



**DEVELOPING GREEN PRODUCTS IN THE FINANCIAL SECTOR
AND REDUCING ENVIRONMENTAL IMPACT
OF BANK SERVICES**

FINAL REPORT
LIFE06 ENV/GR/000375

3 October 2006 - 2 October 2009

Athens, 15 April 2010



Title:

“Developing Green Products in the Financial Sector and Reducing Environmental Impact of Bank Services. **Final Report**”

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Executive Summary

In 2003, Piraeus Bank developed its environmental policy in response to its conviction that our environment is rapidly degrading and that the private sector has a distinct role to play in addressing the problem. A major outcome of the Bank's environmental policy was the implementation of the GREENbanking4Life project.

The GREENbanking4Life project was an innovative project, approved by the European Commission in 2006, under the LIFE ENVIRONMENT financial instrument. The project's purpose was to mitigate the environmental impacts of Piraeus Bank deriving from both its operation and core business and to disseminate the acquired expertise among businesses, subsidiaries and the general public. The project's actions aimed to (a) assess Piraeus Bank's operational and core business impacts on the environment, (b) mitigate environmental impacts by means of good practice guides, pilot implementation of new technologies, as well as the design and promotion of green banking products, (c) educate the staff and transfer expertise to subsidiaries, stakeholders and the general public.

The management of the operational impacts started with the development of a novel software to garner and analyze data that allows for the continuous monitoring and precise evaluation of the environmental operational impacts regarding the consumption of energy, water and other resources, as well as the use of consumables and the business trips, for all the Bank's buildings.

Furthermore, a series of five guides was published with instructions on how to conserve energy, water, to recycle used materials, for green procurements and management of business trips and distributed to key staff within the Bank for educational purposes.

In terms of the results derived from the application of a recycling programme in the Bank's administration buildings and branches, 680 tonnes of paper, 2,642 kg of batteries, 1,680 items of ink and toner, 60.6 tonnes of electric and electronic equipment, 5,065 kg of plastic, 2,600 kg of accumulators and 180 kg of light bulbs were recycled.

Regarding the green procurement programme, all the Bank's paper needs in A4 and A3 paper were covered by recycled and chlorine free paper reducing the Bank's ecological footprint by 26,000 trees within the course of the GREENbanking4Life project.

The energy reduction task involved the installation of photovoltaic systems on 4 Bank's buildings, with a total capacity of 45 KW. The clean energy produced is equivalent to the avoidance of 48.6 tonnes of CO₂ annually, which in turn corresponds to the amount of green house gases absorbed by 3,645 trees. Monitor screens were placed within the buildings to demonstrate the benefits of producing solar energy in terms of the amounts of CO₂ and heating petrol saved.

The major water saving techniques implemented were the fitting of taps with timers and the installation of a pilot system for rainwater harvesting on a Bank's building, on one of the islands of the Cyclades (Kea). An effort was also made for the reduction of the impacts from the employee's home-work-home travel. A car-pooling platform was made available to employees giving them the ability of sharing a vehicle to commute to work.

Within the framework of the management of core business impacts Piraeus Bank elaborated a feasibility study on the potential development of green business in Greece. The outcomes of the study led to the creation and launch of specially designed green products to support investments in Renewable Energy Sources (RES). This involved products aimed at private individuals, small and large enterprises that offer the possibility of leasing, as well as a complete insurance package. Additionally, green mortgages were designed and launched for energy saving and eco-building. The products aimed at private individuals who wish to install large scale energy saving systems on their premises. The third product category included the consumer loans "Green" for private individuals that wish to retrofit their homes with small scale energy saving systems. Through the funding of RES projects during the duration of the programme, Piraeus Bank has contributed to the avoidance of 772,292 tonnes of carbon dioxide emissions.

The communication and awareness actions and achievements included the construction of a dedicated website (www.greenbanking.gr), with an average per month visitation of 600 users and over 1,300 references on the internet regarding the GREENbanking4Life project. Regarding educational activities an e-learning programme was developed with five modules on climate change, energy, water, recycling, and green procurements. Over 12% of the Bank's staff has voluntarily completed the modules. Furthermore, regular weekly green news were published on the Bank's intranet and in its periodic publications. Green news focused on national and international trends in green economy and the environment. Around 700-800 employees visited the green news on the intranet every week. As far as written communication is concerned, over 250 articles and

advertisements were published in newspapers and magazines, a ‘Guide of Good Practices for Enterprises’ was distributed directly to 75,000 of companies and leaflets were distributed to customers through all the Bank’s branches.

Capacity building programmes were organised for the top management of Piraeus Bank Bulgaria, Piraeus Bank Romania and Piraeus Bank Cyprus in order to transfer expertise on mitigating operational environmental impacts and developing green banking products. A benchmarking workshop “Sustainable Banking and Green Business” was also organized by Piraeus Bank for 50 top management staff members with the participation of experts from other financial institutions in Europe and international organizations that are involved in green banking.

A recycling competition «Green behaviour wins! » was held to reward the best environmental performance within the Bank regarding recycling of paper, batteries and ink cartridges/toners. Rewards and prizes were given to the winners during two special events held in Athens and Thessaloniki.

The GREEN BANKING branch was also launched, the first of its kind in the Balkans, as an information point for the public regarding opportunities in green business and promotion of the products/services Piraeus Bank offer in this field. Over 500 people have visited the GREEN BANKING branch. Additionally, the green branch operates as a help desk for all the Bank’s branches in issues pertaining to the environmental and green banking products. Overall, through the environmental interventions Piraeus Bank implemented, and notably those included in the GREENbanking4Life project, the average score of the employees’ environmental attitudes and behaviours increased from 5.8 (June 2007) to 6.3 (September 2009) on a 10 point scale.

Introduction

Environmental concerns arose in the banks and insurance companies much later than in the manufacturing sector, probably because the tertiary sector was not considered a direct source of pollution. However, the environmental impact of the service sector began to emerge when initial corporate environmental reports from financial institutions indicated energy consumption figures in the same league as many manufacturing companies. Financial institutions play a very important role in shaping the economy, which makes it even more imperative that they operate in an environmentally and socially responsible manner. They also contribute to sustainable growth targets through their lending and investment policies. Considering the number of people employed in a financial institution, even the smallest step to improve environmental impacts may have a substantial cumulative effect. Consequently, having adopted a sound policy, banks can reduce their operational and core business environmental impacts by using resources and products wisely and providing environmentally friendly products and services to third parties. Piraeus Bank is convinced that its activities will bear better results if developed in a socially robust environment. Aiming at operating in harmony with society, the Bank attaches major importance to Corporate Social Responsibility, which involves corporate governance, society, culture, human resources, relationships with clients and the environment. The firm belief that the environment is deteriorating at an increasing rate and the fact that the private sector bears a distinct responsibility to deal with the problem, has led Piraeus Bank in 2003 to formulate and adopt a binding Environmental Policy that was approved by the Board of Directors. This was followed-up by the establishment of the Environmental Office in 2004 (Environmental Unit, since 2009). The general aim of the current project is to improve Piraeus Bank’s environmental performance and disseminate gained expertise. The whole project is based on the assumption that what you can measure, you can also change. The project comprised three main parts. The first included assessment, management and reduction of the Bank’s direct (operational) environmental impacts, while the second included assessment, management and reduction of the Bank’s indirect (core business) impacts. The former were defined as the impacts that are attributed to the daily operational activities of the Bank (i.e. heating and lighting, transport of employees, waste, purchasing of goods and use of resources like paper and water). The latter are defined as the impacts the Bank has through their lending practices and investments. The third part included raising awareness amongst the Bank’s employees and disseminating expertise to clients, subsidiaries and the broader public. The guiding philosophy behind the project is that by enhancing the environmental responsibility within the Bank and by educating clients and the general public, it can create a major paradigm shift in society that will help to further promote the principles of sustainability. The expected results are outlined below:

1. Electronic database and analysis of collected data for assessing the Bank’s environmental performance

2. Publication of 5 best practice guides and 1 employees' incentive guide for managing operational environmental impacts.
3. Reduction of 700,000kg of CO₂ emissions in 25 years through installation of BIPV. Recycling of: 70% of disposed paper, 50% of PET, 70% of toners and ink cartridges; disposal of batteries by 40% by Bank employees; 30% reduction in water consumption; 5% overall reduction in business trips; 80% of cleaning products to be eco-labelled; 80% of A4 paper used to be recycled and chlorine free
4. Evaluation of Greek market, designing and launching of 5 new green banking products
5. Capacity building for 12-16 subsidiaries, 50-70 SMEs customers and branches abroad. 80% of them will implement part or all of the "tailor made" plans
6. Dissemination of expertise and education via e-learning programme, website, intranet applications, Corporate Environmental Report publication, brochures, events, and layman's report.

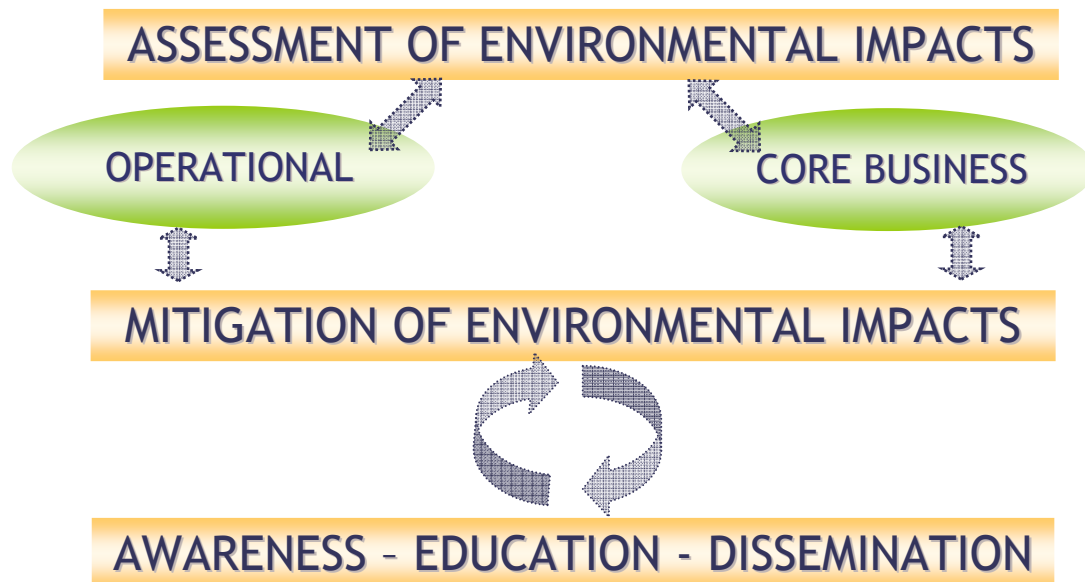
The environmental benefits resulting from this project included the reduction of CO₂ emissions, reduction of waste, recycling of materials, reduction in water consumption and developing mechanisms and tools for providing wide scale incentives for investment and development of green products and services. The project coincided with one of the priority avenues of the 6th Environmental Action Programme entitled "Greening the Financial Sector". The project also supported part of the framework of EU initiatives on Climate Change (commitments under the Kyoto Protocol, European Climate Change Programme), as it attempted to reduce the CO₂ emissions mainly in the service sector and potentially from the trade and manufacturing sector. In parallel the project supports the "Buildings Directive" (EPBD - Dir. 2002/91/EC); the Directive "on energy end-use efficiency and energy services" (8 Dec. 2003); and the "Renewables Directive" (2001/77/EC). The project was also related to the framework of EU initiatives on waste management and prevention: Thematic Strategy on the Prevention and Recycling of Waste COM (2005) 666; (Directive 75/442/EEC on waste, Directive 94/62/EC on packaging and packaging waste, the WEEE Directive and how large scale users address their obligations), as well as to the Green and Communication papers on "Integrated Product Policy" (IPP) prepared by the Commission. Finally, the project set a model for managing direct and indirect environmental impacts in a financial institution and for transferring expertise among financial institutions in other European countries.

Evaluation and Conclusions

Project implementation

a. The process

Technically, the project consisted of three main phases. The first included the assessment, of the direct (operational) impacts and indirect (core business) activities of Piraeus Bank. The second phase comprised the management and mitigation of the environmental impacts defined in the previous phase from the daily operation of a bank (i.e. electricity consumption, heating, fuel for transport of employees, waste, purchasing and use of goods and resources like paper and water) and from the bank's core business caused by the business activities of a bank (lending and investment practices). The third phase involved educating the Bank's staff, building capacity among subsidiaries and clients as well as disseminating project results to the public.



b. The project management, the problems encountered, the partnerships and their added value

GREENbanking4Life was definitely an innovative project, and to this matter, a very good experience for Piraeus Bank's employees involved in its implementation. For one thing, it is the first time the Bank was fully engaged with an NGO in implementing a European co-funded project, and for another, it motivated divisions and departments to collaborate on issues meriting a cross-cutting approach.

It is the first time in Greece that a bank and an NGO collaborated in carrying out a European supported project. This is creating new standards in the field of collaboration between business and civil society that transcend the usual charity sponsoring practices companies apply. The synergy generated between NGOs and private businesses can forge new approaches in dealing with global environmental problems at a local level.

Integrating the whole environmental management concept into the Bank's organisational structure and procedures was a major endeavour, especially during the first months of the project. A significant side effect of implementing the project was the cross-cutting approach adopted by the Management Team. This relatively new concept brought together Divisions and Departments in a joint effort to address a general problem: to reduce the Bank's ecological footprint in order to contribute to the mitigation of global warming. This cross-cutting approach will definitely set a precedent in the Bank for future collaborations in addressing joint challenges. Furthermore, building a collaborative working frame in the Bank's structure will have a positive impact on incorporating procedures in the Bank that require an integrated approach, such as environmental impact assessments.

Adaptation problems arose in attempting to find the right and less time-consuming approaches in implementing the project Tasks. For example, additional effort was required by the Management Team to clarify to other Divisions the benefits deriving from the implementation of environmental management practices in the Bank. However, the numerous internal communication meetings during the process of designing the green banking products led project members of involved divisions to better comprehend the added value of the project's objectives. As indicated in Action 4.6 from the questionnaire survey employees were effectively sensitised through the GREENbanking4Life programme and their average environmental behaviour increased from 5.8 in June 2007 to 6.3 in September 2009. This increase corresponds to an 8.6% improvement of environmental performance over a period of two years. Additionally, the number of divisions and individual staff seeking for advice on how to change their procedures and reduce the consumption of paper and energy has remarkably increased till the end of the project.

c. Technical and commercial application (reproducibility, economic feasibility, limiting factors)

Many of the environmental programmes and ideas were reproduced either by the Bank’s subsidiaries or its competitors or other big institutions/ organisations. The classical example is the one with the procurement of environmentally friendly paper. Piraeus Bank was at the beginning of the project the largest single buyer of environmentally friendly paper in the Balkans and little by little other big organisations followed this example. Piraeus Bank was informed from its supplier that Greek Ministries (i.e. Ministry of Defence and more specifically the Army Geographical Service Department and the Navy), other Banks (i.e. the National Bank of Greece) had become, two years after the beginning of the project, amongst the biggest buyers of recycled paper in Greece. Our subsidiaries also have started purchasing environmentally friendly paper such as Piraeus Real Estate, ETVA BI.PE, Piraeus Cards, Piraeus Direct Services, Piraeus Bank Cyprus. Similar examples are noted in our competitors such as Alpha Bank, National Bank of Greece and Eurobank in terms of energy saving in buildings, waste management and water saving. Most important of all, Piraeus Bank was amongst the first Banks in Greece to publish its Corporate Responsibility Report in a GRI format.

Many clients also approached Piraeus Bank and the employees of the Green Banking Branch to learn how to measure the ecological footprint of their business and how to develop recycling, energy saving and green procurement programmes.

The most important tool that increased the business’s awareness and need of reproducing the environmental know-how of Piraeus Bank developed through the GREENbanking4Life project was the “The Green Practices Guide for Enterprises” that was distributed to 75,000 SME clients.

The idea of Green Banking Products was followed by other banks as well. Currently, the major banks in Greece offer some of these products. In addition, more products have been developed as well as refinement of the existing ones. Finally, the subsidiary of Piraeus Bank in Cyprus has developed a new green banking product, through disseminating the know-how from the GREENbanking4Life project.

d. Comparison against the project-objectives

Objectives per task	Results per task
Development of environmental database	Development of the Ecological Footprint Assessment Database and Decision Support System
Environmental data analysis and reporting (on a yearly basis)	Yearly environmental analysis and reporting, publication of the Operational Environmental Impact Report and the Corporate Responsibility Report
Environmental management guides (5 guides on energy, water, transportation, green procurement and waste+ 1 employee incentive plan for improving their environmental behaviour)	Development of 5 environmental management guides and an employee incentives action plan
Photovoltaics installation with a CO ₂ emission reduction by 700,00 kg in the 25 year lifespan	Photovoltaics installation with a CO ₂ emission reduction by 1,215,000 kg in the 25 year lifespan
Paper recycling from 50% of Athens Branches and 50 % of Thessaloniki Branches (70% of the paper used to be recycled)	Paper recycling takes place at 50% of Attica branches and 50 % of Thessaloniki Branches and administration buildings. (40 % of all paper used at the Bank is recycled). It was calculated that approximately 30% is filed or given to the

	client.
Pet recycling in 4 Athens branches (50% recycled)	PET recycling is taking place in 3 administrative buildings (2 buildings in Athens and 1 in Thessaloniki), hosting more than 1,500 employees (more than 80% is recycled)
Toners recycled at 70 % of Bank's network	Recycling is implemented in 70 % of the Bank's network
Battery recycling at 25 branches	340 branches recycled batteries
50% of obsolete PC's recycled	All obsolete electric and electronic equipment is recycled (60.6 tonnes during the whole project was recycled)
Purchasing 80% of A4 and A3 recycled	98 % of the A4 and A3 is recycled paper
Feasibility Study on green banking products	Implemented with an additional chapter on what Piraeus Bank is doing in the aspect of Green Banking Products
5 new green products	14 new green products were developed.
Information Package in green products for corporate customers and clients	An information package was produced and was distributed from the Bank's branches network of 359.
Tailor made plan distributed to 12-16 subsidiaries in Greece	The plan was distributed to 18 subsidiaries
Tailor made plan for Piraeus Bank in Romania-Bulgaria-UK with a total 86 Branches.	The plan was distributed to the top management of Piraeus Bank in Romania, Bulgaria, Cyprus with a total 302 Branches.
Tailor made plan distributed to 50-70 SMEs customers.	The plan was distributed to 75,000 SMEs customers.
Benchmarking workshop	The benchmarking workshop was organized with highly recognized speakers and important attendees from all top management of the Bank.
3 workshops in Romania, Bulgaria and UK	3 different workshops took place in Romania, Bulgaria and Cyprus.
2 workshops for SMEs customers	52 workshops for SMEs customers
Design and implementation of an exemplary e-learning programme for employees.	Five e-learning modules, technically more elaborate and appealing to learners than initially planned, were constructed covering the areas of climate change, energy, recycling, water and green procurement.
Website for Life project and other intranet applications, employee awareness via intranet applications, 'smart database' with info on	<ul style="list-style-type: none"> ▪ A project website with visitation ranging between 1,200-23,000 hits per month or 350-1,200 visitors per month. ▪ The "environmental news" section

recycling and resource use.	<p>both on the intranet and the Bank's main internet site updated with news from the project.</p> <ul style="list-style-type: none"> ▪ The weekly "Green News" with a visitation of 500-600 individual employees per week. ▪ All information regarding recycling and resource use was incorporated in the relative e-learning modules, accessible to all employees. Responsible for Action: Piraeus Bank and the Ecological Recycling Society
Dissemination of project's results by participating in workshops and conferences (3 overall participations) and organising a final event. Production of two leaflets (40,000 copies in total).	<ul style="list-style-type: none"> ▪ Participation in six international meetings ▪ Participation in 5 international exhibitions-trade fairs ▪ Two leaflets were produced to promote the objectives of the project. The first (10,000 pieces) and the second (37,400 copies), which was a more detailed leaflet, aimed to inform the general public and was distributed through all Branches of Piraeus Bank in Greece. ▪ A 12-page brochure (20,000 copies) "We opened the road to green business... and we keep going!" was published, in Greek, to present the Bank's green banking products that were developed in the context of the project. The brochure was distributed through the Bank's branches. ▪ Additionally, a three year calendar (2010-2012) was issued (2,500 copies) including weekly tips on improving daily environmental behaviours.
Technical publications-Environmental Corporate Report (5,00 copies)	The Corporate Environmental Report (5,000 copies in Greek and 500 in English) was published.
Layman's report (3,500 copies) and After LIFE communication plan.	5,000 copies of the Layman's report were published (1,000 in English and 4,000 in Greek) and an After LIFE communication plan was prepared.
Press and media. At least 1 press release in every two months.	<ul style="list-style-type: none"> ▪ Over 250 (on average 7 per month of the project duration) advertisements and write-ups in the press and magazines ▪ Over 1,000 references in a variety of worldwide websites.

e. Effectiveness of dissemination activities

The dissemination activities undertaken by Piraeus Bank, was the first longstanding and systematic environmental communication campaign undertaken by a financial institution in Greece. With over 250 write ups and advertisements in the national press and selected magazines, the dissemination activities 'popularised' the term 'green banking', at least amongst certain groups of stakeholders, such as financial institutions, NGOs, journalists and concerned businesses. With regards to raising

awareness among employees, the project proved to be very successful too. It is worth noting that according to a survey carried out during the project, the average environmental behaviour of employees increased from 5.8 in June 2007 to 6.3 in September 2009. This increase translates to an 8.6% improvement of environmental attitudes and behaviour over a period of two years. There is no doubt, that owing to this Life project, Piraeus Bank has acquired great expertise in planning and implementing environmental dissemination activities. This will help the Bank continue its efforts in educating its staff and promoting green business and sustainable development in Greece and the broader region.

f. The future: continuation of the project and remaining threats

The actions of the GREENbanking4Life project, in terms of the management of the operational environmental impacts, included the creation of the “Environmental Footprint Database”, as well as the application of several environmental management programmes such as the installation of photovoltaic systems at the Bank’s buildings for clean energy production; the expansion of recycling programmes in all Bank buildings and its branches network; the green procurement programme (purchase of recycled A3 and A4 paper); the transportation management and the creation of a car-pooling programme; and the water saving programme through the collection of rainwater applied in a branch located in the Cyclades. During the implementation of all these actions very specific environmental procedures were established and recorded on paper, thus setting the foundation for receiving, in the near future, the EMAS certification. Piraeus Bank will continue the implementation of all the above actions (environmental analysis and reporting, environmental impact reduction) since this will be a requirement of the EMAS certification.

Besides the management of the operational environmental impacts, amongst the most innovative actions of the project and most interesting to the business world and the general public was the design and creation of the “green banking products” launched for the first time in Greece. Based on the market research conducted within the framework of the GREENbanking4Life project, Piraeus Bank launched a series of banking products, offered under favourable conditions when intending to finance renewable energy source, energy saving and green building projects.

All the know-how obtained from the creation and launching of the green banking products, led Piraeus Bank to the decision of further supporting green entrepreneurship in Greece. After the termination of the GREENbanking4Life project, Piraeus Bank decided to further support the green entrepreneurship in order to finance individuals and businesses that wanted to invest in environmentally friendly services and products, offering new green banking products. Under this commitment eligibility for funding will focus on projects in renewable energy sources, energy saving, green transportation, solid waste management, wastewater management, organic farming, sustainable chemistry and ecotourism/agro-tourism. For this purpose, a Green Business General Division was created. The following divisions are included under this General Division: the Green Banking Products Division, a division dedicated to the support, development and promotion of green banking products and green entrepreneurship, the Innovations & Development Programmes Division and the ETBA VI.PE. (Industrial Areas Company, a member of Piraeus Bank Group).

So far, Piraeus Bank has managed to set up an environmental management system that reduces its operational and core business environmental impacts. In other words, the Bank has managed to integrate into its existing mechanisms specific environmental procedures that reduce its ecological footprint and support green entrepreneurship.

Piraeus Bank will move ahead with a new project that aims at contributing to the market’s adaptation to climate change. It is well established that financial institutions can help the market to adapt to climate change. Having this in mind, Piraeus Bank submitted a proposal with the acronym ClimaBiz to the Life funding instrument of the European Commission. The aim of the approved project is to instigate the adaptation of the market to the financial impacts of climate change. ClimaBiz is the new vehicle of Piraeus Bank’s ongoing implementation of its environmental policy; a policy that creates new standards in the financing sector and promotes green business at a national and international level.

For better coordination of its environmental work, the Bank established the Environmental Office in 2004, which developed into the Environmental Unit in 2009. Within the structure of Piraeus Bank, the Environmental Unit reports to the Corporate Social Responsibility Sector, which, in turn, reports directly to the Chairman of the Board of Directors & CEO.

Moreover, in 2009, within the framework of Piraeus Bank's commitment to supporting green entrepreneurship, a Green Business General Division was created. The following divisions belong to this General Division: the Green Banking Products Division, the Innovations & Development Programmes Division and the ETBA Industrial Areas Company.

Analysis of long-term benefits

a. Environmental benefits

1. Direct / quantitative environmental benefits (e.g. reductions of emissions, energy or resource savings)

Recycling

The installation of the paper recycling system in administration buildings and the Bank's branches resulted in the recycling of 680 tonnes of paper. The installation of the battery recycling system in the entire Bank's network, in cooperation with AFIS, resulting in the recycling of 2,642 kg of batteries. The installation of the ink cartridge and toner recycling system resulting in the recycling of 1,680 items. A total of 60.6 tonnes of computer and other electronic equipment were recycled throughout the project. This resulted in avoiding the pollution of the environment with 15 tonnes of glass, 21 tonnes of aluminium and 14 tonnes of plastic. The plastic recycling system resulted in the recycling of 5.065 kg of plastic. Additionally, 2,600 kg of accumulators and 180kg of light bulbs were recycled.

Green procurements

The purchase of recycled and chlorine-free office paper, resulted in saving 26,000 trees during the last three years.

Energy management

Photovoltaic systems were installed on 4 Bank's buildings, with a total capacity of 45 KW. The clean energy produced is equivalent to the avoidance of 57 tonnes of CO₂ annually, which in turn corresponds to the amount of green house gases absorbed by 4,200 trees.

Water saving

The pilot system of rainwater harvesting on a Bank's building in Kea Island resulted in the use of rain water for one third of the needs of the branch.

Business trips management

The application of e-learning programmes to educate the Bank's employees has resulted, over the last two years, in the reduction of trips by 950,000 km. This is equivalent to avoiding the emissions of 170 tonnes of carbon dioxide (CO₂).

Green banking products

Three main categories of products were developed through the GREENbanking4Life project:

Green products that support investments in Renewable Energy Sources (RES). Those involve products aimed at private individuals, small and large enterprises offering the possibility of leasing, as well as a complete insurance packages.

Green mortgages for energy saving and eco-building. The products aimed at private individuals who wished to install large scale energy saving systems on their premises.

Consumer loans "Green" for private individuals that wish to retrofit their homes with small scale energy saving systems.

In total, through funding RES projects, Piraeus Bank avoids the emissions of 776,000 tonnes, of CO₂.

2. Relevance for environmentally significant issues or policy areas (e.g. industries/sectors with significant environmental impact, consistency with 6EAP or important environmental principles, relevance to the EU legislative framework (directives, policy development, etc.)

The project supported one of the priority avenues of the 6th Environmental Action Programme entitled "Greening the Financial Sector". Similar areas of the ETAP are supported such as: improving market conditions for the promotion of environmental technologies; taking measures to leverage investment in environmental technologies by promoting socially and environmentally responsible investment through a dialogues at European and national level with private financial

institutions and fund managers; to exchanges of experience and dissemination of good practice among financial institutions, on innovative financing solutions for sustainable development projects; building support for environmental technologies in civil society, businesses and consumer awareness, training and education.

These policy areas were supported through the development and launch of the green banking products. Investments on environmental technologies were supported such as photovoltaics and energy saving mechanisms. Market conditions were improved since Piraeus Bank launched products with more favourable conditions than conventional banking products. Additionally, businesses from the whole RES supply chain, consumers and the general public have received consultation from Piraeus Bank on how to proceed with a green investment. Piraeus' Bank example was followed from the Greek financial institutions and currently they offer similar green banking products.

Increasingly, customers are becoming environmentally aware and are showing preferences for companies that address sustainability issues. Piraeus Bank has systematically communicated its sustainability initiatives, through road shows with an impressive attendance. Furthermore, we established the first GREEN BANKING branch in Greece and the Balkans with the aim to inform customers about the Bank's opportunities to invest in new technologies and services that are beneficial to the environment. The branch has become a focal point of an increasing number of concerned customers.

Other more specific policies supported from the project include:

- Reducing environmental impacts during the use phase of products and services (reduction of the operational environmental impacts of the Bank).
- EU initiatives on climate change & Renewables Directive (promotion of the RES through the green banking products, installation of photovoltaics at 4 Bank buildings)
- Buildings Directive (promotion of energy saving techniques through the Green mortgage loan)
- Waste Directive (supported from all the recycling programmes developed within the Bank)
- Integrated product Policy (Bank's EMAS certification, green procurement programmes, development of environmental procedures and division)

b. Long-term sustainability

Sustainability is a strategic choice for the Bank. Apart from the commitment of the Board of Directors in 2003, the environmental and social dimensions in its business decisions, are now included in the objectives of the Bank's codified Articles of Association, as amended in May 2008. The main thrusts of its sustainability strategy are:

- (a) The reduction of the Bank's operational environmental impact through measures applied systematically and consistently
- (b) The creation of innovative green banking products and support for green entrepreneurship
- (c) The wide range of information and education programmes designed for employees, subsidiaries and the general public
- (d) The strengthening of its social responsibility through programmes that support long term cultural and social activities.

To implement its sustainability strategy, Piraeus Bank has established a CSR General Division which includes the Environmental Unit and the Piraeus Bank Group Cultural Foundation. Additionally, the Green Business General Division was instituted to help promote environmentally friendly investments.

The initiatives developed have rendered Piraeus Bank a leader in the financial sector in the Balkans regarding sustainability issues and support for green entrepreneurship. The responsibilities the Bank has undertaken constitute an ethical commitment for the future; because the quality of life is intricately connected to the quality of the environment and the quality of society in general. At the end of the day, our sustainability actions reduce the environmental impact of the Bank, which also cut back operational costs and at the same time, we create opportunities for green businesses that benefit the environment, boost the economy and also generate new jobs.

c. Replicability, demonstration, transferability, cooperation

1. The cooperation with the Ecological Recycling Society, set new standards in how the private sector can cooperate with the civil society. This can be an exemplar for other banks and companies, as well as for NGOs, in their attempt to create synergies with the private sector to achieve their objectives. This type of cooperation can be replicated by Piraeus Bank's subsidiaries, especially outside Greece. Continuation of cooperation with Ecological Recycling Society will be a priority for Piraeus Bank, in its strategy to expand and improve its recycling programmes.
2. Having established a well organised environmental management programme, Piraeus Bank has set the foundations to proceed with being certified, by the end of 2010, under EMAS. This will consolidate the Bank's commitment in further reducing its ecological footprint. Certification will be applied in all the Bank's branches and administration buildings in Greece.
3. The "Ecological Footprint Assessment Database", following fine tuning and relative adaptations may be used by Piraeus Bank's subsidiaries, as it provides a reliable tool for measuring and evaluating operational environmental impacts.
4. The guides on saving energy and water, on managing waste and business travels, and on green procurements, can be easily adopted by other banks and businesses both within Greece and abroad.

d. Innovation

Level of innovation on (inter)national level (including technology, processes, methods & tools, organisational & co-operational aspects)

1. **Green products:** The Green Banking products were introduced to the Greek financial institutions through the GREENbanking4Life project. Their innovation in comparison to other banking products lies on the favorable terms under which they are offered based on the fact that they promote green entrepreneurship. In addition, the securities asked are fewer and the lending processes are simpler. The purpose of these products is to promote environmentally friendly businesses. These products are applied for the first time in Greece, and the example of Piraeus Bank has been followed by other financial institutions as well. In addition, Piraeus Bank has disseminated the experience gained to its subsidiaries in Greece and abroad, and currently there are green products that are offered from Piraeus Bank Leasing, Piraeus Bank Insurance Brokerage and Piraeus Bank Cyprus. Moreover, the dissemination has started in the Balkans that Piraeus Bank has presence, and therefore, new products are expected to be developed as well.
2. **Database:** In 2007, Piraeus Bank completed the construction of its "Ecological Footprint Assessment Database" within the framework of the GREENbanking4Life project. This tool allows the identification of significant fluctuations in the consumption of natural resources compared to the average score, at any moment in time. It also allows for immediate response if extreme values appear. For example, annual water consumption at a branch could be considerably higher than the Bank's average, which is about 7.6 cubic metres per employee. In such a case, the Bank's Technical Services are alerted by the person responsible for Environmental Management, in order to check for leaks in the specific building and promptly implement suitable repairs, thus avoiding further water wastage. On the other hand, if the environmental impacts at a given branch are lower than average, for example, due to increased paper recycling in relation to consumption, branch employees could be rewarded for their environmentally-friendly behaviour. Furthermore, the database can automatically calculate the environmental footprint of each operational activity of the Bank with the assistance of special coefficients. For example, when electricity consumption data from the PBC (Public Power Corporation) bill of a given branch are entered into the system, the database can automatically calculate the branch's indirect emissions of pollutants such as carbon dioxide, methane, nitrogen oxide and sulphur dioxide. Similarly, when data on the consumption of paper (in kg) at a given building is entered, the database allows for automatic calculation of the number of trees felled, and also the water and energy consumed for the production of this paper. The added value of the Ecological

Footprint Assessment Database is that the Bank achieves better planning for environmental impact management programmes, with totally measurable objectives, leading to a reduction of its environmental footprint. This tool also allows for monitoring and assessment of the Bank's environmental performance and its comparison with the corporate environmental policies of other organizations. Finally, the tool maximises awareness and engagement of employees.

3. **BIPV in buildings:** Through the GREENbanking4Life project, Building Integrated Photovoltaic Systems were implemented at 4 Banks' buildings. It is the first time that a bank in Greece installs BIPVs on its premises. These are four of the very few buildings in Greece that currently have integrated Photovoltaic Systems.