Early Warning System

EBRD-53389

Piraeus Bank Senior Preferred Bond

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Quick Facts

Countries	Greece
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Active
Bank Risk Rating	U
Voting Date	2022-07-20
Borrower	PIRAEUS BANK SA
Sectors	Finance
Investment Amount (USD)	$ 54.30 million
Project Cost (USD)	$ 380.10 million

Project Description

The project involves the provision of EUR 50 million investment in a EUR 350 million Senior Preferred bond issued by Piraeus Bank S.A. ("Piraeus"), a commercial bank incorporated in Greece, in November 2022. The SP bonds have a maturity of 4 years, with an embedded issuer call option after 3 years, and are listed on the Luxembourg Stock Exchange's Euro MTF market. This is EBRD's first investment in an SP instrument issued by Piraeus Bank, and the second SP bond by the bank, after its debut issuance in October 2021.

The project supports the resilience and regulatory compliance of the largest bank in Greece in terms of assets, a systemically important institution in the country, and contributes to the capital market development in Greece. Furthermore, the EBRD promotes resource efficiency in the country by requiring Piraeus Bank to allocate funds in the amount of 1.7 times of the EBRD's subscription to finance green investments in renewable energy and energy efficiency.

Investment Description

- European Bank for Reconstruction and Development (EBRD)

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- Piraeus Bank S.A. (Financial Intermediary)

Private Actors Description

As stated by the EBRD, Piraeus Bank is one of the largest systemic banks in Greece in terms of assets, with a market share by assets of c. 24% as of end-September 2022. The bank generates nearly all of its revenues domestically, following a universal banking model covering all financial and banking activities in the Greek market. Piraeus Bank S.A. is a wholly owned subsidiary of Piraeus Financial Holdings S.A., which is listed on the Athens Stock Exchange.

Contact Information

Financial Intermediary - Piraeus Bank SA:

Xenofon Damalas
Email: investor_relations@piraeusholdings.gr
Phone: (+30) 210 3288 100
Website: https://www.piraeusholdings.gr/en/
Address: Amerikis 4, 105 64, Athens, Greece

ACCESS TO INFORMATION

You can request information by emailing: accessinfo@ebrd.com or by using this electronic form: https://www.ebrd.com/eform/information-request

ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent.

You can contact the PCM at: pcm@ebrd.com or you can submit a complaint online using an online form at: http://www.ebrd.com/eform/pcm/complaint_form?language=en

You can learn more about the PCM and how to file a complaint at: http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html