TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Climate-related Report 2022

based on the TCFD framework

ALPHA SERVICES AND HOLDINGS

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1

Introduction

The Report concerns Alpha Services and Holdings S.A. (the Company) and its Subsidiaries (the Group). Alpha Bank S.A. (the Bank), is the largest subsidiary of the Group and for this reason, extensive reference is made to its performance in the Report.

The Company is committed to operating responsibly and with a long-term view of sustainable value creation for its Shareholders and other Stakeholders, taking into account the economic, social and environmental parameters of its activities, both in Greece and in the other countries where it operates.

The Company's primary goals are credibility, consistency and efficiency in financial services. Its key concerns are to continuously improve the products and services it offers and to ensure that its customers' banking needs are addressed thoroughly and responsibly. It examines and incorporates issues related to Environmental, Social and Governance (ESG)[1] in its financing procedures as well as in developing and placing new products and services on the market.

The Company applies the principles of Corporate Responsibility in the whole range of its activities and seeks the compliance of its suppliers and partners with the values and business principles that govern its operation. The Company seeks to support activities that are strongly connected to society and its citizens, with priority given to culture, education, health and the protection of the environment, while emphasizing the principle of inclusivity in all these areas.

In order to enhance social responsibility and integrate it into the Group's principles and values, the Company implements internationally-recognized best practice guidelines and principles on sustainable development, including the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises on Responsible Business Conduct, the Core Conventions of the International Labour Organization (ILO) and the Universal Declaration of Human Rights (UDHR), as well as complying with all legal and regulatory obligations.

In 2019, the Company became a signatory of the UN Environment Programme Finance Initiative (UNEP FI) and endorsed the six Principles for Responsible Banking. Through its participation, the Group aims to actively contribute to the protection of the environment and to the conservation of natural resources and address the direct and indirect impacts of its activities on the environment. To this end, the Group has set targets, which are monitored on an annual basis, aiming to increase its positive effect on society and the environment, utilize new business opportunities and generate value for all Stakeholders.

The actions set aim to account for both people and the planet and align to the international goals set by the Paris Agreement on Climate Change and the United Nations 2030 Agenda for Sustainable Development. The Company recognizes the international commitment to substantially reduce greenhouse gas (GHG) emissions will effectively translate into ambitious actions that align with a low carbon economy.

The Intergovernmental Panel on Climate Change (IPCC) Special Report on Global Warming, 2018, indicated that "our world must achieve CO_2 net zero by 2050 to limit global warming to 1.5 degrees by 2100". The IPCC emphasized that "the cost to humanity from climate change will be insurmountable" and "deep, rapid and sustained mitigation and accelerated implementation of adaptation actions need to materialise in this decade to reduce projected losses and damages for humans and ecosystems". "To achieve net-zero by 2050 greenhouse gas (GHG) emissions are required to peak before 2025 at the latest and be reduced by 43% by 2030 and 60% by 2035, relative to 2019". The IPCC also highlighted the prioritization of alignment with sustainability

[1] ESG includes environmental issues like climate change and natural resources scarcity, social issues including labor and workforce considerations, corruption, bribery and human rights as well as governance issues including Board of Directors' diversity and remuneration/incentive issues.

objectives of just transition, socio-ecological sustainability, and the pursuit of new economic opportunities is warranted.

In this respect, actions are necessary to address climate change mitigation and adaptation in an equitable fashion and in alignment with the objective of stabilizing global warming at 1.5 degrees.

In Greece, the Recovery and Resilience Plan (RRP) Greece 2.0, adopted in April 2021, aims to align private capital with public interest and shared values. The deployment of the RRP by financial institutions in Greece effectively accelerates the economy's Net Zero sustainable transformation by directing capital towards green transition with a focus on energy efficiency, renewables, waste management, smart energy systems, services for a low carbon economy and research & innovation; digital transformation; employment, skills and social cohesion (health, education, social protection).

As a financial intermediary, the Company has a critical role to play in reallocating capital to finance the Net Zero economy and contributing to the Sustainable Development Goals.

This role is better described by supporting businesses and households in their journey to transition through building awareness on the risks & opportunities and designing products & services that help with the sustainable transformation of society, by financing capital expenditure in sustainable and enabling economic activities, integrating sustainability into risk management and decision-making process, while building strong governance oversight and enhancing transparency.

In June 2023, the Company formally committed to align its portfolio with the Paris Agreement climate objectives and achieve Net Zero across both its internal operations, as well as its business activities.

Alpha Services & Holdings, became the **first banking group in Greece to join the Net Zero Banking Alliance** (NZBA) initiative.

This decision, which was initiated by the Board of Directors, with strong support by the Chief Executive, demonstrates the Company's commitment to become a leader in Sustainability, as well as to support the transition of the national economies it operates in, to environmentally sustainable models.

Vassilios Psaltis, Alpha Bank Group CEO:

"At Alpha Bank, we believe that sustainability and economic growth are deeply intertwined. As one of the biggest banks in Greece, we recognize our responsibility to undertake a leading role in contributing to a more sustainable economy that helps mitigate climate change by financing the transition to a Net Zero economy.

We are taking a leading role on sustainability matters within our market. Building on our UNEP FI membership, our commitment to the Principles for Responsible Banking, and our transparent disclosure practices, we take the next step by committing to achieve Net Zero Greenhouse Gas Emissions by 2050. To ensure we meet these objectives, we take a comprehensive approach that includes reducing our operational emissions, financing renewable energy and other sustainable projects, and supporting our customers in their transition to a low-carbon economy.

This is a challenging but necessary task. Our commitment to Net Zero is an integral part of our overall strategy, for long-term value creation for our Shareholders and the Society."

1.1 Background

The Company has been continuously developing its framework for sustainable development since 2021, through a comprehensive ESG workplan which aims to integrate Environmental, Social and Governance considerations across all banking activities and an enhanced Group ESG Governance Model which ensures effective oversight of Climate-related and ESG issues.

The Company's Governance structures have been updated to ensure that ESG and Climate Risks are appropriately monitored and managed.

Specifically,

- The Charters of the Committees of the Board of Directors were updated to ensure oversight of the entire range of ESG topics rests with the relevant committee. The Corporate Governance, Sustainability and Nominations Committee was assigned with the overall oversight of ESG issues.
- At the management level, the Group Sustainability Committee was established to steer and direct all ESG initiatives in the Group.
- At the operational level, the Group ESG Coordinator role was created in addition to the Governance & Sustainability Division, to lead the implementation of ESG and sustainability initiatives across Alpha Services & Holdings and its Group.

The ESG workplan maps the steps required to integrate climate risk and ESG considerations into strategy & business planning, adequately address the impact of climate change on the Bank's business in line with the supervisory requirements and develop the operating structure model for managing sustainability, including roles and responsibilities across the three lines of defense. It also defines a governance framework for sustainability, according to relevant operating responsibilities, that will enable the Bank to identify the resources needed.

As part of the overall ESG workplan, the Bank has defined a **Regulatory Action Plan to address supervisory expectations**, which was submitted and agreed with the European Central Bank (ECB) and aims to ensure the proper and timely implementation of an effective framework to manage climate and environmental risks. In addition, the Bank defined a Climate Risk Stress Testing Framework and incorporated the impact of climate and environmental risks into ICAAP and the Risk Appetite Framework.

The ESG workplan also includes commercial initiatives to identify sustainable financing opportunities and establish the Bank's position in both the Wholesale and Retail banking markets. These initiatives aim to assess customers' level of ESG maturity and potential transition pathways, in order to help develop financing solutions to serve their sustainability needs.

To achieve this, a Sustainable Finance Framework (SFF) was developed, which defines in detail the criteria and process, to classify loans and specific financial products and services as sustainable, based on a "use of proceeds approach". Accordingly, the workplan prioritizes the operationalization of the SFF, by setting the related policies, procedures as well as monitoring mechanisms and reporting flows.

Finally, the workplan also builds ESG awareness and develops skills to address ESG business challenges through a **multi-year dedicated training plan for all employees,** through the launch of an ESG Academy. This enables the Bank's employees to understand the evolving sustainability landscape and stakeholder expectations, which is key requirement for the Bank's sustainability journey.

Based on the work described above, **the Bank has updated its three-year business plan to incorporate considerations of ESG and climate risk impacts on its business,** by setting targets for the growth of its Sustainable Finance business. In addition, the bank has incorporated **Climate & Environmental Risk KPIs and KRIs in its Risk Appetite Framework (RAF).** The Business Plan targets and RAF indicators, will serve to steer the Bank's decision making, until more detailed bottom-up targets have been defined in line with the Bank's objective to align its portfolio with the Paris Climate Agreement targets.

1.2 Report Structure

Following a review of the Company's disclosures to date, against the expectations of key stakeholders, including Supervisory authorities and investors, an initiative to redesign and upgrade the Bank's disclosures was initiated.

The enhancement of the Company's disclosures is an ongoing project, with 2023 being the first year when new standards are implemented, most notable the adoption of the Task Force on Climate-related Financial Disclosures (TCFD) guidelines[2]. The Company will continue enhancing the disclosures on an ongoing basis, in order to fully align with these guidelines and other stakeholder expectations.

Accordingly, the information disclosed is structured around the following four thematic areas:

Governance

The Company's governance around climate-related risks and opportunities.

Strategy

The actual and potential impacts of climate-related risks and opportunities on the Company's business, strategy and financial planning.

Risk Management

The processes used by the Company to identify, assess and manage climate-related risks.

Metrics and Targets

The metrics and targets used to assess and manage relevant climate-related risks and opportunities.

The Bank is leveraging external data providers to supplement data sourced from its customer base and has initiated a project to incorporate all ESG data into its systems and processes.

[2] The report has been prepared based on the guidelines of the Task Force on Climate-related Financial Disclosures. The TCFD has not collaborated, reviewed nor approved any of the related disclosures.

2

Governance

2.1 The Board's oversight of climate-related risks and opportunities

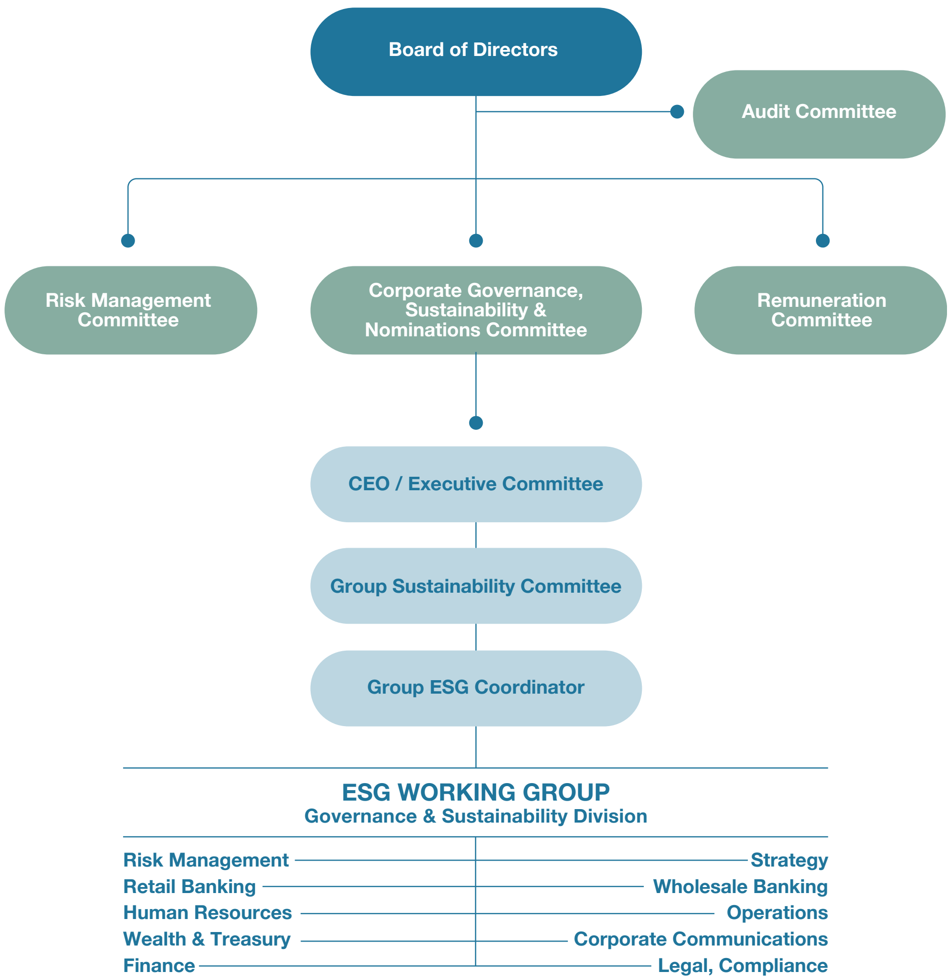
The Company's organization and operation are governed by the **principles** of integrity, honesty, objectivity and independence, confidentiality and discretion, disciplined and reasonable risk taking, transparency as provided for in the Company's **Code of Ethics** and in the principles of Corporate Governance. Significance is attached to the identification, measurement and management of risks undertaken, to the compliance with the legal and regulatory framework as in force and to transparency with the provision of full, accurate and truthful information to the Company's Stakeholders.

Board level oversight

The **Board of Directors** is responsible for managing the affairs of the Company and representing it vis-à-vis third parties. Further, it has the ultimate and overall responsibility for the Company and defines, oversees and is accountable for the implementation of the governance arrangements within the Company that ensure effective and prudent management.

The Group ESG Governance model, developed in 2021, ensures effective oversight, management, and implementation of sustainability matters. The Company now considers ESG and Climate Risk Governance in Board level oversight, executive level decision making process and operational level implementation.

Alpha Services & Holdings ESG Governance organizational structure



Board level oversight

BoD supervises and approves the Bank's ESG objectives and commitments.

Corporate Governance, Sustainability and Nominations Committee has central oversight of Sustainability, ensures availability of ESG skills in BoD composition and oversees disclosures production

Risk Management Committee has oversight of Climate & Environmental risks.

Remuneration Committee is responsible for ensuring ESG metrics are incorporated in Remuneration.

Audit Committee performs the oversight of the Sustainability Report and Non-Financial information, including sustainability and ESG.

Executive level decision making

The Group Sustainability Committee approves and oversees sustainability strategy and steers all related initiatives.

The Group ESG Coordinator leads sustainability initiatives and steers operational teams on implementation.

Operational level implementation

Cross-functional ESG Working Group implements ESG initiatives across all areas of the Group.

The Bank's Governance & Sustainability Division drives the ESG agenda and ensures internal adoption of best practice.

Area leads and expert teams are being set-up throughout the organization, including a Climate & ESG Risk Team in the CRO area and a Sustainability Strategy lead in the Strategy Division.

Equivalent Governance structures are being adopted across Group subsidiaries, in line with local regulatory standards and materiality.

The Board of Directors has established permanent or ad hoc Committees to assist it in the discharge of its responsibilities, facilitate its operations and effectively support its decision-making. The Committees have an advisory role, including making recommendations to the Board of Directors, but may also assume delegated authorities, as determined by the Board. Each Committee has its dedicated Charter prescribing its composition, tenure, functioning and responsibilities.

Four Committees operate at Board level, namely:
- the Audit Committee,
- the Risk Management Committee,
- the Remuneration Committee and
- the Corporate Governance, Sustainability and Nominations Committee.

The **Corporate Governance, Sustainability and Nominations Committee** (CGSNC) acts as the ultimate liaison/responsible Board Committee with respect to all sustainability/ESG issues and promotes respective communications and feedback from all the Board of Directors Committees.

The Risk Management Committee, the Corporate Governance, Sustainability and Nominations Committee and the Audit Committee, are informed, on a regular basis, by the Group ESG Coordinator, the Chief Risk Officer, the General Manager of Wholesale Banking (Chair of the Group Sustainability Committee) and the General Manager - Chief of Corporate Center, on issues related to Sustainability and Climate Risk.

Corporate Governance, Sustainability and Nominations Committee (CGSNC)

The CGSNC consists of six Members out of whom four are Independent Non-Executive Members. The Committee convenes at least quarterly per year and may invite any Member of the Management or Executive to attend its meetings.

At least one Member is in charge of overseeing ESG issues. Ms. C.G. Dittmeier has been appointed as the Member in charge of overseeing ESG issues.

The Committee ensures and regularly evaluates that its Members collectively possess the required knowledge, skills and experience relating to sustainability and ESG issues as well as to the business of the Company to assess the appropriate composition of the Board of Directors and, among others, the selection process and suitability requirements to adequately discharge the Committee's responsibilities.

The **main responsibilities** of the Committee include but are not limited to those presented below.

The Committee:
- Assists the Board of Directors in ensuring the implementation of ESG standards according to the regulatory framework and the relevant best practices, thereby strengthening the Company's long-term commitment to creating value in its sustainable development. For this purpose, the Committee ensures that there is an adequate level of communication on ESG issues between the Members of the Committee and the Members of the Risk Management Committee, the Remuneration Committee and the Audit Committee.
- Reviews at least semi-annually current and emerging trends and regulatory developments in ESG issues that may significantly affect the Company's activities, highlighting to the Board of Directors areas that may require actions.
- Oversees the implementation of the Company's policies on ESG issues.
- Oversees the sustainability reporting to Stakeholders, in coordination with the Audit Committee.
- Oversees the Company's alignment with sustainability requirements.
- Acts as the ultimate liaison/responsible Board Committee with respect to all sustainability/ESG issues and promotes respective communications and feedback from all the Board of Directors Committees.
- Reviews at least annually the Sustainability/ESG Policy of the Company and, if necessary, provides proposals for amendments and recommends its approval by the Board of Directors.

During 2022, the Committee:
- Was updated regularly on Environmental, Social and Governance (ESG) issues,
- Reviewed the Sustainability Report,
- Reviewed the Sustainable Finance Framework,
- Reviewed the ESG Report including the ESG workplan, ESG Benchmarking versus peers and investors, development of ESG Dashboard with ESG related metrics, and the key recent developments in the market and regulatory areas.

In more detail, the CGSNC reviewed the progress of the ESG workplan and provided feedback to the relevant stakeholders, leading to increased allocation of resources to the Governance & Sustainability Division and the establishment of an ESG Action Plan to accelerate the implementation of the Climate Risk Management and Sustainable Finance Framework. The Committee's guidance was instrumental in prioritizing supervisory obligations in terms of Climate and ESG risk and leveraging on the Sustainable Finance Framework and ESG performance to establish a comparative advantage in the local market. In addition, the CGSNC provided feedback on the Group's Sustainability Disclosures and guided their redesign to align with the new GRI-based Materiality Assessment and on incorporating the Task Force on Climate-related Financial Disclosures (TCFD) guidelines.

Audit Committee

The Audit Committee consists of five Members, out of whom three are Independent Non-Executive Members. The Committee convenes generally on a monthly basis, adding meetings on an as-needed basis.

The main responsibilities of the Committee include but are not limited to those presented below:

The Committee:

- Collaborates with the Risk Management Committee as necessary on the effective oversight of the mitigation of certain key areas of risk, including climate-related or other Environmental, Social and Governance (ESG) risks, and capital management, and their repercussions on the Internal Control System. More specifically, the Committee convenes jointly with the Risk Management Committee to discuss and review issues relevant to the remediation plans from regulatory/supervisory assessments and certain operational risk or other issues of importance and common interest.
- Performs the oversight of the Sustainability Report and Non-Financial Information reporting, including sustainability and ESG disclosures.
- Reviews the scope and frequency of the statutory audit as well as other annual audit assurance including ESG reporting.
- Monitors and assesses the adequacy, effectiveness and efficiency of the Internal Control System (including ESG procedures) of the Company and the Group based on reports by the Internal Audit Unit, findings of the external auditors, the supervisors and the tax authorities as well as management information, as appropriate.
- Liaises with other Board Committees in relation to issues concerning the effective adherence to responsible practices.

During 2022 the Committee:

- Reviewed the updated methodology of the materiality analysis based on the revised 2021 Global Reporting Initiative (GRI) Standards in order to gain assurance and to be compliant with the related ESG norms.
- Was informed of the proposal of the Company for the Sustainability Report Redesign, based on a holistic approach, aiming to address multiple disclosure requirements and associated data needs across key ESG dimensions.
- Was informed of the Framework of Sustainable Development, including among others the Corporate Responsibility Policy, the Group Environmental Policy and the Group Environmental and Social Risk Management Policy on Legal Entities Lending.
- Was also informed of the Group's ESG Workplan for 2022 which was developed in order to implement processes to govern ESG goals and manage ESG-related risks.
- Took cognizance of the recent document published by the TCFD, the European Central Bank Guidelines on climate-related and environmental risks as well as the Group Environmental Policy and procedures according to the requirements of ISO 14001 and the Corporate Responsibility Policy and the Code of Ethics.

Among key objectives set, were the alignment of disclosures with the TCFD recommendations, starting with the disclosures published in 2023 and reaching full alignment in subsequent years, and compliance with the regulatory obligations regarding the proper management of Climate Risk, internal ESG governance, definition of environmental targets and incorporation of sustainability criteria in the Group's policies.

Risk Management Committee

The Risk Management Committee consists of six Members out of whom five are Independent Non-Executive Members. The Committee convenes at least once a month.

One Member is in charge of overseeing ESG issues. Mr. D.C. Tsitsiragos has been appointed as the Member in charge of overseeing ESG issues at the Committee.

The main responsibilities of the Committee include but are not limited to those presented below:

The Committee:
- Ensures that the Risk Appetite Framework is fully aligned with the Company's and the Group's strategy, budget process, capital and liquidity planning and remuneration framework and that the Company adequately embeds Environmental, Social and Governance (ESG) risks in the overall risk appetite statement and framework, business strategy and risk management framework.
- Collaborates with the Audit Committee as necessary on the effective oversight of the mitigation of certain key areas of risk, including climate related or other ESG risks, and capital management and their repercussions on the Internal Control System. The Committee also convenes jointly with the Audit Committee to discuss and review issues relevant to the remediation plans from regulatory/supervisory assessments and certain operational risk or other issues of importance and common interest.
- Reviews and recommends annually to the Board of Directors for approval the Group's Risk Appetite Framework (RAF) and statement, considering also ESG risks, i.e. the risks of any negative financial impact to the Company stemming from the current or prospective impacts of ESG factors on its counterparties, such as climate-related risks, and ensuring alignment with the Group's strategic objectives and capital allocation. The RAF should be clearly communicated throughout the Group and articulated/monitored via a set of metrics.
- Monitors the incorporation of ESG risks, and in particular the specifics of ESG transmission channels into prudential risks categories, in this line of functions that are independent from the business lines and units, in order to ensure that the long-term impact of ESG risks is accounted for in the decision-making process and to overall minimize the Company's exposure to ESG risks.
- Collaborates with other Board Committees in relation to ESG issues.

During 2022 the Committee:
- Was regularly informed on the implementation of the ESG workplan of the Group, in line with the European Central Bank (ECB) guidelines.
- Was informed on ESG and climate risk.
- Took cognizance of the Sustainable Finance Framework of the Bank which inter alia enables the identification and the classification of the sustainable activities and develops a methodology for the promotion of their financing while it supports compliance with the upcoming ESG, climate and other related regulations as well as the relevant reporting obligations.
- Endorsed the Climate Risk Stress Test Governance Framework.

In more detail, the Risk Management Committee reviewed the progress in the development of the Bank's Climate Risk Management Framework, the risk materiality assessment methodology, the ESG Action Plan, the Sustainable Finance Framework, as well as progress in meeting the requirements of the ECB on the Management of Climate-related & Environmental Risks disclosures. The Committee also reviewed supervisory requirements in detail and provided feedback to the relevant stakeholders, which also supported the establishment of the Bank's new Climate & ESG Risk Management Team. In addition, the Committee prescribed setting specific pricing terms to incentivize the allocation of capital in the eligible green and social activities included in the Sustainable Finance Framework.

Remuneration Committee

The Remuneration Committee consists of four Members out of whom three are Independent Non-Executive Members. The Committee convenes at least quarterly per year.

The main responsibilities of the Committee include but are not limited to those presented below:

The Committee:
- Assists the Board of Directors in ensuring that the Group Remuneration Policy as well as the "Remuneration Policy of the Members of the Board of Directors as per the provisions of Law 4548/2018" are consistent with the values, culture, business strategy, risk appetite and strategic objectives of the Company and its Subsidiaries, taking into account

Environmental, Social and Governance (ESG) risks that affect the business environment in the short, medium or long term.

- Assesses the alignment of the Remuneration Policies with the Company's ESG objectives, e.g. long-term resilience of the business strategy under ESG considerations and risk appetite, in order to avoid conflicts of interest when business decisions are made and to facilitate the implementation of ESG risk-related objectives.
- Liaises with other Board Committees in relation to ESG issues.

Induction and Training

The Company offers to all the new Members of the Board of Directors an induction program, which includes among others, ESG, Sustainability and Non-Financial information and Corporate Governance principles.

Additionally, the Company, in the framework of the continuous training of the Members of the Board of Directors, provides relative informative and/or training sessions to all Members. In particular, for the year 2022, all the Members of the BoD were offered, among others, the training session on the subject of "Net Zero Greece" which served to inform Members on the "net-zero" emissions targets as well as the levers that will be used to enforce these targets and provided the opportunity of discussing what this means for businesses and for the finance sector in particular.

For 2023, ESG training for the BoD is planned to cover a detailed review of the GRI Double Materiality Standard and the Principles for Responsible Banking assessment tools used for the ESG Materiality Analysis. Additionally, emphasis will be placed in providing expertise on sustainable finance investment themes, market trends and opportunities.

2.2 Management's role in assessing and managing climate-related risks and opportunities

2.2.1 Executive level decision making

At the Executive Management level, central to the ESG Governance structure is the **Group Sustainability Committee** (GSC), which oversees ESG topics, steers the Group's ESG strategy and oversees its implementation. In addition, the GSC ensures that the Executive Committee is informed on key subjects discussed and decisions taken. Finally, it supports the Board of Directors in their oversight of Climate & ESG Risks and Sustainability issues. The GSC will refer approval of specific decisions to the Executive Committee and/or the Board of Directors for any matter deemed important, including the adoption of new policies or changes to existing ones as well as non-financial targets to be adopted by the Group. The Chief Executive Officer is informed on sustainability and ESG matters as a member of the Board and the Executive Committee and as such provides input when needed.

The purpose of the GSC is to strengthen the Bank's long-term commitment in creating value through the ESG objectives and to monitor the effectiveness meeting the targets and goals in relation to ESG and climate issues. The Committee membership consists of six General Managers as regular members, and eight additional non-regular members at the General Manager or senior executive level. It is chaired by the General Manager of Wholesale Banking and regular members are the Chief Financial Officer, the Chief Risk Officer, the General Manager Chief of Corporate Center, the General Manager of Retail Banking and the General Manager of International Network. The Committee convenes regularly at least on a bi-monthly basis, but typically at least monthly.

The Group Sustainability Committee's main tasks are the following:

- To steer the Group's strategy and direction on sustainability and ESG-related topics, to support the sustainability and resilience of the Group's business model as well as enable long-term value creation.
- To agree and propose for endorsement by the Executive Committee and approval by the Board of Directors the Group's ESG policy and its targets, including financial and non-financial Key Performance Indicators (KPIs).
- To monitor the Group's sustainability performance against policy targets and benchmarks.
- To remain informed on the investment community's expectations regarding ESG-related topics and proposes actions.
- To propose criteria for sustainable credit approval, debt issuances and investments, which will be incorporated into the relevant policies.
- To oversee the content of ESG-related non-financial disclosures including the non-financial

report and the sustainability report.

- To monitor the Group's alignment with ESG requirements, including regulatory expectations and UNEP FI PRB commitments.

During 2022, the Group Sustainability Committee met 12 times to strengthen the Bank's sustainability position and lay the groundwork for ESG integration in all areas of operation. The Committee's agenda covered a range of topics, including the design and rollout of the Climate Risk Management, ESG training plans and content development as well as strategy & target setting. The GSC followed closely the progress of the Bank's supervisory disclosures and the implementation of the ESG workplan aiming to integrate sustainability criteria in the Bank's decision-making process with regards to strategy, risk management and lending operations. The Bank's international subsidiaries actively participated in the GSC meetings by presenting key accomplishments, challenges faced and next steps while effort was placed in exploring synergies and sharing know how.

The role of the **Group ESG Coordinator** was established to lead sustainability-related initiatives and oversee the ESG objectives within the cross-functional ESG Working Group. The Group ESG Coordinator also acts as the secretariat of the Group Sustainability Committee and meets regularly with its Chair, the General Manager - Chief of Corporate Center and the General Manager - Chief Risk Officer.

2.2.2 Operational level implementation

At the Operational level, an **ESG Working Group** was established to support cross-functional collaboration aiming to effectively facilitate the internal adoption of ESG practices across the organization. The ESG Working Group represents all areas of the Bank that take ownership of ESG integration and ensures the flow of information across relevant teams. They consist of ESG specialists and dedicated representatives of relevant functions (Retail banking, Wholesale banking, Risk Management, Strategy, Human Resources, Wealth Management & Treasury, and others). Representatives from each area participating in the ESG Working Group form the Operating Committee which is responsible for providing the GSC with information on the progress of respective ESG project areas, including climate-related issues.

The **Governance and Sustainability Division** (GSD) was established by incorporating the Corporate Secretariat and the Corporate Governance as well as a specialized Sustainability team. The Governance and Sustainability Division drives the ESG agenda and ensures internal adoption of best practice. In addition, high level responsibilities are defined in the updated Operating Model emphasising ESG Strategy and ESG integration including the integral components of Sustainable Finance operationalisation, stakeholder engagement and disclosures in line with regulatory and voluntary initiatives. The GSD also leads communication and exchange of knowledge and expertise between the Bank and its subsidiaries.

Responsibilities of Governance and Sustainability Division

Head of Governance & Sustainability

ESG Strategy

Develop ESG strategy incorporating stakeholder (investors, regulators, market, society) expectations and feedback

Content development for ESG external communication & disclosures

External Environment

Input to strategy in response to external factors in market / stakeholder expectations

Monitor market trends, to provide input on the Bank's business strategy

Disclosures & Content

Develop Alpha Bank ESG content for external communication, with IR & Marketing

Coordinate production of disclosures in line with NFRD, SFDR, TCFD, SASB

Track market & regulatory disclosure expectations, monitor key KPIs

Manage participation in public initiatives, e.g. UNEPFI, NZBA

ESG Integration

Lead & coordinate all sustainability initiatives (Operational & commercial)

Support internal & front line units in adoption of sustainability objectives

Monitor implementation of ESG strategy / policy and targets

Sustainable Finance

Sustainable Finance support to business (Retail, Wholesale) on lending, opinion for Credit approval if needed

Sustainable Finance operationalization & review

Data Governance

Analysis & scenario modelling input to Bank & Commercial strategy

ESG data management to support reporting, Business, Risk, strategy, IR, ESG ISO data validation

Group Integration

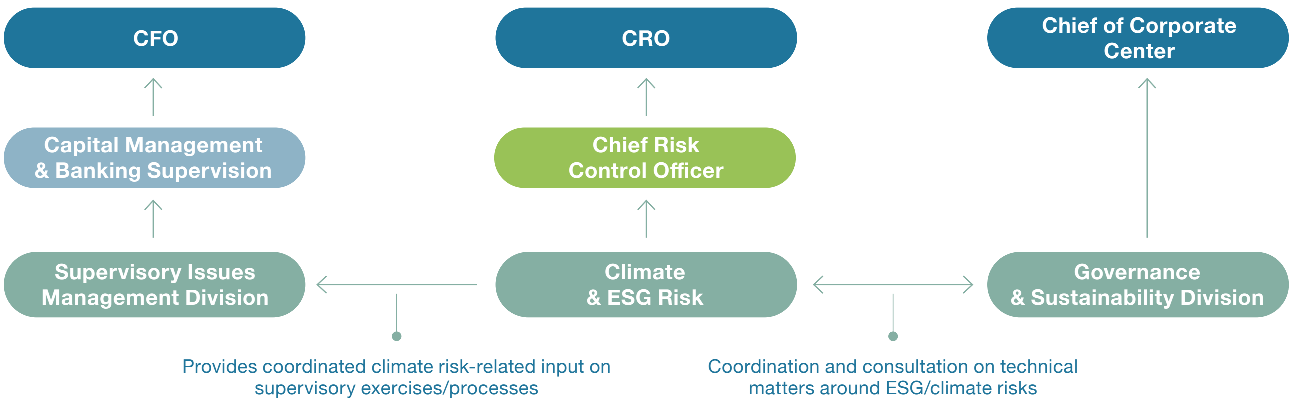
Oversight and support to local & international subsidiaries on integration of ESG management

Production of Group Frameworks & Policies for adoption, ensuring alignment

Governance & Sustainability Division provides overall coordination & leads sustainability related initiatives across the Bank

The increasing importance of climate and ESG issues at the core business of the Bank resulted in the establishment of expert teams with advanced skills in the Credit Control Division and in the Strategy Division. **The Climate and ESG Risk Management team** is responsible for drawing up and implementing the unified climate and ESG risk management framework for the Bank's and the Group's portfolio while it ensures the existence of relevant methodologies for measuring said risks and ensures that all supervisory requirements related to their management are met.

Responsibilities and interactions of Climate and ESG Risk Function



The Climate & ESG Risk Function reports to the Chief Risk Control Officer and has a close cooperation with the Governance & Sustainability Division for ESG and climate related issues, as well as with SIMD for the risk-related input to supervisory processes and submissions.

High Level Responsibilities include:

- Deep knowledge and understanding of the climate risk/ESG regulations and emerging trends.
- Provision of expert guidance for ESG integration in the risk management framework.
- Support consistency and adequacy of risk input across risk types.
- Developments of content & ex-post review of the questionnaires in the borrower assessment process.
- Design of assessment methodologies (eg. for physical risk).
- Provision of coordinated input for climate risk items in supervisory processes.
- Responsible for ESG risk-related aspects of strategy-setting and business plan.

The Climate & ESG Risk Management team coordinates closely with the Governance & Sustainability Division for ESG and climate-related issues, as well as with the Supervisory Issues Management Division, for risk-related input to supervisory processes/submissions. Among others, the Climate Risk Team provides expert guidance for ESG integration in the risk management framework, supports consistency and adequacy of risk input across risk types, reviews questionnaires in the borrower assessment process, designs assessment methodologies (e.g. for physical climate risk) and is responsible for risk- related aspects of strategy-setting and business planning.

The Bank plans for other Divisions to follow in establishing specific ESG-related roles, while equivalent Governance structures are being adopted across Group subsidiaries, in line with local regulatory standards and materiality.

2.2.3 Operating Model

A key milestone for the Bank's ESG integration in key processes was the completion of the ESG Operating Model. The model defines the roles and responsibilities of relevant divisions and their respective management, on major activities and workflows relevant for Climate Risk and ESG issues management across the Three Lines of Defense. Roles have been allocated in line with existing organization chart and Divisions of the Bank and may be adjusted in future if changes are implemented in relevant areas.

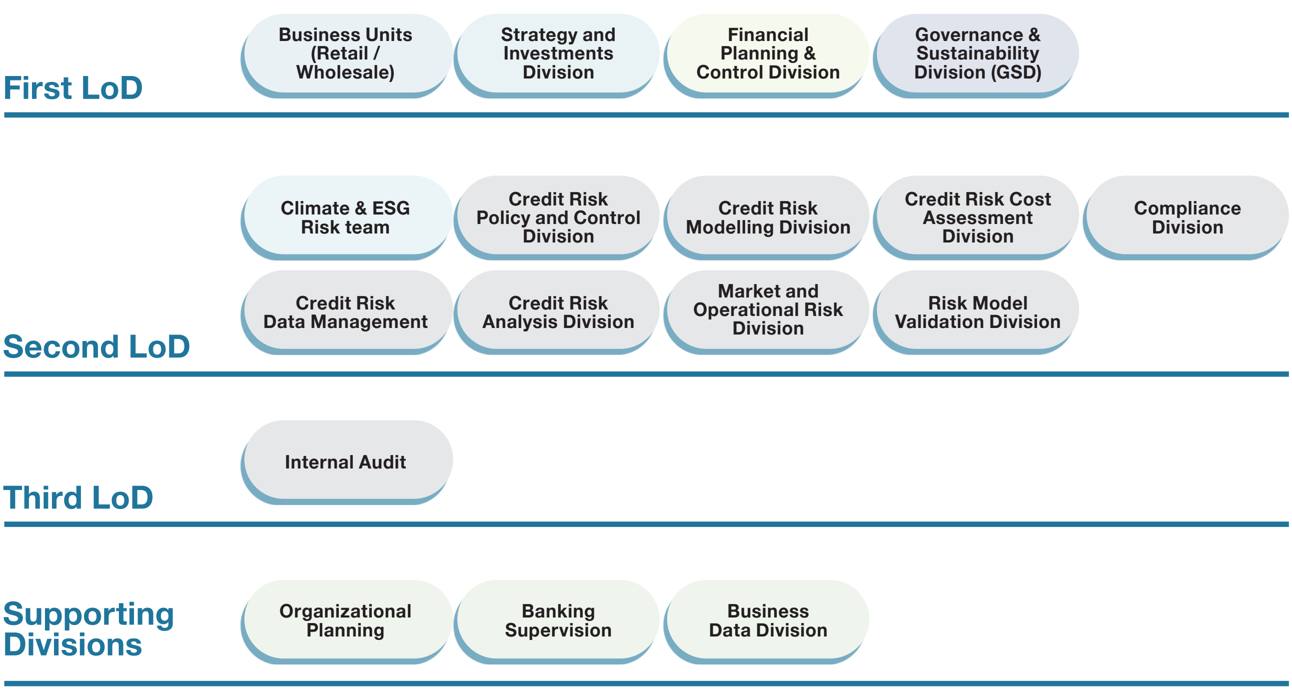
High level responsibilities and interactions of Climate, Environmental and ESG Risks are considered across all vertical risk types, alongside the involvement of the Climate and ESG Risk team. High level responsibilities of other Bank Divisions are also recognized and defined.

For processes that are instrumental to ESG integration, detailed responsibilities are listed across Bank Units and functions. These key processes include the Loan Origination Process, Supervisory Requirements related processes, Operational Risk Management, Market & Liquidity Risk Management, Investments & Investment Products as well as the Sustainable Finance operationalization, Strategy & Planning and Reporting & Disclosures. Responsibilities across Units involved in the carbon footprint analysis and the energy performance certificates estimation are also accounted for.

The identification of roles and responsibilities in ESG integration in key processes allows for a clear understanding of the internal procedures and the level of collaboration between Units to effectively deliver value to both internal and external stakeholders.

It is recognized that ESG & Climate Risk are evolving topics, therefore requirements and the optimal approach to address them are expected to change, including the potential need for additional resources and further organizational changes.

Integration of Climate and Environmental Risk across the Three Lines of Defense (LoD)



3

Strategy

The Company has adopted and implemented a broad Strategy for Sustainable Development, which aims to mitigate any material negative impacts arising from its operations, while enhancing its positive impacts, on the Environment, Society and Socio-Economic areas, as well as ensuring best practice Corporate Governance. The Strategy is designed to create value for and address the expectations of all Stakeholders, who have been defined as:

i. Investors (including investment analysts and advisors)

ii. Customers and Markets

iii. Employees and Society

iv. Official and Regulatory Authorities

Accordingly, the Company seeks to engage in an ongoing dialogue and collaboration with these Stakeholders, in order to understand and address their expectations, needs and concerns in the most appropriate way possible.

Within the context of this strategy, the Company has prioritized climate-related risks and opportunities.

A detailed description of the strategy elements, including the steps taken to analyze risks and opportunities, prioritize actions and the initiatives implemented to address them, follows in the sections below.

Summary of the Company's Strategy to address climate drivers and their potential impacts:

Climate & Environment Risk Strategy

Risk Management

Opportunity Development

Core Actions

Risk Management:

- Set up **comprehensive Climate Risk Management framework**
- Set up **dedicated Climate & ESG Risk Unit**
- **Build Climate Risk skills** across 3 lines of defense incl. Internal Audit

Opportunity Development:

- **Reallocate capital** to Sustainable Lending & align pricing
- **Train Relationship Managers** to identify opportunities in client base
- **Sustainability skills development** at all levels of organization

Existing Loan Book

Risk Management:

- **Risk identification & Materiality Assessment** on Physical & Transition Risks
  - Regularly updated & continuously enhanced to track risk evolution
- Incorporate **Climate Risk criteria in Collateral Assessments** (EPC etc)
- Implement **mitigations for physical risk events** (e.g. insurance)
- Monitor **Operational & Reputational risks** and implement mitigations
- Measure **Financed Emissions** & set **Science Based Targets** to align with Paris Agreement climate objectives

Opportunity Development:

Increase sustainability of existing loan book:

- **Engage with key clients** to advocate for proactive transition planning
- Map Transition Finance opportunities for key Alpha Bank sectors **(Sustainable Finance Framework)**
  - Energy, Hospitality, Real Estate, Transport
  - Renewables, Building Upgrades, Energy efficiency
- **Sustainability Linked Loans** to sectors with backloaded transition paths

New Loan Book

Risk Management:

- **Client ESG Assessment & Scoring**, performed annually for all clients
- Implement Environmental & Social Policy **limits and exclusion list** for harmful activities
- Sustainability & Climate Impact **Assessment of all new Loans** & Investments.
- Set **RAF monitoring indicators** for exposure to high emission (CRPS) sectors

Opportunity Development:

- Develop opportunities in emerging **Sustainability market**
  - Target Companies entering Sustainability services
  - Taxonomy Aligned projects (climate mitigation, adaptation etc.)
- Pursue innovative **Green investment projects**
  - Carbon Capture, Energy Storage, Green fuels, new infrastructure projects, green buildings
- Set **RAF monitoring indicators** for growth in Sustainable Finance

A detailed description of the strategy elements, including the steps taken to analyze risks and opportunities, prioritize actions and the initiatives implemented to address them, follows in the sections below

3.1 Climate-related Risks and Opportunities

The Bank acknowledges the relevance and potential impact of the risks and opportunities stemming from climate-related and environmental factors, especially climate change, and in alignment with the respective external guidelines, incorporates salient elements in its operations and business lines.

To this respect, the Bank is continuously evolving its processes to identify and measure both transition and physical risks related to its customers as well as its own operations. To determine financial materiality of climate-related issues, the Bank performed a materiality assessment of climate-related risks in its lending portfolio, on a best effort basis. Understanding and assessing climate risk in relation to the Bank's lending exposure represents one key component of the Action Plan already in progress.

Climate-related risks impact the Bank both directly, through its own operations and tangible assets, and indirectly through its lending and investment activities. The main potential impacts of climate-related risks to the Bank's business are presented in the following table:

Climate Risk	Risk Types[3]	Description of potential impacts
Transition Risk	Business & Strategic Risk	• Inability to integrate environmental criteria into the design of new products and services, to offer environmentally responsible investments and to participate in the financing of projects with positive effects on the environment. • Consumer behaviour changes due to shift in more sustainable products leading to potential loss of competitive advantage.
	Credit Risk	• Failure to assess environmental and climate-related risks in customer and project finance, including inadequate monitoring of risk management during the implementation of the financed projects. • Policy and legal response to GHG emissions leading to increased carbon pricing that may affect customers' business operations. • Re-pricing of assets' valuation of customers generating high GHG emissions .
	Reputational Risk	• Increased reputational risk exposure due to financing customers that do not meet certain environmental standards and their activities have negative effects on the environment. • Enhanced reporting obligations which increase the potential of non-compliance or misrepresentation. • Failure to meet stakeholders' expectations.
Physical Risk	Credit Risk	• Increasing severity and frequency of extreme weather events affecting customers' production capacity and revenue. • Reduction in the value of assets and collaterals due to extreme weather events.
	Operational Risk	• Increased risk of damage to the Bank's infrastructure due to increased frequency and intensity of extreme weather events.

[3]Risk Types materially driven by climate risk drivers.

At the same time, the Bank is integrating climate-related opportunities in its strategic plan, to effectively support the real economy's decarbonization. The Bank follows a customer-centric approach to develop sustainable products and services covering the wholesale and retail banking as well as project financing and wealth management. Under this prism, climate-related opportunities are being addressed by the green eligible categories incorporated in the Bank's Sustainable Finance Framework (SFF) and materialized through the Bank's access to sustainable finance capital. The SFF covers both financing for environmentally sustainable economic activities through its alignment with the EU Taxonomy, but also captures criteria for hard-to-abate sectors paramount to progressing towards Net Zero.

Climate-related opportunities are mainly captured at the financing and operational level through products & services offered and energy efficiency measures, respectively. The main climate-related opportunities identified for the Bank's business are presented in the following table:

	Description of climate-related opportunities
Financing level	• Growth in sustainable financing for wholesale banking customers • Growth in Renewable Energy Sources financing • Growth in green mortgage loans • Development of consumer loans that support transition to low carbon economy (e.g. low carbon mobility) • Development of sustainable investment solutions • Access to capital for expanding green product proposition • Development of partner ecosystem to support customers
Operational level	• Actions to reduce energy use (e.g. from bank branches, buildings and data centers) • Actions to optimize buildings' energy efficiency • Strengthen internal processes and employees' capabilities

The Bank, having conducted the above assessment, is working to incorporate short, medium and long-term time horizons as well as specific climate scenarios in its strategy and target setting, specifically extending to the years 2030 and 2050 respectively.

3.1.1 Materiality Assessment of Climate-related Risks: Transition Risks

The Bank performed a point in time materiality assessment on Transition Risk for the Non-Financial Corporations (NFC) portfolio, through the determination of activities/sectors more sensitive to transition risk, based on the Climate Policy Relevant Sectors (CPRS)[4] classification. For real estate financings and collaterals, the analysis was based on information on the Energy Performance Certificate (EPC) of the property in question.

While 66% of the Bank's performing exposures, as of end 2022, were within the CPRS perimeter, the exposures are subject to varying levels of each transition risk subtype, which is a key determinant of materiality.

Key outcomes:

- Growing exposure to Renewable Energy Systems helps differentiate the energy sector exposure.
- The marine transport portfolio and a significant part of hospitality and structured finance portfolios fall under the perimeter of sectors that are sensitive to climate-related and environmental factors.

[4] The Climate Policy Relevant Sectors (CPRS) is a classification of economic activities to assess climate transition risk, first developed in the article by Battiston et al. (2017) published on Nature Climate Change. CPRS are identified considering: i) role in the energy value chain (technology), ii) role in the GHG emissions chain, iii) specific policy processes and iv) business model (input substitutability of fossil fuel).

- The majority of exposures under the CPRS perimeter has residual maturity <=5 years, with the exposures with residual maturity above 10 years covering a limited percentage (<15%) of the total CPRS perimeter (of which 5% has a residual maturity above 20 years), which minimizes the sensitivity of the exposures in the NFC portfolio to environmental risks that are expected to materialize in long-term horizons.
- The Bank's retail portfolio is materially affected by ESG factors, due to the considerable size and residual maturity of real estate collaterals greater than 10 years.

Information on the process followed is detailed in Section 4 - Risk Management of this report.

The Bank intends to incorporate specific climate scenarios and time horizons to enhance the materiality assessment of transition risks.

3.1.2 Materiality Assessment of Climate-related Risks: Physical Risks

The Bank performed the materiality assessment on Physical Risk for the Non-Financial Corporations (NFC) portfolio based on the NACE[5] sector at a country level and for exposures covered by real estate collateral the analysis was applied on a climate zone level at a regional level. For the assessment of exposure to future conditions, climate projections for the hot-house scenario of IPCC AR5 RCP 8.5 with a horizon of 2050 were considered, due to its sufficient provision of differentiated outcomes.

Key outcomes:

- There are no exposures of loans subject to the category of high vulnerability for chronic physical risks, considering that in case an exposure is classified as high chronic risk and high acute risk, the exposure is disclosed in a consolidated category including both acute & chronic.
- Limited (<6%) corporate portfolio exposure is allocated in high vulnerability to acute physical risks, with the largest percentage being found in the energy sector.
- Limited (< 8%) corporate portfolio exposure is allocated in high vulnerability to acute & chronic physical risks.
- Of the total volume of collateralized loans, 19% are exposed to physical risks based on the location of the collateral (which corresponds to 14% of the Residential Real Estate loans and 26% of the Commercial Real Estate loans).

Information on the process followed is detailed in Section 4 - Risk Management of this report.

3.1.3 Financed Emissions measurement

In order to align its portfolio with the Paris Agreement climate objectives, the Bank is carrying out a full measurement of its financed emissions, covering investment and lending products of its corporate portfolio across all the sectors it finances, based on the GHG emissions of its borrowers or investee companies. To measure its financed emissions, the Bank follows the Global Greenhouse Gas (GHG) Accounting and Reporting Standard for the Financial Industry developed by the Partnership for Carbon Accounting Financials (PCAF, version Nov. 2021).

PCAF builds upon the GHG Protocol Corporate Value Chain (Scope 3) emissions – Investments (Category 15)[6], to provide asset class specific calculation approaches. According to the PCAF methodology, financed emissions are calculated by multiplying an attribution factor, specific to the asset class, by the emissions of the borrower or investee company. The attribution factor is defined as the share of total annual GHG emissions of the borrower or investee that is allocated to the loans or investments.

For 2022, figures disclosed in this report, are aligned with the specifications of an ECB Short-Term Exercise (STE), which required all EU banks to provide climate change transition risk measurements for their banking book. In this context, the asset class coverage includes Listed and Unlisted Equity, Corporate Bonds, Business Loans, Commercial Real Estate (CRE) and Project Finance.

[5] NACE (Nomenclature of Economic Activities) is the European statistical classification of economic activities.
[6] According to the GHG Protocol Standard, Scope 3 emissions represent all indirect GHG emissions that occur in the value chain of a company. Scope 3 emissions are divided into upstream (related to purchased or acquired goods and services) and downstream emissions (related to sold goods and services, with the latter being associated with the provision of capital or financing) and categorized into 15 distinct categories. Category 15 – Investments accounts for equity investments, corporate debt holdings (such as bonds or loans), project finance and investments managed on behalf of clients or services provided to clients.

Financed emissions asset class coverage

Equity

- On-balance sheet listed equity that are traded on a market and are for general corporate purposes.
- On-balance sheet equity investments to businesses, non-profits and any other structure of organization, that are not traded on a market and are for general corporate purposes.
- Derivative financial products are not covered by this asset class. The same holds for short and long positions or special cases of underwriting such as IPO.

Corporate Bonds

- On-balance sheet listed corporate bonds that are traded on a market and are for general corporate purposes.
- Green bonds and derivative financial products are not covered by this asset class.

Business loans

- On-balance sheet loans and lines of credit to businesses, non-profits and any other structure of organization, that are not traded on a market and are for general corporate purposes.

Commercial Real Estate (CRE)

- On-balance sheet loans for the purchase and refinance of CRE, and on-balance sheet investments in CRE.
- The property is used for commercial purposes, and the building owner-investor leases the property to conduct income-generating activities.
- Loans secured by CRE for other purposes than CRE and loans to CRE companies that are unsecured are classified as business loans if the loans are for general corporate purposes.

Project Finance

- On-balance sheet loans or equities to projects with known use of proceeds. The financing is designated for a defined activity or set of activities, such as the construction and operation of a gas-fired power plant, a wind or solar project or energy efficiency projects.
- Only the financed (ring-fenced) activities are included.

Exposures towards non-financial corporates in sectors that highly contribute to climate change were in accordance with the Commission delegated regulation (EU) 2020/1818, supplementing regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks -Climate Benchmark Standards Regulation - Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006.

The measurement of financed emissions for 2022 included exposures to sectors with the following NACE Codes: A- agriculture, forestry and fishing; B- mining and quarrying; C- manufacturing; D- electricity, gas, steam and air conditioning supply; E- water supply, sewerage, waste management and remediation activities; F- construction; G- wholesale and retail trade, repair of motor vehicles and motorcycles; H- transportation and storage; I- accommodation and food service activities, L- real estate activities.

Alpha Bank financed emissions 2022 - Banking book

SECTOR	Asset class	Scope 1 financed emissions (tCO_2e)	Scope 2 financed emissions (tCO_2e)	Scope 3 financed emissions (tCO_2e)	Scope 123 financed emissions (tCO_2e)	Outstanding amount (million Euro)
All sectors that highly contribute to climate change	1. Listed & Unlisted Equity	0.02	26.69	105.26	131.97	10.06
	2. Corporate Bonds	166,066.46	4,846.64	183,357.64	354,270.75	715.00
	3. Loans (including CRE & Project Finance)	3,224,580.97	753,786.52	1,480,007.16	5,458,374.65	17,489.62
	Total	**3,390,647.46**	**758,659.85**	**1,663,470.06**	**5,812,777.37**	**18,214.68**

For the purposes of the financed emissions measurement, the counterparty NACE sector allocation was identified and GHG financed emissions calculated for Scope 1, Scope 2 and Scope 3 emissions (in tons of CO_2 equivalent), depending on availability of information. Financed emissions have been measured by using primary data (e.g. reported emissions) for the 34.2% of the portfolio (in terms of outstanding amount), whereas for the remainder of the portfolio (i.e., 65.8%), financed emissions have been estimated by using proxy data (e.g. EEIO). To the extent GHG emissions, activity or financial data were not available on behalf of the counterparties for 2022, the measurement for the financed emissions was based on data for 2021. Bank exposure to each counterparty corresponded to end of 2022 balances. Future disclosure of emissions by customers will improve data quality but may also cause changes in financed emissions figures.

The financed emissions results identified business loans as the major asset class in driving the Bank's financed emissions and Scope 1 financed emissions as the main GHG emissions exposure by its counterparties. The STE reporting resulted in identifying the materiality of the electric power generation, transmission, and distribution sector in the Bank's financed emission exposures and initiated further analysis for NACE Sector Code D[7], per asset class covered.

[7] NACE Code D refers to electricity, gas, steam and air conditioning supply which incorporates the business activities of electric power generation, transmission and distribution and manufacture of gas; distribution of gaseous fuels through mains.

Alpha Bank financed emissions 2022 - Sector review

SECTOR	Asset class	Scope 1 financed emissions (tCO_2e)	Scope 2 financed emissions (tCO_2e)	Scope 3 financed emissions (tCO_2e)	Scope 123 financed emissions (tCO_2e)	Outstanding amount (million Euro)
D - Electricity, gas, steam and air conditioning supply	1. Listed & Unlisted Equity	-	-	-	-	-
	2. Corporate Bonds	94,424.30	1,959.02	125,169.72	221,553.04	184.37
	3. Loans (including CRE & Project Finance)	1,127,343.68	181,487.86	248,320.68	1,557,152.22	1,971.11
	Total	**1,221,767.98**	**183,446.88**	**373,490.40**	**1,778,705.26**	**2,155.48**

The Bank is currently at an advanced state of a more detailed measurement of its Scope 3 financed emissions across asset classes and sectors, following which, it will inform its target setting methodology for alignment with the Paris Agreement and the Bank's commitments. The target setting exercise is expected to prioritise the sectors that are material in terms of financed emissions and will develop as data and tools availability matures. In addition, it will consider the sectors for which the Science Based Target initiative (SBTi) has published a Sectoral Decarbonization Approach (SDA) guidance to assess the applicability of the approach to portfolio transition plans. Emphasis is expected to be placed in improving the data quality to achieve high scores in quality assessment and financed emission calculations as well as expanding the asset class perimeter following PCAF updated guidance.

3.1.4 Sustainable Finance Opportunities

As part of the initiative to incorporate sustainability criteria in its lending operations, the Group has developed a Sustainable Finance Framework, which defines criteria in line with the International Capital Markets Association (ICMA) principles and the EU Taxonomy Regulation. Green eligible categories are grouped into four distinct themes: Energy efficiency, renewable energy, sustainable transport, resource efficiency and pollution control.

Sustainable Finance Framework eligible themes, sub-themes and activities

Themes	**Energy Efficiency**	**Renewable Energy**	**Sustainable Transport**	**Resource efficiency and pollution control**
Sub-themes and relevant Bank Division	Transmission and Distribution Systems and Upgrades **(W)** Energy Efficiency Technologies **(W, SB, IB)** Public Services and Utilities **(W)** Real Estate **(W, SB, IB)** Agricultural processes **(SB)** Industrial processes **(W)**	Generation of electricity from renewable sources **(W, SB)** Renewable energy technologies **(W)** Transmission and distribution systems **(W)** Heat production and thermal energy **(W)**	Electric, hydrogen and hybrid vehicles **(W, SB, IB)** Public or mass transportation systems **(W, SB)** Infrastructure **(W, SB)** Shipping **(W)**	Recycling and reuse **(W)** Circular economy **(W)**
Indicative Eligible Activities	**Retrofit of renewable energy power plants**. Construction/ acquisition of **green buildings**. Development, manufacture and/or installation of **energy efficiency technologies**/products.	Projects that aim at promoting electricity generation from **renewable sources.** Development and/or manufacture of **renewable energy technologies.**	Acquisition/manufacture of **zero-emission vehicles**. Development/maintenance of infrastructure for **electric vehicles.** Upgrade/replacement of vessels with **low emission vessels.**	Processes and infrastructure that facilitate **recycling**. Companies/projects that substitute **virgin raw materials with secondary** (recycled) materials and resources recovery.

W: WHOLESALE (Commercial Banking, Corporate Banking, Structured Finance); RETAIL - SB: Small Business Banking, IB: Individual Banking.

Alpha Bank classifies its sustainable financing solutions into the categories of dedicated-purpose financing and general-purpose financing, aiming at establishing an overarching set of sustainability guardrails across the Bank's operating system; creating a coherent path for more coordinated action; producing metrics to track performance; and creating meaningful sustainability results both for the Bank and its customers.

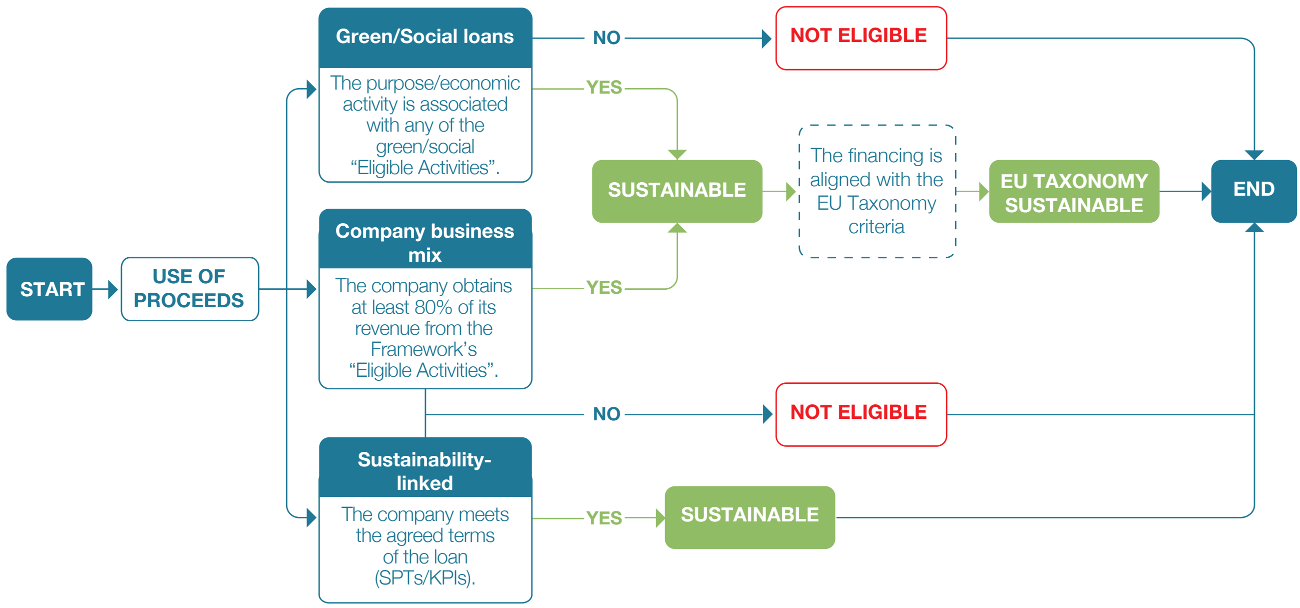
A. Dedicated Purpose Financing

- Green/Social Loans: The funds are 100% directed towards a project/investment listed under the eligible green/social criteria.
- Recovery and Resilience Facility: Loans that meet the green eligibility criteria of the RRF are automatically considered sustainable.

B. General Purpose Financing

- Company Business Mix: When a company derives a certain percentage (at least 80%) of its revenues from eligible activities.
- Sustainability-Linked Loans/Facilities: General Purpose financing that is linked with measurable ESG targets at borrower level based on pre-determined sustainability performance targets agreed with the customer.

Sustainable Finance Framework Decision Process diagram



Concurrently, work is underway to operationalize the framework within the Bank's lending operations as part of the Transaction Assessment & Loan Approval Process. Favorable pricing scenarios with respect to the categories of dedicated-purpose loans, company business-mix loans and sustainability-linked loans are in place, in line with the transition dynamics of different sectors and eligible economic activities. For wholesale clients, the pricing scenarios considered are expected to differentiate between high climate risk sectors with high and lower availability of transition investments as well as low emission sectors. In terms of retail clients, the pricing scenarios will effectively address housing/ vehicle loans and green consumer loans.

The Sustainable Finance Framework constitutes the basis for the Bank's sustainable lending strategy as well as supporting future funding operations, including the issuance of Green Bonds, by defining the use of proceeds and impact assessment of financings. The framework will be reviewed by an independent third party, to ensure the proper incorporation of the principles.

3.2 Impact on Organization

The Company acknowledges that ESG and climate factors can have a significant impact from a Business and Strategic Risk perspective, recognizing as key drivers the potential shift in consumer preferences, behavioural/demand patterns, the market sentiment and the potential change in the competitive landscape, which could result to lose market share and affect its revenue and profitability, due to ESG and climate considerations.

To address the aforementioned risks, the Bank initiated the following key actions:

a) Performed an impact analysis of its loan portfolio by utilizing the UNEP FI Principles for Responsible Banking (PRB) Tool and by conducting a Global Reporting Initiative (GRI) materiality analysis, to understand the positive and the negative socioeconomic, environmental and social impacts of its portfolio.

b) Introduced ESG Key Performance Indicators (KPIs) (such as % of disbursements to RES over total disbursements to the energy sector, the gross disbursements aligned with the Sustainable Finance Framework etc.), which will be monitored on a quarterly and annual basis, in order to take corrective action, when needed.

c) Is in process of developing science-based, short, medium and long-term targets around its financed emissions, in alignment with the Paris Agreement on climate change and Net Zero emissions for 2050.

3.2.1 Business Model and Strategy

Material Impact Analysis

The Bank recognizes the positive and the negative interactions between its portfolio and the environmental, financial and social areas identified by the UNEP FI Principles.

For the purpose of fulfilling its commitments as a signatory of the Principles for Responsible Banking (PRB), the Bank conducted a new dedicated portfolio alignment analysis in 2022, in accordance with the UNEP FI PRB Impact Analysis. The Bank utilized the Portfolio Impact Analysis Tool for Banks (version 3) and conducted a GRI Materiality analysis to understand the positive and negative socio-economic, environmental and social impacts of its loan portfolio and align them with external targets through prioritization of focus areas.

The below steps were followed to identify the areas with the most significant impact:

1. Review of the Bank's portfolio composition.

2. Understand the context and the most relevant challenges and priorities in the countries/regions where the Bank operates.

3. Run an analysis to identify the most significant positive and negative impacts of the Bank's products and services.

As a result, both positive and negative impacts that the Bank creates through its institutional and consumer banking portfolios, were assessed and mapped against the impact areas and topics of the revised Impact Radar. For the 2022 analysis, the Bank used a 3-year time horizon for identifying and assessing potential impacts, in alignment with its business planning cycle. The analysis performed covered 76% of the total loan portfolio exposure, taking into consideration of climate sensitive sectors. The material impact areas, whether potentially positive or negative, related to the natural environment were prioritised follows:

GRI Materiality Analysis results

ESG Strategy priority impact areas	ALPHA BANK's material negative impacts	Type of impact	Prioritized impact topics
Climate	**Climate stability**	**Financed & operational**	Impacts created through specific financial products/services that contribute to climate change and through the creation of direct and indirect GHG emissions in the Bank's supply chain and operations.
Biodiversity	**Biodiversity (air, soil, waterbodies, species, habitats)**	**Financed & operational**	Impacts created through financial products/services to certain sectors and operational activities that create air pollutants (e.g. NOx, SOx, PM, VOCs), that affect the composition of soil and its ability to deliver ecosystem services, the quality and quantity of surface water and groundwater, the ability to maintain species and/or the ability to protect, restore and promote sustainable ecosystems and habitats.
Circularity	**Circularity (resource intensity, waste)**	**Operational**	Impacts created through financial products/services to certain sectors and through operational activities that affect the efficient use of limited, non-renewable, and renewable natural resources and/or the ability to manage and reduce waste.

The GRI materiality analysis identified climate stability a key priority to address due to its relevance with positive and negative impacts, both actual and potential. Overall, the findings of the UNEP FI Principles for Responsible Banking (PRB) Impact Analysis were used to inform the Bank's strategy and business plan to address these material impacts.

Business Strategy

The Company is deploying a comprehensive strategic plan with the aim of addressing the risks and utilising new business opportunities to increase its positive effect on society and the environment while effectively generating value for its Stakeholders. In this respect, strategic commitments and targets are being updated with the ultimate objective to effectively manage any ESG related issues and improve environmental and social impacts.

The Company has embarked on an ambitious journey to:

- **Support an environmentally sustainable economy**
- **Foster healthy economies and societal progress**
- **Ensure robust and transparent governance**

To support an environmentally sustainable economy and mitigate climate change, the Group's actions center on the increase in Sustainable Financings and the reduction of financings that may have a negative impact on the environment. Additionally, the Group has developed policies and procedures in order to reduce the operational environmental footprint with the overarching aim of Net Zero and to strengthen its commitments associated with this objective.

Commitments to support a Net Zero economy

- **Support customers' decarbonization**
- **Align portfolio emissions to meet the Paris Agreement climate objectives**
- **Mitigate key drivers of biodiversity loss**
- **Support the transition to a circular economy**
- **Achieve Net Zero in own operations**

Targets to support a Net Zero economy

Financing Operations	Own Operations
• Increase allocation to new sustainable financings between 2023-2025 with a focus on renewable energy investments	• Reduction of carbon footprint at the operating level and setting net-zero targets within 2023
• Increase allocation of green loans to small businesses	• Reduction of Scope 1 and Scope 2 GHG emissions by 20% until 2025
• Launch new sustainability-based Mortgage, Credit Cards & Consumer Loan products	• Continue to procure 100% renewable electricity for all buildings and branches
• Zero financing to new investments in thermal coal mining and coal-fired electricity generation	• Upgrading lighting to LED throughout the network
• Zero financing to upstream oil exploration	• Reduction of annual paper usage rate by 50% by end of 2025
• Zero financing to targeted activities harming species diversity, habitats and waterbodies	• Replace 70% of the Bank's fleet with electric and/or plug-in or hybrid vehicles by 2025
• Facilitate customers' decarbonization with simplified solutions, financial advice, and a partner ecosystem	

As part of its broader strategy, the Bank recognizes the EU Taxonomy (EU Regulation 2020/852), as the central pillar of its institutional framework on climate change, environmental protection, and equitable development for all. Through the structured collection, management and application of relevant sustainability data, for each customer, loan and investment, the Bank assesses the quality of its assets, against the EU Taxonomy criteria. Moreover, the relevant data constitutes the basis for target setting and directed actions to improve the Group's sustainability KPIs, in line with the evolving requirements of investors, regulators, markets and society.

International cooperation

Alpha Bank has signed the six Principles for Responsible Banking, developed as an international initiative of the United Nations - Environment Programme Finance Initiative (UNEP FI) to actively participate in the global effort to build a sustainable future for the economy and the planet. As a result, the Bank seeks to increase its positive effect on society and the environment, utilizing new business opportunities and generating value for all stakeholders.

As part of its environmental stewardship, Alpha Bank joined the UN-convened Net Zero Banking Alliance, formally committing to achieve Net Zero emissions by 2050.

The Bank is expected to take more active role in international collaboration with the aim of formulating credible plans, by leveraging external support from memberships such as the UNEP FI, UN Global Compact and the Net Zero Banking Alliance.

3.2.2 Sustainable Financing targets

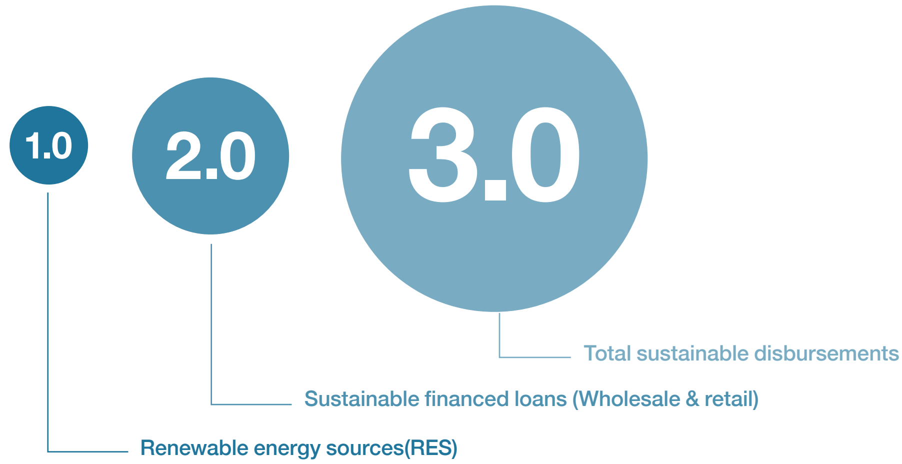
Support clients' sustainability transition

The cornerstone of this plan is the Sustainable Finance Strategy, which includes the design of specific financial products to enable our customers' transition to low-carbon business models and carbon-reduction technologies. As part of the commitment to support the transition to a more sustainable economy, the Bank plans to:

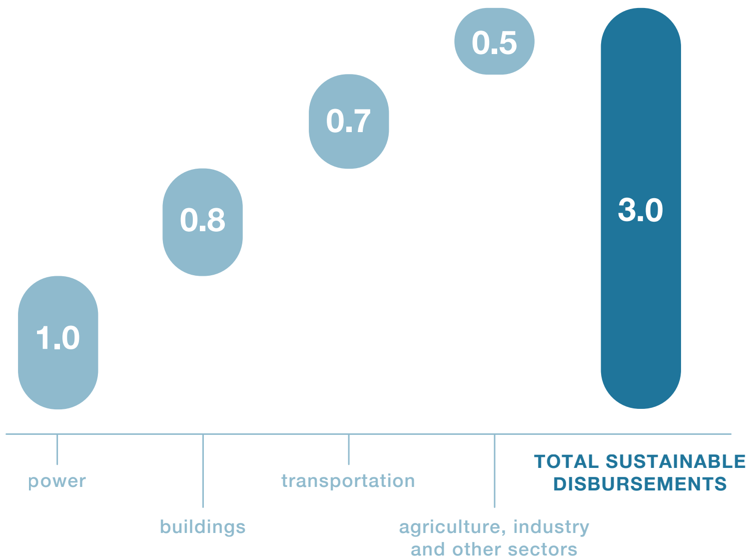
- Allocate Euro 3.0 billion capital to sustainable loans during 2023-2025, in order to accelerate the transition to a sustainable economy.
- Within total sustainable financings, achieve at least Euro 1.0 billion to Renewable Energy Sources (RES) and Euro 300 million of Retail green loans, including loans to small businesses.
- Focus on the power generation sector (solar, wind, grid upgrading, etc.) with aggressive targets to double the % of loans disbursed to Renewable Energy Systems from 2022 to 2023.
- Additionally, target buildings (energy efficiency, upgrades, heat insulation, certification) and transportation (electric vehicles, alternative fuels) sectors.
- Provide a pricing strategy with favorable terms to Green loans & investments, as well as Sustainability-Linked Loans.

The Bank is expected to continue developing and implementing criteria for sustainable financing, in order to ensure (i) the overall composition of its portfolio is monitored, (ii) the use of funds, sourced via issuance of Green or Sustainability-linked bonds, is linked to appropriate assets, (iii) better reporting and disclosure of the sustainability aspects of its balance sheet, (iv) the design of sustainable finance market offerings and (v) the incorporation of these criteria in credit approval process.

Sustainable disbursements 2023-2025 (Euro billion)



Sustainable disbursements per sector 2023-2025 (Euro billion)



The Sustainable Financing strategy will be delivered as follows:

Project Finance

The Bank has a specialized Project Finance Unit, which works on securing financing for investments in RES projects, large infrastructure projects, waste treatment, recycling, green buildings, energy and distribution networks and Public-Private Partnerships (PPPs).

Over the past five years, the Project Finance Unit has financed a number of investments with a total budget above Euro 4.3 billion, confirming the Bank's dominant position. Regarding the RES sector specifically, the Bank has fully or partly funded Solar Farms, Wind Farms and Biogas Plants, with a total of more than Euro 1.3 billion. Most of these projects are already in operation.

For 2022, the Project Finance Unit continued its successful activity, providing financing for new investments in RES, while it undertook or participated in new financing arrangements with a total value of **Euro 538 million.**

Alpha Bank new financing arrangements 2022

Project category	Description	Total Value (EUR million)
Renewable Energy Sources	Wind farms, solar parks	537.6
Energy Distribution Networks	Power transmission	170.0
Infrastructure	Airports, road networks	955.5

The Bank is also active in providing financing for Commercial Real Estate (CRE) projects certified to an acceptable level under an internationally or nationally recognized green building certification scheme, including LEED (Gold or above), BREEAM (Very good or above), Energy Performance Certificate (A or above). In 2022, the Project Finance Unit signed loan agreements of total financing amount Euro 171.8 million in CRE projects which satisfy or expect to satisfy the above certification thresholds.

Corporate clients

Draw on the Bank's significant expertise in deploying co-funding initiatives, to support clients' transition pathways including:

- Leverage the EU Resilience and Recovery Facility (RRF) Green transition pillar to accelerate sustainable investments.
- Enable Small Businesses to improve their environmental footprint and reduce their energy use, via the Hellenic Development Bank programs.
- Support social groups with reduced access to lending, especially in social housing, in conjunction with Government initiatives.

For small and large businesses, the Bank provides financing opportunities in relation to "Greece 2.0 National Recovery and Resilience Plan". Through the Recovery and Resilience Facility, the Bank provides financing for the green transition, with a focus on Renewable Energy Sources. Eligible categories under the "green pillar" include green technologies, green skills, biodiversity, energy efficiency, building renovation, preservation of energy security, circular economy, sustainable development and creation of jobs. In addition, the Bank offers green solutions for small businesses with a focus on the installation and operation of photovoltaic stations.

Retail clients

Target 70% growth in the Retail Green Loan portfolio, enhancing it with new services and financial incentives, to encourage Consumer Sustainability journey via:

- Home improvement or equipment loans (thermal insulation, solar panels, heat pumps, energy efficient electrical appliances).
- New green mobility financing to support electrification of transport (PHEV/EV, scooters, public transportation).
- Incorporation of sustainability-linked criteria into all mortgage and real estate lending policies, including financing terms and pricing.
- Provision of other incentives to existing customers to accelerate the adoption of energy efficiency standards in the Real Estate markets in which the Bank operates.

For retail customers, the Bank offers green consumer product solutions covering loans to improve the energy efficiency of residencies, install solar panels, purchase electric/hybrid cars, bicycles and charging points and is integrating green criteria and incentives to its mortgage products. Overall, in 2022 Alpha Bank disbursed more than 11,000 Green Mortgage and Consumer Loans.

Wealth Management

The Bank steers capital to sustainable and impact investments by offering thematic investments with a positive direct or indirect impact on society and the environment (Socially Responsible Investing - SRI) as well as mutual fund choices that consider Environmental, Social and Governance criteria in their investment strategy. The Bank aims to:

- Enrich the offering of Mutual Funds that promote environmental and/or social characteristics.
- Endorse single issue Green Bonds, promote impact investment-linked structured notes and mutual funds that incorporate environmental and/or social characteristics.
- Engage in continuous educational training initiatives and dialogue on sustainability themes with customers.

In 2022, the Wealth Management Division took action to incorporate sustainability preferences in the business model for investment advisory services and discretionary portfolio management. All applicable policies and contractual documents were updated to integrate sustainability factors, risks and preferences. Advisory sales tool and product governance systems are also being updated to comply with legal requirements of MiFID, Sustainable Finance Disclosure Regulation (SFDR) and the EU Taxonomy.

At the end of 2022, assets under management promoting sustainability characteristics in accordance with Article 8, EU SFDR managed by Alpha Asset Management M.F.M.C. amounted to EUR 235 million and the total financial products categorized as sustainable investments (Green bonds, Article 8 & Article 9 SFDR, Impact investments) attributed to the Personal and Private Banking clients were valued at EUR 1.38 billion.

3.2.3 Risk Management Framework

New processes to strengthen identification, assessment and management of risk

The Group already applies an exclusion list, incorporated in the "Environmental and Social Risk Management Policy on Legal Entities Lending", in line with the Environmental and Social Exclusion List developed by the European Bank for Reconstruction and Development (EBRD), for the avoidance of the financing, directly or indirectly, of specific activities considered as harmful to the environment and to society, i.e. thermal coal mining or coal-fired electricity generation capacity, upstream oil exploration, upstream oil development projects, except in rare and exceptional circumstances where the proceeds of the project exclusively target the reduction of Greenhouse Gas (GHG) emissions or flaring from existing producing fields.

In the context of an enhanced ESG risk assessment, a granular, sector-specific customer assessment is designed, taking into consideration climate-related but also other environmental risks, as well as social and governance criteria. The Bank prioritizes engagement with corporate customers to successfully perform an assessment on their climate and ESG risks and support their journey to reducing risk and transition to a low carbon economy.

In addition, the Bank will start collecting information on the location of collateral as well as information on the Energy Performance Certificates (EPCs) from its customers in order to monitor the energy performance class of its real estate secured exposures and act accordingly to mitigate risk.

The information collected will be incorporated into the respective data systems of the Bank and methodological approaches modelling risk will be developed.

3.2.4 Development of ESG & Climate skills and awareness

Build internal know-how

The Bank launched the ESG Academy with the aim of providing ESG training by prioritising three learning paths for its employees: (i) ESG Awareness, (ii) Fundamentals towards ESG integration, (iii) Technical capabilities for ESG. The training topics aim to build an understanding of ESG and how it is being integrated into the Bank's core operations and procedures as well as to improve communication with the Bank's customers.

ESG Academy Learning Paths

1st Learning path

ESG Awareness
Achieve a clear understanding of the ESG components and their impact on the Banking Sector while inspiring behavioral change inside and outside of work.

2nd Learning path

Fundamentals towards ESG integration
Realize ESG requirements which will be integrated into Alpha Bank's processes and objectives.

3rd Learning path

Technical Capabilities for ESG
Build technical expertise around ESG in order to enable seamless operationalization.

The ambition for 2023 is for 50% of the Bank's employees to have participated in the general awareness training and for 65% of the designated employees from the Wholesale Banking, Risk Management and Retail Banking – Small Business Unit to complete the specialized training.

Furthermore, the Bank organizes, supports and participates in environmental actions to cultivate the ecological conscience of its employees and their families and to improve the quality of the environment. The Bank is expected to work closely with its stakeholders, specifically customers, investors and employees to understand the climate-related risks they face, their expectations and ways to address challenges.

Customer education & transition support

The Bank is working to develop an ESG ecosystem of partners and suppliers, to support the Bank's customers in planning and executing their transition to sustainable business models. Examples include the calculation of customers' carbon footprint and enabling local recycling schemes. In addition, the Bank is providing awareness and training to the market, on ESG and climate-related risks, aiming to add the power of its brand name to the wider sustainability transition effort.

With the aim of raising awareness regarding ESG and sustainable investments, the Bank also organizes informative events and on a regular basis publishes relevant informative material in reports. It supports households and business responsible investment choices and invests in projects that have a positive environmental and social impact. On this basis, Alpha Bank regularly coordinates events addressed to its customers focused on the merits of ESG investing.

3.2.5 Carbon footprint from internal operations

Commit to further reduce Scope 1 & 2 GHG emissions by 2025

In the scope of its own operations, the Bank implements GHG accounting and reporting standards to reduce its carbon footprint, to promote environmental protection and to mitigate climate change, ensuring that the reported information represents a faithful, true, and fair account of the company's GHG emissions.

The Bank has implemented an EMS-Environmental Management System (certified with ISO14001 in 2019, by TUV Austria), that monitors:

• Direct Scope 1 GHG emissions that occur from sources that are owned or controlled by the company (i.e. owned vehicles, boilers and generators using fossil fuels, emissions released from coolant liquids in the air conditioning units of the company's facilities, etc).

• Indirect Scope 2 GHG emissions from the generation of purchased electricity consumed.

Also, the Bank regularly issues Emissions Reports based on the requirements of the standard ISO14064-1:2018, and an Environmental Statement in accordance with the European regulations 1221/2009 EMAS (Eco-Management and Audit Scheme) and (EU) 1505/2017 (amendment of annexes to 1221/2009/EC). All reports (i.e. ISO14064 Report and EMAS) are verified by TUV Austria since 2021.

In the context of the EMS, the Bank since 2018 assesses environmental aspects and sets targets for reducing the consumption in key aspects that have significant impact in Scope 1 and Scope 2 emissions (e.g. electricity consumption in buildings, consumption of petroleum and gas products in buildings for heating and operation of auxiliary equipment, etc.).

As a result, the Bank has already reduced Scope 1 & 2 GHG emissions by 50% in 2022 (compared to 2019) and aims to further improve its performance by 20% by 2025, while already commits to procure 100% renewable electricity for its buildings and branches and to upgrade lightning to LED throughout its network. A plan for the alignment of its own operational carbon footprint with the Net Zero objectives is currently being developed and is expected to be announced at the end of 2023.

3.3 Resilience of Strategy

The Bank in the context of the Internal Capital Adequacy Assessment Process (ICAAP Report) and Internal Liquidity Adequacy Assessment Process (ILAAP Report) 2023 submission has developed climate risk-specific methodologies in order to estimate the impact of climate scenarios on its capital base and liquidity position.

When examining the impact in **Normative perspective**, the Bank primarily selected relevant climate scenario for Transition (e.g., disorderly transition scenario) or Physical risk (e.g., impact from flood or other physical risks), leveraging on internal or external sources and used relevant credit risk models in order to calculate impact from the scenarios (e.g., through sector models for risk parameters affected by transition risk or through impact on collaterals for physical risk) and estimate risk parameters. Next, the Bank leveraged on the process employed for stress test purposes in credit risk, in order to calculate impact and perform projections based on the scenario parameters and calculated additional impairment or other metrics.

For the **Economic perspective**, the Bank estimated the impact from climate scenarios in a similar fashion as in the Normative perspective (selection of scenario, use of relevant credit risk models to calculate impact).

From a qualitative perspective, the Board acknowledges the importance of ICAAP/ILAAP in decision-making processes and the inherent interrelations with key management processes and continues opting for improvements in methodological, procedural and governance-related aspects.

4

Risk Management

The Group is committed to integrating ESG and Climate risks into its overall risk management framework. In this context, the Bank regularly monitors its exposure concentration in climate sensitive sectors in its loan and investment portfolio while continuously working on updating its policies and processes, improving data quality, coverage and calculation approaches.

4.1 Risk identification and assessment process

The Bank defines Environmental, Social and Governance (ESG) risks those related to any negative financial impact to the Bank stemming from the current or prospective impacts of ESG factors on its counterparties or invested assets. Moreover, ESG risks may directly impact the Bank's operations and/or performance, in terms of process disruption, litigation/liability or reputation-related consequences.

ESG factors may have an impact on the financial performance or solvency of an entity by manifesting themselves in financial or non-financial prudential risks, such as credit, market, operational, business and liquidity risks.

Environmental Risk: Environmental risks are the financial risks posed by the exposure of the Bank to counterparties or invested assets that may potentially be affected by/or contribute to the negative impacts of environmental factors, such as climate change and other forms of environmental degradation (e.g., air pollution, water pollution, scarcity of fresh water, land contamination, biodiversity loss and deforestation).

The type of environmental risk that has been most widely researched and recognized is climate-related risk:

Climate-related Risk: Climate-related risks are the financial risks posed by the exposure of institutions to counterparties that may potentially contribute to or be affected by climate change. This could, for example, take the form of physical damage caused by extreme weather events or a decline in the asset value of a counterparty that operates in carbon-intensive sectors subject to CO_2 taxation.

Climate-related risks are commonly understood to comprise the below main risk drivers:

Transition: Transition risks are the risks of any negative financial impact on the institution stemming from the current or prospective impacts of the transition to an environmentally sustainable economy on its counterparties or invested assets, including:

a. **climate and environment related policy changes,** for example as a result of energy efficiency requirements, carbon-pricing mechanisms that increase the price of fossil fuels, or policies to encourage sustainable use of environmental resources.

b. **technological changes,** for example if a technology with a less damaging impact on the climate or the environment replaces a technology that is more damaging, hence making it obsolete or uncompetitive.

c. **behavioral changes**, for example if the choices of consumers and investors shift towards products and services that are more sustainable; or if difficulties to attract and retain customers, employees, business partners and investors arise when a counterparty has reputation for damaging the climate and the environment.

Physical: Physical risks are the risks of any negative financial impact on the institution stemming from the current or prospective impacts of the physical effects of environmental factors on its counterparties or invested assets. They are typically defined as risks which arise from the physical effects of climate change and environmental degradation and can be categorized as following:

a. Acute: which arise from particular events, especially weather-related events such as storms, floods, fires or heatwaves, that may damage production facilities and disrupt value chains.

b. Chronic: which arise from longer-term trends, such as temperature changes, rising sea levels, reduced water availability, biodiversity loss and changes in land and soil productivity.

Other risks recognized, include:

- **Social Risk:** Social risks are the risks of any negative financial impact on the institution stemming from the current or prospective impacts of social factors on its counterparties or invested assets. Social factors are related to the rights, well-being and interests of people and communities, and include factors such as (in)equality, health, inclusiveness, labor relations, workplace health and safety, human capital and communities.
- **Governance Risk:** Governance risks are the risks of any negative financial impact on the institution stemming from the current or prospective impacts of governance factors on its counterparties or invested assets. Governance factors cover governance practices, including executive leadership, executive pay, audits, internal controls, tax avoidance, board independence, shareholder rights, corruption and bribery, and also the way in which companies or entities include environmental and social factors in their policies and procedures.

In alignment with the relevant external guidance across different sources[8], the Bank considers climate and environmental risks as a theme, i.e. as a transversal, cross-cutting risk and is currently in the process of incorporating such factors as drivers of existing financial and non-financial risk categories (e.g., credit risk, operational risk, market risk, liquidity risk etc.) in its risk management framework.

The following table provides an indicative view of the potential impact of ESG drivers on Risk types:

Risk Type	Indicative impact of ESG drivers (not exhaustive)
Credit risk	Impact on the credit risk parameters (PD, LGD, EAD) as a result of transition or/and physical risk events, affecting the creditworthiness of counterparties (e.g. increased PD of companies sensitive to ESG factors, impact on collateral values from physical risk related events and from disorderly transition to low-carbon economy).
Market risk	Volatility and reduction in values and risk returns of financial assets (e.g. corporate/sovereign bonds, equity) from climate-related factors (e.g. from transition risk drivers leading to repricing of securities and derivatives).
Liquidity risk	Volatility and reduction in values and risk returns of financial assets (e.g. corporate/sovereign bonds, equity) from climate-related factors (e.g. from transition risk drivers leading to repricing of securities and derivatives), which may reduce the value of high quality liquid assets, thereby affecting the liquidity buffer. Impact through Bank's ability to raise funds or liquidate assets, e.g.: • The ability to access stable sources of funding is reduced. • Climate-related asset classes/instruments are prioritized over other traditional asset classes/ instruments. • Deposits and credit lines are drawn down by counterparties.
Operational risk	The Bank's operations may be disrupted due to physical risk events, (e.g. extreme weather event) leading to damages to physical assets or critical infrastructure that is essential for providing services to customers (e.g. property, branches, energy supply, data centers etc.). The Bank may incur fines due to lack of consideration on compliance with environmental standards or as a result of the greenwashing, leading to conduct risk.
Business & Strategic risk	Failure to account for rising ESG factors, having as key drivers the potential shift in consumer preferences, behavioral/demand patterns, market sentiment and the potential change in the competitive landscape, leading to misalignment of business model to market practices (e.g. not being able to finance the environmental transition).
Reputational risk	Impact on the Bank's public perception and reputation and consequently in its valuation, considering also changing market and consumer sentiment, due to its association with activities and counterparties linked to adverse environmental impacts (e.g. financing of companies with significant polluting activities, investments in sectors with high GHG emissions etc.). Continually rising stakeholder expectations in the area of climate risk (e.g. Bank's commitments regarding the mitigation of climate risk) could lead to reputational risk, if the Bank does not deliver fully on its position.

[8] Some indicative regulatory and other references are:
i) In the 2020 ECB Guide on climate-related and environmental risks
ii) In the 2021 EBA Report on management and supervision of ESG risks for credit institutions and investment firms
iii) In the 2021 European commission final study, "Development of tools and mechanisms for the integration of environmental, social and governance (ESG) factors into the EU banking prudential framework and into banks' business strategies and investment policies"
iv) In the Climate Financial Risk Forum Guide 2020, "Risk Management Chapter"

The Bank has incorporated ESG and climate-related risks in its regular risk identification process and has also performed a materiality assessment, on a best-effort basis given the limitations in data and measurement methodologies and tools. For the materiality assessment, the Bank takes into account several factors, covering both financial materiality (e.g., exposures sensitive to ESG factors as % of total assets / total loan portfolio, or similar metrics), as well as qualitative factors, such as the perceived impact on the environment and society and potential reputational-related aspects, in alignment with the "double materiality" principle.

The materiality assessment performed covered all key risk aspects as outlined below:

4.1.1 Credit Risk

Credit risk is perceived to be materially affected by climate factors, given the Bank's sizeable loan portfolio and exposures to sectors commonly perceived as sensitive to climate-related and environmental risks.

Transition Risk

The Bank performed the materiality assessment on transition risk within the Non-Financial Corporations (NFC) portfolio, through the determination of activities/sectors more sensitive to transition risk, based on the Climate Policy Relevant Sectors (CPRS) perimeter. The analysis was based on performing exposures, by using the NACE code assigned at the borrower or investee level and deriving the total performing exposure of the Bank classified under the NACE codes that lie within the CPRS perimeter.

In addition to the above, the Bank conducted a top-down materiality assessment for transition risk sub-types per sector, in order to identify the climate-related transition risks (e.g., market, technology, reputation, legal etc.) that materially affect each sector. This analysis has been performed by taking into account the 2021 CDP climate change disclosures, in which organizations are categorized based on country, as well as primary industry/sector of operation.

The different transition risk subtypes included:

- **Current and Emerging Regulation:** policy developments that attempt to constrain actions that contribute to the adverse effects of climate change or policy developments that seek to promote adaptation to climate change (e.g. carbon pricing mechanisms, enhanced emissions reporting obligations).
- **Legal**: climate-related litigation claims.
- **Market:** shifts in supply and demand for certain commodities, products, and services (due to e.g. changing customer behavior, increase of raw materials, uncertainty of market signals, inability to attract investors due to uncertain risks related to the climate).
- **Reputation:** risks tied to changing customer or community perceptions of an organization's contribution to or detraction from the transition to a lower-carbon economy (e.g. increased stakeholder concerns, negative stakeholder feedback, negative press coverage related to support of projects or activities with negative impacts on the climate).
- **Technology:** risks associated with technological improvements or innovations that support the transition to a lower-carbon, energy-efficient economic system (e.g. substitution of existing products and services with lower emissions options, unsuccessful investment in new technologies).

The results of the qualitative top-down materiality assessment for transition risk sub-types per sector are presented in the table below:

Internal ESG Customer Assessment Sectors	Transition risk sub-types					
	Current regulation	Emerging regulation	Legal	Market	Reputation	Technology
Accommodation	✔		✔	✔		
Agriculture		✔		✔	✔	✔
Aviation	✔	✔			✔	✔
Chemicals	✔	✔	✔	✔	✔	✔
Construction	✔	✔	✔	✔	✔	✔
Energy	✔	✔		✔		✔
Health Care			✔	✔		✔
Manufacturing of consumer goods	✔	✔	✔	✔	✔	✔
Metal producers	✔	✔	✔	✔		✔
Mining	✔	✔	✔	✔	✔	✔
Petroleum activities	✔	✔		✔	✔	✔
Real-estate	✔	✔		✔	✔	✔
Road transportation				✔		✔
Shipping		✔		✔	✔	✔
Tobacco		✔		✔		
Water waste					✔	

Beyond the materiality assessment conducted in its NFC portfolio, the Bank recognizes the materiality of Climate and Environmental risks in its retail portfolio, in terms of the energy efficiency of real estate collateral held by the Bank. In this context, the Bank is working towards integrating information on the Energy Performance Certificate (EPC) of relevant real estate properties into its credit decision-making process. In parallel, the Bank developed a model to proxy the energy efficiency score and the EPC label of the real estate properties which are included in its portfolio or are used as collateral on existing assets. Using this model, the Bank was able to derive an estimate of its EPC distribution across the above perimeter of real estate properties.

The Bank also conducted materiality assessment for Climate and Environmental risks in terms of the eligible energy efficiency of the properties held by the Bank's Repossessed Assets.

Physical Risk

Regarding Physical Risk, the Bank conducted a materiality assessment for physical risks in the loan portfolio. The Bank used a methodology based on sensitivity and exposure analysis to derive vulnerability to physical risk factors. The analysis is aligned with the InvestEU methodology ("Technical guidance on the climate proofing of infrastructure in the period 2021-2027") and with the "ECB: Good practices for climate related and environmental risk management: Observations from the 2022 Thematic review"). The materiality analysis of physical risk is applied to the corporate portfolio per NACE sector (22 NACE codes) at a country level, while for exposures covered by Real Estate collateral the analysis is applied at a regional level for each of the 4 climatic zones in Greece (as defined by the Greek Ministry of Environment and Energy), based on the location of the real estate property.

The aim of the **sensitivity analysis** is to identify which climate hazards are relevant to a specific type of asset (NACE Sectors, real estate properties), irrespective of its location. A score of 'High', 'Medium' or 'Low' has been given for each climate hazard (average value between sensitivities found from different literature sources):

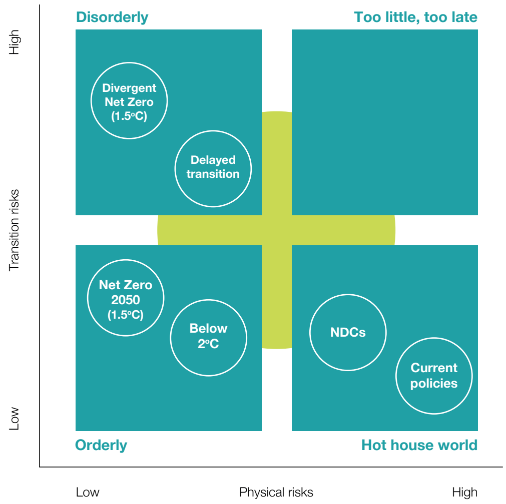
- **High sensitivity:** the climate hazard may have a significant impact
- **Medium sensitivity**: the climate hazard may have a slight impact
- **Low sensitivity:** the climate hazard has no (or an insignificant) impact

The aim of the **exposure analysis** is to identify which hazards are relevant to the location irrespective of the asset's sector or project type. Different geographical locations can be exposed to different climate hazards, whereas the exposure of different areas is expected to change as a result of changing climate conditions.

For the assessment of exposure to future conditions, climate projections for the hot-house scenario of IPCC AR5 RCP 8.5 with a horizon of 2050, are taken into consideration. According to the Network for Greening the Financial System (NGFS), hot house world scenarios assume that some climate policies are implemented in some jurisdictions, but global efforts are insufficient to halt significant global warming. Critical temperature thresholds are exceeded leading to severe physical risks and irreversible impacts like sea-level rise.

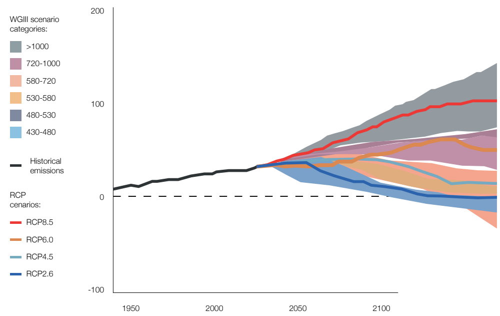
Physical Risk Hot House World Climate Scenario

NGFS SCENARIOS FRAMEWORK



Positioning of scenarios is approximate, based on an assessment of physical and transition risks out to 2100.

ANNUAL ANTHROPOGENIC CO_2 EMISSIONS



Source: Emissions of carbon dioxide (CO2) alone in the Representative Concentration Pathways (RCPs) (lines and the associated scenario categories used in Working Group III (WGIII)
(Source: IPCC, Climate Change 2014 Synthesis Report)

The RCP8.5 combines assumptions about high population and relatively slow income growth with modest rates of technological change and energy intensity improvements, leading in the long term to high energy demand and GHG emissions in absence of climate change policies. Compared to the total set of Representative Concentration Pathways (RCPs), RCP8.5 corresponds to the pathway with the highest greenhouse gas emissions[9]. Under RCP8.5, annual near surface temperature is projected to increase on average by 1.6 °C in the near future and

[9] RCP 8.5-A scenario of comparatively high greenhouse gas emissions

4.3 °C at the end of the century.

As a consequence of warming in Greece, the number of hot days and tropical nights in a year is projected to increase significantly and the number of frost days to decrease. In addition, the future will be possibly drier. Precipitation is generally projected to decrease under RCP8.5 by -16% and the number of consecutive dry days in a year to increase by 15.4 days (30%) at the end of the century[10]. This is a scenario and a period that can be considered representative and provides a clear picture of the upcoming changes and impacts due to climate change.

Physical risks resulting from climate change can be event driven (acute) or longer-term shifts (chronic) in climate patterns.[11]

Chronic climate change events

- changing temperature (air, freshwater, marine water)
- heat stress and permafrost thawing
- changing wind patterns
- changing precipitation patterns and types (rain, hail, snow)
- sea level rise
- water stress
- soil and coastal erosion
- soil degradation

Acute climate change events

- heatwaves
- coldwaves/frost
- wildfire
- cyclone, hurricane, typhoon, storm and tornado
- droughts
- heavy precipitation (rain, hail, snow/ice)
- floods
- landslide and subsidence

The aim of the vulnerability analysis is to identify potential significant hazards and related risks and forms the basis for the decision to continue the risk assessment. The Bank used different approaches to examine the vulnerability of its corporate loan portfolio to physical climate risks and the vulnerability of real estate buildings linked to real estate properties used as collaterals to physical climate risks at a regional level.

i. Vulnerability analysis of NACE sectors to physical climate risks:

The combined outcome of the sensitivity analysis and the exposure analysis resulted in the vulnerability analysis of NACE sectors to physical climate risks (both chronic and acute) at a country level (Greece). The examination of the corporate clients' activity/sector and their degree of vulnerability to physical risk led to the categorization of physical climate risk as **High, Medium or Low.**

The Bank conducted the materiality assessment on physical risk for the Non-Financial Corporations (NFC) portfolio, by identifying activities/sectors more vulnerable to physical risk, based on the outcomes of the analysis presented above. The assessment was carried out on performing exposures, by using the 1-digit NACE code assigned at the counterparty level and the maturity bucket of each account.

ii. Vulnerability analysis of Real Estate properties:

The vulnerability analysis of real estate buildings (linked to real estate properties used as collaterals) to physical climate risks (both chronic and acute) at a regional level (climatic zones) examined the vulnerability of real estate property collaterals that may exist and the extent to which the potential vulnerability of loan exposures linked to these collaterals.

[10] Climate change projections for Greece in the 21st century from high-resolution EURO-CORDEX RCM simulations, 2022
[11] TCFD, Climate-Related Risks, Opportunities, and Financial Impacts

Similar analysis was performed both for all and selected climate physical risks, which are considered the most relevant for Greece, based on relevant literature.

The selected climate physical risks included:

- Chronic: sea level rise, soil and coastal erosion
- Acute: wildfire, cyclone, hurricane, typhoon, storm, tornado, floods

Greek territory is divided in four climate zones based on the temperature conditions that prevail in each prefecture. According to the current building energy efficiency regulation, our country is divided into 4 climate zones, as shown in the figure below.

CLIMATE ZONE	REGIONAL UNITS OF GREECE
Climate Zone A	Heraklion, Chania, Rethymno, Lasithi, Cyclades, Dodecanese, Samos, Messenia, Laconia, Argolis, Zakynthos, Cephalonia, Ithaca
Climate Zone B	Corinthia, Elis, Achaea, Aetolia-Acarnania, Phthiotis, Phocis, Boeotia, Attica, Euboea, Magnesia, Sporades, Lesbos, Chios, Corfu, Lefkada, Thesprotia, Preveza, Arta
Climate Zone C	Arcadia, Evrytania, Ioannina, Larissa, Karditsa, Trikala, Pieria, Imathia, Pella, Thessaloniki, Kilkis, Halkidiki, Serres, Kavala, Drama, Thasos, Samothrace, Xanthi, Rhodope, Evros
Climate Zone D	Grevena, Kozani, Kastoria, Florina

The Bank also conducted the materiality assessment on physical risk for the collateralized loan portfolios of the Bank, by identifying collateral locations more vulnerable to physical risk, based on the outcomes of the analysis presented above, and taking into consideration their links to loan exposures.

4.1.2 Operational Risk

Regarding Operational Risk, although historical data do not reflect material losses from ESG-related events, the Bank introduced several enhancements to better manage, monitor and mitigate ESG-related risks, effectively acknowledging that there are potentially material ESG factors that could drive operational risk in the future. This is mostly based on a conservative forward-looking view (i.e. future ESG-related losses may be greater compared to historical ones) as well as on the fact that such events may have material reputational impact in the future, due to the shifting expectations of the customers and the society as a whole regarding ESG issues.

4.1.3 Legal Risk

Especially regarding legal risk, the Bank is in the process of introducing enhancements to better identify, manage, mitigate and monitor legal risk driven by ESG-related factors. Emphasis is placed on ESG-related legal risk due to customer and third-party controversial activities as well as due to internal processes that are being established to prevent greenwashing going forward.

4.1.4 Market Risk

Turning to market risk, the Bank conducted a materiality assessment of the bond portfolio following the Climate Policy Relevant Sectors (CPRS) methodology and taking into consideration the average residual maturity of the ESG-sensitive perimeter to identify the portfolio's sensitivity to environmental risks that are expected to materialize in long-term horizons. Exposure to transition risk assessed indicated limited potential effect from climate-related and other ESG factors. The Bank also performed a materiality assessment of Physical Risk for the Corporate Portfolio of Greek issuers resulting in minimal or immaterial risk due to its minor size.

The materiality assessment analysis will be conducted by the Bank on an annual basis to re-assess the materiality of ESG factors, mainly focusing on the below items:

- Volume and residual maturity of exposures in debt securities and equities, where the issuer / counterparty is a corporate customer classified as high risk in terms of sensitivity to ESG factors (leveraging on the classification approach established for the corporate loans portfolio).
- Volume and residual maturity of sovereign exposures, where the issuer / counterparty is a country outside the EU that is subject to material environmental risks or a country with weak currency, the creditworthiness of which could be more sensitive to extreme weather events.
- Additional information and analysis that may be performed going forward, leveraging external (e.g. ESG ratings) and internal sources and tools/methodologies that are currently under development. This is expected to also cover exposures to the financial sector to the applicable extend.

In case the detailed materiality assessment exercise going forward leads to the conclusion that there are material exposures subject to climate-related and environmental factors, the Bank will lay down additional actions related to the monitoring and controlling of such factors and the associated exposures in market risk.

4.1.5 Liquidity Risk

In terms of liquidity risk there seems to be no material effect from climate related and other ESG factors. A detailed materiality assessment will be conducted on a regular basis and will involve the analysis of assets that are included in the Bank's liquidity buffers, as well as an analysis of its funding profile (on the liabilities side):

- The liquidity buffer analysis will be similar to the detailed materiality assessment that will be conducted for market risk (i.e., considering level and residual maturity of assets included in the buffers).

- The funding profile analysis will take into consideration the diversification of funding sources and the status and progress in the Bank's ability to issue debt securities that are sustainability-linked.

Should the detailed materiality assessment exercise going forward leads to the conclusion that there are material climate-related and environmental factors that could lead to liquidity risk, the Bank will lay down additional actions related to the monitoring and controlling of such factors, as part of its liquidity risk management activities.

4.1.6 Reputational Risk

Reputational risk is generally considered to arise as a result of the manifestation of other risk types (i.e. a second- order impact), while it could also give rise to other risk types subsequently (e.g. liquidity outflows, following a reputational impact). In that sense, a separate evaluation of the materiality of ESG-related drivers is not required. The materiality assessment for other risk types suffices to cover potential one-off (acute) events with reputational repercussions (e.g. within operational risk) as well as longer-term brand value impacts that could arise in the context of Strategic Risk.

The Bank has implemented a comprehensive Crisis Management policy and playbook to effectively manage all incidents that may affect its reputation, including Climate and ESG related incidents. In addition, and in order to effectively and efficiently monitor Reputational Risk, the Bank plans to formalize and consolidate in one document its overall Reputational Risk Management Framework. This Framework will include all aspects and drivers of reputational risk, including ESG-related drivers.

4.1.7 Business and Strategic Risk

Business and Strategic Risk includes the risk of potential (internal or external) adverse events that negatively affect an institution's ability to achieve its objectives and, consequently, it has a negative effect on earnings (profit and loss account) and, through the latter, on solvency. Strategic risk can be defined as the impact on capital, arising from adverse business decisions, improper implementation of those decisions or lack of responsiveness to political, fiscal, regulatory, economic, cultural, market or industry changes. The relevance of ESG factors in Business and Strategic Risk is reflected through the failure to account for rising ESG factors, considering both idiosyncratic (strategic) and systemic (business) components.

The impact that ESG factors can have on Business and Strategic Risk is also highlighted by the fact that they can lead to significant reputational risk, as a second order effect, in terms of a long-term impact on the Bank's brand and reputation.

The impact of the Bank's financing activity and overall strategic direction on the environment is often subject to public scrutiny and, hence, associated with reputational considerations.

The materiality assessment of business and strategic risk conducted by the Bank for the Gross Interest and Fees & Commissions income generated by the Non-Financial Corporations (NFC) portfolio broken down to activities/sectors more sensitive to transition risk, based on the CPRS perimeter.

Overall, the outcome of the materiality assessment per risk type is summarized in the following table:

Risk Type	Materiality Assessment Outcome
Credit Risk	Credit risk is considered to be materially affected by transition risks, both in the Non-Financial Corporate (NFC) portfolio and the Retail portfolio secured by Real Estate. It is, also, considered to be materially affected by some individual physical risk factors.
Operational risk	Based on historical deta, operational risk is considered to be immaterial to ESG-related events. The Bank will closely monitor ESG-related risks, as there are potentially material ESG factors that can lead to operational risk in the future.
Market risk	Market risk is currently immaterial to both transition and physical risks. The Bank, going forward, will frequently conduct materiality analysis to re-assess the materiality of ESG factors and climate-related events.
Liquidity risk	There is no material effect from climate-related and other ESG factors. The Bank will conduct a detailed materiality assessment on a regular basis, involving the analysis of the assets included in the Bank's liquidity buffers (leveraging the materiality assessment for market risk), as well as an analysis of its funding profile.
Reputational risk	For reputational risk, a separate evaluation is not required as it arises as a result of other risk types (i.e. a second-order impact). The materiality assessment of these types is sufficient to cover one-off (acute) events with reputational repercussions and longer-term brand value impacts in the context of Strategic risk. Therefore, reputational risk is considered to be materially affected by ESG factors. The Bank plans to formalize and consolidate in one document its overall Reputational Risk Management Framework.
Business & Strategic risk	The Business & Strategic risk is considered to be currently materially affected by ESG factors, as it materializes through several drivers (e.g. the Bank's inability to properly execute its strategy, changes in the customers' demand of various Bank's products, etc.), while, also, it is observed that 67% of the gross interest income and fees/commissions income of the Bank's performing NFC portfolio is derived from sectors more sensitive to transition risk.

The risk types most affected by climate change risk drivers are Credit risk and Business & Strategic risk. Reputational risk is considered material as a result of its manifestation through other risk types.

The materiality assessment of ESG risks within the various financial and non-financial risk types will be gradually extended to take into account additional financial criteria further to the level of ESG-sensitive exposures (e.g. sensitivity measures, scenario analysis and stress testing results etc.), as calculation approaches become more mature and sufficient data points become available. The Bank will be performing the identification and materiality assessment of ESG risks on an annual basis, as part of its broader recurring risk materiality assessment process.

4.2 Risk management process

The Group adopts a proactive approach to the management of Environmental, Social and Governance (ESG) risks with emphasis on risks arising from climate change, which is a key component of its Risk Management Strategy.

The Group has established a Risk Management Framework, based on best practices and regulatory requirements. This framework, based on the common European legislation and the current system of common banking rules, principles and standards, is improving continuously over time and applied in the daily conduct of the Group's activities within and across borders, making the corporate governance of the Group effective.

Specifically, the Group, taking into account the nature, the scale and the complexity of its activities and risk profile, has developed a risk management strategy based on the following three lines of defense, which are the key factors for its efficient operation:

- **The Business Units of Retail Banking, Wholesale Banking, Wealth Management and NPEs Remedial Management** constitute the first line of defense and risk "ownership" which identifies and manages the risks that arise when conducting banking business.
- **The Risk Management, Monitoring and Control as well as the Compliance Units,** which are independent from each other as well as from the first line of defense. They constitute the second line of defense and their function is complementary to conducting banking business of the first line of defense in order to ensure the objectivity in the decision-making process, to measure the effectiveness of these decisions in

terms of risk undertaking and to comply with the applicable legislative and institutional framework, by monitoring the internal regulations and ethical standards as well as to display and evaluate the total exposure of the Bank and the Group to risk, based on the established guidelines.

- **The Internal Audit** constitutes the third line of defense. The Internal Audit is an independent function, reporting to the Audit Committee of the Board of Directors, and audits the activities of the Bank and the Group, including the activities of the Risk Management Unit.

The primary objective of the strategy for credit risk management, in order to achieve the maximization of the risk adjusted return, is the continuous, timely and systematic monitoring of the loan portfolio and the maintenance of credit exposures within the framework of acceptable overall risk undertaking limits. At the same time, the conduct of daily business within a clearly defined framework of granting credit, on the basis of specific credit criteria, is ensured.

As part of the Action Plan to incorporate Climate & Environmental Risk Management in its operations, the Bank is incorporating new Climate & ESG related data into its systems, taking into account related business needs and processes. The holistic data flow is assessed from data capturing to data usage, considering both the front lines' needs and the monitoring or reporting requirements. The introduction of new data follows the principles of the Bank's Data Governance Framework for ensuring that data governance procedures are effectively applied. The objective is to ensure high quality data is available, to support decision making both in terms of new credit approvals as well as to ensure clear visibility of the loan and investments portfolios' ESG related characteristics, enabling prudent and effective risk management of Climate & Environmental Risk.

4.2.1 Environmental and Social Risk Management Policy on Legal Entities Lending

The Group is committed to sustainable finance, including the effective management of the Environmental and Social dimension of its lending activities. To this direction, during the credit approval process, supplementary to the credit risk assessment, the strict compliance of the principles of an environmentally and socially responsible credit facility are also examined.

Since 2016, the "Environmental and Social Risk Management Policy on Legal Entities Lending" is incorporated in the Group's existing Credit Risk Management Framework and the Group's Credit Policy, thereby enhancing the effective management of the environmental and social dimension of financing. The Policy presents the responsibilities and the approach followed in managing environmental and social risk at every stage of the lending process and applies an exclusion list, in line with the Environmental and Social Exclusion List developed by the European Bank for Reconstruction and Development (EBRD), for the avoidance of the financing, directly or indirectly, of specific activities considered as harmful to the environment and to society. The indicative exclusion list activities include:

- The production of or trade in any product or activity deemed illegal under the host country (i.e. national) laws or regulations or international conventions and agreements, or subject to international phase out or bans, such as Polychlorinated Biphenyls (PCBs), ozone depleting substances, trade in wildlife etc.
- Production of or trade in weapons and munitions.
- Production of or trade in alcoholic beverages (excluding beer and wine), production of or trade in Tobacco, Gambling, Casinos and equivalent enterprises. The funding of these activities is permissible on a combined basis of up to a 5% of the total loan portfolio.
- Production of or trade in radioactive materials.
- New investments in thermal coal mining or coal-fired electricity generation capacity.
- Upstream oil exploration - extraction and production.
- Upstream oil development projects, except in rare and exceptional circumstances where the proceeds of the project exclusively target the reduction of GHG emissions or flaring from existing producing fields.
- The keeping of animals for the primary purpose of fur production or any activities involving fur production.
- The manufacture, placing on the market and use of asbestos fibres, and of articles and mixtures containing these fibres added intentionally.
- The export of mercury and mercury compounds, and the manufacture, export and import of a large range of mercury-added products.
- Activities prohibited by the host country legislation or international conventions relating to the

protection of biodiversity resources or cultural heritage.

- Drift net fishing in the marine environment using nets in excess of 2.5 km in length.
- Shipment of oil or other hazardous substances in vessels, which do not comply with the International Maritime Organization (IMO) requirements.

All legal entities are evaluated, assessed and reviewed against the possible environmental or social risks in each stage of the Group's corporate credit procedure. In case of new financing applications of high and medium-risk borrowers/ projects and when specific criteria are met regarding the type and duration of the financing, the risk assessment scope encompasses an on-site visit conducted at the premises of the debtors/ financed projects. Similarly, the Project Finance team collaborates with specialized technical advisors on the projects' environmental licensing and environmental due diligence.

The environmental and social risk associated with lending to legal entities is taken into account by the relevant Credit Committees, the relevant flagging is incorporated in the credit proposals and is registered in the Bank's system. The "Group Environmental and Social Risk Management Policy on Legal Entities Lending" has different application levels depending on (a) the Customer's environmental and social risk categorization and (b) the type/duration of financing.

Following the disbursement of credit, adherence to environmental terms and commitments is obligatory, throughout the long duration of the said financings.

The materiality of ESG factors within credit risk is also reflected in the substantial enhancements in the credit assessment process that the Bank has introduced, as outlined below:

4.2.2 ESG Customer Assessment and Scoring

For corporate clients in the wholesale banking and the retail Small Business Unit, the Bank has developed ESG customer assessment questionnaires, aiming at collecting data and assessing the borrowers in terms of ESG criteria.

The Bank will apply a granular sector-specific customer assessment during the credit origination process that assesses material topics for each one of the designated sectors against certain environmental, social and governance criteria. Those customers whose economic activity falls into the CPRS perimeter, tobacco & gambling will be assessed through the sector-specific questionnaire. For customers whose economic activity falls into the non- CPRS perimeter, a sector agnostic assessment will be applied, considering fundamental aspects of ESG criteria that are common across all sectors. The relevant questionnaires will also serve as ESG rating models and are expected to be finalized following a pilot exercise in early 2023.

ESG customer assessment questionnaires

Step 1

Perform data analysis to determine sectors with specific ESG Assessment Questionnaires

Sector level questionnaires

Simplified/Simplified for Small Questionnaires

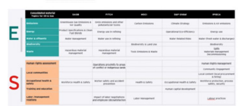
Step 2

Identify material E & S topics at sector level through materiality assessment

Full-blown assessment

Indicate sources to be used in order to identify material topics

GRI MSCI ipieca S&P Global SASB



Simplified assessment

Same material topics for all sectors/ customers examined using this assessment approach

Simplified for Small assessment

A reduced form of Simplified Assessment is used with specific questions

Step 3

Select questions and KPIs to evaluate material topics and management of E & S aspects

Management Approach

Captures customer's ability to manage the E & S factors

Evaluation of the Management Approach

Captures the ability of the customer to evaluate the management approach of E & S

Performance Assessment

Selection of indicators driven by material factors, depending on the sector and based on internationally available standards.

This area assesses the efficiency of the customer regarding E & S factors and captures whether the customer keeps track of quantitative sector-specific information.

Step 4

Formulate E, S & G Questionnaires for all sectors

The ESG customer assessment questionnaires comprise three independent sections (Environmental, Social, Governance). Each of the Environmental & Social sections is further segmented into:

- **Management approach:** Captures customer's ability to manage Environmental and Social factors.
- **Evaluation of the Management approach:** Captures customer's ability to evaluate the management approach for Environmental and Social factors.
- **Performance Assessment:** Assesses customer's efficiency regarding Environmental and Social factors and detects whether the customer keeps track of quantitative sector-specific information.

Governance assessment is common across sectors and captures the decision-making process and roles & responsibilities regarding Environmental and Social factors.

ESG criteria to evaluate corporate customers

E
- ✓ Emissions
- ✓ Water & Effluents
- ✓ Biodiversity
- ✓ Energy
- ✓ Materials
- ✓ Climate Risk (transitional)
- ✓ Climate Risk (physical)

S
- ✓ Human Rights
- ✓ Local communities
- ✓ Occupational health & safety
- ✓ Training and Education
- ✓ Labor / Management relations
- ✓ Customer health and safety
- ✓ Customer privacy

G
- ✓ Composition/Diversity
- ✓ Business Ethics
- ✓ Transparency
- ✓ Remuneration
- ✓ Strategy & risk management

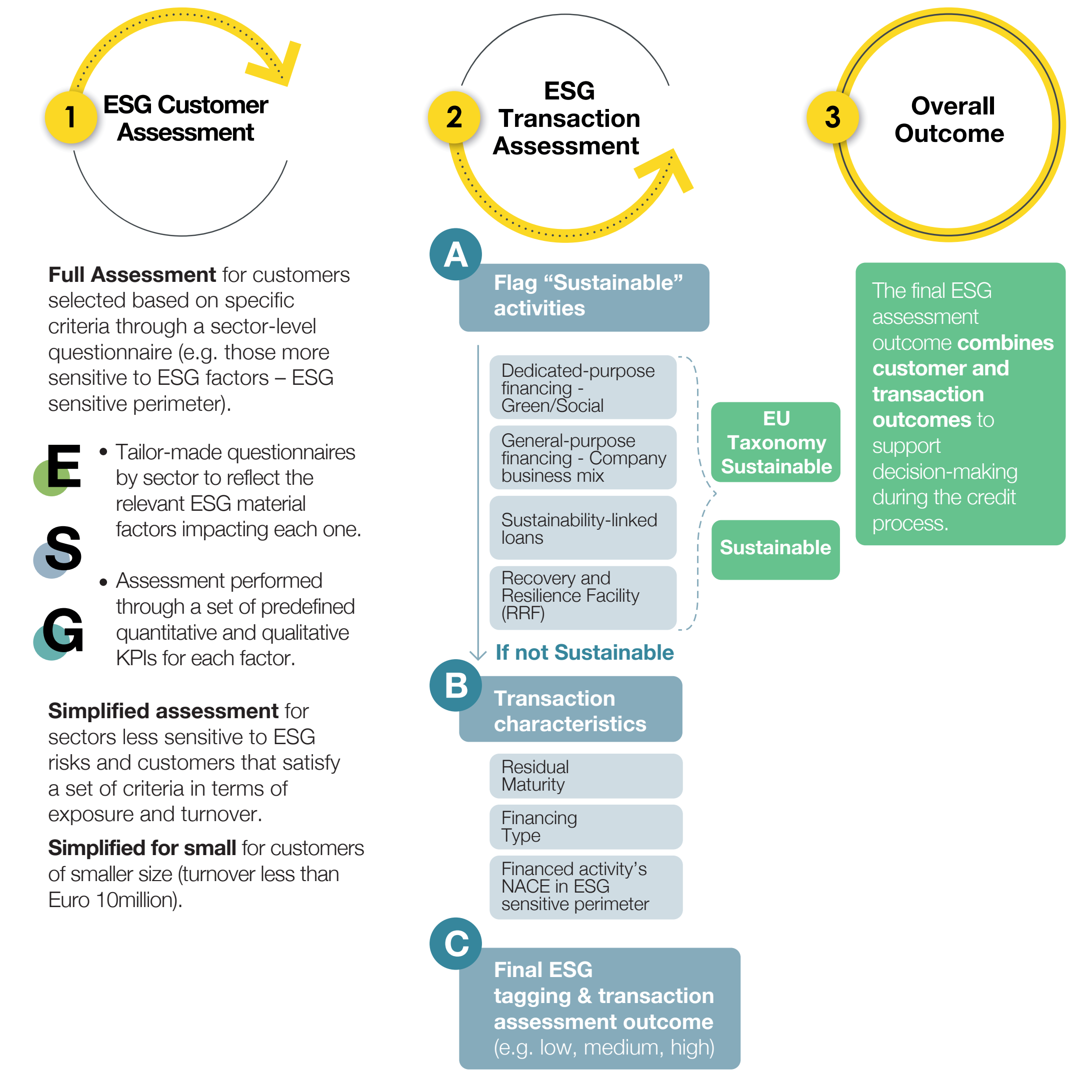
The ESG questionnaires consider relevant standards published by various organizations, such as the Sustainability Accounting Standards Board (SASB), the Carbon Disclosure Project (CDP), S&P Global, Fitch, Morgan Stanley Capital International (MSCI), International Petroleum Industry Environmental Conservation Association (IPIECA) and European Financial Reporting Advisory Group (EFRAG), as well as industry best practices.

4.2.3 Transaction Assessment

In addition to customer-level characteristics, the Bank has also introduced specific criteria to evaluate each transaction requested, including the alignment with specific criteria as defined by the Bank's Sustainable Finance Framework, in order to identify and capture sustainable activities, as well as transaction specific characteristics.

The ESG corporate customer assessment in conjunction with the transaction assessment will be taken into consideration to provide the overall ESG outcome/scoring to be integrated into the credit-decision making and pricing actions.

Main steps in the ESG credit decision process



The Bank aims to enhance its due diligence process with respect to the assessment of its customers' ESG/climate risk profile, through the collection of relevant information. In this setting, the Bank will take initiatives to encourage its customers to clearly define and communicate their commitments and to develop and execute effective strategies to mitigate climate risks.

4.2.4 Operational management of climate and environmental issues

A system of procedures for managing climate and environmental aspects, threats and opportunities, is implemented ensuring compliance with International Standards[12] and best practices.

As the Group acknowledges that the current environmental challenges fall within the context of its Corporate Responsibility, it has developed an **Environmental Management System** (EMS) for the monitoring, management and improvement of environmental performance ensuring compliance with the institutional and regulatory framework on environmental issues and the effective use of natural resources.

EMS includes a **Group Environmental Management Policy** which incorporates principles of sustainable and responsible operation in its decisions and procedures. The Policy acknowledges the responsibility to contribute actively to environmental protection, tackling climate change and saving natural resources. Through this Policy, the Bank is committed to improving its environmental footprint by implementing appropriate processes and actions aiming at preventing pollution, the safe management of extraordinary environmental risks due to unforeseen incidents and addressing the direct and indirect consequences of its operation on the environment in general.

[12] ISO 14001 (Environmental Management System), ISO 14064 (Greenhouse Gas Emissions Management System), ISO 22301 (Business Continuity Management System)

Group Environmental Management Policy principles

Incorporation of Environmental Criteria in Banking
The Group incorporates non-financial environmental criteria when assessing credit. The Bank designs and provides products and services that support Customers' actions aimed at improving their environmental performance.

Rational use of energy, natural resources and effective waste management
The Group seeks to reduce electricity, water and fuel consumption, collect and transport waste securely and further promote the recycling of paper, plastic, batteries, lamps, electromechanical equipment and other materials.

Spaces
When renting or buying buildings, priority is given to those meeting energy-saving criteria, to the extent possible. In addition, particularly energy-intensive Buildings gradually undergo reconstruction, renovation, restoration and energy upgrades.

Environmental Compliance
The Group undertakes to operate in accordance with the applicable national and Community regulatory framework and codes of conduct and ensures the implementation of environmental legislation in all its operations.

Compliance with Environmental Principles by Suppliers
When awarding contracts to Suppliers, account is taken of whether their operations and raw materials meet environmental protection criteria.

Information to Employees
Aiming to shape and enhance their environmental and ecological awareness, Employees are informed about the environmental issues the Bank is concerned by, through a training policy and briefing meetings

Implementation of Environmental Policy
The Environmental Policy is notified within the Group and to the concerned parties, and all necessary actions are taken to achieve the objectives set for improving environmental performance.

Publication of Results
The Bank undertakes to publish the results of environmental actions at regular intervals.

Dialogue with Social Partners
The Bank is committed to engage in dialogue on environmental issues with Employees, Shareholders, Customers, Suppliers, Partners and the State.

The above Policy is an excerpt from the "Group Environmental Management Policy" issued by the former Procurement, Property and Security/Marketing and Public Relations Divisions, upon approval of the Executive Committee, addressed to the Personnel of the Bank and the Group Companies. (Circular no 42A/ 24.4.2019)

Additionally, the Bank addresses physical risk incidents within its Business Continuity Management (BCM) System, certified with ISO22301, to ensure the uninterrupted provision of services to Customers and other Stakeholders.

According to the Group BCM System, the following are conducted annually:

- Risk Analysis to evaluate potential threats or vulnerabilities that might affect the operations of the Bank or the Group Companies.
- Business Impact Analysis covering all internal Units and core business lines, aiming to the identification and assessment of:
    - Their criticality (setting prioritized timeframes for recovery)
    - Potential impacts (operational and financial)
    - Recovery requirements in terms of human resources, equipment and systems
    - Interdependencies between internal Business Units or with critical third parties such as service providers, suppliers, regulators, etc.

Outcome from the above-mentioned analysis is taken into consideration in order to implement Business Continuity Strategy and the Business Continuity Plan (BCP).

4.3 Integration into overall risk

The Group has limited appetite towards environmental and social risk, therefore is committed to continue progressing in the integration of ESG and climate risks into its overall risk management framework.

Current and upcoming environmental policies, legal requirements and regulatory guidelines relating to climate and the environment, are continuously assessed to record and efficiently manage any risks related to the Group's financial and operational activities.

In this context, the Bank is implementing a comprehensive Action Plan, submitted to the European Central Bank (ECB) in May 2021, in which it presented how the Climate and ESG risk assessment would be incorporated in its operations and in the risk management process. The plan was further enhanced, taking into consideration the feedback provided by the Single Supervisory Mechanism (SSM) in the context of the Climate Stress Test and the Thematic Review of Climate-related and Environmental Risk Strategies, Governance and Risk Management Frameworks, conducted in June 2022.

As a result, the Bank has integrated Climate and ESG in the risk identification and materiality assessment processes, enhanced the existing customer risk categorisation approach and due diligence process to ensure alignment with market practices and regulatory expectations around Climate and ESG risks, updated the Group Risk Model Validation Frameworks (Credit, Operational, Market, Liquidity) with climate risk considerations and integrated ESG in ICAAP and stress testing processes.

The Group has also incorporated a set of **qualitative commitments** regarding climate risks in its **Risk Appetite Framework (RAF)**. Specifically, the Group:

Regularly monitors its exposure concentration in climate-sensitive sectors in its loan portfolio, also introducing a credit concentration risk indicator within RAF, which tracks the level of concentration of the Bank's exposures within the loan portfolio to sectors that are more sensitive to climate transition risks, except for exposures that are aimed at financing or enabling the transition of such customers to more sustainable activities and business models.

Aims to enhance its due diligence process with respect to the assessment of its customers ESG and climate risk profile, through the collection of relevant information. To the extent possible, it will also start collecting Energy Performance Certificates to monitor the energy performance class of its real estate exposures.

Aims to finance its customers' green and sustainable transition both in the short and in the long run.

Applies an exclusion list, in line with the Environmental and Social exclusion list developed by the EBRD for the avoidance of financing, directly or indirectly, activities considered as harmful to the society and the environment.

The Group has further enhanced its RAF with the introduction of **quantitative monitoring KPIs** related to Climate and Environmental risks, to be tracked during 2023:

i) Scope 3 financed emissions

ii) New disbursements stemming from Sustainable financing categories

iii) Increase of funding of Renewable Energy Systems (RES)

iv) Bank's ESG-related investment assets (such as Green Bonds)

As calculation approaches become more mature and more data points become available through measurement and monitoring, the Group will further enhance its RAF with the introduction of additional specific quantitative indicators and the setting of respective thresholds.

5

Metrics and Targets

The tables presented in this section include a list of metrics set by the Group to measure the overall progress on environmental issues and specific targets to ensure delivery of its strategy. The data refers to the Reporting Group, unless otherwise stated, while information is presented for 2020, 2021 and 2022.

5.1 Environmental Metrics

5.1.1 Operational

Metric[13]	Measurement Unit	2020	2021	2022
Energy				
Total amount of energy consumed	MWh	59,630	53,059	47,414
Amount of electricity consumed	MWh	52,239	45,743	40,910
Amount of non-renewable energy consumed	MWh	7,391	7,316	6,504
Direct energy consumption (relevant to Scope 1)	MWh	7,391	6,222	6,501
Indirect energy consumption (relevant to Scope 2 - electricity)	MWh	52,240	46,837	40,913
Amount of electricity consumed from renewable energy sources	MWh	52,239	45,743	40,910
Percentage of electricity out of the total energy consumed	Percentage (%)	88	86	86
Energy intensity (excluding consumption of motor fuels for vehicles)	kWh/m2	130	130	123
Percentage of renewable energy consumed	Percentage (%)	88	86	86
Diesel consumed for heating purposes	MWh	964	847	782
Natural gas consumed	MWh	2,266	2,283	2,433
Diesel used for generating sets	MWh	49	55	59
Motor fuels consumed	MWh	4,112	3,036	3,227
Total amount of energy conserved through its energy conservation programs	Percentage (%)	N/A	11	11
Scope 1, Scope 2 and Scope 3				
Scope 1 emissions (total)	tn CO_2 eq	3,634	3,393	2,665
Motor fuels (petrol)	tn CO_2 eq	555	279	202
Motor fuels (diesel)	tn CO_2 eq	558	534	662
Diesel fuel for generating sets	tn CO_2 eq	13	15	16
Heating oil	tn CO_2 eq	258	226	209
Natural Gas	tn CO_2 eq	409	459	489

[13] All data refer to Alpha Bank Greece, unless otherwise stated.

Metric[13]	Measurement Unit	2020	2021	2022
Scope 1, Scope 2 and Scope 3				
Cooling systems' leaks	tn CO_2 eq	1,842	1,881	1,088
Scope 1 emissions (from fossil fuels)	tn CO_2 eq	1,793	1,512	1,577
Scope 2 emissions location-based[14]	tn CO_2 eq	32,639	28,316	17,221
Scope 2 emissions market-based	tn CO_2 eq	0	538	0
Scope 2 emissions intensity (excluding consumption of motor fuels for vehicles)	kg CO_2 eq/m2	77	74	48
Scope 1 and Scope 2 emissions	tn CO_2 eq	36,273	31,709	19,886
Scope 1 and Scope 2 emissions intensity (excluding consumption of motor fuels for vehicles)	kg CO_2 eq/m2	83	80	53
Scope 3 emissions (excluding category 15)[15]	tn CO_2 eq	18,531	11,751	12,055
Purchased goods and services (category 1)	tn CO_2 eq	6,974	6,065	5,050
Fuels and energy related activities (category 3)	tn CO_2 eq	7,180	3,279	3,828
Upstream transportation and distribution (category 4)	tn CO_2 eq	1,233	542	396
Waste generation (category 5)	tn CO_2 eq	146	101	94
Business travel (category 6)	tn CO_2 eq	0	209	483
Employee commuting (category 7)	tn CO_2 eq	2,998	1,554	2,204
Scope 3 emissions intensity (emissions excluding category 15/number of employees)	tn CO_2 eq/ number of employees	2.931	1.969	2.050
Scope 1, Scope 2 and Scope 3 emissions (total emissions, excluding category 15)	tn CO_2 eq	54,804	43,460	31,941
Total GHG emissions with the Guarantees of Origin taken into account	tn CO_2 eq	22,166	15,145	14,719
Other emissions				
Emissions of ozone-depleting substances (ODS)	tn CO_2 eq	1,841	1,881	1,268
Nitrogen oxides (NOx) disclosure	tn	6.63	4.90	4.78
Sulfur oxides (SOx) disclosure	tn	0.17	0.15	0.14
VOC disclosure	tn	2.42	1.97	2.58
Particulate matter (PM) disclosure	tn	0.29	0.17	0.14
Hazardous air pollutants (HAP) disclosure	tn	0	0	0

[14] This KPI refers only to Alpha Bank S.A. Corresponding initiatives are being implemented on a Group level as well and are expected to be reported in the following Sustainability Report.For the calculation of this indicator, the following references have been taken into: "National Inventory Report (NIR) of Greece for Greenhouse and other Gases for the Years 1999-2000 (version April 2020)" and "Global Warming Potential Values IPCC 5".

[15] Scope 3 financed emissions (category 15) measurement can be found in 3.1.3 Financed Emissions Measurement. The approach followed is in accordance with the PCAF standard and in line with the Single Supervisory Mechanism (SSM) Short-Term Exercise (STE) disclosures on climate change transition risk.

Metric[13]	Measurement Unit	2020	2021	2022

Water and waste

Drinking water consumption	m3	60,505	41,983	39,798
A4 copying paper	tn	250	201	193
Paper for banking transaction forms	tn	41	53	36
Paper for account statements	tn	125	111	103
Paper roll for ATMs	tn	33	29	15
Total amount of paper used	tn	449	393	347
Amount of paper recycled	tn	485	710	803
Percentage of recycling printer consumables	Percentage (%)	108	180	232
Total waste recycled[16]	tn	585	835	828
Total number of pieces of obsolete equipment (servers, PCs, monitors, printers, telephones, scanners, POS terminals, notebooks etc.) and of miscellaneous equipment (refrigerators, fax machines, banknote counters, photocopiers, calculators etc.) recycled	Number	16,964	1,080[17]	4,851
Total number of pieces of fixed equipment (cabinets, divider panels, desks etc.), electronic equipment (printers) and retired office equipment (furniture and utensils, photocopiers, monitors etc.) sold/donated	Number	3,494	2,529[18]	4,248
Percentage of credit cards for which an electronic monthly bill is sent (e-statements)	Percentage (%)	45[19]	48[19]	56
ISO 14001 (Environmental Management System)	–	✔	✔	✔

5.1.2 Financed

Metric[12]	Measurement Unit	2020	2021	2022
Customers assessed for environmental and social responsibility risks through the carrying out of an E&S due diligence (number of Customers)	Number	150	229	125
Total business loan balances[13]	mil Euro (€)	703	1,860	677
Cases of loan non-approvals due to Exclusion List prohibitions (number of cases)	Number	0	2	0
New financing arrangements for renewable energy projects throughout the year	mil Euro (€)	179	161	538
Total amount of loans approved for “green solutions” products	mil Euro (€)	15.0	21.8	21.9
Total number of loans/projects assessed for environmental and social risks	Number	N/A	38,088	39,574
Number of classified in/projects assessed for environmental and social risks classified in low-risk category	Number	N/A	23,390	23,030
Amount of outstanding loans of low-risk category	Euro (€)	N/A	5,202,583,306	5,572,628,578
Number of loans/projects assessed for environmental and social risks classified in medium-risk category	Number	N/A	13,769	15,956
Amount of outstanding loans of medium-risk category	Euro (€)	N/A	10,286,429,946	13,215,694,695
Number of loans/projects assessed for environmental and social risks classified in high-risk category	Number	N/A	929	588
Amount of outstanding loans of high-risk category	Euro (€)	N/A	1,943,099,497	1,968,701,287

[16] Data for 2021-2022 refers to paper, aluminium and plastic, lead-acid batteries, batteries, light bulbs / luminaires and printer consumables (toners, cartridges and drums).
[17] Data refers only to miscellaneous equipment
[18] Data refers only to fixed equipment
[19] Refers to all Banks of the Group (AB Greece, AB Romania, AB Cyprus, AB Albania, AB London)

5.2 Commitments and Targets

In order to support an environmentally sustainable economy and mitigate climate change, the Group has an ambitious plan, with the main objective being the increase in Sustainable Financings and the reduction of financings that may have a negative impact on the environment. Additionally, the Group has developed policies and procedures to reduce the operational environmental footprint with the overarching aim being Net Zero emissions and any targets associated with this objective.

Support an environmentally sustainable economy

Commitments	Targets[20]	Target Date	KPIs
Support our customers' decarbonization and align our portfolio emissions with the objectives set in the Paris Agreement	Allocate Euro 3 bn to new Sustainable Financings by 2025	2025	New financing volumes (in Euro million)
	Within the total Sustainable Financings, achieve at least Euro 1 bn to Renewable Energy Systems	2025	New financing volumes (in Euro million)
	Within the total Sustainable Financings, achieve at least Euro 300 mn of Retail green loans, including loans to small businesses	2025	New financing volumes (in Euro million)
	Launch new sustainability-based mortgage, consumer loan products and credit cards	2025	Number of Products Launched
	Zero financing to new investments in thermal coal mining, upstream oil exploration or coal-fired electricity generation	Ongoing as of 2023	New Financing volumes (in Euro million)
Mitigate key drivers of biodiversity loss	Zero financing to targeted activities harming species diversity, habitats and waterbodies	Ongoing as of 2023	Zero New Financing volumes (in Euro million)
Support the transition to a circular economy	Reduction of annual paper usage rate by 50% by the end of 2025 (compared to 2019)	2025	Tones of paper used (including photocopy paper, statements, bank forms, etc)
Achieve Net Zero emissions in our own operations	Reduction of our operating footprint and setting Net Zero targets within 2023	2023	Target Year for Carbon Neutral Operations and interim targets
	Reduction of Scope 1 and Scope 2 GHG emissions by 20% until 2025	2025	Scope 1 & 2 GHG emissions (tCO_2e)
	Upgrading lighting to LED lighting throughout the network	2028	Number of branches with upgraded LED lighting
	Continue to procure 100% renewable electricity for all our buildings and branches	2023	Percentage of electrical power used that is derived from non-renewable energy sources
	Replacement of 70% of the Bank's fleet with electric and/or plug-in or hybrid vehicles	2025	Number of vehicles replaced with electric and/or plug-in or hybrid vehicles

[20] New targets have been set in relation to the redefined Alpha Bank and Group's Strategic ambition

6

Abbreviations

The following table presents the explanation of specific abbreviations used within this Report, to ensure that all readers are familiar with their meaning.

BCM	Business Continuity Management
BoD	Board of Directors
BREEAM	Building Research Establishment Environmental Assessment Method
CGSNC	Corporate Governance, Sustainability and Nominations Committee
CDP	Climate Disclosure Project
CEO	Chief Executive Officer
CPRS	Climate Policy Relevant Sectors
CSR	Corporate Social Responsibility
C&E	Climate-related and Environmental
CRE	Commercial Real Estate
CRO	Chief Risk Officer
EBRD	European Bank for Reconstruction and Development
ECB	European Central Bank
EFRAG	European Financial Reporting Advisory Group
EMAS	Eco-Management and Audit Scheme
EMS	Environmental Management System
EPC	Energy Performance Certificate
ESG	Environmental, Social, Governance
ESMA	European Securities and Markets Authority
EU	European Union
EV	Electric Vehicle
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
GSC	Group Sustainability Committee
GSD	Governance and Sustainability Division
ICAAP	Internal Capital Adequacy Assessment Process
ICMA	International Capital Markets Association
ILAAP	Internal Liquidity Adequacy Assessment Process
ILO	International Labour Organization
IPCC	Intergovernmental Panel on Climate Change

IPIECA	International Petroleum Industry Environmental Conservation Association
ISO	International Organization for Standardization
KPI	Key Performance Indicator
KRI	Key Risk Indicator
LEED	Leadership in Energy and Environmental Design
MSCI	Morgan Stanley Capital International
NACE	Nomenclature statistique des Activites economiques dans la Communaute Europeenne
NFRD	Non-Financial Reporting Directive
NFC	Non-Financial Corporations
NGFS	Network for Greening the Financial System
NZBA	Net Zero Banking Alliance
OECD	Organization for Economic Co-operation and Development
PCAF	Partnership for Carbon Accounting Financials
PHEV	Plug-in hybrid Electric Vehicle
PPP	Public-Private Partnership
PRB	Principles for Responsible Banking
RAF	Risk Appetite Framework
RCP	Representative Concentration Pathways
RES	Renewable Energy Sources
RRF	Resilience and Recovery Facility
RRP	Recovery and Resilience Plan
SASB	Sustainability Accounting Standards Board
SBTi	Science Based Target Initiative
SDA	Sector Decarbonization Approach
SDGs	Sustainable Development Goals
SFF	Sustainable Finance Framework
SFDR	Sustainable Finance Disclosure Regulation
SIMD	Supervisory Issues Management Division
SSM	Single Supervisory Mechanism
STE	Short Term Exercise
TCFD	Task Force on Climate-Related Financial Disclosures
UN	United Nations
UDHR	Universal Declaration of Human Rights
UNEP FI	United Nations - Environment Program Finance Initiative