



PIRAEUS FINANCIAL HOLDINGS

PRESS RELEASE

Full Year 2022 Financial Results

24 February 2023



2022: performance well ahead of targets

Financial performance

10%

Return on average tangible book value

€0.42

EPS normalized
in full year

€0.16

EPS normalized
in Q4

Cost discipline

-5%

normalized OpEx YoY

-11%

G&A cost YoY

45%

cost-to-core income

Enhanced capital adequacy

16.4%

Total capital ratio FL

+300bps

YoY

Asset quality improvement

6.8%

NPE ratio

54%

NPE coverage

Strong liquidity profile

+€2.9bn

Deposits YoY

201%

LCR

Performing book expansion

+€2.7bn

YoY

+10%

YoY



Q4 & FY 2022 takeaways

- FY.22 normalized EPS of €0.42, vs €0.13 in FY.21, beating guidance of €0.37. FY.22 RoaTBV reached 10% on a normalized basis, exceeding the target of 9%
- Total fully loaded capital ratio increased to 16.4% in Dec.22, with c.300bps capital generation in 12 months, with fully loaded CET1 ratio at 11.5%
- NPE ratio landed to 6.8%, from 13% a year ago; NPE coverage up 14 percentage points yoy to 54%. Clean balance sheet and stable asset quality dynamics are key factors behind the organic cost of risk standing at 78bps in Q4.22
- €2.7bn performing loan book growth in FY.22, with €550mn net credit expansion in Q4.22
- Growth in net interest income in Q4.22 at €431mn, driven by the favorable interest rate environment
- Total performing loan book yield in Q4.22 stood at 4.7%, driven by the repricing of business loans and mortgages, while consumer and small business loans yields remain almost stable despite the increase in market rates
- Total time deposits cost increased, as expected, in Q4.22, to 0.54%, while it trended higher in Jan.23 to 0.78%, as the Bank introduced new time deposit products. Current time deposit renewals at above 1.2%
- Recurring operating expenses continued their downward trend in Q4.22, -5% yoy, at €211mn. The Bank's new cost governance structure has brought tangible results, absorbing inflationary pressures, with G&A costs -19% yoy in the quarter. The Group's cost-to-core income ratio steadily improves, standing at 45% in FY.22, from 48% a year ago
- Superior liquidity profile confirmed, with LCR at 201%, LDR at 62% and NSFR at 137% in Dec.22, while the Bank comfortably repaid €9bn TLTRO funding in late 2022
- Recurring NFI in FY.22 has increased by 22% compared to FY.21, with strong performance in all business lines. Net fee income in Q4.22 amounted at €126mn, stable qoq



Management Statement

“2022 was another milestone year for Piraeus Bank, which continues to unlock the value of its franchise, underpinned by the completion of the Group’s balance sheet clean-up. Piraeus has delivered strong financial results, outperforming its targets across the board.

In 2022, Piraeus generated €0.42 normalized earnings per share. The Group has achieved steady business loan growth, risk-adjusted profitability, continued cost discipline and accelerated capital build-up.

The enhanced organic capital generation has driven our fully-loaded CET1 ratio to 11.5%, up by circa 110bps in the quarter and by circa 300bps in the last 12 months.

The Group’s performing loan portfolio has grown by €2.7bn in the full year 2022, with net credit expansion of €550mn in Q4. The NPE book continues to be managed actively, reaching a ratio below 7% at year-end 2022 from 13% a year ago.

Our cost containment efforts continued unabated in 2022, notwithstanding inflationary challenges, and resulted in an impressive 11% yoy reduction in G&A expenses and 5% yoy reduction in total operating expenses.

We are proud to have recently received an MSCI ESG ‘A’ level rating. At the same time, we have been included in the Bloomberg Gender Equality Index for the 2nd consecutive year. Piraeus is also the only Greek company in the Financial Times list of Europe’s climate leaders for year 2022, and is the first bank in Greece to have had its 2030 targets validated by the Science Based Targets Initiative for the reduction of both operational and financed CO2 emissions.

In late January 2023, Piraeus Bank communicated its new financial targets for the current year. The key elements comprise a sustainable return on tangible equity of 10%, further boost to total capital to above 17.3%, and circa €1.7bn net credit expansion.

We continue to raise our aspirations and remain focused on creating value for our shareholders, clients and employees.”



Christos Megalou
Chief Executive Officer



Financial Highlights

SELECTED P&L FIGURES ¹ GROUP (€mn)	FY.2022	FY.2021	Q4.22
Net Interest Income excl. NPEs	1,223	991	407
Net Interest Income from NPEs	129	419	23
Net fee income ²	479	393	126
Trading & Other Income	72	19	20
Total Operating Expenses ²	(828)	(867)	(211)
Pre provision income Normalised	1,076	954	365
Organic Cost of Risk	(294)	(410)	(70)
Impairment on Other Assets (incl. Associates Income)	(67)	(38)	(26)
Profit / (Loss) Before Income Tax Normalized	715	506	269
Profit / (Loss) After Tax Normalized	577	190	208
One-off Elements	322	(3,197)	(38)
Reported Net Profit Attributable to Shareholders	899	(3,007)	170
BALANCE SHEET & CUSTOMER FUNDS GROUP (€mn)	31.12.22	30.09.22	31.12.21
Assets³	74,143	82,656	78,201
Gross loans^{3,4}	37,332	37,724	37,107
Performing Exposures (PEs) ^{3,4}	28,634	28,284	25,956
Non performing exposures (NPEs) ^{3,4}	2,624	3,331	4,915
Net loans^{3,4}	35,901	36,093	35,124
Customer Deposits	58,372	56,733	55,442
Tangible Equity	5,641	5,426	4,921
Total Equity	6,581	6,354	5,803
Assets Under Management⁵	6,938	6,425	5,789
FINANCIAL KPIs GROUP	Q4.2022	Q3.2022	Q4.2021
EPS (€) normalized adjusted for AT1 coupon payment	0.16	0.07	(0.02)
Net Interest Margin	2.20%	1.61%	1.66%
Net Fee Income / Assets	0.65%	0.61%	0.60%
Cost-to-Income Ratio core	38%	46%	51%
Organic Cost of Risk	0.78%	0.81%	0.83%
NPE Ratio	6.8%	8.8%	12.7%
NPE Coverage	54%	49%	40%
RoATBV normalized adjusted for AT1 coupon payment	14.1%	6.6%	(1.1%)
CET1 Ratio FL	11.5%	10.4%	8.6%
Total Capital Ratio FL	16.4%	15.1%	13.4%
COMMERCIAL KPIs GROUP	31.12.22	30.09.22	31.12.21
Branches	405	419	430
Employees	8,604	9,058	9,270
# Clients (mn)	5.7	5.7	5.7
Winbank online transactions, # Clients, avg. (ths)⁶	773	713	700

¹ P&L figures are presented on a normalized basis

² 2021-2022 net fee income and general expenses have been restated to reflect the reclassification of fees paid to card services provider

³ Assets are on an adjusted basis, excluding discontinued operations, and OPEKEPE (agri loan). Gross loans, PEs and Net loans also exclude OPEKEPE (agri loan)

⁴ Gross loans, performing exposures, NPEs and net loans include loans and advances to customers measured at fair value through profit or loss

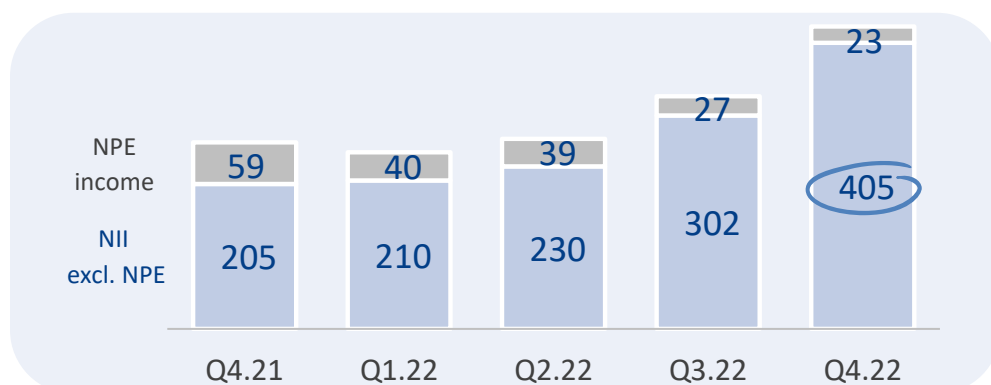
⁵ Assets under management include MFMC assets, PB assets, Brokerage and Custody. Iolcus is included as at 30 March 2022

⁶ Refers to average number of clients conducting online transactions via winbank on a per week basis



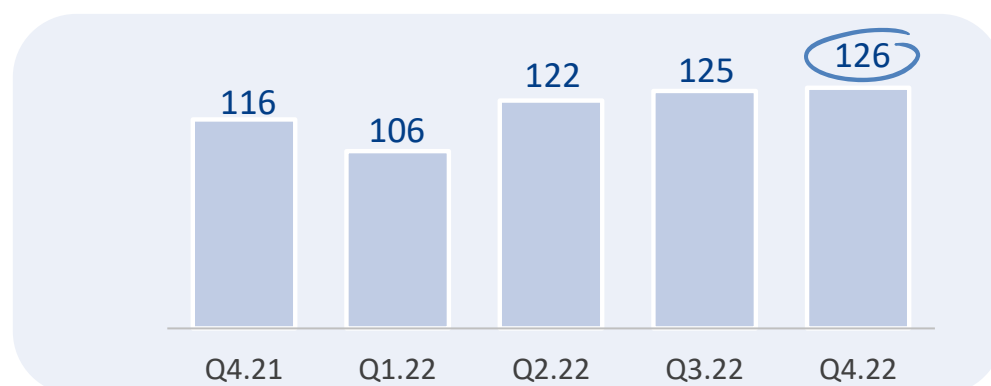
P&L Highlights

Growing net interest income and margin



Net interest income (NII) in Q4.22 stood at €431mn, up 30% qoq, mainly supported by higher interest rates. In FY.22, NII amounted to €1,353mn, down 4% yoy, due to decrease of NPE-related income. Excluding forgone income from NPEs, NII amounted to €1,223mn in FY.22 up 23% yoy. Moving into 2023, deposit costs have increased, partially mitigating loan repricing effect.

22% yoy increase in net fees from all areas of business



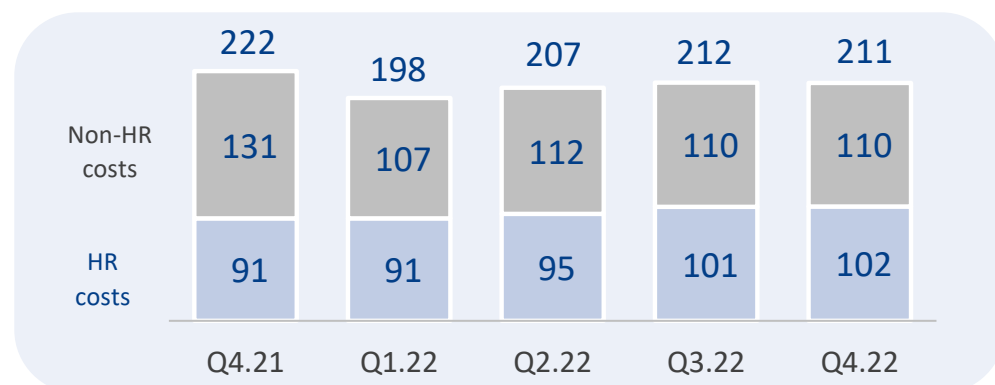
** Net fee income includes rental income and income from non-banking activities and excludes acquiring fees classified as one-off*

Recurring net fee income amounted to €479mn in FY.22, 22% higher compared to FY.21. Recurring NFI reached €126mn in Q4.22, up 1% compared to Q3.22, and 9% higher yoy. Main contributors to this performance were loan origination, funds transfer and cards business, while rental income also comprises a positive driver. NFI over assets stood at the level of 0.65% in Q4.22.



P&L Highlights (cont'd)

Operating expenses down 5% yoy, on the back of structural actions and relentless cost-reduction focus

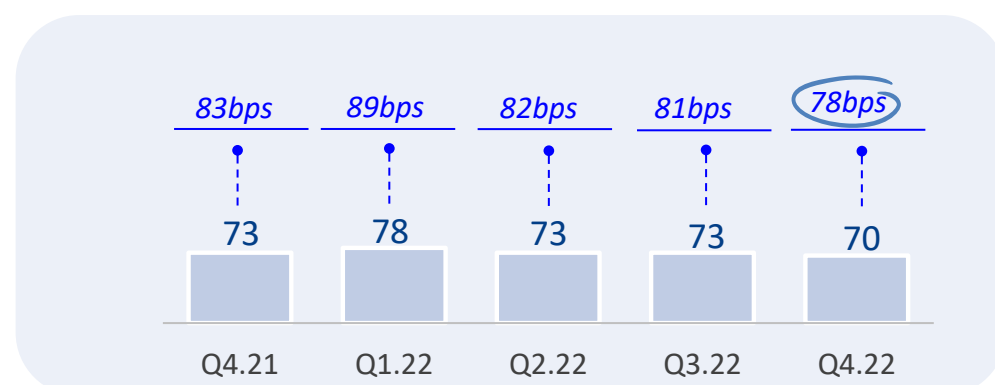


* Operating expenses depicted on a recurring basis

Recurring operating expenses in FY.22 reached €828mn, -5% yoy, while they stood at €211mn in Q4.22, down 5% yoy. Respectively, recurring staff costs in Q4.22 were up 11% yoy at €102mn, due to variable pay accrued in this quarter, however they came in flat qoq. Piraeus resumes its staff restructuring efforts, with the Group's headcount totaling 8,604 employees in the continuing operations as at 31 December 2022, of which 8,271 were employed in Greece, down by 633 yoy. Furthermore, G&A costs in Q4.22 declined sharply by 19% yoy to €84mn, since the Group's cost rationalization efforts more than offset inflationary pressures. As a result, cost-to-core income ratio on a recurring basis stood at 38% in Q4.22 vs

51% a year ago. Further efficiencies are to be achieved along with the ongoing digitization, as well as the implementation of our transformation program.

Organic cost of risk stabilized at low levels

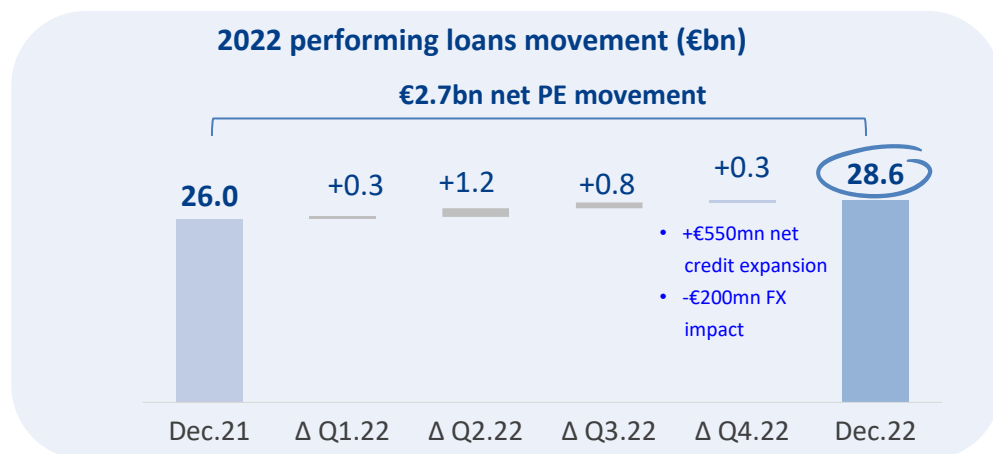


The Q4.22 organic loan impairment charges was steady at €70mn, on the back of the large NPE reduction and the resiliency in the new NPE flows. Impairment losses of €33mn in Q4.22 were mainly associated with provisions regarding held for sale NPE portfolios. Organic cost of risk over net loans (including servicing fees) remained at low levels in Q4.22, standing at the area of 78bps, vs 83bps a year ago.



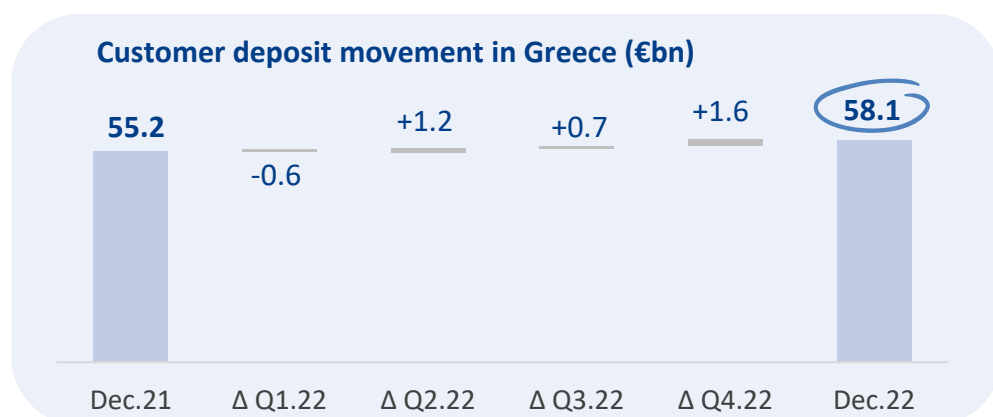
Balance Sheet Highlights

Strong new loan origination



Gross loans rose by 1% yoy at €38.8bn in FY.22, and at €37.3bn excluding OPEKEPE (agri loan). Performing loan portfolio reached €28.6bn in FY.22, up by €2.7bn yoy or 10%, while net credit expansion in Q4.22 amounted to €550mn. The vast majority of disbursements were channeled to businesses, with manufacturing industry accounting for the largest share. It is noted that the gross loan figure as at Dec. 22 includes €6.1bn of senior notes associated with the NPE securitizations concluded until now, namely Phoenix, Vega, Sunrise 1 and Sunrise 2.

Customer deposits reached historical highs

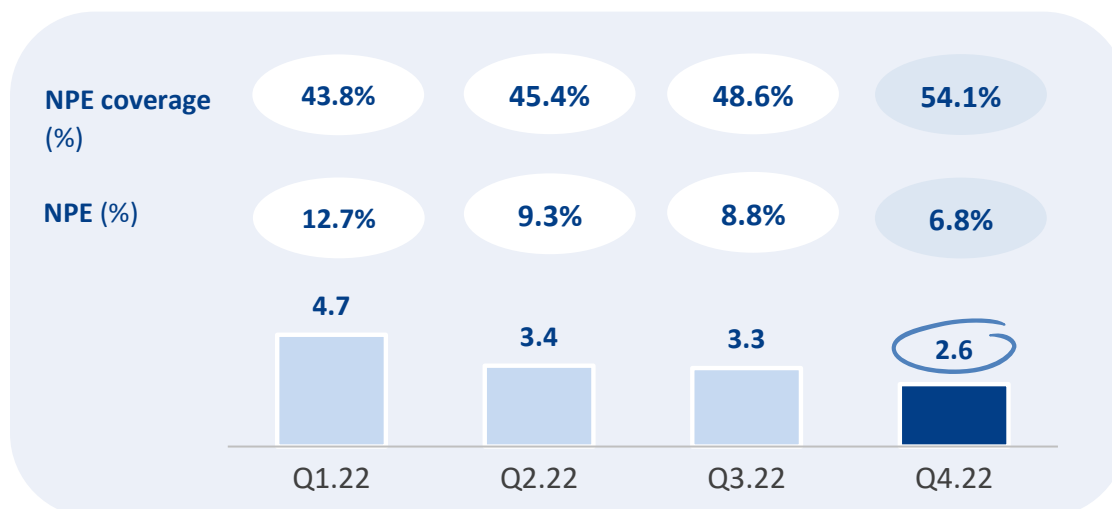


Customer deposits reached another historical high, amounting to €58.4bn at the end of December 2022, up 5% yoy and 3% higher qoq. Deposit cost picked up slightly, reaching 14bps in Q4.22, compared to 6bps in Q4.21 and 8bps vs Q3.22. In mid-February 2023, the cost for time deposit renewals is above 1.2%, while the share of time deposits to total deposits is broadly stable at 19%.



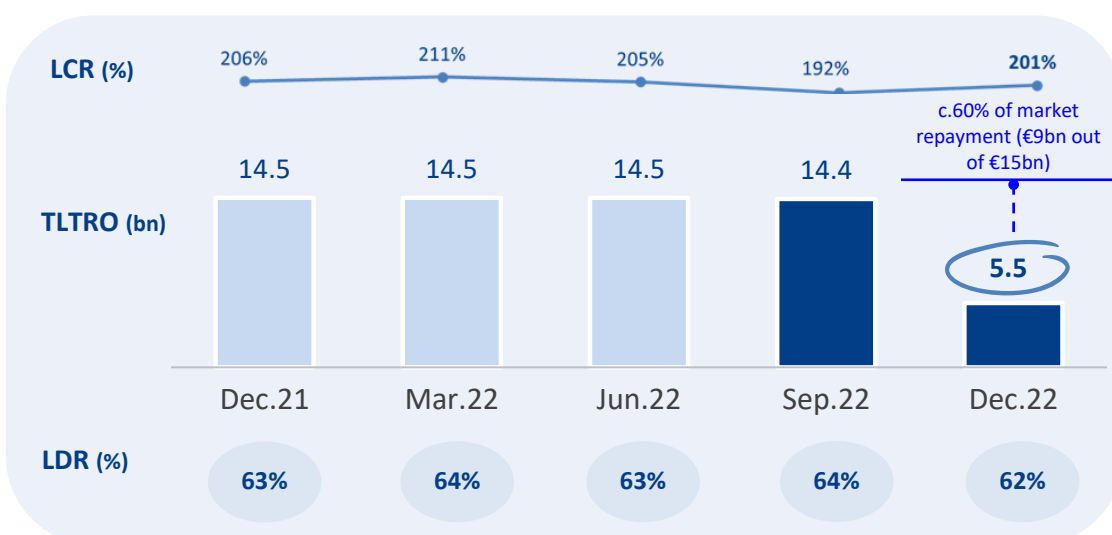
Balance Sheet Highlights (cont'd)

NPE path further improved



NPEs retracted to €2.6bn at the end of December 2022, while they stood significantly lower vs a year ago (€4.9bn) aided by both the execution of the Group's clean-up plan and organic reduction. The NPE ratio fell to 6.8% from 8.8% in the previous quarter, standing substantially lower vs the end of December 2021 (12.7%), mainly driven by NPE securitizations through HAPS and direct NPE sales, as well as further organic NPE reduction and derecognition of a €0.4bn single NPE ticket.

Strong liquidity and funding profile



Following the repayment of €8.9bn of TLTRO funding in December 2022, out of the previously outstanding amount of €14.4bn, the Group's funding under TLTRO auctions amounted to €5.5bn at 31 December 2022. Regarding the maturity profile of the aforementioned TLTRO funding, an amount of €2bn matures in 2023 and the rest in 2024. Piraeus Group Liquidity Coverage Ratio (LCR) remained at the very satisfactory level of 201%, while NSFR stood at a healthy 137% at the end December 2022. Strong liquidity profile is also reflected on the Group's net loan-to-deposit ratio, standing at 62% at the end of December 2022, while the €350mn Senior Preferred Bond issued in November 2022 also contributed to the improvement of the Group's funding mix.

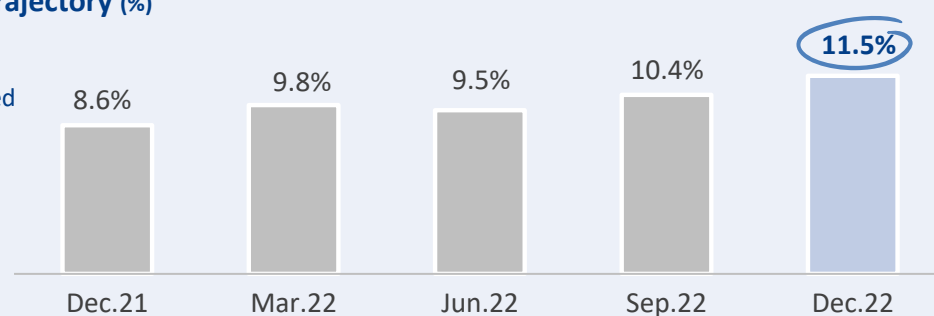


Capital position

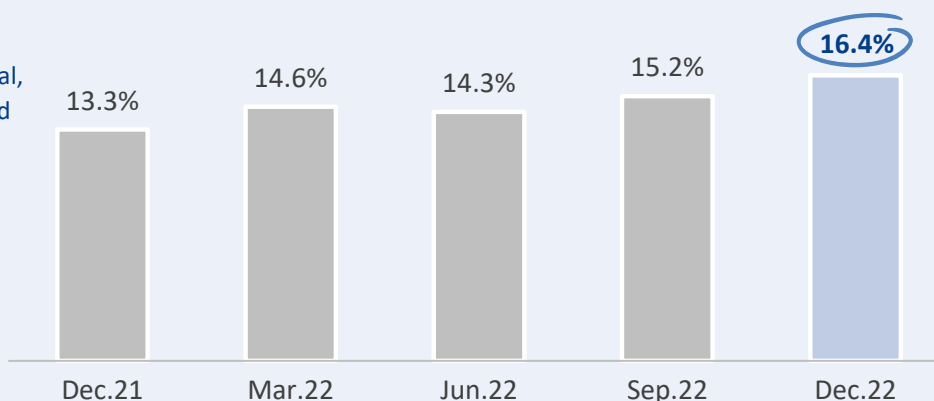
Capital ratios at satisfactory levels; FL CET1 in line with 2022 target

Capital trajectory (%)

CET1,
Fully loaded



Total capital,
fully loaded



The fully loaded Common Equity Tier 1 (CET1) ratio of the Group at the end of December 2022 reached the level of 11.5%, in line with the target of >11% for the end of 2022. Total fully loaded capital ratio stood at 16.4%, comfortably above capital requirements, as well as supervisory guidance. In addition, Piraeus Bank Group's MREL ratio as at 01 Jan.23 reached 19.4%, above supervisory guidance.

Further information on the financials & KPIs of Piraeus Group can be found on the [FY.2022 Financial Results presentation](#) and the Full Year 2022 Consolidated Financial Report that is expected to be available on the company's [website](#) on 16 March 2023



Business developments

Financing of the New Eastern Ring Road of Thessaloniki (FlyOver)

Piraeus Bank plays a leading role in the development of key infrastructure projects. To this direction, the bank undertook the financing of the New Eastern Ring Road of Thessaloniki (FlyOver), with a total budget of €373mn. This is the largest Public Private Partnership transaction that has taken place in Greece to date, as a result of Piraeus' significant know-how and experience in financing complex projects.

Financing of the cluster of Wind Farms of total capacity 327MW in Kafiareas region

Piraeus Bank plays a leading role in the financing of the construction of landmark renewable energy projects, as a result of its extensive know-how and long-term experience in financing key renewable energy projects. The Bank co-arranged with another systemic bank and underwrote 50% of the financing of the subsidiaries of Terna Energeiaki for the construction and operation of 17 wind parks of total capacity 327MW in Kafiareas region, with a total budget up to €718mn, being one of the largest wind farms to be constructed in Greece to date.

Recovery & Resilience Fund (RRF)

Piraeus has agreed and allocated funds of €0.9bn in total to businesses across various sectors of the economy, during the first year of the programme. The Group has successfully absorbed the first two tranches of the RRF amounting to €400mn (pending legal closing of final agreements till early March). Regarding the disbursement of the RRF funds, they will be allocated towards significant Renewable Energy Sources projects, the expansion and modernization of extroverted manufacturing enterprises, supply of electric vehicles in the sector of tourism, digital modernization of business infrastructure in coastal shipping, as well as the enhancement of e-trade. Also, funding will be offered to small and medium-size businesses, with emphasis given among others, particularly to projects that will promote the country's energy safety and businesses' digital transformation. Piraeus is currently in the process of submission for approval of disbursement of the third tranche, amounting to €300mn. Piraeus participates in a total of €3.6bn in RRF projects.

Piraeus Securities leads the market for 2022 regarding volumes traded in Athens Stock Exchange

Piraeus Securities obtained for the 4th consecutive year the top market position for 2022 (23% market share; highest ever obtained regarding volumes traded in Athens Stock Exchange). This market share corresponds to transactions value of €8.4bn.



Business developments (*cont'd*)

Piraeus Bank completes €3.8bn synthetic securitizations of performing loans in 2022

Further to the announcement dated 06.07.2022, Piraeus Financial Holdings S.A. announces that its subsidiary Piraeus Bank S.A (“Piraeus Bank”) completed in 2022 four synthetic securitizations of performing loans, comprising mortgage, corporate/small-medium enterprises (SME) and shipping exposures (together the “Transactions”).

In the context of the Transactions, Piraeus Bank has entered into financial guarantee agreements with:

- Christofferson Robb & Company (CRC) for a €0.6bn gross book value securitization of performing shipping loan portfolios;
- Davidson Kempner Capital Management LP and 400 Capital for a €1.4bn gross book value securitization of performing mortgage loan portfolio;
- the European Investment Fund for a €0.5bn gross book value first loss piece securitization of performing corporate/small-medium enterprises (SMEs) loan portfolio; and
- CRC as lead investor, the European Bank for Reconstruction and Development and VELD Capital for a €1.3bn gross book value securitization of performing corporate/small-medium enterprises (SMEs) exposures.

Piraeus Bank has received recognition of significant risk transfer (SRT) for all four aforementioned loan portfolios.

As a result of the Transactions, Piraeus Group reduced its risk weighted assets by c.€1.6bn and thus enhanced its total capital ratio by c.80bps following the respective significant risk transfer approvals from the regulatory authorities.

Agreement for the sale of a leasing NPE portfolio (Project Sunshine) amounting to €0.5bn gross book value

Piraeus Bank S.A. reached an agreement with Bain Capital Credit, for the sale of 100% of the Group’s leasing subsidiary Sunshine Leases (“Sunshine”), including a classified as held-for-sale (HFS) portfolio of leasing NPEs, of a gross book value of € 0.5bn (the “Transaction”). The total consideration of the Transaction corresponds to c.26% of gross book value. The Transaction is subject to the ordinary terms and approvals by the competent Greek authorities.



Business developments (*cont'd*)

Piraeus Bank successfully priced a Senior Preferred Bond amounting to €350mn

Piraeus Bank S.A. has successfully completed in November 2022 the issuance of a €350mn Senior Preferred Bond (also called the “Bond”) at a coupon of 8.25% and a yield of 8.50%, attracting the interest of a large number of institutional investors. The Bond has a maturity of four (4) years, an embedded issuer call option after three (3) years and has been listed on the Luxembourg Stock Exchange’s Euro MTF market. The issuance is part of the Bank’s strategy to increase its minimum requirements for own funds and eligible liabilities (MREL), which is a supervisory requirement for all European banks. The transaction attracted significant interest with an order book in excess of €700mn, from more than 60 institutional investors. More than 60% of the issue was allocated to international institutional investors. The success of the transaction is a clear indication of the confidence in the prospects of Piraeus Bank.

New Mutual Fund “Piraeus Regular Income Strategy 2027 Domestic Bond Fund”

Piraeus Bank in collaboration with Piraeus Asset Management MFMC, responding to the changing economic conditions and taking into account the expectations and needs of modern investors, offers new investment solutions that meet the target for stable returns. Such a case has been the new mutual fund Piraeus Regular Income Strategy 2027 Domestic Bond Fund, which had great response from investors, recording inflows of €0,2bn, the largest in the Greek market for 2022. Mutual Funds of this type seek to take advantage of today's high Greek bond yields and reduce sensitivity to changes in interest rates over time. Among their special characteristics the ones that stand out are the predetermined lifetime (5 years), the investment strategy of buy and hold for the bonds of the portfolio until their maturity and the regular distribution of dividends to shareholders in cash.

Further increase in the bancassurance market share & launching of new products

During 2022, new products were launched, offering to customers an even greater variety of choices to address their needs. The digital channel has been enriched with the new car insurance, while all insurance infrastructure improved as a whole significantly, so as to support the needs of customer service. 2022 was characterized by an increase to the total managed portfolio, thus resulting in further enhancement of market share of Piraeus Bank in the bancassurance market (33%).

It is worth highlighting that bancassurance has been a significant pillar of the revenue stream for Piraeus Bank, with over 40% of total bancassurance market income derived from Piraeus Bank.



Business developments (*cont'd*)

Launch of the 2nd cycle for actions ‘Women Founders and Makers’, ‘Women Back to Work’ and ‘Profession has no Gender’ under the EQUALL programme

Piraeus Bank launched the 2nd cycle of the EQUALL actions ‘Women Founders and Makers’, ‘Women Back to Work’ and ‘Profession has no Gender’, which are designed to promote gender equality and eliminate gender stereotypes. EQUALL is part of Piraeus Bank’s multidimensional corporate responsibility strategy, which is directly linked to the Greek society’s development needs.

Piraeus Bank aims to support women who participate in the training courses, providing them with the necessary skills and knowhow to fulfil their potential and get the job they deserve. The programme facilitates this ambition by enhancing equal access to employment and entrepreneurial activation, which are essential for the autonomy and development of every person. In addition, the Bank commits to educate young people and raise awareness for alternative pathways to employment, in an effort to eradicate any social stereotypes that influence students in the process of choosing a profession.

Digital transformation program

Piraeus continues its strong execution of digital transformation, as part of its overall Transformation Program, which covers the Retail and Corporate banking segments as well as internal efficiency and simplification projects.

Among the flagship projects which were recently completed is “Digital onboarding for Individuals” in the Retail segment. Clients can now open a bank account and get a debit card and winbank from their mobile phone, seamlessly and with no fees.

Also, through the newly launched “e-loan for e-commerce” for Individuals, clients can get online loans for their purchases through retailers’ e-shops. The client may choose among available payment options to get an e-loan through Piraeus’ winbank.

Last, the organization is working towards a paperless state, starting from transforming its internal processes, while the first cases have already been delivered.

Decrease of the share capital of Piraeus Financial Holdings in kind, and distribution to its shareholders shares issued by SUNRISEMEZZ PLC

Piraeus Financial Holdings (PFH) announced the decrease of the share capital in kind by decreasing the nominal value of each ordinary share issued by PFH by €0.02 and by distributing to its shareholders shares issued by the company under the corporate name “SUNRISEMEZZ PLC”, with a value corresponding to the value of the share capital decrease, at a ratio of 1 share of SUNRISEMEZZ for every 7 shares of the Company already held by its shareholders. Following the aforementioned decision, the Company’s total share capital amounts to €1,162,841,517.39 and the total number of shares remains unchanged, i.e., 1,250,367,223 common voting shares of a nominal value of €0.93 each.



Business developments (*cont'd*)

Piraeus Bank proceeds to a Mandatory Tender Offers to Marfin Investment Group and Attica Holdings shareholders

Background:

As of early February 2023, Piraeus Bank held a 31.2% stake in Marfin Investment Group (MIG), classified within its investments in associates. In addition, MIG held a stake of 79.4% in Attica Holdings SA (Attica), comprising a 10.3% direct stake and a 69.1% indirect stake through its wholly-owned subsidiary, MIG Shipping. On top, Strix Holdings LP (Strix), an associate of Piraeus Bank, held a 11.8% stake in Attica.

In November 2022, Piraeus Bank contributed into Strix its MIG loan balances amounting to €0.4bn gross book value, in exchange for additional limited partnership interests. As a result, the loans were derecognized from Piraeus' balance sheet.

MIG is scheduled to hold an Extraordinary General Meeting (EGM) of its shareholders on 3 March 2023 (2nd iterative meeting), where they will be asked to approve the transfer and assignment to Strix of MIG's entire shareholding in Attica (i.e. the 79.4% stake), in exchange for the transfer and assignment to MIG of the aforementioned €0.4bn bond loans currently held by Strix (debt to asset swap). Post this swap, Strix is expected to hold a total shareholding of 91.2% in Attica. Approval for the debt-to-asset swap transaction has been granted by the Greek Competition Authority.

Lastly, in September 2022, Attica reached an agreement with the creditors and shareholders of ANEK, another major Greek ferry operator, regarding the merger through the absorption of ANEK. The Attica / ANEK merger is subject to approval by the EGMs of both Attica and ANEK, as well as clearance by the Greek antitrust authorities. The proposed transaction will create value for Piraeus Financial Holdings (PFH) shareholders, as Piraeus has exposure to both entities. Attica is a leading ferry operator in the Eastern Mediterranean, with a highly attractive growth and cash generating financial profile. ANEK is a ferry operator with routes in the Aegean and Adriatic Seas.

Mandatory Tender Offers (MTO) by Piraeus Bank to MIG & Attica shareholders:

Piraeus has launched a MTO to MIG shareholders, starting 24 February 2023, post approval by the Hellenic Capital Market Commission. Moreover, on 22 February 2023, Piraeus has announced its intention to launch a corollary MTO to Attica shareholders. The latter came on the back of the fact that, post MIG stock acquisition through the Athens Stock Exchange as of 6 February 2023, Piraeus now holds a 53.7% stake in MIG (as per 23 February 2023 Piraeus' announcement). Both MTOs are also subject to Greek Competition Authority approval.

Rationale:

Piraeus Bank proceeded to the actions described above to:

- shield the interests of and create value for shareholders of its parent, PFH, via the execution of the debt to asset swap between MIG and Strix
- support the Attica / ANEK anticipated merger in order to protect the operational sustainability of the combined entity and thus protect associated PFH interests



Credit Ratings

	Greek Sovereign Credit Rating	Piraeus Bank Long term	Piraeus Bank Outlook	Piraeus Bank Senior Preferred
MOODY'S 7 November 2022	Ba3	Ba3	Stable	B1
S&P Global Ratings 19 July 2022	BB+	B	Positive	B
FitchRatings 31 January 2023	BB+	B	Positive	B
MORNINGSTAR DBRS 07 December 2022	BB high	B high	Stable	B high

Moody's rating refers to long term deposit rating; dates refer to the last publication report date on Piraeus



Sustainability

Science Based Targets Initiative validated Piraeus Bank's emission reduction targets

Piraeus Bank received validation by the Science Based Targets Initiative (SBTi) for the reduction of both its operational and financed emissions with its 2030 targets. Piraeus is the first Bank in Greece to have received such validation. It is noteworthy that only three other companies have SBTi validated emission targets in Greece.

The Science Based Targets initiative (SBTi) drives ambitious climate action in the private sector by enabling organizations to set science-based emissions reduction targets. It promotes best practices in emissions reductions and net-zero targets in line with the Paris Agreement and the latest climate science and also guides companies in strengthening their competitiveness during their net-zero journey. Around 4,500 companies globally have committed to SBTi, of which over 200 are financial institutions.

Piraeus Bank has a longstanding track record for implementing actions that protect the environment and support sustainable development. Piraeus has committed to becoming net-zero the latest by 2050 and aspires to be the first bank in Greece to do so. The journey to net-zero is just starting with the validation by SBTi of 2030 (with base year 2019) emission targets for its operation and for selected asset classes.

Specifically, Piraeus Bank commits to reducing by 73% its operational emissions (Scope 1 and Scope 2) by 2030 and to use 100% renewable energy for its branches and administration buildings. Furthermore, it aims to reduce financed emissions (Scope 3) by 50% by 2030 or reduce temperature scores by 2027, within 9 discrete asset classes, while committing to continue financing renewable electricity activities. Overall, the targeted reductions represent over 50% of financed emissions of the Bank's business and investment portfolios.



Awards, Distinctions & Certifications



Piraeus Bank's Digital Banking was distinguished internationally at the Best Digital Bank Awards 2022, a competition for highlighting the best Digital Banking services worldwide by the internationally prestigious American magazine Global Finance



Bank's Project Triton has won the Transaction of the Year category in SCI's Capital Relief Trades Awards for being for the first synthetic STS securitisation of performing shipping loans in Europe



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

The Science Based Targets initiative (SBTi) is a partnership between Carbon Disclosure Project, WWF, UN Global Compact and the World Resources Institute. Piraeus received validation by SBTi for its 2030 emission reduction targets for its operation and for selected asset classes, whilst it is the first Greek Bank to have achieved that



Piraeus Bank is the only Greek company included in the Financial Times list of "Europe's Climate Leaders" in 2022, for the second consecutive year, regarding its performance in the climate change management



MSCI upgraded Piraeus Bank to 'A' from 'BBB' in mid-February 2023, driven by improvements in its corporate governance practices. The bank now discloses executive pay details which may align with shareholder interests. Further, it leads most home market peers on business ethics, with practices such as whistleblower protection from retaliation



Piraeus Financial Holdings became member of the 2023 Bloomberg Gender-Equality Index (GEI), a modified market capitalization-weighted index developed to gauge the performance of public companies dedicated to reporting gender-related data

For more information, please visit the following link:

<https://www.piraeusholdings.gr/en/group-profile/awards/2022>



ALTERNATIVE PERFORMANCE MEASURES (APMs)

CET1 Ratio FL (fully loaded)

(percentage, %)

Common Equity Tier 1 (CET1) regulatory ratio as defined by Regulation (EU) No 575/2013

Relevance of use: Capital position regulatory metric

	December 2022	December 2021
CET1 (€ mn)	3,545	2,706
/ RWAs (€ mn)	30,723	31,357
= CET1 Ratio FL	11.5%	8.6%

Cost of risk (CoR) Organic

(percentage, %)

Organic cost of risk is calculated by dividing loan loss provisions excluding provisions related to NPE securitisations and sales (herein defined as organic loan loss provisions) over the loans and advances to customers at amortised cost including loans and advances to customers measured at fair value through profit or loss.

Loan loss provisions are defined as ECL impairment losses on loans and advances to customers at amortised cost (as in the annual income statement), plus other credit-risk related charges on loans and advances to customers at amortised cost.

Relevance of use: Asset quality metric

	Q4 2022	Q4 2021
Loan loss provisions (€mn)	103	199
- Loan loss provisions related to NPE securitizations and sales (€mn)	33	126
= Organic loan loss provisions, annualized	70*4 = 280	292
/ Loans and advances to customers at amortised cost including FVTPL (€ mn)	35,901	35,124
= Cost of risk organic	0.78%	0.83%

Cost-to-income ratio, core

(percentage, %)

Core cost-to-income ratio is calculated by dividing the recurring operating expenses, which equal total operating expenses before provisions minus one-off expenses with core income.

Core income equals net interest income plus net fee and commission income and income from non-banking activities. One-off expenses refer to Voluntary Exit Scheme costs of €30 million in Q4 2022 and €-15 million in Q4 2021.

Relevance of use: Efficiency metric



ALTERNATIVE PERFORMANCE MEASURES (APMs)

	Q4 2022	Q4 2021
Recurring operating expenses (€ mn)	211	222
/ Core income (€ mn)	557	434
= Cost-to-income ratio, core	38%	51%

Earnings per share (EPS) normalized, adjusted for AT1 coupon (€)

Earnings per share are calculated by dividing normalized net profit (as defined herein) adjusted for AT1 coupon payment for the period, with total number of shares.

Relevance of use: Share performance metric

	Q4 2022	Q4 2021
Normalized net profit (€ mn)	208	(7)
- AT1 coupon payment (€ mn)	13	13
/ Number of shares (mn)	1,250	1,250
= Earnings per share, normalized	0.16	(0.02)

Liquidity coverage ratio (LCR)

(percentage, %)

The Liquidity Coverage Ratio as defined by Regulation (EU) 2015/61 (amended by Regulation (EU) 2018/1620) is the value of the stock of unencumbered High Quality Liquid Assets (HQLA) held by a credit institution, over its projected total net cash outflows, under a severe 30-day stress scenario.

Relevance of use: Liquidity risk regulatory metric

	December 2022	December 2021
HQLA (€ mn)	18,161	16,136
/ Total net cash outflows over the next 30 calendar days (€ mn)	9,028	7,852
= LCR	201.16%	205.50%

Loans to Deposits ratio (LDR)

(percentage, %)

The loans to deposits ratio is calculated by dividing the net loans as of Q4 2022, i.e., loans and advances to customers at amortised cost including loans and advances to customers measured at fair value through profit or loss (as in



ALTERNATIVE PERFORMANCE MEASURES (APMs)

Group's annual income statement) over the deposits (corresponds to "Due to customers" in the Group's annual statement of financial position).

Relevance of use: Liquidity metric

	Q4 2022	Q4 2021
Loans and advances to customers at amortised cost (€ mn)	35,901	35,124
/ Deposits (€ mn)	58,372	55,442
= LDR	62%	63%

Net Fee Income (NFI) over assets

(percentage, %)

Recurring net fee income equals net fee and commission income plus income from non-banking activities adjusted for the acquiring fees for the period annualized, over average total assets of two consecutive periods adjusted (as defined, herein).

For Q4 2022, total assets are calculated by taking the average of the periods of the two consecutive periods of 30/9/2022 and 31/12/2022; total assets for Q4 2021 are calculated by taking the average of the periods of the two consecutive periods of 30/9/2021 and 31/12/2021.

Q4 2021 net fee and commission income has been restated to reflect the reclassification of fees paid to card services provider.

Relevance of use: Profitability metric

	Q4 2022	Q4 2021
Net fee income, annualized (€ mn)	126*4 = 504	116*4 = 464
/ Total assets, adjusted average of 2 periods (€ mn)	78,400	76,754
= NFI/assets	0.65%	0.60%

Net Interest Margin (NIM) over assets

(percentage, %)

Net interest margin equals net interest income (as reported in the Group's annual income statement) annualized over average total assets of two consecutive periods adjusted (as defined, herein).

For Q4 2022, Total assets are calculated by taking the average of the periods of the two consecutive periods of 30/9/2022 and 31/12/2022; Total assets for Q4 2021 are calculated by taking the average of the periods of the two consecutive periods of 30/9/2021 and 31/12/2021.

Relevance of use: Profitability metric



ALTERNATIVE PERFORMANCE MEASURES (APMs)

	Q4 2022	Q4 2021
Net interest income, annualized (€ mn)	431*4 = 1,724	318*4 = 1,272
/ Total assets, adjusted average of 2 periods (€ mn)	78,400	76,754
= NIM/assets	2.2%	1.66%

Net Profit, normalized

(million €)

Normalized net profit is the profit/(loss) attributable to the equity holders of the parent (as reported in the Group's annual income statement), acquiring fees, one-off revenues, one off expenses, loan loss provisions related to NPE securitizations and sales (as defined herein), defined at any given period. For Q4 2022 one-off items from other impairments and associates' income, i.e., €26 million are related with the sale of Renewable Energy Storage infrastructure booked in associates' income which is also deducted from profit/(loss) attributable to the equity holders of the parent.

One-off revenues for Q4 2021 refer to the gains from the carve-out of the non-core equity participations of the Bank.

One-off expenses refer to Voluntary Exit Scheme costs of €30 million in Q4 2022 and €-15 million in Q4 2021.

Relevance of use: Profitability metric

	Q4 2022	Q4 2021
Profit/(loss) attributable to the equity holders of the parent	170	78
- Acquiring fees	(1)	11
- One-off revenues	0	185
- One-off expenses	(30)	15
- Loan loss provisions related to NPE securitization / sales	(33)	(126)
- One-off items from other impairments and associates' income	26	0
= Net Profit, normalized	208	(7)

NPE Coverage Ratio

(percentage, %)

NPE coverage ratio is calculated by dividing ECL allowance on loans and advances to customers at amortised cost (as presented in the Group's annual financial statements) over the non-performing exposures (NPEs).

NPEs are on balance sheet credit exposures before ECL allowance for impairment on loans and advances to customers at amortised cost that are: (a) past due over 90 days; (b) impaired or those which the debtor is deemed as unlikely to pay ("UTP") its obligations in full without liquidating collateral, regardless of the existence of any past due amount or



ALTERNATIVE PERFORMANCE MEASURES (APMs)

the number of past due days; (c) forborne and still within the probation period under EBA rules; (d) subject to contagion from (a) under EBA rules and other UTP criteria. NPEs include loans and advances to customers measured at fair value through profit or loss.

Relevance of use: Asset quality metric

	Q4 2022	Q4 2021
ECL allowance on loans and advances to customers at amortised cost (€ mn)	1,421	1,971
/ NPEs (€ mn)	2,624	4,915
= NPE coverage	54%	40%

Non-Performing Exposure (NPE) Ratio

(percentage, %)

NPE ratio is calculated by dividing NPEs by gross loans, before impairments and adjustments (as defined herein).

Gross loans are reported as total gross loans and advances to customers at amortised cost, grossed up with PPA adjustment (as presented in the Group's annual financial statements). Gross loans and NPEs include loans and advances to customers measured at fair value through profit or loss.

Relevance of use: Asset quality metric

	Q4 2022	Q4 2021
NPEs (€ mn)	2,624	4,915
/ Gross loans (€ mn)	38,850	38,581
= NPE ratio	6.8%	12.7%

Net Stable Funding Ratio (NSFR)

(percentage, %)

The NSFR is defined as the amount of available stable funding relative to the amount of required stable funding. This ratio should be equal to at least 100% on an ongoing basis. The standard requires a minimum amount of funding that is expected to be stable over a one-year time horizon based on liquidity risk factors assigned to assets and off-balance sheet liquidity exposures.

Relevance of use: Liquidity metric

	December 2022	December 2021
Available stable funding (€ mn)	63,047	54,862
/ Required stable funding (€ mn)	46,181	43,754
= Net Stable Funding Ratio (NSFR)	136.52%	125.39%



ALTERNATIVE PERFORMANCE MEASURES (APMs)

Pre-provision income, normalized

(million €)

Normalized pre-provision income corresponds to profit/ (loss) before provisions, impairment and income tax (as in the Group's annual income statement), excluding the acquiring fees, one-off items from revenues and operating expenses. One-off revenues for Q4 2021 refer to the gains from the carve-out of the non-core equity participations of the Bank. One-off expenses refer to Voluntary Exit Scheme costs of €30 million in Q4 2022 and €-15 million in Q4 2021.

Relevance of use: Profitability metric

	Q4 2022	Q4 2021
Profit/ (loss) before provisions, impairment and income tax	334	420
- Acquiring fees	(1)	11
- One-off revenues	0	185
- One-off expenses	(30)	15
= Pre-provision income, normalised	365	209

Return on average Tangible Book Value (RoaTBV) normalized, adjusted for AT1 coupon

(percentage, %)

The RoaTBV is calculated by dividing normalized net profit for the period annualized, minus AT1 coupon payment annualized over tangible book value. Tangible Book Value for Q4 2022 (as defined herein) is calculated by taking the average of the two consecutive periods of 30/9/2022 and 31/12/2022.

For Q4 2021, TBV is calculated by taking the average of the periods of the two consecutive periods of 30/9/2021 and 31/12/2021.

Relevance of use: Return obtained on shareholders' funds, not including intangible assets

	Q4 2022	Q4 2021
Normalized net profit, annualized (€ mn)	208*4 = 832	(7)*4 = (28)
- AT1 coupon payment, annualized (€ mn)	52.5	28.264
Tangible book value, average of 2 periods (€ mn)	5,533	4,883
/		
= RoaTBV	14.1%	(1.1%)

Tangible Equity (TE)

(million €)

Tangible equity or Tangible Book Value (TBV) equals capital and reserves attributable to equity holders of the parent



ALTERNATIVE PERFORMANCE MEASURES (APMs)

(as presented in the annual statement of financial position) excluding other equity instruments, i.e., Additional Tier 1 (AT1) capital and intangible assets (as reported in the annual statement of financial position).

Relevance of use: Standard banking terminology

	December 2022	December 2021
Capital and reserves attributable to equity holders of the parent	6,553	5,788
- Other equity instruments (AT1 capital)	600	600
- Intangible assets	312	267
= Tangible Equity	5,641	4,921

Total assets adjusted

(percentage, %)

Assets adjusted are the total assets reported in the annual statement of financial position excluding the seasonal agri loan (OPEKEPE) and assets from discontinued operations.

Relevance of use: Standard banking terminology

	December 2022	December 2021
Total assets	75,661	79,790
- OPEKEPE	1,517	1,474
- Discontinued operations	0	114
= Total assets, adjusted	74,143	78,201

Total Capital Ratio FL (fully loaded)

(percentage, %)

Total Capital Ratio, as defined by Regulation (EU) No 575/2013

Relevance of use: Capital position regulatory metric

	December 2022	December 2021
Total Capital (€ mn)	5,038	4,197
/ RWAs (€ mn)	30,723	31,357
= Total Capital Ratio FL, reported	16.4%	13.4%



Disclaimer

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This presentation pertaining to Piraeus Financial Holdings S.A. (formerly known as Piraeus Bank S.A.) and its subsidiaries and affiliates (the “Group” or “We”), its business assets, strategy and operations is solely for informational purposes. References to the “Company”, “Piraeus Bank”, “Piraeus Bank S.A.” or to the “Bank” should be read and construed to be references to Piraeus Financial Holdings S.A. (formerly Piraeus Bank Société Anonyme) both prior to and after the completion of the demerger of 30 December 2020, where the core banking operations of the former Piraeus Bank Société Anonyme were contributed into a newly-formed credit institution, i.e., “Piraeus Bank Société Anonyme”, (the “Demerger”), except to the extent otherwise specified or the context otherwise requires, including, among others, in the context of references to the entity acting as a credit institution responsible for the Group’s core banking operations (in which case, such references shall be deemed to refer to (i) the former Piraeus Bank Société Anonyme (now renamed Piraeus Financial Holdings S.A.) prior to 30 December 2020, and (ii) the newly-formed banking entity, Piraeus Bank Société Anonyme, on and after 31 December 2020).

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