



2022 EU-WIDE CLIMATE STRESS TEST CONDUCTED BY THE EUROPEAN CENTRAL BANK PIRAEUS FINANCIAL HOLDINGS RESULTS

Piraeus Financial Holdings ("Piraeus") takes notice of the announcement made on 8 July 2022 by the European Central Bank ("ECB") regarding the results of the first EU-Wide Climate Stress Test Exercise ("Exercise"), to assess supervised institutions' level of preparedness for properly managing climate risk.

The Exercise was ambitious and demanding, as it included a qualitative part focusing on evaluating banks' internal related procedures (module 1), a comparative analysis of banks in terms of climate sensitivity of their income and exposures (module 2), as well as an exercise to analyze the impact of various scenarios on lending portfolios (module 3). To ensure proportionality, medium to smaller-sized banks, including Piraeus Bank, were not required to include projections for the stress test.

Overall, Piraeus scored at par with the average of the European participating banks in the Exercise, demonstrating that the status of challenges the economy and the Bank itself face regarding climate change are similar. The results indicated an advanced climate risk stress testing framework (module 1), where Piraeus achieved a top ranking among European peers, while it also performed well on data quality. On the other hand, income reliance on carbon intensive activities was higher than the EU average, also reflecting country-specific characteristics.

Piraeus will use the results of the Exercise to deeper investigate how to further engage with its clients to steer them on a low-carbon path and hence manage potential sensitivities to long-term transition risk, high concentration of corporate exposures into carbon intensive counterparties, as well as short-term transition and physical risks.

Piraeus will be stepping up its effort to incorporate climate and environmental risks in its systems, processes, and business decisions, and work together with clients to collectively address the effects of climate change. Piraeus has already embarked on a strategic plan to become net-zero by 2050 or earlier and has defined targets by 2030 in selected asset classes, representing well over 50% of its financed emissions. To this direction, Piraeus prepares intensively for commitment to an international climate target-setting pledge within 2022.

Athens, 14 July 2022