APPENDIX VI

UNEP FI Principles for Responsible Banking 4th year Progress Report

Principle 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 Climate Agreement and relevant national and regional frameworks.

Business model

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

Response

Eurobank Ergasias Services and Holdings S.A. (Eurobank Holdings) is a holding company registered in Athens (8 Othonos Street, 10557), listed on the Athens Stock Exchange. Eurobank Holdings and its subsidiaries (Group) have total assets of €79.8 billion and 10,728 employees (data as of 31.12.2023).

Eurobank Holdings is the parent company of Eurobank Group, consisting of Eurobank SA and its subsidiaries.

With a total network of 540 branches in Greece and abroad, the Eurobank Group offers a comprehensive range of financial products and services to its retail and corporate customers. In Greece, Eurobank operations encompass a retail banking network, dedicated business centers, a Private Banking network and a dynamic digital presence. The Eurobank Group also has presence in Bulgaria, Cyprus, Luxembourg and United Kingdom (London).

Links and references

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Profile

Strategy alignment

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

☒ Yes
☐ No

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

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

☒ UN Guiding Principles on Business and Human Rights
☐ International Labour Organization fundamental conventions
☒ UN Global Compact
☐ UN Declaration on the Rights of Indigenous Peoples
☒ Any applicable regulatory reporting requirements on environmental risk assessments, e.g. on climate risk - please specify which ones:
Eco-Management and Audit Scheme (EMAS), Climate-related and Environmental Risk Report (TCFD), Pillar III Disclosures, EU Taxonomy (Regulation EU 2020/852 of the European Parliament and of the Council)
☒ Any applicable regulatory reporting requirements on social risk assessments, e.g. on modern slavery - please specify which ones:
Global Reporting Initiative (GRI) international framework, Pillar III Disclosures, EU Non-Financial Reporting Directive (Greek Law 4403/2016)
☐ None of the above

Response

The Bank supports the transition towards a sustainable economy and considers sustainability and climate change as an opportunity. A key strategic objective is to adapt Group's business and operation in a way that addresses the challenges of climate change, accommodate social needs within its business model, and safeguard prudent governance for itself and its counterparties, in accordance with supervisory initiatives and following international standards / best practices.

To this end, the Bank prioritizes the management and mitigation of any underlying economic, environmental and social risks that arise as a key component of developing products and services, while adhering to applicable regulatory framework. The Bank operates by approaching sustainability holistically, in line with the commitments it has undertaken, the requirements of the regulatory framework and internationally recognised best practices.

Eurobank has designed, approved and is currently implementing the Group's Sustainability Strategy including targets and commitments along two key pillars:

- Operational Impact Strategy: impact arising from the organisation's operational activities and footprint
- Financed Impact Strategy: impact arising from the organisation's leding and investing activities to specific sectors and clients.

Links and references

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Sustainability Strategy
TCFD Climate - related and Environmental Risk Report
Strategy

Pillar III Report – 11. ESG Risks

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Principle 1: Alignment

A. Operational Impact Strategy
The Operational Impact Strategy (OIS) defines the Bank's operational sustainability priorities and objectives. ESG/OIS is deployed through milestones and KPIs that support the long-term objectives set across multiple project streams, spanning over the next decade.

- The Operational Impact Strategy is developed and deployed along three pillars and corresponding corporate objectives:Environmental impact, aiming to minimize negative impacts across the Bank's operations to promote environmental stewardship and attain climate neutrality.Employer impact, aiming to provide a diverse and inclusive environment for Bank's people and clients, while fostering sustainable development and prosperity for the benefit of society.
- Governance and Business Impact, aiming to build sustainability awareness, internally and across Bank's value chain, while intensifying Bank's efforts for ethics and transparency.

B. Financed Impact Strategy
The Bank endeavors to foster favorable economic, social, and environmental outcomes across all facets and sectors of its financing activities, with a commitment to sustainability and responsible stewardship. To achieve this objective, the Bank's Financed Impact strategy is structured around the following four strategic pillars:

- Clients' engagement and awareness to adapt their business in order to address climate change challenges.
- Actions for supporting clients in their transition efforts towards a more sustainable economic environment
- Enablers and tools such as frameworks and products to underpin sustainable financing.
- The assessment and management of climate-related material exposures.

Since 2019, Eurobank has acknowledged and incorporated the UNEP FI Principles for Responsible Banking into the Bank's Strategy and Operations, as publicly disclosed in its Progress Reports.

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 (Key Step 1)
Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target-setting. The impact analysis shall be updated regularly[1] and fulfil the following requirements/elements (a-d)[2]:

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

Response
Eurobank Ergasias Services and Holdings S.A. is the parent company of Eurobank Group, consisting of Eurobank SA and its subsidiaries and is present in numerous countries. Eurobank S.A. is the signatory Bank of the UNEPFI PRB. Thus, only the Eurobank SA portfolio is analyzed.

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 scope of the Bank's portfolio impact analysis included its three key business activities,

- Consumer,
- Business and
- Corporate Banking.

Although the Bank undertakes investment banking activities, those were not part of the impact analysis since they do not take a significant part of the Bank's portfolio.

The impact analysis was initially conducted for the Bank's first PRB progress report in 2020 and was re-conducted for this year's progress report using updated resources and tools as well as 2023 data from the Bank's portfolios.for the totality of its operations in Greece. Asset management activities are a core business element of the Bank, however they are excluded from this analysis since such activities are not part of the impact analysis tool.

Links and references

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b) Portfolio composition: Has your bank considered the composition of its portfolio (in %) in the analysis? Please provide proportional composition of your portfolio globally and per geographical scope
i) by sectors & industries[3] for business, corporate and investment banking portfolios (i.e. sector exposure or industry breakdown in %), and/or
ii) by products & services and by types of customers for consumer and retail banking portfolios.
If your bank has taken another approach to determine the bank's scale of exposure, please elaborate, to show how you have considered where the bank's core business/major activities lie in terms of industries or sectors.

[1] That means that where the initial impact analysis has been carried out in a previous period, the information should be updated accordingly, the scope expanded as well as the quality of the impact analysis improved over time.
[2] Further guidance can be found in the Interactive Guidance on impact analysis and target setting.
[3] "Key sectors" relative to different impact areas, i.e. those sectors whose positive and negative impacts are particularly strong, are particularly relevant here.

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Principle 2: Impact and Target Setting

Response

The Bank has considered the distribution of its portfolio in Greece across the business segments as defined by the UNEP FI impact analysis tool:

Consumer banking

- For the data analysis of Consumer banking portfolio, both monetary volumes and number of clients were used as indicators.
- % of monetary volumes and number of individual clients per type of products as defined by the International Standard Industrial Classification (ISIC) list

	Monetary volumes (%)	Number of clients (%)
Current accounts and savings		
Current accounts	17.2	24.3
Savings accounts	26.9	49.3
Certificates of deposit	55.9	7.7
Outstanding loans		
Credit cards	5.4	10.4
Consumer loans and overdraft	7.6	4.6
Home loans	83.1	2.6
Vehicles loans	3.8	1

Corporate & Business banking

- % loan balance for the top 30 sectors for both Corporate & SME Portfolio representing over 95.2% of the Bank's business banking clientele.

Links and references

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c) Context: What are the main challenges and priorities related to sustainable development in the main countries/regions in which your bank and/or your clients operate?[4] Please describe how these have been considered, including what stakeholders you have engaged to help inform this element of the impact analysis.

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

Response

Utilising tools such as the UNEP FI impact analysis tool, the Bank identified challenges and priorities related to the impact areas most prevalent in Greece.
Previous impact analysis indicated positive impacts in employment,food and economic convergence, housing and mobility and culture and heritage while negative impacts where identified in climate, resource efficiency/security and waste.
This year's impact analysis utilised updated resources and portfolio data and resulted in the following positive / negative impacts per business activity

- Consumer banking
  - Positive & Negative impacts: Availability, accessibility, affordability, quality of resources & services
- Corporate and business banking
  - Positive impacts: Availability, accessibility, affordability, quality of resources & services, socio-economic convergence
  - Negative impacts: Circularity, Biodiversity & health ecosystems, climate stability.

The impact analysis results provided valuable input for the Bank to develop an Sustainability strategy and set targets focused on addressing its most significant impact areas.

Links and references

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Stakeholder engagement and materiality analysis

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

Response

The Bank has prioritized the three negative impact areas, resulting from the updated impact analysis exercise, that arise throughout its business activities and addresses them through its financed impact strategy and the specific pillars composing it.

1. Climate stability
2. Circularity
3. Biodiversity

The prioritization of these impact areas has been based on several criteria such as exposure to key contributing sectors and proportion of the portfolio associated with the negative impact areas.

Links and references

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Stakeholder engagement and materiality analysis

Sustainability strategy

[4] Global priorities might alternatively be considered for banks with highly diversified and international portfolios.
[5] To prioritize the areas of most significant impact, a qualitative overlay to the quantitative analysis as described in a), b) and c) will be important, e.g. through stakeholder engagement and further geographic contextualisation.

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Principle 2: Impact and Target Setting

d) For these (min. two prioritized impact areas): **Performance measurement**: Has your bank identified which sectors & industries as well as types of customers financed or invested in are causing the strongest actual positive or negative impacts? Please describe how you assessed the performance of these, using appropriate indicators related to significant impact areas that apply to your bank's context.

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

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

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

Response

Utilising the UNEP FI impact analysis, along with other internal tools such as the climate risk scenario analysis, materiality assessment, stress test and scorecard, among others, the Bank has identified the sectors that play a key role in addressing negative impacts in the prioritised areas.

Recognising that financed emissions will play a key role in

developing the sectoral approach and overall action plan to address its climate-related impacts, the Bank has also developed its capabilities to collect publicly available data, and monitor the GHG emissions of its counterparties. The Bank calculates and discloses its financed emissions, following the PCAF methodology resulting in the identification of the Bank's exposure to sectors more likely to be impacted by climate risk (physical / transition) considering criteria such as their GHG emissions, their role in the energy supply chain, policies and geographies.

In line with its commitment to tackle climate change, Eurobank is a member of the Net-Zero Banking Alliance (NZBA), reinforcing its dedication to aligning its lending and investment portfolios with net-zero emissions by 2050 or sooner, in line with the most ambitious targets set by the Paris Climate Agreement. The key components towards this ambition include:

- First wave of sector targets covering the Bank's lending portfolios will be finalised within 2024, including phased target setting up to 2050, and operationalizing our Net Zero 2033 Targets. Transition pathways for corporate clients in order to achieve climate targets for the Bank's portfolio.
- Focused Climate Risk Assessment, supplemented by climate transition scenario analysis, to support the effective implementation of our Net Zero Strategy.
- Enhanced Risk Management Framework with the introduction of additional Risk Appetite Statements related to ESG/CR&E risks.
- Pricing approach in relation to the Sustainable Financing for the CIB portfolio.
- Initiation of the preparation for a dedicated ESG/CR&E risks Datamart analysis and framework.

The Bank recognizes that the most significant part of its impact on climate arises from the financing extended to clients, so the Bank is now taking the next step to identify and disclose the first set of Net Zero targets for 2033, for some of the most carbon-intensive and, therefore, most relevant and impactful sectors and portfolios (including Power Generation, Oil & Gas, Cement, Iron and steel). In doing so, the Bank aims to actively support the decarbonization policy agenda and play a pivotal role in channeling capital flows towards the transition of key sectors of the Greek economy in the short-, medium- and long-term. Even though the Bank's operational carbon footprint is very limited compared to financed emissions, the Bank is also setting reduction targets for operational emissions under its sphere of direct control.

In addition, the Bank has developed appropriate Key Performance Indicators (KPIs)/ Key Risk Indicators (KRIs) that are reported, on a periodic basis, to the senior management and management body in order to ensure appropriate management of the ESG/ CR&E risks generated by its business activities, leveraging on the insights gained from relevant regulatory and internal exercises (e.g. climate risk stress test/ scenario analysis/ materiality assessment/ risk disclosures), as well as taking into account best market practices.

In this context, the Bank has established a ESG/ CR&E Risks Monitoring Dashboard with appropriate ESG/ CR&E risks KPIs/ KRIs covering related areas such as: Transition & Physical risk (e.g. concentration of exposures to sectors and counterparties with high transition risk, exposures to debt securities towards the top 20 most carbon intensive counterparties globally etc.), Real Estate EPC and Sustainable Financing.

Outcomes of the impact analysis indicate that the key sectors from corporate and business banking activities contributing to the identified impact areas include:

- water transport,
- electricity, gas, steam and airconditiong supply,
- wholesale and retail trade
- accomondation and
- warehousing and support activities for transportation.

This will in turn inform the Bank's financed impact strategy which will focus on:

- Engaging and rasing client awareness to adapt their business model so as to address climate change challenges.
- Actions for supporting clients in their transition efforts towards a more sustainable economic environment.
- Enablers and tools such as frameworks and products to underpin sustainable financing.
- The assessment and management of climate-related material exposures. Setting portfolio and sectoral targets with regards to financing the green transition of the Bank's clients and achieving specific targets in line with climate transition pathways.

The Bank is continuously enhancing and refining its capabilities for the quantification of its performance against its significant impact areas, through the collection of climate-related and environmental risk data, the integration of additional information requirements in the credit process as well as cooperating with third party data providers. Towards this end, the Bank plans to implement the below initiatives in the following year:

- Net Zero Roadmap, that will include portfolio alignment targets and sector decarbonization targets with phased target setting up to 2050 for the Bank's corporate portfolio.
- Further assessment of CR&E risks through Sectoral Analysis and forward-looking Scenario Analysis.
- Develop tools, approach and roadmap for assessing portfolio alignment in relation to climate transition pathways.

Links and references

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Task Force on Climate-Related Financial Disclosures report (TCFD)

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Principle 2: Impact and Target Setting

Self-assessment summary:

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

Scope:	☒ Yes	☐ In progress	☐ No
Portfolio composition:	☒ Yes	☐ In progress	☐ No
Context:	☒ Yes	☐ In progress	☐ No
Performance measurement:	☒ Yes	☐ In progress	☐ No

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

Climate change mitigation, climate change adaptation, resource efficiency & circular economy, biodiversity, financial health & inclusion, human rights, gender equality, decent employment, water, pollution, other: please specify

- Positive impact areas: Finance, Housing, Mobility, Socio-economic convergence, Livelihood, Healthy economies
- Negative impact areas: Climate stability, Circularity, Biodiversity (Prioritised

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

☐ Up to 6 months prior to publication
☒ Up to 12 months prior to publication
☐ Up to 18 months prior to publication
☐ Longer than 18 months prior to publication

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

2.2 Target Setting (Key Step 2)

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

The targets[7] have to be Specific, Measurable (qualitative or quantitative), Achievable, Relevant and Time-bound (SMART). Please disclose the following elements of target setting (a-d), for each target separately:

a) Alignment: which international, regional or national policy frameworks to align your bank's portfolio with[8] have you identified as relevant? Show that the selected indicators and targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks.

You can build upon the context items under 2.1.

Response

The Sustainability Strategy, through a set of actions with measurable targets, reflects the Bank's vision in the short, medium, and long term in relation to the environment, its social footprint, with focus on its people, and the ESG impact in the market and its portfolio.
The Operational and Financed elements of the Sustainability Strategy are combined for addressing Eurobank's path towards Net Zero by 2050.
Making progress along these pillars, the Bank aims to maximize its contribution to the achievement of the Paris Climate Agreement's targets, the EU Sustainable Finance Action Plan and the United Nations (UN) Sustainable Development Goals.

The Bank's Financed impact strategy has set the targets in the following areas:
- Portfolio targets, including New disbursements, Green stock / Exposure and evolution.
- Sectoral targets, including Renewable energy and Green buildings.
- Portfolio alignment and Net zero targets.

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[6] Operational targets (relating to for example water consumption in office buildings, gender equality on the bank's management board or business-trip related greenhouse gas emissions) are not in scope of the PRB.
[7] Operational targets (relating to for example water consumption in office buildings, gender equality on the bank's management board or business-trip related greenhouse gas emissions) are not in scope of the PRB.
[8] Your bank should consider the main challenges and priorities in terms of sustainable development in your main country/ies of operation for the purpose of setting targets. These can be found in National Development Plans and strategies, international goals such as the SDGs or the Paris Climate Agreement, and regional frameworks. Aligning means there should be a clear link between the bank's targets and these frameworks and priorities, therefore showing how the target supports and drives contributions to the national and global goals.

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Principle 2: Impact and Target Setting

b) Baseline: Have you determined a baseline for selected indicators and assessed the current level of alignment? Please disclose the indicators used as well as the year of the baseline.

Response

Climate stability

The Bank has commitment to align its portfolio with climate transition pathways and to develop phased, sectoral decarbonisation targets covering its portfolio, with the ultimate objective of reaching Net Zero by 2050.
To this end it is in the process of developing an action plan and roadmap towards Net Zero, which will be composed of sectoral financed emission reduction targets which inform its sector-specific action plan.

Impact area	Indicator code	Response
Climate change mitigation	A.1.1	Yes – Portfolio alignment and Net Zero strategic pillars
	A.1.2	To become Net Zero by 2050 – Baseline definition In progress
	A.1.3	In progress – See “Sustainability strategy” section
	A.1.4	Yes – See “Our financed emissions” section
	A.1.5	Yes - See “Sustainable finance, services, and portfolio green transition” section
	A.2.1	Yes - See “Sustainable finance, services, and portfolio green transition” section

Impact area	Indicator code	Response
Climate change mitigation	A.2.2	See “Our financed emissions” section
	A.2.3	In progress
	A.2.4	In progress
	A.3.1	See “2023 Sustainable Financing Targets & Performance” section
	A.3.2	In progress
	A.4.1	In progress
	A.4.2	In progress

Resource effiency / security
As part of its strategy, the Bank will actively support the green transition of its clients with an ambition to further increase sustainable financing going forward. Using the guiding principles of the Sustainable Finance Framework, the Bank has set sustainable financing targets in relation to its annual disbursements, towards activities that promote clean energy, resource effiency, circular economy and pollution prevention.

Circularity
As part of its strategy, the Bank will actively support the green transition of its clients with an ambition to further increase sustainable financing going forward. Using the guiding principles of the Sustainable Finance Framework, the Bank has set sustainable financing targets in relation to its annual disbursements, towards activities that promote clean energy, resource effiency, circular economy and pollution prevention.

Biodiversity
The bank recognizes biodiversity as a critical impact area and is actively engaged in understanding and assessing the effects of its financing activities on biodiversity. As part of its financed impact strategy, the Bank is in the process of developing an action plan aimed at mitigating any negative consequences on biodiversity from its financing activities while also promoting sustainable practices and preserving natural ecosystems through responsible financing.
In this context, the Bank introduced a relevant qualitative Risk Appetite Statement (RAS), in relation to the other environmental risk – biodiversity - and based on its exclusion list, which refrains from the financing of activities prohibited by host country legislation or international conventions relating to the protection of biodiversity resources.

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c) SMART targets (incl. key performance indicators (KPIs)[9]: Please disclose the targets for your first and your second area of most significant impact, if already in place (as well as further impact areas, if in place). Which KPIs are you using to monitor progress towards reaching the target? Please disclose.

Response

The Bank's financed impact strategy is based on the following areas and aims to address, among others, the three prioritised impact areas, climate stability, circularity and biodiversity:

1. Sustainable Financing
   Development of strategies that will promote the green transition of the Bank's clients through sustainable financing.
2. Portfolio alignment
   Gradual alignment of the Bank's portfolio with sectoral transition pathways that are aligned with 1.5o C climate transition scenario.
3. Net Zero strategy
   Sectoral decarbonisation targets covering the Bank's lending portfolios with phased target setting up to 2050.
   For the Sustainable Financing area, the Bank has set the following targets:

Portfolio targets
• New Disbursements
  - € 2 billion in new green disbursements to businesses by 2025.
  - 20% of the annual new corporate disbursements to be classified as Green / Environmentally sustainable.

Green Stock / Exposure evolution
• 20% stock of green exposures by 2027 for the corporate portfolio (up from 11% in 2022)

Recovery and Resilience Facility (RRF)
• Mobilise € 2.25 billion Total Green RRF funds contribution in the Greek economy until by 2026.

Sectoral targets
• Renewable energy
  - 35% of new annual disbursements in the Energy sector will be directed to Renewable Energy Sector (RES) financing.
• Green Buildings
  - 80% of annual disbursements related to construction of new buildings will be allocated to green buildings.

In addition to the above, the Bank introduced additional targets for 2024 for its corporate, investment and retail banking portfolios:

Corporate and investment Banking
New exposure to high emitters
• No new investments in fixed income securities (excluding exposures in ESG/ Green Bonds) towards the top 20 most carbon-intensive corporates worldwide.

Increase Sustainability Linked Loans
• The Bank will double its annual disbursements of Sustainability Linked Loans within 2024, in relation to 2023

Retail Banking
• Maintain the same growth in absolute terms for Retail Banking new green disbursements within 2024 (or more than 50% increase vs. 2023)

It should be noted that the Bank is in the process of understanding its impacts on biodiversity and developing an action plan to mitigate any negative impacts.

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d) Action plan: which actions including milestones have you defined to meet the set targets? Please describe.
Please also show that your bank has analysed and acknowledged significant (potential) indirect impacts of the set targets within the impact area or on other impact areas and that it has set out relevant actions to avoid, mitigate, or compensate potential negative impacts.

Response

The Bank plans to revisit and update its Financed Impact Strategy on an annual basis, in line with best market practices, aiming to develop a specific approach towards the "Portfolio alignment" and "Net Zero" strategic pillars. To this end, the Bank intends to do the following within the following 3 quarters:

Next milestones towards "Portfolio alignment" and "Net Zero" strategic pillars:
• Align loan portfolio and investments with a net zero carbon footprint by 2050 by developing a robust action plan and roadmap including intermediate targets to net zero and commitment.
• Actively support clients' climate transition with an ambition to further increase sustainable financing going forward.
• Further integrate climate risk regulatory requirements into its business strategy and risk management framework, leveraging on key initiatives:
  - Governance, policies, and control framework.
  - Climate risk modelling and data management.
  - Commercial strategies/sector policies.
• Continue to contribute to the residential green lending sector through the state susbidized Exoikonomo programs.

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

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The Bank will also focus on 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. To this end, its approach focuses on the below areas:

- Sustainable financing and investments for corporate clients
  Having a leading role in the largest, most prominent projects in the Greek economy, the Bank finances robust business plans, growth strategies, investment programmes and export activities in strategic sectors. The Bank provides financing for landmark initiatives in the areas of renewable energy sources (RES), sustainable infrastructure and environmentally friendly solutions.
- Sustainable financing for individuals and businesses
  The Bank currently offers several consumer and small business financing solutions that are aiming to be compliant with the EU Taxonomy Regulation aiming to deliver positive environmental impacts.
- Asset and wealth management with ESG criteria
  In 2018 the Bank launched the (LF) Fund of Funds – ESG Focus, a mutual fund that invests in shares and bonds factoring in ESG criteria. The Fund has a diversified portfolio of equities and bonds that adopt ESG criteria.
- Deposit solutions with ESG criteria
  The ESG Deposits is an innovative deposit solution that supports the clients' sustainability agenda, by investing liquidity in sustainable projects and allowing them to demonstrate their commitment towards a low-carbon and sustainable environment. The Bank uses the funds raised to provide wholesale lending that meet the criteria set out in the Eurobank Sustainable Finance Framework.

Self-assessment summary
Which of the following components of target setting in line with the PRB requirements has your bank completed or is currently in a process of assessing for your...

	... first area of most significant impact: ... **Climate stability **	... second area of most significant impact: ... **Circularity**	(If you are setting targets in more impact areas) ...your third (and subsequent) area(s) of impact: ... **Biodiversity**
Alignment	☒ Yes ☐ In progress ☐ No	☒ Yes ☐ In progress ☐ No	☒ Yes ☐ In progress ☐ No
Baseline	☒ Yes ☐ In progress ☐ No	☒ Yes ☐ In progress ☐ No	☐ Yes ☒ In progress ☐ No
SMART targets	☐ Yes ☒ In progress ☐ No	☒ Yes ☐ In progress ☐ No	☐ Yes ☒ In progress ☐ No
Action plan	☐ Yes ☒ In progress ☐ No	☒ Yes ☐ In progress ☐ No	☐ Yes ☒ In progress ☐ No

2.3 Target implementation and monitoring (Key Step 2)

For each target separately:

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

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

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

Response
The Bank has demonstrated progress in implementing the targets related to its priorised impact areas. More specifically, the relevant achieved targets for 2023 included the following:

Qualitative targets
- Roll-out of our Sustainability Strategy leading to tangible outcomes
- Significant progress in the integration of CR&E risks in our 3 LoD Model
- Incorporation of climate risk elements into the Remuneration Policy
- Deployment of the ESG Questionnaire, which has been developed at Interbank level with the coordination of the Hellenic Bank Association
- Integration of the ESG Risk Assessment process, a combination of the internal Climate Risk Scorecard and the Interbank ESG Questionnaire
- Operationalisation of the web-based Sustainable Finance Assessment Tool for the classification and evaluation of sustainable financing opportunities for Corporate portfolio

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Principle 2: Impact and Target Setting

• Assessment of CR&E risks through Sectoral Analysis and forward-looking Scenario Analysis, as part of the Task Force on Climate Related Financial Disclosures (TCFD) report
• Alignment of our Risk Appetite with the articulated Sustainability Strategy
• Incorporation of climate risk aspects into collateral valuation
• Publication of the TCFD Climate-related & Environmental Risk Report
• Disclosure of Eurobank's GHG financed emissions for loans, bonds and shares positions based on the Partnership for Carbon Accounting Financials (PCAF) methodology
• Calculated and disclosed the Bank's EU Taxonomy Green Asset Ratio (Turnover / Capex)
• Performance of training sessions for our employees in relation to Climate Risk, Sustainable Financing, ESG Risk Disclosures and ESG Risk Assessment
• Awareness initiatives for our clients, including the Digital Academy series of ESG webinars

Quantitative targets

• Achieved target of 20% Green/ Environmental new corporate disbursements More than 50% of new corprorate disbursements in Energy Sector were directed to RES
• Solid 100% of disbursements related to construction of new buildings were directed to green buildings
• More than 2 times increase in our new green disbursements towards households and small businesses
• € 2.1bn Green/ Environmental Exposures as of 31.12.2023, c. 14% of CIB portfolio
• € 0.2bn in Assets under Management in ESG Focused mutual funds, as of 31.12.2023
• € 0.6bn exposure in Green/ Sustainable Bonds in our Banking Book, as of 31.12.2023

Links and references

Annual Report 2022 Business & Sustainability

ESG Strategy

Sustainable finance, services, and portfolio green transition

ESG in risk management

Consolidated Pillar 3 report:
ESG risks

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 Client engagement
Does your bank have a policy or engagement process with clients and customers[10] in place to encourage sustainable practices?
☒ Yes ☐ In progress ☐ No
Does your bank have a policy for sectors in which you have identified the highest (potential) negative impacts?
☐ Yes ☒ In progress ☐ No
Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities[11]. It should include information on relevant policies, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.
This should be based on and in line with the impact analysis, target-setting and action plans put in place by the bank (see P2).

Response
Client engagement and raising awareness to adapt their business model to address climate change challenges and dedicated actions for supporting customers in their transition efforts towards a more sustainable economic environment are key elements of the Bank's financed impact strategy.
Eurobank envisages to play a key role in financing landmark projects that are necessary for pursuing sustainable growth. To this end, the Bank has been increasingly incorporating sustainability in its offerings and client engagement and has been working with clients and various stakeholders with the aim of promoting sustainable development.

In order to facilitate the green transition of its clients, the Bank has developed a dedicated approach consisting of the following elements:
• Guiding frameworks defining the approach and criteria for classifying its financing and investing activities as sustainable
• Direct financings aiming to finance projects that meet green eligibility criteria, or Sustainability Linked Loans, focusing on leveraging clients' commitments towards green transition.
• Financing solutions for consumers and small business that aim to deliver positive environmental impacts.
• Advice to current and potential clients aiming to support their green transition efforts.
• Asset and wealth management with ESG criteria.
• Incorporation of climate-related and ESG risks in the client financing evaluation process.

In addition to the above, the Bank has set a Risk Appetite Statement (RAS) under which, it shall have no new investments in fixed income securities (ESG/ Green Bonds are excluded) towards the top 20 most carbon-intensive corporates worldwide. Furthermore, the Bank introduced a relevant qualitative RAS, in relation to the other environmental risk (biodiversity) and based on its exclusion list, which refrains from the financing of activities prohibited by host country legislation or international conventions relating to the protection of biodiversity resources.

The Bank is also placing great emphasis in building capacity among its employees to be able to support its clients on their sustainability journey and their green transition. To this end in addition to launching ESG initiatives for its clients, implements an ESG upskilling plan for its employees. Specifically for business units with crucial role in delivering the Sustainability strategy, the Bank has launched dedicated sessions targeted to sustainabile financing approached and identifying opportunities.

Links and references

Annual 2023 Business and Sustainability Report

Sustainable finance, services, and portfolio green transition

Consolidated Pillar 3 report

ESG risks

[10] A client engagement process is a process of supporting clients towards transitioning their business models in line with sustainability goals by strategically accompanying them through a variety of customer relationship channels.
[11] Sustainable economic activities promote the transition to a low-carbon, more resource-efficient and sustainable economy.

APPENDIX VI

Principle 3: Clients and Customers

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

Response
As described above, in 2023, new green SFF-aligned disbursements constituted more than 20% of the total disbursements in the Bank's corporate portfolio, indicating the Bank's dedication to the support of green transition of its clients' operations. Specifically, the Bank's corporate portfolio sustainable stock exposures increased by c. € 0.7 bn in 2023, indicating a 46% year-on-year growth, in line with the Bank's green stock targets.

Regarding bond positions, as at 31.12.2023 the Bank held over €0.47 billion in green and sustainability-linked bonds, a slight increase in relation to 2022.

Bank's 2023 performance also includes a 20.5% of disbursements related to construction of new buildings to be directed to green buildings, 53% new disbursements in energy sector to be directed to RES (18% above target) and 100% of disbursements related to construction of new buildings to be directed to green buildings (20% above target).

The Bank is also halfway to achieving its future objectives in relation to 2bn new green stock until 2025 and 20% of green stock exposures by 2027.
Leveraging its guiding frameworks, the Bank has incorporated dedicated financing offerings / products in its corporate and retail portfolios aiming to address environmental and social issues, and create positive impacts.

Links and references

Annual Report 2023 Business & Sustainability

Sustainable finance, services, and portfolio green transition

Consolidated Pillar 3 report

ESG risks

Principle 4: Stakeholders

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

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

☒ Yes ☐ In progress ☐ No

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

Response
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.
Within its Double 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.
Eurobank's double materiality analysis is the key process used to define the Annual Report 2023 – Business & Sustainability contents. Adopting the new methodology of the European Sustainability Reporting Standards (2023), Eurobank completed the identification, assessment, prioritization, and validation of the positive and negative impacts, as well as the risks and opportunities that the Bank creates or may create on the environment, people, and the economy.

Links and references

Annual Report 2023 Business & Sustainability

Stakeholder engagement and materiality analysis

Principle 5: Governance and Culture

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

5.1 Governance Structure for Implementation of the Principles
Does your bank have a governance system in place that incorporates the PRB?

☒ Yes ☐ In progress ☐ No

Please describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support the effective implementation of the Principles. This includes information about
- which committee has responsibility over the sustainability strategy as well as targets approval and monitoring (including information about the highest level of governance the PRB is subjected to),
- details about the chair of the committee and the process and frequency for the board having oversight of PRB implementation (including remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected), as well as
- remuneration practices linked to sustainability targets.

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

APPENDIX VI

Principle 5: Governance and Culture

Response

Sustainability in Eurobank is deployed through an ESG governance structure that addresses both regulatory requirements and voluntary commitments. Board oversight with respect to SustainabilityStrategy 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 climaterelated and environmental risks is integrated in the Bank's three lines of defense.

The Group has updated its governance structure by introducing and defining roles and responsibilities in relation to climate- related & environmental risks, embedding regulatory guidelines and market practices. The updated governance structure aims to further enhance the effective oversight of CR&E risks at management/ board level, both for transition and physical risks.

Board and Management Level:

BoD:
- Defines and oversees the Bank's Sustainability Strategy.
- Has permanent ESG item(s) on its agenda of the quarterly meetings, as per best practice.
- Assigns the responsibility for ESG as well as climate-related and environmental risks to a BoD member.
- Enhanced "fit and proper" criteria for climate risk awareness.
- Roles and Responsibilities at BoD level may be updated, based on upcoming regulatory requirements.

Board Risk Committee (BRC):
- Oversees implementation of and adherence to the Bank's risk policies, including climate-related and environmental risks, in order to assess their adequacy against the approved risk appetite and strategy.
- Determines the principles which govern climate-related and environmental risk management across the Bank and the Group in terms of identifying, measuring, monitoring, controlling, and mitigating risks.
- Approves risk principles, risk policies, risk procedures and risk methodologies.

Management Risk Committee (MRC):
- Oversees the Bank's risk management framework.
- Facilitates the reporting to the BRC on a wide range of risk-related topics under its purview, including climate and environmental risks.
- Ensures that material risks are identified and promptly escalated to the BRC and that the necessary policies and procedures are in place to prudently manage risk and to comply with regulatory requirements.

ESG Management Committee (ESG ManCo):
- Chaired by the BoD Member Responsible for ESG/ climate risks.
- Provide strategic direction on ESG initiatives and review Sustainability Strategy prior to submission for approval.
- Has the responsibility to integrate the elements of the Sustainability strategy into the Bank's business model and operations.
- Submits required frameworks, policies. documents, etc. for information/review and approval to the BoD.

Climate Risk Stress Test Committee (CRSTC):
- Responsible for designing and executing the Group's CRST Programme
- Coordinates all activities relating to Climate Risk Stress Testing including risk identification, scenario design and stress test execution
- Reviews and challenges the output at each stage of the process prior to escalating to the Executive Board.

Group Senior Sustainability Officer (GSSO)
- Responsible for leading and coordinating the Group's sustainability initiatives, for both operational and financed impact.
- Manages Sustainability, co-manages, as a secondary reporting line, along with the Senior Risk Executive Officer the Group Sustainability Risk and coordinates Sustainability Center of Excellence of CIB and Retail.
- GSSO has a direct reporting line to Group Chief Operating Officer and provides regular updates and reports to the Board of Directors and Senior Management on sustainability progress, challenges, and achievements.

ESG Unit:
- Acts as a custodian of ESG Principles and Culture Bank's impact.
- Operates as coordinator to ensure alignment on sustainability issues and consultant for the operational impact related topics in order to ensure alignment.
- Responsible for designing, reviewing and monitoring the Operational Impact Strategy and its implementation.
- Coordinates and prepares the operational impact-related reports, as well as implements the UNEP FI PRB.
- Responsible for the overall ESG operational performance and management of Sustainability Ratings.
- Responsible for Environmental and Energy management / Systems Manager role for related ISO certifications.
- Collects, calculates and reviews data related to the operational impact.

Links and references

Annual Report 2023 Business & Sustainability

ESG Governance and Operating Model

Consolidated Pillar 3 report

ESG risks

Task Force on Climate-Related Financial Disclosures report (TCFD)

APPENDIX VI

Principle 5: Governance and Culture

Business Units
Business Units, namely, Corporate and Investment Banking and Retail Banking are primarily involved in executing all portfolio-related ESG activities including the implementation of the financed impact strategy. Key responsibilities are classified under the following three main categories:
- Sustainability Strategy
  - Execution and monitoring of financed and specific operational sustainability goals and performance targets in line with the Net Zero Strategy.
- Sustainable Financing/ Funding and Investments
  - Identification of sustainable financing opportunities and design of the relevant solutions and sustainability products.
  - Performance of the Sustainable Financing assessment in line with the Sustainable Finance Framework.
  - Implementation and monitoring of the Sustainable Investment & Green Bond Frameworks.
- ESG and CR&E Risk Assessment
  - Performance of the overall ESG Risk Assessment.
  - Identification and implementation of mitigation action plans for ESG and CR&E risks.

Group Sustainability Risk (GCR):
- Responsible for overseeing, monitoring, and managing sustainability risks.
- Prepares and maintains the Bank's sustainability / climate-related risk management policies, processes and methodologies.
- Leads the development and implementation of the sustainability risks related framework, policies, processes.
- Monitors and reports to the GSSO the progress of the implementation of the developed Climate Risk action plan and reports to the Board for Sustainability risks matters.
- Reviews and challenges the involved stakeholders regarding the setting and implementation of the financed impact strategy , including Net Zero action plan.
- Monitors the Financed Impact Strategy and reports financial targets and KPIs.
- Leads the 2nd LoD independent sustainable lending re-assessment process against the Sustainable Finance criteria including the characterization of products of the Retail Portfolio as sustainable.
- Develops and maintains Climate Risk Stress Testing Framework, as well as Scenario Analysis and Stress Test methodologies and coordinates the performance of sustainability Risk scenario analysis and relevant stress test exercises at a Group level.

Group Compliance:
- Regulatory compliance
- Compliance Risk Assessment
- Policies' Update
- Product offering monitoring

Group Operational and Non-Financial Risks:
- Establishes an effective operational and non-financial risk management framework and for overseeing its implementation across the Group and across all lines of defense.

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

Response

ESG capacity building
Eurobank is placing great emphasis on building capacity among its employees so they are able to support its clients on their sustainability journey and their green transition, through:
- ESG upskilling plan for its employees. Eurobank's internal awareness sessions regarding ESG and CR&E matters cover both members of the management body and other stakeholders across the Bank (e.g. business units).
- Training to stakeholders from all three lines of defence (i.e. business units, risk management units, Internal Audit) regarding the SFF, enhance their understanding.
- Paper Challenge programme. The programme trains Eurobank employees on the automations in place to reduce paper use, tests their knowledge on specific issues and information and eventually transforms them into paperless culture ambassadors.
- Various articles and information on the Eurobank Intranet site ("Connected") about the Bank's Management Systems and various ESG-related topics. In addition, the findings of the Employee Transportation Survey for calculating related emissions (see Environmental Management section) were presented to employees to raise further awareness and engagement
- e-learning and interactive programmes as part of applying the Environmental Management System and the Energy Management System, to the environmental supervisors at its branches and units through, to brief them on environmental and energy issues that relate to Eurobank.

In 2023, Eurobank expanded its educational resources to provide valuable insights into various ESG areas. Training initiatives included Sustainable Financing, AML, Cyber Security, First Aid, Sign Language, and digital talks, enhancing the overall ESG capabilities of the workforce.

ESG engagement
Eurobank strongly believes in giving back to the community. That's why Eurobank is proud to support the TeamUp initiative, the employee volunteer Programme that has been running since 2018. With a strong emphasis on purpose, the TeamUp volunteer programme provides opportunities for employees and their families to participate in volunteer actions.

ESG Insight
Responding to the necessity of continuous stakeholder engagement on ESG issues, Eurobank created the newsletter "ESG Insight" with the aim to regularly inform our stakeholders (internal and external) about the Bank's sustainability efforts.

Links and references

Annual Report 2023 Business & Sustainability

ESG Governance and operating model

ESG Engagement and Capacity Building

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

APPENDIX VI

Principle 5: Governance and Culture

5.3 Policies and due diligence processes
Does your bank have policies in place that address environmental and social risks within your portfolio?[13] Please describe.

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

Response
For the integration of Environmental and Social issues into its business model, the Bank implements an Environmental and Social Management System (ESMS) to assess direct and indirect environmental aspects, and in line with the requirements and expectations of institutional investors, shareholders, and other stakeholders.

In this context, the purpose of the Environmental and Social Policy is to set the framework of general principles and requirements for the management of Environmental and Social Affairs, in order to achieve and maintain compliance with existing applicable national and international environmental and social legislation and regulations as well as with commitments to its shareholders, stakeholders, and the society, through a uniform approach to be followed by the Bank and its Key Subsidiaries, domestic and international, Banking and Non-Banking.

The core elements of the Group ESMS, include the following:
- ESMS Policies/ Guidelines/ Manual(s)
- Roles, responsibilities and authorities for implementing the ESMS
- Provision of Training on Environmental and Social issues
- Documented process to assess Environmental and Social impacts and risks
- Monitoring of performance, Environmental and Social Action Plans and corrective actions as well as record maintenance
- Reporting to shareholders, stakeholders (eg EBRD)

Apart from the activity, other factors determining activity risk include financed amount, financing duration / payback period and purpose. The current process for evaluating and rating ESG related risks is through a scorecard based on the above criteria set by the ESMS , resulting in a High/Medium/Low risk level. The cases of Medium and High-risk levels are followed up by a due diligence process (either through physical inspections or desktop assessment) which reassesses and finalises the outcome.

As part of its Environmental and Social Policy, Eurobank maintains a list of activities that are excluded from financing, in line with the exclusion lists of the EBRD. For all financing transactions, the Group ensures that its clients demonstrate an organised and systematic approach to E&S risk management that complies with applicable local, national and international environmental, health and safety, and labour legislation and standards, relevant permits, as well as public disclosure requirements

Links and references

Annual Report 2023 Business & Sustainability

ESG in risk management

Principle 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.

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

☒ Yes ☐ Partially ☐ No

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

Response
Assurance Report can be found in Annual 2023 Business & Sustainability Report Appendix

Links and references

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

☒ GRI ☐ SASB
☒ CDP ☐ IFRS Sustainability Disclosure Standards (to be published)
☒ TCFD ☐ Other: ....

Response
Aiming to continuous improvement, the Bank aligned with Task Force on Climate related Financial Disclosures (TCFD) recommendations and published its first dedicated TCFD Report in December 2023

Links and references

Task Force on Climate-Related Financial Disclosures report (TCFD)

APPENDIX VI

Principle 6: Transparency and Accountability

6.3 Outlook
What are the next steps your bank will undertake in next 12 month-reporting period (particularly on impact analysis[14], target setting[15] and governance structure for implementing the PRB)? Please describe briefly.

Response

Following its updated Sustainability Strategy and aiming to implement the PRB, within the next year the Bank plans to implement the following actions:
• First wave of sector targets covering the Bank's lending portfolios will be finalised within 2024, including phased target setting up to 2050, and operationalisation of its Net Zero 2033 targets

In addition to the above, the Bank introduced additional targets for 2024 for its corporate, investment and retail banking portfolios:
• Corporate and Investment Banking green targets for 2024

New exposure to high emitters
No new investments in fixed income securities (excluding exposures in ESG / Green Bonds) towards the top 20 most carbon-intensive corporates worldwide.
Increase sustainability-linked loans
The Bank will double its annual disbursements of sustainability-linked loans.
• Retail Banking targets for 2024
Maintain the same growth in absolute terms for Retail Banking new green disbursements (or more than 50% increase vs. 2023).

Links and references

Annual Report 2023 Business & Sustainability

Financed Impact Strategy: commitments and targets

6.4 Challenges
Here is a short section to find out about challenges your bank is possibly facing regarding the implementation of the Principles for Responsible Banking. Your feedback will be helpful to contextualise the collective progress of PRB signatory banks.
What challenges have you prioritized to address when implementing the Principles for Responsible Banking? Please choose what you consider the top three challenges your bank has prioritized to address in the last 12 months (optional question).

If desired, you can elaborate on challenges and how you are tackling these:

☐ Embedding PRB oversight into governance
☐ Gaining or maintaining momentum in the bank
☐ Getting started: where to start and what to focus on in the beginning
☐ Conducting an impact analysis
☐ Assessing negative environmental and social impacts
☐ Choosing the right performance measurement methodology/ies
☐ Setting targets
☐ Other: ...

☒ Customer engagement
☐ Stakeholder engagement
☐ Data availability
☐ Access to resources
☐ Reporting
☐ Assurance
☐ Prioritizing actions internally

If desired, you can elaborate on challenges and how you are tackling these:

Deloitte.

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Accountants S.A.
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Greece

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ISAE 3000 (Revised) independent limited Assurance Report to the Management on Eurobank's S.A. UNEP FI Principles for Responsible Banking 4th year Progress Report under the United Nations Environment Program Finance Initiative ("UNEP FI") Principles for Responsible Banking ("PRB") Framework for the period from March 2023 to March 2024.

Our unmodified assurance conclusion

Based on our procedures described in this Assurance Report, and evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information (shown below in sections 'Scope of our work' and 'Our approach') of the **UNEP FI Principles for Responsible Banking 4th year Progress Report ("PRB Progress Report")** for the period from March 2023 to March 2024, has not been prepared, in all material respects, in accordance with the basis of reporting defined by the Management as set out in pages 148-155 & 156-158 of the PRB Progress Report.

Scope of our work

The requirements for the preparation and publishing of Selected Information within a Reporting and Self-Assessment Template in respect of the Principles for Responsible Banking "PRB" Framework are established by the Guidance for banks (February 2021) and Reporting and Self-Assessment Template (September 2022) ("guidance") published by the United Nations Environment Program Finance Initiative ("UNEP FI"). The guidance requires the Management of Eurobank S.A. (the "Eurobank" or "Client" or "you" or "your" or the "Bank) to obtain an Assurance Report (limited assurance) on the following discrete elements of the entity's PRB Progress Report:

- Principle 2.1: Impact analysis.
- Principle 2.2: Target setting.
- Principle 2.3: Target implementation and Monitoring and,
- Principle 5.1: Governance Structure for Implementation of the Principles

The Selected Information for the Bank is presented on pages 148-155 & 156-158 of PRB Progress Report for the period from March 2023 to March 2024.

The guidance requires the Bank to publish other information within its PRB Progress Report. This other information is not the subject of this Assurance Report.

Basis of our assurance conclusion

Eurobank S.A. engaged us to perform an independent limited assurance engagement in accordance with the International Standard on Assurance Engagements 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000 (Revised)"), issued by the International Auditing and Assurance Standards Board ("IAASB").

Our independence and management of quality

We conduct our engagement in accordance with the International Ethics Standards Board of Accountants "International Code of Ethics for Professional Accountants (including International Independence Standards)" (IESBA Code), the related provisions of L. 4449/2017 as amended and currently in force and Regulation (EU) 537/2014.

Our audit firm applies the International Standard on Quality Management (ISQM) 1, "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" and accordingly, maintains a comprehensive system of quality management including documented policies and procedures regarding compliance and ethical requirements, professional standards and applicable legal and regulatory requirements.

Deloitte.

Inherent limitations of the Selected Information

Inherent limitations exist in all assurance engagements. The basis of reporting, the nature of the Selected Information, and absence of consistent external standards allow for different, but acceptable, measurement methodologies to be adopted which may result in variances between entities. The adopted measurement methodologies may also impact comparability of the Selected Information reported by different organisations and from year to year within an organisation as methodologies develop.

Where, under the scope of our engagement, financial information was used from the Annual Report 2023 and other published information of the Bank our work was limited to check the accuracy of the transfer of the relevant information to the selected responses.

Any internal control structure, no matter how effective, cannot eliminate the possibility that fraud, errors or irregularities may occur and remain undetected and because we use selective testing in our engagement, we cannot guarantee that errors or irregularities, if present, will be detected.

We do not provide any assurance relating to future performance, such as estimates, expectations or targets, or their achievability.

Our assurance services were limited to the English version of the selected responses. In the event of any inconsistency between the English and Greek versions, as far as our conclusions are concerned, the English version of the selected responses prevails.

Our assurance procedures did not include testing the Information Technology systems from which data was extracted and aggregated by the Bank or third parties for the selected responses.

Management Responsibilities

The Management of the Bank is also responsible for:

- Selecting and establishing the basis of reporting.
- Preparing, measuring, presenting and reporting the Selected Information in accordance with the basis of reporting.
- Publishing the basis of reporting publicly in advance of, or at the same time as, the publication of the Selected Information.
- Designing, implementing, and maintaining internal processes and controls over information relevant to the preparation of the Selected Information to ensure that they are free from material misstatement, including whether due to fraud or error.
- Providing sufficient access and making available all necessary records, correspondence, information and explanations to allow the successful completion of our independent limited assurance engagement.

Confirming to us through written representations that they have provided us with all information relevant to our engagement of which they are aware, and that the measurement or evaluation of the underlying subject matter against the basis of reporting, including that all relevant matters, are reflected in the Selected Information.

Deloitte.

Deloitte's responsibilities

Deloitte is responsible for:

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

Our approach

We planned our engagement in accordance with ISAE 3000 (Revised) and designed procedures to obtain sufficient appropriate evidence to express an independent limited assurance conclusion on the Selected Information in line with ISAE 3000 (Revised). Our procedures were informed by the Guidance for assurance providers – Providing limited assurance for report - Version 2 (October 2022) published by UNEP FI in November 2022. However, we have performed the procedures as outlined in 'the work we performed' section below which do not necessarily obtain the confidence level as outlined by UNEP FI's Guidance for assurance providers, but what is normally obtained by a practitioner in a limited assurance engagement under ISAE 3000 (Revised).

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the description of activities undertaken in respect of the Selected Information is likely to arise. The assessment of what is material is a matter of professional judgement and includes consideration of both the amount (quantity) and the nature (quality) of misstatements. The procedures we performed were based on our professional judgment.

As this is a limited assurance engagement, the nature, timing and extent of evidence-gathering procedures was more limited than for a reasonable assurance engagement, and therefore substantially less assurance is obtained than in a reasonable assurance engagement.

The work we performed

In carrying out our limited assurance engagement on the description of activities undertaken in respect of the Selected Information, we performed the following procedures to obtain sufficient appropriate evidence in order to express our independent limited assurance conclusion on the Selected Information:

- We planned our procedures which were informed by the Guidance for assurance providers – Providing limited assurance for report - Version 2 (October 2022) published by UNEP FI in November 2022, considering the Bank's stage of implementation of the Principles for Responsible Banking.
- We conducted interviews with process owners and internal stakeholders to understand the processes and control activities for measuring, reporting, and presenting information in the Bank's PRB Progress Report, in accordance with the basis of reporting.
- We made inquiries with process owners and internal stakeholders, obtained and reviewed supporting evidence to assess whether disclosures within the Selected Information in the Bank's PRB Progress Report reflect the Bank's assessment of the stage of implementation of the Principles.
- In respect of Principle 2.1 (Impact analysis), based on inquiries made and information obtained and reviewed, we checked that the Bank's business areas and scope are clearly described. We reconciled portfolio composition to management information and checked that challenges and priorities have been analysed, including the rationale for business areas where the analysis was not performed. We also checked that the Bank has disclosed the method for determining its impact areas and has selected what was determined as the three most significant areas of impact. For the impact areas where performance has been measured (Climate stability, Circularity and Biodiversity) we reconciled to published information referenced in the response and to supporting management information. Finally, we checked to supporting evidence, including to meeting minutes, that the stated governance process was followed.

Deloitte.

The work we performed - Continued

- In respect of Principle 2.2 (Target setting), based on inquiries made and information obtained and reviewed, we checked that the Bank sets targets for its significant impact areas and that the targets are linked to those impact areas. We checked that the Bank has identified frameworks to align with and explained how targets contribute to relevant goals. Further, for the impact areas where targets have been set, we checked that the targets are Specific, Measurable, Relevant and Time-bound.
- In respect of Principle 2.3 (Target implementation and monitoring), based on inquiries made with process owners and internal stakeholders, we obtained and reviewed supporting evidence to assess whether disclosures within the selected responses in the Bank's PRB Progress Report reflect the Bank's assessment of the stage of implementation of the Principle.
- In respect of Principle 5.1 (Governance Structure for Implementation of the Principles), based on inquiries made and information obtained and reviewed, we checked consistency to supporting evidence, including organisation charts and meeting minutes with that of the disclosures of the Bank's governance structure for implementation of the Principles. We checked that there is oversight over the implementation and monitoring and that the structure is in line with existing governance structures as defined by the Bank.

Use of this Assurance Report

This Assurance Report is made solely to the Management of those matters we have agreed to state to them in this report and for no other purpose.

Without assuming or accepting any responsibility or liability in respect of this report to any party other than the Bank and the Management of the Bank, we acknowledge that the Management of the Bank may choose to make this report available to the UNEP FI Secretariat and publicly available for others wishing to have access to it, which does not and will not affect or extend for any purpose or on any basis our responsibilities. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Bank and the Management of the Bank as a body, for our work, for this report, or for the conclusions we have formed.

Use of this Assurance Report - Continued

The basis of reporting was designed for the purposes of the Bank preparing and publishing a PRB Progress Report under the UNEP FI Principles for Responsible Banking ("PRB") Framework, and as a result the Selected Information may not be suitable for another purpose.

Athens, 22 July 2024

The Certified Public Accountant
Konstantinos Kakoliris

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