

Second-Party Opinion

Piraeus Green Bond Framework

Evaluation Summary

Sustainalytics is of the opinion that the Piraeus Green Bond Framework is credible and impactful and aligned with the four core components of the Green Bond Principles 2021. This assessment is based on the following:



USE OF PROCEEDS The eligible categories for the use of proceeds – Green Buildings, Renewable Energy, Energy Efficiency and Clean Transportation – are aligned with those recognized by the Green Bond Principles. Sustainalytics considers that the eligible categories will lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDGs 7, 9 and 11.



PROJECT EVALUATION AND SELECTION Piraeus’ Green Bond Working Group will be responsible for evaluating and selecting projects in line with the Framework’s eligibility criteria. The Green Bond Working Group consists of representatives from the Corporate Development and ESG, Investor Relations, Sustainable Banking, Treasury, Risk Management and Finance departments. Piraeus has an Environmental and Social Risk Management System in place through which all loans undergo an environmental and social risk evaluation. Sustainalytics considers the project selection and evaluation process to be in line with market practice.



MANAGEMENT OF PROCEEDS The Green Bond Working Group will also be responsible for overseeing the management and allocation of proceeds. The net proceeds will be tracked using Piraeus’ internal green bond register. Piraeus intends to allocate proceeds within 24 months from issuance. Pending full allocation, unallocated proceeds will be temporarily held in accordance with Piraeus’ usual liquidity management policy, including treasury liquidity portfolio, cash, time deposit with banks or other short-term liquid instruments. This is in line with market practice.



REPORTING Piraeus commits to report on the allocation and impact of proceeds through an Annual Green Bond Report, which will be published on its website on an annual basis until full allocation. Allocation reporting will include the total amount of bonds outstanding, total amount allocated to eligible green assets (with specific flagging for EU Taxonomy-aligned assets), total amount allocated per eligible category, remaining unallocated total amount, and amount or percentage of new financing and refinancing. In addition, Piraeus intends to report on relevant impact metrics. Sustainalytics views Piraeus’ reporting commitments as aligned with market practice.

Evaluation Date	May 21, 2024
Issuer Location	Athens, Greece

Report Sections

Introduction	2
Sustainalytics’ Opinion.....	3
Appendices.....	14

For inquiries, contact the Sustainable Finance Solutions project team:

Manali Vaidya (Toronto)
Project Manager
manali.vaidya@morningstar.com
(+1) 416 861 0403

Aishwarya Ramchandran (Toronto)
Project Support

Defne Basbugoglu (Amsterdam)
Project Support

Andrew Johnson (Paris)
Client Relations
susfinance.emea@sustainalytics.com
(+44) 20 3880 0193

Alignment with the EU Taxonomy

Sustainalytics has assessed the Framework for alignment with the EU Taxonomy’s criteria for Substantial Contribution (SC) to its environmental objectives and Minimum Safeguards (MS). For more details, please see Section 1 and Appendix 1.

Introduction

Piraeus Financial Holdings S.A. (“Piraeus Financial Holdings”) is a financial holding company that primarily operates in Greece and the parent company of the banking institution Piraeus Bank S.A (“Piraeus Bank” or the “Bank”). Piraeus Financial Holdings and the Bank will be jointly referred to as “Piraeus” hereafter. Piraeus offers financial services and products in the following areas: retail, small to medium-sized enterprise banking, wholesale, investment banking, consumer and mortgage credit, agricultural banking, treasury and financial markets.¹ Headquartered in Athens, Greece, Piraeus had approximately 7,700 employees and served 6 million customers as of 31 December 2023.²

Piraeus has developed the Piraeus Green Bond Framework dated May 2024 (the “Framework”), under which Piraeus Financial Holdings and Piraeus Bank intend to issue green bonds, including senior unsecured bonds, subordinated bonds³ and senior secured bonds,⁴ such as covered bonds, via public or private placements,⁵ and use the proceeds to finance or refinance, in whole or in part, existing and future projects that are expected to contribute to a low-carbon economy in Greece. The Framework defines eligibility criteria in four areas:

1. Green Buildings
2. Renewable Energy
3. Energy Efficiency
4. Clean Transportation

Piraeus engaged Sustainalytics to review the Piraeus Green Bond Framework and provide a Second-Party Opinion on the Framework’s environmental credentials and its alignment with the Green Bond Principles 2021 (GBP).⁶ The Framework has been published in a separate document.⁷

Scope of work and limitations of Sustainalytics’ Second-Party Opinion

Sustainalytics’ Second-Party Opinion reflects Sustainalytics’ independent⁸ opinion on the alignment of the reviewed Framework with current market standards and the extent to which the eligible project categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework’s alignment with the Green Bond Principles 2021, as administered by ICMA;
- The credibility and anticipated positive impacts of the use of proceeds;
- Alignment of the use of proceeds criteria with the SC criteria and alignment with the Minimum Safeguards of the EU Taxonomy;
- The alignment of the issuer’s sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.16, which is informed by market practice and Sustainalytics’ expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of Piraeus’ management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the Framework. Piraeus representatives have confirmed (1) they understand it is the sole responsibility of Piraeus to ensure that the information provided is complete, accurate and up to date; (2) that they have provided Sustainalytics with all relevant information

¹ Piraeus Bank, “Individuals”, at: <https://www.piraeusbank.gr/en/idiwttes>

² Piraeus Financial Holdings, “About Us”, at: <https://www.piraeusholdings.gr/en/group-profile/brief-profile>

³ Piraeus has confirmed to Sustainalytics that it will not issue perpetual subordinated bonds under the Framework.

⁴ Piraeus has communicated to Sustainalytics that it will be issuing secured green standard bonds under the Framework wherein the proceeds will be allocated to credible green assets that adhere to eligibility criteria in the Framework. Piraeus has further communicated to Sustainalytics that there will be no double counting of eligible projects under the secured green standard bond and any other outstanding sustainable financing instruments.

⁵ Piraeus has confirmed that public and private placements will not include the sale of stock shares to investors.

⁶ The Green Bond Principles are administered by the International Capital Market Association and are available at:

<https://www.icmagroup.org/assets/documents/Sustainable-finance/2022-updates/Green-Bond-Principles-June-2022-060623.pdf>

⁷ The Piraeus Green Bond Framework is available on Piraeus Financial Holdings website at:

<https://www.piraeusholdings.gr/en/investors/financials/debt-issuance/green-bond-framework>

⁸ When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics’ hallmarks is integrity, another is transparency.

and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics' opinion of the Framework and should be read in conjunction with that Framework.

Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and Piraeus.

Sustainalytics' Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics' Second-Party Opinion addresses the anticipated impacts of eligible projects expected to be financed with bond proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner.

In addition, the Second-Party Opinion opines on the potential allocation of proceeds but does not guarantee the realised allocation of the bond proceeds towards eligible activities.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument, either in favour or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that Piraeus has made available to Sustainalytics for the purpose of this Second-Party Opinion.

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the Piraeus Green Bond Framework

Sustainalytics is of the opinion that the Piraeus Green Bond Framework is credible and impactful, and aligns with the four core components of the GBP. Sustainalytics highlights the following elements of the Framework:

- Use of Proceeds:
 - The eligible categories – Green Buildings, Renewable Energy, Energy Efficiency and Clean Transportation – are aligned with those recognized by the GBP.
 - Piraeus has communicated to Sustainalytics that projects financed under the Framework will be located in Greece.
 - Piraeus has established a look-back period of 36 months for its refinancing activities, which Sustainalytics considers to be aligned with market practice.
 - Under the Green Buildings category, Piraeus may finance or refinance the construction, acquisition or renovation of residential and commercial buildings that meet one of the following criteria:
 - For buildings built after 31 December 2020, the primary energy demand (PED) is at least 10% lower than the threshold set in the national nearly zero-energy building (NZEB) requirements. Sustainalytics views this to be aligned with market practice.
 - For buildings built before 31 December 2020, the building has obtained a minimum energy performance certificate (EPC) rating of A or belongs to the top 15% of the national building stock per operational PED. Sustainalytics notes that for large non-residential buildings that have an effective rated output for heating systems, systems for combined space heating and ventilation, air conditioning systems or systems for combined air conditioning and ventilation greater than 290 kW, Piraeus intends to monitor and assess the energy performance for efficient operation. Sustainalytics views this to be aligned with market practice.
 - Buildings that have achieved or are expected to achieve the following certification levels: i) LEED Gold or above;⁹ ii) Energy Star 85 or above;¹⁰ iii) BREEAM Excellent or

⁹ LEED: <https://www.usgbc.org/leed>

¹⁰ Energy Star: <https://www.energystar.gov/buildings>

- above;¹¹ or iv) an EPC rating of B+ or higher.¹² Sustainalytics views the selected certification schemes as credible and their selected levels to be aligned with market practice.
- Regarding renovations, the buildings will comply with one of the following criteria: i) the applicable requirements for major renovations set in the national regional building regulations that implement Directive 2010/31/EU;¹³ or ii) renovations that lead to a reduction in the PED by at least 30% compared with the building's initial performance. Sustainalytics notes that the EU Taxonomy¹⁴ requires meeting the relevant cost-optimal minimum energy performance requirements in accordance with the EPBD, which vary among EU Member States. Sustainalytics therefore encourages Piraeus to report on the actual improvement on PED or energy savings achieved in comparison with the existing building stock in the area or region.
- Under the Renewable Energy category, Piraeus may finance or refinance the development, manufacturing, construction, installation, operation and maintenance of renewable energy projects, including:
- Solar photovoltaic projects.
 - Offshore and onshore wind projects.
 - Small-scale hydropower facilities with a capacity lower than 20 MW that meet one of the following criteria: i) facilities that are operational before the end of 2019 with life cycle GHG emissions lower than 100 gCO₂e/kWh; or ii) facilities that are operational after 2019 with life cycle GHG emissions lower than 50 gCO₂e/kWh. Piraeus has communicated to Sustainalytics that all new hydropower facilities will have an environmental and social impact assessment conducted by a credible body to ensure that there are no significant risks and controversies or expected negative impacts related to the selected hydropower projects. Sustainalytics views this to be aligned with market practice.
 - Geothermal facilities operating with life cycle emissions lower than 100 gCO₂e/kWh. This is aligned with market practice.
 - Electrical storage projects, including standalone batteries connected to the grid. Piraeus has communicated to Sustainalytics that the carbon intensity of the grid that the energy storage systems connect to may be higher than 100 gCO₂e/kWh. Sustainalytics acknowledges that fossil fuels still represent a significant portion of the energy mix in Greece, and energy storage systems are crucial for Greece's transition to renewable energy. Furthermore, Sustainalytics acknowledges that many of the country's islands are not connected to the mainland electricity grid and these islands still depend on oil-powered electricity. Sustainalytics further notes that the Greek government is focusing on boosting the overall use of renewable energy and aims to phase out most oil-based power generation by 2030 by interconnecting the Greek islands to the mainland electricity grid and deploying renewable energy on those islands.¹⁵ Considering the above, Sustainalytics recognizes the critical need to expand utility-scale storage systems to enable the expansion of renewable energy and Greece's energy transition, while also noting that the environmental benefit of storage systems depends on the carbon intensity of the grid to which they are connected, and

¹¹ BREEAM: <https://bregroup.com/products/breem/>

¹² Sustainalytics notes that the qualifying criterion for financing building acquisitions is for buildings to secure EPC rating B+ or above, while the threshold for new buildings increases to EPC rating A or above. Sustainalytics recognizes that 65% of residential buildings belong to classes E-G while only approximately 3% residential buildings in Greece have attained EPC rating B or above. Residential buildings built after 2012 may have obtained rating A+ to B, which correspond to 5% of the residential building stock. Therefore, considering the low number of EPC A and B in Greece's building stock, Sustainalytics views an EPC rating of B and above to be credible.

Androutopoulos, A. et al. (2020), "Implementation of the EPBD Greece", Centre for Renewable Energy Sources and Saving, at: <https://epbd-ca.eu/wp-content/uploads/2022/02/Implementation-of-the-EPBD-in-Greece-2020.pdf>;

Buildings Performance Institute Europe, "Factsheet: Greece – Current use of EPCs and potential links to iBROAD", (2017), at: http://bpie.eu/wp-content/uploads/2018/01/iBROAD_CountryFactsheet_GREECE-2018.pdf;

Dudler, N. (2024), "Energy Performance Certificates in Greece", Elxis, at: <https://elxis.com/energyperformancecertificates-in-greece/>

¹³ European Commission, "Energy Performance of Buildings Directive", at: https://energy.ec.europa.eu/topics/energy-efficiency/energy-efficient-buildings/energy-performance-buildings-directive_en

¹⁴ European Commission, "Annex to the Commission Delegated Regulation", (2021), at: https://ec.europa.eu/finance/docs/level-2-measures/taxonomy-regulation-delegated-act-2021-2800-annex-1_en.pdf

¹⁵ IEA, "Greece 2023", at: <https://www.iea.org/reports/greece-2023/executive-summary>

- that deploying such assets to carbon-intensive grids or associated systems may result in increased emissions. Sustainalytics therefore encourages Piraeus to prioritize instalments of storage systems on grids that follow a credible decarbonization pathway¹⁶ and to report on the positive impacts of such instalments, where feasible.
- Under the Energy Efficiency category, Piraeus may finance or refinance the following:
 - Energy-efficient LED lighting.
 - Electricity smart meters.
 - Installation, repair and maintenance of: i) energy-efficient equipment; ii) charging stations for electric vehicles; and iii) devices for measuring and regulating energy performance.
 - Piraeus has communicated to Sustainalytics that energy-efficient equipment may include thermal insulation of building envelopes, thermal insulation of windows and doors, ventilation systems and cooling systems. Piraeus has further communicated to Sustainalytics that devices for measuring and regulating energy performance will be aimed at improving energy efficiency in industrial processes.
 - Piraeus has communicated to Sustainalytics that financing of energy efficient equipment exclusively powered by fossil fuels will be excluded under the Framework. However, it may finance low-carbon solutions or energy efficiency equipment to be used primarily in cement, aluminium or iron and steel sectors as well as other potential hard-to-abate industries which are not mentioned in the Framework's exclusionary criteria. Piraeus has further confirmed to Sustainalytics that it will not finance projects related to the following industries: chemicals, aerospace, defense, mining, utilities producing electricity from coal, oil and gas. Piraeus has also communicated to Sustainalytics that financing of such energy efficiency equipment used in the hard-to-abate sectors will be restricted to assets that comply with the substantial contribution criteria for Climate Change Mitigation in the EU Taxonomy's Climate Delegated Act.¹⁷ Additionally, Piraeus has communicated to Sustainalytics that it is committed to assess the compatibility of project plans with decarbonization pathways, based on SBTi methodology or other relevant international initiatives.¹⁸
 - Examples of such low-carbon solutions used in hard-to-abate sectors may entail investments such as roof-top or ground-mounted PVs and ancillary energy storage systems, development of new, innovative products with a reduced life-cycle carbon footprint.
 - Sustainalytics is of the opinion that investments in energy efficiency measures for hard-to-abate sectors should contribute to the achievement of carbon intensities in line with a credible decarbonization pathway. While Piraeus has not indicated an exhaustive list of the industrial sectors in which such energy efficiency assets might be financed, Sustainalytics views positively that these energy efficiency measures will be limited to facilities that follow the thresholds for substantial contribution in the EU Taxonomy and considers expenditures under this category to be credible and impactful.
 - Under the Clean Transportation category, Piraeus may finance or refinance the development, manufacturing, construction or maintenance of the following:
 - Low-carbon shipping vessels that have zero direct tailpipe CO₂ emissions and are not dedicated to fossil fuel transportation. Piraeus has communicated to Sustainalytics that such shipping vessels may include passenger ships and cargo ships. Sustainalytics views this to be aligned with market practice.

¹⁶ Sustainalytics considers a transmission and distribution grid to be aligned with a credible decarbonization pathway if it meets either of the following criteria: i) more than 67% of the newly enabled generation installed capacity in the system is below the emissions threshold of 100 gCO₂e/kWh, measured on a life cycle basis in accordance with electricity generation criteria, over a rolling five-year period; or ii) the average system grid emissions factor is below the threshold of 100 gCO₂e/kWh over a rolling five-year period.

¹⁷ Piraeus intends to finance, in particular, energy efficiency equipment used in facilities which adhere to the SC criteria for the following activities in the EU Taxonomy Climate Delegated Act: i) 3.7 - Manufacture of cement; ii) 3.8 - Manufacture of aluminium and iii) 3.9 - Manufacture of iron and steel.

¹⁸ Piraeus has also communicated to Sustainalytics that it will evaluate assets to meet all the requirements of the ESRS and, in particular, Disclosure Requirement E1-1 – Transition plan for climate change mitigation and refer to alternative sources such as articles 19 and 20 of the Greek Climate Law (Law 4936/2022) for information on high carbon emitting sectors.

- Sea and coastal passenger or freight vessels and vessels for port operations and auxiliary activities operating on fuels from renewable sources. The Framework stipulates the following criteria:
 - Until 31 December 2025, vessels operating on zero direct (tailpipe) emissions fuels or on fuels from renewable sources will have an attained Energy Efficiency Design Index (EEDI) value 10 percentage points below the EEDI requirements. Sustainalytics considers this expenditure to be credible given its potential to support the transition towards decarbonization of the shipping sector and deliver positive environmental impacts.
 - Retrofits that reduce the vessel's fuel consumption by at least 15% in terms of grams of fuel per deadweight tonnes per nautical mile, as demonstrated by computational fluid dynamics, tank tests or similar engineering calculations until 31 December 2025. Sustainalytics recognizes that such financing may reduce fuel consumption of conventional sea vessels, fully running on conventional fossil-based fuels. While noting that the expenditure is in line with the EU Taxonomy Climate Delegated Act, Sustainalytics considers it to be an interim solution until 31 December 2025 and favours the use of low-carbon vessels in the long-term. Therefore, Sustainalytics encourages Piraeus to prioritize vessels that have the potential to run on low-carbon fuels in the long term.
 - Electric vehicles, including: i) vehicles for passenger transport; ii) light commercial vehicles; and iii) electric passenger buses. These will exclude vehicles dedicated to fossil fuel transportation. Sustainalytics views this to be aligned with market practice.
 - Electric charging stations. Sustainalytics views this to be aligned with market practice.
 - Sustainalytics notes that Piraeus excludes the following assets and activities from financing: i) fossil fuels; ii) weapons; iii) gambling; iv) tobacco; v) adult entertainment; vi) predatory lending; and vii) nuclear. Piraeus will also not finance companies whose operations impact UNESCO World Heritage sites in Greece and that operate within nature protected areas, such as Natura 2000 or Ramsar Convention wetlands, without complying with all legal and regulatory restrictions. Sustainalytics also notes that in the case of co-financing, the share of the project already financed by another entity will not be eligible.
- Project Evaluation and Selection:
 - Piraeus' Green Bond Working Group (GBWG) will be responsible for evaluating and selecting projects in line with the Framework's eligibility criteria. The GBWG includes representatives from the Corporate Development and ESG, Investor Relations, Sustainable Banking, Treasury, Risk Management and Finance departments.
 - Piraeus has an Environmental and Social Management System (ESMS) in place through which all loans undergo an environmental and social risk evaluation. Sustainalytics further notes that all loans financed are compliant with Piraeus' relevant internal lending procedures and policies as part of the evaluation process. For additional details, refer to Section 2.
 - Based on an established process for project evaluation and selection, and the presence of a risk management system, Sustainalytics considers this process to be in line with market practice.
- Management of Proceeds:
 - The GBWG will also be responsible for overseeing the management and allocation of proceeds. The net proceeds will be tracked using Piraeus' internal green bond register.
 - Piraeus intends to allocate proceeds within 24 months from issuance. Pending full allocation, unallocated proceeds will be temporarily held in accordance with Piraeus' usual liquidity management policy, including treasury liquidity portfolio, cash, time deposit with banks or other short-term liquid instruments.
 - Based on the presence of an internal tracking system and the disclosure of the temporary use of proceeds, Sustainalytics considers this process to be in line with market practice.
- Reporting:
 - Piraeus commits to report on the allocation and impacts of proceeds through an Annual Green Bond Report, which will be published on its website on an annual basis until full allocation.
 - Allocation reporting will include the total amount of bonds outstanding, total amount allocated to eligible green assets (with specific flagging for EU Taxonomy aligned assets), total amount allocated per eligible category, remaining unallocated total amount and amount or percentage

of new financing and refinancing. Moreover, Piraeus commits to have an external auditor or independent third party provide limited assurance report for the allocation of proceeds on an annual basis until full allocation.

- Piraeus intends to align its impact reporting with the ICMA Harmonised Framework for Impact Reporting.¹⁹ The impact metrics may include: environmental certification, the building’s annual primary energy consumption (in kWh/m²), the building’s annual estimated CO₂ emissions (in kg/m²), expected annual renewable energy generation (in MWh), estimated annual GHG emissions avoided or reduced (in tCO₂e), capacity stored (in MW), annual energy savings (in MWh), number of financed vessels with zero direct (tailpipe) CO₂ emissions and number of financed electric vehicles with zero direct (tailpipe) CO₂ emissions.
- Based on the commitment to both allocation and impact reporting, Sustainalytics considers this process to be in line with market practice.

Alignment with Green Bond Principles 2021

Sustainalytics has determined that the Piraeus Green Bond Framework aligns with the four core components of the GBP.

Alignment with the EU Taxonomy

Sustainalytics has assessed each of the Framework’s eligible use of proceeds criteria against the relevant criteria in the EU Taxonomy. For SC, please see Table 1. For Minimum Safeguards, please see below.

Table 1 provides an overview of the alignment of Piraeus’ Green Bond Framework with the applicable SC criteria of the EU Taxonomy.

Table 1: Summary of Alignment of Framework Criteria with the EU Taxonomy

EU Taxonomy Activities corresponding to Framework Criterion	Alignment with Technical Screening Criteria		Alignment per EU Environmental Objective					
	SC	DNSH	Mitigation	Adaptation	Water	Circular Economy	Pollution	Eco-systems
7.1 Construction of new buildings	□	*						
7.2 Renovation of existing buildings	■	*						
7.7 Acquisition and ownership of buildings	□	*						
3.1 Manufacture of renewable energy technologies	■	*						
4.1 Electricity generation using solar photovoltaic technology	■	*						
4.3 Electricity generation from wind power	■	*						
4.5 Electricity generation from hydropower	■	*						

¹⁹ ICMA, “Handbook: Harmonised Framework for Impact Reporting”, (2023), at: <https://www.icmagroup.org/assets/documents/Sustainable-finance/2023-updates/Handbook-Harmonised-framework-for-impact-reporting-June-2023-220623.pdf>

4.6 Electricity generation from geothermal energy	■	*						
4.10 Storage of electricity	■	*						
4.11 Storage of thermal energy	■	*						
7.6 Installation, maintenance and repair of renewable energy technologies	■	*						
7.3 Installation, maintenance, and repair of energy efficiency equipment	■	*						
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	■	*						
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	■	*						
6.3 Urban and suburban transport, road passenger transport	■	*						
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	■	*						
6.11 Sea and coastal passenger water transport	■	*						
6.12 Retrofitting of sea and coastal freight and passenger water transport	■	*						
6.15 Infrastructure enabling low-carbon road transport and public transport	■	*						

Legend	
Aligned	■
Partially aligned	▣
Not aligned	☒
Not applicable	—
Not assessed	*
Grey shading indicates the primary EU Environmental Objective	

Alignment with the EU Taxonomy's Minimum Safeguards

The EU Taxonomy recommends that companies have policies aligned with international and regional guidelines and regulations pertaining to human rights, labour rights, and combating bribery and corruption. Specifically, activities should be carried out in alignment with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. Additionally, companies should be in compliance with the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.

Human and Labour Rights

Piraeus has implemented the following policies and procedures regarding human and labour rights:

- As a signatory to the UN Global Compact, Piraeus is committed to issues related to human rights, working conditions and anti-corruption.²⁰ Additionally, Piraeus has signed the UN Women's

²⁰ Piraeus Financial Holdings, "Sustainability & Business Report 2022", (2023), at: <https://annual-report.piraeusholdings.gr/>

Empowerment Principles and follows a set of principles that offer guidance to businesses on how to promote gender equality and women's empowerment in the workplace, marketplace and community.²¹ As part of its commitment to the UN Principles for Responsible Banking, Piraeus aims to align its banking activities with the 17 UN Sustainable Development Goals (SDGs) and the Paris Agreement.^{22, 23}

- Piraeus also addresses human and labour rights with internal policies. Piraeus' Human Rights Policy outlines Piraeus' commitment to equal opportunities for all employees regardless of sex, race, colour, religion, sexual orientation, nationality and physical ability. Moreover, the policy upholds the right to collective representation; promotes health and safety, and open communication; ensures that grievance reporting and resolution mechanisms are in place; and respects confidentiality.²⁴
- Piraeus has communicated to Sustainalytics that as part of its ESMS, Piraeus assesses the background of its customers, shareholders and involved parties in relation to environmental and social violations, leveraging all publicly available information.

Sustainalytics has not detected involvement in any relevant controversies that would suggest that the above policies are not being implemented effectively. Sustainalytics is of the opinion that these measures appropriately safeguard minimum standards on human and labour rights in relation to the activities of the Framework.

Anti-bribery and anti-corruption

Piraeus has implemented the following policies and procedures in relation to anti-bribery and anti-corruption:

- Piraeus is a signatory and member to the UN Global Compact and UN Principles for Responsible Banking, integrating anti-corruption, transparency and accountability measures into Piraeus' business operations.²⁵
- Piraeus Anti-Bribery Policy explicitly prohibits the offering or provision of any incentive for the acceptance or rendering of bribery either in cash or other goods to and from any natural or legal person or scheme or entity. The Anti-Bribery Policy is applicable to all staff members of Piraeus, its subsidiaries and related legal entities and their staff.²⁶
- To detect and act on any irregularities or punishable acts, Piraeus has established a Whistleblowing Policy, which also protects anonymity of the whistleblower.²⁷

Sustainalytics has not detected involvement in any relevant controversies that would suggest that the above policies are not being implemented effectively. Sustainalytics is of the opinion that these measures appropriately safeguard anti-bribery and anti-corruption in relation to the activities of the Framework.

Based on these policies, Sustainalytics is of the opinion that Piraeus' policies, guidelines and commitments are sufficient to demonstrate that the activities and projects to be financed under the Framework will be carried out in alignment with the EU Taxonomy's Minimum Safeguards.

Section 2: Sustainability Strategy of Piraeus

Contribution to Piraeus' sustainability strategy

Sustainalytics is of the opinion that Piraeus demonstrates a commitment to sustainability by focusing on sustainable development, social contribution and responsible banking behaviour.²⁸ Piraeus has communicated to Sustainalytics that it has been publishing an annual report on corporate responsibility and sustainable development since 2005, outlining its sustainability goals, achievements and targets, and reporting on Piraeus' emissions.

²¹ Ibid.

²² Ibid.

²³ UNEP FI, "About the Principles", at: <https://www.unepfi.org/banking/more-about-the-principles/>

²⁴ Piraeus Financial Holdings, "Human Rights Policy", at: <https://www.piraeusholdings.gr/en/human-resources/human-resource-management/human-rights-policy>

²⁵ Piraeus Financial Holdings, "Sustainability & Business Report 2022", (2023), at: <https://annual-report.piraeusholdings.gr/>

²⁶ Piraeus Financial Holdings, "Anti-Bribery Policy", (2023), at: <https://www.piraeusholdings.gr/~media/Com/2022/Files/investors/Financials/Financial-Statements/PFH-Group-Anti-Bribery-and-Corruption-Policy-En.pdf>

²⁷ Piraeus Financial Holdings, "Whistleblowing Policy", (2023), at: <https://www.piraeusholdings.gr/~media/Com/2023/Files/Investors/Corporate-Governance/docs2023/Board/Whistleblowing-Policy-PFH-En.pdf>

²⁸ Piraeus Financial Holdings, "Purpose & Values", at: <https://www.piraeusholdings.gr/en/group-profile/purpose-and-values>

Piraeus has also established an ESG strategy that guides its performance on key ESG issues and aims to promote responsible and sustainable banking.²⁹ As part of its strategy, Piraeus also aligns its practices with UN Principles for Responsible Banking³⁰ and aligns its strategy and decision-making with the UN SDGs and Paris Agreement.³¹ In 2022, Piraeus set a target to achieve net zero emissions by 2050 and reduce its scope 1 and 2 emissions by 73% by 2030 against a 2019 baseline; the intermediate emissions reduction target for 2030 was validated by the Science Based Targets initiative³² in December 2022.³³ In 2018, Piraeus Bank received Guarantees of Origin certifying that 100% of the electricity consumed in the Bank's facilities were derived from renewable energy sources. As part of Piraeus' new business plan announced in 2024, Piraeus has set a target for its sustainable financing transactions to reach EUR 5 billion by 2026 and EUR 10 billion by 2030.³⁴

Sustainalytics is of the opinion that the Piraeus Green Bond Framework is aligned with Piraeus' overall sustainability strategy and initiatives, and may further support Piraeus' actions on its key environmental priorities.

Approach to managing environmental and social risks associated with the projects

Sustainalytics recognizes that the proceeds from the instruments issued under the Framework will be directed towards eligible projects that are expected to have positive environmental impacts. However, Sustainalytics is aware that such eligible projects could also lead to negative environmental and social outcomes. Some key environmental and social risks possibly associated with the eligible projects include issues involving: i) emissions, effluents and waste; ii) land use and biodiversity loss associated with large-scale infrastructure projects; iii) occupational health and safety; iv) business ethics and responsible lending; and v) community relations. Sustainalytics notes that Piraeus plays a limited role in the development of projects and the assets being financed, but it remains exposed to risks associated with projects it may finance by offering lending and financial services.

Sustainalytics is of the opinion that Piraeus is able to manage or mitigate potential risks through implementation of the following:

- To mitigate environmental and social risks, Piraeus assesses and validates every proposed project through its ESMS, which helps determine and mitigate exposure to environmental and social risks associated with the projects. As part of the assessment, Piraeus conducts environmental and social risk assessments, and financial and technical assessments by investigating key aspects, such as technologies adopted, infrastructure capacity, skills and experience.³⁵ Additionally, Piraeus has developed a questionnaire for its customers regarding environmental and social matters in the customer's business activities. This questionnaire includes topics such as significant accidents or incidents with significant environmental damage, fines or penalties as a result of non-compliance with environmental regulations; potential health, safety and environmental liabilities; and environmentally sensitive areas.³⁶ Piraeus has also developed the Climabiz Tool, which aids in assessing borrowers' climate risks in monetary terms by using the Climate Risk Management Model, a proprietary methodology developed by Piraeus. The tool estimates physical and transitional risks based on the borrower's turnover and general operational and technical features of their respective business activity.³⁷
- Regarding risks related to emissions, effluents and waste, as well as land use and biodiversity, Sustainalytics notes that the projects financed in the EU are expected to comply with the requirements of EU Directive 2014/52/EU on environmental impact assessments, which requires projects that are likely to have significant impacts on the environment to be adequately assessed before approval. It also requires adequate measures in place to avoid, prevent, reduce and, if possible, offset significant adverse effects on the environment, particularly on species and habitats. For projects requiring significant land use, the directive mandates an environmental impact

²⁹ Piraeus Financial Holdings, "Strategy and Performance on Environment Society & Governance (ESG)", (2021), at: <https://www.piraeusholdings.gr/~media/Com/2021/Files/Environment-Society/SustainabilityFactSheet21x21engfinal22721web.pdf>

³⁰ UNEP FI, "Principles for Responsible Banking", at: <https://www.unepfi.org/banking/bankingprinciples/>

³¹ Piraeus Financial Holdings, "Strategy and Performance on Environment Society & Governance (ESG)", (2021), at: <https://www.piraeusholdings.gr/~media/Com/2021/Files/Environment-Society/SustainabilityFactSheet21x21engfinal22721web.pdf>

³² Science Based Targets initiative, "How it works", at: <https://sciencebasedtargets.org/how-it-works>

³³ Piraeus Financial Holdings, "Sustainability & Business Report 2022", (2023), at: <https://annual-report.piraeusholdings.gr/>

³⁴ Piraeus Financial Holdings, "FY.23 Corporate Presentation", (2024), at: https://www.piraeusholdings.gr/~media/Com/2023/Files/Investors/Financials/Financial-Results/FY_23_Corporate-Presentation_Apr24.pdf

³⁵ Piraeus Financial Holdings, "Sustainability & Business Report 2022", (2023), at: <https://annual-report.piraeusholdings.gr/>

³⁶ Ibid.

³⁷ Piraeus Financial Holdings, "Climate Risk Assessment", at: <https://www.piraeusholdings.gr/en/sustainable-banking/environment-and-society/environment/environmental-fields-of-action/climate-risk-assessment>

assessment, with large-scale projects also required to limit impacts on land and soil, including organic matter, erosion, compaction and sealing.³⁸

- Regarding risks related to occupational health and safety, Piraeus commits to adhering to EU Directive 89/391/EEC related to workers' health and safety. The directive establishes minimum safety and health requirements and requires employers to implement necessary measures to prevent occupational risks, improve working conditions and provide adequate instructions and training, among other health and safety provisions at the workplace.³⁹
- To mitigate risks related to business ethics, Piraeus has established the Code of Conduct and Ethics, which applies to Piraeus' employees, board members and senior executives, and defines a framework of behaviour.⁴⁰ Additionally, Piraeus has had a Human Rights Policy⁴¹ in place since 2007, which upholds principles such as equal opportunities for all employees, right to collective representation, health and safety, condemnation of violence and harassment, grievance reporting and resolution.⁴² Piraeus has also established a Whistleblowing Policy to detect any irregularities or punishable acts with respect to Piraeus' operations and violations to the Piraeus Code of Conduct and Ethics.⁴³
- Piraeus has identified customers, employees, shareholders, local NGOs and communities as its key stakeholders. To mitigate risks related to community relations, Piraeus promotes ongoing dialogue with these stakeholders, conducts materiality surveys and holds focus group discussions. Piraeus has also established a grievance mechanism to receive and facilitate the resolution of stakeholders' concerns and grievances about Piraeus' environmental and social performance.⁴⁴
- Piraeus is a member of the United Nations Environment Programme Finance Initiative (UNEP FI)⁴⁵ and signed the UNEP FI Principles for Responsible Banking in 2019, highlighting its commitment to strategically align its business with the UN SDGs and the Paris Agreement.⁴⁶ Piraeus is also a signatory to the UN Global Compact, which provides guidelines on upholding human rights, eliminating unfair labour practices and promoting environmental sustainability; and to the UN Women's Empowerment Principles, which focus on strengthening and promoting gender equality in workplace.^{47, 48}
- In addition to the above, Sustainalytics notes that the financing under the Framework will take place primarily in Greece, which is categorized as a Designated Country under the Equator Principles, indicating strong environmental and social governance legislation systems and institutional capacity to mitigate common environmental and social risks.⁴⁹

Based on these policies, standards and assessments, Sustainalytics is of the opinion that Piraeus has implemented adequate measures and is well positioned to manage and mitigate environmental and social risks commonly associated with the eligible categories.

Section 3: Impact of Use of Proceeds

All use of proceeds categories are aligned with those recognized by the GBP. Sustainalytics has focused below on a category where the impact is specifically relevant in the local context.

Importance of financing renewable energy projects in Greece

The energy sector contributes more than 75% to the EU's GHG emissions, making increased renewable energy use across industries important for the EU to achieve its climate and clean energy objectives.⁵⁰ As part of its

³⁸ European Commission, "Directive 2014/52/EU on the assessment of the effects of certain public and private projects on the environment", (2014), at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0052>

³⁹ European Commission, "Council Directive of 12 June 1989", (1989), at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:31989L0391&from=FR>

⁴⁰ Piraeus Financial Holdings, "Code of Conduct & Ethics", at: <https://www.piraeusholdings.gr/en/human-resources/human-resource-management/code-of-conduct-ethics>

⁴¹ Piraeus Financial Holdings, "Human Rights Policy", at: <https://www.piraeusholdings.gr/en/human-resources/human-resource-management/human-rights-policy>

⁴² Ibid.

⁴³ Piraeus Financial Holdings, "Whistleblowing Policy", (2023), at: https://www.piraeusholdings.gr/~/_media/Com/2023/Files/Investors/Corporate-Governance/docs2023/Board/Whistleblowing-Policy-PFH-En.pdf

⁴⁴ Piraeus Financial Holdings Group, "Sustainability & Business Report 2022", (2023), at: <https://annual-report.piraeusholdings.gr/>

⁴⁵ UNEP FI, "About us", at: <https://www.unepfi.org/about/>

⁴⁶ Piraeus Financial Holdings Group, "Sustainability & Business Report 2022", (2023), at: <https://annual-report.piraeusholdings.gr/>

⁴⁷ UN Global Compact, "Piraeus Financial Holdings S.A.", at: <https://unglobalcompact.org/what-is-gc/participants/7432-Piraeus-Financial-Holdings-S-A->

⁴⁸ Women's Empowerment Principles, "Piraeus Bank SA", at: <https://www.weps.org/company/piraeus-bank-sa>

⁴⁹ Equator Principles, "About the Equator Principles", at: <https://equator-principles.com/about-the-equator-principles/>

⁵⁰ European Commission, "Renewable energy targets" at: https://energy.ec.europa.eu/topics/renewable-energy/renewable-energy-directive-targets-and-rules/renewable-energy-targets_en

goal to achieve climate neutrality by 2050, the European Commission has committed to reducing GHG emissions by 55% by 2030 relative to 1990 levels.⁵¹ In May 2022, the European Commission released its REPowerEU Plan,⁵² aiming to save energy, produce clean energy and diversify its energy supplies. Based on the REPowerEU Plan, the EU proposed to review its Renewable Energy Directive in March 2023 to increase the target share of renewable energy in the EU to 42.5% for 2030, with an ambition to reach 45%.⁵³

Historically, Greece has been heavily dependent on lignite for its energy supply.⁵⁴ In 2022, more than 50% of Greece’s total installed electricity generation capacity came from fossil fuels, including coal (11.6%) and natural gas (38.1%).⁵⁵ To align its energy sector plans with the EU’s commitment to renewable energy, Greece launched the National Energy and Climate Plan (NECP) in 2019, revised it in 2023 and also adopted the National Climate Law in 2022.^{56,57} According to the National Climate Law, Greece aims to reduce total greenhouse gas (GHG) emissions by 55% by 2030, by 80% by 2040 and become a climate-neutral economy by 2050.⁵⁸ As part of the NECP, Greece has also committed to a lignite phase-out, under which it plans to shut down its lignite power plants by 2028.⁵⁹ The revised NECP also has a special emphasis on GHG reductions in electricity generation, as more than two-thirds of GHG emissions reductions between 2020 and 2030 will come from the electricity generation sector.⁶⁰ The NECP also aims to have a balanced mix of solar and wind energy covering 80% of electricity generation by 2030, and aims to prioritize near-zero CO₂ emissions from energy production immediately after 2035.⁶¹ The Greek government estimates that it will need EUR 43.8 billion in investments to achieve the NECP 2030 targets from 2021 to 2030.⁶² However, to achieve its GHG reduction targets under the NECP, Greece will have to further continue reducing its use of non-renewable energy sources and promote renewable energy.⁶³

Considering the above, Sustainalytics is of the opinion that the renewable energy projects financed under the Framework will contribute to Greece’s renewable energy targets and the country’s transition to a low-carbon economy.

Contribution to SDGs

The Sustainable Development Goals were adopted in September 2015 by the United Nations General Assembly and form part of an agenda for achieving sustainable development by 2030. The instruments issued under the Piraeus Green Bond Framework are expected to help advance the following SDGs and targets:

Use of Proceeds Category	SDG	SDG target
Green Buildings	11. Sustainable Cities and Communities	11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management
Renewable Energy	7. Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix
Energy Efficiency	7. Affordable and Clean Energy	7.3 By 2030, double the global rate of improvement in energy efficiency
	9. Build Resilient Infrastructure, Promote	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with

⁵¹ European Commission, “2030 climate targets”, at: https://climate.ec.europa.eu/eu-action/climate-strategies-targets/2030-climate-targets_en

⁵² European Commission, “REPowerEU: Affordable, secure and sustainable energy for Europe”, at: https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal/repowereu-affordable-secure-and-sustainable-energy-europe_en

⁵³ Ibid.

⁵⁴ IEA, “Greece 2023: Energy Policy Review”, (2023), at: <https://iea.blob.core.windows.net/assets/5dc74a29-c4cb-4cde-97e0-9e218c58c6fd/Greece2023.pdf>

⁵⁵ IEA, “Greece”, at: <https://www.iea.org/countries/greece>

⁵⁶ European Commission, “Greece - Draft Updated NECP 2021-2030”, (2023), at: https://commission.europa.eu/publications/greece-draft-updated-necp-2021-2030_en

⁵⁷ IEA, “Greece 2023: Energy Policy Review”, (2023), at: <https://iea.blob.core.windows.net/assets/5dc74a29-c4cb-4cde-97e0-9e218c58c6fd/Greece2023.pdf>

⁵⁸ Ibid.

⁵⁹ European Commission, “Greece - Draft Updated NECP 2021-2030”, (2023), at: https://commission.europa.eu/publications/greece-draft-updated-necp-2021-2030_en

⁶⁰ Ibid.

⁶¹ Ibid.

⁶² IEA, “Greece 2023: Energy Policy Review”, (2023), at: <https://iea.blob.core.windows.net/assets/5dc74a29-c4cb-4cde-97e0-9e218c58c6fd/Greece2023.pdf>

⁶³ Ibid.

	Inclusive and Sustainable Industrialization and Foster Innovation	increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities
Clean Transportation	11. Sustainable Cities and Communities	11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons

Conclusion

Piraeus has developed the Piraeus Green Bond Framework, under which it intends to issue green bonds and use the proceeds to finance green building, renewable energy, energy efficiency and clean transportation projects that are expected to contribute to a low-carbon economy in Greece. Sustainalytics considers that the projects funded by the green finance proceeds are expected to have positive environmental impacts.

The Piraeus Green Bond Framework outlines a process for the tracking, allocation and management of proceeds and makes commitments for reporting on the allocation and impacts. Sustainalytics considers the Framework to be aligned with the overall sustainability strategy of Piraeus and that the use of proceeds will contribute to the advancement of UN Sustainable Development Goals 7, 9 and 11. Additionally, Sustainalytics is of the opinion that Piraeus has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects.

Sustainalytics has assessed the Framework for alignment with the EU Taxonomy's criteria for Substantial Contribution (SC) to its environmental objectives and Minimum Safeguards. For more details, please see Section 1 and Appendix 1.

Based on the above, Sustainalytics is confident that Piraeus is well positioned to issue green bonds and that the Piraeus Green Bond Framework is robust, transparent and in alignment with the four core components of the Green Bond Principles 2021.

Appendices

Appendix 1: Approach to Assessing Alignment with the EU Taxonomy

Sustainalytics has assessed each of the eligible green use of proceeds criteria in the Framework against the criteria for the relevant activity in the EU Taxonomy. This appendix describes Sustainalytics’ process and presents the outcome of its assessment of alignment with the Taxonomy’s applicable technical screening criteria for substantial contribution (SC) to an environmental objective of the EU Taxonomy. Sustainalytics’ assessment involves two steps:

1. Mapping Framework Criteria to Activities in the EU Taxonomy

The initial step in Sustainalytics’ assessment process involves mapping each criterion in the Framework to a relevant and applicable activity in the EU Taxonomy. Note that each Framework criterion may be relevant and applicable to more than one activity in the EU Taxonomy and vice versa. Sustainalytics recognizes that some Framework criteria relate to projects that do not map well to a specific activity in the EU Taxonomy. In such cases, Sustainalytics has mapped to the activity that is most relevant with respect to the primary environmental objective established in the EU Taxonomy.

In some cases, the Framework criteria cannot be mapped to an activity in the EU Taxonomy, as some activities are not yet covered by the EU Taxonomy. In other cases, some categories which are traditionally included in green bonds may not be associated with a specific EU Taxonomy activity. While recognizing that financing projects in these areas may still have environmental benefits, Sustainalytics has not assessed these criteria for alignment.

Table 2 below displays the outcome of Sustainalytics’ mapping process for this report.

2. Determining Alignment with EU Taxonomy Criteria

The second step in Sustainalytics’ process is to determine the alignment of each criterion with relevant criteria in the EU Taxonomy. Alignment with the SC criteria is usually based on the specific criteria contained in the issuer’s Framework, and may in many cases also be based on management systems and processes or regulatory compliance. To assess alignment with the EU Taxonomy’s Minimum Safeguards, Sustainalytics has conducted an assessment of policies, management systems and processes applicable to the use of proceeds criteria, including the regulatory context in the geographical location of activities and projects. (See Section 1, above.)

Sustainalytics’ detailed assessment of alignment is provided in Appendix 2.

Table 2: Framework mapping table

Framework Category	Framework Criterion (Eligible Use of Proceeds)	EU Taxonomy Activity	Corresponding NACE Code	Environmental Objective	Refer to Table
Green Buildings	Loans to finance new residential and commercial buildings	7.1 Construction of new buildings	F41.1, F41.2 and F43	Mitigation	Table 3
	Loans to finance renovations of buildings	7.2. Renovation of existing buildings	F41 and F43		Table 4
	Loans to finance existing residential and commercial buildings	7.7. Acquisition and ownership of buildings	L68		Table 5
Renewable Energy	Development, Manufacturing, Construction, Installation, Operation and Maintenance of Renewable Energy Projects	3.1. Manufacture of renewable energy technologies	C25, C27 and C28	Mitigation	Table 6

	Solar Energy	4.1. Electricity generation using solar photovoltaic technology	D35.11 and F42.22		Table 7
	Wind Energy	4.3. Electricity generation from wind power			Table 8
	Hydropower	4.5. Electricity generation from hydropower			Table 9
	Geothermal Energy	4.6. Electricity generation from geothermal energy			Table 10
	Energy Storage	4.10. Storage of electricity	No dedicated NACE code		Table 11
		4.11. Storage of thermal energy	No dedicated NACE code		Table 12
		7.6 Installation, maintenance and repair of renewable energy technologies	F42, F43, M71, C16, C17, C22, C23, C25, C27 and C28		Table 13
Energy and Resource Efficiency	Installation, repair or maintenance of energy efficient equipment	7.3. Installation, maintenance, and repair of energy efficiency equipment	F42, F43, M71, C16, C17, C22, C23, C25, C27, C28, S95.21, S95.22, C33.12	Mitigation	Table 14
	Installation, repair or maintenance of EV charging stations	7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	F42, F43, M71, C16, C17, C22, C23, C25, C27 or C28		Table 15
	Energy Efficient Lighting (LED lighting) and Electricity smart meters	7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	F42, F43, M71, and C16, C17, C22, C23, C25, C27, C28		Table 16
Clean Transportation	Passenger or freight vessels running on zero direct (tailpipe) CO ₂ emissions and are not dedicated to fossil fuels transportation	6.3. Urban and suburban transport, road passenger transport	H49.31, H49.3.9, N77.39 and N77.11	Mitigation	Table 17
		6.5. Transport by motorbikes, passenger cars and light commercial vehicles	H49.32, H49.39 and N77.11		Table 18
	Sea and coastal passenger or freight vessels as well as	6.11. Sea and coastal passenger water transport	H49.32, H49.39 and N77.11		Table 19

	vessels for port operations and auxiliary activities				
	Retrofitting or upgrade of sea and coastal passenger or freight vessels	6.12. Retrofitting of sea and coastal freight and passenger water transport	H50.10, H50.2, H52.22, C33.15, N77.21 and N.77.34		Table 20
	Infrastructure for zero direct emissions transport	6.15. Infrastructure enabling low-carbon road transport and public transport	F42.11, F42.13, M71.12 and M71.20		Table 21

Appendix 2: Comprehensive EU Taxonomy Alignment Assessment

The tables below provide a detailed assessment of the alignment of the Framework criteria with the technical screening criteria for substantial contribution to an environmental objective for each relevant EU Taxonomy activity.

Table 3

Framework Activity assessed	Loans to finance new residential and commercial buildings	
EU Taxonomy Activity	7.1 Construction of new buildings	
Corresponding NACE Code	F41.1, F41.2 and F43	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<ol style="list-style-type: none"> 1. Piraeus has confirmed to Sustainalytics that the PED, defining the energy performance of the building resulting from the construction, is at least 10% lower than the threshold set for the NZEB requirements in national measures implementing Directive 2010/31/EU of the European Parliament and of the Council. The energy performance is certified using an as-built EPC. 2. Sustainalytics notes that Piraeus has not identified projects where the building financed is larger than 5,000 m² and hence, is unable to provide information at this stage regarding testing done for airtightness and thermal integrity and how the GWP is calculated and disclosed to investors and clients. However, Piraeus has confirmed that it intends to comply with the applicable SC criteria (2) and (3) in the future. Sustainalytics encourages Piraeus to update this EU Taxonomy assessment to include such projects, should they be financed in the future. <p>Under the Framework, Piraeus may alternatively rely on green building certifications, including LEED (Gold or Platinum), Energy Star (85 or above), BREEAM (Excellent or above) or EPC class B+ or higher. Regarding certification schemes, as of April 2024, the EU Taxonomy has not specified the conditions on which green building certifications align with the TSC.</p> <p>Given that: i) the Framework's eligibility criteria partially align with the applicable SC criteria, and ii) the limitations of green building certifications to demonstrate alignment with the EU Taxonomy, Sustainalytics considers this activity to be overall partially aligned with the EU Taxonomy criteria.</p>	Partially Aligned

Table 4

Framework Activity assessed	Loans to finance renovations of buildings	
EU Taxonomy Activity	7.2. Renovation of existing buildings	
Corresponding NACE Code	F41 and F43	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	In the case of major building renovations, Piraeus has confirmed to Sustainalytics that the building renovations comply with the applicable requirements for major renovations. Alternatively, Piraeus has confirmed that the renovation leads to a reduction in PED of at least 30%. Sustainalytics views investments under this activity to be aligned with the applicable criteria.	Aligned

Table 5

Framework Activity assessed	Loans to finance new and existing residential and commercial buildings	
EU Taxonomy Activity	7.7. Acquisition and ownership of buildings	
Corresponding NACE Code	L68	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<ol style="list-style-type: none"> 1. For buildings built before 31 December 2020, Sustainalytics notes that, per the Framework eligibility criteria, the building will have an EPC class A. Alternatively, the Framework outlines that the building is within the top 15% of the national building stock, expressed as operational PED. 2. For buildings built after 31 December 2020, the Framework outlines that the PED is at least 10% lower than the threshold set in the national NZEB requirements. Sustainalytics notes that this in line with the criteria specified in Section 7.1 of the Annex of the Climate Delegated Act that are relevant at the time of the acquisition. 3. Where the building is a large non-residential building (with an effective rated output for heating systems, systems for combined space heating and ventilation, air conditioning systems or systems for combined air conditioning and ventilation of over 290 kW), the Framework outlines that it is efficiently operated through energy performance monitoring and assessment. Sustainalytics notes that Piraeus has not identified projects related to this activity yet and, hence, is unable to demonstrate how the building is operating efficiently through energy performance monitoring and assessment at this stage. However, Piraeus has confirmed that it intends to comply with the applicable SC criteria in the future. Sustainalytics encourages Piraeus to update this EU Taxonomy assessment to include such projects, should they be financed in the future. <p>Under the Framework, Piraeus may alternatively rely on green building certifications, including LEED (Gold or Platinum), Energy Star (85 or above), BREEAM (Excellent or above) or EPC class B+ or higher. Regarding certification schemes, as of April 2024, the EU Taxonomy has not specified the conditions on which green building certifications align with the TSC.</p> <p>Based on the above, Sustainalytics views this Framework activity to be partially aligned with the applicable criteria.</p>	Partially Aligned

Table 6

Framework Activity assessed	Loans to finance the equipment, development, manufacturing, construction and operation of renewable energy generation sources	
EU Taxonomy Activity	3.1. Manufacture of renewable energy technologies	
Corresponding NACE Code	C25, C27 and C28	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	Sustainalytics notes that Piraeus will finance the manufacturing of renewable energy technologies from renewable energy generation sources, including solar photovoltaic (PV), hydropower and geothermal, per Article 2(1) of Directive (EU) 2018/2001. This is eligible by default.	Aligned

Table 7

Framework Activity assessed	Loans to finance the equipment, development, manufacturing, construction and operation of renewable energy generation sources	
EU Taxonomy Activity	4.1. Electricity generation using solar photovoltaic technology	
Corresponding NACE Code	D35.11 and F42.22	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	The Framework includes the financing of electricity generation using solar PV technology, which is eligible by default.	Aligned

Table 8

Framework Activity assessed	Loans to finance the equipment, development, manufacturing, construction and operation of renewable energy generation sources	
EU Taxonomy Activity	4.3. Electricity generation from wind power	
Corresponding NACE Code	D35.11 and F42.22	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	The Framework includes the financing of electricity generation using wind power, including offshore and onshore wind power, which is eligible by default.	Aligned

Table 9

Framework Activity assessed	Loans to finance the equipment, development, manufacturing, construction and operation of renewable energy generation sources	
EU Taxonomy Activity	4.5. Electricity generation from hydropower	
Corresponding NACE Code	D35.11 and F42.22	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>The eligibility criteria defined in the Framework are aligned with the criteria under the EU Taxonomy.</p> <p>Sustainalytics notes that the applicable SC criteria (c) is met whereby the life cycle GHG emissions of the facility is lower than 100 gCO₂e/kWh. Piraeus has confirmed that the life cycle GHG emissions are calculated using Commission Recommendation 2013/179/EU or, alternatively, ISO 14067:2018, ISO 14064-1:2018 or the G-res tool. Piraeus has further confirmed that the quantified life cycle GHG emissions are verified by an independent third party.</p> <p>Based on the above, Sustainalytics views this to be aligned with the EU Taxonomy criteria.</p>	Aligned

Table 10

Framework Activity assessed	Loans to finance the equipment, development, manufacturing, construction and operation of renewable energy generation sources	
EU Taxonomy Activity	4.6. Electricity generation from geothermal energy	
Corresponding NACE Code	D35.11 and F42.22	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>Sustainalytics notes the following per the eligibility criteria defined in the Framework:</p> <ul style="list-style-type: none"> a) The life cycle emissions from the operating geothermal facilities are lower than 100 gCO₂e/kWh. b) Piraeus has confirmed that life cycle GHG emissions savings will be calculated using Commission Recommendation 2013/179/EU or, alternatively, ISO 14067:2018 or ISO 14064-1:2018. c) Piraeus has confirmed that the quantified life cycle GHG emissions will be verified by an independent third party. <p>Based on the above, Sustainalytics views this to be aligned with the EU Taxonomy criteria.</p>	Aligned

Table 11

Framework Activity assessed	Loans to finance the construction, installation, maintenance and operation of electrical storage	
EU Taxonomy Activity	4.10. Storage of electricity	
Corresponding NACE Code	The economic activities in this category have no dedicated NACE code as referred to in the statistical classification of economic activities established by Regulation (EC) No 1893/2006.	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>The eligibility criteria defined in the Framework are aligned with the criteria under the EU Taxonomy.</p> <p>The activity is the construction and operation of electricity storage, including pumped hydropower storage. Piraeus has confirmed Sustainalytics that the Framework does not include chemical storage.</p>	Aligned

Table 12

Framework Activity assessed	Loans to finance construction, installation, maintenance and operation of electrical storage	
EU Taxonomy Activity	4.11. Storage of thermal energy	
Corresponding NACE Code	The economic activities in this category have no dedicated NACE code as referred to in the statistical classification of economic activities established by Regulation (EC) No 1893/2006.	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	Piraeus has confirmed compliance with the criteria mentioned under this activity.	Aligned

Table 13

Framework Activity assessed	Loans to finance the construction, installation, maintenance and operation of electrical storage	
EU Taxonomy Activity	7.6 Installation, maintenance and repair of renewable energy technologies	
Corresponding NACE Code	F42, F43, M71, C16, C17, C22, C23, C25, C27 and C28	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>Piraeus may finance the following activities as per the applicable SC criteria:</p> <p>(a) installation, maintenance and repair of solar photovoltaic systems and the ancillary technical equipment; (d) installation, maintenance and repair of wind turbines and the ancillary technical equipment; and (f) installation, maintenance and repair of thermal or electric energy storage units and the ancillary technical equipment under this activity.</p> <p>Piraeus has confirmed that all projects financed will comply with the criteria mentioned under this activity</p>	Aligned

Table 14

Framework Activity assessed	Loans related to assets that contribute to a reduction of energy consumption	
EU Taxonomy Activity	7.3. Installation, maintenance, and repair of energy efficiency equipment	
Corresponding NACE Code	F42, F43, M71, C16, C17, C22, C23, C25, C27, C28, S95.21, S95.22 and C33.12	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>Piraeus has communicated to Sustainalytics that it intends to finance all individual measures (a) to (f) of the applicable SC criteria and it has committed to adhere to the SC criteria. Hence, Sustainalytics views this activity to be aligned with the EU Taxonomy criteria.</p>	Aligned

Table 15

Framework Activity assessed	Loans related to assets that contribute to a reduction of energy consumption	
EU Taxonomy Activity	7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	
Corresponding NACE Code	F42, F43, M71, C16, C17, C22, C23, C25, C27 or C28	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>Piraeus has confirmed that it intends to finance the installation, maintenance or repair of charging stations for electric vehicles, which is eligible by default.</p>	Aligned

Table 16

Framework Activity assessed	Loans related to assets that contribute to a reduction of energy consumption	
EU Taxonomy Activity	7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	
Corresponding NACE Code	F42, F43, M71, and C16, C17, C22, C23, C25, C27, C28	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>Piraeus may finance the following individual measures as per the applicable SC criteria:</p> <p>(b) installation, maintenance and repair of building automation and control systems, building energy management systems (BEMS), lighting control systems and energy management systems (EMS); and</p> <p>(c) installation, maintenance and repair of smart meters for gas, heat, cool and electricity under this activity.</p> <p>Given Piraeus' commitment to adhere to the applicable SC criteria, Sustainalytics views this to be aligned with the EU Taxonomy criteria.</p>	Aligned

Table 17

Framework Activity assessed	Loans related to the development, manufacturing construction or maintenance of low-carbon shipping rolling stock	
EU Taxonomy Activity	6.3. Urban and suburban transport, road passenger transport	
Corresponding NACE Code	H49.31, H49.3.9, N77.39 and N77.11	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	The Framework criteria is in line with the applicable SC criteria point: (a) the activity provides urban or suburban passenger transport and its direct (tailpipe) CO ₂ emissions are zero.	Aligned

Table 18

Framework Activity assessed	Loans related to the development, manufacturing construction or maintenance of low-carbon shipping rolling stock	
EU Taxonomy Activity	6.5. Transport by motorbikes, passenger cars and light commercial vehicles	
Corresponding NACE Code	H49.32, H49.39 and N77.11	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	Piraeus has confirmed adherence to the applicable SC criteria and hence, Sustainalytics views this as aligned with the criteria under the EU Taxonomy.	Aligned

Table 19

Framework Activity assessed	Loans related to the development, manufacturing construction or maintenance of low-carbon shipping rolling stock	
EU Taxonomy Activity	6.11. Sea and coastal passenger water transport	
Corresponding NACE Code	H50.10, N77.21 and N77.34	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>Piraeus has confirmed that financed vessels under the Framework will be vessels complying with:</p> <p>(a) zero direct tailpipe CO₂ emissions; and</p> <p>(c) where technologically and economically not feasible to comply with the criterion in point (a), until 31 December 2025, the vessels have an attained Energy Efficiency Design Index (EEDI) value 10% below the EEDI requirements applicable on 1 April 2022, if the vessels are able to run on zero direct (tailpipe) emission fuels or on fuels from renewable sources.</p> <p>Therefore, the eligibility criteria defined in the Framework is aligned with the criteria under the EU Taxonomy.</p>	Aligned

Table 20

Framework Activity assessed	Retrofitting or upgrade of sea and coastal passenger or freight vessels	
EU Taxonomy Activity	6.12. Retrofitting of sea and coastal freight and passenger water transport	
Corresponding NACE Code	H50.10, H50.2, H52.22, C33.15, N77.21 and N.77.34	
Applicable SC Criteria	Alignment Assessment	
Climate Change Mitigation	<p>Piraeus has confirmed compliance with the criteria mentioned under this activity.</p> <p>Piraeus has also confirmed to Sustainalytics that the vessels financed under the Framework are not dedicated to the transport of fossil fuels.</p> <p>Hence, Sustainalytics has assessed this activity to be aligned with the EU Taxonomy criteria.</p>	Aligned

Table 21

Framework Activity assessed	Infrastructure for zero direct emissions transport	
EU Taxonomy Activity	6.15. Infrastructure enabling low-carbon road transport and public transport	
Corresponding NACE Code	F42.11, F42.13, M71.12 and M71.20	
Applicable SC Criteria	Alignment Assessment	
Climate change Mitigation	<p>Piraeus confirmed to Sustainalytics that projects financed under this activity would include electric charging stations.</p> <p>Piraeus has also confirmed Sustainalytics that the infrastructure financed under the Framework is not dedicated to the transport or storage of fossil fuels.</p>	Aligned

Disclaimer

Copyright ©2024 Sustainalytics, a Morningstar company. All rights reserved.

The information, methodologies, data and opinions contained or reflected herein are proprietary of Sustainalytics and/or content providers, and may be made available to third parties only in the form and format disclosed by Sustainalytics. They are not directed to, or intended for distribution to or use by India-based clients or users and their distribution to Indian resident individuals or entities is not permitted.

They are provided for informational purposes only and (1) shall not be considered as being a statement, representation, warranty or argument either in favor or against the truthfulness, reliability or completeness of any facts or statements that the issuer has made available to Sustainalytics for the purpose of this deliverable, in light of the circumstances under which such facts or statements have been presented; (2) do not constitute an endorsement of any product, project, investment strategy or consideration of any particular environmental, social or governance related issues as part of any investment strategy; (3) do not constitute investment advice, financial advice, or a prospectus, nor represent an “expert opinion” or “negative assurance letter” as these terms are commonly understood or defined by any applicable legislation; (4) are not part of any offering and do not constitute an offer or indication to buy or sell securities, to select a project or make any kind of business transactions; (5) do not represent an assessment of the issuer’s economic performance, financial obligations nor of its creditworthiness; (6) are not a substitute for professional advice; (7) past performance is no guarantee of future results; (8) have not been submitted to, nor received approval from, any relevant regulatory body; (9) have not and cannot be incorporated into any offering disclosure, unless otherwise agreed in writing.

These are based on information made available by the issuer and therefore are not warranted as to their merchantability, completeness, accuracy, up-to-datedness or fitness for a particular purpose. Sustainalytics has not independently verified any such information or data. The deliverables are provided “as is” and reflect Sustainalytics’ opinion at the date of their elaboration and publication. Sustainalytics does not undertake any obligation to update or revise any of the statements in the deliverable to reflect events, circumstances, changes in expectations which may occur after the date of the opinion or any statements included in the opinion. Neither Sustainalytics/Morningstar nor their content providers accept any liability from the use of the information, data or opinions contained herein or for actions of third parties in respect to this information, in any manner whatsoever, except where explicitly required by law. Sustainalytics does not assume any responsibility shall the bond default. Any reference to content providers’ names is for appropriate acknowledgement of their ownership and does not constitute a sponsorship or endorsement by such owner. A list of our content providers and their respective terms of use is available on our website. For more information, visit <http://www.sustainalytics.com/legal-disclaimers>.

Sustainalytics may receive compensation for its ratings, opinions and other deliverables, from, among others, issuers, insurers, guarantors and/or underwriters of debt securities, or investors, via different business units. Sustainalytics believes it has put in place appropriate measures designed to safeguard the objectivity and independence of its opinions. For more information, visit [Governance Documents](#) or contact compliance@sustainalytics.com.

This deliverable, in particular the images, text and graphics contained therein, and the layout and company logo of Sustainalytics are protected under copyright and trademark law. Any use thereof shall require express prior written consent. Use shall be deemed to refer in particular to the copying or duplication of the opinion wholly or in part, the distribution of the opinion, either free of charge or against payment, or the exploitation of this opinion in any other conceivable manner.

The issuer is fully responsible for certifying and ensuring compliance with its commitments, for their implementation and monitoring.

About Sustainalytics, a Morningstar Company

Sustainalytics, a Morningstar Company, is a leading ESG research, ratings and data firm that supports investors around the world with the development and implementation of responsible investment strategies. For more than 30 years, the firm has been at the forefront of developing high-quality, innovative solutions to meet the evolving needs of global investors. Today, Sustainalytics works with hundreds of the world's leading asset managers and pension funds who incorporate ESG and corporate governance information and assessments into their investment processes. Sustainalytics also works with hundreds of companies and their financial intermediaries to help them consider sustainability in policies, practices and capital projects. With 17 offices globally, Sustainalytics has more than 1500 staff members, including more than 500 analysts with varied multidisciplinary expertise across more than 40 industry groups.

For more information, visit www.sustainalytics.com

Or contact us contact@sustainalytics.com

