

# UNEP FI Principles for Responsible Banking

## 2<sup>nd</sup> year Progress Report

Reporting and Self-Assessment Requirements	High-level summary of Eurobank's response	References / links to Eurobank's full response / information
<p><b>Principle 1: Alignment</b> We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement, and relevant national and regional frameworks.</p>		
<p>1.1 Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.</p>	<p>Eurobank Ergasias Services and Holdings SA (Eurobank Holdings) is a holding company registered in Athens (8 Othonos Street, 10557), listed in the Athens Exchange. Eurobank Holdings and its subsidiaries (Group) hold €77.9 billion in assets and employ 11,935 people. Eurobank Holdings is the parent company of the Eurobank Group, which consists of Eurobank SA (Eurobank) and its subsidiaries. With a total network of 668 branches in Greece and abroad, Eurobank Group offers a comprehensive range of financial products and services to its retail and corporate customers.</p> <p>In Greece, Eurobank operations encompass a retail banking network, dedicated business centres, a Private Banking network and a dynamic digital presence. Eurobank Group also has presence in Bulgaria, Serbia, Cyprus, Luxembourg and United Kingdom (London).</p>	<p><a href="#">"Who We Are"</a></p> <p><a href="#">"Our business"</a></p> <p><a href="#">"Financial overview"</a></p> <p><a href="#">About Eurobank Holdings</a></p> <p><a href="#">About Eurobank</a></p> <p><a href="#">Retail</a></p> <p><a href="#">Corporate</a></p> <p><a href="#">Private banking</a></p>

<p>1.2 Describe how your bank has aligned and/or is planning to align its strategy to be consistent with and contribute to society's goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.</p>	<p>The Bank aspires to support long-term prosperity by financing sustainable development, delivering value to all stakeholder groups and creating positive economic, social and environmental impacts through all aspects of its activities. Our focus on Environmental, Social and Governance issues (ESG) is essential to our business strategy and transformation.</p> <p>To this end, the Bank approaches ESG in a holistic manner, in line with the commitments it has undertaken, the regulatory framework requirements and globally acknowledged best practices prioritizing the management and mitigation of any underlying economic, environmental and social risks arising as integral part of developing products and services, while complying with applicable regulatory framework. Furthermore, the Bank develops and improves mechanisms in order to identify, measure and communicate impact, across the full spectrum of its activities.</p> <p>The Bank is redesigning its strategy both in terms of its financing and other products, and in terms of its internal environment and how it is organised and operates. To this end, it redefines sustainable development actions and goals, taking into consideration the Sustainable Development Goals (SDGs), Principles for Responsible Banking and other international agreements and trends</p>	<p><a href="#">"Our commitments"</a></p> <p><a href="#">"Our approach to ESG"</a></p> <p><a href="#">"Our Materiality and ESG Performance"</a></p> <p><a href="#">ESG – Environment, Society, Governance</a></p> <p><a href="#">Sustainability Policy Framework</a></p> <p><a href="#">ESG commitments and performance (slides 56 – 59)</a></p>
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## Principle 2: Impact and target setting

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

### 2.1 Impact Analysis:

Show that your bank has identified the areas in which it has its most significant (potential) positive and negative impact through an impact analysis that fulfills the following elements:

- a) Scope: The bank's core business areas, products/services across the main geographies that the bank operates in.
- b) Scale of Exposure: In identifying its areas of most significant impact the bank has considered where its core business/its major activities lie in terms of industries, technologies and geographies.
- c) Context and Relevance: Your bank has taken into account the most relevant challenges and priorities related to sustainable development in the countries/regions in which it operates.
- d) Scale and intensity/salience of impact: In identifying its areas of most significant impact, the bank has considered the scale and intensity/salience of the (potential) social, economic and environmental impacts resulting from the bank's activities and provision of products and services.

Eurobank recognizes that its business and financial activities may, by definition, contribute to the improvement of the economic, environmental, and social regime or at least to the mitigation of degradation of such factors. To that extent, the Bank's approach aligns with operations, balancing Purpose and Impact and constantly developing and improving the mechanisms in order to:

- Identify, measure and communicate impacts, direct and indirect, that the Bank can influence and control. In order to effectively achieve this, the Bank engages its stakeholders and accounts for their expectations.
- Ensure that clients and suppliers undertake all required actions to comply with applicable local, national, and international environmental and social legislation as a prerequisite for the initiation and maintenance of business relationships with Eurobank.
- Encourage stakeholders and the society at large to join the adoption of sustainability practices in accordance with international guidelines and initiatives.
- Integrate climate-related and broader ESG risks in its risk management, governance arrangements, policies and procedures, as well as reporting and disclosure frameworks.

#### 2021 materiality analysis

The Bank's 2021 materiality analysis was conducted in order to determine the material ESG topics that influence the decisions and assessments of our stakeholders, as well as reflect the wider environmental, social, and economic impacts of Eurobank's activities.

In 2021, there were changes in the process of the materiality analysis conducted in comparison with the previous reporting period, as both operational and financed activities of the Bank were taken into consideration, on top of a plethora of sustainability and responsible banking framework, resulting in an updated and further enhanced list of identified ESG topics

The materiality analysis consists of three phases: Identification of ESG topics, prioritisation of ESG topics and validation of ESG topics

The outcomes of the materiality analysis indicated that the bank's top material topics, are the following:

- Climate, economic inclusion, direct economic value creation and financial performance, innovation and digital economy, corporate governance, strategy, compliance, and risk management, customer privacy and data security, responsible information and protection for clients, operational environmental impact, diversity, equity and inclusion, contribution in the mitigation of socio-economic challenges for the nation's future.

["Materiality and Impact Analysis"](#)

[Sustainability Policy Framework](#)

<p>Show that building on this analysis, the bank has:</p> <p>Identified and disclosed its areas of most significant (potential) positive and negative impact</p> <p>Identified strategic business opportunities in relation to the increase of positive impacts / reduction of negative impacts</p>	<p><b>Impact analysis</b></p> <p>Complementing the materiality analysis and within the context of its commitment to the PRBs, the Bank utilized UNEP FI's Portfolio impact analysis tool, a resource to identify its most significant impact areas at the portfolio level. based on the nature, content and location of its portfolio. The results of the impact analysis per business activity included the following:</p> <ul style="list-style-type: none"> <li>• Consumer banking's key positive impact areas included employment, economic convergence, housing and mobility. Its key negative impacts related to resource efficiency/security and climate.</li> <li>• Business banking's key positive impacts included culture and heritage, mobility, employment, housing, food and economic convergence while its negative waste, climate and resource efficiency/security.</li> </ul>	
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**Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Impact Analysis.**  
 The Bank has fulfilled its impact analysis requirements by identifying the most significant impact areas associated with its consumer, business, and corporate banking activities. The Bank aims to further enhance / refine its understanding of its significant impact areas as it develops further its capabilities and more resources on the matter are made available.

<p><b>2.2 Target Setting</b></p> <p>Show that the bank has set and published a minimum of two Specific, Measurable (can be qualitative or quantitative), Achievable, Relevant and Time-bound (SMART) targets, which address at least two of the identified “areas of most significant impact”, resulting from the bank’s activities and provision of products and services.</p> <p>Show that these targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks. The bank should have identified a baseline (assessed against a particular year) and have set targets against this baseline.</p> <p>Show that the bank has analysed and acknowledged significant (potential) negative impacts of the set targets on other dimensions of the SDGs/climate change/society’s goals and that it has set out relevant actions to mitigate those as far as feasible to maximize the net positive impact of the set targets.</p>	<p>As a PRB signatory the Bank has been working on developing targets that will enable it to mitigate the negative and amplify positive impacts arising from its operations. To this end, the Bank’s targets address the following areas:</p> <ul style="list-style-type: none"> <li>• <b>Finance client green transition</b> The Bank is committed to deploy a dedicated approach that will support the green transition of its clients. The Bank will continue working with companies, irrespectively of their current carbon footprint, and will support them with financing in their transition efforts. Leveraging on tools, frameworks and enablers such as the climate risk assessment exercises and the Sustainable Finance Framework, the Bank’s strategic approach is to support green transition efforts, through financing and advisory solutions to current and potential clientele.</li> </ul> <p>For 2022, the Bank aims for at least 20% of the annual new corporate disbursements to be classified as Green/Environmentally sustainable by applying the criteria set in its Sustainable Finance Framework which also includes Recovery and Resilience Fund’s green tagging classification.</p> <ul style="list-style-type: none"> <li>• <b>Address impact from operations</b> The Bank aims to create positive economic, social, and environmental impacts from all aspects and areas of its operations. To this end, the strategic pillars and the objectives that will address its operational impact areas are the following: <ul style="list-style-type: none"> <li>◦ Minimise negative impact across its value chain to promote environmental stewardship by: <ul style="list-style-type: none"> <li>- Minimising Scope 1 and 2 emissions</li> <li>- Becoming a paperless banking network</li> <li>- Extending circular economy practices</li> </ul> </li> <li>◦ Empower people to perform at their best through an inclusive environment, promoting ethics and integrity by: <ul style="list-style-type: none"> <li>- Embedding a diverse and inclusive environment</li> <li>- Encompassing a wellbeing culture</li> <li>- Stimulating an innovative environment</li> </ul> </li> <li>◦ Drive positive change for entrepreneurs and wider communities to foster sustainable development and ensure social prosperity by: <ul style="list-style-type: none"> <li>- Intensifying sustainability in procurement practices</li> <li>- Rationalizing Socio-Economic Impact</li> <li>- Boosting transparency and ESG capacity</li> </ul> </li> </ul> </li> </ul>
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**Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Target Setting.** The Bank has demonstrated progress towards its target setting by identifying its key target areas “Finance green transition” and “Address impact from operations” and developing its approach towards achieving these targets. In the coming years, the Bank will focus on refining and quantifying further these targets in order for them to be aligned with the PRB requirements.

<p>2.3 Plans for Target Implementation and Monitoring</p> <p>Show that your bank has defined actions and milestones to meet the set targets.</p> <p>Show that your bank has put in place the means to measure and monitor progress against the set targets. Definitions of key performance indicators, any changes in these definitions, and any rebasing of baselines should be transparent.</p>	<p>In order to support the implementation of its targets, the Bank has developed an approach towards supporting client green transition, key elements and tools of which are the Sustainable Finance and Green Bond Frameworks, dedicated green products and client awareness and capacity building initiatives. As the target related to the financing client green transition is further refined and quantified, the Bank will develop dedicated action plans consisting of KPIs and milestones that will support their implementation.</p> <p>In terms of the targets related to its operational impact, the Bank has developed a roadmap for each target area consisting KPIs, commitments, milestones for their achievement as well as roles and responsibilities for their implementation.</p> <p>The implementation of the targets will be overseen by the ESG Management Committee which among others provides strategic direction on ESG initiatives, reviews the ESG Strategy, integrates its elements into the Bank's business model and operations and reviews performance and progress on targets.</p>	<p><a href="#">"Our focus on sustainable finance"</a></p> <p><a href="#">Sustainability Policy Framework</a></p> <p><a href="#">Sustainable Finance Framework</a></p> <p><a href="#">Green Bond Framework</a></p> <p><a href="#">Green Bond Framework – Second Party Opinion</a></p> <p><a href="#">Sustainable Financing and Investment Initiatives</a></p> <p><a href="#">ESG Management Committee (Environmental, Social and Governance) - The committee provides strategic direction on ESG initiatives</a></p>
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**Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Plans for Target Implementation and Monitoring.**

The Bank developed, and will refine further the coming years, approaches, tools, frameworks and action plans for the implementation and monitoring of progress on its targets.

<p><b>2.4 Progress on Implementing Targets</b></p> <p>For each target separately: Show that your bank has implemented the actions it had previously defined to meet the set target. Or explain why actions could not be implemented / needed to be changed and how your bank is adapting its plan to meet its set target. Report on your bank's progress over the last 12 months towards achieving each of the set targets and the impact your progress resulted in.</p>	<p>Since becoming a signatory, the Bank has made good progress on its target setting signatory obligation. It has defined its target areas and developed approaches, tools, frameworks and governance structures that will facilitate its implementation. As its targets will become more refined and quantified in the coming years, it will report its progress specific to each target area through its annual reporting cycle as well as other communication channels such as its corporate website.</p> <p>Specifically in relation to the "finance client green transition" target, within 2021, the Bank approved loans with sustainability characteristics (for more information please refer to paragraph 3.2).</p>	<p><a href="#">"Our focus on sustainable finance"</a></p> <p><a href="#">"Our business"</a></p> <p><a href="#">ESG commitments and performance (slides 56–59)</a></p> <p><a href="#">Sustainable Financing and Investment Initiatives</a></p>
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**Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing Targets.**

The Bank has developed an approach to implementing its targets and will report on its progress through its annual reporting cycle as well as other communication channels such as its website

### Principle 3: Clients and customers

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

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

In order to facilitate the green transition of its clients, the Bank has developed a dedicated approach consisting of the following elements:

#### Steering clients and portfolio towards green transition

##### • Sustainable Finance Framework:

The Bank envisages to play a key role for the financing of landmark projects that are necessary for pursuing economic growth in line with ESG criteria. The Sustainable Finance Framework encompasses a wide range of sustainable-green lending activities and supports the identification and classification of sustainable-green financings. The Framework focuses on climate transition, through the determination of specific investments which promote climate change mitigation and adaptation.

##### • Green Bond Framework:

The Green Bond Framework facilitates the Bank in order to meet its environmental / sustainability commitments and finance projects that will deliver environmental benefits to the economy and support Bank's business strategy and vision.

##### • Green products:

The Bank offers products and services, tailored to specific sectors and client segments, that promote sustainable practices among its clients. Such products include:

- ESG program for Hotels - In 2021, the Bank has launched program that provide incentives (in the form of margin reduction) subject to the client's acceptance to adhere to certain sustainability performance targets.
- Financing Clean Energy Projects & Other Environment-Friendly Energy Sources - The Bank fosters large RES investments through specialized banking products, with a strong focus on project financing principles.
- Power Production Green Transition - The Bank is actively financing projects necessary for the national green transition, such as investments in the construction of gas-fired power generation plants to replace outdated more polluting and less efficient ones run by lignite or oil.
- Sustainable bonds – The Bank is supporting the development of the sustainable bond market in Greece by participating in all major transactions, with exceptional deal execution performance, as well as strong distribution and placement capacity.

["Our Focus on Sustainable Finance"](#)

["Environmental Risk Assessment"](#)

["Customer literacy and ESG Capacity Building"](#)

["Products and Services with a Social and Environmental Impact"](#)

[Sustainability Policy Framework](#)

[ESG commitments and performance \(slides 56 – 59\)](#)

[Sustainable Financing and Investment Initiatives](#)

[Sustainable Finance Framework](#)

[Green Bond Framework](#)

[Green Bond Framework – Second Party Opinion](#)

[Financing major projects that drive sustainable growth](#)



- ESG Deposits - The Bank was the first Greek bank to offer ESG deposits to its corporate clients. The ESG deposits provide an innovative deposit solution that supports client's sustainability agenda, by investing liquidity in sustainable projects and allows them to demonstrate their commitment towards a low-carbon and sustainable environment.
- "Green" mortgage loans – The Bank has significantly contributed to energy-saving actions and in particular to the upgrade of the energy performance of private homes in Greece, by actively participating in all the "Saving at Home" development programmes from 2011 to date.
- Products with social & environmental impact - Bank has developed a series of banking products and services offering environmental and social benefits.

#### **Increase client's engagement and awareness**

##### **• Engage with clients**

The Bank's strategic approach is to support green transition efforts, through financing and advisory solutions to current and potential clientele. Towards this end, within the past year the bank launched initiatives aiming to build ESG literacy and capacity among its clients. Such initiatives include:

- Enterprise Greece and Eurobank co-organized the online event «ESG: A Growing Opportunity for Greek Businesses International Expansion»
- Articles and webinar on sustainable development and ESG criteria and why switching to the ESG model will make businesses more competitive and more economically viable.
- Digital academy for businesses actively supports Greek businesses in their transition to the ESG model, through a series of Digital Academy articles and webinars.

Along with its service and product offerings the Bank is incorporating environmental and social risk management mechanisms into its financing and investment evaluation process. In this context, the Bank implements an Environmental and Social Management System (ESMS), aiming to mitigate potential credit risks arising from the operation of businesses that are financed by the Bank.

GREEK TOURISM:  
Support in  
Practice.  
Investment in the  
Future 2020–2024

ESG Deposits Time  
Deposit

Energy Saving  
and Autonomy  
Programme

3.2 Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. This should include information on actions planned/implemented, products and services developed, and, where possible, the impacts achieved.

The Bank has been increasingly incorporating sustainability in its offerings and client engagement and has been collaborating with clients and various stakeholders with the purpose of promoting sustainable development.

In 2021 the Bank played a key role in some of the most important projects for the development of the Greek economy, participating in projects that foster sustainability, such as the Metropolitan Pole of Hellinikon, Agios Kosmas and the Crete-Attica electrical interconnection. Within 2021, the Bank approved loans with sustainability characteristics that amounted to €1.0bn, out of which €423m were disbursed, and acted as a joint lead arranger for €2.5bn in green and sustainable bonds issued by Greek corporates. It was also the first in Greece to launch an ESG Deposits product, which managed to raise approximately €200m in 2021.

During the past years, the Bank has supported the green transition of its clients, focusing on renewable energy, green buildings and sustainability-linked loans through financings that amounted to c. € 1.45 bn.

In addition, the Bank reaffirmed its role as the Bank of Tourism, through the announcement of its 2021 package which includes another €750 million of financings as well as actions in relation to (a) Sustainability, (b) the utilization of the Recovery and Resilience Fund by the hotel industry, (c) the human resources challenges and (d) liquidity provision to the wider tourism ecosystem.

One of the Bank's key and longstanding goals is the promotion of business extroversion, entrepreneurship support and the incubation of innovative startup businesses. To this end, the Bank has developed initiatives and collaborations that support those objectives:

- Collaboration with AFI within the framework of the programme EaSI for employment and social innovation to provide micro-credit facilities.
- Development of a comprehensive range of advisory and information services for small and medium enterprises aiming to boost the competitiveness and extroversion of businesses.
- Increasing financing to SMEs with reduced collateral requirements within the context of the Cosme programme.
- Participation in Hellenic Development Bank's "Business Financing – TEPIX II" and "Covid-19 Loan Guarantee Fund" program support the economy for successfully overcoming the challenges caused by the pandemic.
- Partnership with Corallia, in the context of the "enter.grow.go" initiative since 2013, offering young entrepreneurs an integrated framework of business incubation, acceleration and co-working.
- Creation of Exportgate in collaboration with four leading export associations of Greece, a pioneering international web trade portal offering to Greek and Cypriot companies networking opportunities in the global market and providing access to advanced tools for their international business operations.

["Corporate and Investment Banking"](#)

["Supporting SMEs and Social Finance"](#)

["Supporting and Financing the Greek Economy"](#)

[Sustainable Financing and Investment Initiatives](#)

[Eurobank actively supports Renewable Energy Sources](#)

[ESG commitments and performance \(slides 56 – 59\)](#)

[EaSI-AFI financing programme](#)

[egg – enter.grow.go](#)

[GREEK TOURISM: Support in Practice. Investment in the Future 2020–2024](#)

## Principle 4: Stakeholders

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

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

An integral part for the Bank's approach to sustainability is to foster strong relationships of trust, cooperation and mutual benefit with all stakeholders affected by its activities directly or indirectly. In this context, the Bank promotes two-way communication and develops an ongoing dialogue with stakeholders, so as to be able to actively meet the expectations, concerns and issues raised by all its stakeholders.

In 2022, aiming to engage its frontline staff on ESG matters, the Bank conducted a qualitative survey (focus group), within the scope of the annual Materiality exercise, in order to understand the following:

- Whether there is knowledge and awareness among customers about ESG issues.
- Whether there is knowledge among executives and to understand the needs of executives so that they can adequately and comprehensively support our customers.
- Discuss the role of the bank in the new reality that is taking shape.

For this research exercise, relationship managers from Group Corporate and Investment Banking as well as from Retail Small Business were engaged in numerous focus group sessions.

The main research aim is to support the Bank's decisions on the kind of value-added services it will develop to support customers along the ESG agenda. The outcome of the Focus Groups discussions was presented at the ESG Management Committee.

Within its Materiality Analysis process, the Bank also engaged its stakeholders with topics relevant to the Bank's sustainability activities and responsible financing products, aligned with the Principles for Responsible Banking, in order to obtain their view on Eurobank's sustainability performance.

In the context of extending its positive impacts, the Bank seeks to participate in companies with strong growth prospects, focusing on extroversion and environmental protection. To this end, the Bank has been participating in companies leading environmental protection in Greece, operating in sectors such as solid and liquid waste management, water resource management, contaminated soil restoration, energy saving and RES-based power generation. The Bank also participates in the IBG HF III (CMF) private equity fund, which specialises in renewable energy sources, namely in the establishment and operation of small and medium-sized photovoltaic installations and wind farms in Greece.

The Bank also actively participates in sectoral and other business associations and initiatives aiming at exchanging knowledge and effectively influencing market advancements with respect to ESG.

["Engaging with our Stakeholders"](#)

["Participation in Environmentally Aware Enterprises"](#)

[ESG Partnerships and Initiatives](#)

## Principle 5: Governance & Culture

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

5.1 Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.

Sustainability in Eurobank is deployed across an ESG governance structure that addresses both regulatory requirements and voluntary commitments. Board oversight with respect to ESG Strategy is addressed through the inclusion of ESG items in the Board Meetings agenda, per international best practice. Eurobank's ESG governance model also ensures that the management of relevant climate-related and environmental risks is integrated in the bank's three lines of defense.

Eurobank has approved a governance structure on the process for the allocation of roles and responsibilities with regards to ESG and climate risk management (both for transition risk and physical risk). Moreover, the Board has assigned an executive member as the responsible BoD member for climate-related and environmental risks. The same member chairs the ESG Management Committee, established by the CEO. As part of his duties, the member responsible will update the Board Risk Committee (BRC) (in alignment with the BRC Terms of Reference) and the Board of Directors of HoldCo and Bank on climate change and environmental related risks.

Central to the Bank's ESG governance is the ESG Management Committee which has been appointed in order to provide strategic direction on ESG initiatives, review the ESG Strategy, integrate the elements of the ESG Strategy into the Bank's business model and operations, review the progress of the ESG goals and performance targets, and ensure proper implementation of ESG-related policies, in accordance with supervisory requirements and voluntary commitments.

Eurobank established a dedicated unit called ESG Division, with an updated, comprehensive mandate regarding ESG. The Division reports to Deputy CEO, Group COO and International Activities and is included in the recently approved ESG Governance model. The ESG Division undertakes a central role in coordinating ESG activities across the Bank. The Head, ESG Division acts as secretary to the ESG Management Committee.

In line with the Bank's approved governance structure, a dedicated Climate Risk Division for the integration of CR and E risks into the Bank's risk management framework, has been established. The Climate Risk Division will operate as Project office for the implementation of the Climate related and Environmental risks roadmap, with a coordinating and supervisory role on all related project streams to ensure alignment with the Bank's business strategy and the regulatory authorities' expectations.

["The Management Committees"](#)

["Climate Risk"](#)

[ESG Management Committee \(Environmental, Social and Governance\) - The committee provides strategic direction on ESG initiatives](#)

[Governance: Integrating out corporate governance principles into our day-to-day business](#)

<p>5.2 Describe the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees. This should include a high-level overview of capacity building, inclusion in remuneration structures and performance management and leadership communication, amongst others.</p>	<p>The Bank is placing great emphasis in building capacity among its employees in order to be able to support its clients on their sustainability journey and their green transition. To this end, the Bank is in the processes of implementing an ESG upskilling plan for its employees as well as launching ESG awareness initiatives for its clients.</p> <p>Aiming to foster a culture of responsible banking and increase awareness and capacity, within 2021 the Bank started designing an ESG awareness programme (for delivery in 2022), aiming to provide the necessary ESG knowledge and understanding while to offer a journey through ESG.</p> <p>Specifically, the Bank is conducting interactive workshops with key stakeholders in order to assess their needs and training requirements on ESG matters and designed three training modules tailored to their needs:</p> <ul style="list-style-type: none"> <li>• Module 1: ESG and World Fundamentals of ESG, the megatrends and the related risk and opportunities as well as the importance of ESG within an organisation described through business cases.</li> <li>• Module 2: ESG and the Bank Key drivers of ESG, its impact in the banking industry and the ESG regulatory landscape. The ways in which the Bank engages with ESG through frameworks, initiatives and products.</li> <li>• Module 3: ESG and Me Content aiming to cultivate an open and growth mindset when dealing with ESG issues by motivating employees to take personal action through practical steps personally and professionally.</li> </ul>	<p><u>"The Management Committees"</u></p> <p><u>"Customer literacy and ESG Capacity Building"</u></p>
<p>5.3 Governance Structure for Implementation of the Principles</p> <p>Show that your bank has a governance structure in place for the implementation of the PRB, including:</p> <ol style="list-style-type: none"> <li>a) target-setting and actions to achieve targets set</li> <li>b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected.</li> </ol>	<p>The PRB are fully integrated into the Bank's overall ESG strategy and as a result it has established the ESG Management Committee, key mandate of which is to define the Bank's ESG strategy, set its targets and commitments, review progress against the targets and ensure that the right actions are implemented for their achievement.</p> <p>The ESG Management Committee is also accountable to ensure that appropriate remedial actions are taken to ensure that milestones related to the Bank's targets are achieved and that any negative impacts arising from the Bank's operations are identified and mitigated.</p> <p>The ESG Management Committee also reviews the UNEP FI PRB Progress Report.</p>	<p><u>"The Management Committees"</u></p> <p><u>ESG Management Committee (Environmental, Social and Governance) - The committee provides strategic direction on ESG initiatives</u></p> <p><u>Governance: Integrating out corporate governance principles into our day-to-day business</u></p>

**Please provide your bank's conclusion/ statement if it has fulfilled the requirements regarding Governance Structure for Implementation of the Principles.**

Through the ESG Management Committee the Bank has established a robust governance body which among others, is responsible for the oversight of the implementation of the PRBs. The Bank aims to further integrate ESG aspects in its governance structure and day to day operations in the future.

## Principle 6: Transparency & Accountability

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

### 6.1 Progress on Implementing the Principles

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

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

Show that your bank has implemented/is working on implementing changes in existing and emerging international/regional good practices and has made progress on its implementation of these Principles.

The Bank has made progress on implementing the PRBs and further embed sustainability in its culture and operations over the last year. Key actions towards this purpose include:

- Identified its key target areas "Finance green transition" and "Address impact from operations" and developed its approach towards achieving them.
- Developed its approach towards facilitating client green transition which consists of steering portfolio towards this direction and increasing client's engagement and awareness and is facilitated by its two key frameworks, the Sustainable Finance and the Green Bond, as well as dedicated products and offerings.
- Integrated climate risk into its operations by increasing its capacity to manage and monitor climate and environmental risk and by approving the establishment of a dedicated Climate Risk Division for the integration of CR and E risks into its Risk Management Framework.
- Designed an internal ESG awareness program, consisting of training programs aiming to raise awareness, build capacity on ESG matters and foster a culture of responsible banking among its employees.
- Established the ESG management committee, responsible for the definition and implementation of the ESG strategy and the PRBs and is the process of further integrating ESG matters within its operations.

In its ongoing efforts to enhance its sustainability performance and promote sustainable business practices and activities, the Bank is a member of national and international initiatives and informs its strategy from best practices. As part of promoting transparency on its ESG performance and build confidence in the investment community, the Bank participates and aims to continuously enhance its scoring in reputable ESG rating indices.

The Bank's annual Business and Sustainability report provides stakeholders with a holistic view on the Bank's ESG performance. Through the Report, the Bank provides full disclosure on sustainability impacts such as environmental performance, energy and emissions, social impact and corporate governance. Aiming to promote transparency and build trust among stakeholders, the Bank's sustainability-related disclosures are assured by an independent assurance provider in accordance with ISAE 3000 and the AA1000 Assurance Principles.

The Bank is also demonstrating transparency to its stakeholders through a dedicated ESG section in its corporate website and quarterly investor presentation where it presents its strategic approach, actions, and performance on ESG-related matters.

["Our Focus on Sustainable Finance"](#)

["Customer literacy and ESG Capacity Building"](#)

["Products and Services with a Social and Environmental Impact"](#)

["The Management Committees"](#)

[Sustainability Policy Framework](#)

[ESG commitments and performance \(slides 56 – 59\)](#)

[Sustainable Financing and Investment Initiatives](#)

[Sustainable Finance Framework](#)

[Green Bond Framework](#)

[Green Bond Framework – Second Party Opinion](#)

[ESG Management Committee \(Environmental, Social and Governance\) - The committee provides strategic direction on ESG initiatives](#)

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

The Bank has made good progress in implementing the PRBs over the past year and provided a comprehensive summary of the strategic actions towards this purpose key elements of which include the redesign of its sustainability strategy and the definition of targets, the development of two key frameworks to promote client green transition, the establishment of a climate risk division for the integration of climate risks into its operations, the launch of an ESG awareness program for its internal stakeholders and the establishment of the ESG Management Committee.