor”. In addition, 75% of respondents rated the primary branch as “excellent/very good” in terms of “keeping promises”.

Use of digital channels has increased, with a high satisfaction level. Online banking customer satisfaction remains high, with nine (9) out of ten (10) customers rating the service provided as “excellent/very good”. Customer satisfaction with the mobile banking app also remains high, with 86% of mobile banking users rating the service provided as “excellent/very good”.

These results justify the Bank’s focus on providing an excellent customer experience.

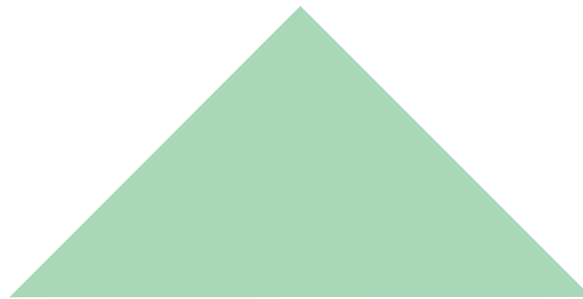
Finally, respondents were asked to identify areas for improvement in the level of the quality of service provided by the Bank. The suggestions were taken into consideration and are used to implement corrective actions.

CUSTOMER SATISFACTION RESEARCH INDICATORS

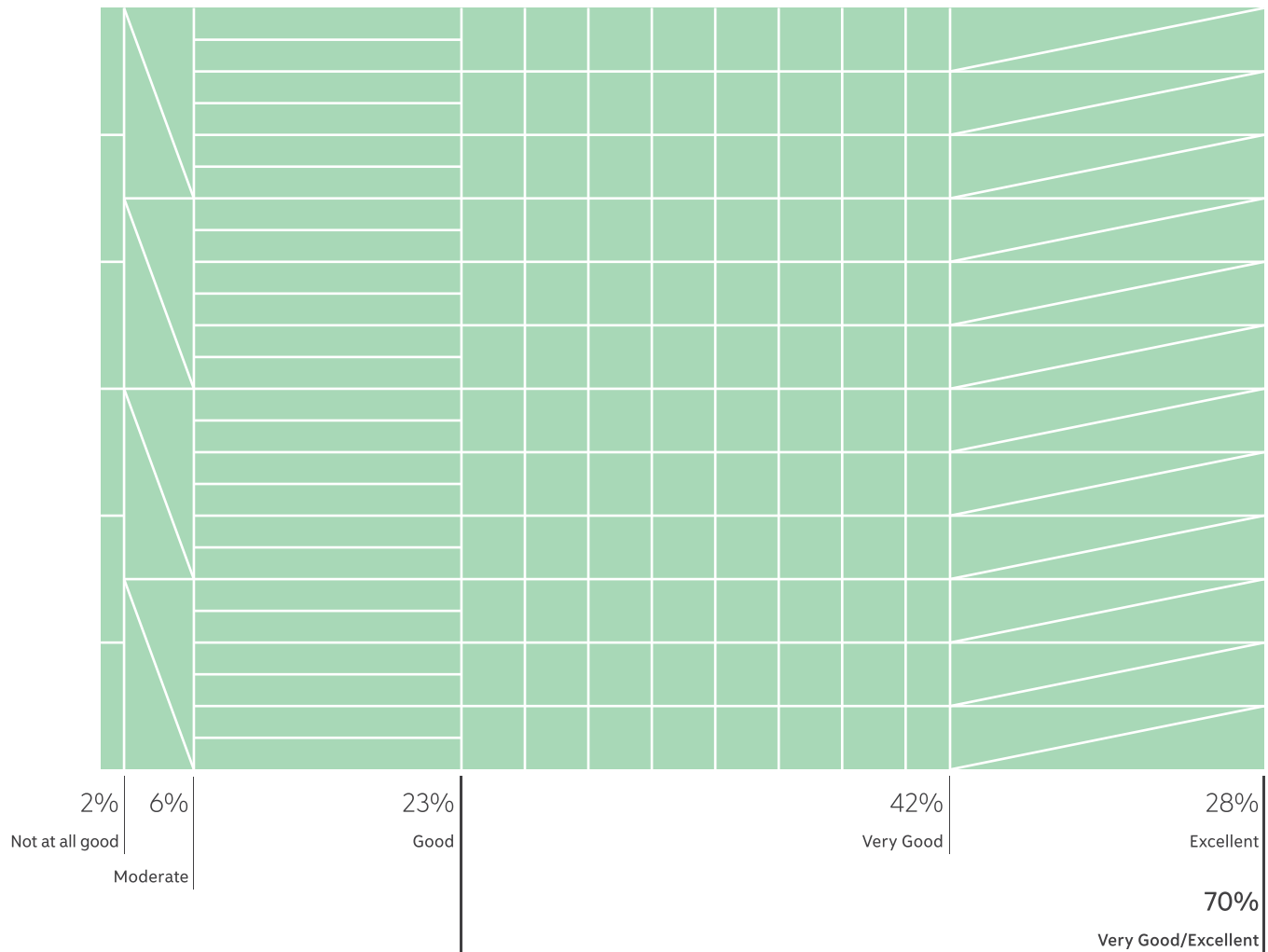
About the Research

- Methodology: Quantitative survey, 12-minute interview using a structured questionnaire via Computer Assisted Telephone Interviewing (CATI)
 - Sample: n=15,352 interviews with active customers, natural persons (at least 1 transaction in the last 6 months).
 - Sampling: 168 Piraeus Bank branches throughout Greece
 - Attica: 57
 - Thessaloniki: 17
 - Heraklion: 6
 - Patras: 5
 - Larissa: 5
 - Rest of Greece: 78
- and 91- 95 customer interviews per branch.
- Survey period: 11/6/2020 – 22/9/2020.
 - Guidelines: The research was conducted in accordance with the ICC/ESOMAR International Code on Market, Opinion and Social Research, the Data Analytics and Association of Greek Market & Opinion Research Companies (SEDEA) code of conduct, and the quality control specifications defined by PESS (Quality Control in Data Collection).
 - Company: KANTAR

In the following graphs, the percentages have been rounded to the nearest integer.

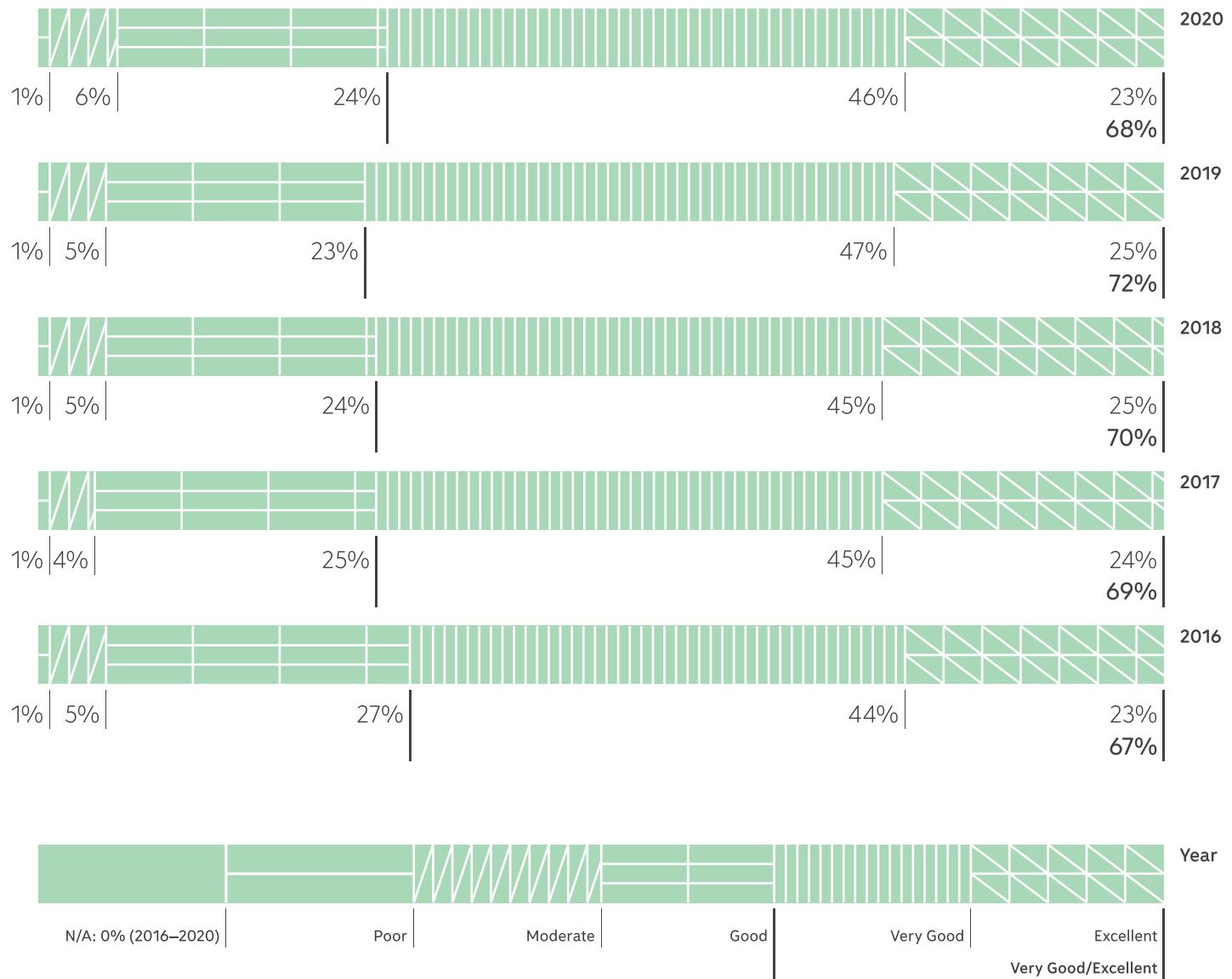


PIRAEUS BANK RESPONSE DURING THE PANDEMIC



Question: During the Covid-19 pandemic how would you rate Piraeus Bank for the support and solutions it provided?
Respondents v=15,352

ASSESSMENT OF OVERALL CUSTOMER EXPERIENCE WITH PIRAEUS BANK



Question: Considering your experience with Piraeus Bank, how would you rate it overall?

Respondents $v_{2020}=15,352 / v=15,300$ the previous years

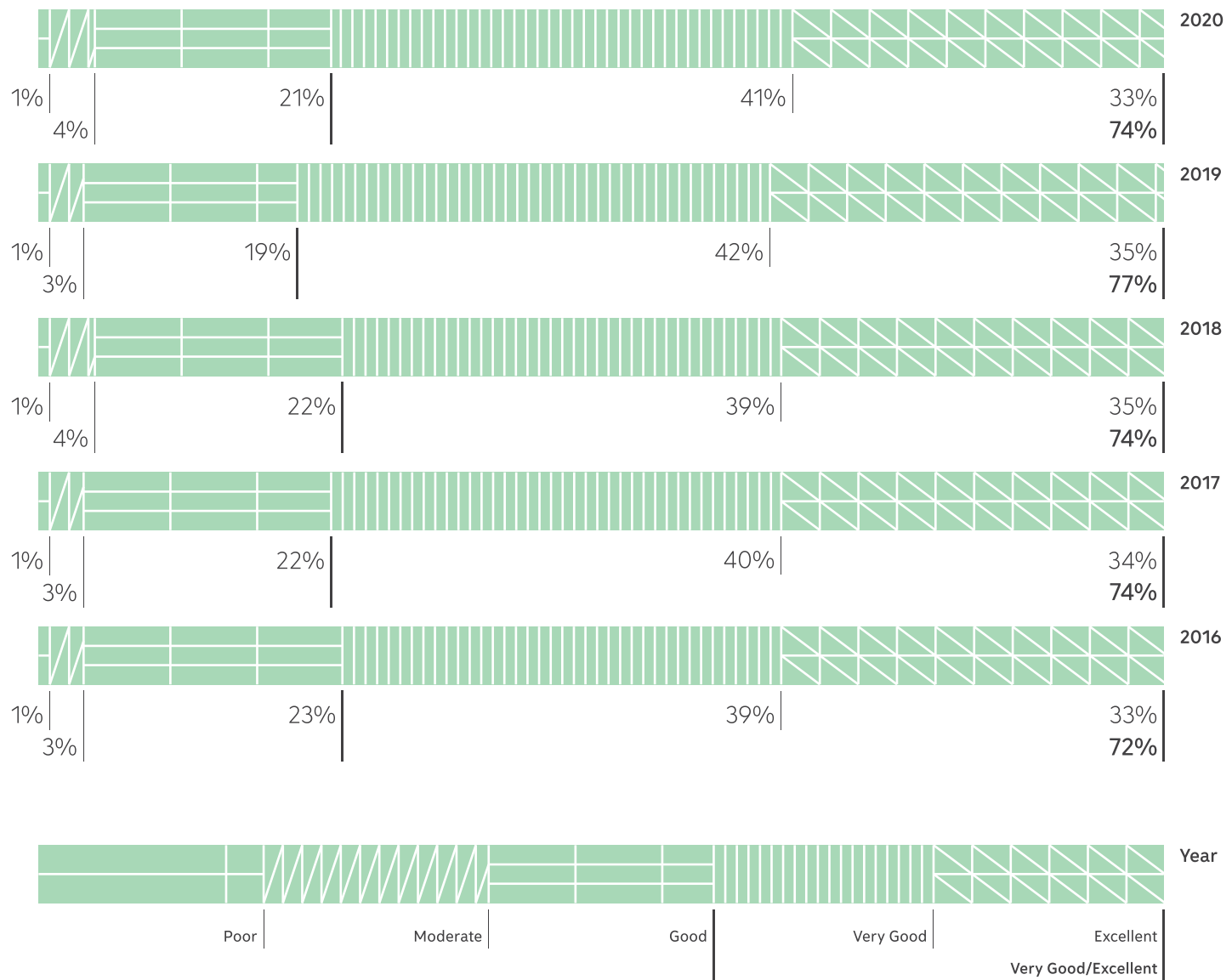
DEGREE OF PREFERENCE OF PIRAEUS BANK VERSUS ANY OTHER BANK



Question: How strongly would you prefer Piraeus Bank versus any other bank?

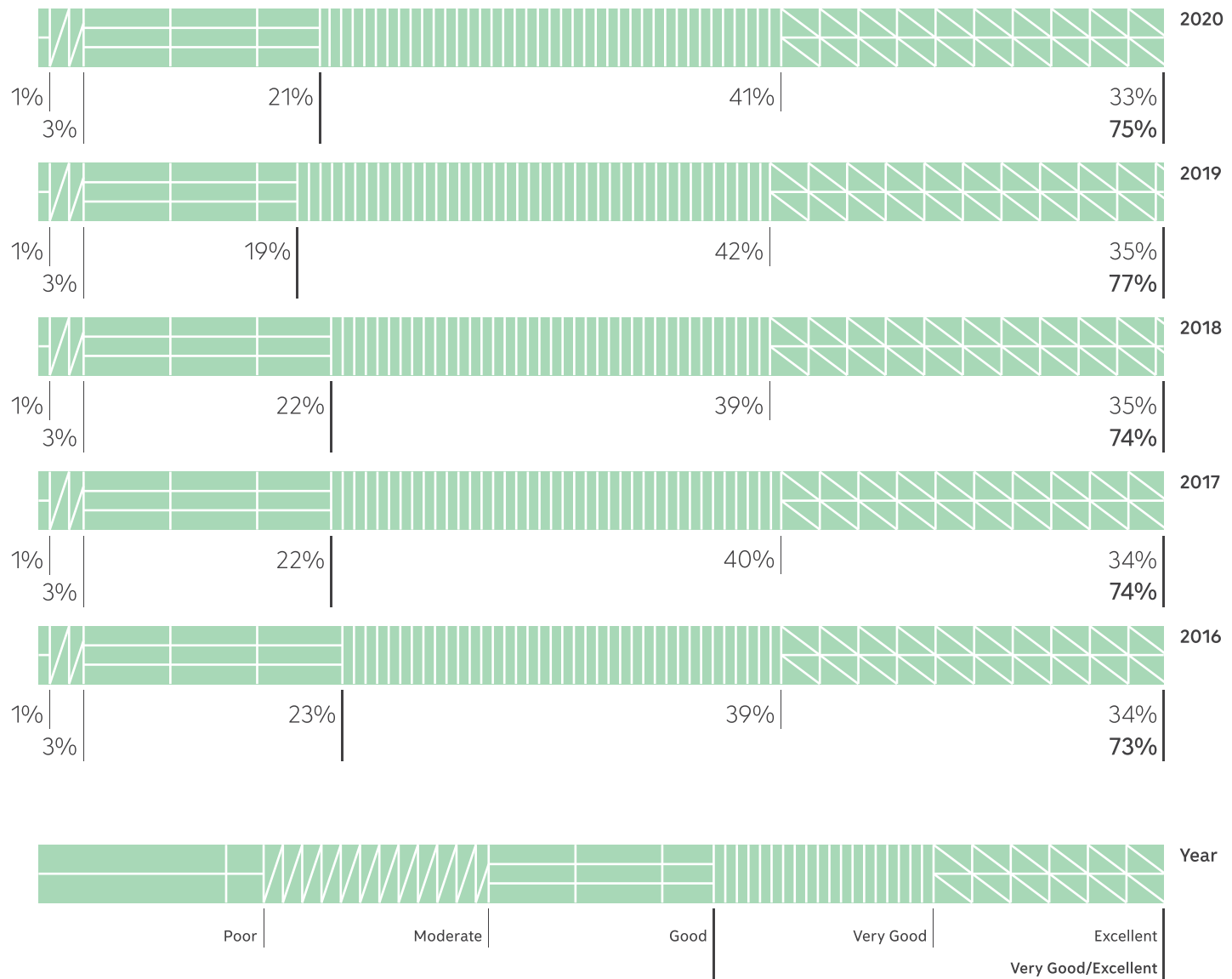
Respondents $v_{2020}=15,352 / v=15,300$ the previous years

PROVIDING COMPLETE AND CLEAR INFORMATION



Question: How would you assess your primary branch at Piraeus Bank in providing from the beginning complete and clear information on the terms of cooperation? Respondents $v_{2016}=15,290 / v_{2017}=15,294 / v_{2018}=15,291 / v_{2019}=15,293 / v_{2020}=15,341$

ABIDING BY PROMISE

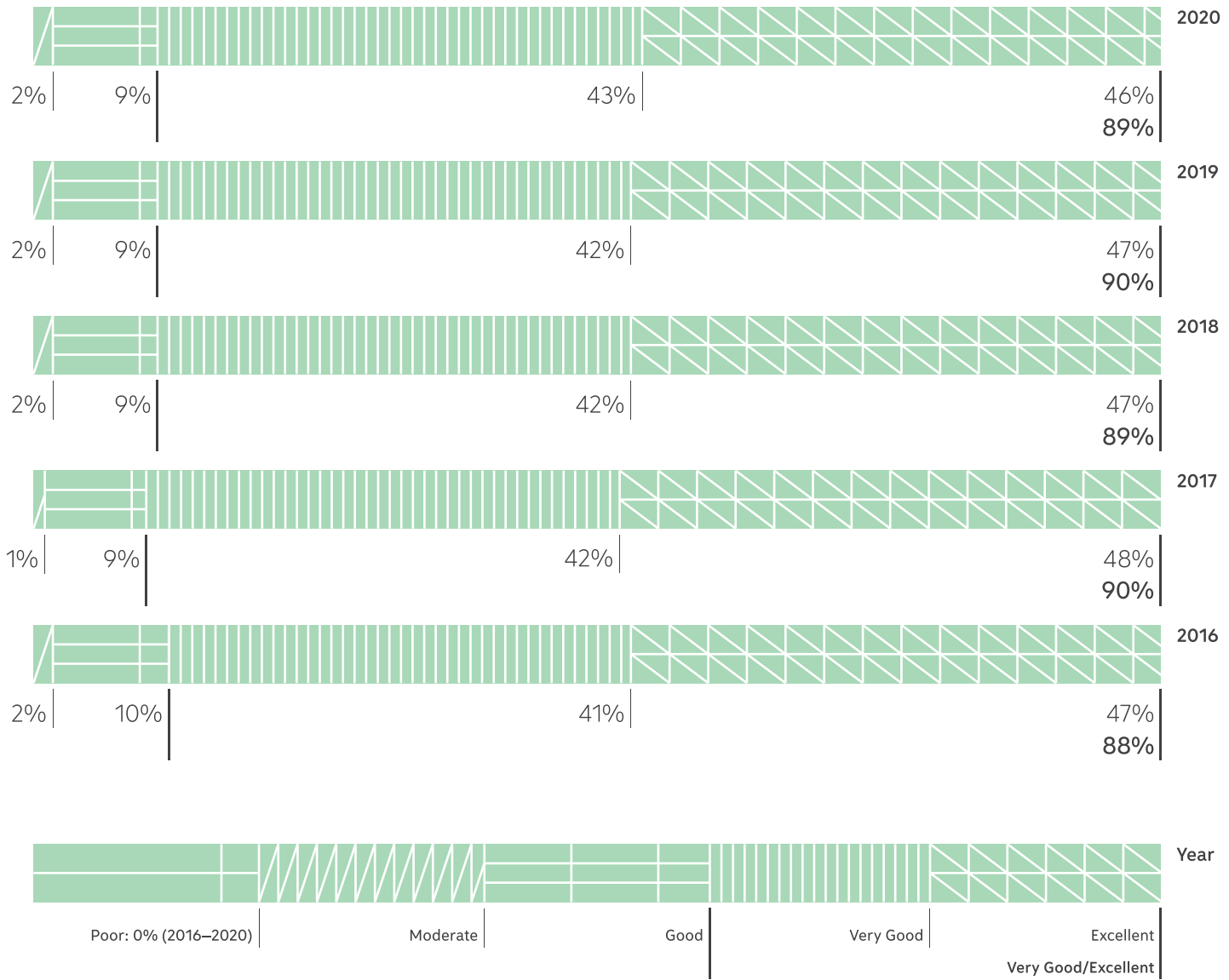


Question: How would you assess your primary branch at Piraeus Bank in abiding by promise?

Respondents $v_{2016}=15,290 / v_{2017}=15,294 / v_{2018}=15,291 / v_{2019}=15,293 / v_{2020}=15,341$

CUSTOMERS

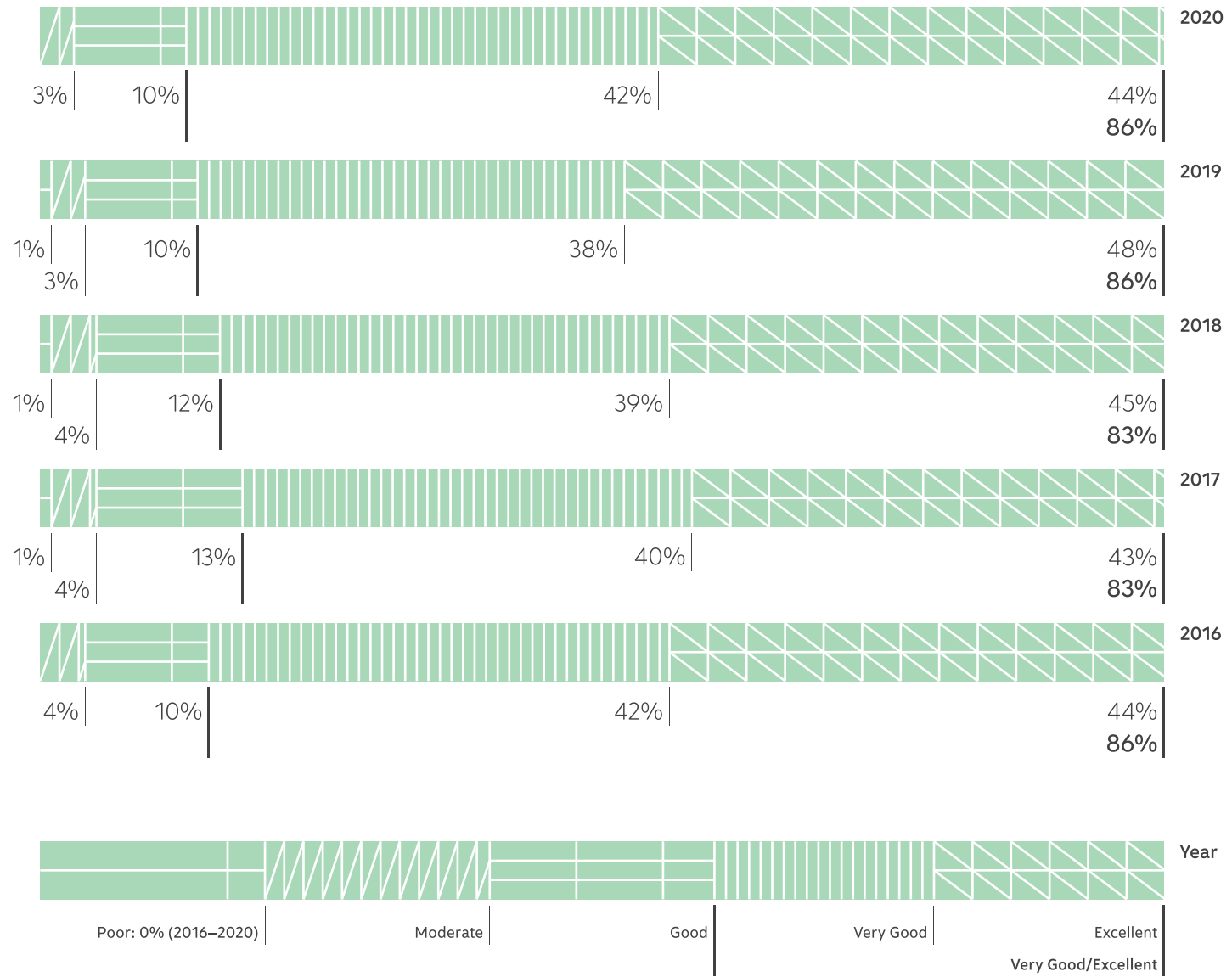
ASSESSMENT OF OVERALL EXPERIENCE OF SERVICES PROVIDED THROUGH WEB BANKING



Question: How would you assess the overall services provided through Piraeus Bank's web banking?

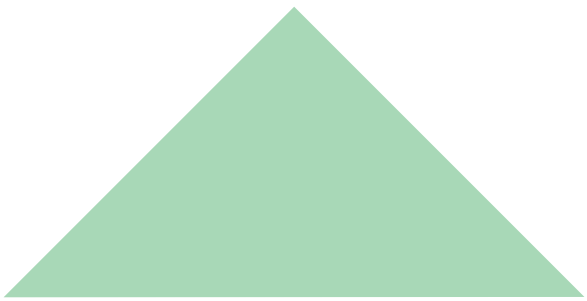
Respondents users of the specific channel in the last six months $v_{2016}=4,315 / v_{2017}=5,593 / v_{2018}=6,474 / v_{2019}=6,350 / v_{2020}=7,798$

ASSESSMENT OF OVERALL EXPERIENCE OF SERVICES PROVIDED THROUGH MOBILE BANKING APP

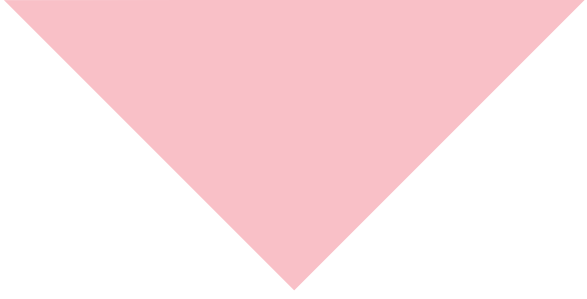


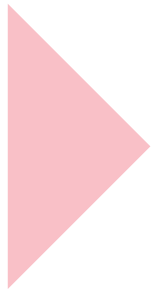
Question: How would you assess the overall services provided through Piraeus Bank's mobile banking app?

Respondents users of the specific channel in the last six months $v_{2016}=961 / v_{2017}=1,623 / v_{2018}=2,369 / v_{2019}=2,525 / v_{2020}=3,477$









HUMAN RESOURCES

The corporate culture, the values and the principles of the Group are at the core that feeds all the actions of Human Resources Group. Through a distinct mode of operation, high responsibility is demonstrated, a leadership team is built that shares a common purpose, and emphasis is placed to encourage a strong learning and growth mindset, to build present and future capabilities.

The creation of a working environment that systematically promotes diversity, equity and inclusion is an unshakable belief and is produced with a firm commitment to its formation.

The Group's people make the difference with their knowledge and skills, daily practices, and behaviours, and we all come together to achieve outstanding performance.

The Group HR operating model invests in Centres of Excellence and Business Partners. Centres of Excellence focus on the design, quality and adoption of best and new practices, which systematically cultivate the

conditions for a constructive and efficient workplace. Business Partners advise, support and guide the business units of the organisation, for the best possible utilisation and implementation of HR policies and practices, in order to successfully achieve their business goals.

The Group HR is committed to creating value across three pillars:

- For the Organisation.
- For each employee.
- Creating a unique and healthy workplace.

A goal remains constant, to feel a sense of pride for working in the Group, a sense of accomplishment for being part of its path to the future.

Key milestones for 2020 are the initiatives to protect employees' health, and to manage the pandemic. HR focused on shifting the business from physical

to digital channels and on the smooth transition to digital collaboration and remote work arrangements. In 2020, an Institution for Occupational Retirement, Life and Medical Provision was created and a Voluntary Exit Scheme was implemented.

2020 INITIATIVES

FOR THE ORGANISATION

- Creation of online guide on teleworking and effective use of new collaboration tools.
- UpGreat Online Learning Platform: Redesign learning initiatives, methods and tools and adapt in the new reality created by Covid-19 to meet the Organisation's business goals and strategic priorities.
- Review of HR Policies & Processes to support Job Family Model and corporate transformation.
- Completion of Operational Risk Assessment.
- Automation to respond to unexpected events caused by the pandemic and maintain business continuity.
- Integration of the Bank's new Job Family Model in Group HR Systems and Processes.
- Implementation of e-Recruitment to improve the Organisation's hiring process and to decrease the time to fill open positions.

FOR EACH EMPLOYEE

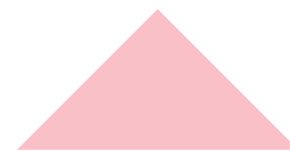
- 24/7 telephone health and counselling guidance and support for all employees, from an expanded group of doctors and mental health providers.
- Learning has been tied to the Competency Framework and the JFM Skillset per job family, per type of family role and per level of responsibility. Learning Pathways were designed for reskilling and upskilling.
- Window to market: linking employees who participated in the voluntary exit scheme with 19 major companies with job listings.
- Personalised EAPs (Employee Assistance Programmes)

for employees who participated the voluntary exit scheme.

- Introduction of Riskipedia, a glossary through a wiki tool.

FOR THE WORKPLACE

- A survey entitled "Our Opinion Matters" was conducted to assess how well employees adjusted to working from home, during the pandemic, and to identify areas of improvement (73% participation rate).
- Enhancing employee awareness initiatives and utilisation of new communication channels. Participation in the creation of the new digital information portal for all employees working remotely: Connected Piraeus Bank.
- Effective management of the pandemic by adopting and implementing a health and safety protocol for employees and their family members and ensuring the safety of the Bank's customers and partners. Emphasis was placed on ensuring organisational health in collaboration with the authorities and diagnostic centres.
- The Risk Culture Champions team was created, which encourages the participation of all the Bank's employees in the Risk Culture Programme.
- The critical elements were identified for fostering a strong organisational culture.
- Basic Principles of Risk Culture were introduced and tied to desired behaviours and practices. The principles were recognised as a compass for disseminating the risk culture across the entire Bank.
- Creation of three animated characters, representing respective risk profiles, depending on their character: Risk-averse, Daredevil and Perfect Balance and production of four animated short films, to raise awareness about risk-taking and risk-management.



*2021 TARGETS***FOR THE ORGANISATION**

- Job Family Model: Define critical roles and use them in different units of the Human Resources with the operation of the Succession Plan as a key priority.
- Supervisory Remuneration Reporting: Develop a structured framework for the timely analysis and implementation of supervisory guidelines. The aim is to ensure the proper submission of the ever-increasing reports to the supervisory bodies (European and domestic), regarding the remuneration of employees and specific categories, according to the new supervisory reporting requirements and regulations.
- Evaluate the unit's internal control systems.
- A modern corporate portal (intranet) for digital customer engagement, communication, collaboration and dissemination of knowledge.
- Design an automated system for assigning learning pathways.
- Upgrade the Become & Achieve performance management and appraisal platform with new performance measurement tools.

- presence and trust,
- digital learning.
- Design employee reskilling - upskilling programmes for training employees on new competencies and skills for existing and new roles.
- Apply the Become & Achieve performance management process to the subsidiaries of Piraeus Bank Group (NewCo).
- Strengthen the commitment to the performance management process through targeted actions for developing and strengthening Managers.
- Assessment of Potential of employees and link to their professional development and prospects.
- A structured approach to preparing and developing tomorrow's leaders.
- Develop a succession planning framework, with processes and tools for identifying leadership talent and successors for key positions, and preparing them for expanded organisational responsibilities to:
 - ensure business continuity,
 - minimise operational risk,
 - update the skills framework.

FOR EACH EMPLOYEE

- IORP: Piraeus Bank's Group Personnel Institution for Occupational Retirement, Life and Medical Provision was set up for Bank employees. Employees from Group Subsidiaries can also participate in the Fund.
- Group Plans: Improved coverage under the Group Life and Health Care Insurance Plan offered by the Bank to employees and their families, to ensure a higher level of medical care.
- Customer service training to ensure that the customer service team is committed to meeting complex customer needs. Development of skills to represent the Bank with local communities, with a focus on:

FOR THE WORKPLACE

- Create an information point with the health and wellness services available to employees, to be used by as many employees as possible.
- Run a Culture Pulse Survey to improve the workplace.
- Awareness training for all employees on the diversity and inclusion strategy, with a specially designed education awareness programme for addressing Unconscious Bias in the workplace.
- Communication of the Key Risk Culture Principles from the top management.
- 5. Interactive videos to improve situational awareness, i.e.

HUMAN RESOURCES

- assessing situations for any existing or future threats or risks based on the current situation.
- Familiarise employees with the Three Lines of Defence model.
- Conduct a Risk Culture survey to measure risk awareness both in targeted groups and throughout the organisation.

Group HR Data

NUMBER OF EMPLOYEES (MEASURED IN FTE*)		
	2020	2019
Piraeus Financial Holdings	33	-
Piraeus Bank	9,593	10,734
Other Greek Subsidiaries	382	403
International Subsidiaries	371	418
Piraeus Group Total for Continuing Operations	10,379	11,555

*Full Time Equivalent

Note: Piraeus Financial Holdings operated for 1 day in 2020 so its data are presented where appropriate and where available. Piraeus Bank is a subsidiary of Piraeus Financial Holdings as of 31/12/2020.

2020 NUMBER OF EMPLOYEES (MEASURED IN HEAD COUNT)										
	MEN				WOMEN				TOTAL	
	2020	%	2019	%	2020	%	2019	%	2020	2019
Piraeus Financial Holdings	15	45	-	-	18	55	-	-	33	-
Piraeus Bank	4,013	42	4,495	42	5,581	58	6,240	58	9,594	10,735
Other Greek Subsidiaries	190	50	205	51	192	50	199	49	382	404
International Subsidiaries	151	40	161	38	224	60	261	62	375	422
Total Piraeus Group for Continuing Operations	4,369	42	4,861	42	6,015	58	6,700	58	10,384	11,561

Note: HR data is collected from the HR database and from the completion of questionnaires on selected issues, with common assumptions

for all Piraeus Group companies – the Group's activities held for sale are excluded.

The data in the tables below until the end of the section refer to Head Count.

AGE DISTRIBUTION (%)							
	PIRAEUS FINANCIAL HOLDINGS		BANK		GROUP		
	2020	2019	2020	2019	2020	2019	
<30	0.0%	-	0.4%	0.5%	0.7%	0.9%	
30 - 50	90.9%	-	81.0%	82.9%	80.7%	82.4%	
>50	9.1%	-	18.6%	16.6%	18.6%	16.7%	

2020 EMPLOYEE DISTRIBUTION PER WORKPLACE (%)				
	BANK		GROUP	
	2020	2019	2020	2019
Branch Network	53.7%	53.6%	50.9%	51.2%
Administration Units	46.3%	46.4%	49.1%	48.8%

HUMAN RESOURCES

DISTRIBUTION BY TYPE OF EMPLOYMENT AND CONTRACT

100% of employees of Piraeus Financial Holdings, Piraeus Bank and other Greek subsidiaries are paid no less than the wages and fringe

benefits provided for in the collective bargaining agreements. At Group level the percentage amounts to 99.5%.

TYPE OF EMPLOYMENT AND CONTRACT						
	MEN		WOMEN		TOTAL	
	2020	2019	2020	2019	2020	2019
PIRAEUS FINANCIAL HOLDINGS						
Full-time Employment	15	-	18	-	33	-
Part-time Employment	0	-	0	-	0	-
PIRAEUS BANK						
Full-time Employment	4,012	4,494	5,580	6,239	9,592	10,733
Part-time Employment	1	1	1	1	2	2
GROUP PIRAEUS GREECE						
Full-time Employment	4,217	4,699	5,790	6,436	10,007	11,135
Part-time Employment	1	1	1	3	2	4
TOTAL PIRAEUS GROUP						
Full-time Employment	4,365	4,857	6,009	6,692	10,374	11,549
Part-time Employment	4	4	6	8	10	12

GEOGRAPHICAL DISTRIBUTION OF EMPLOYEES WITH INDEFINITE EMPLOYMENT CONTRACTS (PIRAEUS GROUP GREECE)

	2020			2019		
GEOGRAPHICAL AREA	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Attica	2,479	3,294	5,773	2,742	3,660	6,402
Thessaloniki	426	539	965	502	604	1,106
Rest of Greece	1,312	1,955	3,267	1,455	2,173	3,628

**GEOGRAPHICAL DISTRIBUTION OF EMPLOYEES WITH INDEFINITE EMPLOYMENT CONTRACTS
(INTERNATIONAL SUBSIDIARIES)**

			2020	2019		
GEOGRAPHICAL AREA	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Capital City	132	177	309	147	208	355
Other Regions	19	47	66	14	53	67

GEOGRAPHICAL DISTRIBUTION OF EMPLOYEES WITH FIXED-TERM CONTRACTS (PIRAEUS GROUP GREECE)

			2020	2019		
GEOGRAPHICAL AREA	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Attica	1	3	4	1	2	3
Thessaloniki	0	0	0	0	0	0
Rest of Greece	0	0	0	0	0	0

GEOGRAPHICAL DISTRIBUTION OF EMPLOYEES WITH FIXED-TERM CONTRACTS (INTERNATIONAL SUBSIDIARIES)

			2020	2019		
GEOGRAPHICAL AREA	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Capital City	0	0	0	0	0	0
Other Regions	0	0	0	0	0	0

PAYROLL EXPENSES (€ MILLION)

	2020	2019
Employee Compensation	315	339
Social Insurance Contribution	77	88
Other Expenses	26	32
Voluntary Exit Scheme	148	36
Retirement Benefits	4	9

ADDRESSING THE EFFECTS OF THE COVID-19 PANDEMIC

HEALTH AND SAFETY

Piraeus Bank, acting responsibly adapted its work practices in response to the Covid-19 pandemic that broke out in the first quarter of 2020, aiming to protect the physical and mental well-being of its employees. From the beginning of the pandemic to the date of publication of this Report, it has adopted the following practices to improve workplace health and safety:

- Close cooperation between the Bank's health and safety team and medical staff with the competent bodies and hospitals for adopting an effective health protocol of handling Covid-19 pandemic related issues.
- Medical monitoring of suspected cases with the strict application of protocols.
- Initiatives to build mental resilience and improve the well-being of employees and their families in response to the stressful conditions created during the pandemic. Specifically, a 24/7 Helpline for all, free online counselling sessions with mental health professionals, webinars and dedicated printed material posted on the internal communication channels addressing, inter alia, how to support children, adolescents, and the elderly in the midst of a pandemic.
- Free Covid-19 PCR molecular and rapid testing was available for all employees, following recommendations by the occupational doctors. In addition, Piraeus Bank entered into agreements with diagnostic centres for proactive Covid-19 screening for employees and immediate family members, at a privileged price.
- Early implementation and direct communication of preventive measures to promote the health and safety of employees and their families, to enhance cleaning practices of the premises and to distribute personal protective equipment (PPE) (e.g., liquid antiseptics, masks, gloves, Plexiglas dividers, etc.).

- Special leave of absence granted to employees belonging to vulnerable groups, and to employees/parents of children of compulsory school age, pursuant to the guidelines and instructions of the Greek authorities.
- Implementation of health and safety protocol for the safe return to work of employees with critical roles.

In the context of supporting the health and safety of employees, both preventively and therapeutically, in collaboration with the External Protection and Prevention Services (EPPS), health and safety professionals visited the premises during the first phase of the pandemic promoting occupational safety and health. Instructions were given and supplementary prevention and protection measures were adopted in addition to the mandatory ones. At the same time, new Occupational Risk Assessment Studies were prepared for all the facilities with a special annex for Covid 19 and the employees were informed. In addition, the following initiatives were carried out:

- Tutorials on health and safety in the workplace for employees and their families, in Athens and in the periphery.
- Provision of 18 special orthopaedic seats, following health checks.
- Actions to inform employees about key ergonomics issues arising from teleworking.

EFFECTIVE NOTIFICATION AND COMMUNICATION

Emphasis was placed on the timely provision of consistent information to employees through the Bank's available communication channels with continuous posts: information material on protection and security, awareness videos from competent bodies, operating instructions, support for employees, customers, partners, and answers to frequently asked questions. At the same time, fully aligned with flagship #StaySafe #StayHealthy campaign, employees at Group level received emails about the developments (teleworking rates, preventive measures, special leave, etc.).

In cooperation with the responsible units, a new Mass Notification System was launched, an important tool for Business Continuity purposes, to send timely emergency messages to employees.

CONDUCTING A “OUR OPINION MATTERS” SURVEY

During the pandemic, research was conducted that addressed to all the human resources it worked from the house in order to record possible areas as well and those that need improvement in teleworking. The research was implemented between 22-27 April 2020 and the percentage participation rate reached 73%.

74% of the respondents feel that “they as productive at home as they are at the office to meet team goals”, 77% agree that “the communication from the Group was timely and efficient”, 73% agree on the “efficiency of IT support and digital tools” and 80% believe that “the Bank’s digital efficiency helped to adapt to teleworking” and 85% agree that “the Group’s approach has had a considerable social impact increasing its contribution to society”. Areas of improvement include the need to maintain emotional balance and prevent mental health issues. The initiatives that followed focused on finding positivity to effectively deal with uncertainty and maintain emotional balance.

The survey results were presented to the Group Executive Committee and detailed reports were prepared with the results for each pillar of operation.

ENHANCING DIGITAL COLLABORATION

Digital guides were developed on working from home. The common purpose of such guides is to promote practices for a productive and healthy environment while teleworking.

The “Work from Home” guide, in line with our Values, our Principles, our Code of Conduct and Ethics and our Skills Framework, provided a safe framework for employees to continue to contribute, learn and grow while maintaining balance while teleworking.

In addition, short and comprehensive guides were designed for effective use of digital tools (MS Teams guide, Cyber security guide).

PROMOTING PHYSICAL HEALTH - WELL-BEING

Aiming to foster health and well-being for employees and their families during a pandemic, services promoting exercising and healthy eating are provided. Specifically:

- Online home workout and fitness programmes are available to all employees and their families.

- Pre-recorded workout videos are available to all employees, accessible anytime, anywhere.

REDESIGN OF TRAINING ACTIVITIES, METHODS AND TOOLS

In 2020 the unit overcame the disruption to its training programme due to Covid-19, by designing solutions for specialised needs and adapting to the new reality. Through the use and adoption of new digital technologies, the following was achieved:

- Training activities were converted into digital format and all learning was moved into virtual classes.
- Redesign and upgrade online learning.
- Introduction of new tools and application of techniques that reflect the current trends of instructional design for the design and development of digital courses.
- Creation of an interactive learning environment with the inclusion of videos and animated case studies.
- Rebranding of the online learning platform and creation of a portal for access and selection to online courses and resources through the channels #read, #observe, #discover, #join.

OUR APPROACH FOR A HEALTHY ORGANISATION WITH AN ENHANCED CORPORATE GOVERNANCE FRAMEWORK

HUMAN RIGHTS AT WORK

Piraeus Bank Piraeus Bank adopted the principles of the UN Global Compact in 2004. Respect for human rights and the principle of equal opportunities govern all core HR-related policies, processes and practices, ensuring diversity and inclusion in the workplace.

All employees have access to the Human Rights Policy via the Group’s internal communication channels, and to the e-learning course “Human Rights, Equal Opportunities and Diversity in the Workplace”.

Human Rights infringements (e.g. cases of harassment, intimidation/bullying, sexual misconduct) are addressed in the Group’s Whistleblowing procedure. Piraeus Bank has improved its employee grievance pro-

cedure and the whistleblower anti-retaliation framework.

In 2020, there were 25 Human Rights violations, none of which was a case of discrimination. All 25 violations were addressed and resolved within the year, in accordance with the established mechanism for addressing grievances raised openly or anonymously.

CULTURE OF ETHICS & SUSTAINABILITY

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 should conduct themselves when carrying out their work and take decisions as an employee of the Bank. The Code has been drafted in accordance with the Code of Banking Ethics (Hellenic Bank Association) and the Group's compliance standards, policies and methods.

The Code includes the Group's basic Policies and Regulations and outlines a set of principles for decision-making in the workplace. The Code applies to all employees across the Group, with emphasis on the principles of responsibility, meritocracy and transparency.

The Code is reviewed at regular intervals by the competent Committees, which propose any revision of part of its content or structure, following proposals submitted by Group HR.

COLLECTIVE REPRESENTATION

Piraeus Bank employees have a right to be represented by a union and there are six (6) employee unions active in Piraeus Bank, representing approximately 92% of the employees. Management respects the legislation governing its relationship with Unions and seeks to reinforce its dialogue with the employee unions, to continuously improve conditions at the workplace. In 2020 the Bank's Management held multiple meetings with employee Unions' representatives, as part of the regular and ongoing consultation. In June 2020 a new Collective Labour Agreement signed between the representatives and the Management, valid until December 2021.

JOB FAMILY MODEL

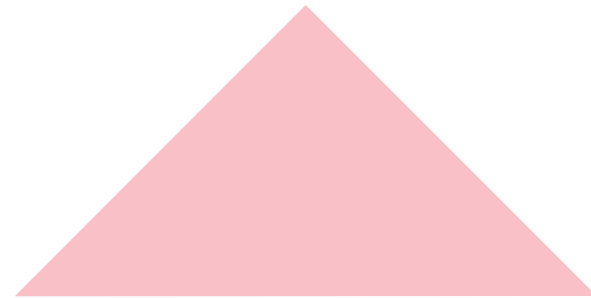
In the second half of 2020 and with the integration of the architecture and the visualisation platform of all the roles, emphasis was placed on creating a framework that will ensure the continuous and uninterrupted operation of the Job Family Model, as well as its connection with

policies and processes related to rewards, bonus schemes, roles evaluation and organisational planning.

The "JFM Governance Committee" has been set up to govern the Job Family Model. At the same time, specific policies and processes have been established and are being updated internally by Group HR.

The new Model is an important business tool that measures the contribution of roles to the Organisation's business operations and to its strategic goals and objectives. The staff was informed about the Model in June 2020 through one-on-one meetings with their immediate superiors. Specifically, each employee was informed by his/her immediate supervisor about the role he/she will have based on the model, his/her characteristics, and his/her individual goal within the Organisation.

The JFM model is now the main uniform platform for HR policies and processes. It is a dynamic tool that is continuously evaluated, updated in terms of its individual features, and enriched.



PUT THE RIGHT PEOPLE IN THE RIGHT ROLES

The Group strategy includes attracting and retaining employees with high capabilities – skills, abilities, knowledge, and strategic direction, in line with our Vision and Corporate Values. In this context, the Bank fosters the movement of talented employees to new roles. In 2020, internal mobility covered 95% of total human resource needs. In order to ensure transparent and objective evaluation in the selection process, tools such as job simulation tests, skills tests and personal interviews are used. At the same time, we have implemented “Workable” all-in-one recruitment process. The new platform is part of our evolution and renewal, it is an incentive for growth and contributes significantly to the development of the Group’s employees. They can use the platform to upload their CVs/resumes, to submit an internal application, and they have access to all current openings.

In 2020 95% of total job vacancies were covered through internal mobility.

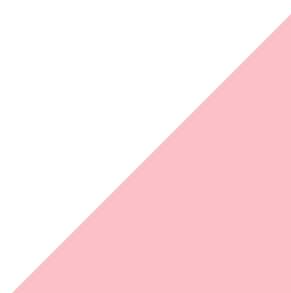


HIRES BY GENDER										
	MEN		MEN %		WOMEN		WOMEN %		TOTAL	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Bank	14	73	0.3	1.6	6	36	0.1	0.6	20	109
Group Greece	15	81	0.4	1.7	8	41	0.1	0.6	23	122
International Subsidiaries	43	52	28.5	32.3	52	85	23.2	32.6	95	137
Total Group	58	133	1.3	2.7	60	126	1.0	1.9	118	259

HUMAN RESOURCES

AGE DISTRIBUTION OF HIRES, BY GENDER											
		MEN		MEN %		WOMEN		WOMEN %		TOTAL	
GROUP GREECE	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	
<30	8	16	34.8	55.2	6	12	35.3	42.9	14	28	
30-50	7	58	0.2	1.6	2	26	0.0	0.5	9	84	
>50	0	7	0.0	0.7	0	3	0.0	0.4	0	10	
INTERNATIONAL SUBSIDIARIES											
<30	8	16	66.7	88.9	7	17	41.2	63.0	15	33	
30-50	31	32	32.3	30.5	40	61	25.5	31.6	71	93	
>50	4	4	16.7	10.5	5	7	16.1	17.1	9	11	

GEOGRAPHICAL DISTRIBUTION OF HIRES, BY GENDER											
		MEN		MEN %		WOMEN		WOMEN %		TOTAL	
GROUP GREECE	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	
Attica	15	76	0.6	2.8	8	37	0.2	1.0	23	113	
Thessaloniki	0	0	0.0	0.0	0	1	0.0	0.2	0	1	
Rest of Greece	0	5	0.0	0.3	0	3	0.0	0.1	0	8	
INTERNATIONAL SUBSIDIARIES											
Capital City	37	44	32.7	29.9	35	67	22.2	32.2	72	111	
Other Regions	6	8	31.6	57.1	17	18	36.2	34.0	23	26	



2020 HIERARCHICAL DISTRIBUTION OF RECRUITMENTS, BY GENDER					
GROUP GREECE	MEN	% MEN	WOMEN	% WOMEN	TOTAL
Leading Family (L1-L3)	0	0.0	1	3.6	1
Management (L4-L6)	5	0.3	1	0.1	6
Professionals (L7-L8)	10	0.4	6	0.1	16
INTERNATIONAL SUBSIDIARIES	MEN	% MEN	WOMEN	% WOMEN	TOTAL
Leading Family (L1-L3)	1	33.3	0	0.0	1
Management (L4-L6)	12	34.3	11	26.8	23
Professionals (L7-L8)	30	31.9	41	25.3	71
2019 HIERARCHICAL DISTRIBUTION OF RECRUITMENTS, BY GENDER					
GROUP GREECE	MEN	% MEN	WOMEN	% WOMEN	TOTAL
Executives	1	2.2	1	12.5	2
Senior Management	11	7.7	3	5.5	14
Middle Management	14	1.7	9	1.2	23
Professionals	29	2.1	12	0.6	41
Operational Staff	26	1.1	16	0.4	42
INTERNATIONAL SUBSIDIARIES	MEN	% MEN	WOMEN	% WOMEN	TOTAL
Executives	0	0.0	0	0.0	0
Senior Management	1	14.3	1	25.0	2
Middle Management	0	0.0	2	10.5	2
Professionals	5	16.7	8	29.6	13
Operational Staff	46	41.8	74	35.2	120

SUCCESSION PLAN

Recognising the importance of Succession Planning in terms of identifying, evaluating and developing the appropriate executives who are identified as potential successors for key positions, in 2020 the following initiatives were carried out, with the contribution of an external partner:

- Potential successors to the CEO and all BoD members were identified.

- Evaluation of potential successors of the CEO's direct reports.

Finally, the framework was developed for future implementation of the process for the entire organisation. The expected benefits of succession planning are:

- Ensuring business continuity.

- Minimising operational risk.
- Talent retention and development.

ASSESSMENT OF POTENTIAL FOR BANK EMPLOYEES

The Assessment of Potential is transparent, documented, and meritocratic and aims to develop, recognise and retain talent in the organisation, today and in the future. The aim is to ensure business continuity and the emergence of tomorrow’s leaders, who as ambassadors of corporate values, will lead the organisation to the next day.

In contrast to Performance Evaluation – ‘What’ I have achieved and ‘How’ in the past year, the definition for Potential focuses on ‘What’ can the employee achieve in the future and ‘How ready’ is he/she to take on a bigger role (horizontally or vertically).

In 2020 (October–November), the Assessment of Potential was completed for 98% of the employees.

The following criteria were taken into consideration to assess potential: a) Adaptability & Learning, such as the ability and desire of the employee to learn from his experiences and to act in new situations with minimal preparation, b) Positive influence, such as the ability to communicate and interact with third parties, focusing on solutions and aiming to reach agreements, and c) Self-motivation, such as the inner desire and action for growth, development and success.

The benefits for the organisation are: a) Ability to capture the bigger picture and embrace proactive talent management, so as to retain talent in the organisation, and b) Embedding a culture of recognition, utilisation and development of human resources and the ability to take a holistic approach to talent management.

TOTAL PROMOTIONS									
BANK	MEN		MEN %		WOMEN		WOMEN %		
	2020	2019	2020	2019	2020	2019	2020	2019	
Promotions during the year	29	160	44.6	50.6	36	156	55.4	49.4	

VOLUNTARY EXIT SCHEME (“VES”)

Piraeus Bank is implementing its transformation roadmap, with the formation of new organisational structures, and process simplification and automation. It places emphasis on strengthening digital services, aiming to maintain its leading role in the new conditions that have developed in the banking sector.

In this context, in October 2020 the Bank announced a Voluntary Exit Scheme, offering incentives to encourage employees investigating alternative personal and career opportunities.

The terms and conditions of the VES were designed to offer maximum consideration for the employees, taking into account social criteria and reflecting business needs, in accordance with the Bank’s strategy.

The VES applied to employees of the Bank and its Greek subsidiaries. Employees were offered the opportunity to exit under voluntary redundancy, to receive a lump-sum payment in compensation,

and to explore alternative career paths. In this context, the Bank, in collaboration with external specialised partners, designed careers counselling, including business startup consulting services, while introducing the “Window to Market” programme.

Window to Market was designed as the first digital event that opened a window in the labour market for employees interested in changing careers or wanting to be informed about market developments. Through a digital platform, the Group’s employees had the opportunity to watch live, during their work, the presentations of large Greek companies from different sectors of the economy, outplacement programmes and “Brokerage” programmes. During the event, they had the opportunity to book a meeting with representatives of the companies, to start written communication with them and to visit their digital kiosks.

Another innovation of the VES was the implementation of the “Brokerage” programme, providing the opportunity to cooperate with alternative networks of third parties for the promotion of the

Bank's products. At the same time, the scheme provided for medical coverage by the group health insurance scheme for five years, and for support to employees and their families through Employee Assistance Programs (EAPs).

Therefore, we completed the voluntary exit scheme for eligible employees in Greece, in which 865 eligible employees participated in 2020, whereas 338 participated in 2019, while the scheme remains open for participation in 2021.

AGE DISTRIBUTION OF STAFF TURNOVER BY GENDER											
		MEN		MEN %		WOMEN		WOMEN %		TOTAL	
GROUP GREECE		2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
<30		4	4	17.4	13.8	4	5	23.5	17.9	8	9
30-50		272	362	8.6	10.0	500	480	10.2	8.5	772	842
>50		253	100	24.6	9.4	196	93	23.5	11.9	449	193
INTERNATIONAL SUBSIDIARIES											
<30		13	15	108.3	83.3	8	21	47.1	77.8	21	36
30-50		30	40	31.2	38.1	60	79	38.2	40.9	90	119
>50		4	12	16.7	31.6	12	13	38.7	31.7	16	25

STAFF TURNOVER BY GENDER*							
		MEN		WOMEN		TOTAL	
		2020	2019	2020	2019	2020	2019
Piraeus Bank Greece		514	455	685	568	1,199	1,023
Group Greece		529	466	703	578	1,232	1,044
International Subsidiaries		576	67	783	113	1,359	180
Total Group		1,105	533	1,486	691	2,591	1,224

* The above table includes the staff turnover of the voluntary exit schemes 2019 and 2020.



GEOGRAPHICAL DISTRIBUTION OF STAFF TURNOVER BY GENDER											
		MEN		MEN %		WOMEN		WOMEN %		TOTAL	
GROUP GREECE	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	
Attica	308	361	12.5	13.2	402	458	12.3	12.5	710	819	
Thessaloniki	68	44	15.9	8.8	66	60	12.2	9.9	134	104	
Rest of Greece	153	61	11.7	4.2	232	60	11.9	2.8	385	121	
INTERNATIONAL SUBSIDIARIES											
Capital City	46	60	40.7	40.8	68	91	43.0	43.8	114	151	
Other Regions	1	7	5.3	50.0	12	22	25.5	41.5	13	29	

HEALTH & SAFETY

In addition to the actions provided by the legal framework, emphasis is placed on the empowerment of employees and their families, through services and actions that ensure health, safety and well-being. Specifically:

- Coverage of 100% of the staff by Occupational Doctor services across all facilities, ensuring a holistic approach to prevention and treatment of health issues.
- Clinic service with medical and nursing staff for the provision of prevention and basic health care in the Administration buildings of Attica and Thessaloniki.

In addition to the legislative framework and with a sense of care for employees and their families, the actions within the organisational health supported health and safety, physical activity and nutrition, emotional health, and informing employees through inspiring webinars with partners.

Piraeus Bank complies with all relevant laws and standards on safety at work. Safety Technicians and Occupational Doctors are available in all its facilities. The Bank systematically provides the Hellenic Statistical Authority (EL-STAT) with data on work-related accidents resulting in more than three days' absence from work, in accordance with the European Statistics on Accidents at Work (ESAW) methodology. In 2020, the Bank did not record any on-site accidents, achieving its goal.

At the same time, security systems were upgraded across the Bank (Branch Network and Administration buildings), and new Fire Safety and Fire Protection teams were set up. 1,017 fire drills were scheduled across the Bank, in the branch network and the administration building, while due to the pandemic the Fire Brigade Service offered only 2 fire-fighting training sessions.

WITH THE HELP OF TECHNOLOGY

In order to enhance the knowledge and skills of learners and develop and maximise their performance, the e-learning platform 'Upgreat Digital Learning Platform' was redesigned and upgraded to meet the needs of educational programmes and actions linked to the role, values and strategic priorities of the Organisation. Actions included:

- A new identity for the platform and renamed to Upgreat Digital Learning Platform.
- Connection of all educational activities with the Learning Pyramid.
- Creation of a marketing spot on the platform's home page to promote important projects.
- Creation of a video that captures the strategy and the connection of the actions, was shown on the internal networks and on the platform.

- Free access to learning through 4 different channels:
 - #read. Articles and speeches from Greece and the world,
 - #observe. Videos and ted talks,
 - #discover. More than 100 titles of e-learning programmes,
 - #join. Opportunity to participate in open live virtual classes.

OUR EMPLOYEE-BASED APPROACH

SUPPORT THE MENTAL HEALTH OF THE EMPLOYEE AND HIS FAMILY ON CONCERNS AROUND: PERSONAL, PROFESSIONAL, FAMILY WOES

Bank systematically promotes mental health and provides:

- Employee Assistance Programmes supporting employee wellness and mental health in collaboration with Hellas EAP:
 - 24/7 Helpline, counselling, critical event management, for all employees and their families,
 - Face to Face Counselling,
 - Information material for everyone.
- Disability management for employees with serious health issues, with practices and services tailored to their needs (indicative: special emergency leave).
- Counselling & Career Management Programme for employees' children.
- Pre-recorded mindfulness videos are available to all employees, accessible anytime, anywhere.
- Seminars on topics ranging from psychosocial issues to work disabilities and family support.
- We've partnered with a specialist nutritionist to host one-on-one sessions at a discount and provide nutrition advice, in the Bank's facilities and online.

In addition, last year:

- The Bank enhanced the parental leave policy to provide leave in addition to maternity leave for 100% of new parents. More specifically, 8% went on parental leave

for up to 3 months, 19% went on parental leave for 6-months, and 73% went on parental leave for more than 6 months. At the same time, parents are provided the opportunity for special leave to support their role.

- The PB Winners Running Team was created to participate in road races.
- A pulse survey was conducted to determine employee needs and take action on feedback.
- Expert-led seminars on topics ranging from nutrition to health and wellbeing.
- We partnered with gymnasts who offered group and solo exercise programmes in the two (2) gyms in central buildings, up until March. For health and safety reasons they stopped after the pandemic.

An important factor for employees is their financial strength. In this context, the organisation provides all staff with:

- Special pricing for Bank loans, cards and other products.
- Employee support for optimal management of their personal finances (e.g. debt management, savings solutions).
- Additional benefits (day-care benefit for preschool-aged children, etc.).
- Winners Card Offers (cooperation with a variety of companies throughout Greece and important offers for employees).

PPM, BECOME & ACHIEVE

"Become & Achieve", the performance management process successfully implemented since 2018, is continuous throughout the year and is supported by a modern digital platform.

The PPM links daily operations to corporate strategy, recognises individual contribution to the team's common shared goals and creates opportunities for personal and professional development. This process is based on continuous dialogue and regular and constructive feedback, designed to improve cooperation.

Common KPIs are used to measure the performance, enhancing transparency and meritocracy. Training material is available to all employees, for each stage of the “Become & Achieve” PPM cycle. Also, in 2020 targeted training was carried out to executives for registering contribution to team goals. A total of 210 team managers from 14 different Units participated in the training.

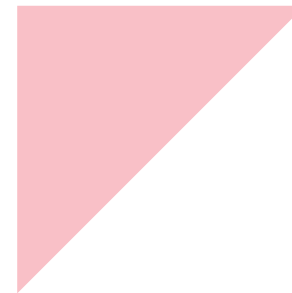
The 2019 “Become & Achieve” performance cycle was completed under unprecedented conditions, via teleworking, with the recording of the overall performance evaluation in the calibration meetings, conducted in 2020. Specifically, 95% of the staff evaluations were completed.

The large number of employees participating in the process and the corresponding completion rate show that the PPM is an essential tool for recognising the personal contribution of employees in achieving business goals, and for their development at all hierarchical levels.

LEARNING

Piraeus Bank’s strategy, the Job Family Model, which identifies roles, the institutional and regulatory framework, new technologies and modern work tools, as well as corporate values, shapes educational planning and determine the actions that are planned and implemented for the entire Organisation.

The following diagram shows the process map for training.



Achieving Business Results	Purpose & Corporate Values		
			The Future of Work Harnessing technology through new ways of working, curate upskilling and reskilling
Role Focus on role and job specific requirements JFM / Career Pathing	Individual Encounter pre-existing knowledge and experience Individual Development Plan (IDP) / Employee Surveys	Supervisory & Regulatory Framework Cover requirements of Greek & EU institutional & professional bodies BoG / ECB / HFSF	Learning Management System (LMS) / Teams / Robotic Process Automation (RPA)

The training activities are reflected in the Learning Pyramid and consists of 5 distinct themes:

- Leadership Development Strengthening leadership characteristics and empowering team members to achieve high returns and maximise results.
- People Skills Focus on communication skills, customer service, negotiation, developing a common behaviour and creative collaboration.
- Banking & Business Development of know-how in the various fields of specialisation, information on the Greek and international market, expansion of knowledge about financing, investments, products and services. Utilisation of new technologies, systems and design of innovative solutions.
- Risk & Controls Risk identification and weighting, information on risk management strategy, understanding of control mechanisms and familiarity with the institutional and regulatory framework.
- Workplace Wellbeing Health and Safety in the workplace, enhancing ergonomics, dealing with difficult situations, applying stress management techniques, achieving balance.

DISTRIBUTION OF TRAINING MAN-HOURS AND PARTICIPATIONS

CATEGORIES	2020		2019	
	MAN-HOURS	PARTICIPANTS	MAN-HOURS	PARTICIPANTS
Leadership Development	8,748	2,861	17,414	9,037
People Skills	19,546	6,450	37,300	7,071
Banking & Business	242,151	32,275	365,738	79,866
Risk & Controls	39,611	8,245	-	-
Workplace Wellbeing	9,313	1,431	28,654	5,944
Total	319,369	51,262	449,105	101,918

AVERAGE TRAINING MAN-HOURS, 2019-2020

BANK	2020	2019
Bank	30,71	40
Group	30	34

BANKING & BUSINESS

The most important Banking & Business training activities carried out during 2020 are related to the training in new products, the creation of upskilling programmes for roles in the Branch Network, the Analysis of Financial Statements, the training in new technologies. The educational activities accounted for 77% of the total educational activity, recording 32,275 participations and a total of 242,151 man-hours.

Business Insights Live Webcasts

In order to disseminate knowledge and exchange experiences with senior executives of the Organisation, live webcasts were designed and implemented with open invitation to all employees, where current business and banking issues were presented. Specifically, four topics were presented from Retail Banking, Corporate and Investment Banking, Piraeus Financial Markets and IT Security. A total of 643 executives participated in the action.

Developing Digital Skills, high efficiency and maximising results

The need for specialising and adapting to new requirements, make upskilling necessary – develop existing skills of executives in the same role, and reskilling – the acquisition of new skills for new roles as a result of organisational change, internal mobility and talent management. Using skills gap analysis, in 2020 eight pathways for upskilling and reskilling roles were designed and implemented, in collaboration with business experts from the Organisation and external partners, to better utilise skills that already exist in the organisation and creating new ones where necessary.

Upskilling and reskilling programmes for special roles

- Data Analyst. Comprehensive programme for developing and enhancing technical skills required to take on the role of Data Analyst, such as statistical methods, tools and platforms, and finally visualisation and data presentation methods.
- Commercial Relationship Manager. Introductory programme to become acquainted with the basic financial knowledge, processes, products, systems and daily workflow of the role.

- Introduction to Operational Risk Management for Segment & Unit Controllers. The purpose of the programme is to introduce the concept of Operational Risk and to familiarise employees with the methods of OR prevention and management.

Branch Network reskilling and upskilling programmes.

- Personal Banker. Internal certification programme to enhance role skills and create a competitive advantage in the Greek market. Includes best practices and techniques for identifying sales opportunities, evaluating credit claims, and analysing customer financial data.
- Small Business Officer. The programme explores the role of the relationship manager to improve his knowledge of the small business market and provide optimal solutions to customers.
- Upper Mass. Aims to develop the capacity to promote value, profitability and sustainability, through an understanding of customer-centric solutions that serve the needs of this segment.
- E-Branch Induction Programme. Understanding the strategy, familiarisation with the operating model, processes, trading options supporting the most effective customer service in the e-Branch.
- Branch Learning Path. Programme for training executives who are going to take on roles at the Branch Network.

Participation in Conferences and Training outside the Bank

Information on new market trends, exposure to modern techniques and international practices and training in specialised topics, enhance the performance of executives in the role, expand their skills and contribute to the dissemination of knowledge at the level of the Organisation. During 2020, 429 Bank executives (4,875 man-hours) participated in conferences, workshops, webcasts and specialised

training programmes organised by recognised professional and scientific bodies in Greece and abroad.

Professional Accreditations

Piraeus Bank, aiming to maintain a high level of efficiency, professionalism and development of its people, invests in human resources by

supporting employees who seek professional degrees and accreditations from internationally recognised professional institutions and bodies. In 2020, 18 executives of the Organisation joined certification programmes (CIA, CISM, COSO, PMI, Prince 2, Certified Data Privacy Solution Engineer).

DISTRIBUTION OF TRAINING MAN-HOURS PER MEDIUM (THOUSAND)

BANK	2020	2019
Classroom	27	149
Distance Learning	292	300

RISK & CONTROLS

In 2020 the category of Risk & Controls programmes was added. It is a distinct category that undertakes projects and activities related to governance, risk, credit, finance, trade and investment, health and safety. It ensures that the basic elements of knowledge that are necessary for every bank executive are met. The most important projects for 2020 were:

New Credit Policy Manual

The new Credit Policy Manual was presented, with an in-depth look at its new functionalities and changes in the approval process. It included the examination of special cases and the study of case studies. The live classes were attended by 342 executives, from roles that make use of the manual.

Introduction to Operational Risk

A programme specially designed for the Segment & Unit Controllers of the Group, to explain the concept of Operational Risk and to familiarise them with the methods of prevention and management. 101 executives participated in the programme.

The New Definition of Default

Detailed description of the changes brought about by the new Defini-

tion of Default in concepts such as Days Past Due, Unlikeliness to Pay and Return to Non-Defaulted Status. Highlights the key points to ensure a smooth transition to the new supervisory framework. A total of 251 executives participated.

Compliance with the Regulatory Framework

In line with the institutional and regulatory framework and with a view to eliminating the financial or reputational damage that the Organisation and/or interested parties may suffer as a result of non-compliance or partial compliance with the decisions of the Supervising Authorities, self-regulatory rules and codes of conduct 2,036 participants attended 16,275 man-hours of training on regulatory compliance, fraud prevention and corruption.

Professional Accreditations for Investment and Insurance Services

For the harmonisation with the institutional framework of the Bank of Greece, in 2020 87 Bank executives were accredited for the provision of investment services, while 175 executives were accredited for insurance mediation. 722 accreditations for the provision of investment services and 3,580 accreditations for insurance mediation were renewed.

Bank Privacy

In the context of the continuous training of employees on Regulatory Compliance, the e-learning Banking Privacy was developed, presenting the duty of professional secrecy and the consequences of its violation, through animated case studies. 4,246 participants received 16,984 man-hours of training.

Mortgage Credit

For our harmonisation with the European and Greek legislation regarding the adequacy of knowledge of the executives involved in the design, distribution and granting of mortgage loans, we have secured licenses for e-training programmes which lead to the acquisition of competency certification. The programme in Mortgage Credit was completed by 3,699 executives, totaling 29,484 man-hours.

Data Protection

On the occasion of the new dangers in cyberspace from the introduction of digital solutions due to the pandemic, an open webcast was held on Cybersecurity, System & People Protection. The webcast discussed issues of cyber threats, cyber attacks, teleworking safety and data protection as well as internet protection practices in the professional and personal daily life of employees. At the same time, the cyber security e-learning programme was commissioned. 433 participants for these two actions receiving 1,308 man-hours of training.

LEADERSHIP DEVELOPMENT

The module includes programmes that highlight trust, influence, commitment and effectiveness in team leadership. In total, 2,861 team leaders participated in in-house training programmes and training outside the Bank, receiving 8,748 man-hours of training aimed at strengthening their leadership skills or preparing them for an expanded role.

Within the framework of Become & Achieve, a specialised programme was designed and developed for the first stage of the performance cycle “My contribution to the goals of the team”, which was completed by 208 team leaders. The purpose of the programme is to clearly capture the contribution of team members with the SMART method and in a way that is linked to the strategic priorities and operational goals of the Organisation.

Masterclass for Network

A specialised programme was designed and implemented for high-ranking executives of the Branch Network, with the aim of empowering them in skills and techniques of service and communication, leadership, collaboration, well-being, in order to develop personally and contribute to achieving high returns in their role. Each participant had the opportunity to design their own learning journey, choosing between 16 live virtual classes, articles, podcasts and videos in areas related to leadership and personal development as well as the balance between professional and personal life. The programme was attended by 626 executives, gathering 11,302 man-hours of training.

Executive Coaching

The Organisation invests in the personal and personalised development of the executives. Coaching programmes support high returns, enhance leadership and have an impact on business results. In 2020, 6 senior executives participated in Executive Coaching programmes.

Corporate Governance

In 2020, a specialised workshop was held for the leading team of Group Human Resources to inform and expand on corporate governance and to highlight the correlation of the role of Human Resources with the Board. The aim is to improve employee performance on issues related to the operation of governance committees, ethics policy and corporate culture and values.

RISKIPEDIA

A glossary containing risk management terminology has been created. Riskipedia is available to all Bank employees for exchanging knowledge and developing a common understanding on risk management terminology.

HUMAN RESOURCES AWARD

Piraeus Bank Group aims to reward high-performing employees, who strive towards achieving the corporate goals, both individually and at the level of Unit and Group. Variable remuneration systems can be either short-term (rally to achieve specific business objectives such as sale of insurance products) or long-term (annual bonus for outstanding performance) and are structured to reward both individual and team

effort. Variable pay is rewarded based on predefined, measurable, quantitative and qualitative criteria. Such criteria integrate the medium and long-term strategy of the Group, contribute to the alignment of the interests of employees with the interests of the Group and shareholders and ensure that no excessive risk is assumed.

Branch Network Reward Scheme

Aiming to recognise the contribution, professionalism and sense of responsibility of Branch Network employees, the Bank has implemented its commitment to adopt a new Reward Scheme for first-line employees during the first lockdown period due to pandemic. The main parameter of this scheme was the number of working days that the front-line employees worked in the branch during this difficult period.

Criteria such as role, hierarchical level, salary were not taken into account, as the Bank wanted to recognise the importance of being at the front-line for all those who offered with professionalism and a sense of responsibility the support and excellent service to our customers.

PERSONNEL LOANS

In 2020, a total of 3,732 new loan applications were examined. In particular, €10.8 million were disbursed for loans falling under the terms and provisions of the 1984 Collective Bargaining Agreement with the Greek Federation of Bank Employee Unions-OTOE (first home mortgages and salary in advance loans). At 31/12/2020, there were 9,557 loans under the Collective Bargaining Agreement, with a balance of €137.9 million.

IORP

Piraeus Bank's Group Personnel Institution for Occupational Retirement, Life and Medical Provision was set up in November 2020. Occupational Retirement was activated in December 2020.

EXPATRIATES

The Group covers specific needs in its international subsidiaries by sending executives abroad, while at the same time offering executives the opportunity to develop their leadership skills. At the end of 2020, 2 expatriates were posted in Ukraine.

OUR APPROACH FOR HEALTH AND SAFETY IN THE WORKPLACE

OPEN, TWO-WAY COMMUNICATION: 'BREAKFAST TOGETHER'

The Group's CEO and members of the Executive Committee meet with employees in an informal context to update them on business strategy, goals and achievements. They discuss the daily routines of employees, the Group's culture and values and how these affect the day-to-day operations.

The fourth meeting cycle was completed in 2020, with 15 breakfast meetings and 151 participants. In total, more than 790 employees have participated in these meetings.

MULTI-CHANNEL COMMUNICATION

Piraeus Group recognises the value of open, direct and two-way communication in building a climate of trust and cooperation. During 2020, the Bank enriched digital media and effective remote work and collaboration practices, while ensuring business continuity.

In this context, connected Piraeus Bank was launched, a new digital information point for the Group's employees, so that everyone remains informed and coordinated from wherever they work.

Important projects and initiatives of the Group were communicated through announcements, digital meetings, events and coordinated campaigns, such as:

- "Piraeus Bank Group Occupational Insurance Fund. Our new Fund"
- "Window to Market. You have the experience. See the opportunity"
- "Covid-19"
- "StayHealthy&Fit@Home"
- "Inspiring talks"
- "Workable – New Talent Acquisition & Selection platform"
- "Light & Optimism" Digital Christmas party
- "Your actions matter". 4th off site meeting
- "Analyze this". Risk Culture Program

RISK CULTURE PROGRAM

The Risk Culture Programme was launched in December 2019 to highlight desired behaviours and practices, which enhance effective crisis management and risk management across the Organisation, in line with the Risk & Capital Strategy, strategic priorities, corporate values and the Code of Conduct and Ethics. This programme is a strategic task and a commitment to the supervisory authorities. As of September 2020, the programme is overseen by the CRO and is run by the Group Human Resources unit.

ANIMATED VIDEOS

The leading characters of the videos are three animated characters, responsible for raising awareness about risk-taking and risk management. The topics of the four videos are (a) Introduction to the Banking Ecosystem, Risk Management and their connection to the Supervisory Framework, (b) Introduction to the Risk and Capital Strategy, (c) Implementation of the New Definition of Default and (d) Challenges of Teleworking (Christmas Edition).

DIVERSITY & INCLUSION

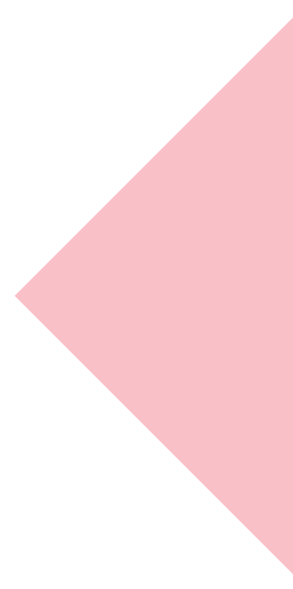
The Bank is committed to promoting diversity and equity and cultivating a more inclusive workplace where each employee receives recognition and appreciation.

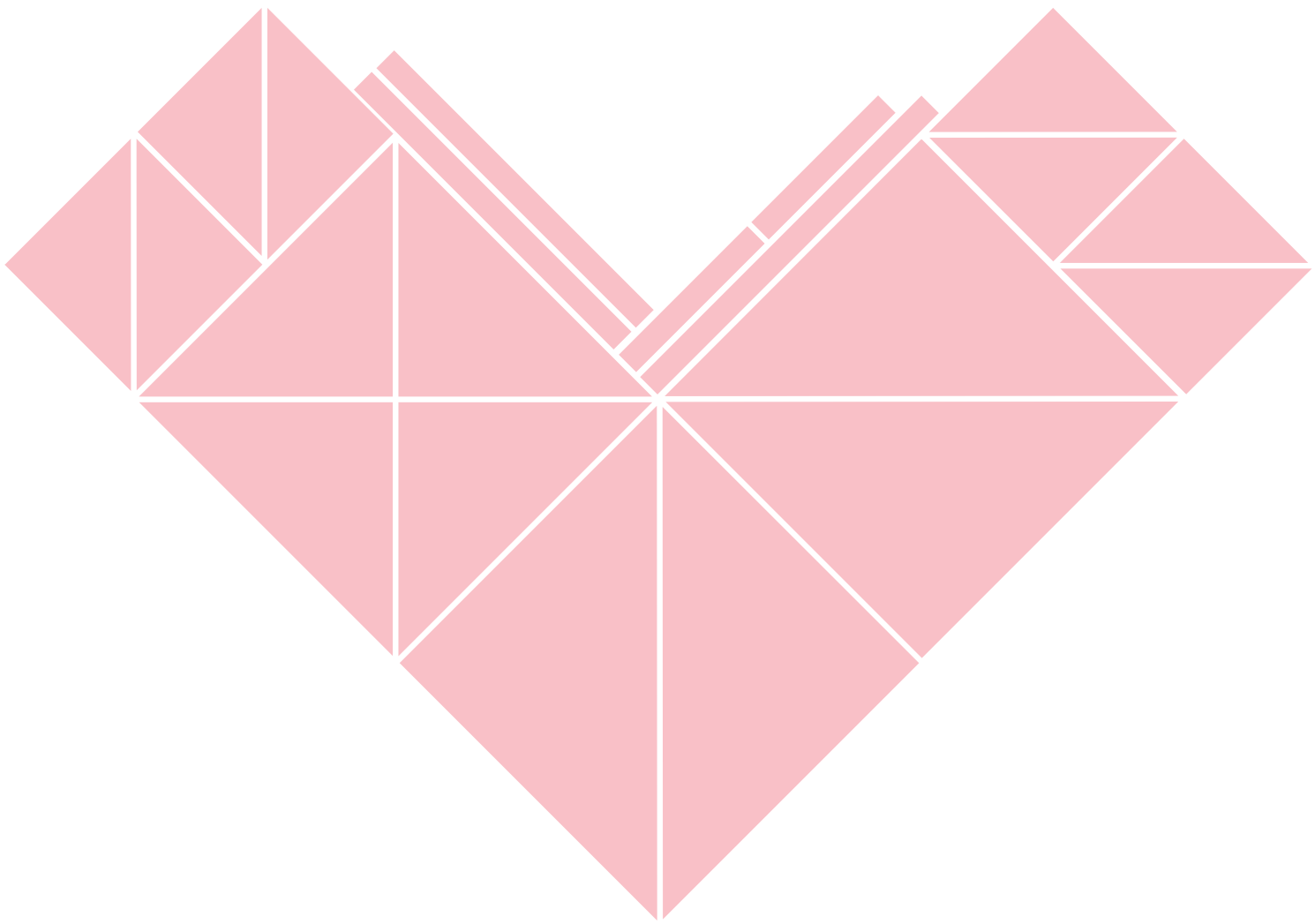
Operating under principles that promote equal opportunity and treatment and prevent discrimination at work ensures that all employees in the Group can evolve, learn and produce value, irrespective of gender, racial, ethnic or social origin, age, politics, religion, hierarchical level, or personality.

The benefits of having a culture where behaviours support equality, diversity and inclusion

Diversity and equality management practices are positively associated with higher performance, increased commitment to the vision, the purpose and organisation strategy and workforce innovation.

In this context, related questions have been included in the employee surveys, the representation of women in various management levels is assessed and the familiarisation and management of prejudices is cultivated through the performance appraisal process, promotions, and executive selection.





SOCIETY

CREATION OF ECONOMIC VALUE

Driven by a social responsibility mandate and motivated by solidarity, Piraeus Financial Holdings Group voluntarily integrates societal and environmental practices in its business operations and collaboration with its social partners. Piraeus Financial Holdings is constantly looking for better ways to do business in an environmentally sound and socially responsible manner, to ensure the balanced management of the triptych: “economic growth–sustainability–social cohesion”. In this context, every year Piraeus Financial Holdings makes contributions to charitable activities supporting vulnerable social groups, uses Piraeus Bank Group Cultural Foundation (PIOP) to preserve and promote the cultural heritage, and encourages environmental protection.

The Group uses a set of Key Performance Indicators (KPIs) to measure whether the strategic goals are being achieved, with value maximization as the top priority. It regularly monitors the KPIs to measure its contribution to economic and social growth.

In 2020, Piraeus Financial Holdings Group contributed 1.5% of its total operating expenses for CSR actions, programmes and initiatives.

Direct economic value generated and distributed in 2020 and the amounts spent on CSR actions initiatives are shown in the following table.

PIRAEUS FINANCIAL HOLDINGS GROUP ECONOMIC VALUE FOR 2020		
AMOUNTS IN € MN		2020
Direct Economic Value Generated	Net Revenue of which Expenses from Interest payable to Credit Institutions	1,893 4
Economic Value Distributed	Employee Wages and Benefits of which Expenses for Employees Assistance Programmes (EAPs), Financial contribution for Volunteering and CSR Actions, Employee Development plans, Insurance, Medical Care (beyond the legal obligations)	571 11
	Other Operating Expenses (excluding taxes and other fines) of which payments for Grants, Charitable Donations and Sponsorships under L.4374/2016	433 5
	Taxes (current tax and other taxes) and other fines	89
Economic Value Retained	Direct Economic Value Generated (-) Economic Value Distributed Contribution for CSR Actions	800 1.5%

Amounts have been rounded up or down to the nearest million.

CULTURAL AND SOCIAL ACTIVITIES UNIT

Responsibility towards people and society is embedded in Piraeus Bank's strategy and the Bank has a duty to act in the best interests of people and society at large, reinforcing its sustainable performance. To this effect, in 2020 Piraeus Bank supported local communities, vulnerable social groups, the new generation and entrepreneurship, as well as the National Health System, in its fight against the Covid-19 pandemic.

Contribution to the efforts of the Greek National Health System (ESY) to combat the Covid-19 pandemic, with the donation of medical and healthcare supplies

Piraeus Bank actively supports the national effort in the fight against the Covid-19 pandemic since early 2020, and stands by the National Health System, covering the needs for medical and healthcare supplies. To this effect the Bank donated 22 respirators to the Ministry of Health. The total purchase cost amounted to €500,000.

Pay & Save – customer deposit account service used by the Bank to support the National Health System in its fight against the Covid-19 pandemic

The Bank encouraged its customers to participate in the collective effort to combat the pandemic, through the «Pay & Save» service (customer deposit account for purchases with Piraeus Bank cards), offering the total amount collected to the country's hospitals. Specifically, during March-April 2020, every transaction made by Pay & Save service holders using a Piraeus Bank debit card was rounded up and the amount was transferred to their savings account. Through the service, Piraeus Bank contributed an equal amount to support the national effort in the fight against the Covid-19 pandemic.

An amount of €430,132 was disbursed to purchase medical and healthcare equipment for the "Thrasio" General Hospital of Elefsina and the "Sotiria" General Hospital of Thoracic Diseases of Athens.

In this context, medical equipment was donated to the "A.H.E.P.A." University General Hospital of Thessaloniki and the "Ippokratio" General Hospital of Thessaloniki.

Greek National Health System (ESY)	
22 respirators	€500.000
“Thriasio” General Hospital of Elefsina	
1 video laryngoscope intubation system	€27.432
990 consumables & reagents	€99.000
“Sotiria” General Hospital of Thoracic Diseases of Athens	
200 High-flow air-supply kits	€18.000
200 High-flow nasal cannulas (100 medium, 100 large)	€6.000
15 medical gas & oxygen high-flow delivery systems	€45.000
100 central venous catheters (CVC)	€7.400
1,200 Fully Automated PCR Systems for Covid-19 Detection	€60.000
50,000 MX sterile waterproof gowns	€77.000
2 transportable electric suction apparatuses	€5.000
2 monitors for hemodynamic parameters and hypotension prediction	€70.000
1,800 O ₂ face masks with filtered exhalation valves	€15.300
“AHEPA” University General Hospital of Thessaloniki	
5,000 full reinforced surgical gowns	€14.500
700 medical coveralls (Tyvek type)	€10.150
“Ippokratio” General Hospital of Thessaloniki	
5,000 full reinforced surgical gowns	€14.500
700 medical coveralls (Tyvek type)	€10.150
	TOTAL AMOUNT
	€979.432

True to its principles and with a sense of social responsibility, Piraeus Bank continued to take initiatives to support weak and vulnerable social groups. In this framework, the Bank was a big sponsor of the Hellenic Society for the Protection and Rehabilitation of Disabled Children (ELEPAP) and its awareness raising campaign entitled “The Brave Children are unbeatable”. Once again, the Bank supported the SOS Children’s Villages, covering basic heating and nutritional needs of children hosted by the Villages.

Donation of computers and office equipment to schools & academic institutions throughout Greece

More than 200 computers were donated to more than 160 schools and

academic institutions throughout Greece. Finally, 2,500 items of office equipment were donated to more than 50 schools and 41 other institutions.

Financial support to universities and academic research work

The Bank provides financial support to universities, directly or through special research funds. The beneficiary universities included the Aristotle University of Thessaloniki, the Universities of Patras and Ioannina and the Democritus University of Thrace.

Sponsorships for conferences, forums, webinars

The Bank promotes entrepreneurship, which is vital for boosting employment and job creation. In this context, the Bank sponsored event planning institutes and associations, such as the “Hour of the Greek Economy” conference by the Hellenic-American Chamber of Commerce, the “Invest in Greece Forum” conference of Capital Link and the “Delphi Economic Forum”. Due to the Covid-19 related circumstances, the conferences were held online.

Social contribution

Piraeus Bank supported local communities and municipalities in Athens and the regions, such as the Municipalities of Thessaloniki, Pylaia, Chortiatis and Eordea. The Bank also made contributions to Associations and Foundations, such as the Employees’ Union of the Psychiatric Hospital of Thessaloniki, the Bar Associations of Athens, Patras and Thessaloniki, the Michael Stylianos Pantelidakis Foundation and the Kordosio Foundation.

Piraeus Bank continued its sponsorship of the savings programme for pupils living on Lipsi and Arki islands, whereby every child, upon entering adulthood, receives a sum of money to help start adult life.

2021 TARGETS

The Cultural and Social Activities is firmly committed to the Bank’s vision and values, and contributes to its CSR strategy. It aligns its operations with social progress and solidarity and strengthens its social relations. For 2021, its main goals are:

- To conduct surveys on CSR towards Society, so that the Bank closely follows the needs and undertakes relevant initiatives to address these needs.
- To optimise policies and introduce processes for including social initiatives in the Bank’s business activities, in line with its CSR strategy, reflecting its positive impact on society and the economy.
- To introduce quantitative and qualitative KPIs for the Unit’s social initiatives, in order to monitor and evaluate the measurable benefits and the size of their contribution to society.

CSR PROGRAMME: “PROJECT FUTURE”

“Project Future” 4th- 5th Cycle (March 2020 – December 2020)

Piraeus Bank pursues CSR strategies and policies that improve society, aiming to have a positive and lasting impact. Piraeus Bank launched its CSR Programme “Project Future” in October 2018, partnering with ReGeneration Academy, a leader in the field of paid employment. Recognising the problems faced by young graduates, the Project aims to bridge the gap between higher education and the job market.

Since its launch in 2018, the Project Future programme has been running every year, with two cycles per year (March and October), and offers participants access to valuable professional experience, skills and business contacts from a network of 700+ hiring partners that have already hired a graduate from “Project Future” or “ReGeneration”.

Young graduates up to 29 years old with no professional experience or with up to three years of experience have the opportunity, through participation in the Programme, to claim the job they deserve in Greece.

Candidates fill in their applications, and once the basic criteria (graduates, up to 29 years old, 0-3 years work experience, extracurricular activities) are fulfilled, the following assessment/selection process takes place:

- Stage 1 – Game-based assessment: gamified psychometric tests are used to measure a range of skills and cognitive abilities, as well as the candidate’s personality.
- Stage 2 – Live Assessment Centre: competency-based interviews with senior and top executives from the Greek market (HR, Line Management, and CEOs).

Those who successfully complete the “Project Future” assessment/selection process start the two-part training programme.

- In the first part, the participants attend a three-day soft-skill training course, with emphasis placed on personal and professional skills.
- In the second part, participants receive hard-skill training on cutting-edge sectors: Java & Spring, JavaScript, Digital Marketing, Customer Experience, Sales Excellence, Data &

Decision Sciences, Supply Chain Management, NET, Android Mobile Apps Development, Front-End Web Development, Business Intelligence & Analytics, Project Management with Agile Specialization.

Upon completion of the training, the participants' CVs are posted on the ReGeneration placement platform, available to hiring partners for one year, with a minimum six-month contract and a minimum €750 monthly gross salary.

Piraeus Bank and ReGeneration investigate the needs of the local market in major Greek cities, and partners with recognised academic institutions to design specialised training programmes, which are adapted in each cycle, reflecting student feedback and market needs.

Project Future partners for the 5th cycle included Google, Facebook, LinkedIn Learning, Coursera, Code.Hub, Convert Group, EASE, the University of Crete and the BSE-association of companies and industries. Each of these partners played an important role in the Programme's success.

In 2020, due to the unprecedented conditions the country faced following the outbreak of the Covid-19 pandemic, the 4th and 5th cycles of Project Future were conducted entirely online, offering specialised training to candidates from all over Greece, trying to meet the needs of young people to find work, in an increasingly large part of the territory.

In the 4th cycle of the programme participants received enhanced training, following the collaboration with LinkedIn Learning. LinkedIn is the largest social networking site for business-people and professionals in the world. LinkedIn members can use it for job seeking, interacting and business networking, but the platform also provides LinkedIn users the opportunity to develop skills that are necessary in the modern labour market. To this effect, LinkedIn has created the online training platform LinkedIn Learning, which gives professionals the opportunity to develop their skills in the fields of Business, Technology and Creative through more than 9,500 specialist courses. Upon completion of their training, Project Future participants received a free pass giving access to the entire LinkedIn Learning database. At the same time, there was guidance from the Project Future and ReGeneration team, with suggested courses that meet the needs of the programme's graduates. The collaboration with LinkedIn Learning continued for the 5th cycle. For the 5th cycle the Bank also partnered with Coursera, the leading online learning platform for higher education, with more than 65 million visitors and in partnership with over 200 of the world's leading universities

and companies worldwide. During the 5th cycle of Project Future, participants had the opportunity, upon registration, to receive a free pass for the Coursera platform, gaining access to 3,800 online courses and 400 seminars from leading universities worldwide.

The Bank has also created a team dedicated to the successful rollout of the programme, with executives from various units, who plan, organise and monitor the progress of the programme, but also actively participate in its various stages, such as interviews and three-day training, in each cycle.

Through the innovative "Project Future" programme Piraeus Bank aims to:

- Provide young people with a competitive advantage when entering the job market, despite their lack of previous work experience, by offering specialised training in key pillars of the Greek economy.
- Assist companies struggling to fill positions, by recruiting young talent who will add value to their workforce.
- Substantially tackle unemployment and reinforce education.

2020 (4th and 5th cycles) in numbers:

- 1,000 young people received vocational training on hard and soft skills, "Project Future" & "ReGeneration".
- 5 young people received specialised training through "Project Future" (Java & Spring, Digital Marketing, Data & Decision Sciences, Supply Chain Management, NET, Android Mobile Apps Development, Front-End Web Development, Business Intelligence & Analytics, Project Management with Agile Specialization).
- 500 placements in the job market, through "Project Future" & "ReGeneration".

The success of the Programme (4th and 5th cycles) is reflected in the following numbers:

- 1,083 young people received training through "Project Future" and "ReGeneration", improving their professional skills.

- 461 of them attended one of Project Future’s specialised courses.
- 427 placements in the Greek job market following completion of Project Future and ReGeneration courses. The recruitment process following the 4th cycle is running until June 2021, with recruitments following the 5th cycle is running until December 2021. During the same period, there were recruitments from previous cycles of “ReGeneration” and “Project Future”, which are not mentioned, as the programmes were conducted in 2019.

The outcome of the five cycles (October 2018 – December 2020) in numbers:

- 2,594 young people received training through Project Future and ReGeneration, improving their professional skills.
- 927 of them attended one of Project Future’s specialised courses.
- 1,337 placements in the Greek job market following completion of “Project Future” and “ReGeneration” courses.

The 3rd and 4th cycles (October 2019–June 2020) of Project Future were evaluated using the Social Return on Investment (SROI) methodology.

According to the results of the analysis, the programme’s Social Return on Investment was equal to 3.10:1, i.e. for every 1 euro invested by Piraeus Bank in the programme, more than 3 euros of social value were returned to society. The SROI index for the Programme improved versus the index for the first two cycles (SROI of 2.04:1), reflecting the Bank’s investment and commitment towards a more sustainable way of life, and marking the continued success of the Programme.

To assess the exact social and economic value created, the SROI methodology takes into account various parameters that affect results, such as deadweight, drop off, attribution, displacement and duration of the programme.

Piraeus Bank supports the future of young people and sees the growing demand for participation in the programme. It aims not only to maintain but to expand and develop the programme as an import-

ant pillar of its CSR and as a manifestation of a sustainable lifestyle through education and innovation. For this reason, it plans to run the 6th and 7th cycle of the programme in 2021, taking into account the needs of the labour market, as well as the need of young graduates to be educated and to develop both professional and personal skills.

CSR INITIATIVES-VOLUNTEERING

Driven by the Group's vision and values and the 17 Sustainable Development Goals (SDGs) of the UN Global Compact, Piraeus Group actively develops and supports CSR initiatives for local communities and employees.

In 2020 the Group continued to support actions for empowering the Young Generation and the Development of Youth Entrepreneurship, partnering with Junior Achievement Greece to offer specialized quality learning in terms of entrepreneurship and financial training to students.

In the first quarter of 2020 and before the pandemic brought about changes in planning, 10 actions were implemented, benefiting 221 students in community schools.

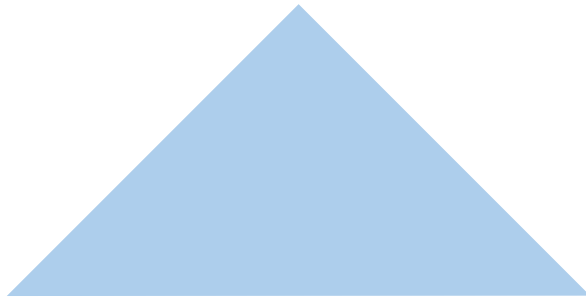
At the same time, teenagers were empowered with 3 Career Management programmes, to the benefit of a total of 144 participants.

In this context, in 2020, Piraeus Group participated in 78 CSR initiatives, helping out 15,619 people, in collaboration with 213 organisations and NGOs.

PILLARS	No OF ACTIVITIES	BENEFICIARIES	SYNERGIES
Social support	12	10,736	196
Promoting youth entrepreneurship	10	221	1
Environmental protection	2	10	0
Fair play	4	135	1
Blood donations	15	631	0
Cultural awareness	0	0	0
Creative work	11	1,665	4
Career management counselling	3	144	2
Environmental awareness	1	46	1
Technology	2	105	0
Health-wellbeing	18	1,926	8
Total	78	15,619	213



CULTURE



CULTURAL AND SOCIAL ACTIVITIES UNIT

Piraeus Bank, the largest Bank in the country, has been supporting the economy and society through the financial hardship and uncertainty caused by Covid-19. In the same context, Piraeus Bank has a long history of supporting and preserving culture in all its forms.

ACTION PLAN TO CELEBRATE THE 200TH ANNIVERSARY OF THE GREEK WAR OF INDEPENDENCE OF 1821

Piraeus Bank, respecting its institutional role and recognising its corporate social responsibility, participates in the celebrations for the 200th Anniversary of the “National Polygenesis” of 1821, when the Greeks revolted against the Ottoman Empire to regain their independence, a revolution that led to the formation of modern Greece.

In this context, in 2019 the Bank developed an action plan with activities involved around scientific research, culture, arts and literature. Piraeus Bank partnered with arts and cultural institutions, reputable academics and great artists for its Bicentennial Actions. The programmed Bicentennial Actions are under way in 2021 and are expected to continue in 2022 and include educational activities and periodic exhibitions with presentations of publications all over Greece. The actions are being digitized for the Greek diaspora and for future generations.

COLLABORATIONS & ACTIVITIES

General Secretariat of Greeks Abroad of the Ministry of Foreign Affairs

- Memorandum of Cooperation to promote Piraeus Bank's Anniversary Action Programme to Greeks living abroad for the national celebration of the 200th Anniversary of the Greek War of Independence of 1821

Historical and Ethnological Society of Greece - National Historical Museum (HESG - NHM)

- Commemorative medal to celebrate the 200th Anniversary of the Greek War of Independence
- "En Plo" exhibition of historical artefacts and archival material from the NHM collections, touring to islands that played a key role in 1821

National and Kapodistrian University of Athens

- International Conference "The Greek Revolution in the Age of Revolutions (1776-1848): Reassessments and comparisons"
- Scientific programme and publication "Aspects of day-to-day life in revolutionary Greece"
- Eleven workshops "200 years of the Greek state. Looking back and ahead"
- Lecture series "21 lectures on '21"

General State Archives (GSA)

- Publication *1821 and its protagonists*

Greek National Opera (GNO)

- Combined performance of opera and dance, Pavlos Carrer's "Despo" and Nikos Skalkotas' "Greek Dances"

Cultural Foundation of Tinos

- Exhibit and publication "Ecstaseis: Attempts to depict Liberty"

Takis Sinopoulos Foundation - A Study for Modern Greek Poetry

- Publication of the Anthology *Hail, Liberty! Hail! The Struggle of 1821 in Greek and Foreign Poetry*.

Nikolaos Karapidakis, Ionian University professor and former President of the Ephorate of the General State Archives and **Anna Pouradier Duteil – Loizidou**, former Director of the Cyprus Research Centre

- Publication and education *French Bulletins on the Greek Revolution. 1821-1822*

Scientific team of the Agricultural University of Athens

- Scientific study and publication *The Agricultural Sector in Greece: 200 years of history. Future challenges and prospects*

Piraeus Bank

- Publication of the poem *Hymn to Liberty* by Dionysios Solomos, with wood engravings of the revolutionaries of 1821 by Jannis Psychopedis

Piraeus Group Cultural Foundation (PIOP)

- Touring exhibition in collaboration with the National Historical Museum (NHM) "1821 allios (differently): The Greek War of Independence in Playmobil Dioramas", presented at the Museum of the Olive and Greek Olive Oil, in Sparta, at the Museum of Industrial Olive-Oil Production of Lesvos and at the Rooftile and Brickworks Museum N & S Tsalapatas in Volos
- Touring exhibition of historical artefacts and archival material from the collections of the NHM, presented at the Silversmithing Museum in Ioannina, at the Open-Air Water Power Museum in Dimitsana and at the Chios Mastic Museum
- Theatre production "Filiki Eteria: The brotherhood behind the Revolution", directed by Ioli Andreadi
- Publication of Sofia Kalantzakou's fairy tale about Dimitsana and the gunpowder mills
- Exhibits, educational programmes, and workshops at the PIOP's premises

Piraeus Bank has a noble ambition; to contribute to our reflections on the past to build our future, looking back to when Greece became a free state.

COLLABORATION WITH THE GREECE NATIONAL OPERA (GNO)

Piraeus Bank is once again supporting the arts and culture scene, especially since it has been hit hard by the pandemic. In 2020 it sponsored the production of Giacomo Puccini's opera "Madama Butterfly" by the Greece National Opera. The opera is a milestone for the GNO, as it was the first opera ever staged by the newly-founded organisation and the premiere took place in 1940 at a historic moment, just a few days before the declaration of the Greek-Italian war.

COLLABORATION WITH LIFO AND CREATION OF PODCASTS WITH POEMS FROM THE DIARIES OF GEORGE SEFERIS

The Bank also made a significant contribution to culture through its support in the production of 20 podcasts, an initiative launched in 2020 and ending in 2021. These are the diaries of the great poet George Seferis, entitled "The days of Seferis", which are broadcast from the website of the Lifo free press and give the public the opportunity to follow the great poet in all aspects of his public and private life, through his narratives, as well as to understand the intensity and charm of the previous century.

COOPERATION WITH THE HELLENIC ATHLETICS FEDERATION (SEGAS)

Since July 2020, Piraeus Bank is the official sponsor to the Hellenic Athletics Federation (SEGAS) for all athletics events.

The Athens Marathon, the Authentic Marathon, is the largest annual athletic event of mass participation in Greece, as it attracts more than 25,000 athletes and ordinary runners from Greece and many other countries.

Piraeus Bank demonstrates its commitment to the Olympic Ideal and Greek Culture by showcasing it around the world, and making it known that ethics, perseverance, dedication, hard work and discipline make everything possible.

2021 TARGETS

The Cultural and Social Activities Unit is firmly committed to the Bank's vision and values, and contributes to its CSR strategy. It supports the creative economy, by promoting culture and intellectual creation, by disseminating history, by preserving and promoting the Greek cultural heritage and business activities that generate mutual benefits for culture and society. For 2021, its main goals are:

- To conduct surveys on CSR towards Culture, so that the Bank closely follows the needs and undertakes relevant initiatives to address these needs.
- To optimise policies and introduce processes for including cultural initiatives in the Bank's business activities, in line with its CSR strategy, reflecting its positive impact on culture and the economy.
- To develop and promote the Creative Economy, both in Greece and abroad, by implementing European and co-financed programs to strengthen Cultural and Creative Industries (CCIs), and by partnering with international institutions of the Creative Economy. The aim is to enhance the competitiveness, productivity, sustainable development, employment and export prospects of Greek art products.
- To create a platform for cultural content innovation, connecting culture with innovation and society, and will aim to:
 - Attract generations of young creators.
 - Create a space for the generation of new ideas, for artistic creation and expression.
 - Ensure the dissemination and preservation of the Greek cultural heritage.
 - Create economic value in society.

PIRAEUS BANK GROUP CULTURAL FOUNDATION 2020 SELECTED DATA

- 9 thematic museums throughout Greece: Soufli, Dimitiana (Arcadia), Lesvos, Tinos, Stymphalia (mountainous Corinth), Volos, Sparta, Chios, Ioannina.

CULTURE

- 94,660 visitors (85,952 Greeks and 8,708 foreigners), 63.7% free admission. 71.93% decrease in the number of visitors compared to 2019, as the country's museums remained closed for a period of five months in 2020, due to measures against the Covid-19 pandemic.
- PIOP Historical Archives, a cultural hub accessible to everyone. 8,484 people made use of the Historical Archives (researchers and members of the public).
- PIOP Library: 13,751 people made use of the Library (2,553 children and 11,198 adults).
- Continued presence of PIOP in Thessaloniki.
- Rolling environmental energy upgrade programmes in PIOP Museums.
- 91 school educational programmes, 182 other cultural activities, 223 regular educational programmes, 13 exhibitions and 72 activities organised in collaboration with third parties.
- Collaborations with important bodies such as the National Historical Museum, the Ephorate of Antiquities of Cyclades, the Czech Centre of Athens, the Archaeological Museum of Mykonos, the Consulate General of Greece in St. Petersburg, the Athens School of Fine Arts.
- Scientific contribution to the programme for safeguarding the intangible cultural heritage of Greece, organised by the Ministry of Culture and Sports. PIOP has been certified by UNESCO as an advisor on matters of intangible cultural heritage.
- Free distribution of 1,020 volumes of PIOP publications to libraries, social bodies and organisations, 11 educational packs for schools, distribution of 1,157 volumes (13 titles) of PIOP publications as university textbooks, at significantly lower prices, through the Evdoxos project.

PIOP is a voluntary non-profit foundation, funded by Piraeus Bank. At the same time, for some projects, PIOP seeks co-financing from national and European programmes.

PIOP supports preservation and showcasing of Greece's cultural her-

itage, with emphasis on its artisanal and industrial technology, and promotes the connection between culture and the environment. At the same time, through its operation, it fulfils a large part of the Group's commitment to the Sustainable Development Goals.


The Foundation's basic objectives provided for in the Articles of Association are:

- To record and showcase Greece's cultural heritage and identity.
- To preserve the cultural heritage embodied in traditional and artisanal crafts, and industrial technology in Greece.
- To link Culture with the Environment and Sustainable Development.

The Foundation's basic objectives are achieved through:

- The creation and management of a network of thematic museums of technology throughout Greece.
- The organisation of historical archives relating to the economic, banking, industrial and agricultural history of Greece.
- The implementation of research programmes and the publication of scientific papers and special publications.
- The operation of a specialised library, open to the public.
- The organisation of a variety of academic and cultural activities.
- The implementation of educational programmes and activities, with emphasis on children of school-going age.
- The use of new technologies.
- The collaboration with Greek and international institutions of recognized repute.
- The participation in the public dialogue on developing cultural strategies.

PIOP publishes a bimonthly schedule of events, posted on its website www.piop.gr. PIOP measures and analyses the impact of its actions on the public through:

- 
- Systematic collection of data/number of visits to the Network's Museums.
 - Maintaining visitor guestbooks at the Network's Museums.
 - Systematic recording of requests, comments and complaints, through the PIOP Quality Management System.
 - Responding to written requests and communicating with all interested parties.
 - Organizing visitor satisfaction surveys for the Museums.

In 2020, the Covid-19 pandemic significantly affected the operation of the Foundation and its Museums. Following the guidelines by the Ministry of Culture, the Network Museums shut their gates to the public for a period of five months in 2020 (13.03-14.06, 06.11-31.12) and remained closed until 13 May 2021.

For this reason, PIOP adapted its strategy and, with the help of new technologies, channelled a large part of its resources into planning and organising digital and online activities. In essence, this was an acceleration of PIOP's strategy for its Museums to go into the digital age, so as to expand and renew their narrative tools, an effort that had already started bearing fruit in 2019. These activities include digital exhibitions seminars, creative workshops for adults and children, as well as podcasts from PIOP publications. The aim was to provide high quality cultural services, to maintain, as much as possible, its contact with the public and to facilitate their access to cultural goods. The progressive transition of the Foundation to this "digital transformation" helps to increase its influence on multiple groups of audiences, incorporating many of the dynamic features of the creative economy. At the same time, it creates infrastructure that will serve the future course of the Foundation and will consolidate its presence on the cultural map of Greece.

In addition, PIOP used the pandemic as an opportunity to carry out maintenance work and upgrade the facilities and infrastructure of PIOP Museums, work which would be difficult to complete with the Museums open to the public. At the same time, the systems and processes were modernized, enabling a more efficient planning and coordination of its actions, as well as increasing its revenues.



CULTURE

2020 PIOP ACTIVITIES

PIOP MUSEUM ACTIVITIES		ACTIVITIES IN ATHENS AND THESSALONIKI	
Cultural activities	98	Cultural activities	84
Exhibitions	12	Exhibitions	1
Collaborations with third parties	69	Collaborations with third parties	3

EDUCATION		RESEARCH	
Educational activities for minors	91	European and co-funded projects	4
Regular educational programs	223	Research program	1

MUSEUM VISITORS	
Total visitors	94,660
with free admission	63,7%

HISTORICAL ARCHIVES		LIBRARY	
Beneficiaries	8,484	Beneficiaries	13,751

PUBLICATIONS	
New publications	6
Total volumes donated, to individuals and legal entities	1,020
of which educational folders donated to schools	11
Volumes (13 titles) distributed as university textbooks through Evdoxos program	1,157

*2020 Initiatives**European and Co-Funded Projects*

- As part of the European Horizon 2020 framework PIOP runs the project Mingei: Representation and Preservation of Heritage Crafts (Grant Agreement No 822336). Participants: 9 partners from 6 European countries. The project is coordinated by the Foundation for Research and Technology in Crete (FORTH).
- PIOP also participates in three co-funded “Competitiveness, Entrepreneurship and Innovation” Operational Programmes:
 - Third year of implementation of the EPANEK CULDILE programme (Project Code T1EDK-03785). PIOP participates in this programme with its Historical Archives. The coordinating partner is Bookscanner SA, with the participation of DOTSOFT and HONEST Partners.
 - Third year of implementation of the EPANEK MuseionTopos programme (Project Code T1EDK-01571 - www.mouseion-topos.gr). The coordinating partner is the Department of Product and Systems Design Engineering, University of the Aegean with the participation of DOTSOFT and Geospatial Enabling Technologies (GET).
 - Third year of implementation of the EPANEK e-xnilatis programme (Project Code T1EDK-00410 - www.e-xnilatis.gr). The coordinating partner is the Information Technologies Institute (ITI) of the Centre for Research and Technology Hellas (CERTH), with the participation of TETRAGON and LINK TECHNOLOGIES SA.

The Managing Authority EYDE ETAK has given all the “Competitiveness, Entrepreneurship and Innovation” Operational Programmes a 6-month extension, due to the difficulties caused in their implementation by the Covid-19 pandemic.

Culture, Environment and CSR Principles

The Environmental Management System (EMS) in PIOP’s buildings has been certified in accordance with EMAS (Eco-Management and Audit Scheme) and Standard ISO 14001. In 2020, targeted interventions were carried out in the buildings and electromechanical equipment of the PIOP Museums and its facilities in Athens, aiming to improve their energy performance and, by extension, to reduce the Foundation’s environmental footprint.

The Foundation’s 7th Environmental Statement was verified, in accordance with the requirements of EMAS Regulation, on 17/12/2020, by Cyprus Certification Company (CyCert) with environmental verifier registration number EMAS ELV-0009 (Accreditation Certificate No. 549). The Foundation, in accordance with Ministerial Decree No. 50486/1466/27.10.2014, is registered on the Greek EMAS Register (registration number EL-000110).

PIOP’s EMS has been awarded the following certificates by Cyprus Certification Company (CyCert) with registration number EMAS ELV-0009 (Accreditation Certificate No. 549):

- CYS EN ISO 14001:2015, No. ES.N.14.007
- CYS EN ISO 50001:2018, No. EMS.17.001
- IQNet CY. ES.N.14.007.

In addition, PIOP applies a Quality Management System certified in accordance with Standard ISO 9001:2015 and an Event Sustainability Management System certified in accordance with Standard ISO 2012:2012.

Promoting Intangible Cultural Heritage

PIOP Foundation focuses on safeguarding, promoting, and studying Greece’s intangible cultural heritage. The Foundation has scientifically supported and contributed to the first two Greek inscriptions on the UNESCO Representative List of the Intangible Cultural Heritage of Humanity: a) Know-how of cultivating mastic on the island of Chios, and b) Tinian marble craftsmanship.

These two elements of the country’s intangible cultural heritage are presented in two Museums of the PIOP Network, the Chios Mastic Museum, and the Museum of Marble Crafts in Tinos, and through the Foundation’s related publications. In recognition of its contribution, PIOP has been certified by the General Conference of UNESCO’s Member States as advisor to the Committee for the Safeguarding of Intan-

gible Cultural Heritage. At the same time, 26 activities were organised in the Foundation's Museums, promoting intangible cultural heritage (14 for children and 12 for adults).

In this context, PIOP makes a substantial contribution to the promotion of the intangible cultural heritage, with the participation of its executives in the National Scientific Committee for the implementation of the Convention for the Safeguarding of the Intangible Cultural Heritage of the Ministry of Culture and Sports.

Culture and Entrepreneurship

In line with the European Union's new guideline on Cultural and Creative Industries (CCIs), PIOP carried out the following actions in 2020:

- The 8th cycle Business Accelerator was organised in collaboration with Innovathens (Hub of Innovation & Entrepreneurship of Technopolis City of Athens), the fourth cycle on "Creative and Cultural Industries". It was part of the European project SMATH, one of the Seven Creative nests that were created in six countries in the Mediterranean region participating in the programme (Italy, Spain, France, Croatia, Slovenia, and Greece). 14 teams, 14 innovative ideas, start-ups and companies active in the Creative & Cultural Industries (CCIs) were selected to participate.
- Participation in the Corallia Social Responsibility network, in the gi-Cluster, the first Greek CCI cluster.

Museum Network

The Museum Network and the activities organised on the museums' premises contribute significantly to:

- Promoting Greek cultural heritage and linking culture with the environment and sustainable development.
- Promoting traditional Greek artisan crafts and local cultural heritage, fostering employment, economic and tourist activity and the development of local communities.

- Creating culture and lifelong-learning hubs, by organising cultural, scientific and educational activities.

The Network consists of nine thematic technological Museums that preserve and promote local artisan tradition and industrial production, as well as the tangible and intangible cultural heritage.

Through its Museum Network, PIOP contributes not only to the increase in tourism in distant regions, but also enhances the economic development of local communities, through job creation and use of local suppliers for most of the goods and services sold in Museum canteens and shops. The Museum staff (41 people) are hired from the local communities and undergo regular training, with visitors benefiting from constantly upgraded services.

Due to the special circumstances caused worldwide by the Covid-19 pandemic, in 2020 the PIOP Museums welcomed 94,660 visitors (85,951 Greeks and 8,708 foreigners), down 71.93% since 2019. 63.7% of admissions were free of charge. The number of visitors reflects the support of the local communities. Host communities recognise the spillover social and economic effects of local cultural heritage and identity, as well as the continuous organisation of cultural events, periodic exhibitions, lectures, conferences and a variety of other events.

All the Museums are equipped with multipurpose halls, vibrant cultural hubs hosting educational programmes, exhibitions, lectures, seminars, and other events. The multipurpose halls are an asset used to reach out to the local communities and to promote the Foundation's work, serving as multi-purpose community cultural service hubs.

In 2020 the Museums organised 72 school educational programmes, 98 other cultural activities, 138 regular educational programmes, 12 exhibitions, and 69 partnerships with third parties.

The Museums of the PIOP Network serve local communities. They are cultural hubs for local economic growth. The economic impact is not limited to the activity directly attributable to the construction of building facilities and to the jobs and wages of museum staff (direct impact). Income and employment are generated by the Museum's expenditure to other businesses in its supply chain for goods and services (indirect impact). In addition, revenues generated – directly or indirectly – will be spent for consumption, leading to another round of spending in the economy (induced impact). Finally, cultural hubs contribute to building a strong image for the wider region and attract visitors, resulting in an increase in tourism and demand for local products and services (catalytic impact).

MUSEUM NETWORK



Silk Museum, Soufli



Museum of the Olive and Greek Olive Oil, Sparta



Rooftile & Brickworks Museum
N. & S. Tsalapatas, Volos



Museum of Marble Crafts, Tinos



Museum of Industrial Olive-Oil
Production of Lesvos



Chios Mastic Museum



Environment Museum of Stymphalia



Silversmithing Museum, Ioannina



Open-Air Water Power Museum,
Dimitsana

PIOP commissioned the Foundation for Economic and Industrial Research (IOBE) to conduct a research study on the economic and social impact of the operation of the Museums on the local communities. In 2019 the following observations were made:

- Tourist spending increased in the regions hosting museums: €11.8 million – €26 million (using a conservative estimate vs an optimistic estimate of the catalytic impact respectively).
- Impact of museum activity on Greece GDP: excluding catalytic effects, impact estimated at €5.1 million – using a conservative estimate, impact exceeds €23.0 million – using an optimistic estimate, impact reaches €44.2 million.
- Impact of museum activity on employment: using a conservative estimate, impact of 619 jobs – using an optimistic estimate, impact of 1,204 jobs.

Based on the above and given that the number of visitors to the PIOP Museums is expected to return to 2019 levels and grow even further when the pandemic is over, a corresponding increase of the reported amounts is expected.

Historical Archives

The PIOP Historical Archives collects, organises, and preserves the historical records of the banks absorbed by the Piraeus Bank Group, including records of important organisations and companies connected to the absorbed banks throughout their history. The collection hosts 7 bank archives, 5 archives of state organisations, 59 company archives, 9 private archives, 3 archives of collective bodies.

PIOP Historical Archives hosts numerous events and activities making it a key research point for the history of Greece in the 20th century and a unique spot on the cultural map of Athens. Sources from the Historical Archives are used to reconstruct an important part of the economic, agricultural, industrial, banking, and social history of Greece of the 20th century.

PIOP applies strict archival principles and techniques in managing its Historical Archives. Its mission is to have an open archive, to preserve the collective memory of society. In 2020, 8,484 people made use of the Historical Archives (researchers and members of the public).

- The identified material exceeds 18,516,712 meters and dates mainly from the 1920s.
- Archive management, organisation of archives/collections, conservation of paper and parchment.
- Collections management: 1,619 artefacts were recorded from the archives of ATEbank, ETVAbank, Chiosbank, Geniki Bank, the Bank of Macedonia-Thrace and Piraeus Bank, covering a fairly long period of the 20th century and completing the permanent exhibition on economic history at the premises of PIOP Historical Archives.
- User requests: 158 research requests.
- 10 school educational programmes and activities.
- 3 regular educational programmes.
- 25 activities for adults.
- 1 exhibition.

Library

The PIOP Library collections are made up of approximately 60,000 Greek and foreign-language book titles, and more than 132,000 periodical publications, including collections of the Greek banks absorbed by the Piraeus Bank Group. The Library renews its collections regularly, addressing the needs of the scientific and academic community.

The Library obtains material (monographs, periodicals, educational programmes) by purchase and exchange/transfer from other libraries (In 2020, 809 new titles were acquired and 12 subscriptions for foreign academic/scientific journals were renewed).

The Library collections cover many academic fields: industrial archaeology, economic and social history, history of technology, geo-technical and environmental issues, museology, cultural management, anthropology, folklore, ethnology, as well as finance, banking, agricultural economy, and politics. The inclusion of the PIOP Library in the Hellenic Economic Library Network (H.E.L.I.N.) is also of great importance.

The PIOP Library features a Children's Reading Room, open to children aged between four (4) and twelve (12) years old. The children's collection covers classic and more recent children's stories, and novels for children and youths by Greek and foreign authors. It also includes books on general interest topics and encyclopaedias.

The Children's Reading Room is also used to host PIOP's educational programmes, organised by a library employee.

The Library organises a variety of cultural events in its municipality, in cooperation with other institutions. More specifically, in 2020 the Library organised 57 activities for children and 9 activities for adults.

In 2020, 13,751 people made use of the Library (readers, remote users, loans, educational programmes, short-term activities and co-operative activities) 2,553 children and 11,198 adults. In particular, the Library served a total of 6,140 loan requests and bibliographic support (1,682 children and 4,458 adults).

Publications

PIOP publications reflect the Foundation's activities and its work. Most of PIOP publications are related to research projects carried out by the Foundation – completed, ongoing or presented to the scientific community and the public. PIOP publications appeal to the academic world since they are used as university textbooks through the "Evdoxos" project; its "popular" publications are also important. The following books were published in 2020:

- *Chios. The Land Within*, Stratis Vogiatzis, ISBN 978-960-244-214-2, 5 articles, 256 pages ("Contributions" series).
- *Stone masons of Lesbos*. Social networks, techniques and local history (1850-1950), Christos N. Chatziliadis, ISBN 978-960-244-212-8, 256 pages ("Monographs" series).
- *I want to give birth to marble, to carve marbles...*, Educational pack for the Museum of Marble Crafts, pedagogical approach, Nancy Selenti, ISBN 978-960-244-209-8 and 978-960-244-210-4 ("Educational packs" series).
- *Renaissance-type "foustanias" in Chios (16th-early 20th centuries): Folklore's contribution to the typological approach of local costumes*, Nadia Macha-Bizoumi, ISBN 978-960-244-215-9, 256 pages ("Monographs" series).
- *Olive and Olive Oil in the Eastern Mediterranean. From Antiquity to the Pre-Industrial Age*, scientific editors: Ilias Anagnostakis, Evangelia Balta, ISBN 978-960-244-211-1 and 978-960-9538-95-4, 34 articles, 540 pages

(collective volume by PIOP and the Institute of Historical Research (IHR) of the National Hellenic Research Foundation (NHRF)) ("Contributions" series).

- *A Book Free in the City*, Katerina Papagaryfallou, illustrated by Despoina Andreou, ISBN 978-960-244-315-5, 32 pages ("Tales for children" series). E-book (in Greek), part of PIOP digital publications, which have been carried out since 2014, in the framework of the Foundation's EMAS.

Research

Research lies at the heart of the Foundation's mission to support "Research, Exhibition, and Publication".

Research findings are used in all the Foundation's activities. Research projects focus on traditional technology, the management of the country's natural resources, as well as the tangible and intangible cultural heritage of the recent past.

To mark the 100th anniversary since the Great Fire which destroyed Thessaloniki in 1917, the objective for PIOP was to capture the social, productive and urban planning parameters – and the links between them – used in the reconstruction plan of Thessaloniki, especially its historical centre. In 2020, research continued regarding a) the history of Thessaloniki's financial/commercial centre, and b) mapping the urban transformation of the financial/commercial centre. Two publications are expected in 2021, bearing the signature of Dr. Evangelos Hekimoglou, historian of Ottoman and Greek history, and Vassilis Kolonas, professor of architecture, University of Thessaly, respectively.

Collaborations

In 2020, PIOP carried out the following important initiatives in the Museums and in Athens, in collaboration with prominent bodies and/or persons:

- "From Homer's World. Tinos and the Cyclades in the Mycenaean Age". Touring exhibition presented at the Archaeological Museum of Mykonos (after the Museum of Marble Crafts in Tinos, and at the Benaki Museum in Athens 22/07/2020-31/10/2020. (The duration of the

exhibition was extended for three months, during which time the Museums remained closed).

- MUSEUM OF THE OLIVE AND GREEK OLIVE OIL
 - “1821 allios (differently): The Greek War of Independence in Playmobil Dioramas”. Exhibition in the context of the activities organised by the Piraeus Bank to commemorate 200 years from the Greek War of Independence in 1821, the Piraeus Group Cultural Foundation (PIOP) collaborated with the National Historical Museum (NHM) and presented the exhibition “1821 allios: The Greek War of Independence in Playmobil Dioramas”, which will tour three Museums of the PIOP Network (14/10/2020 - 31/05/2021).
- ROOFTILE AND BRICKWORKS MUSEUM N & S TSALAPATAS
 - “Travelling Art” in Volos. 25 artists with disabilities | 25 authors | 5 cities. ARTOGETHER-Art by People with and without Disabilities (formerly VSA Hellas) and PIOP jointly organised the touring exhibition in Volos (14-21/02/2020). After the Rooftile and Brickworks Museum in Volos, the exhibition “travelled” to the Silversmithing Museum in Ioannina (6-13/03/2020).
- SILVERSMITHING MUSEUM
 - “Czech Republic - Land of castles and palaces”. Exhibition and screening of a film at the Silversmithing Museum. PIOP and the Czech Centre of Athens jointly organized the exhibition “Czech Republic - Land of castles and palaces” (directed by Martin Fryč, 1959, 78’) The screening was greeted by the Ambassador of the Czech Republic, Mr. Jakub Karfík, the Mayor of Ioannina, Mr. Moses Elisaf, and the Director of the Czech Centre of Athens, Mr. Lucie Kuligova (18/07-31/08/2020).
- ENVIRONMENT MUSEUM OF STYMPHALIA
 - “Untameable nature” Sculptures by Aphrodite Liti.

Selected works of the well-known sculptor and professor at the Athens School of fine Arts are peacefully integrated with the Museum’s permanent exhibition, highlighting the relationship between man and nature (29/07 – 29/11/2020).

- “STYMPHALIA: A NEW TOPOGRAPHY”. Photography exhibition Exposed Photography Festival 2020, the Corinth Photography Club and the Peloponnesian Institute of Arts presented the photo exhibition “STYMPHALIA: A NEW TOPOGRAPHY”, at the Environment Museum of Stymphalia (25/09-25/10/2020).
- ATHENS
 - Presentation of the new publication by PIOP “*Anonymous architecture: A Presence Denied*”, by Dimitris Filippidis, Professor Emeritus at the National Technical University of Athens, on Friday 6 March at the Foundation’s premises. Odysseas Sgouros, architect, talked about “Relationships and osmosis. The indivisible face of the world is anonymous”. Nikos Skoutelis, architect and professor at the Technical University of Crete, talked about “Towards an atlas of the commonplace”. George Triantafyllou, architect, talked about “From the three-wheeled motorcycle to the pre-designed electric shock”.

Education

PIOP organises lifelong learning activities for adults on the premises of its Museums and its offices in Athens.

For the eighth consecutive year, PIOP offered educational programmes for schools in Attica (primary and secondary education). The Foundation’s educational programmes are developed in-house, by its qualified employees; archaeologists-museologists trained in organising and implementing museum education programmes, historians, archivists, and IT specialists, on occasion in cooperation with external partners.

The educational programmes are offered free of charge to schools visiting the Foundation’s head office, its Historical Archives and its Library,

and the Museums of the Network. The total number of pupils and teachers participating in educational activities in Athens, Thessaloniki and the Network Museums reached 1,719.

PIOP action plan in Thessaloniki

PIOP participated in the 17th Thessaloniki International Book Fair, which was held online due to circumstances:

- Presentations of new publications:
 - *Anonymous architecture: A Presence Denied*
 - *Stone masons of Lesbos. Social networks, techniques and local history (1850-1950)*
 - *Chios. The land within*
- Story-telling:
 - *Hide and seek with parallel Greek Sign Language interpretation*
 - *Cycladenia with parallel Greek Sign Language interpretation*
- Pre-recorded presentation of the educational pack *I want to give birth to marble, to carve marbles*.

“Cinema and PIOP” Programme

In 2020, approximately 110 screenings were held at the PIOP premises (9 museums, Historical Archives, third party premises) with a total of 3,800 participants (76 public screenings with the participation of 2,870 people, and 34 screenings for school groups or children with families with the participation of 930 pupils).

Creation of digital and multimedia applications

In the context of PIOP’s digital presence during 2020:

- Virtual tours through PIOP digital channels allow visitors to explore exhibitions “Gianoulis Chalepas: return to Pyrgos” and “the countless aspects of Beauty”.
- PIOP created a virtual tour of the exhibition “1821 allies (differently): The Greek War of Independence in Play-

mobil Dioramas”. Utilizing virtual reality (VR) the exhibition was digitized giving the public the opportunity to visit it “virtually”, on the Foundation’s website.

- The multimedia applications created in the context of the production “Nine Museums, a journey” were made available on the communication channels of PIOP. The videos for the Museum of the Olive and Greek Olive Oil, for the Museum of Industrial Olive-Oil Production of Lesbos, for the Environment Museum of Stymphalia are accessible from the PIOP channel on YouTube.
- 6 books and publications were digitized and distributed on the communication channels of PIOP through the is-suu platform.
- 6 podcasts were created and made available on the communication channels of PIOP and 35 webinars were held with a very large participation.
- PIOP presented in digital form the educational programme “Paper otherwise...”. The aim of the programme was to acquaint the public with the notion of paper and its history.
- Podcasts about the life and work of great scientists from the Piraeus Group Cultural Foundation and the Eugenides Foundation: A series of podcasts about the life and work of great scientists, under the general title “Scientists found for humanity”. The first episode of scientifically based podcasts is about the life of Archimedes, one of the greatest geniuses of antiquity.
- “Diptychs: 2 Museums, 2 Lakes, 2 + 2 Lectures”. A series of online meetings on the inseparable relationship between culture and the environment, co-organised by PIOP and the Goulandris Museum of Natural History. The first online meeting took place on Wednesday, December 16th and focused on Lake Pamvotida and aspects of the culture of Ioannina.

2021 Key Targets

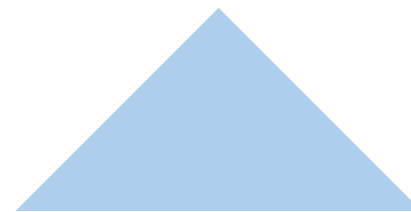
In 2021 the Foundation aims to reform its annual action plan due to the emergency conditions imposed by the pandemic and to prepare for the re-opening of Museums on May 14th 2021, in accordance with the scientific protocols, in the aftermath of the pandemic.

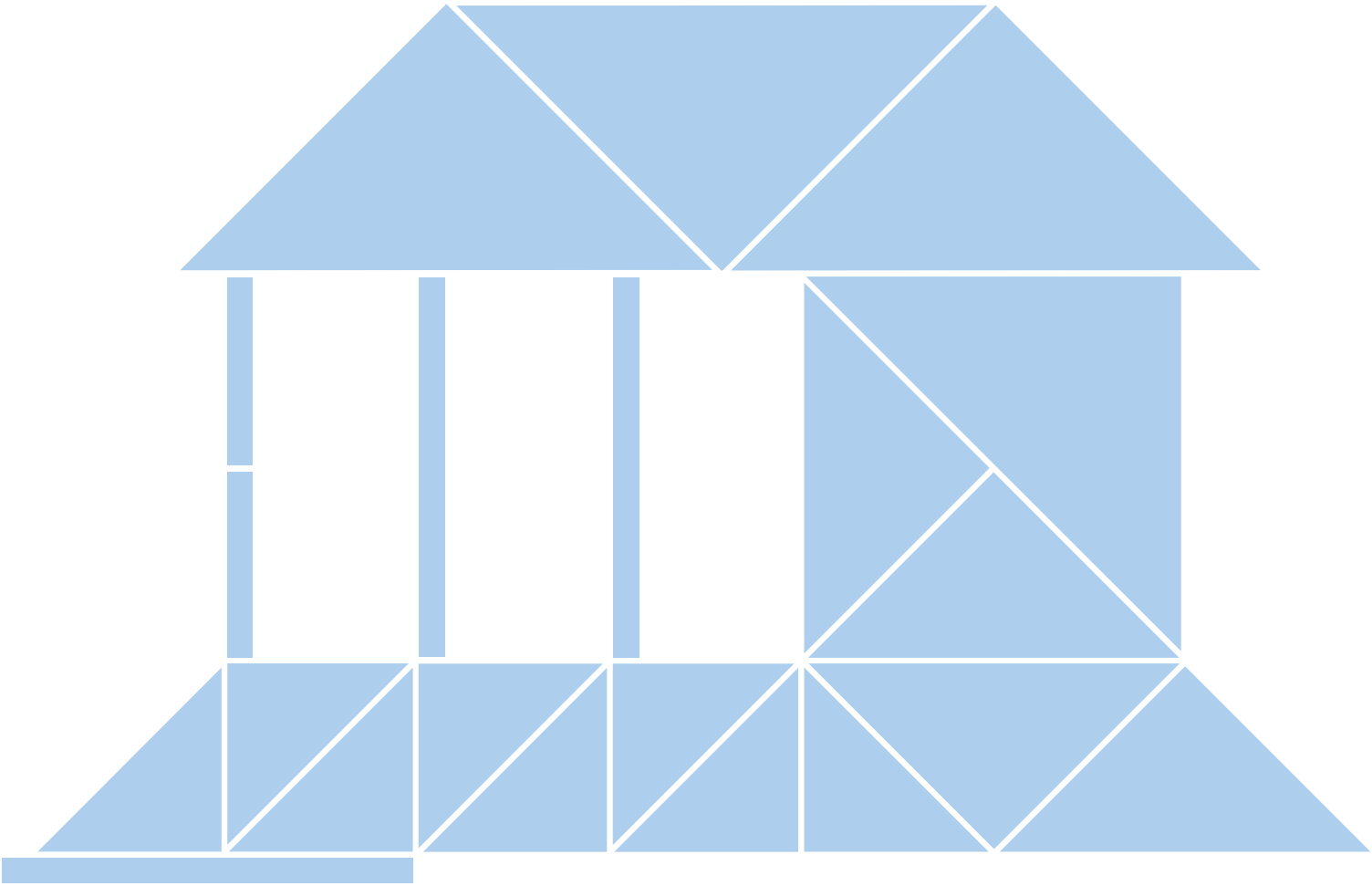
In addition, PIOP focuses on the further dissemination of its work to multiple groups of the public, in line with Piraeus Group's CSR principles.

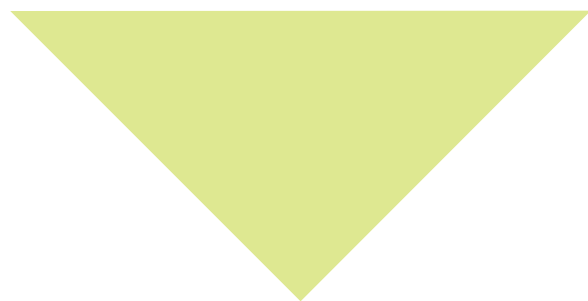
The Foundation will continue organising high-quality activities in the Greek region and creating poles of attraction for tourists, to support local communities. Similar activities, open to the public, will be organised at the Foundation's Historical Archives and Library in Athens, as well as at the Piraeus Bank Conference Centre in Thessaloniki.

In 2021 the Foundation aims to:

- Implement the action plan to commemorate 200 years from the Greek War of Independence in its Museums in the region, in collaboration with the National Historical Museum.
- Enhance its extroversion and contribution to the cultural and general development of the country, by supporting Cultural and Creative Industries (CCIs), modern culture, and by organising cultural, scientific, and environmental activities.
- Gradually implement its digital transformation.
- Improve the quality of services provided to Museum visitors, and users of the Library and the Historical Archives.
- Enhance collaborations with significant cultural institutions.
- Implement European and co-financed programmes and increase PIOP funding from European resources (European and co-financed programmes).
- Implement actions to ensure that people with disabilities have physical access to PIOP and to reduce the Foundation's carbon footprint.
- Participate in cultural policy-making.







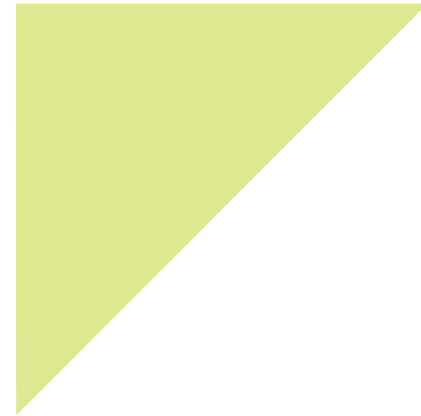
ENVIRONMENT



2020 INITIATIVES & 2021 TARGETS - “IMPROVING ENVIRONMENTAL PERFORMANCE” AND “ADDRESSING CLIMATE CHANGE”

2020 INITIATIVES

- Improving environmental performance
 - Energy and water efficiency interventions at eight (8) branches.
 - Upgrade of Environmental Impact Calculation Tool.
- Addressing Climate Change
 - Further alignment of Climabiz tool (Climate Risk Management Model) with the TCFD Recommendations and new international methodological approaches.



- Piraeus Bank committed to the SBTi (Science Based Targets Initiative) to set its GHG emission reduction targets and apply for evaluation, within the stipulated time frame.
- The Bank participated in the formulation of a methodology for common GHG emission reduction targets under the Collective Commitment to Climate Action (CCCA) of UNEP FI.

2021 TARGETS

IMPROVING ENVIRONMENTAL PERFORMANCE

Annual Environmental Management Targets

- Increase of the annual ink cartridge recycling index to the

average ink cartridge consumption over the last three years.

- 10% reduction in water consumption per employee, compared to 2019.

Long-Term Environmental Management Targets

- 5% reduction in total paper consumption per employee (3-year target, base year 2020).
- 10%¹³ reduction in total electricity consumption per sq. m. (3-year target, base year 2018).
- 5% reduction in electricity consumption per sq. m., for all the Bank's buildings included in the integrated energy management programme (2-year target, base year 2020).
- Estimation of other indirect GHG emissions (Scope 3 - Category 15) associated with the Bank's business loans (2022).
- Formulation of targets for reducing GHG emissions (Scope 1, 2, 3). As part of the Science-Based Targets initiative (SBTi), the Bank has committed to cut its Scope 1 emissions by half and to reach zero Scope 2 emissions by 2030, with the ultimate goal to reach net zero GHG emissions by 2050.
- 10% increase in the percentage of eco-label paper consumption vs total paper consumption (3-year target, base year 2018).

ADDRESSING CLIMATE CHANGE

- In 2021 the Bank will continue to participate in the formulation of a methodology for developing common GHG emission reduction targets under the CCCA.
- Further harmonisation of Climabiz Tool (CRMM) to comply with supervisory requirements on climate related risks.
- Implementation of an action plan for the integration of climate related risks in the Bank's risk management, governance, and business decisions.
- Development of processes for integrating ESG and

climate risk in the Bank's stress test scenarios.

MONITORING AND ANALYSIS OF ENVIRONMENTAL LEGISLATION & CASE-LAW

Environmental legislation and case law are monitored using the subject-specific Database on Environmental Legislation and Case Law (DEL&CL). The DEL&CL is an innovative legal tool that includes legislative acts, international conventions, directives, important court decisions and numerous legal opinions on specific legal issues. The Database provides detailed legal support for developing the Group's Environmental Policy, ensuring compliance with applicable environmental legislation, including climate commitments. The Database also facilitates the Bank's proactive response to regulatory developments in the fields of environment and sustainability. Emphasis is placed on climate-related court decisions, on the measures to be taken by states and companies to reduce GHG emissions, and on the duty of companies for climate-related risk disclosure.

IMPROVING ENVIRONMENTAL PERFORMANCE

The Bank develops strategies to improve its environmental performance and reduce its environmental footprint.

ENVIRONMENTAL MANAGEMENT SYSTEM (EMS)

The Environmental Management System (EMS) integrates procedures and processes for monitoring and managing the Bank's environmental performance and for setting goals for reducing its environmental impact. The EMS is implemented in the administration buildings and branches in Greece, but not in the Bank's subsidiaries and facilities outside Greece.

Piraeus Bank registered with the EU Eco-Management and Audit Scheme (EMAS) in 2011. Its EMS is certified in accordance with Standard ISO 14001:2015.

REDUCING PIRAEUS BANK'S ENVIRONMENTAL FOOTPRINT

Piraeus Bank's environmental footprint is monitored on an annual basis. The methodology used for calculating the environmental footprint is

¹³ Target revised - since it has already been met - and its extension by 1 year.

based on the principles set out in the “GHG Protocol Corporate Accounting and Reporting Standard” by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD).

In 2020, adjustments were made to upgrade the Environmental Impact Calculation Model to allow for automatic data entry and linking this software to existing infrastructure and tools. The Bank’s environmental footprint was calculated faster compared to previous years, using automatic processes.

IMPACT ASSESSMENT ON THE BANK’S ENVIRONMENTAL FOOTPRINT FROM THE IMPOSITION OF RESTRICTIVE MEASURES DUE TO COVID-19

The regulatory and supervisory measures to deal with the effects of the Covid-19 pandemic resulted in the adoption of teleworking by approximately 5,800 employees in the Bank’s Branches and Administration Buildings. Teleworking changed the modus operandi, affecting the Bank’s carbon footprint in the following categories:

- Energy consumption in Branches and Administration Buildings
- Demand for consumables and services
- Commuting
- Business travel
- Waste production.

According to a study carried out, the reduction of the Bank’s carbon footprint during the first period of temporary imposition of restrictive measures (16/03–30/04/2020) was -7% versus the respective period in 2019.

ENERGY OFFICE

The Energy Office uses proprietary software, unique in the Greek banking sector, which allows for online real-time monitoring of energy and water consumption in approximately 330 of the Bank’s buildings. The Energy Office promotes measures for improving each building’s energy efficiency and constantly monitors errors and failures in the equipment, so as to make an early diagnosis of excessive energy or water consumption. The Energy Office is responsible for

providing data for the calculation of the environmental footprint, for conducting Energy Audits, for preparing management reports and for implementing the Bank’s energy policies.

ENERGY AUDITS

The EMS provides a comprehensive framework for recording, monitoring and ultimately reducing the Bank’s operational and business footprint. In this context, the System includes a detailed Energy Audit that meets the minimum requirements set out in Annex VI of Greek Law 4342/2015 and is thus exempt from the obligation under Article 10 (10) of the same law.

The Energy Audit is an integral part of Piraeus Bank’s EMS.

According to the third Energy Audit Report, the Primary Energy Consumption of the Bank’s buildings amounts to 150.26 GWh.

98.65% of total primary energy consumption of Piraeus Bank comes from electricity, 0.76% from heating oil and 0.6% from PV systems. 50.5% of total energy consumption concerns branches and 49.5% the administration buildings of Piraeus Bank.

ENERGY CONSUMPTION

The energy resources used for the Bank’s operations are mainly electricity and fuel for heating purposes and for employee travel. More specifically:

Electricity consumption

Electricity is consumed across the Bank’s building for lighting, for operating electrical and electronic equipment, for air-conditioning, while in most buildings it is also used for heating purposes. Electricity is the largest energy resource and has been rated as the main source of the Bank’s environmental impact. In total, more than 45.9 GWh were consumed in 2020, of which 2.7 GWh were generated by solar PV systems installed in 32 branches (net-metering).

The reduction in the number of Branches and the extensive use of telework due to Covid-19 conditions led to a reduction in total electricity consumption for 2020. Electricity consumption per unit area and per employee decreased by 8.01% and 15.1 % respectively. Overall, electricity consumption per square metre has decreased by 27.9% since 2014¹⁴.

¹⁴ 2014 is used as the base year, following a series of significant bank mergers in 2012–2013.

Fuel Consumption

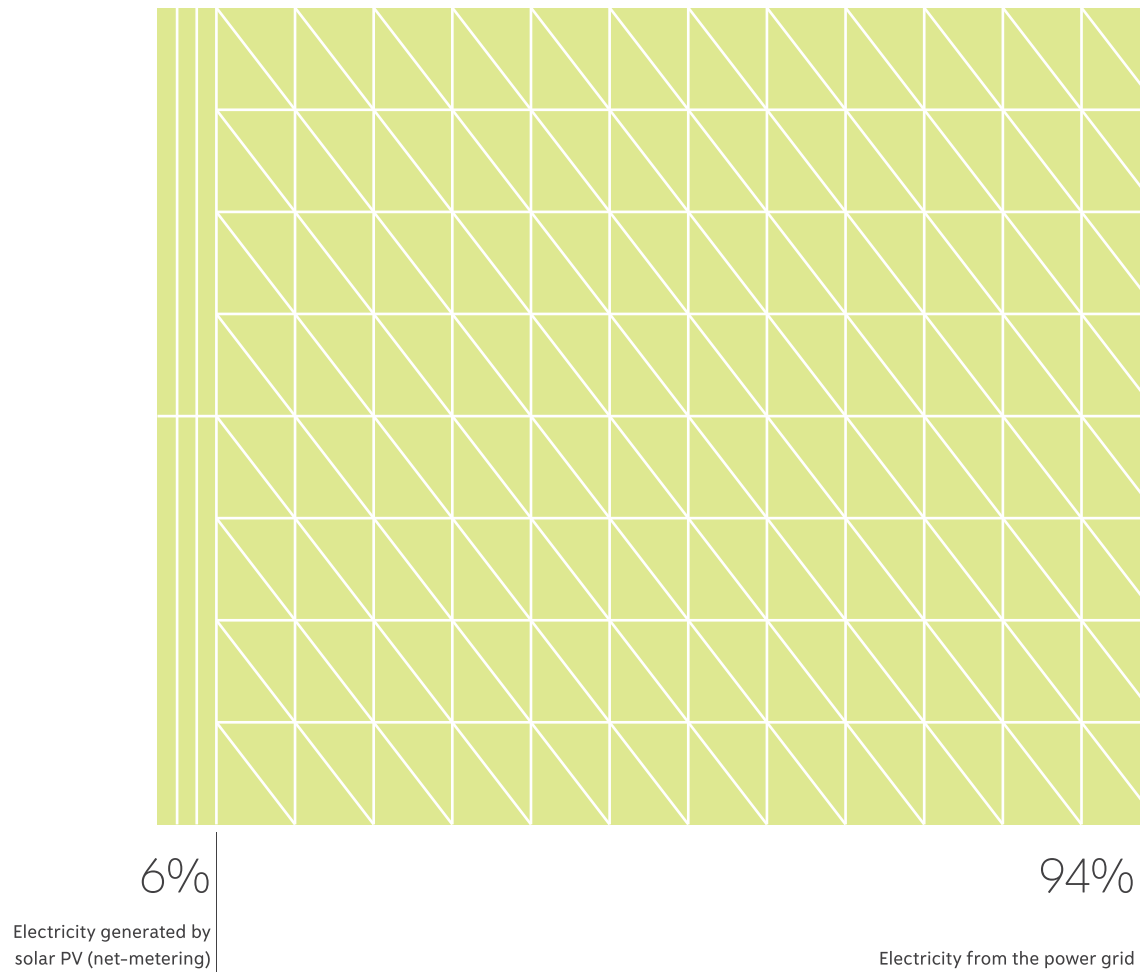
Heating Oil: In 2020, 45 buildings consumed 134,966 litres of heating oil.

Employee road travel (petrol/diesel/LPG): Total fuel consumption for employee road travel is estimated on an annual basis, taking into account the average monthly prices of unleaded petrol, diesel and LPG (work-related business travel). Educational travel is calculated based on the distance covered by each employee from the workplace to the training centre and back. In 2020, fuel consumption for business travel reached 1,931,975 litres of petrol, 372,748 litres of diesel and 37,913 litres of LPG, for more than 30 million km of road travel.

Air travel: In 2020, employees travelled approximately 1.1 million km by plane. As a result, 44 tonnes of jet fuel were consumed for air travel, down 72.3% from 2019. The large reduction in aviation fuel consumption is due to the restrictive measures imposed to deal with the pandemic, which included the restriction of air travel.



DISTRIBUTION OF ELECTRICITY IN 2020



ENERGY EFFICIENCY INTERVENTIONS

Every year, the Bank carries out energy efficiency interventions across its facilities.

Energy Efficiency Interventions at the Branches

In 2020, renovations and energy efficiency interventions were carried out at a lower rate due to Covid-19 restrictions, in 8 branches, including the following:

- Installation of Vapour Absorption Machine (VAM) night-time cooling heat exchanger.
- Old incandescent light bulbs were replaced by LED light bulbs.
- Motion sensors were installed in WCs.
- Placement of membranes on the glass.
- Replacement of single glazing with double low-emissivity glazing.
- Replacement of standard aluminium framing with aluminium frames with thermal break.
- Installation of BEMS energy control systems.

Interior Lighting in Buildings

When carrying out extensive refurbishment works, new technology LED light fixtures are installed, with an Installed Lighting Power Density (ILPD) of up to 6.18 W/sq.m., resulting in 69% energy saving.

PAPER/TONER CONSUMPTION

The environmental impact of the Bank's paper consumption is second only to electricity consumption. Supplies of all paper consumables, newspaper subscriptions, and total quantities of paper used for marketing purposes are recorded every year. In particular:

- Printing paper (A3, A4 and A5 sizes) needs were covered almost exclusively by eco-label paper, while the

total amount of paper used for marketing purposes was FSC-certified.

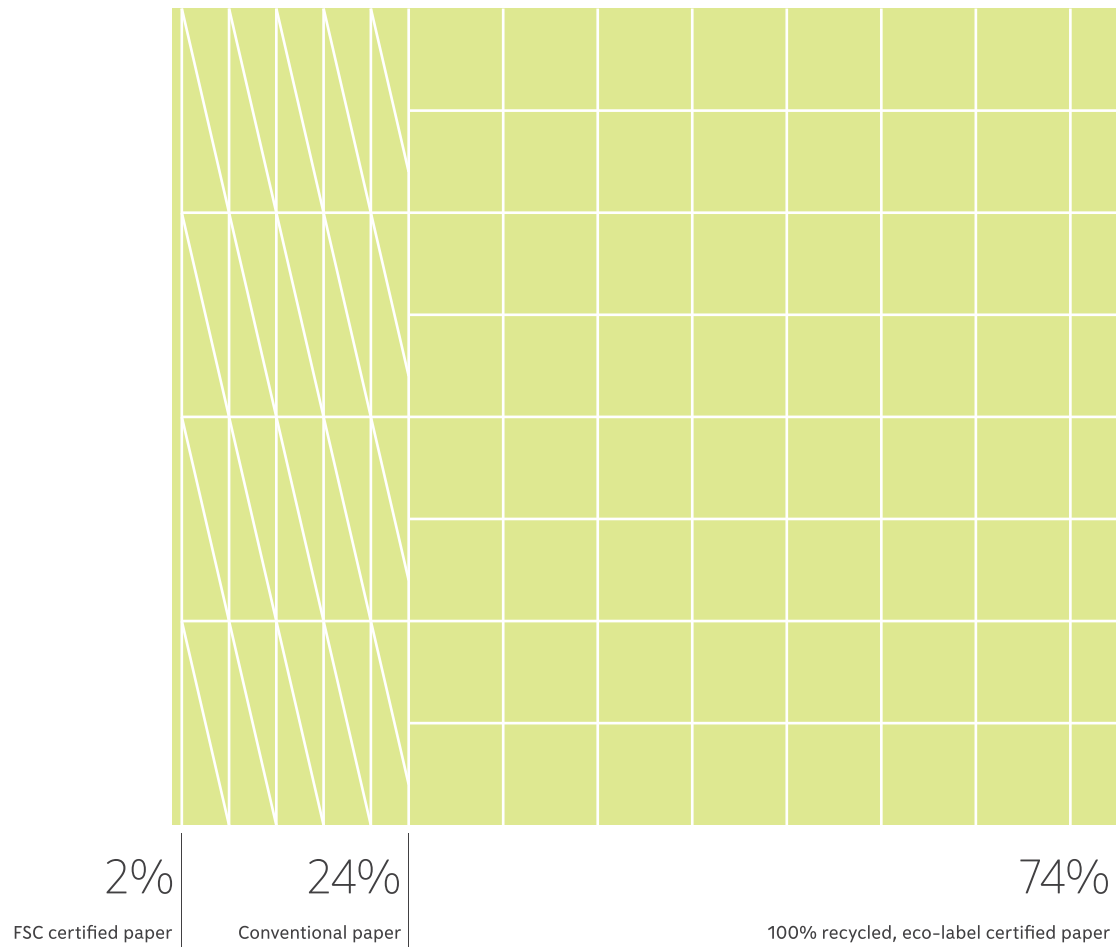
- 1,065 tonnes of paper were consumed in 2020, of which 76% was eco-label or FSC-certified.
- Total paper consumption per employee increased by approximately 12.8% compared to 2019, mainly due to the conditions of the Covid-19 pandemic which led to an increase of printing in branches so as to minimize the length of customers' stay in them.

In 2020 more than 25,700 items of printing consumables (toners, ink cartridges, etc.) were supplied from exclusively refillable cartridges. Toner consumption per employee has dropped by 36.3% since 2014.

PAPER AND INK SAVING INITIATIVES

- Paperless Cashier: In 2020 25% of total transactions at the front desk were paperless, while for 67% of total transactions only the customer copy was printed out.
- Managed Printing Services (MPS): In 2020 more than 4,743,371 pages were not printed (approximately 22.67% of total printouts requested by users).
- ATM transactions: 60,086,681 ATM receipts were not printed.
- Winbank: 897 tonnes of paper were saved through e-banking services (Easypay machines, Internet, Phone & Mobile Banking).

DISTRIBUTION OF TOTAL PAPER CONSUMPTION IN 2020



ENVIRONMENT

SOLID WASTE MANAGEMENT

The Bank partners with licensed companies and systems to collect recyclable materials. An important part of this project has been assigned to “Klimax Plus” Social Cooperative, which helps reintegrate vulnerable groups into society. In 2020, more than 3,200 collections of materials were made from the Bank and approximately 389 tonnes of solid waste were recycled.

WATER CONSUMPTION

For Piraeus Bank, water consumption is considered to be of medium environmental importance. Compared to 2019, total water consumption decreased by 29.5% and the corresponding index of total water consumption per employee by 23%. This decrease is largely due to the adoption of teleworking which resulted in a reduced presence of staff mainly in the Administration Buildings.

GHG EMISSIONS

For the calculation of the Bank’s total CO₂ equivalent emissions, the following sources of emissions are taken into consideration:

- Direct GHG emissions (Scope 1)
 - Consumption of heating oil.
 - Consumption of petrol and diesel used by company cars.

- Total of refrigerants added to air-conditioning and cooling units, and heat pumps.

Scope 1 emissions were reduced in 2020, by 4%, due to reduced fuel consumption by company vehicles, as well as due to the reduced addition of coolants.

- Indirect GHG emissions associated with electricity consumption in the Bank’s buildings (Scope 2)
 - Consumption of electricity in all buildings and branches.

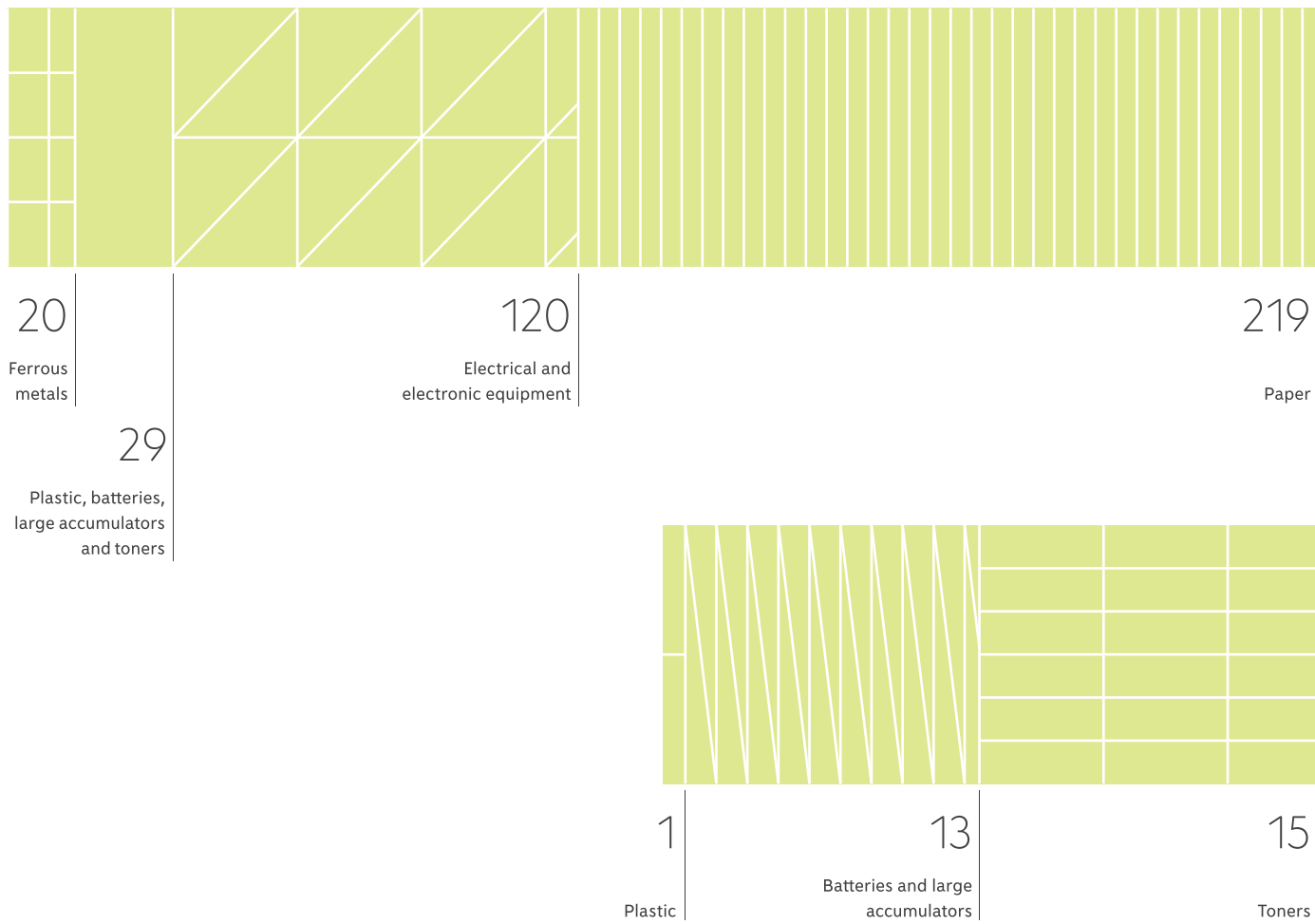
In 2020 there was a reduction of Scope 2 emissions by approximately 14% compared to 2019, following the reduction of electricity consumption in the Bank’s building infrastructure.

Piraeus Bank purchased Guarantees of Origin (GO) from Heron Thermoelectric SA, PPC SA and N.R.G. SA, for the 100% of the electricity consumed on the Bank’s premises. In total, 43,193 MWh were cancelled in the electronic certificate registry, confirming that for the total electricity consumed in its facilities, the same amount of energy was generated from Renewable Energy Sources.

REFRIGERANTS ADDED TO A/C SYSTEMS* (IN KG)	2020
R-407	31
R-407C	52
R-410	32,5
R-410A	161,92
R-422	7
R-422D	29,4

* In accordance with existing legislation.

SOLID WASTE MANAGEMENT IN 2020 (TN)



ENVIRONMENT

- Other indirect GHG emissions (Scope 3)
 - Purchased goods and services (e.g. fixed equipment, courier services, security services, etc.) – category 1.
 - Upstream transportation and distribution (e.g. furniture, electrical and electronic equipment, archive, etc.) – category 4.
 - Waste generated in operations (including management/transport) – category 5.
 - Business travel (rental or privately-owned car, air travel, sea travel) – category 6.
 - Employee commuting – category 7.
 - Investments (equity participations and subsidiary shares) – category 15.
 - Mortgage loans – category 15.

The Assessment Report on the Bank's indirect GHG emissions from other indirect activities (Scope 3) was completed in 2018. According to the Report, the aforementioned categories of indirect emissions were assessed as the most important for the Bank and therefore are calculated each year. The emissions attributed to the Bank due to the mortgages (category 15) were calculated in 2019 for the first time. For 2020, the Bank's emissions from active mortgage loans were calculated using the new PCAF (Partnership for Carbon Accounting Financials) methodology, following a commitment to the Science Based Targets (SBTi) initiative.

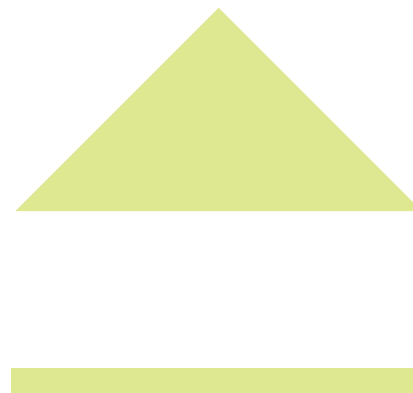
Due to the new methodology applied and therefore the higher analysis by type and use of building and the reduction of the Bank's attribution factor, Scope 3 emissions related to the Bank's mortgages decreased in 2020 by 52% compared to the previous year. There was a decrease in all Scope 3 emissions due to reduced expenses as a result of the pandemic. Investment emissions (equity participations and subsidiary shares - category 15) decreased by 32% due to the declining turnover of companies, as well as due to a new methodology for coefficients determination.

The GHGs included in the calculations are: Carbon Dioxide (CO₂), Methane (CH₄), Nitrous Oxide (N₂O) and Hydrofluorocarbons (HFCs). The resulting emissions from the combustion of petrol and heating/motor oil are based on the IPCC and IEA 2005 Guidelines, while LPG/

CNG are based on the National Inventory Report (March 2020) and IEA 2005. Emissions from electricity consumption are calculated using the national energy balance and the emissions of GHGs and other gases recorded in the most recent annual National Inventory Report¹⁵. For all other emissions the relevant published input-output tables were used.

In 2020 total CO_{2,eq} emissions exceeded 416,000 tonnes, down 49% from the previous year. Scope 3 emissions account for 93% of total GHG emissions. This is mainly due to the Bank's financing, i.e. mortgage lending and investments, since if category 15 is excluded, Scope 3 emissions are limited to 39% of total GHG emissions as shown in the diagrams below.

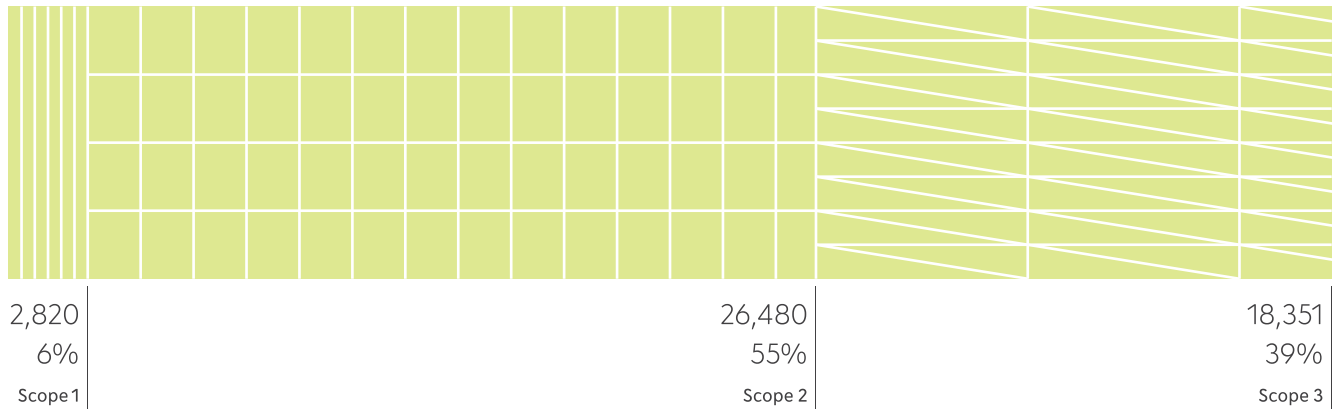
For more details on Piraeus Bank Environmental Performance, see: [www.piraeusholdings.gr/Environment, Society, Governance \(ESG\)/Environment & Society/Environment/Environmental Fields of Action/Environmental Management/Environmental Footprint](http://www.piraeusholdings.gr/Environment,Society,Governance(ESG)/Environment&Society/Environment/EnvironmentalFieldsOfAction/EnvironmentalManagement/EnvironmentalFootprint)



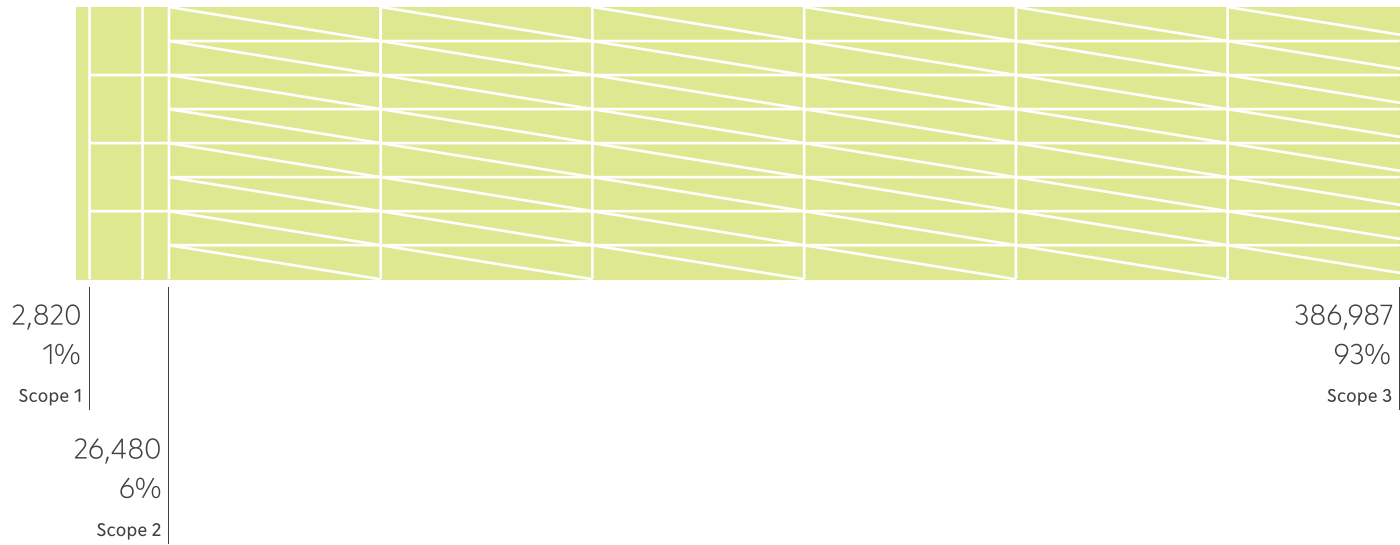
¹⁵ Location-based methodology.

DISTRIBUTION OF CO_{2,eq} EMISSIONS IN THE BANK (TN CO_{2,eq})

WITHOUT FUNDING



WITH FUNDING



ENVIRONMENT

DISTRIBUTION OF EMISSIONS 2020 (TN CO_{2, eq})

SCOPE 1	
Heating oil consumption	365
Fuel consumption for corporate vehicle travel	1,800
Refrigerants	655
SCOPE 2	
Electricity consumption	26,480
SCOPE 3	
Waste generation & management	328
Upstream transportation and distribution	241
Employee commuting from/to work	8,445
Business travel	4,017
Investments (Participations)	16,241
Purchased goods and services	5,320
Mortgage loans	352,395

GAS EMISSIONS ⁱ	2019	2020	2019-2020 TREND
Emissions CO _{2,eq} (tonnes)-Scope 1	2,946.47 ^{ii,iii,iv}	2,819.76 ^v	-4.3%
Emissions CO _{2,eq} (tonnes)-Scope 2 (location-based) ^{vi}	30,657.67 ⁱⁱ	26,479.65 ^v	-13.6%
Emissions CO _{2,eq} (tonnes)-Scope 3	780,638.92 ^{ii,iii}	386,986.70 ^{v,vii,viii,ix}	-50.4%
Total CO _{2,eq} Emissions (tonnes)-Scope 1, 2, 3	814,243.05 ^{ii,iii,vi}	416,286.11 ^{v,vi,vii,viii,ix}	-48.9%
Total CO _{2,eq} (kg/m ²)-Scope 2 (location-based)	67.88	59.76	-12.0%
Total CO _{2,eq} Emissions (tonnes/employee)-Scope 1, 2, 3	70.81 ⁱⁱⁱ	39.52	-43.9%
Emissions CO _{2,eq} (tonnes)-Scope 2 (market-based) ^x	4,933.56	0 ^{xi}	-100%
PIRAEUS BANK ENVIRONMENTAL FOOTPRINT ⁱ KEY ENVIRONMENTAL INDICATORS	2019	2020	2019-2020 TREND
ENERGY CONSUMPTION (ELECTRICITY, HEATING FUEL AND TRAVEL)			
Electricity consumption (GWh) - from the electricity supply network	50.01	43.19	-13.6%
Electricity consumption (kWh) - from PV systems	895,209.43	2,747,868	207.0%
Total electricity consumption (GWh)	50.91	45.94	-9.8%
Total electricity consumption (GJ)	183,271.30	165,388	-9.8%
Electricity consumption (kWh/m ²)	112.72	103.69	-8.0%
Heating oil consumption (litres)	115,626	134,966	16.7%
Heating oil consumption (GJ) ^{xii}	4,176.28	4,897.61	17.3%
Air travel – jet fuel (tn)	159.02	44	-72.3%

ⁱ Calculations for 100% of Piraeus Bank's operations in Greece.

ⁱⁱ The following Global Warming Potential (GWP) coefficients have been used for the conversion of emissions estimates into the common unit of CO₂ equivalent: 1 for CO₂, 25 for CH₄ and 298 for N₂O. For details see: IPCC, Fourth Assessment Report (AR4), Working Group 1, Chapter 2, Changes in Atmospheric Constituents and in Radiative Forcing, Table 2.14, p. 212.

ⁱⁱⁱ The indicators of 2019 related to the consumption of corporate and private vehicles have been updated in the Sustainability and Business Report 2020 in relation to the corresponding indicators included in the Sustainability and Business Report 2019. The above change was made due to incorrect distribution consumption between corporate and private vehicles in the Environmental Management System used by the Bank to monitor its environmental performance.

^{iv} The index for 2019, if calculated according to the IPCC, Fifth Assessment Report (AR5), would be 6,619.31 (change of methodology compared to 2019).

^v The following coefficients have been used to calculate the equivalent CO₂ emissions: 1 for CO₂, 28 for CH₄ and 265 for N₂O. For more details see: IPCC, Fifth Assessment Report (AR5).

^{vi} For the calculation of CO₂, CH₄, N₂O emission factors, the data of the national inventory of greenhouse gases and other gases have been used, as well as the data of the national energy balance regarding the final electricity consumption and the electricity consumption of its energy sector in 2018.

^{vii} At the time of writing, the Bank's 2020 Annual Report has not been published. Hence, the calculations are based on annualised 9-month financial data and the Bank's participations in associates, subsidiaries and joint ventures are as per the 2019 Annual Report. In addition, two listed companies have not published their annual financial statements for 2020.

^{viii} Results from the Assessment Report completed at the end of 2018 have been included, reporting additional categories of Piraeus Bank's indirect GHG emissions from other activities (Scope 3).

^{ix} In 2020, mortgage emissions were calculated according to the new PCAF (Partnership for Carbon Accounting Financials) methodology.

^x Calculated using GOs and the Residual Energy Mixture for Greece (Published data for 2018).

^{xi} The Bank has acquired GOs for 43,193 MWh.

^{xii} Calculated using the net calorific value (NCVs) and density of each fuel type, as per IPCC Guidelines (2006) and International Energy Agency Statistics Manual (2005) respectively. For 2019: Lower calorific value and fuel density were obtained from the National Inventory Report (March 2020) and the International Energy Agency (2005) manual, respectively. The index for 2019, according to IPCC (2006) & IEA (2005) would be set at 4,195.80 (change of methodology compared to 2020).

ENVIRONMENT

PIRAEUS BANK ENVIRONMENTAL FOOTPRINT ⁱ KEY ENVIRONMENTAL INDICATORS	2019	2020	2019-2020 TREND
Motor travel – diesel fuel (litres)	497,507.07 ⁱⁱⁱ	372,748.13	-25.1%
Motor travel – gas fuel (litres)	1,809,386.75 ⁱⁱⁱ	1,931,975.32	6.8%
LPG consumption (litres)	45,933.39 ⁱⁱⁱ	37,912.51	-17.5%
Total energy consumption (GJ) ^{xiii, xv}	26,688.40 ⁱⁱⁱ	29,461.95	-0.8%
Total energy consumption (GJ) - inside the Bank ^{xiv}	212,959.71 ⁱⁱⁱ	194,849.74	-8.5%
Total energy consumption (GJ) - outside the Bank ^{xiv}	60,070.18 ⁱⁱⁱ	55,232.61	-8.1%
Total distance travelled (km)	35,221,931	42,841,737.86	21.6%
Travel prevented by opting for e-learning (km)	8,893,302.90	4,359,736.03	-50.9%
WATER			
Water consumption (m ³)	85,675.00	60,437.00	-29.5%
Water consumption (m ³ /employee)	7.45	5.73	-23%
CONSUMABLES			
Conventional paper consumption (tonnes) [I]	232.36	255.69	10.0%
Eco-label paper consumption (tonnes) [II]	777.57	784.12	8.4%
FSC paper consumption (tonnes) [III]	20.99	25.55	21.4%
Total paper consumption (tonnes) [I]+[II]+[III]	1,030.93	1,065.37	3.3%
Total paper consumption (kg/employee)	89.65	101.12	12.8%
Percentage of eco-label paper (FSC or recycled) vs total consumption (%)	77.46	75.99	-1.9%
Total cartridge/toner consumption (items)	22,501	25,785	14.6%
Total cartridge/toner consumption per employee (items/employee)	1.96	2.44	24.5%
Percentage of refilled cartridge/toner vs original (%)	56.51	54.81	-3%
WASTE MANAGEMENT			
Paper recycled (tonnes)	265.79	219	-17.6%
Toners and cartridges reused/recycled (items)	9,837	12,725	29.3%
Other electrical and electronic equipment recycled (tonnes)	96.13	120.33	25.2%

^{xiii} This indicator includes the total consumption of heating oil and fuel (diesel, gasoline, LPG/CNG) of company fleet cars.

^{xiv} Diesel & petrol, heating oil: Net calorific value from IPCC (2006) and density from International Energy Agency (2005). LPG/CNG: Net calorific value from National Inventory Report (March 2020) and density from International Energy Agency 2005.

^{xv} For 2019: Oil & gasoline: Net calorific value from IPCC (2006) and density from the International Energy Agency (2005). LPG/CNG: Net calorific value from National Inventory Report (March 2020) and density from International Energy Agency (2004). Heating oil: Net calorific value from National Inventory Report (March 2020) and density from International Energy Agency (2005). For 2020: Diesel & gasoline, heating oil: Net calorific value from IPCC (2006) and density from International Energy Agency (2005). LPG/CNG: Net calorific value from National Inventory Report (March 2020) and density from International Energy Agency (2005).

ADDRESSING CLIMATE CHANGE

The Group applies policies and processes for assessing the impact and opportunities arising from climate change, in sectors of the Greek economy with a significant share in its business portfolio. At the same time, it invests in Renewable Energy Sources (RES), and supports green entrepreneurship in Greece.

The Group monitors international developments on climate change and participates in international initiatives, such as the Collective Commitment to Climate Action (CCCA). This is a pioneering commitment of the founding signatories of the UNEP FI Principles for Responsible Banking to finance the transition to a low carbon and climate resilient economy required to limit global warming to 1.5 degrees Celsius.

In addition, the Bank will participate in the Second Phase of the Working Group under the auspices of UNEP FI and the EBF (European Banking Federation), for the integration of EU Taxonomy on banking products and services.

PIRAEUS BANK'S CLIMATE CHANGE STRATEGY

Piraeus Bank's Climate Change Strategy can be found on the Group's website.

For more information see www.piraeusholdings.gr/el/sustainable-banking/environment-and-society/environment/environmental-policy-principles/climate-change-strategy

ASSESSING CLIMATE RISK IN THE BANK'S BUSINESS LOAN PORTFOLIO

Every year Piraeus Bank calculates the climate risk of its business borrowers using the Climabiz tool¹⁶. The Climabiz Tool operates with the Climate Risk Management Model settings (CRMM). The climate risk calculation is based on the turnover of the Bank's business borrowers, across important economic sectors in Greece.

For more information see: www.piraeusholdings.gr/en/sustainable-banking/environment-and-society/environment/environmental-fields-of-action/climate-risk-assessment

SAMPLE OF BUSINESS BORROWERS - CHARACTERISTICS	
Number of business borrowers	36,851
Total turnover for business borrowers	€178,220,243,782
BREAKDOWN OF BUSINESS BORROWERS BY SECTOR	
Agriculture	12,534
Offices (provision of services within buildings)	19,180
Shipping	533
Hospitals	59
Manufacturing	1,579
Hotels	1,498
Energy production	1,468

¹⁶ The calculation was made with an average annual price for EU emission allowances (EUAs) on the EU Emissions Trading System (EU ETS): €24.73/tCO₂ in 2020. The average EUA price is calculated using data from the website of the Greek Operator of Electricity Market: data1.lagie.gr

ENVIRONMENT

CLIMATE RISK STRUCTURE BY SECTORS OF ECONOMIC ACTIVITY			
SECTOR OF ECONOMIC ACTIVITY	% OF PHYSICAL RISK PER SECTOR	% OF TRANSITION RISK PER SECTOR	% OF CLIMATE RISK OVER TOTAL CLIMATE RISK
Agriculture	93.19%	6.81%	0.41%
Offices (office space inside buildings)	34.21%	65.79%	4.12%
Shipping	0.0%	100%	0.23%
Hospitals	39.28%	60.72%	0.06%
Manufacturing	4.93%	95.07%	24.05%
Hotels	94.42%	5.58%	29.38%
Energy production	6.05%	93.95%	41.75%

Total climate risk of business borrowers for 2020 was estimated at €1.037 billion compared to €1.050 billion in 2019 and corresponds to 0.58% of their total turnover. The physical risk constitutes 33,27% (2019: 32.7) and the transition risk 66,73% (2019: 67.3%) of the estimated total climate risk.

The following table shows the breakdown of the Bank's business portfolio grouped by climate risk.

BREAKDOWN OF SECTORS OF ECONOMIC ACTIVITY BY CLIMATE RISK	
CLIMATE RISK	2020
Sectors with negative climate risk (opportunity)	0.7%
Sectors with zero climate risk	20.70%
Sectors with low climate risk	71.7%
Sectors with medium climate risk	5.80%
Sectors with high climate risk	1.10%

93.1% of business loan portfolio relates to sectors with negative to low climate risk and only 6.9% of loan portfolio relates to sectors with medium and high climate risk exposure.

Due to the large increase in the price of EUAs in recent years, and the ability of certain industries to pass some of these increases to end consumers, Piraeus Bank redefined the medium and high-class climate risk categories last year.

Sector classification by level of climate risk:

- Negative climate risk: sectors with ESCR¹⁷ < 0%
- Zero climate: sectors with ESCR = 0% (sectors not exposed to climate change)
- Low climate risk: sectors with ESCR > 0% to ≤ 1%

¹⁷ Economic Sector Climate Risk Index (ESCR): the ratio of the estimated climate risk of the business borrowers in a certain sector in relation to their total turnover. There are five (5) categories of climate risk exposure.

- Medium climate risk: sectors with ESCR >1% to ≤10%
- High climate risk: sectors with ESCR >10%.

Regarding the calculation of climate risk for 2020 and in the context of the continuous improvement of the CRMM, Piraeus Bank proceeded to integrate a significant number of new economic activities, which belong to the sector Offices. Therefore, it is not possible to compare the results for 2020 by category of climate risk sectors with the results of previous years.

HARMONISATION OF THE CLIMABIZ TOOL WITH THE NEW CLIMATE RISK MANAGEMENT MODEL - PHASE C

In 2020, the gradual adaptation of Climabiz's tool to the Bank's risk management operating standards began. The Climabiz Tool will be adjusted to take into account the latest climate data of the IPCC (Intergovernmental Panel on Climate Change). The Group aims to further harmonize the Climabiz Tool with the TCFD recommendations and the requirements of the supervisory bodies.

PROTECTION OF BIODIVERSITY

Piraeus Group is one of the 26 financial institutions that signed the international "Finance for Biodiversity Pledge" in 2020. It aims to increase financing to business actions that protect and enhance the natural environment in the coming years, to halt and reverse biodiversity loss. In addition, the Group actively participates in the European platform "Biodiversity and Entrepreneurship" (EU Business@Biodiversity Platform), which provides the opportunity for ongoing dialogue on the links between business, biodiversity and the natural capital. In this context, it also participates in the EU CoP Finance@Biodiversity working group, which consists of financial institutions. By signing the Principles for Responsible Banking, the Group participates in the UNEP FI working group "Target Setting – Biodiversity", for financial institutions to set clear and realistic biodiversity targets. Last, the Group is expected to participate in the pilot test of the ENCORE tool, which will be completed in 2021 and which illustrates how economic activities can interact with natural capital and how the existing portfolio is aligned with biodiversity conservation objectives.

ENVIRONMENTAL AWARENESS AND EMPLOYEE TRAINING

In 2020, 75 EMS Coordinators were trained through the special e-learning course on EMAS and the Bank's Environmental Management System. The e-learning courses aim to promote key environmental concepts and raise awareness about the Bank's environmental work and to actively involve the Coordinators in their tasks. In 2020, a total of 1,490 training man-hours were spent on environmental e-learning.

ANNUAL ENVIRONMENTAL MANAGEMENT COMPETITION

For the 10th consecutive year, Piraeus Bank launched its annual environmental management competition "Green behaviour wins!", a significant incentive for improving the Bank's environmental footprint and raising employee awareness. More than 600 employees from branches and administration buildings with the best performance in recycling consumables (paper, batteries, and ink cartridges/toner) and energy-saving were rewarded with small gifts with a clear environmental message.

ECO-DRIVING

14 Bank executives with a company vehicle participated as Eco-driving Ambassadors in the educational Eco-driving programme, promoting Economic, Ecological and Safe Driving (Eco-driving). Their driving behaviour was monitored for 6 months, showing fuel savings of 5.9%. Following its completion, actions were taken to promote the results of the programme. An online talk was held for the Bank's employees and an interactive and educational questionnaire was posted on the intranet on the principles of Eco-driving, where the fuel saving techniques and good road behaviour were presented, to reduce fuel consumption and emissions, as well as road accidents.

ENVIRONMENTAL MANAGEMENT AT ETVA INDUSTRIAL PARKS SA

The "environmental" parameter affects the entire range of operations of ETVA Industrial Parks SA and is the deciding factor for the company's centralised organisation and management. ETVA Industrial Parks SA

complies with its Environmental Policy, and has all the necessary environmental permits for the 25 Industrial Areas and Business Parks under its jurisdiction.

WASTEWATER TREATMENT

ETVA Industrial Parks SA processed a total of circa 4 million m³ industrial wastewater in the seven (7) Industrial Wastewater Treatment Units (IWTUs) and handled 3.5 thousand tonnes of waste-sludge. The company uses wastewater management software (e.g. environmental data online platform) and online COD analysers, and has improved its ability to monitor the pollutant load. Above all, it uses these tools to improve its environmental performance and manage its environmental responsibilities, in accordance with the criteria set out by the company's ISO standard and the requirements of environmental legislation.

WATER MANAGEMENT

ETVA Industrial Parks SA drew a total of 5 million m³ of water for the needs of its Industrial Areas. The company provided water to approximately 900 enterprises in the secondary and tertiary sectors operating in its industrial areas.

ENVIRONMENTAL MANAGEMENT PERFORMANCE INDICATORS

ETVA Industrial Parks SA applied its EMS on its Industrial Areas and Business Parks, with the following indicators for 2020:

- 100 analyses (on average 100 parameters) to ensure the quality of the water network on a periodic basis.
- 900 analyses (on average 4 parameters) of waste samples in established enterprises in the Industrial Areas of Thessaloniki- Waste Treatment Units in Patra, Komotini, Heraklion, Lamia, Larissa and Drama to monitor the status of the network and the processed waste.
- 90 periodic inspections of the 7 IWTUs in the Industrial Areas (Thessaloniki-Waste Treatment Units in Patra, Komotini, Heraklion, Lamia, Larissa and Drama) and wa-

ter recipients in collaboration with accredited external laboratories.

- 5,000 regular on-site measurements for determination of residual chlorine in tap water.
- 1,500 periodic inspections and corresponding analyses (on average 15 parameters) to confirm the proper operation of IWTUs in the Industrial Areas of Thessaloniki - Waste Treatment Units in Patra, Komotini, Heraklion, Lamia, Larissa and Drama at the company's laboratories.
- 230 periodic inspections of the rainwater-collection systems at fixed points to control the quality of the water collectors of the Industrial Areas.
- 80 on-site determinations of noise levels at 22 Industrial Areas.

The results of the EMS of Industrial Parks SA are communicated to the Ministry of Environment and Energy every year, demonstrating its consistency and compliance.





SELECTED CONSOLIDATED BALANCE SHEET INFORMATION OF PIRAEUS FINANCIAL HOLDINGS GROUP (€ MN)

ASSETS	1/1 - 31/12/2020	1/1 - 31/12/2019
Cash and Balances with Central Banks	8,903	3,349
Due from banks	1,258	1,307
Reverse Repos with Customers	8	38
Loans and advances to customers at amortised cost	39,624	39,162
Loans and advances to customers mandatorily measured at FVTPL	50	51
Debt securities at amortised cost	4,964	1,121
Financial assets at fair value through profit or loss	353	663
Financial assets mandatorily measured at FVTPL	146	131
Financial assets measured at FVTOCI	2,898	1,647
Other assets	13,259	13,654
Assets from discontinued operations	112	108
Total Assets	71,576	61,231
LIABILITIES		
Due to banks	11,376	3,296
Due to customers	49,636	47,351
Liabilities valued at fair value through results	0	0
Debt securities in issue	471	481
Other liabilities	2,909	2,311
Liabilities from discontinued operations	31	19
Total Liabilities	64,423	53,458
Capital and reserves attributable to equity holders of the parent	7,047	7,659
Non controlling interest	106	115
Total Equity	7,153	7,773
Total Liabilities and Equity	71,576	61,231

SELECTED CONSOLIDATED INCOME STATEMENT INFORMATION OF PIRAEUS FINANCIAL HOLDINGS GROUP (€ MN)

	1/1 - 31/12/2020	1/1 - 31/12/2019
Net Interest Income	1,486	1,435
Net Fee and Commission Income	317	318
Dividend Income	3	2
Net Gain/(Losses) from Financial Instruments Measured at Fair Value through Profit or Loss (FVTPL)	36	13
Gain/(Losses) from Disposal of Subsidiaries/Associates and Businesses	(3)	345
Net Gain/(Losses) from Financial Instruments Measured at Fair Value through other Comprehensive Income (FVTOCI)	2	5
Net other Income/(Expenses)	52	55
Total Net Income	1,893	2,174
Staff Costs	(571)	(504)
Administrative Expenses	(407)	(387)
Depreciation and Amortisation	(115)	(123)
Net Gain/(Losses) from Sale of Property and Equipment and Intangible Assets	8	1
Total Operating Expenses Before Provisions	(1,084)	(1,013)
Share of Profit of Associates and Joint Ventures	(16)	5
Profit Before Provisions and Impairment	792	1,167
Provisions and Impairment	(1,322)	(778)
Profit/(Loss) Before Income Tax	(530)	389
Income Tax Benefit/(Expense)	(128)	(123)
Profit for the year from Continuing Operations	(658)	266
From Continued Operations		
Profit/(Loss) Attributable to equity holders of the parent	(652)	270
Non Controlling Interest	(6)	(4)
From Discontinued Operations		
Profit/(Loss) Attributable to equity holders of the parent	(10)	10
Non Controlling Interest	0	0
Number of Staff Employed and Branches		
Number of Staff Employed	11,345	12,553
Number of Employees from Discontinued Operations	966	999
Branches	502	547

GRI CONTENT INDEX

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

The Group's non-financial information is presented based on the Global Reporting Initiative (GRI) guidelines. The following table assigns the disclosure standards with references to both this Report and other published documents of the Group.

In addition, the table compares the contents of the Report with the 10 United Nations Global Compact Principles, the 6 Responsible Banking Principles, the Recommendations of the Task Force on Climate related Financial Disclosures (TCFD) and finally the indicators of the Non-Financial Information Disclosure Guide of the Athens Stock Exchange.

GRI CONTENT INDEX

GRI STANDARD 2016	DISCLOSURE	SECTION OF REPORT OR REFERENCE	OMISSION	EA	UN GLOBAL COMPACT PRINCIPLES	PRINCIPLES FOR RESPONSIBLE BANKING	TCFD	ATHEX ESG REPORTING GUIDE
GRI 101: Foundation								
General Disclosures (Core Option)								
GRI 102: General Standard Disclosures	102-1 Name of the organization	Piraeus Financial Holdings Group Piraeus Bank SA SBR:2020 at a glance> p. 23	-	✓				
	102-2 Activities, brands, products, and services	<i>piraeusholdings.gr</i> > About us>Corporate Profile <i>piraeusholdings.gr</i> > About us>Group's activities>Piraeus Bank	-	✓		2nd & 3rd Principle for Responsible Banking>SBR p. 57		
	102-3 Location of headquarters	4 Amerikis street, 105 64, Athens	-	✓				
	102-4 Location of operations	<i>piraeusholdings.gr</i> > <i>About us</i> >Corporate Profile AFR Piraeus Financial Holdings SA>Notes to the Annual Financial Statements>6.Segment Analysis>b)Geographical Segment>p.276 AFR Piraeus Bank SA>Notes to the Annual Financial Statements>14. Investments in consolidated companies>p. 184	-	✓				
	102-5 Ownership and legal form	<i>piraeusholdings.gr</i> > Investor Relations>Articles of Association <i>piraeusholdings.gr</i> > About us>Due Diligence Documents Due Diligence	-	✓		5th Principle for Responsible Banking>SBR p. 57		

GRI STANDARD 2016	DISCLOSURE	SECTION OF REPORT OR REFERENCE	OMISSION	EA	UN GLOBAL COMPACT PRINCIPLES	PRINCIPLES FOR RESPONSIBLE BANKING	TCFD	ATHEX ESG REPORTING GUIDE
General Disclosures (Core Option)								
GRI 102: General Standard Disclosures		Documents Piraeus Bank SBR:2020 at a glance> p. 23 SBR: Shareholder structure>p. 70						
	102-6 Markets served	<i>piraeusholdings.gr</i> > Investor Relations>Articles of Association <i>piraeusholdings.gr</i> > Investor Relations> Financial Data>Financial Results>FY 2020 Results Presentation>p. 273 <i>piraeusholdings.gr</i> > About us>Due Diligence Documents> Due Diligence Documents Piraeus Bank AFR Piraeus Financial Holdings SA>Notes to the Annual Financial Statements>6.Segment Analysis>b)Geographical Segment>p. 276 SBR: Group Financial Data Analysis 2020> p. 31-41	-	✓				
	102-7 Scale of the organization	<i>piraeusholdings.gr</i> > About us>Corporate Profile SBR:Group HR Data> p. 208-211 SBR: Group Financial Data Analysis 2020> p. 31-41 SBR:Selected Consolidated Income Statement Information of Piraeus Financial Holdings Group> p. 277	-	✓	6th Principle of UN Global Compact>SBR p. 52			

GRI CONTENT INDEX

GRI STANDARD 2016	DISCLOSURE	SECTION OF REPORT OR REFERENCE	OMISSION	EA	UN GLOBAL COMPACT PRINCIPLES	PRINCIPLES FOR RESPONSIBLE BANKING	TCFD	ATHEX ESG REPORTING GUIDE
General Disclosures (Core Option)								
GRI 102: General Standard Disclosures		SBR:Selected Consolidated Balance Sheet Information of Piraeus Financial Holdings Group>p. 276 AFR Piraeus Bank SA> Statement of Financial Position>p. 72 <i>piraeusholdings.gr</i> > Investor Relations> Financial Results>FY 2020 Results Presentation>p. 21, 74						
102-8 Information on employees and other workers		<i>piraeusholdings.gr</i> > About us>Corporate Profile SBR: Group HR Data> p. 208-209 SBR:Distribution by type of employment and contract>p. 210-211	-					
102-9 Supply chain		SBR: Supplier Relationship> p. 111-112	-	✓		4th Principle for Responsible Banking>SBR p. 57		
102-10 Significant changes to the organization and its supply chain		<i>piraeusholdings.gr</i> > About us>History of the Group SBR: Supplier Relationship>p. 111-112 SBR: 2020 at a glance> p. 23-26 SBR: Group Financial Data Analysis>p. 31-41 AFR Piraeus Financial Holdings SA: Board of Directors' Annual Report>p. 7-39	-	✓		4th Principle for Responsible Banking>SBR p. 57		


GRI STANDARD 2016	DISCLOSURE	SECTION OF REPORT OR REFERENCE	OMISSION	EA	UN GLOBAL COMPACT PRINCIPLES	PRINCIPLES FOR RESPONSIBLE BANKING	TCFD	ATHEX ESG REPORTING GUIDE
General Disclosures (Core Option)								
GRI 102: General Standard Disclosures	102-11 Precautionary approach	SBR:Monitoring and analysis of environmental legislation and case-law>p. 258 SBR:Independent assurance statement>p. 17-20 SBR: Global Initiatives for Sustainable Development>p. 51 SBR:Participation in global initiatives for sustainability>p. 52-56 AFR Piraeus Financial Holdings SA:Corporate Governance Statement>Internal Control System>p. 87-91	-	✓		5th Principle for Responsible Banking>SBR p. 57		
	102-12 External initiatives	SBR: Global Initiatives for Sustainable Development>p. 51 SBR:Participation in global initiatives for sustainability>p. 52-56	-	✓				
	102-13 Membership of associations	Hellenic Bank Association (<i>hba.gr</i>) UN Global Compact (<i>unglobalcompact.org</i>) SBR: Global Initiatives for Sustainable Development>p. 51 SBR:Participation in global initiatives for sustainability>p. 52-56 SBR:CRS Initiatives-Volunteering>p. 237 SBR:Promoting Intangible Cultural Heritage>p. 247-248 SBR:Museum Network>p. 248-250	-	✓		4th & 5th Principle for Responsible Banking>SBR p. 57		


GRI CONTENT INDEX

GRI STANDARD 2016	DISCLOSURE	SECTION OF REPORT OR REFERENCE	OMISSION	EA	UN GLOBAL COMPACT PRINCIPLES	PRINCIPLES FOR RESPONSIBLE BANKING	TCFD	ATHEX ESG REPORTING GUIDE
General Disclosures (Core Option)								
GRI 102: General Standard Disclosures	102-14 Statement from senior decision-maker	SBR:Chairman's Note> p. 9-11 SBR:CEO's Note>p. 12-15	-	✓				
	102-16 Values, principles, standards, and norms of behavior	SBR:Commitment to the six (6) UN Principles for Responsible Banking> p. 57-59 SBR:Corporate Governance>p. 69-81 <i>piraeusholdings.gr</i> > Investor Relations>Corporate Governance>Internal Control System> Corporate Governance Structure & Operating Regulations and Code of Conduct	-	✓	10th Principle of UN Global Compact>SBR p. 52	5th & 6th Principle for Responsible Banking>SBR p. 57		
	102-18 Governance structure	AFR Piraeus Financial Holdings SA:Corporate Governance Statement>p. 40 SBR:Corporate Governance>p. 69-81	-	✓		5th Principle for Responsible Banking>SBR p. 57		
	102-40 List of stakeholder groups	SBR: Stakeholders' Dialogue>p. 65	-	✓		4th Principle for Responsible Banking>SBR p. 57		A-S1 Stakeholder engagement
	102-41 Collective bargaining agreements	SBR:Distribution by type of employment and contract>p. 210-211	-	✓	3rd Principle of UN Global Compact>SBR p. 52			A-S1 Stakeholder engagement
	102-42 Identifying and selecting stakeholders	SBR:Methodology for Analysis of Material Topics>p. 59-64 SBR: Stakeholders' Dialogue>p. 65	-	✓				A-S1 Stakeholder engagement



GRI STANDARD 2016	DISCLOSURE	SECTION OF REPORT OR REFERENCE	OMISSION	EA	UN GLOBAL COMPACT PRINCIPLES	PRINCIPLES FOR RESPONSIBLE BANKING	TCFD	ATHEX ESG REPORTING GUIDE
General Disclosures (Core Option)								
GRI 102: General Standard Disclosures	102-43 Approach to stakeholder engagement	SBR: Stakeholders' Dialogue>p. 65	-	✓		4th Principle for Responsible Banking>SBR p. 57		A-S1 Stakeholder engagement
	102-44 Key topics and concerns raised	SBR:Methodology for Analysis of Material Topics>p. 59-64 SBR: Stakeholders' Dialogue>p. 65	-	✓				A-S1 Stakeholder engagement
	102-45 Entities included in the consolidated financial statements	AFR Oiraeus Fiancial Holdings SA:Note 24>Investments in consolidated companies>p. 296 SBR:Methodology for Analysis of Material Topics>p. 59-64	-	✓				
	102-46 Defining report content and topic Boundaries	SBR:Methodology for Analysis of Material Topics>p. 59-64	-	✓		1st, 2nd & 4th Principle for Responsible Banking>SBR p. 57		
	102-47 List of material topics	SBR:Methodology for Analysis of Material Topics>p. 59-64 SBR: GRI Content Index: «Material Topics»>p. 286-297	-	✓		1st, 2nd & 4th Principle for Responsible Banking>SBR p. 57		A-G2 Materiality
	102-48 Restatements of information	SBR: Piraeus Bank Environmental Footprint>p. 269-270	-	✓				
	102-49 Changes in reporting	SBR:Methodology for Analysis of Material Topics>p. 59-64	-	✓				
	102-50 Reporting period	01/01/2020-31/12/2020	-	✓				
	102-51 Date of most recent report	26/06/2020	-	✓				


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GRI STANDARD 2016	DISCLOSURE	SECTION OF REPORT OR REFERENCE	OMISSION	EA	UN GLOBAL COMPACT PRINCIPLES	PRINCIPLES FOR RESPONSIBLE BANKING	TCFD	ATHEX ESG REPORTING GUIDE
General Disclosures (Core Option)								
GRI 102: General Standard Disclosures	102-52 Reporting cycle	Annual	-	✓				
	102-53 Contact point for questions regarding the report	Corporate Development & ESG>Corporate_Development_ESG@piraeusholdings.gr	-	✓				
	102-54 Claims of reporting in accordance with the GRI Standards	SBR: Methodology for Analysis of Material Topics>p. 59-64	-	✓				
	102-55 GRI content index	SBR: GRI Content Index>p. 279-297	-	✓				
	102-56 External assurance	SBR: Independent Assurance Statement>p. 17-20 SBR: Methodology for Analysis of Material Topics>p. 59-64	-	✓		6th Principle for Responsible Banking>SBR p. 57		A-G5 External assurance
Material Topics								
Compliance with the regulatory framework (Q10)					10th Principle of UN Global Compact>SBR p. 52	5th & 6th Principle for Responsible Banking>SBR p. 57		
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundaries	SBR:Methodology for Analysis of Material Topics>p. 59-64 SBR: Group Compliance>p. 89-91	-	✓				
	103-2 The management approach and its components	SBR: Group Compliance>p. 89-91 <i>piraeusholdings.gr</i> >Investor Relations>Financial Data>Annual Reports>2021>Analysis of Material Topics	-	✓				

GRI STANDARD 2016	DISCLOSURE	SECTION OF REPORT OR REFERENCE	OMISSION	EA	UN GLOBAL COMPACT PRINCIPLES	PRINCIPLES FOR RESPONSIBLE BANKING	TCFD	ATHEX ESG REPORTING GUIDE
Material Topics								
GRI 103: Management Approach	103-3 Evaluation of the management approach	SBR: Group Compliance> p. 89-91	-	✓				
GRI 205: Anti-corruption	205-2 Communication and training about anti-corruption policies and procedures	SBR: Group Compliance> p. 89-91	-	✓				
Protection of personal data (Q9)						4th & 6th Principle for Responsible Banking>SBR p. 57		
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundaries	SBR:Methodology for Analysis of Material Topics>p. 59-64 SBR: Protection of Personal Data> p. 179-183	-	✓				
	103-2 Evaluation of the management approach	SBR: Protection of Personal Data>p. 179-183 www.piraeusholdings.gr > Investor Relations> Financial Data>Annual Reports>2021>Analysis of Material Topics	-	✓				
	103-3 Evaluation of the management approach	SBR: Protection of Personal Data> p. 179-183	-	✓				
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	SBR: Protection of Personal Data> p. 179-183	-	✓				




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GRI STANDARD 2016	DISCLOSURE	SECTION OF REPORT OR REFERENCE	OMISSION	EA	UN GLOBAL COMPACT PRINCIPLES	PRINCIPLES FOR RESPONSIBLE BANKING	TCFD	ATHEX ESG REPORTING GUIDE
Material Topics								
Addressing the effects of the Covid-19 pandemic (Q6)		 	1st Principle of UN Global Compact>SBR p. 52					
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundaries	SBR:Methodology for Analysis of Material Topics>p. 59-64 SBR: Addressing the effects of the Covid-19 pandemic>p. 212-213 SBR: Response to support customers affected by Covid-19>p. 121-122 SBR: Cultural and Social Activities Unit>p. 232-233 SBR: Emergency Actions Due to Covid-19> p. 112-113	-	✓				
	103-2 The management approach and its components	SBR: Addressing the effects of the Covid-19 pandemic>p. 212-213 SBR: Response to support customers affected by Covid-19>p. 121-122 SBR: Cultural and Social Activities Unit>p. 232-233 SBR: Emergency Actions Due to Covid-19>p. 112-113 www.piraeusholdings.gr > Investor Relations> Financial Data>Annual Reports>2021>Analysis of Material Topics	-	✓				
	103-3 Evaluation of the management approach	SBR: Addressing the effects of the Covid-19 pandemic>p. 212-213 SBR: Response to support customers affected by Covid-19>p. 121-122 SBR: Cultural and Social Activities Unit>p. 232-233 SBR: Emergency Actions Due to Covid-19>p. 112-113	-	✓				

GRI STANDARD 2016	DISCLOSURE	SECTION OF REPORT OR REFERENCE	OMISSION	EA	UN GLOBAL COMPACT PRINCIPLES	PRINCIPLES FOR RESPONSIBLE BANKING	TCFD	ATHEX ESG REPORTING GUIDE
Material Topics								
Not available corresponding GRI Standard for Special Disclosures Voluntary option for providing Notifications based on the GRI Standard 403-6*	403-6 Promotion of worker health	SBR: Addressing the effects of the Covid-19 pandemic>p. 212-213	-	✓				
Promotion of tangible and intangible cultural heritage of the country (Q19)						1st Principle for Responsible Banking>SBR p. 57		
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundaries	SBR: Methodology for Analysis of Material Topics>p. 59-64 SBR: PIOP>p. 243-254	-	✓				
	103-2 The management approach and its components	SBR: PIOP>p. 243-254 www.piraeusholdings.gr > Investor Relations> Financial Data>Annual Reports>2021>Analysis of Material Topics	-	✓				
	103-3 Evaluation of the management approach	SBR: PIOP>p. 243-254	-	✓				
GRI 203: Indirect Economic Impacts	203-1 Infrastructure investments and services supported	piop.gr SBR: PIOP>p. 243-254	-	✓				
	203-2 Significant indirect economic impacts	SBR: Museum Network>p. 248-250	-	✓				



* Only for the GRI 403 standard, the relevant year of issue is 2018



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GRI STANDARD 2016	DISCLOSURE	SECTION OF REPORT OR REFERENCE	OMISSION	EA	UN GLOBAL COMPACT PRINCIPLES	PRINCIPLES FOR RESPONSIBLE BANKING	TCFD	ATHEX ESG REPORTING GUIDE
Material Topics								
Supporting the new generation (Q20)		 				1st & 3rd Principle for Responsible Banking>SBR p. 57		
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundaries	SBR: Methodology for Analysis of Material Topics>p. 59-64 SBR: CSR Program: Project Future> p. 234-236 SBR: CSR Initiatives-Volunteering>p. 237	-	✓				
	103-2 The management approach and its components	SBR: CSR Program: Project Future> p. 234-236 SBR: CSR Initiatives-Volunteering>p. 237 <i>piraeusholdings.gr</i> > Investor Relations> Financial Data>Annual Reports>2021>Analysis of Material Topics	-					
	103-3 Evaluation of the management approach	SBR: CSR Program: Project Future> p. 234-236 SBR: CSR Initiatives-Volunteering>p. 237	-					
GRI 203: Indirect Economic Impacts	203-2 Significant indirect economic impacts	SBR: CSR Program: Project Future> p. 234-236 SBR: CSR Initiatives-Volunteering>p. 237	-					
Corporate governance (Q11)						10th Principle of UN Global Compact>SBR p. 52	5th Principle for Responsible Banking>SBR p. 57	1st Pillar of TCFD>SBR p. 54
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundaries	SBR:Methodology for Analysis of Material Topics>p. 59-64 SBR: Corporate Governance>p. 69-81	-	✓				


GRI STANDARD 2016	DISCLOSURE	SECTION OF REPORT OR REFERENCE	OMISSION	EA	UN GLOBAL COMPACT PRINCIPLES	PRINCIPLES FOR RESPONSIBLE BANKING	TCFD	ATHEX ESG REPORTING GUIDE
Material Topics								
GRI 103: Management Approach	103-2 The management approach and its components	SBR: Corporate Governance>p. 69-81 <i>piraeusholdings.gr</i> > Investor Relations> Financial Data>Annual Reports>2021>Analysis of Material Topics	-	✓				
	103-3 Evaluation of the management approach	SBR: Corporate Governance>p. 69-81	-	✓				
Not available corresponding GRI Standard for Special Disclosures Voluntary option for providing Notifications based on the GRI Standard 102-22	102-22 Composition of the highest governance body and its committees	SBR: Corporate Governance>p. 69-81	-	✓				
Supporting local communities (Q18)						1st Principle for Responsible Banking> SBR p. 57		
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundaries	SBR: Methodology for Analysis of Material Topics>p. 59-64 SBR: PIOP>p. 243-254	-	✓				
	103-2 The management approach and its components	SBR: PIOP>p. 243-254 <i>www.piraeusholdings.gr</i> > Investor Relations> Financial Data>Annual Reports>2021>Analysis of Material Topics	-	✓				
	103-3 Evaluation of the management approach	SBR: PIOP>p. 243-254						

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GRI STANDARD 2016	DISCLOSURE	SECTION OF REPORT OR REFERENCE	OMISSION	EA	UN GLOBAL COMPACT PRINCIPLES	PRINCIPLES FOR RESPONSIBLE BANKING	TCFD	ATHEX ESG REPORTING GUIDE
Material Topics								
GRI 203: Indirect Economic Impacts	203-1 Infrastructure investments and services supported	<i>piop.gr</i> SBR: PIOP>p. 243-254	-	✓				
	203-2 Significant indirect economic impacts	SBR: Museum Network> p. 248-250	-	✓				
Sustainable Banking in Piraeus Bank (Q3)		 			7th, 8th & 9th Principle of UN Global Compact>SBR p. 52	2nd & 3rd Principle for Responsible Banking>SBR p. 57	1st, 2nd, 3rd & 4th Pillar of TCFD>SBR p. 54	
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundaries	SBR: Methodology for Analysis of Material Topics>p. 59-64 SBR: Development & Sustainable Banking & Bank Relations> p. 142-149	-	✓				
	103-2 The management approach and its components	SBR: Development & Sustainable Banking & Bank Relations> p. 142-149 <i>www.piraeusholdings.gr</i> > Investor Relations> Financial Data>Annual Reports>2021>Analysis of Material Topics	-	✓				
	103-3 Evaluation of the management approach	SBR: Development & Sustainable Banking & Bank Relations> p. 142-149	-	✓				
FS-Product Portfolio	FS-8 Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	SBR: Development & Sustainable Banking & Bank Relations> p. 142-149	-	✓				A-S5 Sustainable product revenue



GRI STANDARD 2016	DISCLOSURE	SECTION OF REPORT OR REFERENCE	OMISSION	EA	UN GLOBAL COMPACT PRINCIPLES	PRINCIPLES FOR RESPONSIBLE BANKING	TCFD	ATHEX ESG REPORTING GUIDE	
Material Topics									
Improving environmental performance (Q17)		 			7th, 8th & 9th Principle of UN Global Compact>SBR p. 52	1st & 2nd Principle for Responsible Banking>SBR p. 57	1st, 2nd, 3rd & 4th Pillar of TCFD>SBR p. 54		
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundaries	SBR: Methodology for Analysis of Material Topics>p. 59-64 <i>piraeusholdings.gr</i> > Environment, Society, Governance (ESG)> Sustainability Policy of Piraeus Group SBR: Environment> p. 257-274	-	✓					
	103-2 The management approach and its components	SBR: Environment> p. 257-274 <i>www.piraeusholdings.gr</i> > Investor Relations> Financial Data>Annual Reports>2021>Analysis of Material Topics	-	✓					
	103-3 Evaluation of the management approach	SBR: Environment> p. 257-274	-	✓					
GRI 302: Energy	302-1 Energy consumption within the organization	SBR: Energy Consumption> p. 259-261 SBR: Piraeus Bank Environmental Footprint> p. 269-270	-	✓				C-E3 Energy consumption within the organization	
	302-2 Energy consumption outside of the organization	SBR: Energy Consumption> p. 259-261 SBR: Piraeus Bank Environmental Footprint> p. 269-270	-	✓					


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GRI STANDARD 2016	DISCLOSURE	SECTION OF REPORT OR REFERENCE	OMISSION	EA	UN GLOBAL COMPACT PRINCIPLES	PRINCIPLES FOR RESPONSIBLE BANKING	TCFD	ATHEX ESG REPORTING GUIDE
Material Topics								
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	SBR: GHG Emissions> p. 264-268 SBR:Gas Emissions> p. 269	-	✓				C-E1 Scope 1 Emissions
	305-2 Energy indirect (Scope 2) GHG emissions	SBR: GHG Emissions> p. 264-268 SBR: Gas Emissions> p. 269	-	✓				C-E2 Scope 2 Emissions
	305-3 Other indirect (Scope 3) GHG emissions	SBR:GHG Emissions> p. 264-268 SBR:Gas Emissions> p. 269	-	✓				A-E1 Scope 3 Emissions
New technologies (Q2)			2nd Principle for Responsible Banking>SBR p. 57					
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundaries	SBR:Methodology for Analysis of Material Topics>p. 59-64 SBR:Digital Banking- Using new technologies to improve customer service>p. 164-165 SBR:Group Technology> p. 165-169 SBR:E-BRANCH> p. 132-134	-	✓				

GRI STANDARD 2016	DISCLOSURE	SECTION OF REPORT OR REFERENCE	OMISSION	EA	UN GLOBAL COMPACT PRINCIPLES	PRINCIPLES FOR RESPONSIBLE BANKING	TCFD	ATHEX ESG REPORTING GUIDE
Material Topics								
GRI 103: Management Approach	103-2 The management approach and its components	SBR: Digital Banking- Using new technologies to improve customer service>p. 164-165 SBR: Group Technology>p. 165-169 SBR: E-BRANCH> p. 132-134 <i>piraeusholdings.gr</i> > Investor Relations> Financial Data>Annual Reports>2021>Analysis of Material Topics	-	✓				
	103-3 Evaluation of the management approach	SBR: Digital Banking- Using new technologies to improve customer service>p. 164-165 SBR: Group Technology>p. 165-169 SBR:E-BRANCH> p. 132-134	-	✓				
Not available GRI Standard	Piraeus Bank Index: Use of digital service channels (the percentage of transactions made in digital channels in relation to the total number of transactions). Gartner Index: Ratio of operating costs versus investment IT expenditure	SBR: Digital Banking- Using new technologies to improve customer service>p. 164-165 SBR: Group Technology> p. 165-169	-	✓				

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GRI STANDARD 2016	DISCLOSURE	SECTION OF REPORT OR REFERENCE	OMISSION	EA	UN GLOBAL COMPACT PRINCIPLES	PRINCIPLES FOR RESPONSIBLE BANKING	TCFD	ATHEX ESG REPORTING GUIDE
Material Topics								
Commitment to the Principles for Responsible Banking Of the United Nations (Q7)		 				1st, 2nd, 3rd, 4th, 5th and 6th Principle for Responsible Banking>SBR p. 57		
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundaries	SBR: Methodology for Analysis of Material Topics>p. 59-64 SBR: Commitment to the six (6) UN Principles for Responsible Banking>p. 57-59 <i>piraeusbank.gr/el/idiwtes/unep-fi</i>	-	✓				
	103-2 The management approach and its components	SBR: Commitment to the six (6) UN Principles for Responsible Banking>p. 57-59 <i>piraeusbank.gr/el/idiwtes/unep-fi</i> <i>piraeusholdings.gr>Investor Relations>Financial Data>Annual Reports>2021>Analysis of Material Topics</i>	-	✓				
	103-3 Evaluation of the management approach	SBR: Commitment to the six (6) UN Principles for Responsible Banking>p. 57-59 <i>piraeusbank.gr/el/idiwtes/unep-fi</i>	-	✓				
Not available GRI Standard	Index: Impact analysis of the Bank's portfolio according to the methodology of the UNEP FI Model «Portfolio Analysis Tool for Banks»	SBR: Commitment to the six (6) UN Principles for Responsible Banking>p. 57-59	-	✓				

GRI STANDARD 2016	DISCLOSURE	SECTION OF REPORT OR REFERENCE	OMISSION	EA	UN GLOBAL COMPACT PRINCIPLES	PRINCIPLES FOR RESPONSIBLE BANKING	TCFD	ATHEX ESG REPORTING GUIDE
Material Topics								
Creation of economic value (Q1)			2nd Principle for Responsible Banking>SBR p. 57					
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundaries	SBR: Methodology for Analysis of Material Topics>p. 59-64 SBR: CEO's Note>p. 12-15 SBR: Creation of Economic Value> p. 231-232	-	✓				
	103-2 The management approach and its components	SBR: CEO's Note>p. 12-15 SBR: Creation of Economic Value> p. 231-232 <i>piraeusholdings.gr</i> > Investor Relations> Financial Data>Annual Reports>2021>Analysis of Material Topics	-	✓				
	103-3 Evaluation of the management approach	SBR: CEO's Note>p. 12-15 SBR: Creation of Economic Value> p. 231-232	-	✓				
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	SBR: Creation of Economic Value> p. 231-232	-	✓				
<p>Notes:</p> <p>SBR: Sustainability & Business Report 2020</p> <p>AFR: Piraeus Financial Holdings SA: Annual Financial Report 2020 of Piraeus Financial Holdings SA 2020</p> <p>AFR: Piraeus Bank: Annual Financial Report 2020 of Piraeus Bank</p> <p>EA: External Assurance</p> <p>PIOP: Piraeus Bank Group Cultural Foundation</p> <p>Athex: Athens Stock Exchange</p> <p>It is noted that the table contains brief description of GRI indices for reasons of presentation.</p> <p>For the complete description, please refer to the following link www.globalreporting.org/standards/gri-standards-download-center/</p>								

