

GHG Emissions in the bank portfolio (PCAF) 2023

Industry-by-industry calculation of carbon-related credit exposure.

Method

Source: Partnership for Carbon Accounting Financials (PCAF)

The Bank uses the Global GHG Accounting and Reporting Standard for the Financial Industry to estimate greenhouse gas emissions in its loan portfolio.

Date of data: 31.12.2023

Overview

The Bank is not exposed in carbon-intensive industries such as oil and aviation, therefore has a relatively low carbon-intensive loan portfolio. In line with the Global Alliance for Banking on Values Climate Change Commitment (3C) initiative, the Bank aims to publish the emissions in its loan portfolios and help achieve the SDGs and meet the goals set in the Paris Agreement. This is the third year the Bank is reporting on greenhouse gas emissions in particular of its business loans portfolio.

Member of Global Alliance for Banking on Values (GABV), Cooperative Bank of Karditsa has committed to disclose its climate impact resulting from its portfolio of loans and investments according to the Climate Change Commitment (3C Initiative).

Assumptions

The analysis is based on regional countries emission factors at an industry group level. For business loans, an emission factor based on loan volume and assets volume is used. The method differentiates between direct emissions (Scopes 1, 2 and 3). Scope 3 analysis contains only upstream emissions.

Exiobase Sector	Outstanding Amount (million €)	% Total Portfolio Outstanding	Emission Intensity Scope 1 (tCO2e/M€)	Financed Emissions Scope 1 (tCO2e)	Emission Intensity Scope 2 (tCO2e/M€)	Financed Emissions Scope 2 (tCO2e)	Emission Intensity Scope 3 (tCO2e/M€)	Financed Emissions Scope 3 (tCO2e)	Total Financed Emissions (tCO2e)	% Total Financed Emissions	Total Emission Intensity (tCO2e/M€)
Agriculture, hunting, forestry & fishing	36,3	28,3%	1.089,4	39.534,5	83,4	3.028,5	440,2	15.974,2	58.537,1	61,3%	1.613,0
Mining & quarrying	-	0,0%	-	-	-	-	-	-	-	0,0%	-
Food production, beverages & tobacco	4,3	3,4%	48,9	210,5	33,2	143,1	595,4	2.565,0	2.918,6	3,1%	677,5
Textiles, leather & wearing apparel	0,1	0,1%	12,7	1,9	23,4	3,4	161,7	23,8	29,1	0,0%	197,7
Wood, paper & publishing	2,6	2,0%	41,0	106,1	37,1	96,0	191,8	496,1	698,2	0,7%	270,0
Petroleum, chemicals & non-metallic mineral products	1,0	0,7%	168,0	160,7	34,0	32,5	269,4	257,8	451,0	0,5%	471,4
Metal & metal products	0,4	0,3%	105,3	37,2	24,9	8,8	342,5	121,2	167,3	0,2%	472,7
Electrical & machinery	0,5	0,4%	19,8	10,5	10,7	5,7	176,0	93,2	109,3	0,1%	206,5
Transport equipment	0,0	0,0%	14,5	0,4	6,7	0,2	195,7	5,1	5,6	0,0%	216,9
Manufacturing & recycling	1,7	1,3%	36,0	59,5	13,1	21,7	125,8	208,1	289,4	0,3%	174,9
Electricity, gas & water	33,7	26,3%	545,7	18.407,6	20,3	683,4	169,4	5.715,0	24.805,9	26,0%	735,4
Construction	8,3	6,5%	24,2	200,7	3,4	28,2	188,6	1.560,9	1.789,9	1,9%	216,2
Sale, maintenance & repair of vehicles; fuel; trade; hotels & restaurants	28,8	22,5%	28,0	807,0	13,3	383,3	127,3	3.671,3	4.861,6	5,1%	168,6
Transport	3,5	2,8%	55,5	197,1	4,0	14,2	86,6	307,3	518,5	0,5%	146,1
Post & telecommunications	0,3	0,2%	4,3	1,3	9,5	3,0	38,1	12,0	16,3	0,0%	51,9
Financial intermediation & business activity	2,9	2,2%	0,8	2,4	0,4	1,1	4,7	13,5	17,0	0,0%	5,9
Public administration; education; health; recreation; other services	3,8	3,0%	27,1	104,2	4,5	17,4	49,6	190,7	312,3	0,3%	81,2
Total	128,3	100,0%	466,5	59.841,6	34,8	4.470,5	243,3	31.215,0	95.527,1	100,0%	744,6

Results

The emissions produced by corporate/SME loans (53% of Cooperative Bank of Karditsa Total assets in 2023 and 88% of Total loan portfolio) were estimated assigning to each granted organization the average sectoral emissions and calculating the emission proportionally to the outstanding loans. The considered emissions were relative to Scope 1, 2 and 3, as required by PCAF methodology. The emission factors per euro of assets were provided by PCAF.

The two sectors that most contributed to total financed emissions were “Agriculture, hunting, forestry & fishing” for 61% and “Electricity, gas & water” for 26%.

According to the PCAF methodology classification, a scoring of data quality is presented with high quality score 1 and low-quality score 5. Score is linked to monetary emission factors and sectoral and regional averages. The business loans emissions, for scopes 1,2 and 3, have a score 5 level of data quality. On the report applied operational control consolidation approach.

The results of the report are comparable only with those of the year 2022.