



**(Consolidated)**  
**Non-financial Report**  
**2023**

# Your notes

# (Consolidated) non-financial report

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## ABOUT THIS REPORT

Erste Group Bank AG (hereinafter also referred to as 'EGB') has decided to prepare its non-financial statement as a separate non-financial report (option pursuant to section 267a paragraph 6/section 243b paragraph 6 of the Austrian Commercial Code; UGB) and to combine the non-financial report for Erste Group Bank AG with the consolidated non-financial report for the group of Erste Group Bank AG (hereinafter referred to as 'Erste Group'). The scope of consolidation is shown in Note 57 of the 2023 consolidated financial statements. As a matter of principle, information in this report relates to the entities within this scope of consolidation. Where this is not the case, this is indicated in the text.

We report annually about our strategy, goals, achievements, opportunities, and risks in the area of sustainability in conformity with GRI Standards 2021 and follow the recommendations of the Task Force on Climate Related Financial Disclosures (TCFD). The information below covers the reporting period from 1 January to 31 December 2023.

The report was completed by the management board as of the date of its signing and will be reviewed by the Supervisory Board prior to publication. As commissioned by the Supervisory Board's Audit Committee, PwC Wirtschaftsprüfung GmbH, one of the two joint auditors tasked with auditing Erste Group Bank AG's single-entity financial and consolidated financial statements for the 2023 fiscal year, conducted a limited assurance engagement in accordance with ISAE 3000; the report is provided at the end of the non-financial report.

# 1. Sustainability at Erste Group

For more than 200 years, it has been Erste Group's stated goal to create prosperity across the region. We help people to implement their ideas and plans for the future, to enhance their skills and realise their potential for continuing personal development, regardless of status, nationality, faith, gender or age. This was already laid down in our charter of 1819: *'No age, no gender, no social class, no nationality shall be excluded from the benefits that the Spar-Casse offers every depositor.'*

Times change, but our founding idea is just as relevant now as it has always been – we support people in matters of financial health throughout their lives. Because financial health is the key to a fulfilled and sustainable life – today and in the future.

## 1.1 EMBEDDED ESG STRATEGY AS KEY TO SUCCESS

GRI 2-22, 2-23

Financial health and prosperity in the region are not only essential for the wellbeing of our customers and society at large but also an important basis for a successful business model. For this reason, we have firmly embedded the concept of sustainability in our corporate business strategy and rely on sustainable, value-driven, and responsible business practices that enable us to generate stable returns for all of our stakeholders over the long term. In this chapter we wish to demonstrate how we are pursuing this ambition under our ESG strategy.

## Statement from the CEO: What Erste Group stands for – responsibility and profitability

### WHO WE ARE

Since our foundation we have been pursuing the goal defined in our Statement of Purpose, namely, to promote and secure prosperity for all people throughout the region. This is why we have already incorporated key ESG themes into our corporate strategy. We believe that this is the only way for us to be successful over the long term, working towards a fairer and more inclusive society.

## WHAT WE DO

In our work, we place the focus on people, their lives, their needs, their environment, their education and, most importantly, their financial health. We see ourselves as a reliable partner helping all people to live better, healthier, and more sustainable lives.

In 2015 Erste Group signed the UN Global Compact and thus committed to supporting the 17 Sustainable Development Goals (SDGs). Our shared ambition: to achieve the development goals in respect of the greatest societal challenges by 2030. Erste Group supports seven of the 17 SDGs through social activities and financial services: 'No poverty', 'Quality education', 'Gender equality', 'Clean water and sanitation', 'Sustainable cities and communities', 'Responsible consumption and production', and 'Climate action'.

## WHY WE ARE ACTING

Acting sustainably means conducting our core business in a socially and ecologically responsible, as well as profitable, manner. In the long term, it is imperative for every enterprise to act responsibly and generate a reasonable profit. Only a bank that combines these elements can offer products and services that help customers attain their financial goals. This way, we can create more value for investors and offer a stable and attractive work environment to our employees.

## Material topics

GRI 3-1, 3-2

Our report on Erste Group's contribution to a liveable future focuses on the most significant impacts that the business activities of Erste Group have on the economy, the environment and people and how ESG topics impact its operations (risks & opportunities). For this purpose, we identified and assessed actual and potential impacts and selected the most material topics for reporting ('material topics').

## IMPACT ANALYSIS

The identification and assessment of actual and potential negative and positive impacts that Erste Group's business activities have on the economy, the environment and people was comprehensively updated in 2021. For this purpose, Group ESG Office organised a survey among its in-house and external experts and consulted with institutional investors of Erste Group.

In 2022, we conducted a critical review of the results in the light of current developments such as geopolitical tensions, volatile energy markets and supply, new scientific findings on the impacts of climate change, including the Sixth Assessment Report of the IPCC (Intergovernmental Panel on Climate Change), and observable climate phenomena. We concluded that our assessment continues to be valid. This was taken note of by the Audit Committee.

## MATERIALITY ANALYSIS

In 2021, we conducted telephone surveys among customers and online surveys among employees, investors, NGOs, academics and supervisory board members to prioritise material topics for reporting purposes. The topics were subsequently ranked on this basis. For the 2023 reporting year the Group ESG Office conducted a re-evaluation of the material topics. This was done in accordance with sector-specific standards of the Sustainability Accounting Standards Board (SASB) to define material topics in more detail and highlight the most significant sector-specific topics. SASB standards define sustainability issues that are of special relevance for a particular sector and come with material impacts, risks or opportunities. This work was done with the support of in-house experts from Group ESG Office and renowned outside consultants. As a result of the re-evaluation, the two material topics 'Limiting financing in high-emission sectors' and 'Diversity and equal opportunity' included in last year's report were renamed 'Financed emissions' and 'Diversity and inclusion' in line with SASB terminology. In addition, four topics were combined into two topic clusters. The topics 'Access to banking products for disadvantaged groups' and 'Financial education' were combined into the cluster 'Financial inclusion and capacity building' while 'Ethical conduct of employees in banking operations' and 'Anti-corruption measures' were merged into 'Business ethics'. The 10 topics identified were approved by the management board of Erste Group Bank AG.

The table below shows the final material topics that resulted from the materiality analysis as well as the chapter in which they are discussed. To show the connection between the material topics and our ESG strategy, the table also shows the strategic priority or principles of our corporate activities to which the individual topics are assigned.

Material topics	Chapter in the report	Strategic priority or principles
Financed emissions	Climate and environment	Green transition
Sustainable finance and investment		
Ecological impacts of banking operations		
Diversity and inclusion	Our employees	Social inclusion
Employee health and work-life balance		
Talent attraction and retention		
Data security	Our customers	Good governance & Compliance
Customer satisfaction		Social inclusion
Financial inclusion and capacity building	Financial inclusion and capacity building	Social inclusion
Business ethics	Business ethics	Good governance & Compliance

GRI 3-2

The materiality analysis serves as a basis in defining our strategic priorities in an ESG context. In addition to working on these material topics, Erste Group is focusing on the green transition and social inclusion.

## 1.2 STRATEGIC PRIORITIES

GRI 2-22

We strive to be a role model and a leader in the **green transition** in our region by mobilising resources for climate action and adaptation to climate change. We believe that the green transition will be an opportunity for people in the CEE region. We also believe in a fair transition for all and help our customers to secure their personal prosperity in the process. For us as a group, the green transition also opens opportunities for growth. Integrating climate and ecological aspects into risk management contributes to keeping credit risk provisions low.

Erste Group's commitment to **social inclusion** is as relevant today as it was 200 years ago. The social cohesion in our region creates a strong and reliable basis for a well-functioning socio-economic environment that will bring prosperity to many. We are therefore pursuing effective initiatives to promote financial inclusion, social banking, financial education, affordable housing and gender equality. We believe that a sound socio-economic environment provides the foundation for solid banking operations and has a positive impact on our economic performance.

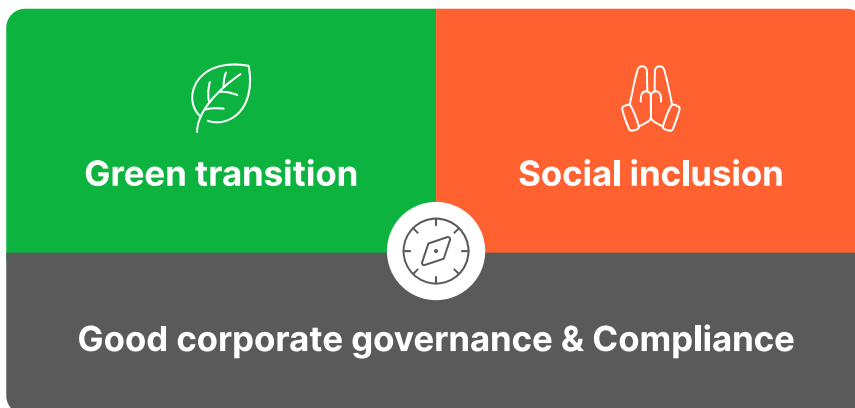
For us, a green transition and social inclusion mean:

### GREEN TRANSITION – OUR PATH TO NET ZERO

- Achieving net zero status for our portfolio by 2050. Net zero refers to a state in which the greenhouse gases going into the atmosphere are balanced by the greenhouse gases that are removed from the atmosphere or offset by other means.
- Strengthening our leading position in green finance in CEE by funding climate action and adaptation to climate change.
- Achieving net zero status in banking operations by 2030 to make a direct contribution to ecological transition as a credible champion of sustainability.

### SOCIAL INCLUSION – SOCIETAL COHESION

- Promoting financial inclusion through our social banking activities, thereby strengthening social cohesion in the civil society.
- Helping our customers gain financial health and financial literacy, with a focus on financial education projects for children and young people.
- Investing in affordable housing.
- Promoting diversity, including gender diversity, as a significant contributor to a healthy corporate culture and performance.



We are, of course, committed to good corporate governance, ethical conduct and compliance. We regard these as basic prerequisites for doing business and pursuing our strategic priorities (for further details see chapter ‘6. Business ethics’).

## Leading the green transition – our path to net zero

Erste Group was one of the first banking groups in the region to join the Net Zero Banking Alliance. This is a world-wide association of more than 130 banks with total assets of approximately 70 trillion euro, which have set themselves the target of attaining net zero status for their financed portfolios by the year 2050.

The European Climate Law, the EU’s Green Deal, and the Fit for 55 Package form the setting for future changes in EU strategy and legislation. All countries of the region will have to align with and adapt to these European goals. The investment required is massive. An essential portion of these funds will be provided by the EU or local sovereign funds. Until 2030, however, public funds will need to be supplemented by the private sector in an expected amount of approximately EUR 30 billion per year. In this effort, Erste Group is seeking to play a leading role and contribute to financing the green transition.

Our short, medium, and long-term goals:

2023	2026	2027	2030	2050
90% green electricity in the core markets 17 Ecolabel funds	25% of sustainable corporate financing	15% of sustainable retail mortgages	Net zero operations	Net zero portfolio
✓ ACHIEVED	○ ON SCHEDULE	○ ON SCHEDULE	○ ON SCHEDULE	○ ON SCHEDULE




















Contribution to the UN SDGs



For further details see chapter ‘2. Climate and environment’.

Erste Group believes that decarbonisation of the economy is both necessary and possible. We think that this transition holds opportunities as well as risks that need to be addressed through intense research and proactive management. We trust that the knowledge being generated in the process will allow us to be one step ahead and actively assist our customers in achieving their climate targets while also supporting growth and resilience.

For our own transition we have therefore set ourselves ambitious targets, which are based on science and are endorsed by the management in all our entities as well as understood and supported by our operating units. The following chart shows the climate scenarios with which our emission reduction pathways have been aligned by sub-portfolio/sector.

Sector	Objective*	Sector	Objective*
 <b>Mortgages</b>	1.75 °C 	 <b>Iron and steel production</b>	1.50 °C 
 <b>Commercial real estate</b>	1.75 °C 	 <b>Cement production</b>	1.50 °C 
 <b>Electricity production</b>	1.50 °C 	 <b>Coal</b>	Exit by 2030
 <b>Heat &amp; Steam production</b>	1.50 °C 	 <b>Agriculture</b>	Planned
 <b>Oil and gas extraction</b>	1.50 °C 	 <b>Aluminum</b>	Not planned: not material
 <b>Automotive production</b>	1.50 °C 		

\* Emission reduction pathways until 2050 in alignment with the 1.5 or 1.75 °C scenario

The sectors shown in the table above represent our priority areas. They have been assigned decarbonisation targets as they currently account for 40% of our financed CO<sub>2</sub>e emissions (Scope 1+2) and offer good emission reduction potential in light of available technologies, regulation standards and market experience.

Target identification and forecasts rely on existing and projected customer data, scientific scenarios, and data from the International Energy Agency. The results have been integrated into our strategic financial planning.

For further details on the targets set see chapter ‘2.1 Financed emissions’.

## Promoting social inclusion

Access to financial health and financial education for all is an essential contribution to shaping a world in which every person can realise their ideas and dreams. By pursuing a multitude of initiatives and offering socio-ecological financial products, as well as special financing options, we are actively engaged in promoting and securing prosperity.

The consistently high numbers of working poor and the rising costs of living and energy in the region have an adverse impact on satisfaction with living standards. A low supply of new affordable housing and the near absence of a social housing sector have led to substantial overcrowding. As property prices have risen over the past decade, not only the young and those on low incomes, but also even the lower middle class are barely able to afford to buy homes in larger cities. At the same time, around 10% of the population is still unable to pay for heating. By working with social organisations and housing developers we help people affected by poverty to build independent lives in homes of their own or improve their housing situation.

We seek to further strengthen social inclusion even among our own employees. With an inclusive corporate culture, all employees feel valued and respected, regardless of gender, ethnic background, sexual orientation, or age. In addition, an inclusive culture may help to attract and retain talent by offering a work environment that is characterised by respect, fairness, and equal opportunities.



Our short and medium-term goals:

2028	2030		
<p>30% members of the underrepresented gender in B-0 positions</p> <p>33% members of the underrepresented gender in B-1 positions</p> <p> ON SCHEDULE</p>	<p>€ 1 bn Social Banking financing</p> <p> ON SCHEDULE</p>	<p>200,000 jobs created or preserved</p> <p> ON SCHEDULE</p>	<p>10,000 affordable housing units</p> <p> ON SCHEDULE</p>

Contribution to the UN SDGs



The targets for increasing the proportion of people of the underrepresented gender relate to the individual parent banks. The Nomination Committee has decided to set a target for the underrepresented gender at Erste Group Bank AG.

For further details see chapter '3. Our employees' and '5. Financial inclusion and capacity building'.

## 1.3 GOVERNANCE

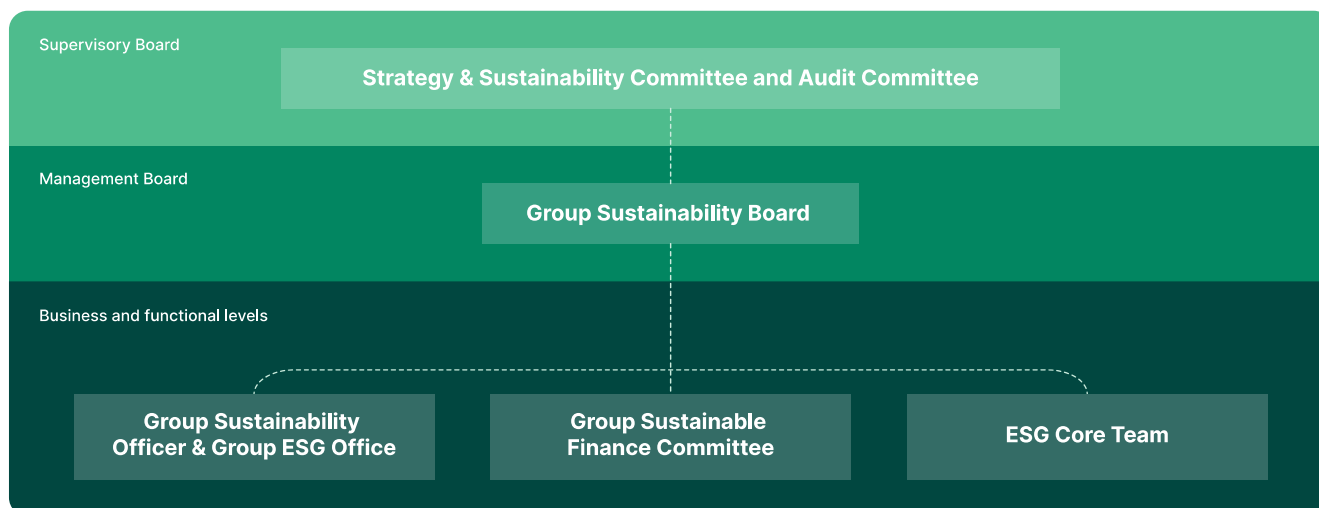
GRI 2-5, 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-15, 2-17, 2-18, 2-19, 2-20, 2-21

Erste Group is committed to responsible and transparent corporate governance and, since 2003, to applying the rules of the Austrian Code of Corporate Governance (Austrian CCG). The principles of the corporate constitution, the selection, collaboration, and composition of its management bodies are described in detail in the (consolidated) corporate governance report.

### Integrated sustainability governance

In implementing our ambitious ESG strategy, we adhere to strict sustainability governance based on Erste Group's existing governance structure. This principle is firmly established within the top supervisory and decision-making bodies to ensure that it is observed across all levels group-wide and fully integrated in our business activities. ESG governance bodies comprise the supervisory board level, the management board level as well as business and function-specific levels.

## GOVERNANCE STRUCTURE



The **management board** is responsible for managing the organisation as required for the benefit of the company, taking into account the interests of the shareholders and the employees as well as public interest. It specifies the company's values and goals in concrete terms and lays down the corporate strategy with due regard to sustainability aspects and the associated opportunities and risks in respect to the environment, social concerns, and corporate governance. It defines the ESG strategy and is responsible for the ESG framework, goals, and priorities. The Management Board is also responsible for preparing the consolidated non-financial report.

In addition, the management board ensures implementation of the ESG strategy by allocating adequate resources and controls and is periodically informed on the current status and milestones achieved. These tasks are implemented through the **Group Sustainability Board** which consists of members of the Management Board of Erste Group. The Group Sustainability Board monitors progress made under the ESG strategy at least two times per year and evaluates the ESG-based performance indicators for the management board of Erste Group Bank AG and local management board members. In 2023, the management board and the Group Sustainability Board were briefed nine times on climate- and environment-related matters, as well as on new developments in sustainability reporting by means of presentations and training events held by Group ESG Office.

Responsibilities within the Management Board for the development and implementation of the individual sustainability topics are distributed as follows:

- The **CEO** is responsible for global and ESG strategies and ensures that sustainability considerations are integrated smoothly into Erste Group's corporate culture and governance framework.
- The **CRO** integrates environmental risks, including physical and transition climate risks, into Erste Group's risk management framework and ensures that governance and remuneration principles adequately account for these risks.
- The **CFO** is responsible for sustainability reporting and also ensures that Erste Group aligns its own operations towards net zero status.
- The **Chief Corporates and Markets Officer (CCMO)** ensures that the strategy for Corporates & Markets as well as relevant targets and portfolio measures are consistent with Erste Group's ambition regarding the green transition.

**Group ESG Office**, which reports to the CEO and is headed by the **Group Sustainability Officer (GSO)**, develops Erste Group's sustainability strategy and is responsible for embedding it across the organisation. She also acts as the main advisor to the management board on ESG strategy, targets, and priorities. The GSO reports to the Head of Group Strategy and has direct access to the CEO as well as to other members of the management board and the supervisory board. The GSO has the power to veto decisions in the Credit Committee and has the right to vote in the Group Regional Operational Conduct Committee (the ROCC makes decisions on non-financial risks, including reputational risks). Group ESG Office develops key ESG policies, secures in-house expertise on climate, environmental, social and governance objectives, defines the ESG governance framework and financing rules and selectively intervenes in single transactions. In addition, Group ESG Office ensures transparency on Erste Group's sustainability impact and works with investors, ESG rating agencies, NGOs, and regulatory and public bodies. It facilitates co-ordination with local ESG Offices.

Group ESG Office manages cross-divisional and group-wide co-ordinating bodies, the ESG Core Team and the Group Sustainable Finance Committee (SFC).

The **ESG Core Team** is a collaboration platform in which senior managers from various areas – business, finance, risk management, data management and other support functions – work together to develop ESG objectives and initiatives. It agrees and co-ordinates initiatives, timelines, and other matters for implementation by the relevant internal stakeholders. Meetings are held periodically.

The main task of the **Group Sustainable Finance Committee** is the co-ordinated development of fundamental ESG methodologies for steering instruments such as portfolio limits, pricing and the ESG Factor Heatmap (graphical representation of ESG risk factors by industry segment). The Committee is chaired by Erste Group's GSO, who is supported by senior risk and business unit managers with voting rights. The Committee is responsible for Erste Group's Sustainable Finance Framework, group-wide criteria for the classification of sustainable assets, asset allocation and reporting obligations. The committee's recommendations are submitted to the relevant decision makers for adoption within the usual governance structures. The committee is organised by Group ESG Office and convenes on demand. In 2023, eleven meetings were held on topics including selection criteria for sustainable finance and changes in the calculation of financed emissions.

The **supervisory board** is responsible for overseeing the implementation of the ESG strategy and for approving fundamental decisions on strategy. For this purpose, the supervisory board has set up its own **Strategy and Sustainability Committee**, whose activities are described in the (consolidated) corporate governance report. The supervisory board and the **Audit Committee** are tasked with reviewing the (consolidated) non-financial report prepared by the management board. In 2023, the supervisory board, the Strategy and Sustainability Committee and the Audit Committee were briefed on climate- and environment-related matters nine times in presentations by the Group ESG Office. In addition, presentations were organised for the supervisory board on further ESG topics, among them, for instance, governance.

## Sustainability-related remuneration

Erste Group Bank AG is committed to effective and sustainable shareholder engagement on the topic of pay (Say on Pay). Pursuant to the Austrian Stock Corporation Act we invite the annual general meeting to take a non-binding vote on the remuneration policy for the management board and the supervisory board as well as on any significant change in this policy at least every four years.

The remuneration policy for the management board is consistent with the strategy of Erste Group and is designed to motivate management board members to promote a sustainable and positive development of the company. The remuneration of management board members of Erste Group Bank AG consists of two components: fixed and variable remuneration.

Fixed remuneration is granted regardless of performance and comprises the basic salary as well as contributions to the company's pension scheme (pension fund), insurance benefits and other benefits in kind. Variable remuneration is always performance-linked. Variable remuneration is granted and paid based on specific, measurable performance criteria that are aligned with Erste Group's business strategy and long-term development. Both group and single-entity level targets and individual targets are considered. When the defined minimum performance criteria are not met, variable remuneration is not granted or paid out.

Variable remuneration is partly paid out upfront and partly as deferred remuneration, spread out over several years. This way, variable remuneration is strongly aligned with shareholder interests and a long-term view. Group performance is measured at group level based on the annual weighted achievement of performance targets. At least half of the up-front and deferred remuneration is settled in the form of a non-cash instrument, the other portion is paid out in cash. It is awarded in the year following the performance period.

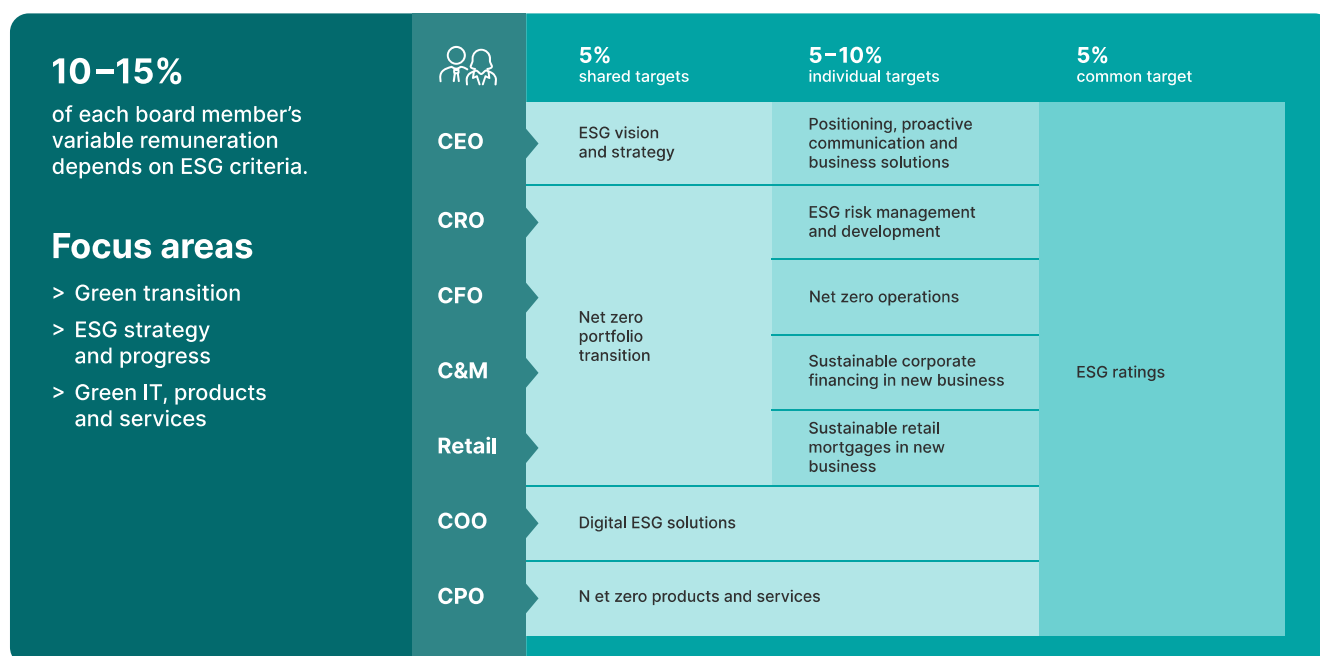
The remuneration policy also includes malus and clawback provisions in accordance with EBA guidelines.

## REMUNERATION OF BOARD MEMBERS

Type/components	Elements	Method of payment	Features
<b>Fixed remuneration</b>			
Base salary		Cash	– considers area of responsibility of the respective board member – rewards cooperation within the board
Other remuneration	Pension fund	Contributions made by the company	– defined contribution pension plan via an external pension fund – severance fund (Mitarbeitervorsorgekasse)
	Insurance	Contributions made by the company	– risk insurance against occupational disability and in case of death – risk accident insurance
	Other	Miscellaneous	– pay in lieu of vacation, if applicable – non-performance-linked one-off payments (e.g. sign-on bonus) – benefits in kind, e.g. company car incl. driver, employee share programme
<b>Variable remuneration</b>			
Upfront remuneration (40%)	Upfront cash payments (50% of upfront portion)	Cash payment in the subsequent fiscal year	– linked to the fulfilment of specified verifiable performance criteria related to Erste Group's business strategy and long-term development
	Upfront non-cash component (50% of upfront portion)	Share-based settlement in the second following fiscal year (1-year holding period)	
Deferrals (60%)	Deferred cash payments (50% of deferrals)	Cash payment from the third following fiscal year in 3 annual tranches	– considers targets at group or single-entity level as well as individual targets
	Deferred non-cash component (50% of deferral)	Share-based settlement after end of deferral period and holding period	

The key criterion determining the variable remuneration of management board members is the overall financial performance of Erste Group.

In 2023, the ESG targets of the management board members were as follows:



The remuneration of management board members is set by the Supervisory Board. Remuneration consultants are not involved in determining remuneration. Leadership performance is assessed by the supervisory board annually, taking into account non-financial performance goals including specifically criteria concerning sustainable corporate governance and corporate social responsibility (ESG criteria). The Supervisory Board of Erste Group Bank AG has set up an independent Remuneration Committee pursuant to legal requirements, which prepares the supervisory board's resolutions on remuneration. For further details on the remuneration

governance process, please see the chapter on 'Procedure' in the remuneration policy of Erste Group Bank AG. The work of the Remuneration Committee in 2023 is described in the section 'Supervisory Board Committees and their decision-making powers' in the (consolidated) corporate governance report.

By resolution dated 18 May 2022, the annual general meeting granted the supervisory board members an annual remuneration for the fiscal year 2021 and subsequent years (unless otherwise decided by a future annual general meeting) as follows: in accordance with this resolution, the chair of the supervisory board will receive a remuneration of EUR 180,000, the first vice chair a remuneration of EUR 95,000, the second vice chair a remuneration of EUR 80,000 and ordinary members of the supervisory board a remuneration of EUR 65,000 each. Chairs of the Risk and Audit Committees will each receive additional remuneration of EUR 20,000, the chair of the IT Committee additional remuneration of EUR 15,000. Chairs of the Remuneration, Nomination and Strategy and Sustainability Committees will each receive additional remuneration of EUR 10,000. If the financial expert and the chair of the Audit Committee are not one and the same person, the former will receive annual remuneration of EUR 20,000. Ordinary committee members as well as vice chairs of committees will not receive extra remuneration for their work on the committee. Depending on the length of service as a supervisory board member, remuneration for the fiscal year will be awarded on a pro-rated basis (pro rata temporis) or in full. Supervisory board members delegated by the employees' council receive neither remuneration nor attendance fees.

## ANNUAL REMUNERATION RATIO

Erste Group shows the income distribution within the company by comparing the annual fixed remuneration of the highest-paid employee with the median annual fixed remuneration of all employees in Austria, Czechia, Slovakia, Hungary, Romania, Croatia, Serbia and all other countries in which Erste Group has subsidiaries. All salaries are calculated as annual salaries on the basis of full-time equivalents. The remuneration ratio for the 2023 fiscal year is 38.3 (2022: 36.8).

**It is calculated by means of the following formula:** annual fixed remuneration of the highest-paid employee of Erste Group (CEO) divided by the median annual fixed remuneration of all employees of the organisation with the exception of the highest-paid person.

**Limitations.** The only partial availability of data in a number of entities in Romania, Hungary, Slovenia, Croatia, Montenegro, North Macedonia and Moldova reduced overall population size, as a result of which the ratio shown is not representative of the entire Erste Group. In addition, the salary differences among the European markets in which we operate are substantial, which has an impact on the median calculated.

## 1.4 STAKEHOLDER ENGAGEMENT

GRI 2-29

It is only by communicating and working with our stakeholders that we can meet their needs and expectations. It is likewise only with the trust and support of our stakeholders that we can continue developing our business successfully and make our contribution to the green transition and social inclusion. It is therefore important to us to engage in an open dialogue with our stakeholders. This is what is required by our Code of Conduct and this is what we do. To ensure that we meet the relevant – and sufficiently ambitious – sustainability and business targets, close cooperation with our stakeholders is indispensable.

Selected stakeholder groups with whom we communicate most frequently are shown below:

- Our customer relationship managers are in continuous personal contact with our **customers** – in advisory sessions, at events and seminars. We also receive feedback through our customer experience programme. For details see chapter '6. Business ethics'.
- In addition to periodic employee and feedback talks as part of our talent management programme, **our employees** have manifold opportunities for participation, ranging from institutionalised upward feedback for managers to the Intranet, CEO talks and a range of in-house communication channels. For details see chapter '3. Our employees'.
- We communicate with **investors and analysts** by means of investor presentations and webcasts, bilateral talks, at road shows and conferences.
- We conduct a permanent, pro-active dialogue with national and European **supervisory and regulatory authorities**.
- We conduct content-driven debates with **academic institutions** as well as **environmental and social NGOs** (non-government organisations). Here, the focus is on climate change, physical risks, and other key social concerns.

## 2. Climate and environment

Climate change is a global crisis. Immediate action must be taken against the way the climate is currently developing to ward off potentially disastrous effects. The impacts of climate change threaten economic growth, social wellbeing, and the achievement of the United Nations Development Goals (SDGs). A successful transition to net zero emissions along science-based decarbonisation pathways is therefore critical to ensuring long-term wellbeing, financial health, and prosperity. For this reason, and because we are committed to the goals of the Paris Climate Agreement, Erste Group joined the Net Zero Banking Alliance as early as November 2021. As a provider of financial services, Erste Group focuses not only on the transformation of our own operations but, even more importantly, also on the impacts of our financing and investment activities. We are therefore clearly committed to funding ambitious climate protection measures and to support our customers in their transformation in order to transition our portfolio to net zero greenhouse gas emissions by 2050. We wish to drive the green transition by meeting clear sustainability criteria for finance and investment that ensure successful decarbonisation and better energy efficiency. For this, we have identified strong potential in renewable energy and the renovation of buildings and infrastructure.

We are also taking the necessary measures in our own business activities, aiming to further decarbonise our banking operations. As described in our strategic priorities in chapter '1. Sustainability at Erste Group', we are working to achieve net zero status across our banking operations by 2030.

### 2.1 FINANCED EMISSIONS

GRI 3-3

As a leading credit institution, we assume responsibility for raising the funds necessary for an effective net zero transition in the region and driving the reduction of our financed greenhouse gas emissions.

Key steps along the path to the effective decarbonisation of our portfolios include measuring financed greenhouse gas (GHG) emissions, setting clear decarbonisation targets and, finally, implementing and controlling an effective action plan (transition plan) for the portfolio. In developing our transition plan we focused on attaining our sectoral level targets by 2030. We have also been guided by the recommendations of the Glasgow Financial Alliance for Net Zero (GFANZ).

Erste Group laid the necessary foundations for achieving the target of decarbonisation by joining the Partnership for Carbon Accounting Financials (PCAF) and conducting a first-time evaluation of financed emissions using PCAF methodology in 2021. On this basis, specific decarbonisation targets were first announced in 2022 for four major sub-portfolios (mortgages, commercial real estate as well as power & heat producers).

In 2023, decarbonisation targets were added for another four sub-portfolios (cement production, oil and gas extraction, iron & steel producers and car makers) and transition measures and plans developed in more detail.

### Impacts, risks and opportunities

Financed emissions contribute indirectly to climate change. As one of the leading banks in Central and Eastern Europe, Erste Group's financed emissions also reflect the progress of our region's economic region towards net zero. Erste Group's financed emissions therefore reflect the progress of the entire economy of our region towards a net zero status. At present, they account for about 0.7% of the EU's global greenhouse gas emissions (source: ourworldindata.org). Proactive management ensures a steady and sustainable reduction of financed emissions and makes a significant contribution to an orderly transition to a low-carbon economy. By placing the emphasis on sustainable finance, linking lending more strongly to decarbonisation measures and supporting our customers in their transformation process, we contribute to the creation of a sustainable future and the mitigation of the impacts of climate change.

At the same time, our proactive approach also mitigates risks that arise from the current state of our financed portfolio and hence from the transformation that our customers need to undergo. For us as a banking group, these risks present themselves primarily in the form of increased credit risks resulting from additional costs and investments required for the decarbonisation of the economy

or potential losses of income. One example of this is the lacking or inadequate transition plans of companies. Another example is the costs associated with the EU emissions trading system (EU ETS), which may also change as a result of further developments by the EU Commission. Around 10,000 installations in the energy sector, energy-intensive manufacturing and intra-European aviation are currently in scope of the EU ETS. A second separate trading system (EU ETS 2) is scheduled for introduction in 2027 and will comprise the buildings sector, road transport and other sectors. In addition, our proactive approach also has an indirect impact on the physical climate risks in the portfolio.

Financed emissions highlight the most important pillars that are necessary for the decarbonisation of the economy. An analysis of financed emissions allows us to identify early on where decarbonisation facilitates significant business opportunities for Erste Group. Projects in the fields of renewable energy, the renovation of buildings or parts of buildings, and other forward-looking programmes are creating new demand for finance and may help us strengthen our relationship with our customers. For more details see chapter '2.2 Sustainable finance and investment'.

## Governance

In Erste Group, overall responsibility for the management of financed emissions and the alignment of the portfolio with the goals of the Paris Agreement lies with the management board. Performance indicators at the board and managerial levels therefore also take our net zero targets into account.

Group ESG Office pursues the net zero transition strategy as a strategic initiative. The operational implementation of target calculation, tracking of progress towards the target, as well as the calculation of financed emissions is ensured by Enterprise-wide Risk Management and Credit Risk Portfolio Management. Specific measures are designed and implemented in the relevant business units of both Erste Group Bank AG and the subsidiaries.

As a first step, our targets were defined by Erste Group Bank AG, our CEE entities (excluding Serbia) and Erste Bank Oesterreich and its subsidiaries. The Savings Banks segment will set their targets in accordance with the implementation guidelines of Erste Group.

Targets are approved at group level by the management board and the Group Sustainability Board as well as by the supervisory board working through the Strategy and Sustainability Committee. Local targets have been integrated into Erste Group's strategic planning process.

To strengthen the management of financed emissions across the entire banking organisation, this topic has been included in our ESG training schedule. ESG basic training had been rolled out across all countries by year-end 2023 and has since been a mandatory training module for all employees. Additional sector-specific educational measures are described under 'Measures' below.

## Targets

Erste Group pursues the strategic target of getting all financed greenhouse gas emissions of the portfolio onto a path that will lead to net zero. In financing, the strategy prioritises supporting customers in their transformation process by working closely with them and offering bespoke financing solutions. Sustainable finance is an important component of these financing solutions. In particularly critical sectors (e.g. coal) exclusion criteria will be used to increase pressure on the path to transformation.

The following medium and long-term targets have been set to define the path towards a net zero portfolio and make progress clearly measurable:

Sector	Metric	Methodology	Scenario/-pathway	Emissions scope	Baseline		Targets			
					Year	Value	2030	% reduction	2050	% reduction
<b>excl. savings bank segment</b>										
Mortgages	kgCO <sub>2</sub> e/m <sup>2</sup>	SBTiSDA	IEAB2DS	1 and 2	2022	53.3	30.5	-43%	0.8	-98%
Commercial real estate	kgCO <sub>2</sub> e/m <sup>2</sup>	SBTiSDA	IEAB2DS	1 and 2	2022	50.9	25.7	-50%	1.0	-98%
Electricity production	kgCO <sub>2</sub> e/MWh	PACTA	IEANZE2050	1 and 2	2022	421.4	215.6	-49%	24.9	-94%
Heat & steam production	thousand tCO <sub>2</sub> e	SBTiAC	IEA NZE2050	1 and 2	2022	1,382.0	801.0	-42%	138.0	-90%
Oil and gas extraction	thousand tCO <sub>2</sub> e	PACTA	IEA NZE2050	1, 2 and 3	2023	1,020.4	923.7	-9%	368.6	-64%
Automotive production	gCO <sub>2</sub> e/km	PACTA	IEA NZE2050	1, 2 and 3	2023	170.0	104.0	-39%	31.0	-82%
Iron and steel production <sup>1</sup>	tCO <sub>2</sub> e/tonne steel	PACTA	IEA NZE2050	1 and 2	2023	1.5	1.1	-24%	-	-
Cement production <sup>2</sup>	tCO <sub>2</sub> e/tonne cement	SBTiSDA	IEA NZE2050	1 and 2	2023	0.6	0.5	-19%	0.0	-94%
<b>incl. savings bank segment<sup>3</sup></b>										
Mortgages	kgCO <sub>2</sub> e/m <sup>2</sup>	SBTiSDA	IEA B2DS	1 and 2	2022	48.7	27.1	-44%	0.7	-99%
Commercial real estate	kgCO <sub>2</sub> e/m <sup>2</sup>	SBTiSDA	IEA B2DS	1 and 2	2022	45.9	22.2	-52%	0.8	-98%
Electricity production	kgCO <sub>2</sub> e/MWh	PACTA	IEA NZE2050	1 and 2	2022	357.1	182.7	-49%	21.6	-94%

<sup>1</sup> No long-term targets for 2050 were set for the iron & steel producers sector, as the technological uncertainties - such as the development of alternative fuels like hydrogen to a competitive, industrial scale - are still too great. Work is ongoing to improve the basis for long-term targets in order to be able to define specific targets up to 2050 in subsequent years.

<sup>2</sup> The base year values are based on available input data, such as sustainability reports, some of which only show CO<sub>2</sub> values. If, instead of the CO<sub>2</sub>e intensity, only the CO<sub>2</sub> intensity per tonne of cement was available, this was used.

<sup>3</sup> The savings bank segment was only included in the target setting for those sectors where financed emissions were relevant for the savings banks portfolio.

The targets for the oil and gas extraction, automotive production, iron and steel production and cement production sectors have been added this year.

In addition, the portfolios of the Savings Banks segment have been included for the first time in setting the targets for the mortgages, commercial real estate, and electricity production sectors. The baseline and target values for these sectors have been adapted accordingly. Including the Savings Banks, the reduction targets are now slightly more ambitious even though the pathways themselves have remained unchanged.

In total, to date, decarbonisation targets have been set for a credit risk volume of EUR 104 billion, this represents 56.2% of the volume covered by the financed emissions calculation (see page 19). The portfolios with decarbonisation targets cover 40.1% (Scope 1+2) and 22.3% (Scope 1+2+3) of financed emissions in FY23.

Methodology, defined measures and the current progress towards the targets will be discussed below.

## SCENARIOS

We used recognised benchmark climate scenarios to ensure our portfolio is aligned with the temperature goals of the Paris Agreement. These scenarios served as upper limits for both medium-term (2030) and long-term (2050) planning. In selecting relevant benchmark scenarios, we made sure that, apart from meeting the Paris Agreement requirements as a minimum target, we will also achieve a level of decarbonisation that is in line with the bottom-up model outcomes (see Methodology). Our final targets for the selected sectors are based on well-documented and widely recognised scenarios issued by the International Energy Agency (IEA).

The EU Commission's initiative on certifying carbon removals laid the legal foundations, and thus created incentives, for investing in carbon removal technologies. At present, however, we have only very limited insights into how these technologies can be scaled and industrialised, which is why our scenario assumptions are conservative and in selecting scenarios we confine ourselves to decarbonisation pathways that rely on the application of such technologies only to a limited extent.

Targets in the electricity, heat & steam, iron and steel, automotive and cement production sectors as well as in the oil and gas extraction sectors are based on the IEA Net Zero Energy 2050 (NZE2050) scenario aimed at the 1.5 degrees objective. Targets for buildings (mortgages and commercial real estate) are aligned with the IEA Beyond Two Degree Scenario (B2DS), which assumes that the rise



in global temperature can be limited to 1.75 degrees. We are aware that we must step up our efforts and mobilise this segment to achieve our ambitious 1.5-degree target. To have a realistic chance of achieving this target, we need the support of a broad group of stakeholders and, in particular, the understanding and support of political decision-makers in all countries where Erste Group operates. At the European level there are calls for national energy and climate plans (NECPs) to be revised to make them compliant with the goals of the European Green Deal and the 1.5° pathway. We expect that the new NECPs will be in place by June 2024 and will meet European expectations. We will then revise our own targets in a timely manner.

## METHODOLOGY FOR TARGET-SETTING

Our methodology for target-setting relies on general science-based scenarios alongside portfolio or customer-specific factors. Our approach combines scientifically informed top-down objectives with bottom-up portfolio modelling. Our bottom-up models allow us to identify the strategically relevant portfolio and market changes that are necessary for credible target achievement while still engaging in the process of target calculation.

### Top-down models:

Our top-down models are based on the methodologies developed by the Science Based Target initiative (SBTi) and the Paris Aligned Capital Transition Assessment (PACTA). The SBTi SDA approach (Sectoral Decarbonisation Approach) is applied to the buildings sector, i.e., to mortgages and commercial real estate, as well as to cement production, while the SBTi AC approach (Absolut Contraction) is applied to the heat & steam generation portfolio. PACTA is used for the sectors of electricity, oil and gas extraction, automotive, and iron and steel production.

### Bottom-up models:

Our bottom-up models take account of factors of relevance for the portfolio such as energy demand, energy source and floor area in the case of financed buildings, and of the technology mix used in financed electricity or heat & steam generation. The countries' NECPs form the basis for our scenario assumptions regarding future technological change in our region.

## Measures

The core element of the financing strategy we pursue to achieve our own portfolio decarbonisation targets is close collaboration with our customers to help them achieve their climate targets and embark on their pathways towards net zero greenhouse gas emissions.

## BUILDING SEGMENT: MORTGAGES AND COMMERCIAL REAL ESTATE

A significant part of the buildings stock in our region is not 'climate proof', as energy efficiency is below the Western European average due to the age, poor insulation, and inadequate ventilation of the buildings and is therefore in great need of improvement. On the other hand, the potential of renewable energy sources is not being sufficiently utilised. In addition, new builds come with considerable emissions – particularly during the construction phase – as key building materials such as steel and concrete continue to be high in carbon or are not being replaced by more climate-friendly alternatives.

Erste Group therefore strives to fully exploit the potential for building renovation in its retail business and in the commercial real estate sector by promoting radical measures to increase energy efficiency and speeding up the transition to heating and cooling systems using renewable energy or electricity generated from renewable sources.

### Implementation

In the commercial real estate segment, decarbonisation is regarded as an integral part of the Financial Health advisory concept. 2023 saw the development of the so-called CRE Financial Health Tool in this context, which analyses the financial health of specific properties and portfolios and serves as a basis for uncomplicated, transparent, and evidence-based discussions with our customers. The tool is already being used by Erste Group Bank AG and is to be rolled out gradually to the banking subsidiaries as well. The CRE Financial Health Tool looks at factors such as financial strength, occupancy rates and property quality whilst also considering emission relevant data such as primary energy demand or CO<sub>2</sub> emissions and their levels relative to the Paris climate targets.

In 2022, the Erste Green Transition Loan was developed, which is a specific finance product of Erste Group Bank AG and Erste Bank Oesterreich that supports all kinds of renovation work that improves the primary energy demand of a property by at least 30%. The product offers favourable conditions, such as extended repayment terms.

In the retail segment, sustainable mortgage loans have been developed as well as new products for renovation projects (secured and unsecured) designed to improve the energy efficiency of a building. In Austria, an additional leasing product has been launched to encourage the installation of photovoltaic (PV) systems.

In addition, various measures were taken to help our customers meet the challenges involved in building renovation (e.g., the long time it takes to find and wait for the technicians needed, lack of information, uncertainty regarding financial benefits and drawbacks):

- In Austria, Czechia and Croatia, digital renovation and energy calculators have been developed that enable customers to simulate renovation work on their property and to assess both the resulting energy cost savings and financing costs. Starting in 2024, renovation calculators are to be rolled out to additional countries while existing solutions will be developed further and integrated step by step into George, our digital platform.
- In addition to conducting comprehensive information campaigns, we are setting up in-house teams of experts to assist and advise customers on a wide variety of matters of relevance to renovation projects. They can provide advice on issues ranging from subsidies to energy-related matters. In energy consulting we co-operate in Austria with klimaaktiv, an initiative of the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology.
- Partnering and cooperating with other enterprises and organisations helps us to expand our range of solutions. In Czechia, for example, we work with local service providers such as the start-up Woltair. Through its platform, our customers can access equipment manufacturers, plumbers, and other technical experts, which enables them to get renovation work done quickly and easily – from decision-making to the final installation.

### **Challenges**

When it comes to achieving our decarbonisation targets in the buildings sector, we are facing challenges, as do our customers. In addition to implementing and further developing the above measures, we must step up our efforts to improve data availability, including in particular the procurement of energy performance certificates. This will help us to better assess our portfolio and the potential for renovation it offers as well as providing proof of renovation work done. Target achievement also depends on the decarbonisation of the energy sector, most importantly in the production of electricity and heat & steam.

Further challenges include insufficient and sometimes even contrarian incentives coming from political decision-makers. Energy price caps like those imposed in Slovakia and Hungary have a negative impact on investment decisions as they have a strong adverse effect on financial planning.

## **ENERGY SECTOR: ELECTRICITY AND HEAT & STEAM PRODUCTION**

In our region, the energy sector still relies substantially on coal and gas as primary energy sources. Particularly the share of coal in electricity generation as well as in the heat & steam mix is still high in a number of countries. Erste Group therefore pursues the strategy of supporting the energy transition by utilising the potential of renewable energy and pushing for a phase-out of coal.

The first such measure, implemented in 2021, was to tighten our policy for lending to the coal sector. We are planning to exit from coal by the year 2030 and will subsequently reduce our loan portfolio in the coal sector to zero. To achieve this, we will have in-depth discussions with customers, ask them to provide credible time-bound exit plans that are in line with our coal strategy and support them in putting these exit plans into practice. In 2024, the criteria for oil and gas, as further important fossil fuels, will be subject to a climate-related revision as part of the update of the Responsible Finance Policy.

As another key measure, we are set to expand finance for renewable energy projects. Erste Group offers its corporate customers dedicated loans, project finance and sustainable financing instruments such as green bonds or Schuldscheine (Promissory notes). As another milestone, we strive to reach a 25% share of sustainable finance in our corporate customers portfolio by 2026, which should increase our business in the field of renewable energy. For details see chapter '2.2 Sustainable finance and investment'.

## **OTHER SECTORS**

We also started to implement measures in the oil & gas extraction, automotive production, iron and steel production, and cement production sectors, for which we set ourselves targets in 2023. In the sectors oil & gas and cement we developed initial plans for customer engagement. We created questionnaires that help us perform an evidence-based assessment of our customers' transformation needs. For this purpose, we seek to obtain quantitative and qualitative information of relevance to the respective sectors from our customers. The questionnaires have already been presented to selected customers. We are planning to roll out these

questionnaires to other sectors as well and, subsequently use them as a basis for a more focused dialogue with customers in industries with high carbon emissions.

## Performance indicators

The presentation of our performance indicators is broken down into two parts. We first show the performance indicators relating to our decarbonisation targets and then present our total financed emissions. These two aspects are closely interconnected as the calculation of financed emissions forms the basis for our target setting and the monitoring of progress towards these targets.

### Decarbonisation targets

Sector	Metric	Methodology	Scenario/Pathway	Baseline		Value		Targets			
				Year	Value	2023	Reduction %	2030	Reduction %	2050	Reduction %
Mortgages	kgCO <sub>2</sub> e/m <sup>2</sup>	SBTISDA	IEAB2DS	2022	53.3	52.2	-2%	30.5	-43%	0.8	-98%
Commercial real estate	kgCO <sub>2</sub> e/m <sup>2</sup>	SBTISDA	IEAB2DS	2022	50.9	42.8	-16%	25.7	-50%	1.0	-98%
Electricity production	kgCO <sub>2</sub> e/MWh	PACTA	IEANZE2050	2022	421.4	349.7	-17%	215.6	-49%	24.9	-94%
Heat & steam production	thousand tCO <sub>2</sub> e	SBTiAC	IEANZE2050	2022	1,382.0	969.0	-30%	801.0	-42%	138.0	-90%

The table above shows the development of the portfolio segments for which targets had already been set last year. It covers the sector portfolios of our CEE entities (except Serbia), Erste Group Bank AG and Erste Bank Oesterreich and its subsidiaries.

All sectors show a decrease in FY23 compared to the baseline values, which is mainly due to improved data quality. In addition, measures are being taken to drive forward decarbonisation and enable further reductions in subsequent years.

The **mortgages** portfolio segment shows a slight reduction of -2% from the baseline value of 53.3 kgCO<sub>2</sub>e/m<sup>2</sup> in 2022 to 52.2 kgCO<sub>2</sub>e/m<sup>2</sup> in 2023. The developments in this segment are driven by improvements in data quality (e.g., obtaining energy performance certificates) and methodological changes. The targets cover the sector's Scope 1 and 2 emissions. The portfolio largely consists of volumes in the retail business segment.

The **commercial real estate** portfolio segment shows a decrease of -16% from the baseline value of 50.9 kgCO<sub>2</sub>e/m<sup>2</sup> in 2022 to 42.8 kgCO<sub>2</sub>e/m<sup>2</sup> in 2023. Developments in this segment are driven by improvements in data quality (e.g., obtaining energy performance certificates), methodological changes and also new business with lower emissions intensity. The targets cover Scope 1 and 2 emissions in the sector. The portfolio largely consists of volumes in the corporate business segment, primarily from the sub-segments commercial real estate and SME.

The **electricity production** portfolio segment shows a decrease of -17% compared to the previous year. In FY23, the portfolio had an emissions intensity of 349.7 kgCO<sub>2</sub>e per megawatt hour. The decrease is driven by improvements in data quality (e.g., customer data). The targets cover the sector's Scope 1 and 2 emissions. The portfolio largely consists of volumes in the corporates business segment.

The **heat & steam production** portfolio segment reported financed emissions of 969 thousand tonnes of CO<sub>2</sub>e in FY23. This represents a decrease of -30% compared to the previous year and is also primarily driven by improvements in data quality (e.g., customer data). The targets cover Scope 1 and 2 emissions in the sector. The portfolio consists largely of volumes in the corporate business segment.

### FINANCED EMISSIONS

Erste Group uses PCAF methodology (version 2022) to account for its financed emissions (Scope 3 emissions Category 15 'Investments'). As this standard is in conformity with the internationally recognised GHG Protocol (Corporate Value Chain (Scope 3) Accounting and Reporting Standard) emissions are calculated for all seven greenhouse gases that are listed in the Kyoto Protocol. These are carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O) and the fluorinated gases (F-gases): hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF<sub>6</sub>) as well as nitrogen trifluoride (NF<sub>3</sub>).

For details of the methodology, including assumptions, see the ‘Methodology’ section. We included the following PCAF-defined asset classes in our calculation: corporate bonds, business loans, project finance, commercial real estate finance and mortgages.

The leasing business (Category 13 ‘Downstream Leased Assets’) is included in Erste Group Scope 3 emissions. This category is calculated using the same methodology as for Category 15 and is separately shown as a sub-item.

Overall, the calculation of 2023 financed emissions covers 50.7% of the credit exposure and remained stable compared to last year. The remaining uncovered Exposure comes from the fact that there is no methodology yet for calculating the financed emissions of off-balance sheet positions and segments such as consumer loans and credit institutions.

Two out of the seven currently existing PCAF calculation methodologies – those for sovereign debt and motor vehicle loans – have not been applied yet. The method for sovereign debt has not been implemented as the focus in 2023 was not on implementing a methodology for a segment that is (currently) not a decarbonisation priority of the Net-Zero Banking Alliance. The motor vehicles asset class has not been implemented due to the low weight of this portfolio. The financed emissions of this portfolio are currently calculated by means of the methodology used for corporate loans.

### Share of the portfolio covered by the calculations

	Credit exposure in EUR million	covered by financed emissions		not covered by financed emissions	
		in EUR million	%	in EUR million	%
Off-balance sheet exposures and derivatives HfT	66,779	-	-	66,779	100.0%
Central banks	17,939	-	-	17,939	100.0%
Central governments	52,028	-	-	52,028	100.0%
Credit institutions	20,031	-	-	20,031	100.0%
Other financial corporations	7,361	5,681	77.2%	1,680	22.8%
Non-financial corporations	101,693	99,600	97.9%	2,093	2.1%
Households	98,619	79,409	80.5%	19,210	19.5%
<b>Total</b>	<b>364,450</b>	<b>184,690</b>	<b>50.7%</b>	<b>179,760</b>	<b>49.3%</b>

### Outcomes

Altogether, the portfolio’s financed emissions came to 28.3 million tCO<sub>2</sub>e (prior year: 29.4 million tCO<sub>2</sub>e), of which Scope 1 and Scope 2 emissions accounted for 15.0 million tCO<sub>2</sub>e and Scope 3 emissions for 13.2 million tCO<sub>2</sub>e. Financed emission intensity stood at 153 tCO<sub>2</sub>e/EUR million (prior year: 165.1 tCO<sub>2</sub>e/EUR million).

Emission intensity declined from 165 to 153 gCO<sub>2</sub>e/EUR year on year. In the ‘Automotive industry’ segment, the data quality of financial metrics improved significantly. Had this improvement already been applied at year-end 2022, intensity at Erste Group level would have stood at 144 gCO<sub>2</sub>e/EUR. This major change in intensity is thus attributable to improvements in data quality. The increase from the level of 144 gCO<sub>2</sub>e/EUR recalculated for year-end 2022 to 153 gCO<sub>2</sub>e/EUR at year-end 2023 is attributable to increased downstream Scope 3 emissions in the ‘Machinery’ segment.

We relied on PCAF methodology for scoring data quality (data availability), where the scale ranges from a score of DQ 1 (= highest data quality) to DQ 5 (= lowest data quality). The data quality of our calculations reflects the high dependence on sectoral emission factors, as relevant customer information was not widely available. Reported emissions in the corporate customers segment are currently only scored as DQ 2 as we are at present unable to determine whether the reports have been verified.

The weighted average data quality of the quantified portfolio was 3.9 and thus unchanged versus the previous year. The Table shows a breakdown of financed emissions based on data availability (energy performance certificates for the real estate sector and reported emissions for the other PCAF asset classes).

## Financed emissions

	Credit exposure in EUR million	Credit exposure covered by emissions calculation in EUR million	Financed emissions, thousand tCO <sub>2</sub> e <sup>1,2</sup>		Emission intensity tCO <sub>2</sub> e/ in EUR million	Weighted data quality (High=1, Low=5)	
			Scope 1 + Scope 2	Scope 3 <sup>3</sup>		Scope 1 + Scope 2	Scope 3
<b>2022</b>	<b>349,166</b>	<b>178,319</b>	<b>14,329</b>	<b>15,116</b>	<b>165</b>	<b>3.9</b>	<b>4.0</b>
<b>2023</b>							
<b>by PCAF asset class</b>							
Corporate bonds		2,275	346	431	342	3.9	3.7
Business loans		79,176	10,445	12,759	293	4.0	3.9
Project finance		2,720	411	33	163	3.0	3.6
Mortgages		73,260	3,213	0	44	3.9	4.4
Commercial real estate		27,260	628	0	23	3.8	4.1
<b>Total</b>	<b>364,450</b>	<b>184,690</b>	<b>15,044</b>	<b>13,223</b>	<b>153</b>	<b>3.9</b>	<b>3.9</b>
<b>by sector</b>							
Natural resources & commodities	14,064	9,358	3,013	1,833	518	3.9	3.7
Energy	17,077	8,184	4,009	983	610	3.0	3.3
Construction	17,481	7,963	1,341	2,225	448	4.0	4.2
Automotive	8,227	5,803	230	1,033	218	3.8	3.7
Cyclical consumer goods	9,336	5,689	443	596	183	3.8	3.8
Non-cyclical consumer goods	10,891	7,026	645	2,276	416	3.6	3.6
Machinery	7,018	3,802	390	2,353	721	3.9	3.9
Transport	8,632	4,493	327	1,233	347	4.0	4.0
TMT	7,873	4,265	149	223	87	4.0	3.8
Healthcare & Services	10,645	8,122	348	111	57	4.2	4.2
Hotels and Leisure	9,784	7,741	261	47	40	4.0	4.1
Real estate <sup>3</sup>	45,089	39,908	979	312	32	4.2	4.1
Public sector	72,182	339	5	0	15	3.6	-
Financial institutions	27,599	2,584	21	0	8	4.3	-
Private customers	98,173	69,388	2,882	0	42	3.9	-
Other sectors	380	25	1	0	34	3.3	-
<b>Total</b>	<b>364,450</b>	<b>184,690</b>	<b>15,044</b>	<b>13,223</b>	<b>153</b>	<b>3.9</b>	<b>3.9</b>
thereof Category 13 (Downstream Leased Assets)		3,794	1,405	704	701	4.7	4.7
<b>by country</b>							
Austria		90,562	4,279	4,086	92	4.1	3.9
Czechia		35,318	3,790	2,258	171	3.9	3.9
Slovakia		17,006	1,849	1,064	171	3.8	3.9
Germany		4,935	528	1,903	493	3.8	3.7
Romania		10,753	1,197	796	185	3.6	4.1
Croatia		6,011	1,132	543	279	3.7	3.9
Hungary		5,112	505	762	248	3.6	3.4
United states		1,796	501	246	416	4.9	4.9
Poland		2,259	302	194	220	3.3	2.8
Serbia		2,170	304	188	227	3.7	4.0
Other countries		8,768	658	1,183	210	4.4	4.6
<b>Total</b>	<b>364,450</b>	<b>184,690</b>	<b>15,044</b>	<b>13,223</b>	<b>153</b>	<b>3.9</b>	<b>3.9</b>
<b>by carbon intensity of corporate clients</b>							
High (1 - 6 kgCO <sub>2</sub> e/EUR revenue)		5,431	3,986	3,020	1,290	3.1	2.7
Critical (>6 kgCO <sub>2</sub> e/EUR revenue)		541	1,600	1,298	5,362	2.8	3.2

<sup>1</sup> For details on the calculation of financed emissions see Methodology

<sup>2</sup> Financed emissions also include Category 13 'Downstream Leased Assets' of Erste Group Scope 3 emissions, which are shown separately as a sub-category.

<sup>3</sup> Where we use reported emissions for calculating Scope 3 emissions, this includes – if both are reported – both upstream and downstream emissions. Where we use emissions with national emission factors from the PCAF database, only Scope 3 upstream emissions are accounted for due to data availability. The data quality score for Scope 3 emissions is therefore reported separately.

## Financed emissions by data quality

	Credit exposure covered by calculated emissions In EUR million	Financed emissions, thousand tCO <sub>2</sub> e		Emission intensity tCO <sub>2</sub> e/in EUR million		Weighted data quality (High = 1, Low = 5)	
		Scope 1 + Scope 2	Scope 3	Scope 1 + Scope 2	Scope 3	Scope 1 + 2 + 3	Scope 3
<b>2022 Total</b>	<b>178,319</b>	<b>14,329</b>	<b>15,116</b>	<b>80</b>	<b>85</b>	<b>3.9</b>	<b>4.0</b>
<b>2023 Total</b>	<b>184,690</b>	<b>15,044</b>	<b>13,223</b>	<b>81</b>	<b>72</b>	<b>3.9</b>	<b>3.9</b>
<b>Reported emissions / Energy performance certificate available (by PCAF asset class)</b>							
Corporate bonds <sup>1</sup>	540	113	242	210	448	2.0	2.0
Business loans <sup>1</sup>	9,605	1,863	4,092	194	426	2.0	2.0
Project finance <sup>1</sup>	1,346	0	0	0	0	2.0	2.0
Mortgages <sup>2</sup>	16,342	470	0	29	-	3.0	-
Commercial real estate <sup>2</sup>	9,272	182	0	20	-	3.0	-
<b>Total</b>	<b>37,104</b>	<b>2,628</b>	<b>4,334</b>	<b>71</b>	<b>377</b>	<b>2.7</b>	<b>2.0</b>
<b>No Reported emissions / No Energy performance certificate available (by PCAF asset class)</b>							
Corporate bonds	1,735	233	189	134	109	4.5	4.5
Business loans	69,571	8,582	8,667	123	125	4.3	4.2
Project finance	1,374	411	33	299	24	4.1	3.9
Mortgages	56,919	2,743	0	48	-	4.2	-
Commercial real estate	17,987	447	0	25	-	4.2	-
<b>Total</b>	<b>147,586</b>	<b>12,416</b>	<b>8,890</b>	<b>84</b>	<b>122</b>	<b>4.3</b>	<b>4.2</b>

<sup>1</sup> Availability of reported emissions for corporate bonds / business loans or recognition of renewable energy project finance: reported emissions are available for all scopes that are of relevance for calculating financed emissions (equivalent to DQ 2).

<sup>2</sup> Availability of energy performance certificate for mortgages and commercial real estate: energy performance certificate is available and has been used for calculating financed emissions (equivalent to DQ 3).

## DETAILED RESULTS BY PCAF ASSET CLASS

### Corporate bonds

Corporate bonds with a volume of EUR 2.3 billion came with 0.8 million tCO<sub>2</sub>e in financed emissions and an emission intensity of 342 tCO<sub>2</sub>e/ EUR million.

### Business loans

Business loans in the amount of EUR 79.2 billion are a major source of financed emissions, because of both their absolute quantity (23.2 million tCO<sub>2</sub>e) and financed emission intensity (293 tCO<sub>2</sub>e/EUR million). Business loans comprise financing granted to large international and national corporates, small and medium-sized enterprises as well as micro entrepreneurs (non-financial corporates).

### Project finance

The project finance portfolio had a moderate exposure of EUR 2.7 billion and 0.4 million tCO<sub>2</sub>e of financed emissions and an emission intensity of 163 gCO<sub>2</sub>e/EUR million.

### Commercial real estate

Commercial real estate accounted for an exposure of EUR 27.3 billion, with emissions of 0.6 million tCO<sub>2</sub>e and a financed emission intensity of 23 tCO<sub>2</sub>e/EUR million.

### Mortgages

Retail mortgages with an exposure of EUR 73.3 billion were the second largest contributor of absolute emissions with 3.2 million tCO<sub>2</sub>e, but had a low financed emission intensity of 44 tCO<sub>2</sub>e/EUR million.

## DETAILED RESULTS BY SECTOR

We used our in-house customer segmentation by sectors for the purpose of PCAF measuring and disclosure of financed emissions. The aggregate level of financed emissions had a positive impact on Erste Group's emission intensity as well as the favourable balance between the low financed emission intensity of real estate and the marginal share of the high-emission heavy industry and energy

sectors. The sector posting the highest financed emission intensity, of 721 tCO<sub>2</sub>e/EUR million, was the machinery industry, with a credit exposure of EUR 3.8 billion.

## DETAILED RESULTS BY COUNTRY

Financed emissions are broken down by country rather than on the basis of the entity in which the exposure was posted. Because of its business model, the country with the highest absolute level of financed emissions (8.4 million tCO<sub>2</sub>e) is Austria, which also has the lowest level of emission intensity at 92 gCO<sub>2</sub>/EUR. The country with the highest emission intensity is Germany at 494 gCO<sub>2</sub>/EUR, with absolute emissions coming to 2.4 million tCO<sub>2</sub>e.

## DETAILED RESULTS BY CARBON INTENSITY OF CORPORATE CUSTOMERS

Overall, the high and critical emission categories account for a volume of EUR 6,0 billion or 3.2% of the calculated customer loan portfolio of EUR 184.7 billion. This is a rise compared with the previous year when volume stood at EUR 3.8 billion or approx. 2.1% of the calculated portfolio. Sectors are classified as high-emission sectors based on revenue-related emissions intensity. Based on assumptions regarding the CO<sub>2</sub> price and the EBIT margin, everything above 6 kg CO<sub>2</sub>e/EUR of revenue is classified in the critical emissions category and everything from 1 to 6 kg of CO<sub>2</sub>e/EUR of revenue is classified as high emissions.

## DETAILED RESULTS BY DATA QUALITY

The share of reported emissions and emissions covered by an energy performance certificate amount to 20% of the credit exposure (covered by the emission calculations) and 25% of financed emissions. The driver of data quality is the real estate sector, even though it must be noted that the energy performance certificate – depending on country-specific standards – often covers only the (primary) energy demand and not the level of emissions.

With business loans and corporate bonds, emission intensity (particularly for Scope 3) tends to be higher where data is available. This is because, in the absence of reported emissions, PCAF emission factors are used, which account only for upstream Scope 3 emissions. Reported emissions may include both upstream and downstream Scope 3 emissions.

## METHODOLOGY

In the case of business loans, we followed the PCAF methodology by relying either on emissions reported by the corporate customers or on estimates based on finance metrics and emission factors drawn from the PCAF database. We keep using the 2015 PCAF emission factors (Exiobase database) to ensure comparability with the figures of the previous year, which were also used as a basis for setting targets in priority sectors. Contrary to the PCAF methodology, the methodology for business loans is also applied to the corporate bonds asset class, as the portfolio is very similar to the business loan asset class and also has a low volume.

The loans granted to large real estate management companies (NACE L68) are included in the PCAF business loans asset class as long as the finance purpose cannot be unambiguously assigned to one or more commercial real estate properties. As the PCAF database shows only very low emission intensity figures for these exposures, we replaced them with the higher emission intensities of the commercial real estate asset class. In doing so, we proceeded with the conservative assumption that a large part of the funds granted to real estate management companies will de facto be used to finance the relevant buildings, even if the loan agreements contain no evidence thereof.

With project finance we assume that renewable energy projects (wind, solar, geothermal and hydropower) have an emission factor of zero. In the absence of a financing purpose and with other project finance we follow the calculation methodology for the business loans asset class by using either the emissions reported by the businesses or estimates based on financial metrics and emission factors drawn from the PCAF database.

With commercial real estate and mortgages, the calculation of financed emissions is based on building data, which in a first step are used to calculate the emissions of a building. Depending on data availability, Erste Group calculates emissions from buildings in the following order (which does not reflect the data quality score):

1. CO<sub>2</sub> emissions as per energy performance certificate
2. Primary energy demand as per energy performance certificate

3. Primary energy demand class as per energy performance certificate
4. Primary energy demand class based on the year of construction
5. Primary energy demand class based on the national average drawn from the PCAF database for buildings in Europe as of 2022

For calculations 3. to 5., average primary energy demand is based on the primary energy demand class recorded in the PCAF database of buildings in Europe as of 2022 to ensure comparability with the previous year's figures, which were likewise used as the basis for setting targets in the priority sectors. Once primary energy demand has been determined it has to be converted into emissions as input for calculations 2. to 4. As PCAF shows the conversion factor only at an aggregated level, we decided to use emission conversion factors based on statistical data on energy mixes and emission intensities. These factors are also a key component in the development of scenarios for the future in the decarbonisation model. In addition, use of the conversion factors obtained in this manner comes with the advantage that where in-house portfolio data is available, national averages may be substituted by the relevant portfolio data (e.g. if the gas portion in the portfolio is below/above the national average).

## 2.2 SUSTAINABLE FINANCE AND INVESTMENT

GRI 3-3

We believe that the most effective way of driving sustainable transformation in our region is for us to support our customers in transitioning towards net zero emissions in their business activities. This is why we have made this a strategic priority in our ESG strategy (see chapter '1. Sustainability at Erste Group'). We strive to further strengthen our leading position in sustainable finance in our region by funding climate change mitigation and adaptation measures, while at the same time pursuing an ambitious green transition plan and securing growth opportunities for the future. The same principles apply to managing climate risks in our portfolio and attaining our own net zero targets.

### Impacts, risks and opportunities

Our in-depth analysis of climate-related challenges, including the legislative and economic impacts of climate change, has revealed that financing and investing in businesses exposed to physical and transitional climate risks present a major exposure for our core business in the medium to long term.

Concerning customer investment and guidance, there is a major risk of consequences when products are promoted as sustainable but fail to meet expectations ('greenwashing'). Such 'greenwashing' would entail fines as well as reputational damage. Another aspect is the potential for adverse impacts on the environment and on society resulting from financing for, or investment in, businesses whose operations are harmful to the environment, and which fail to respect fundamental human rights or the principles of good governance. By contrast, setting out sustainability criteria will ensure that funds are directed to businesses and activities that contribute towards transformation.

The transition to a sustainable economy requires enormous efforts from all stakeholders and the associated investments. This transition also offers Erste Group corresponding business opportunities, provided we can offer the necessary expertise and customised products. However, our customers need specific advice, due to the wide range of funding programmes and the high technical requirements for fulfilling the sustainable economic activities defined in the EU taxonomy. Demand for sustainable investment products – by businesses, institutional investors, and private individuals – keeps growing. Taking advantage of this trend, we can secure new sources of income while at the same time making a valuable contribution towards a sustainable future.

### Governance

Overall responsibility for this topic lies with the management board. Responsibility for reaching the targeted 'sustainable' proportion in our retail mortgages portfolio lies with the Chief Retail Officer, while responsibility for reaching the corresponding targets in our corporate customers and investment portfolios lies with the Chief Corporates and Markets Officer. Our financing targets have been broken down to the level of individual business segments and geographical regions, both for corporates and retail customers.



## Targets

Erste Group has set itself the target of significantly increasing the share of sustainable finance and investment over the short and medium term:

Metric		Baseline		Actual		Targets			
		Year	Value	Year	Value	short term		medium term	
						Year	Target	Year	Target
Sustainable corporate financing*	% of corporate financing portfolio	-	-	2023	13.6%	-	-	2026	25%
Sustainable retail mortgages*	% of retail mortgage portfolio	-	-	2023	13.8%	-	-	2027	15%
Ecolabel funds	# of funds offered	2021	11	2023	19	2023	17	-	-
Sustainably managed funds	% assets under management	2023	35.5%	2023	35.5%	2025	>50%	2030	>80%

\*Applicable to separate units of Erste Group.

The proportion of sustainable lending to businesses is set to reach 25% by 2026, supporting our pathway towards net zero greenhouse gas emissions. In the retail segment, we aim to attain a share of 15% of mortgage loans serving to finance sustainable buildings and structures by 2027.

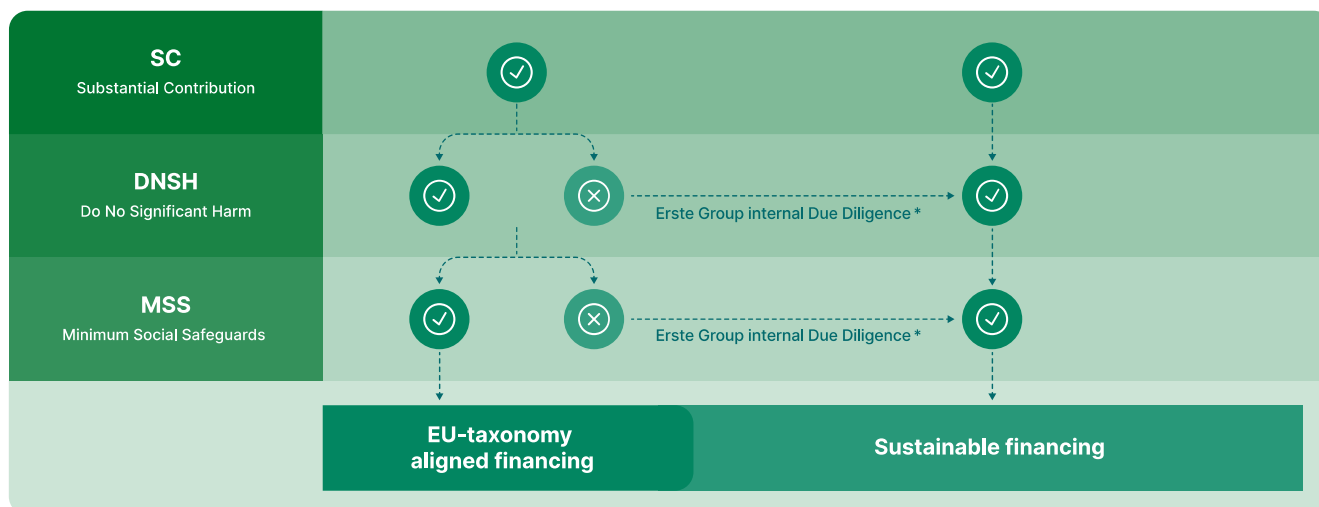
We have set ourselves ambitious goals not only in sustainable finance but also in asset management. Erste Asset Management (Erste AM) aims for an even more comprehensive consideration of ESG criteria in its investment processes. More specifically, the proportion of sustainable funds managed by Erste AM (Article 8/9 funds under the EU's Sustainable Finance Disclosure Regulation) is scheduled to rise to more than 50% of assets under management by 2025, and to more than 80% by 2030. For retail funds, the target for 2030 is more than 95%.

The range of impact investment funds (Article 9 funds under the EU's Sustainable Finance Disclosure Regulation) will be expanded in 2023 and beyond.

## Measures

### CRITERIA FOR SUSTAINABLE FINANCE

Erste Group has defined criteria for classifying finance as sustainable to provide for sufficient transparency in terms of finance designed to support the green transition. We make a fundamental distinction between the 'sustainable financing' presented in this chapter, which is provided with targets, and 'EU taxonomy-aligned financing' (for details, see chapter '7. EU taxonomy disclosure'), whereby the latter is always to be understood as a subset of the former, as it also fulfils its criteria.



\* defined in the Sustainable Finance Guideline (SFG)

The reason for this conceptual distinction is due to both the complexity and restrictions of EU taxonomy. In the reporting period, the taxonomy provided technical screening criteria for only 70 economic activities. Furthermore, providing evidence for alignment assessments presents significant challenges for our customers. Given the massive amount of reporting required under the EU taxonomy, its application is currently limited by law to (non) financial undertakings that are subject to NFRD reporting obligations. This means that small and medium-sized companies, which form an important customer portfolio segment for Erste Group, will largely remain unaffected.

These restrictions and the current focus of the EU taxonomy have prompted us to define the term ‘sustainable financing’ in a more portfolio-appropriate way. Essentially, the aim is to ensure that financed economic activities that are not yet recognised as taxonomy-aligned according to the EU criteria can nevertheless make a demonstrable, significant contribution to the green transition and are sustainable in this respect.

For the purposes of classifying specific financing activities as sustainable or not sustainable, Erste Group’s Sustainable Finance Guideline (SFG) has set out the relevant criteria within the scope of a comprehensive due diligence process that relies on the criteria of the EU taxonomy as a point of reference and aims to identify investments designed to transition existing climate and environmental activities towards a climate-neutral, climate-resilient, and environmentally sustainable economy.

The SFG allows capital flows to be channelled in a targeted manner towards the green transformation and ensures a substantial contribution to environmental protection. Customer groups that are currently excluded from disclosing under the EU Taxonomy Regulation are also included and their limited capacity to provide information is taken into account. Principally, we prioritise assessing the whole set of criteria defined under the EU taxonomy. However, where customers fail to supply sufficient information to provide evidence of meeting the taxonomy’s DNSH and/or MSS criteria, we will perform a less complex in-house DNSH and MSS screening.

We anticipate that the incorporation of medium-sized companies into the EU taxonomy component of CSRD reporting obligations, alongside the growing accessibility of customer data required for evaluation, will result in EU taxonomy-aligned finance becoming increasingly significant in our ‘sustainable finance’ sector. Therefore, raising the Green Asset Ratio (GAR) will be a key element of our business strategy.

## ETHICAL EXCLUSION CRITERIA FOR BUSINESS LOANS

The Group Responsible Finance Policy sets out exclusion criteria for specified economic activities that have harmful socio-environmental effects and are therefore excluded from the finance and banking services provided by Erste Group. With a special focus placed on climate action, Erste Group pays particular attention to aligning its energy finance activities with the Paris climate targets to limit global warming and prevent extensive environmental degradation.

In a bid to preserve biodiversity, Erste Group refrains from financing arctic oil and gas exploration as well as unconventional extraction methods such as fracking. Finance for renewable energy projects, for instance hydropower projects, will be granted only where designated protection areas (such as Natura 2000) are being respected. In addition, the policy aims to limit the impact of socially harmful activities, for instance by imposing restrictions on lending in the weapons and gambling industries. In 2024, criteria relating to biodiversity will be included in a further step.

In response to the energy crisis in Europe, Erste Group adapted its Responsible Financing Policy while remaining committed to its target of exiting the coal sector by no later than 2030. Mindful of our responsibility towards society, we decided to grant our customers time until the end of 2025 to define their plans for a coal phase-out. We believe that this will be a sufficient timeframe for them to draw up credible phase-out plans. Given the current energy crisis, we recognise nuclear energy as a necessary transition technology, in alignment with EU taxonomy. We only support projects which offer the highest safety standards and provide solutions for long-term nuclear waste management, as set out in the EU taxonomy.

The exclusion criteria set out in the Group Responsible Financing Policy are an integral part of any operational & non-financial risk decision taken by the Regional Operational Conduct Committee. Decisions relating to non-financial risks are taken by the Regional Operational Conduct Committee (ROCC). Depending on how a risk is classified, the Committee, whose remit includes reputational issues and risk, can decide to escalate matters to the management board of Erste Group Bank AG.

## **SPECIALISED CONSULTATION FOR CORPORATES**

Erste Group has, in some instances, set up dedicated teams – such as Sustainable Finance Corporates in Austria – to provide targeted advice on sustainability to corporates in its core markets. In general, the first item on the agenda with corporate customers is a sector and customer-specific analysis of relevant ESG issues and links to the EU Taxonomy Regulation. The next step involves selecting and implementing the necessary finance instruments in conformity with the customers' sustainability and finance strategies, for instance green bonds or *Schuldscheine*, the issuance of which is supported by Erste Group. In the case of sustainability-linked finance, defining appropriate sustainable performance targets or setting up a sustainable finance framework must be done first.

Adequate training of our consultants is of utmost importance when it comes to supporting the green transition. We offer our customer relationship managers a selective range of in-house and external ESG training options to enable them to provide expert ESG advisory services. In 2023, we developed a special web-based training programme for Corporates and Markets staff members. This programme is based on the basic ESG training rolled out in 2023, the completion of which was mandatory for all employees of Erste Group. In addition to this basic training, we aim for customer relationship managers to develop in-depth knowledge on sustainability as well as an understanding of the relevant rules and regulations as well as the implications these have for us as a bank and for our customers. Developed for group-wide use, the training programme was first rolled out within Erste Group Bank AG and Erste Bank Oesterreich in November 2023, with rollouts to other group companies scheduled for 2024. Staff members who deal with ESG issues on a daily basis, as well as those showing special interest in the subject matter, can opt to obtain external certification as Certified ESG Analyst (CESGA) by EFFAS, the European Federation of Financial Analysts Societies.

## **CAPITAL MARKETS**

Outcome-oriented investment has been playing a key role on the market for responsible investment, especially since the 21st UN Climate Conference in Paris in 2015. On the financial institutions and sovereign/supra/agency debt capital markets side, both green bonds and social bonds saw an increase in issuance volumes in 2023. Investor interest in social bonds likewise recorded a significant rise in the reporting year. In 2023, Erste Group Bank again acted as bookrunner for a large number of these bonds and arranged a total volume of EUR 17.5 billion of green, social or sustainable bond issuances for corporates, financial institutions, governments and supranational organisations, more than twice as much as in the prior year (EUR 8.2 billion). It is particularly noteworthy that Erste Group assisted Banca Comerciala Romana with a EUR 700 million benchmark which was the largest senior green issue from a Romanian financial institution. Other deals include the Republic of Slovenia's EUR 1.25 billion 10yr Sustainability Bond offering.

The market for sustainable corporate debt and *Schuldscheindarlehen* (promissory note) has already become well-diversified, offering a broader variety of instruments from issuers across various industries. Transactions include green or KPI-linked bonds in the energy supply, construction material and real estate sectors, as well as ESG rating-linked *Schuldscheindarlehen* or KPI-linked structure in the energy supply, mechanical engineering, and technology sectors. Erste Group was again very active in the sustainable finance market and arranged transactions at a combined volume of more than EUR 1.5 billion for corporate issuances in 2023. (Prior year 3 billion).

Erste Group's Sustainable Finance Framework defines rules for bond issuances in conformity with the ICMA Green Bond Principles. When it comes to buildings and energy, we look to the EU taxonomy's technical screening criteria for guidance.

## SUSTAINABLE INVESTMENT AND REAL ESTATE FUNDS

To underline our commitment to responsible investment in our asset management activities, Erste Group's capital investment company, Erste Asset Management (Erste AM), became a signatory of the Principles for Responsible Investment (PRI) in 2009.

Erste AM has long been offering a broad range of funds and investment services that consider ESG factors:

- **Impact Investing.** The investment strategy is focused exclusively on sustainable investment. Such funds are in alignment with Article 9 of the EU's Sustainable Finance Disclosure Regulation (SFDR) and are also referred to as 'dark green' funds.
- **Responsible Investing.** The investment strategy takes account of environmental, social and governance data, which enter into an ESG rating specifically introduced by Erste AM. This rating is used as the basis for evaluating businesses. Such funds are in alignment with Article 8 of the EU's Sustainable Finance Disclosure Regulation (SFDR) and are also referred to as 'light green' funds.
- **Integration.** Integration means integrating ESG criteria in the investment process in view of their potential positive impacts. Businesses with a high level of ESG exposure will be excluded, for instance. Such funds are likewise in alignment with Article 8 of the EU's Sustainable Finance Disclosure Regulation (SFDR) and are also referred to as 'light green' funds.
- **Discretionary portfolio management (DPM).** Portfolio management is based on a broad interpretation of sustainability. The use of proprietary sustainability approaches by the management company promotes both environmental and social characteristics in accordance with Article 8 of EU Regulation 2019/2088.

Erste AM's integrated approach combines exclusion criteria, positive screening, a best-in-class approach based on an ESG analysis, corporate dialogue and voting as well as investment decisions made in line with the desired impact and an assessment of the sustainable yield that would be achieved. Furthermore, Erste AM offers tailor-made solutions to its institutional customers.

The Ethics Advisory Board, a body consisting of five external experts, supplements the knowledge of the experts at Erste AM in the field of ethical assessment. Erste AM is an active member of the following institutions: Eurosif (European Sustainable Investment Forum), FNG (forum for sustainable investment), and CRIC (Corporate Responsibility Interface Center).

In 2023, 17 funds were awarded the 3-star FNG label. The FNG label is the quality standard for responsible investment in the German-speaking countries and was first awarded by Forum Nachhaltige Geldanlagen (FNG) in 2015.

## GREEN CONSUMPTION PLEDGE

In June 2021, Erste Group was the first financial institution to accede to the European Commission's Green Consumption Pledge to accelerate its contribution to a sustainable economic recovery. Erste Group is committed to ensuring the availability of sustainable investment products and to promoting sustainable investment to facilitate the participation of consumers in the green transition. Erste AM is tasked with implementing this pledge.

Since becoming a signatory of the Green Consumption Pledge in June 2021, Erste AM has increased the number of investment funds awarded the Austrian Ecolabel from 11 to 19 (target for 2023: 17). In 2023, 3 more funds were certified under the Austrian Ecolabel, surpassing the originally set target.

Erste AM raised the budget allocated to advisory and information activities related to ESG topics and products by more than 25% in 2023.

Three or four times a year, Erste AM's ESG investment team issues a specialised ESG publication – Erste Responsible Return – The ESG Letter on Environmental, Social and Governance Issues). The publication discusses special ESG aspects in detail, for instance, most recently, the social aspects of financial investment. In addition, blog articles on ESG topics are published regularly, addressing topics such as sustainability in consulting. 107 articles on ESG topics have been published on Erste AM's Corporate Blog as well.

In 2023, Erste AM offered webinars for retail sales advisors of Erste Bank Oesterreich and the savings banks reaching more than 1000 participants. With quarterly webinars and its annual outlook scenario analysis that includes more and more ESG topics, Erste AM

attracts an increasing number of institutional investors as well as distribution partners. In early May, Erste AM hosted a sustainability conference for institutional investors at Erste Campus in Vienna, with climate change and climate politics the top items on the agenda.

Since 2022, Erste AM has been providing regular and standardised reporting on the United Nations Sustainable Development Goals (SDGs), with quarterly updates available on Erste AM's website.

With the expiry of the Green Consumption Pledge at the end of 2023, Erste AM aims to embed ESG even more firmly in all its investment processes. This means that the share of sustainable funds managed by Erste AM ('Article 8/9 funds' under the EU Disclosure Regulation) will increase to over 50% of assets under management by 2025 and to over 80% by 2030. In addition, this share of mutual funds is expected to rise to over 95% by 2030.

## SUSTAINABLE RETAIL BONDS AND STRUCTURED PRODUCTS

Erste Group's retail investment products are governed by the Sustainable Retail Investment Framework, which takes guidance from Erste AM's rules for responsible investing. All third party-issued products actively marketed by Erste Group must likewise meet the defined sustainability standards.

Erste Group qualifies as a sustainable issuer in terms of PAI (principal adverse impact, Article 2(7)(c) MiFID II Delegated Regulation in accordance with Annex I Commission Delegated Regulation (EU) 2022/1288 supplementing the Sustainable Finance Disclosure Regulation (SFDR - Regulation (EU) 2019/2088). Minimum ethical standards apply to all structured products issued by Erste Group or third-party issued structured products actively marketed by Erste Group in respect to the exclusion of controversial weapons, speculation in food commodities, and investment in coal.

By developing uniform product and transparency standards for structured products meeting the SFDR's PAI criteria, Erste Group Bank AG and three other issuers represented on the Zertifikate Forum Austria (ZFA) have taken a key step towards sustainable investment. The sustainability of structured investment products is considered both from the perspective of the issuer and at the underlying level.

Sustainable ESG products that promote environmental and/or social characteristics are subjected to an ESG rating based on a predefined methodology, respecting ESG exclusion criteria (e.g., weapons, child labour) to avoid social, environmental, and financial risks. The ESG portion of structured products issued by Erste Group which meet the requirements in terms of minimum exclusion criteria and PAIs under Annex 1 Commission Delegated Regulation (EU) 2022/1288 supplementing the Sustainable Finance Disclosure Regulation (SFDR - Regulation (EU) 2019/2088) once again reached a very high level in 2023, namely 70% (as per year-end 2023, for the total of 2022: 74%).

## Key performance indicators

Sustainable finance is financing made available exclusively to fund or refinance, in whole or in part, eligible new and/or existing sustainable projects with a focus on achieving or ensuring some form of environmentally sustainable impact.

### Specific purpose sustainable financing

in EUR million	2023	2022
<b>New corporate sustainable financing, total new business<sup>1</sup></b>	<b>2,950.0</b>	<b>2,172.6</b>
Energy efficient real estate	2,096.3	1,372.5
Renewable energy	486.1	427.2
Transportation	127.1	259.6
Other corporate financing <sup>1</sup>	240.5	113.3
<b>Sustainable retail mortgages, total outstanding amount<sup>2</sup></b>	<b>10,708.0</b>	<b>4,283.1</b>

<sup>1</sup> Loans to corporate customers: These figures represent new business under all corporate lending in the core market (Erste Group Bank AG including CEE units, Erste Bank der Oesterreich) Oesterreich) ) in fiscal year 2023

<sup>2</sup> Retail mortgages: These figures represent the total of all housing loans at Erste Bank Oesterreich) and all savings banks as of 31 December 2023

## Sustainable investment

		2023	2022	2021	2020
SFDR	Erste Asset Management - ESG assets (funds, portfolio management, insourcing mandates) in EUR million	17,352.2	15,039.5	15,421.9	13,454.0
Article 9	ESG impact	1,634.2	1,799.4	1,956.4	1,317.5
	Responsible & ethics	7,733.6	7,924.0	7,687.1	7,381.8
Article 8	ESG integration	7,256.6	4,744.7	5,778.3	4,754.7
	ESG DPM	727.8	571.5	-	-
	<b>Total ESG assets in %</b>	<b>22.2%</b>	<b>21.7%</b>	<b>20.1%</b>	<b>19.7%</b>
	<b>Sustainably managed funds in % of AuM</b>	<b>35.5%</b>	-	-	-

Under Article 9 of EU Regulation 2019/2088, the following tools are applied to investment funds which promote or rate environmental or social characteristics or a combination thereof: exclusion criteria, norm-based screening (conformity with specified international standards and norms), best-in-class, integration (reduction of ESG risks) and theme funds.

Some Erste AM funds were awarded certifications under the sustainability standards currently applicable on the financial market, such as the FNG seal or the Austrian Ecolabel. Investment funds under Article 9 of EU Regulation 2019/2088 which have sustainable investment as their objective must, in addition, achieve a focused sustainability impact.

Erste AM is a leading provider of sustainable investment funds in Austria and the CEE region. At year-end 2023, Erste AM managed assets worth approximately EUR 78.2 billion. The internally managed assets of investment funds that promote ecological and/or social characteristics amounted to EUR 17.3 billion, held in a total of 98 investment funds, divided into mutual funds, special funds, and individual mandates. In 2023, the proportion of ESG assets rose to 22.2%, up 0.5% year-on-year.

## Own issuance (Green Bonds) 2023

Date	Entity	Value in EUR million
30.08.2023	Česká spořitelna	500
26.09.2023	Slovenská sporiteľňa	300
11.05.2023	Banca Comercială Română	700
09.01.2023	Erste Group Bank AG	750
	<b>Total</b>	<b>2.250</b>

## 2.3 ECOLOGICAL IMPACT OF BANKING OPERATIONS

GRI 3-3, GRI 302-1, 302-3, 302-4, GRI 305-1, 305-2, 305-3, 305-4, 305-5

There can be no doubt that the most significant impact a credit institution has on the environment and the climate comes from the emissions attributable to its finance portfolio. We consider it important to lead by example and aim to reduce the greenhouse gas (GHG) emissions caused by our own operations to a minimum, with net zero status in our own operations to be achieved by 2030.

The information provided below refers to Erste Group's Scope 1, Scope 2, and Scope 3 GHG emissions. It does not cover financed emissions (Scope 3, category 15) – for details on these see chapter 2.1 'Financed emissions'.

## Impacts, risks and opportunities

Non-mitigated GHG emissions caused by banking operations have adverse effects on the environment, even if they are less significant than financed GHG emissions. Conversely, a high level of emissions or a degradation of the ecological footprint may present a reputational risk for Erste Group, undermining its credibility as a pioneer of sustainability. Reducing our GHG emissions will strengthen Erste Group's profile as a sustainable full-service bank, contribute directly to ecological change and enhance our attractiveness as an employer.

## Governance

Overall responsibility for climate protection and energy matters in the Group lies with the management board, while the Group ESG Office is tasked with the implementation. Our subsidiaries oversee developing and implementing the specific measures to be taken. To ensure co-ordinated action, information is shared regularly at expert level with local ESG officers as well as at the top management

level. To reduce their operational footprint, the Austrian Savings Banks likewise set strategic targets in relevant fields of action in 2023, such as increasing the proportion of green electricity and transitioning to sustainable mobility.

## Targets

For Erste Core Group (Erste Group Bank AG, Erste Bank Oesterreich and its subsidiaries and CEE subsidiaries in the core markets) we have defined quantitative targets in several fields:

- We aim to reduce our Scope 1 and Scope 2 emissions by 80% from 2017 (base year) levels by 2030. Interim goals are a 55% reduction by 2023 and a 60% reduction by 2025.
- We aim to raise the share of power from low carbon sources (green electricity) to 90% of our total electricity consumption by 2023.
- The proportion of electric vehicles in our fleet is set to amount to 100% by 2030.

	Metric	Targets							
		Baseline		Actual		short term		medium term	
		Year	Value	Year	Value	Year	Target	Year	Target
Total Scope 1 + Scope 2 emissions	tCO <sub>2</sub> e	2017	72,154	2023	24,411	2025	28,973	2030	14,487
Share of green electricity	% of green electricity	-	-	2023	93%	2023	90%	-	-
Electric fleet	% of e-cars in total carfleet	-	-	2023	11%	2025	25%	2030	100%

We chose 2017 as our base year because the scope of consolidation for reporting purposes had been enlarged at the time to such an extent that it is comparable to the present one. Following the adoption of the Paris Agreement, 2017 saw renewed efforts and high expectations at a global level with respect to the fight against global warming, to which we also want to contribute.

### NET ZERO 2030

By 2030, Erste Core Group aims to achieve net-zero status for operational emissions by reducing Scope 1+2 emissions by 80% compared to the base year 2017. Net zero refers to a state in which the greenhouse gases going into the atmosphere are balanced by the greenhouse gases that are removed from the atmosphere or offset by other means.

In 2023, great progress was made towards achieving our target. Compared to the base year 2017, Erste Core Group's Scope 1 and Scope 2 emissions were reduced by 66%, from 72,154 to 24,411 tCO<sub>2</sub>e. Scope 1 emissions decreased from 25,733 to 15,484 tCO<sub>2</sub>e, while Scope 2 emissions fell from 46,421 to 8,927 tCO<sub>2</sub>e. The increased switch to electricity from renewable sources was particularly decisive for the reduction in emissions in 2023. By increasing the proportion of green electricity to 93% of the total electricity purchased, the target of 90% set for 2023 was even slightly exceeded. Thanks to the reduction in emissions achieved, the interim target set for 2025 of a reduction in Scope 1+2 emissions to 28,973 tCO<sub>2</sub>e was achieved ahead of schedule. An adjustment of the interim target is therefore planned for 2024.

A lack of technical solutions or non-availability of renewable energy at given locations might prevent us from reaching our goals. In particular, the switch to renewable heating systems in our predominantly leased branch network is often a challenge. In addition, our operational Scope 3 emissions are largely driven by employee behaviour, for instance in the context of mobility. In this respect, we plan to induce changes in employee behaviour and therefore a reduction of emissions in 2024 by implementing a new work instruction for sustainable business with a focus on sustainable mobility and incentives for low-carbon commuting. This will also enable us to set targets for the reduction of Scope 3 emissions.

In addition to the emission reduction measures already taken, all remaining operational emissions were compensated by purchasing CO<sub>2</sub> certificates. For this purpose, 70,163 Gold Standard certificates with a maximum vintage of 4 years were bought on the Voluntary Carbon Market. The projects supported by our investment include PET waste recycling, low-emission drinking water treatment and energy-efficient cookers. The projects were carefully selected with the involvement of both external experts in this field and the relevant internal stakeholders.

## Measures

### REDUCTION OF GHG EMISSIONS

The most significant GHG reduction potential for Erste Group lies in switching to renewable electricity sources, in improving the energy efficiency of the premises it uses and in raising the share of e-vehicles in its vehicle pool. For this reason, 2023 saw further efforts at increasing the proportion of low-emission electricity. A positive contribution came from the installation of PV systems on Erste Group's office buildings, which produced 1,655 MWh of electricity in 2023. The share of e-vehicles in the vehicle fleet came to 14% in 2023 and is set to keep rising steadily as the Group Car Policy is being implemented. There are also plans to support employees on the pathway towards sustainable mobility by offering an improved car sharing programme.

### REDUCTION OF ENERGY CONSUMPTION

As energy consumption at all our locations is captured individually in the UL360 system, we can track and analyse the impact of efficiency-enhancing measures and the resulting year-on-year changes in consumption at high granularity. 2022 was chosen as the comparison base year for showing the effects of the energy efficiency measures implemented by us.

### HOW NET ZERO MEASURES REDUCE OUR CLIMATE RISKS

Our transition-related risks are driven mainly by emissions. The three most important sources of emissions are heating, electricity, and transport with the latter primarily due to employee mobility. Within the scope of our plans to achieve net zero emissions, the following measures will be particularly important:

- Transitioning to electricity-powered heating combined with measures aimed at reducing consumption
- Purchasing of green electricity and in-house electricity generation based on PV systems
- Promoting sustainable means of transportation for business travel and commuting

### EMPLOYEE TRAINING AND ENGAGEMENT

To achieve long-term change, we must embed sustainability both into our operations and our corporate culture. Our employees' expertise and experience as well as the decisions they take every day are critical to implementing our climate strategy. We have been setting up Erste Green Communities in all countries to foster a culture of ecological and climate responsibility from within our organisation. The communities, which are made up of employees, encourage volunteering at Erste Group with a focus on sustainability. At present, such networks already exist in six out of seven of our core markets.

To establish ESG as an important component of our strategy, employee training is of major importance. In 2023, mandatory web-based ESG base training was rolled out across the entire Erste Group for all employees regardless of their position. They are provided with a fundamental understanding of the significance of ESG for Erste Group, the targets we have set ourselves, how environmental, social, and good governance considerations are integrated into our daily banking operations and how every employee can contribute towards reducing operational emissions. At the end of 2023, the completion rate of the ESG basic training at Erste Bank Oesterreich and Erste Group Bank AG was 79%. Overall, the training has already been rolled out in five of seven core markets.

## Key performance indicators

The continuous reduction of GHG emissions from Erste Group's operations and its reduced energy consumption show the success of these measures. To establish how effective the implemented measures have been, current figures are compared against those of the prior reporting period, with 2022 being used as the basis for comparison.

Efficiency-enhancing and awareness raising measures cut the total group-wide energy consumption in Erste Group and branch office buildings by 4% or 12,902 MWh. Year on year, electricity consumption declined by 3% and the use of heating energy by 7%. Another sign of the increase in energy efficiency in the office buildings is the reduction in heating energy consumption per square meter by 5%.



In 2023, Erste Group reduced its Scope 1 and Scope 2 emissions by 24% compared to the previous year, from 39,449 tCO<sub>2</sub>e down to 31,854 tCO<sub>2</sub>e. As the share of green electricity across the Group rose from 82% in 2022 to 91% in 2023, market-based Scope 2 emissions fell by 30%, from 18,742 tCO<sub>2</sub>e to 13,153 tCO<sub>2</sub>e.

## Environmental data 2023

	Einheit	Erste Group	Austria	Czechia	Slovakia	Romania	Hungary	Croatia	Serbia
Full-time equivalents (FTE <sup>1</sup> )	Number	45,526	16,920	9,829	3,520	5,392	3,419	3,136	1,311
Net floor area	m <sup>2</sup>	1,494,327	612,942	283,618	131,301	255,464	74,269	66,949	24,594
Total energy consumption	MWh	280,901	102,492	61,436	22,630	47,310	14,121	17,838	5,251
Change compared to previous year	MWh	-12,902	-6,492	1,762	-1,811	-3,029	-1,096	-629	-536
Consumption of non-renewable fuels	MWh	78,844	21,872	9,312	12,041	24,221	4,489	4,611	979
Diesel for cars and emergency generators	MWh	19,800	4,421	4,070	1,619	4,191	1,816	2,167	695
Gasoline	MWh	7,991	1,192	3,063	1,057	1,236	935	40	66
Natural gas	MWh	48,865	14,403	2,179	9,365	18,603	1,738	2,315	218
LPG	MWh	123	28	0	0	63	0	0	0
Heating oil	MWh	2,065	1,828	0	0	128	0	89	0
Consumption of renewable fuels	MWh	0	0	0	0	0	0	0	0
Purchased electricity, heating and cooling energy	MWh	200,402	79,164	52,125	10,589	23,090	9,632	13,158	4,272
Purchased electricity	MWh	134,855	50,121	27,328	9,924	19,786	6,960	11,862	2,334
District heating	MWh	62,868	26,364	24,797	665	3,304	2,672	1,296	1,938
District cooling	MWh	2,679	2,679	0	0	0	0	0	0
Self-generated electricity	MWh	1,655	1,455	0	0	0	0	69	0
Average electricity consumption per m <sup>2</sup>	kWh/m <sup>2</sup>	91	83	96	75	77	93	178	95
Average heating energy usage per m <sup>2</sup>	kWh/m <sup>2</sup>	78	74	95	76	86	59	55	88
Total internal energy consumption per FTE	MWh/RMA	6	6	6	6	9	4	6	4
Share of green electricity <sup>2</sup>	%	91%	97%	100%	84%	92%	100%	84%	78%
Share of e-cars in carpool	%	14%	31%	9%	18%	7%	6%	6%	17%
Total waste production	t	5,735	2,545	1,096	534	700	120	392	129
Total copy paper	t	799	244	101	45	169	48	69	51

## Environmental data 2022

	Measure	Erste Group	Austria	Czechia	Slovakia	Romania	Hungary	Croatia	Serbia
Full-time equivalents (FTE <sup>1</sup> )	Number	45,311	16,410	10,010	3,613	5,484	3,409	3,178	1,261
Net floor area	m <sup>2</sup>	1,535,141	622,823	303,838	133,398	266,363	75,365	64,904	23,949
Total energy consumption <sup>2</sup>	MWh	293,803	108,984	59,675	24,440	50,340	15,217	18,467	5,787
Average electricity consumption per m <sup>2</sup> <sup>2</sup>	kWh/m <sup>2</sup>	91	86	84	82	76	100	185	111
Average heating energy usage per m <sup>2</sup>	kWh/m <sup>2</sup>	82	78	89	88	92	70	64	95
Total internal energy consumption per FTE	MWh/RMA	6	7	6	7	9	4	6	5
Share of green electricity <sup>3</sup>	%	82%	95%	83%	85%	72%	100%	85%	16%
Share of e-cars in carpool	%	6%	18%	2%	2%	6%	2%	3%	2%

GRI 302-1 and 302-3.

<sup>1</sup> FTE: full-time equivalent, defined as an employee in active employment times his/her hours-worked factor.

<sup>2</sup> The slight deviation from the data reported last year for 2022 is due to the correction of a system error.

<sup>3</sup> Green electricity is defined as electricity from renewable sources.

## Operational emissions 2023

	Measure	Erste Group	Austria	Czechia	Slovakia	Romania	Hungary	Croatia	Serbia
<b>Scope 1 + 2 - total</b>	tCO <sub>2</sub> e	<b>31,854</b>	<b>7,029</b>	<b>6,948</b>	<b>3,003</b>	<b>6,662</b>	<b>1,570</b>	<b>1,739</b>	<b>972</b>
Scope 1 + 2 - total change YoY	tCO <sub>2</sub> e	-7,595	-1,857	-2,006	-32	-1,135	-195	7	-1,386
<b>Scope 1 - total</b>	tCO <sub>2</sub> e	<b>18,701</b>	<b>4,887</b>	<b>2,474</b>	<b>2,663</b>	<b>5,714</b>	<b>1,084</b>	<b>1,217</b>	<b>259</b>
Heating	tCO <sub>2</sub> e	10,461	3,392	442	1,898	3,819	352	493	44
Carpool	tCO <sub>2</sub> e	6,735	1,345	1,743	654	1,316	671	527	183
Cooling agents and fuel for emergency generators	tCO <sub>2</sub> e	1,505	151	290	111	579	61	197	32
<b>Scope 2 (location based) - total</b>	tCO <sub>2</sub> e	<b>43,360</b>	<b>11,514</b>	<b>15,373</b>	<b>1,467</b>	<b>5,532</b>	<b>1,701</b>	<b>1,994</b>	<b>2,002</b>
<b>Scope 2 (market based) - total</b>	tCO <sub>2</sub> e	<b>13,153</b>	<b>2,142</b>	<b>4,474</b>	<b>339</b>	<b>948</b>	<b>486</b>	<b>522</b>	<b>713</b>
Electricity	tCO <sub>2</sub> e	4,667	215	19	220	354	6	289	365
District heating and cooling	tCO <sub>2</sub> e	8,485	1,927	4,455	120	594	480	233	348
<b>Scope 3 - total</b>	tCO <sub>2</sub> e	<b>53,740</b>	<b>17,656</b>	<b>11,863</b>	<b>4,030</b>	<b>7,378</b>	<b>4,391</b>	<b>3,593</b>	<b>1,945</b>
3.1. Purchased goods and services	tCO <sub>2</sub> e	4,455	1,072	1,638	382	824	105	138	122
3.2. Capital goods	tCO <sub>2</sub> e	545	166	101	92	85	22	44	13
3.3. Fuel- and energy related activities	tCO <sub>2</sub> e	8,093	2,351	1,800	584	1,502	386	425	197
3.4. Upstream transportation and distribution	tCO <sub>2</sub> e	11,129	2,979	2,538	787	293	2,274	1,124	707
3.5. Waste generated in operations	tCO <sub>2</sub> e	895	52	198	78	319	29	86	45
3.6. Business travel	tCO <sub>2</sub> e	9,647	4,597	1,886	389	1,725	234	246	220
3.7. Employee commuting	tCO <sub>2</sub> e	18,976	6,440	3,702	1,718	2,631	1,341	1,530	640
<b>Scope 1 + 2 + 3 - total</b>	tCO <sub>2</sub> e	<b>85,594</b>	<b>24,685</b>	<b>18,810</b>	<b>7,033</b>	<b>14,040</b>	<b>5,960</b>	<b>5,332</b>	<b>2,917</b>
<b>Scope 1 + 2 + 3 per employee</b>	tCO <sub>2</sub> e/FTE	<b>1.9</b>	<b>1.5</b>	<b>1.9</b>	<b>2.0</b>	<b>2.6</b>	<b>1.7</b>	<b>1.7</b>	<b>2.2</b>

## Operational emissions 2022

	Measure	Erste Group	Austria	Czechia	Slovakia	Romania	Hungary	Croatia	Serbia
Scope 1 - total	tCO <sub>2</sub> e	20,707	6,182	2,833	2,761	5,873	1,082	1,147	304
Scope 2 (market based) - total <sup>1</sup>	tCO <sub>2</sub> e	18,742	2,705	6,120	274	1,923	682	585	2,054
Scope 3 - total <sup>1</sup>	tCO <sub>2</sub> e	54,596	18,145	13,927	3,795	7,007	3,355	3,755	1,745
<b>Scope 1 + 2 + 3 - total<sup>1</sup></b>	tCO <sub>2</sub> e	<b>94,045</b>	<b>27,032</b>	<b>22,880</b>	<b>6,830</b>	<b>14,803</b>	<b>5,119</b>	<b>5,486</b>	<b>4,103</b>
<b>Scope 1 + 2 + 3 per employee</b>	tCO <sub>2</sub> e/FTE	<b>2.1</b>	<b>1.6</b>	<b>2.3</b>	<b>1.9</b>	<b>2.7</b>	<b>1.5</b>	<b>1.7</b>	<b>3.1</b>

GRI 305-1, 305-2, 305-3 and 305-4.

CO<sub>2</sub> equivalents (CO<sub>2</sub>e) are the sum of all greenhouse gas emissions, i.e. carbon dioxide, methane and nitrogen oxide.

<sup>1</sup> The slight deviation from the data reported last year for 2022 is due to the correction of a system error.

## Notes on how KPIs are measured

GHG emissions caused by Erste Group's operations are calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. Calculations cover Scope 1, Scope 2 and Scope 3 emissions, each measured in CO<sub>2</sub> equivalents (CO<sub>2</sub>e), which are the sum of all greenhouse gas emissions, i.e., carbon dioxide, methane and nitrogen oxide (Global Warming Potential (GWP-20) CO<sub>2</sub> = 1, CH<sub>4</sub> (fossil) = 82.5 und N<sub>2</sub>O = 273). In 2023, the reporting scope of environmental data covered the entire consolidation scope of Erste Group entities following the financial control approach.

The aggregate data shown for Erste Group in the tables encompass all values measured for Erste Group. A separate presentation of EGB data is not provided, as a meaningful segregation of environmental indicators is not possible due to the shared use of the location (Erste Campus in Vienna) with other entities.

Erste Group uses the UL360 software programme from UL Solutions to gather Scope 1 and Scope 2 environmental data. Energy consumption at approximately 2,500 business locations is individually recorded and evaluated. For conversion to greenhouse gas equivalents (CO<sub>2</sub>e), UL360 uses emission factors from DEFRA (UK Department for Environment, Food & Rural Affairs) and the IEA (International Energy Agency).

In 2022, Scope 3 emissions (except Scope 3 category 15 emissions) were added to operational GHG emissions for the first time. All operational Scope 3 categories were screened to identify materiality and controllability across the entire value chain. For this purpose, the following criteria were applied: size, impact, risk, stakeholders, outsourced activities, and sectoral guidelines. These analyses showed that given the nature of its business activities, categories 3.8 – 3.14 are not material emission categories for Erste Group.

For one of the most significant Scope 3 emission categories from our operations – employee commutes – the quality of calculated emission data was greatly improved in 2023. While in the previous year calculations were based on statistical averages, an employee survey was conducted in the reporting period to determine the average distance travelled and the transport modes used. The questionnaire also included questions about the reasons for preferring a specific type of mobility. The responses help us to understand how we can offer better incentives for sustainable mobility in the future.

## 3. Our employees

GRI 2-7

Our success in the ongoing development of our organisation, our corporate culture and our competences is critically driven by employee engagement. We promote modern working methods that support flexible, adaptive, and client-centric work. Erste Group attaches great importance to recruiting, retaining, and engaging a highly qualified workforce to ensure our continuing success. We strive to be the employer of choice in the region in both the financial and the IT sectors by offering opportunities for training and continuing professional development, diverse and international teams, as well as exciting tasks within a flexible organisation.

On 31.12.2023, Erste Group had 48.586<sup>1</sup> employees, broken down by age group as follows:

### Workforce by age group

2023	Total			<30 years		30-50 years		>50 years	
	Women	Men	Others	Number	in %	Number	in %	Number	in %
<b>Erste Group</b>	<b>30,243</b>	<b>18,342</b>	<b>1</b>	<b>7,624</b>	<b>15.7%</b>	<b>28,611</b>	<b>58.9%</b>	<b>12,351</b>	<b>25.4%</b>
Austria	10,178	8,791	1	3,376	17.8%	9,636	50.8%	5,958	31.4%
thereof EGB	940	1,044	0	273	13.8%	1,149	57.9%	562	28.3%
Hungary	2,194	1,322	0	505	14.4%	2,334	66.4%	677	19.3%
Czechia	6,753	3,549	0	1,506	14.6%	6,383	62.0%	2,413	23.4%
Slovakia	2,415	1,143	0	415	11.7%	2,257	63.4%	886	24.9%
Romania	4,070	1,418	0	929	16.9%	3,302	60.2%	1,257	22.9%
Croatia	2,331	1,064	0	412	12.1%	2,357	69.4%	626	18.4%
Serbia	996	351	0	227	16.9%	927	68.8%	193	14.3%
Others	1,306	704	0	254	12.6%	1,415	70.4%	341	17.0%

GRI 2-7

2022	Total			<30 years		30-50 years		>50 years	
	Women	Men	Others	Number	in %	Number	in %	Number	in %
<b>Erste Group</b>	<b>30,134</b>	<b>18,169</b>	<b>7,685</b>	<b>16.0%</b>	<b>28,412</b>	<b>59.0%</b>	<b>12,206</b>	<b>25.0%</b>	
Austria	9,799	8,600	3,141	17.0%	9,406	51.0%	5,852	32.0%	
thereof EGB	946	1,010	251	13.0%	1,164	60.0%	541	28.0%	
Hungary	2,206	1,308	526	15.0%	2,383	68.0%	605	17.0%	
Czechia	6,947	3,491	1,717	16.0%	6,082	58.0%	2,639	25.0%	
Slovakia	2,503	1,150	463	13.0%	2,304	63.0%	886	24.0%	
Romania	4,182	1,506	960	17.0%	3,500	62.0%	1,228	22.0%	
Croatia	2,296	1,065	420	12.0%	2,443	73.0%	498	15.0%	
Serbia	930	351	224	17.0%	868	68.0%	189	15.0%	
Others	1,271	698	234	12.0%	1,426	72.0%	309	16.0%	

<sup>1</sup> In the consolidated financial statements the average number of employees, weighted by level of employment, for the financial year 2023 (number 45,709) is presented. In contrast, the figures presented here are as at 31.12.2023 and are not weighted by level of employment (number 48,586).

## Headcount

2023	Total			Full-time employees			Part-time employees			Temporary employees			Permanent employees		
	Women	Men	Others	Women	Men	Others	Women	Men	Others	Women	Men	Others	Women	Men	Others
<b>Erste Group</b>	<b>30,243</b>	<b>18,342</b>	<b>1</b>	<b>23,891</b>	<b>17,328</b>	<b>0</b>	<b>6,352</b>	<b>1,014</b>	<b>1</b>	<b>2,157</b>	<b>1,073</b>	<b>0</b>	<b>28,086</b>	<b>17,269</b>	<b>1</b>
Austria	10,178	8,791	1	5,314	8,008	0	4,864	783	1	552	497	0	9,626	8,294	1
thereof EGB	940	1,044	0	666	940	0	274	104	0	95	130	0	845	914	0
Hungary	2,194	1,322	0	1,935	1,247	0	259	75	0	94	56	0	2,100	1,266	0
Czechia	6,753	3,549	0	5,847	3,463	0	906	86	0	399	147	0	6,354	3,402	0
Slovakia	2,415	1,143	0	2,323	1,129	0	92	14	0	318	152	0	2,097	991	0
Romania	4,070	1,418	0	3,879	1,374	0	191	44	0	327	71	0	3,743	1,347	0
Croatia	2,331	1,064	0	2,317	1,061	0	14	3	0	192	80	0	2,139	984	0
Serbia	996	351	0	993	350	0	3	1	0	171	26	0	825	325	0
Others	1,306	704	0	1,283	696	0	23	8	0	104	44	0	1,202	660	0

## GRI 2-7

Employee metrics refer to the end of the reporting period as per 31 December 2023. Data are reported in headcounts (one person = one headcount, irrespective of the number of hours worked).

2022	Total		Full-time employees		Part-time employees		Temporary employees		Permanent employees	
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men
<b>Erste Group</b>	<b>30,143</b>	<b>18,169</b>	<b>23,918</b>	<b>17,127</b>	<b>6,269</b>	<b>989</b>	<b>2,494</b>	<b>1,299</b>	<b>27,640</b>	<b>16,870</b>
Austria	9,799	8,600	5,078	7,834	4,778	709	576	579	9,223	8,021
thereof EGB	946	1,010	658	913	288	97	99	140	847	870
Hungary	2,206	1,308	1,931	1,228	275	80	108	59	2,098	1,249
Czechia	6,947	3,491	6,124	3,411	820	83	561	241	6,386	3,250
Slovakia	2,503	1,150	2,408	1,137	94	14	339	124	2,164	1,026
Romania	4,182	1,506	3,918	1,413	264	93	351	85	3,831	1,421
Croatia	2,296	1,065	2,282	1,063	14	2	293	130	2,003	935
Serbia	930	351	927	350	3	1	150	26	780	325
Others	1,271	698	1,250	691	21	7	116	55	1,155	643

## 3.1 DIVERSITY AND INCLUSION

GRI 3-3, 405-1, 406-1

As a banking group that operates in a responsible and sustainable manner, gender diversity, anti-discrimination, and accessibility feature high on our agenda, and we have adopted specific measures in this respect. These measures ensure that we create a work environment that works for everyone. We strive to implement specific measures to ensure that our employees are treated fairly and equally regardless of gender, ethnicity, or any other factors.

### Impacts, risks and opportunities

A work environment which fosters diversity and inclusion leads to higher workforce satisfaction and has a positive impact on staff loyalty. Different perspectives and approaches can be expressed and translated into practice only in a work environment that encourages diversity. By fully implementing relevant measures and initiatives, we endeavour to create a work environment that capitalises on the ensuing opportunities, such as enhancing Erste Group's reputation as an attractive employer.

Erste Group believes that successful human resources management encompasses effective diversity and inclusion management. The absence of such measures increases the potential for financial and operational risks arising from a drain of talent and qualified employees as well as potentially negative media coverage.

### Governance

Group Diversity Management reports to the CEO division of Erste Group Bank AG. Group Diversity Management offers a framework and guidance for the parent banks' diversity initiatives of Erste Group. As part of Group People & Culture, Group Diversity Management captures diversity data across the group, identifies key priority areas, develops a diversity strategy, and creates guidelines for local diversity officers that are consistent with group-wide efforts.

Group Diversity Management supports the implementation of the overall strategy by developing a comprehensive communication strategy for diversity matters and provides advice to the Erste Group management, local diversity management and employees on all matters relating to diversity and inclusion. In addition, Group Diversity Management offers partnerships and advice to diversity-related Business Resource Groups (Erste Women's Hub, ErsteColours, ErsteABILITY).

### Targets

Under our Diversity & Inclusion Policy, one of the targets within the framework of our strategic priorities is supporting diversity and inclusion. Specifically, we are focusing on gender representation on the supervisory board, the management board and at the board-1 level. The target set also includes the parent banks. Parent banks are the following institutions: Erste Group Bank AG, Česká spořitelna, Erste Bank Oesterreich, Slovenská sporiteľňa, Banca Comercială Română, Erste Bank Hungary, Erste & Steiermärkische Bank (Erste Bank Croatia) und Erste Bank a.d. Novi Sad (Erste Bank Serbia). The target therefore applies only to the institutions named. Erste Group has developed a detailed process for succession planning. Succession pools for management board positions should include at least one potential successor from the underrepresented gender. If this is not possible in a given financial year, action will be taken in respect of upcoming succession talks. The target of achieving a gender balance of 40-60% at management levels B-2, B-3, and B-4 in all parent banks by 2023 was successfully achieved with a female proportion of 52%.

## Underrepresented gender on the management board, supervisory boards of parent banks and at board-1 level

	Percentage	Year	Minimum target Target
Gender representation in board	% underrepresented gender	2028	30%
Gender representation on the supervisory boards of local banks <sup>1</sup>	% underrepresented gender	2028	30%
Gender representation in top management (board-1) <sup>1</sup>	% underrepresented gender	2028	33%

<sup>1</sup> Taking this minimum quota into account, a higher quota can be decided in accordance with local regulations. The target for the share of women in other managerial positions (board-2, board-3, board-4) of 40-60% was met.

## Measures

### DIVERSITY AND INCLUSION POLICY

The Diversity & Inclusion Policy will be revised and newly adopted in 2024. It is binding on all parent banks across the group. It comprises our Diversity Statement as well as an overview of functions and responsibilities and shows how diversity is practised at Erste Group in relation to our business, our customers, and our employees. In addition, the policy also defines a target for the gender ratio to be attained by year-end 2028. This target applies to all parent banks.

### WORKS AGREEMENT (ANTI-DISCRIMINATION AND RESPECTFUL CONDUCT IN THE WORKPLACE)

The works agreement enshrines Erste Group's efforts to create a work environment that is free of discrimination and that values the work of each and every person regardless of gender, age, disability, marital status, family obligations, sexual orientation, religion, political affiliation, nationality, skin colour, social or ethnic background, and any other aspects unrelated to their employment. The works agreement defines the procedure to be followed when cases of discrimination are reported. As a general principle, a minimum escalation approach is chosen and a solution that suits both sides will be sought. All employees have the right to demand that an internal reconciliation body be convened, involving relevant stakeholders. Its task is to handle and resolve cases of discrimination, the respective process being likewise laid down in the works agreement. The works agreement is subject to ongoing evaluation and adjustment. In 2023, a number of clauses were laid down in more detail and its scope was enlarged.

### GENDER PAY GAP ANALYSIS

We are committed to offering our employees equal pay, regardless of gender. To reach this goal, an incremental process has been defined to analyse and close the unaccountable part of the gender pay gap within Erste Group by 2027. In 2023, we started to analyse the wage data of 27,625 employees across all our core markets. At group level, the analysis revealed an average global gender-specific pay gap of about 27%, which is greatly influenced by the distribution of functions among male and female staff. In addition, other acceptable reasons for wage differences were identified as well, such as location, performance, and experience. Next year, the analysis is to be expanded to cover at least 80% of employees group-wide. To underline our commitment to closing the gender pay gap, we will present our results to the Fair Pay Innovation Lab and apply for certification.

### ANTI-DISCRIMINATION

In Erste Group the Anti-Discrimination procedures as well as other matters of diversity, equal opportunity, and inclusion are monitored and managed by responsible departments. Specific communication channels such as Whistleblowing processes and internal reporting lines, that employees can contact confidentially, are in place to report the cases of discrimination. Additionally, each parent bank has internally dedicated and specially trained persons that provide advice and mediation services in cases of harassment, discrimination or bullying. In Hungary, there is currently a complaint under investigation in regards to age discrimination.

In Austria, the Anti-Discrimination Officer provides advice and mediates in cases of harassment, discrimination or bullying. Advice for employees is confidential and is accompanied by a structured conflict resolution process if required. An anonymised report prepared by the Anti-Discrimination Officer covers, among other things, the reported cases of discrimination and is communicated to the management board, Human Resources, and the employees' council. Experience obtained from conflict situations is perceived as an opportunity to continually develop corporate culture. Awareness-raising and prevention measures implemented by the Anti-Discrimination Officer in cooperation with management are instrumental to achieving that aim. The primary focus is on raising

awareness and improving processes, behaviour and organisational issues among both management and employees. To support these efforts, unconscious bias training is offered to make employees aware of unconscious prejudices and help them to act more sensitively. The Anti-Discrimination Officer is also the person to contact with all complaints and questions relating to harassment and bullying and plays a key role in ensuring compliance with all human rights. All employees may seek advice in absolute confidentiality and develop measures and resolution strategies in a collective process, the implementation of which is then supported by the Anti-Discrimination Officer. In 2023, no such case had to be taken to court in Austria.

## PARTNERSHIPS

### Diversity Charter

Erste Group enjoys an excellent international reputation also for its support of the Diversity Charter. Under the Charter, Erste Group commits to establish for its employees an inclusive working culture regardless of gender, ethnicity, religion, age, disability, sexual orientation, and other characteristics.

### Orange the World

Since 2020, Erste Group has been a main partner of the United Nations Orange the World initiative and therefore also of UN Women Austria. The purpose of the campaign is to raise awareness for violence against women and to support women globally in leading a life free from all forms of violence. Training and communication sessions were conducted to show employees how to deal with violence. Since 2022, Erste Group has been a partner of the #positivarbeiten initiative of Aids Hilfe Österreich and has been supporting the discrimination-free treatment of HIV-positive employees and job candidates.

## EMPLOYEE NETWORKS

The employee networks ErsteColours, Erste Women's Hub, and ErsteABILITY contribute towards making the work environment more inclusive and increase Erste Group's attractiveness as an employer of queer persons, women, and people with disabilities. They regularly organise events to promote empowerment, information sharing and visibility within the organisation.

## Performance indicators

### Current target achievement

	Share of women on management board		Share of women in managerial positions (board-1)		Share of women in other managerial positions	
	2023	2022	2023	2022	2023	2022
Erste Group Bank AG	16.7%	16.7%	30.8%	17.9%	30.5%	31.6%
Erste Bank Oesterreich	50.0%	50.0%	43.5%	26.9%	39.5%	41.1%
Erste Bank Hungary	16.7%	20.0%	37.0%	34.5%	46.2%	46.7%
Česká spořitelna	16.7%	16.7%	13.0%	20.0%	50.6%	52.4%
Slovenská sporiteľňa	0.0%	0.0%	33.3%	34.6%	61.2%	58.9%
Banca Comercială Română	60.0%	60.0%	34.8%	26.1%	57.9%	56.7%
Erste Bank Croatia	0.0%	0.0%	43.5%	43.5%	64.5%	63.9%
Erste Bank Serbia	50.0%	50.0%	50.0%	40.0%	55.1%	54.3%

The scope of consolidation is the parent banks.

Management board positions as well as positions reporting directly to the management board (board-1) are defined as top management positions.

Other managerial positions means management positions at the levels board-2, board-3 and board-4.

## Women in top management and other managerial positions (consolidated view)

	Share of women on the Board		Share of women in managerial positions (EGB B-1, local board members)		Share of women in other managerial positions	
	2023	2022	2023	2022	2023	2022
Erste Group	16.7%	16.7%	18.8%	19.0%	43.0%	42.5%
EGB	16.7%	16.7%	30.8%	17.9%	30.5%	31.6%

GRI 405-1

The age structure of the Supervisory Board and Management Board of Erste Group can be found in the (consolidated) Corporate Governance Report.

## Number of employees with health disability

	2023	2022
<b>Erste Group</b>	<b>646</b>	<b>706</b>
Austria	339	343
thereof EGB	24	20
Hungary	11	12
Czechia	42	90
Slovakia	153	161
Romania	52	53
Croatia	39	36
Serbia	2	2
Others	8	9

In Czechia only employees with a degree of disability of over 50% were reported in the column 'Number of employees with disabilities' in 2023 compared to 2022, which leads to a decrease compared to the previous year.

## Woman in other managerial positions by age group

2023	Number	<30 years		30-50 years		>50 years	
		Number	in %	Number	in %	Number	in %
Erste Group	2,006	36	0.8%	1,413	30.9%	557	12.2%
EGB	61	0	0.0%	48	24.0%	13	6.5%

GRI 405-1

Other managerial positions: board-2, board-3 and board-4. Data by age groups were recorded only for B-2,3,4. The percentage is calculated on the basis of the total number of managers in other management positions

2022	Number	<30 years		30-50 years		>50 years	
		Number	in %	Number	in %	Number	in %
Erste Group	1,984	46	1.0%	1,421	31.3%	517	11.4%
EGB	59	1	0.5%	44	23.5%	14	7.5%

## AWARDS

### equalitA quality seal

The equalitA quality seal is awarded by the Austrian Federal Ministry of Labour and Economy in recognition of efforts undertaken by companies to promote women with a view to ensuring gender diversity and equal opportunity. Criteria include fair pay, women in management positions, general male to female ratio in the company, compatibility of work and family, professional development for women, etc.

### Diversity Growth Champion

Erste Group Bank AG has also been honoured as Diversity Growth Champion by Boston Consulting (BCG). The BCG Gender Diversity Index analyses the top 50 exchange-listed companies in Austria in terms of the share of women and men on the management board and the supervisory board as well as remuneration ratios in these bodies. Erste Group Bank AG was the only company in Austria that was able to increase diversity at board level during the past five years.



### **Financial Times – Leader in Diversity**

Financial Times and Statista named Erste Bank Oesterreich as a Leader in Diversity. In a survey conducted among 100,000 full-time employees, Erste Bank Oesterreich ranked fifth among 850 entities in 16 European countries and 26 different industries.

### **World's Top Company for Women 2023**

Forbes listed Erste Group Bank AG at number 32 of the world-wide best employers for women based on a survey on gender-specific workplace issues conducted among 70,000 women in 37 countries. Erste Group Bank AG is thus the best-placed company with headquarters in Austria and the second-best company in the financial services and banking industry in the Forbes ranking.

## **3.2 EMPLOYEE INVOLVEMENT AND REPRESENTATION**

GRI 2-30

In accordance with legal requirements, Erste Group involves its employees in management decisions via representative bodies, in particular in matters that directly affect employees. At Erste Group, 1,0% of employees are active in such representative bodies. Under the Austrian Works Constitution Act, the employees' council is the permanent, independent body that represents our employees and secures ongoing collaboration between the management board and the employees of our organisation. Its main tasks are:

- Monitoring adherence to laws relating to employees, payment of salaries, occupational health and safety, etc.
- Intervening to ensure compliance with employee-related legislation, improving working conditions, setting up/organising in-company training, etc.
- Two-way sharing of information: from the management board to the employees' council and from the employees' council to the employees, and vice versa.
- Employee counselling, but also consultations with the employer on current matters. In addition, management is required to hold quarterly talks with the employees' council.

In accordance with this responsibility, the employees' council concludes works agreements and takes an active part in the employer's supervisory bodies (one-third of the members of the supervisory board are employee representatives).

In Austria, the trade union of private sector employees, GPA, represents the interests of employees working in finance (banks, savings banks, etc.) and negotiates collective agreements, including the special payments customarily referred to as holiday and Christmas remuneration. Many employees serving on employees' council bodies are members of GPA and therefore part of the negotiating body. They provide advice on labour-law issues and general support to the employee representatives.

Erste Group complies with the legal requirements concerning the employment of leased employees as a matter of course. In Austria, the Personnel Leasing Act (Arbeitskräfteüberlassungsgesetz, AÜG) applies. Among its key provisions are the requirement for equal treatment and a ban on discrimination. Our leased employees are governed not only by the rules of the collective agreement for leased employees but also by the minimum standards of the collective agreement that is applicable to our own employees (including pay scales).

Erste Group has concluded an agreement on the European Works Council. This agreement applies to all employees in Erste Group operations and entities subject to Directive 2009/38/EC on the Establishment of a European Works Council and, beyond that, in all countries in which Erste Group operates and which have entered into an association agreement with the European Union. The number of seats on the European Works Council is based on the number of employees in the respective countries. Each country is assigned at least one seat. The allocation of seats is reviewed annually to ensure a fair and up-to-date representation of employees.

### **Representation of employees in the subsidiary banks (CEE)**

The subsidiary banks in CEE (Central and Eastern Europe) have different forms of employee representation.

In Banca Comercială Română, employee interests are represented through trade unions, which are installed at company level. They inform employees about their rights and about current issues, either through e-mail or ad-hoc meetings. The trade unions are in direct contact with the management board and Human Resources. Collective bargaining is conducted between the trade union associations and government bodies.

Erste Bank Hungary has an employees' council in place which regularly consults with management, primarily on social benefits for employees. The eligibility criteria for social benefits (e.g., annual leave allowance, gift packages for children of employees) are laid down in a works agreement. Employees are informed about current issues through various channels such as the intranet, e-mail or postings.

The employees of Česká spořitelna are represented by 46 trade unions, which, as required under the Labour Code, are united in one single All-Company Committee of Česká spořitelna trade unions. This committee co-ordinates the activities of the trade unions and is the body competent to engage in collective bargaining with the employer. The collective bargaining agreement currently covers the period from 1 July 2022 to 30 June 2026. In addition, the employer is obligated to cooperate with the trade unions on matters laid down by law. This includes discussions as well as participation in decision-making and a formal exchange of information on such matters. The trade unions represent employees in all matters relating to labour law. In addition, three members of the supervisory board of Česká spořitelna are elected directly by the bank's employees; two of these members are currently trade union representatives.

At Slovenská sporiteľňa, employee interests are represented by trade unions at company level. The collective bargaining agreement is renegotiated each year with the management board. In addition to pay rises, the agreement offers all employees various benefits in excess of what is mandatory under applicable law.

Erste Bank Croatia is continuously collaborating with employee representation bodies at the strategic and operational levels and arranges regular meetings between the management board and the employees' council for this purpose. The latter is responsible for collective bargaining. Concluded in 2006, the relevant agreement has since been renewed every time it has expired.

The collective agreement, which in its present form was signed by the trade union and Erste Bank Serbia in 2020, guarantees voluntary benefits to all employees. This agreement also governs matters such as employment, rights and duties, continuing professional development and occupational health and safety. The collective agreement covers all employees and can be viewed on the bank's internal communications platform. As the current collective agreement is about to expire, negotiations with the trade union were started at the end of September 2023 with the objective of concluding a new collective agreement that will further improve employee rights.

Overall, 95,8% (2022: 87,5%) of all Erste Group employees are covered by collective agreements. The percentage includes also Erste Bank Hungary employees covered by agreements concluded with the employees' council (under the local Labour Law).

	Collective agreement coverage in %	Employee representation in %
<b>2023</b>		
<b>Erste Group</b>	<b>95.8%</b>	<b>1.0%</b>
Austria	94.6%	1.8%
thereof EGB	96.6%	0.8%
Hungary	90.6%	0.4%
Czechia	98.3%	0.4%
Slovakia	99.5%	1.1%
Romania	97.0%	0.1%
Croatia	95.1%	0.1%
Serbia	99.9%	0.6%
Others	92.8%	0.9%

### 3.3 EMPLOYEE HEALTH AND WORK-LIFE BALANCE

GRI 3-3, 401-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10

Erste Group accords high priority to the health of its employees. We appreciate and respect each and every person's contribution, knowledge and competence as something that is unique. Promoting health and a sound work-life balance are essential for the success of our organisation and a key factor in recruiting and retaining employees with valuable qualifications and experience long-term.

## Impacts, risks and opportunities

Working conditions may be harmful to the physical and mental health of employees. While the risk of physical health hazards is low in our industry, not least because of exacting statutory requirements as to occupational safety (in Austria, e.g., the Occupational Health and Safety Act), we cannot generally preclude health hazards related to stress and other mental factors. As we are seeing an increase in lifestyle-related and chronic illnesses also affecting Erste Group employees, this may lead to an increase in sick days, especially long-term sick leave, which may translate into higher costs in banking operations as well as higher operational risks for Erste Group.

Erste Group's efforts help not only to improve its employees' health awareness but also lessens the pressure on the public health system.

Balancing work and family life may be a challenge, particularly when this is made more difficult by social conditions – such as a lack of child-care facilities. This may prevent the recruitment and long-term retention of qualified and skilled potential employees. In combination with demographic developments that have led to a shortage of skilled labour, this may give rise to a serious risk for Erste Group.

A work environment that fosters employee health and allows employees to achieve a sound work-life-balance is not only essential for Erste Group's attractiveness as an employer and for the commitment of our staff, but also has, as we firmly believe, a positive impact on society as a whole.

## Governance

Overall responsibility for these matters in the Group lies with Group People and Culture, which reports to the CEO. Erste Group strives to promote high health care standards in all local banks and banking subsidiaries across the Group. As labour law and health policy frameworks vary widely between individual countries, it is mainly at country level that initiatives are coordinated, and information sharing is promoted. Specific measures are designed and implemented in our subsidiary banks. Based on legal requirements and additional services offered, these cover 100%% of employees. Employees are involved in the development of new services through the respective employee representation bodies (employees' councils).

## Targets

Erste Group is committed to proactively assisting its employees in identifying and preventing health risks. The focus here is on mental health as well on preventing chronic illnesses, which account for 50% to 80% of all healthcare costs. Reintegrating employees into work life after lengthy periods of illness is one of our key priorities.

## Measures

### ERSTE GROUP HEALTH CENTRE

Erste Group operates its own Health Centre, which directly reports to the CEO. Issues addressed in preventive healthcare include, amongst others, lifestyle, work-life balance, mental health, stress prevention and nutrition counselling. A multi-professional team of occupational physicians, workplace psychologists and physiotherapists assist Erste Group's employees in all matters of health and well-being. The processes for designing and reviewing the programmes offered and the measures being implemented are participatory and evidence-based and ensure ongoing consultation with employees. Talks with the employees' council and the ombudsperson for employees with disabilities are held at regular intervals. Internal communication channels (intranet) are used to inform employees about health matters.

The services of the Erste Group Health Centre are available to all employees of Erste Group Bank AG, Erste Bank der Oesterreichischen Sparkassen AG and 30 subsidiaries in Austria. A key focus is placed on employees' mental health. Employees have access to workplace psychologists and to an external service to help them with issues such as childcare, school, domestic and other problems,

as well as caring for family members. This service is available either online or by telephone, and every other week also for in-person consultations on-site. In compliance with the Labour Constitution Act, youth ombudspersons have been appointed to act as peer contacts.

Another focus of the Erste Group Health Centre is on the prevention of chronic illnesses, which account for 50% to 80% of all healthcare costs. Erste Group has implemented a wide range of measures designed to prevent chronic illnesses or at least mitigate their effects. These include on-site health screenings, melanoma screenings, the prevention and early detection of intestinal cancer and the prevention of cardio-vascular diseases. In 2023 employees were offered a variety of medical checks for the early detection of risk factors for cardio-vascular diseases (blood pressure, blood lipids, physical inactivity, stress, etc.). As part of such programmes, employees are given targeted, individual advice on treatment options. Close cooperation with local health service providers such as rehabilitation centres ensures that our employees have ready access to treatment.

Moreover, the Health Centre regularly offers vaccination programmes (tick-borne encephalitis, influenza, Covid) on site. Employees also receive advice on vaccinations or booster vaccinations they may require (particularly for mandatory business travel) and are vaccinated as necessary.

### **PERSONALISED REINTEGRATION AFTER LONG-TERM ILLNESS**

Erste Group took proactive steps by establishing a works agreement on reintegration, enabling employees to gradually return to work after extended illness, even before legislative measures addressed this issue. As a result of this initiative, there has been a notable reduction in the occurrence of prolonged sick leaves over recent years. The Health Centre provides close support to employees returning to work under both (legal and corporate) formats.

### **ACQUIRING HEALTH LITERACY**

Our employees also regularly attend training events on health literacy, nutrition, mental health, or infection protection. In addition, a variety of physical exercise and relaxation courses are offered.

### **INCREASING FLEXIBILITY OF WORKING TIME AND PARENTAL LEAVE**

We have adopted a number of measures to allow working times to be adjusted to personal requirements. Mindful of the high priority of this issue, Erste Group offers a whole range of family-friendly measures which are regularly adapted to the needs of our employees. With family-friendly flexitime and work-from-home schemes, Erste Group enables its employees to balance parental time and work. In addition, Erste Campus has two company kindergartens where fully qualified educators provide full-day care for children. Our offer is complemented by nursing-care leave, parental leave, and summer programmes for school-age children. Executive-level staff may opt to have interim managers substitute for them during periods of leave and then resume their management positions on their return. The scope of these measures varies from country to country. There is no dismissal protection after return from parental leave in Serbia, the Czechia and Slovakia.

The certification issued by the Austrian Federal Ministry for Education, Science and Research under the Beruf und Familie (work and family) audit scheme, which we obtained in 2021, is a testament to how successful our efforts in this respect have been. One of the key outcomes of the certification audit in Austria was the need for effective interim management models ('bridging models') for periods of parental leave, so that career gaps can be organised flexibly and with a clear focus on continued professional development during such leave. In 2023, Erste Group further pursued an initiative designed to encourage men to make full use of the possibilities available under the parental leave schemes for fathers. In general, all employees (women and men) are entitled to take parental leave.

## **Performance indicators**

The key indicators we use to determine the success of our measures relating to employee health and work-life balance are annual sick leave days per employee and periods of parental leave claimed by women as well as men.

## Sick leave days per employee

	2023	2022
<b>Erste Group</b>	<b>10</b>	<b>10</b>
Austria	9	9
thereof EGB	5	6
Hungary	5	7
Czechia	14	11
Slovakia	9	11
Romania	6	10
Croatia	16	15
Serbia	9	10
Others	6	9

Sick leave is a type of leave that is either paid for by the employer or by social insurance or is unpaid; the cause for such leave is illness or incapacity (health problems). Sick leave is calculated in workdays from the first day of leave. The total duration of illness-related absences from work is calculated based on the total number of days of leave attributable to sickness or incapacity for the given period. In the reporting period, there were 136 work-related accidents and 35 work-related illnesses.

## Parental leave

2023	Parental leave				Return to work after parental leave					
	Women		Men		Women		Men		Other	
	Number	in %	Number	in %	Number	in %	Number	in %	Number	in %
<b>Erste Group</b>	<b>1,564</b>	<b>88.5%</b>	<b>203</b>	<b>11.5%</b>	<b>1,094</b>	<b>79.2%</b>	<b>178</b>	<b>96.7%</b>	<b>0</b>	<b>0.0%</b>
Austria	470	78.6%	128	21.4%	323	91.2%	114	97.4%	0	0.0%
thereof EGB	40	67.8%	19	32.2%	25	100.0%	13	100.0%	0	0.0%
Hungary	113	91.9%	10	8.1%	83	76.2%	2	66.7%	0	0.0%
Czechia	343	99.4%	2	0.6%	190	56.2%	0	0.0%	0	0.0%
Slovakia	225	90.7%	23	9.3%	76	61.3%	15	88.2%	0	0.0%
Romania	157	97.5%	4	2.5%	193	81.4%	7	100.0%	0	0.0%
Croatia	120	80.0%	30	20.0%	107	97.3%	34	100.0%	0	0.0%
Serbia	62	100.0%	0	0.0%	54	94.7%	0	0.0%	0	0.0%
Other	74	92.5%	6	7.5%	68	130.8%	6	100.0%	0	0.0%

GRI 401-3 b) and c)

2022	Parental leave				Return to work after parental leave			
	Women		Men		Women		Men	
	Number	in %	Number	in %	Number	in %	Number	in %
<b>Erste Group</b>	<b>1,816</b>	<b>92.0%</b>	<b>158</b>	<b>8.0%</b>	<b>1,113</b>	<b>80.6%</b>	<b>172</b>	<b>96.6%</b>
Austria	551	84.4%	102	15.6%	324	90.0%	115	100.0%
thereof EGB	37	61.7%	23	38.3%	40	97.6%	20	100.0%
Hungary	86	100.0%	0	0.0%	80	80.8%	3	100.0%
Czechia	423	99.5%	2	0.5%	174	63.3%	0	0.0%
Slovakia	327	92.6%	26	7.4%	103	60.6%	27	84.4%
Romania	201	96.6%	7	3.4%	125	83.9%	6	85.7%
Croatia	107	83.6%	21	16.4%	228	100.0%	21	100.0%
Serbia	61	100.0%	0	0.0%	41	95.3%	0	0.0%
Other	60	0.0%	0	0.0%	38	66.7%	0	0.0%

## 3.4 TALENT ATTRACTION AND RETENTION

GRI 3-3, 401-1, 404-1, 404-2, 404-3

Investing in our employees is critical to the present and future success of our business. Our focus lies therefore on the continuing professional development of our employees to provide them with the expertise they need to make successful contributions to Erste Group's vision of the future. To strengthen our position as an attractive employer we highlight education and employer branding & recruiting as key priority areas.

## Impacts, risks and opportunities

Demographic transformation and changing values have resulted in an extremely tight labour market in our entire region and we expect it to remain that way for the foreseeable future. For the high-quality financial services we offer, we depend on specialised expertise and experienced staff so we can deliver on our goal of top-level customer satisfaction (see chapter 4.1 'Customer satisfaction'). Staff turnover and quiet quitting harbour operational risks and come with high recruitment and training costs.

Erste Group wants to play a part in shaping tomorrow's banking world. To be able to do that, we need innovative ideas as well as people with commitment, passion, and empathy. Erste Group will be able to harness its full innovative potential only by being an employer that attracts new talent while also proactively investing in leveraging existing employee potential.

## Governance

Responsibility for attracting talent lies with People & Culture, which centrally coordinates all training programmes. The department closely interacts with the business units on the (further) development of training programmes so that educational offers can be matched to their specific needs.

## Targets

Erste Group wants to be perceived as an attractive employer and intends to make further progress in this area year on year. Our two-fold aim is to recruit new talent, from job starters to experienced professionals, all while fostering existing talent among our staff.

At the same time, we give high priority to more efficient recruiting processes. The average time to fill (i.e., the time between when a job requisition is approved and when a job offer is made to the final candidate) decreased from 62 days in 2022 to 60 days in 2023.

## Measures

The measures of Erste Group in the area of talent attraction and retentions are as follows:

### TALENT MANAGEMENT, LEADERSHIP AND COMPETENCE DEVELOPMENT

Erste Group strives to develop the professional and interpersonal skills of its employees and continuously develops and aligns group-wide training programmes for professionals and managers.

Country-specific personalised development and career-building measures are in place with a view to maintaining staff employability. This includes all professional education and development measures which ensure that our staff have the skills and competences they need to face new tasks and challenges. These programmes can be directly accessed and booked through the Learning Management System. Specialised courses are offered covering corporates & markets, finance including controlling, asset/liability management, accounting, and data excellence. The Risk Management College programmes take account of changes in regulatory frameworks and provide training in various areas of risk management. Accessibility has been improved continuously by the large-scale roll-out of digital learning formats.

In 2023, Erste Group's employees completed on average 40.9 hours of professional development (previous year: 32.3 hours) (women 42.2 (34.1) hours and men 38.9 (29.3) hours). Employees in management positions completed an average of 41.2 (43.3) hours of training.

Country-specific personalised development and career-building measures are in place with a view to maintain staff employability. This includes all professional education and development measures which ensure that our staff have the skills and competences they need to face new tasks and challenges. These programmes can be directly accessed and booked through the Learning Management System.

Cooperation with renowned institutions such as IESE Business School, IMD Lausanne, WU Executive Academy in Vienna and Ashridge Executive Education underscore the high quality of the training programmes being offered. Through cooperation agreements with international business schools, Erste Group acquired quotas for education and continued professional development programmes to make available to our management-level staff. It is our aim to take full advantage of the annually budgeted quota and to attain a 100% graduation rate. In 2023, Erste Group succeeded again in fully using the available quota for management training programmes.

## FEEDBACK AND PROFESSIONAL DEVELOPMENT TALKS

Talent management is driven by constructive feedback, a fair and transparent assessment of individual potential, and high-quality development activities in partnership with internationally renowned institutions. Each year, all employees are invited to an employee appraisal interview with their line managers to define goals for the current year and come up with development plans to assist employees in their further personal development. In 2023, appraisal talks were held with 83.6% of all employees of Erste Group, of whom 62.0% were women and 38.0% men; 10.3% were management-level staff and 89.7% employees without management responsibility. In the previous year, this information included only the EGB. Therefore, the previous year's figures are not comparable because figures at Erste Group level for the previous year are not available.

## TRANSITION SUPPORT PROGRAMMES

Erste Group also supports employees who end their careers, change careers, or start their transition into retirement. In Austria, each institution has different measures in place to facilitate retirement from work. This includes various pre-retirement schemes that make it easier for employees to retire (e.g., flexible transition based on part-time work agreements) as well as individual support measures to help staff to regain a foothold in both the internal and the external job market (e.g., applications for jobs in the internal job market, reintegration after lengthy periods of illness, outplacement foundations, or counselling on reorientation in the labour market).

## EMPLOYER BRANDING & RECRUITING

Erste Group offers a wide range of development opportunities in a bid to attract young talent and remain attractive as an employer. The annual Group Graduate Programme for university graduates is designed to attract top international graduates and provide them with fundamental banking and risk management skills over a period of 18 months. The share of women in the current programme cycle is 60% (previous year: 70%). The next Group Graduate Programme is scheduled for autumn 2024.

The initiative launched in the previous year to expand direct sourcing, i.e., directly contacting potential new employees, has proved successful, with a large number of new employees recruited through this channel. We have been able to massively strengthen our employer brand through a variety of partly sponsored campaigns on various social media channels (e.g., LinkedIn, XING, Facebook). In a bid to boost its name recognition and employer credentials, Erste Group also presented itself at various off- and online events, trade fairs, as well as at selected universities.

## Performance indicators

### New hires

2023	Women		Men		Others		<30 years		30-50 years		>50 years	
	Number	in %	Number	in %	Number	in %	Number	in %	Number	in %	Number	in %
<b>Erste Group</b>	<b>3,574</b>	<b>60.8%</b>	<b>2,306</b>	<b>39.2%</b>	<b>1</b>	<b>0.0%</b>	<b>2,801</b>	<b>47.6%</b>	<b>2,738</b>	<b>46.6%</b>	<b>342</b>	<b>5.8%</b>
Austria	1,336	55.6%	1,064	44.3%	1	0.0%	1,385	57.7%	862	35.9%	154	6.4%
thereof EGB	112	43.9%	143	56.1%	0	0.0%	177	69.4%	69	27.1%	9	3.5%
Hungary	282	61.3%	178	38.7%	0	0.0%	181	39.3%	237	51.5%	42	9.1%
Czechia	654	54.5%	547	45.5%	0	0.0%	421	35.1%	699	58.2%	81	6.7%
Slovakia	260	64.7%	142	35.3%	0	0.0%	179	44.5%	202	50.2%	21	5.2%
Romania	446	75.9%	142	24.1%	0	0.0%	316	53.7%	255	43.4%	17	2.9%
Croatia	193	68.2%	90	31.8%	0	0.0%	115	40.6%	164	58.0%	4	1.4%
Serbia	198	79.5%	51	20.5%	0	0.0%	100	40.2%	138	55.4%	11	4.4%
Others	205	69.0%	92	31.0%	0	0.0%	104	35.0%	181	60.9%	12	4.0%

GRI 401-1 a)

The percentages refer to the total number of newly hired employees.

2022	Women		Men		<30 years		30-50 years		>50 years	
	Number	in %	Number	in %	Number	in %	Number	in %	Number	in %
<b>Erste Group</b>	<b>4,162</b>	<b>63.7%</b>	<b>2,372</b>	<b>36.3%</b>	<b>3,208</b>	<b>49.1%</b>	<b>2,958</b>	<b>45.3%</b>	<b>368</b>	<b>5.6%</b>
Austria	1,235	56.2%	961	43.8%	1,213	55.2%	848	38.6%	135	6.1%
thereof EGB	112	44.1%	142	55.9%	154	60.6%	89	35.0%	11	4.3%
Hungary	360	64.3%	200	35.7%	214	38.2%	294	52.5%	52	9.3%
Czechia	1,001	63.3%	580	36.7%	700	44.3%	787	49.8%	94	5.9%
Slovakia	321	70.1%	137	29.9%	226	49.3%	213	46.5%	19	4.1%
Romania	636	75.0%	212	25.0%	481	56.7%	341	40.2%	26	3.1%
Croatia	193	62.1%	118	37.9%	147	47.3%	157	50.5%	7	2.3%
Serbia	210	74.5%	72	25.5%	126	44.7%	137	48.6%	19	6.7%
Others	206	69.1%	92	30.9%	101	33.9%	181	60.7%	16	5.4%

### Employee turnover incl. retirement

2023	Women		Men		Other		<30 years		30-50 years		>50 years	
	Number	in %	Number	in %	Number	in %	Number	in %	Number	in %	Number	in %
<b>Erste Group</b>	<b>3,902</b>	<b>12.9%</b>	<b>2,138</b>	<b>11.7%</b>	<b>0</b>	<b>0.0%</b>	<b>1,858</b>	<b>30.8%</b>	<b>2,860</b>	<b>47.4%</b>	<b>1,322</b>	<b>21.9%</b>
Austria	1,111	11.0%	867	10.0%	0	0.0%	800	40.4%	617	31.2%	561	28.4%
thereof EGB	83	8.7%	88	8.5%	0	0.0%	104	60.8%	47	27.5%	20	11.7%
Hungary	303	13.8%	151	11.6%	0	0.0%	113	24.9%	284	62.6%	57	12.6%
Czechia	1,069	15.6%	532	14.9%	0	0.0%	371	23.2%	910	56.8%	320	20.0%
Slovakia	374	15.2%	144	12.7%	0	0.0%	113	21.8%	263	50.8%	142	27.4%
Romania	484	11.8%	188	13.0%	0	0.0%	270	40.2%	274	40.8%	128	19.0%
Croatia	261	11.4%	125	11.8%	0	0.0%	113	29.3%	219	56.7%	54	14.0%
Serbia	127	13.0%	51	14.5%	0	0.0%	42	23.6%	104	58.4%	32	18.0%
Others	173	13.4%	80	11.4%	0	0.0%	36	14.2%	189	74.7%	28	11.1%

2022	Women		Men		<30 years		30-50 years		>50 years	
	Number	in %	Number	in %	Number	in %	Number	in %	Number	in %
<b>Erste Group</b>	<b>3,958</b>	<b>11.7%</b>	<b>2,075</b>	<b>10.3%</b>	<b>1,791</b>	<b>29.7%</b>	<b>3,144</b>	<b>52.1%</b>	<b>1,098</b>	<b>18.2%</b>
Austria	1,148	10.5%	865	9.2%	762	37.9%	744	37.0%	507	25.2%
thereof EGB	101	9.8%	103	9.3%	97	47.5%	86	42.2%	21	10.3%
Hungary	396	15.9%	214	14.3%	163	26.7%	372	61.0%	75	12.3%
Czechia	927	11.9%	393	10.1%	292	22.1%	785	59.5%	243	18.4%
Slovakia	377	13.1%	118	9.3%	147	29.7%	284	57.4%	64	12.9%
Romania	625	13.3%	217	13.0%	293	34.8%	444	52.7%	105	12.5%
Croatia	151	6.4%	82	7.2%	48	20.6%	156	67.0%	29	12.4%
Serbia	140	12.3%	70	16.5%	39	18.6%	140	66.7%	31	14.8%
Others	194	13.0%	116	14.4%	47	15.2%	219	70.6%	44	14.2%

GRI 401-1 b)

This table presents the number of employees who left Erste Group (including retirement) during the fiscal year. It does not include employees on parental leave, internal transfers within the group, or departing trainees and interns. The employee turnover rate in % is calculated as follows: the number of employees who left the company during the reporting period (12 months) is divided by the average headcount (HC) at the beginning of the year. In 2023, employee turnover at Erste Group (total of men and women) stood at 12.5 % (2022: 11.2%).

The calculation of the indicator was revised, and reporting standardised across the Group. Using the original method (Schülter formula), the indicator would fall from 11.2 in 2022 to 11.1 in 2023. When the harmonised method (BDA formula) is used to calculate the indicator, the fluctuation rate reached 12.4 in 2023.

### AWARDS FOR ERSTE GROUP

Erste Group's efforts to remain an attractive employer for new talent are reflected in a number of awards bestowed upon the bank in the reporting year. In 2023, Erste Group won several Best Employer awards, reflecting its strong position on the employer market.

#### Leading Employers Institute

In a ranking of 40,000 Austrian employers carried out by the Leading Employers Institute, Erste Bank attained the top position in banking and came fourth in the overall ranking.



### **World Best Employers**

In 2023, Forbes Magazine ranked Erste Group as number 47 in the 'World's Best Employers' category (2022: number 103).

### **Universum Ranking**

The Universum platform (which focuses on employer attractiveness for students) ranks Erste Bank und Sparkasse among the top ten companies for business students (number one in the industry) for the first time, a year-on-year improvement by seven places to number nine.

### **Quality Award**

Erste Bank und Sparkasse also scored among the top ten of 200 businesses in Austria in the Quality Awards evaluated by Market Institut.

### **Top Company Label**

'kununu', an Austrian employer rating platform, awarded Erste Bank the Top Company label, currently the most widely known employer label in Austria (with a current top score of 4.1% and a recommendation rate of 83%).

### **Top Apprenticeship Provider**

Recognising role-model companies providing apprenticeship training, the Austrian Federal Economic Chamber (WKÖ) awarded Erste Bank the Vienna Quality Label as a Top Apprenticeship Provider. Erste Bank was also honoured by uniforce Consulting as number one for offering the best apprenticeship training in Austria.

### **Top Employer in Austria 2023**

With a score of 8.01, Erste Bank won first place as the best employer in the Austrian banking and financial services industry in 2023. Data were sourced from the Trend magazine's 2023 ranking of top employers in Austria, the statistics platform Statista, the employer rating platform kununu and Xing.

### **Best Recruiters Award**

In addition, Erste came top in the Best Recruiters Gold Awards in the banking and financial services industry in Austria.

## **4. Our customers**

By acting with a strong sense of responsibility, transparency and reliability, we support our customers as they make important financial decisions and offer an excellent customer experience across all channels. Our unique local branch network combined with Erste Group's supraregional expertise enables us to serve our customers with close attention to their individual needs. We see ourselves as a strong partner for our customers and are proud of being able to offer a wide portfolio of services and customised solutions.

Our strength and our good reputation are rooted to a large extent in the trust which many long-standing customers place in us. To be able to live up to their expectations in the future, we are constantly working on improving customer satisfaction, all while optimising our security measures, especially in view of the wider digital transformation. In this process, the protection of data and personal information is a fundamental requirement.

### **4.1 DATA SECURITY**

GRI 3-3, 418-1

The data of Erste Group's customers are protected at all times and are therefore subject a particularly high standard of security. At European Union level, data privacy requirements are defined by the General Data Protection Regulation (GDPR), which we have fully implemented.

## Impacts, risks and opportunities

Any loss of customer data may have a negative impact, first and foremost on the customers affected. Examples of this include in identity theft, fraud and, financial loss. Successful attacks on Erste Group's IT system may lead to data loss, business interruption, and may even result in legal consequences. Inadequate reliability in this regard also poses a risk to the reputation of Erste Group and, in the long-term, may adversely affect both customer retention and our ability to win new customers. Data security represents a key pillar of sustained success in banking.

## Governance

By continuously sharing information and best practices across all markets, the Group Data Protection Officer (DPO), who reports to the Chief Risk Officer (CRO), ensures a consistently high level of data protection throughout Erste Group.

To ensure data protection governance, binding standards have been rolled out to and implemented by Group members. The relevant policies are named under the "Measures" below.

In addition, the Data Protection Officer carries out monitoring measures as required under Article 39 of the GDPR, both at the local and international levels.

## Targets

Our aim is to not only maintain the high level of security Erste Group has so far achieved, but also to implement additional technical and organisational measures in response to mounting challenges in order to preserve our customers' trust as developments within the field of digitalisation continue.

## Measures

### STRATEGIES & POLICIES

The Group Security Strategy, approved by the management board, defines, strategic goals, with respect to regulatory standards. The Group Security Strategy supports business units and IT with security related activities and challenges . In addition, it paves the way for future developments in areas such as quantum computing, artificial intelligence and the metaverse. The progress towards attaining the defined strategic goals is regularly evaluated by Objective & Key Results (OKR).

Organisationally, a large number of security policies and procedures govern security-related requirements and controls for systems, infrastructure and employees. Compliance with these policies is mandatory for Erste Bank Oesterreich, Erste Group Bank AG, their security relevant entities as well as all subsidiaries of Erste Group in CEE. Any non-compliance is recorded in a Security Maturity Assessment that currently has about 230 controls. The progress of the defined mitigation measures are regularly evaluated. The results of the 20 most significant controls are regularly reported to all relevant board members in Erste Group.

The following mandatory requirements to ensure data protection governance have been rolled out to and implemented by Group members:

#### **Data Protection Policy**

The Data Protection Policy defines minimum data protection standards. It provides definitions and specifications and defines activities along with the related functions and responsibilities.

#### **Data Controller Responsibility Procedure**

The Data Controller Responsibility Procedure aims to provide adequate protection of all personal data and information assets to meet regulatory and business requirements in data processing. The standards call for data privacy by design and by default, records of processing activities, technical and organisational security requirements (including data secrecy), response to data breaches, a data

protection impact assessment and awareness and training programmes. 94.3% of the employees have completed relevant training in this field.

#### **Data Protection Officer Procedure**

The Data Protection Officer Procedure comprises more detailed provisions governing tasks and other legal functions relating to data protection.

#### **Data Processing Legitimacy Procedure**

The Data Processing Legitimacy Procedure lays down the basic principles for data processing, including data transfer and storage limitation. Standards comprise, among other things, key prerequisites for processing personal data, commissioning of processors, data transfer to third countries or international organisations as well as time limits for the storage and deletion of data.

#### **Transparency and Data Subjects Rights Procedure**

The Transparency and Data Subjects Rights Procedure defines the functions and conditions relating to data processing transparency and the rights of the persons affected.

### **SYSTEMS AND STANDARDS**

The data security measures established by Erste Group correspond to current standards. Technically, Erste Group has a variety of defence mechanisms in place, from the network to the application level. We use a variety of systems and technologies to identify and prevent data loss, such as intrusion preventions and a data leak prevention system .

Based on the European EN 50600 standard for the protection of IT infrastructure in data centres, cyber-physical security applies additional internal rules for protecting objects and assets. This standard addresses requirements for the planning, construction and operation of data centres and cloud infrastructures. Outsourcing of information and communication technology (ICT) of Erste Group's IT is certified in accordance with the international standard ISO 27001.

### **TRAINING**

All employees of Erste Group receive annual mandatory security trainings with the same uniform requirements. In 2023, the completion rate was 89,3%. Also our cooperation partners are contractually committed to fulfill these requirements.

### **TRANSPARENCY TOWARDS CUSTOMERS**

To earn trust, you need to ensure transparency: Erste Group puts great emphasis on providing customers with clear and understandable information about how their personal data are being processed. Where necessary, we obtain prior consent to the processing of personal data.

### **Performance indicators**

An internal message chain will be activated if, despite all our precautionary measures, a data breach (loss, modification or unauthorised transmission of personal data or unauthorised access to personal data) does occur. All internal and external reports are centrally collected and evaluated. A report will be filed with the responsible data protection authority if, based on our evaluation, we come to the conclusion that the data breach compromises the rights and freedoms of any natural persons affected.

In 2023, 15 data breach reports were submitted to the relevant data protection authority (none of which were for Erste Group Bank AG). Should a data breach result in a high level of risk to the personal rights and freedoms of any natural persons affected, they will also be notified. In 2023, 6 such notifications were issued (none of which were for Erste Group Bank AG).

## 4.2 CUSTOMER SATISFACTION

GRI 3-3

We can maintain our competitive edge and achieve long-term success only if our customers place their trust in us and are satisfied with our products and services. This is why we are striving to continuously improve on the quality, relevance and accessibility of our services.

### Impacts, risks and opportunities

Customer satisfaction is a key prerequisite for our profitability. An unsuitable portfolio of products and services and poor customer service may result in customer dissatisfaction and therefore poses an economic risk. If we fail to adequately address these risks, we jeopardise the long-term success of our business. On the other hand, high levels of customer satisfaction result in customer loyalty, which in turn is reflected in an ever-growing customer base, resulting in market leadership.

### Governance

The responsibility for assessing and overseeing customer satisfaction lies with the department of Group Customer Experience, which is part of Group Brand Management & Communications, which in turn reports to the CEO. The Chief Retail Officer and the Chief Corporates and Markets Officer are responsible for goal achievement.

### Target

Erste Group has set itself the goal of remaining or becoming, in each single market in which it operates, the market leader in customer satisfaction as measured by the CXI.

### Measures

To be better able to cater to a broad variety of customer requirements and provide customer-centric advice, we have taken specific steps to address customer satisfaction in areas such as in digital banking, in the branches, in the Contact Centre, in product design as well as in sales.

Moreover, we can rely on our Customer Experience Framework to obtain feedback on customers' interactions with the bank, a valuable input to inform work on further improving Erste Group's products and services.

### DIGITAL BANKING

Digital banking has become the new norm. At Erste Group, our digital platform 'George' serves as a key component of our strategy. First implemented in 2015 in Austria, 'George' was subsequently rolled out to our local entities in Czechia, Slovakia, Romania, Croatia, and Hungary. In Serbia roll-out preparations will start in 2024.

To provide our corporate clients with a superior digital banking experience, we also developed 'George Business', which was successfully implemented in 2022 within Austria. By the end of 2023, George Business was expanded to Romania and plans are already underway for its launch in Czechia in 2024, with subsequent rollouts planned in the rest of our subsidiaries.

In 2023, George saw a growth in private customer use to over 9.5 million. As a starter, George Business has already attracted more than 13,000 corporate clients, of which 1000 are 'new to the platform'. 2023 also saw incredible new functions, such as 'George Junior' (a platform for parents and children) successfully implemented in Romania.

Our vision for the future is ambitious, as we want to build the 'Next Generation of Banking'. This vision focuses on key principles of our customer experience through our digital platform being as relevant and personalised as what they would otherwise experience in any of our excellent branches. Integrating the strong physical presence of our top consultants and advisors with our digital platform 'George' will be what differentiates us from other companies.

## **BRANCHES**

Direct contact with customers through branches remains a key element of customer satisfaction, especially for more complex customer needs. Branch interiors and infrastructures are being upgraded to enable customers to handle their banking business in the branches quickly and easily. In doing so, Erste Group relies on a group-wide branch concept featuring new technologies (e.g. video walls, digital onboarding in George) and allows more space for person-to-person consultation. At year-end 2023, more than 400 branches operated under this new concept in Erste Group's core markets. In updating infrastructure, special focus is being placed on a barrier-free environment and ease of access.

## **BARRIER-FREE ACCESS**

In addition to barrier-free access for the blind and visually impaired (e.g. cash dispensers equipped to provide audio instructions), Erste Group also offers a variety of functions on George, its digital platform, including zoom, contrast adjustment, extra-large fonts, and speech output. The barrier-free functions were developed in cooperation with blind persons and persons with a variety of visual impairments. In addition, Erste Group is preparing for the Accessibility Act (Barrierefreiheitsgesetz) due to enter into force in June 2025. In 2023, a pilot study was conducted, the results of which were made available across the group. Plans for 2024 provide for the implementation of numerous measures to ensure barrier-free access to our products and services. The focus will lie in particular on the digital accessibility of our platforms, the level of language used in our texts, the adaptation of internal processes and awareness-building among our employees. Measures will be rolled out in consultation with the ErsteABILITY employee network as well as ombudspersons for the disabled, with group-wide coordination.

## **CONTACT CENTER**

Erste Group's Contact Center is the first port of call for instant customer support. It is available 24/7 and can be contacted by telephone, e-mail or chat. Trained employees not only answer questions regarding products and services and assist users with the operation of self-service terminals, but also help potential customers navigate digital product acquisition processes. If necessary, they also handle customer complaints or respond to emergencies such as requests to block credit cards and debit cards. If permitted under applicable regulations, the Contact Centre will also provide assistance with end-to-end digital banking services, such as unsecured loans, insurance, credit cards or online banking.

## **PRODUCT DESIGN AND CONSULTATION**

The development and approval of new products and services is based on a structured process which is informed by strategic goals (identified customer needs and market opportunities) and guarantees comprehensive quality assurance. Products and services are designed for flexibility, life-cycle changes, simplicity, security, transparency and ease of use.

Erste Group's approach to consulting also reflects its focus on the financial health of its customers. In Austria, Czechia, Slovakia and Romania technology-aided consultation processes have been launched which are designed to provide customers with a general overview of their financial situation and to enable them to set themselves financial goals and take the best possible decisions for their future. In 2023, more than two million customers completed consultation sessions in which these tools were used. Such consultation processes are planned for roll-out also in Hungary, Croatia and Serbia.

This approach to consultation is supported by a remuneration system for front-office staff that emphasises quality criteria such as quality of customer relationships and active use of digital channels rather than sales-driven targets.

## Performance indicators

### CUSTOMER EXPERIENCE INDEX

As a profit-driven enterprise, Erste Group has a strong interest in its customers' future behaviour and loyalty to the bank. The CXI is an index that measures such loyalty and is derived from the evaluation of satisfaction ratings, referrals, the readiness to switch to another bank, customer effort scores and the repurchase rate of the main customers of the individual banks.

It therefore reflects all conscious and unconscious experiences and decisions that our customers make with our bank over the course of their lives and that have an impact on our customers' relations with Erste Group.

### MEASURING CUSTOMER SATISFACTION

The Customer Experience Index (CXI) is determined by Group Customer Experience, which is part of Group Brand Management & Communications, which in turn reports to the CEO.

In the retail segment, a representative survey called the Banking Market Monitor is carried out on a quarterly basis. 2,400 telephone interviews (with customers and non-customers) are conducted annually across Erste Group's markets.

In the corporate customer segment, an extensive survey with at least 1,500 companies per country is carried out once a year.

These analyses are conducted by an external market research institute and provide data for a performance comparison both within Erste Group and with its most important competitors.

Based on these surveys, our customer relations are rated in five categories (advocate, loyal, simply satisfied, non-engaged and dissatisfied) and successful improvement of customer service is measured using the CXI (Customer Experience Index).

Based on these categories we calculate the CXI as follows:

$\% \text{ advocates} + \% \text{ loyal customers} + 0.5\% \text{ simply satisfied} - \% \text{ non-engaged} - \% \text{ dissatisfied}$ . The CXI rating therefore ranges on a scale from -100 to +100.

This value is put in relation to the top three competitors in each country and in each segment and is then used to identify the strengths and weaknesses of the local banks as compared to the market leaders.

	<b>% Dissatisfied</b> Satisfaction 0-4	<b>% Not engaged</b> Satisfaction 5-6	<b>% Simply satisfied</b> Satisfaction 7-10	<b>% Loyal</b> Simply satisfied and Repurchase 9-10 Bank change 0-1	<b>% Advocates</b> Loyal and Recommendation 10 Effort 10
Vs. competition	Clear competitive disadvantage	Competitive disadvantage	No advantage or disadvantage	Clear competitive advantage	Clear competitive advantage
Likely behavior	Likely to change bank as soon as they can	Likely to look for better offers and change bank	Leave easily even for slightly better offer	Likely to repurchase even pays some price premium	Likely to recommend to friends and family
Target	Optimize		Neutral	Maximize	

The CXI is of great relevance for Erste Group as it is also used as input in the bonus assessment for members of the management board of Erste Group, local banks and all employees.

Targets for bonus evaluation purposes are set jointly by Group People & Culture, Group Customer Experience and relevant business lines.

## Development of CXI

	PI		Micro		SME		Total	
	Difference in relation to the top 3 competitors		Difference in relation to the top 3 competitors		Difference in relation to the top 3 competitors		Difference in relation to the top 3 competitors	
	2023	2022	2023	2022	2023	2022	2023	2022
Erste Group	2.7	2.9	-0.4	-3.7	1.5	1.9	2.0	1.6
Erste Bank Oesterreich	15.4	11.9	3.3	4.0	-2.5	-2.3	9.7	6.9
Erste Bank Hungary	6.4	3.9	-1.5	3.5	0.6	3.2	4.5	3.7
Česká spořitelna	-2.1	0.2	-9.8	-20.8	5.4	6.2	-2.4	-2.8
Slovenská sporiteľňa	1.9	0.8	7.7	4.4	5.4	5.3	2.7	1.8
Banca Comercială Română	-0.5	0.9	1.2	-1.2	-3.3	-3.9	-0.5	-0.2
Erste Bank Croatia	13.6	13.4	2.2	5.2	8.2	7.3	10.2	10.5
Erste Bank Serbia	3.3	3.1	-6.9	0.9	-7.6	-2.5	-1.0	1.4

number 1 in the respective market

The table shows the relative difference to the Top 3 competitors in the market and the ranking of the bank in the respective market.

In 2023, Erste Group succeeded again overall in maintaining the excellent customer satisfaction ratings of the previous year.

### CXI Privates

In the segment of private customers, Erste Bank Oesterreich and Erste Bank Croatia attained the best scores in their respective markets. All banks in all markets are stable compared to the competition (within the standard deviation). Erste Bank Oesterreich reported even better values compared to the Top 3 banks in the market.

### CXI Micro Segment

In the Micro Segment, improvements were seen in the results of Ceska Sporitelna and Slovenska Sporitelna compared to the Top 3 competitors. Slovenska Sporitelna and Banca Comerciala Romana rose to the top of their respective markets.

Erste Bank Croatia, Erste Bank Hungary and Erste Bank Serbia decreased in relation to the local Top 3 banks and the development of Erste Bank Oesterreich remains stable.

### CXI SME Segment

In the SME segment, Ceska Sporitelna, Erste Bank Croatia and Slovenska Sporitelna reached the top position in their markets. The development of all banks in that segment is stable compared to the Top 3 competition – except Erste Bank Serbia which recorded losses.

## 5. Financial inclusion and capacity building

Erste Group's commitment to society has never been limited to business activities alone. We support institutions, initiatives, and projects as well as communities in social, arts and culture, education, sports, and ecological activities in all core markets by providing not only funding but frequently also staff and expertise. We regard financial education, access to banking products disadvantaged groups, community involvement and volunteering as areas where we can generate a significant positive impact on society.

As needs and interests vary across Erste Group's markets, depending on local circumstances, specific project sponsorships and initiatives are determined and managed locally. The guiding principle is to support personal development and help people to meet their social and cultural needs.

## 5.1 ACCESS TO BANKING PRODUCTS FOR DISADVANTAGED GROUPS

GRI 3-3

More than 14 million people in Erste Group's core markets are still at risk of poverty or social exclusion and, even today, some segments of the population do not have access to basic financial services. The cost of living is on the rise in the region, and affordable housing is becoming harder to find. These developments present a danger to inclusive and socially sustainable societies and drive economic disparity.

### Impacts, risks and opportunities

The decline in social stability and economic development presents a risk to our business model, which depends on these very factors to succeed. By making basic financial products available to disadvantaged groups, Erste Group's social banking contributes to fighting poverty and increasing prosperity. For us, financial inclusion is not only a matter of evolution, but also contributes to the stability of the financial system.

Assuming societal and social responsibility is in line with Erste Group's strategy. Opportunities include the potential for building a loyal and prosperous customer base as well as benefits from a positive image transfer to the brand, increasing the brand's emotional appeal as well as employee identification with the brand.

### Governance

Overall responsibility for providing access to banking products to financially disadvantaged groups lies with the Group ESG Office and Group Social Banking, which report to the CEO. Responsibility for the Austrian market lies with the CEO of Erste Bank Osterreich, including, among other things, the microfinance programme.

In addition, Erste Group Bank AG (shareholder at 49%) has together with ERSTE Stiftung (shareholder at 51%) an investment in Erste Social Finance Holding. Our employees are involved in the development of new initiatives and projects to facilitate access to banking products for disadvantaged groups on an ongoing basis via their respective representatives (employees' council) and Group Brand Management & Communication.

### Targets

Four targets have been implemented to attain our aim of promoting social cohesion in Austria and the CEE countries:

Metric		Targets							
		Baseline		Actual		short term		medium term	
		Year	Value	Year	Value	Year	Target	Year	Target
Affordable housing	# of built housing units (cumulative)	-	-	2023	872	2025	2,200	2030	10,000
Social banking financing	in EUR million, cumulative	2017	115	2023	585	2025	650	2030	1,000
Financial literacy participants <sup>1</sup>	# in thousand, cumulative	2017	7	2023	65	2025	-	2030	80
Job creation and retention	# in thousand, cumulative	2017	20	2023	99	2025	-	2030	200

<sup>1</sup> The target shows the total number of persons participating in educational activities organised or initiated by Group Social Banking.

Goal achievement may be jeopardised over the medium term if the amount of bad loans substantially exceeds expected and reasonable levels. A special Group Social Banking Risk Policy therefore sets out the key requirements for managing credit risk related to social banking at Erste Group. This policy applies to social banking activities concerning private individuals, micros, and new entrepreneurs, social organisations, and special social projects. It provides a framework adapted to local needs and local legal regulations.



In a bid to reduce the risk related to the funding of social organisations, Erste Group Social Banking claimed the portfolio guarantee provided under the EU Programme for Employment and Social Innovation (EaSI), which expired at year-end 2022. To be able to keep offering preferential terms and loans to social entrepreneurs and new entrepreneurs, Erste Group Social Banking obtained in 2023 a new portfolio guarantee from the European Investment Fund (EIF) under the InvestEU programme in the total amount of about EUR 66 million (of which 80% is covered by the EIF).

## Measures

Erste Group's social banking initiatives focus on financially excluded or vulnerable individuals (people at risk of poverty or social exclusion), start-ups, micro-entrepreneurs, and social organisations (the non-profit sector, non-governmental organisations, and social enterprises), offering them fair access to financial products, sound financial advice, as well as business training and mentoring.

The outcomes of Erste Group's social banking activities are measured as part of regular impact assessments. This is done based on output data such as the number of newly created jobs, the number of participants in educational activities and supplemented with the results of anonymous customers surveys. In 2023, social banking funding resulted in the creation or preservation of a total of approximately 14,000 jobs complying with EU standards. Of the 1,190 social banking customers questioned, 67% reported that they had been able to improve their economic situation by working with Erste Group. 95% of those who had been in financial difficulties and were served by us said that they were now able to meet their periodic payment obligations in a timely manner.

In 2023, Erste Group Bank was honoured by Euromoney Magazine as 'CEE's best bank for corporate responsibility', primarily for its social banking activities.

### ZWEITE SPARKASSE

Since its foundation in 2006, Zweite Sparkasse has helped a total of 23,740 people in financial difficulty in Austria and currently serves 7,813 customers. To relieve the cost pressure experienced by vulnerable groups, Zweite Sparkasse is offering a finance product it developed in collaboration with its network of social organisations, which covers rent deposits, basic home furnishings and equipment for vulnerable groups. 2023 saw the launch of the Payment Plan Box designed to support customers in meeting payment plans under debt settlement procedures as well as the creation of gambling blocks for debit cards.

### DEBT COUNSELLING IN SLOVAKIA

To date, Slovenská sporiteľňa's Social Banking has assisted 1,266 low-income customers in taking control of their debts and improving their household financing management skills. 91% of Slovaks questioned as part of the 2023 Impact Assessment said that because of the support they received from Social Banking they now worry less about their financial situation.

### AFFORDABLE HOUSING INITIATIVE

Making affordable housing available is fraught with an increasing number of challenges. Young people and lower-income groups fail to earn enough to be able to afford adequate housing despite having a paid job. The 'Affordable Housing in CEE' initiative has set itself the goal of advancing this market in all core markets in line with our financial health concept, based on the well-established practices in Austria and Western Europe. The aim is to develop projects with rents that are typically around 15-20% below the respective market. In view of the challenges in the real estate market in CEE, the strategic decision was made at the beginning of 2024 to adjust the goal of building 15,000 affordable residential units originally set for 2030 to 10,000. The legal framework for affordable housing is understood by Erste Group to be the basis for investments in this sector. However, in some markets, this legal framework is missing.

Czechia is the most advanced and is currently working on 6 projects with almost 700 residential units in various stages of development. The plan is to launch further projects with around 300 residential units by the end of 2024. By summer 2024, it is also expected that the first legal regulation on 'affordable housing' will be introduced, accompanied by numerous government measures.

In addition, Erste Group Social Banking has launched various initiatives to generate as much support as possible for the people affected and therefore strengthen their independence. In Vienna, for example, Erste Bank Social Banking covers the cost of affordable housing provided by the partner organizations Neunerhaus, Volkshilfe and other organizations.

In Slovakia, a special programme was launched in 2018 to help socially marginalised individuals and communities (primarily members of the Roma ethnic minority) to finance and build suitable family homes on their own. By year-end 2023, a total of 59 houses had been built, creating homes for 224 people.

## **MICROFINANCE PROGRAMME AND START-UP FINANCING**

It is not only socially marginalised groups who may be faced with financial problems – the same holds for entrepreneurs as well. One of the most difficult tasks for new entrepreneurs is raising finance to start their business. Small entrepreneurs provide not only income for themselves and their families, but often create new jobs in their communities when they expand their business operations. Erste Group offers access to start-up micro loans, business training, e-learning tools, mentoring sessions and networking to these customers.

In Austria, the microfinance programme offered by Erste Bank Oesterreich and the Austrian Federal Ministry of Social Affairs, Health, Care and Consumer Protection provides support mainly to unemployed and financially vulnerable individuals who intend to set up a business of their own and have either limited access or no access at all to start-up financing. The microcredit programme helped to start and support hundreds of new businesses. With help from the European Investment Fund, a similar initiative had been launched in the previous year for displaced persons from Ukraine planning to set up a business of their own and gain a foothold in Austria. In alignment with the current EU Temporary Protection Directive (temporary protection for displaced persons), microloans are being offered to displaced persons from Ukraine.

The associate BCR Social Finance IFN was established in 2009 as an enterprise with a social inclusion mission that reinvests any profits it makes back into its operations. It provides microfinance products to micro-businesses, small agricultural producers, and freelancers in Romania. In 2023, BCR Social Finance granted about 1,700 loans to Romanian micro-entrepreneurs, paying out a total EUR 24.3 million.

BCR supports the resumption of the Start-up Nation programme created by the Romanian government. This programme provides non-repayable grants to encourage the formation of new enterprises. BCR offers customers eligible for support pre-financing as well as co-financing loans. In the same way, BCR also supports the Woman Manager programme, which assists start-ups that are founded and managed by women (at least one shareholder must be a woman and she should hold at least a 50% interest in the business).

Overall, Erste Group's Social Banking extended microcredits and loans to new entrepreneurs with a total volume of EUR 89.6 million in 2023. 34% of those questioned as part of the 2023 Impact Assessment said that they would not have started their business without the finance provided by Erste Group's Social Banking.

## **FINANCING EDUCATION IN ROMANIA**

BCR Social Finance offers financial support to small and medium-sized enterprises to encourage them to invest in the training and continuing professional development of their workforce and thus increase their competitiveness. In addition, it provides financing to educational organisations and, under its new Study UP education finance programme, grants education loans to students as well as to other individuals to help them fund training or upgrading of their skills. For finance of this type, BCR Social Finance relies on a guarantee from the European Investment Fund. To date, 160 people were supported and education finance to the amount of EUR 300,000 was paid out in Romania.

## **SUPPORT FOR SOCIAL ORGANISATIONS**

Erste Group's social banking experts and mentors offer professional advice and financial solutions to support NGOs and social enterprises. For these customers, Erste Group offers working capital loans, bridging loans and investment loans. Since 2022, ERSTE Foundation has been providing Erste Group Social Banking with a guarantee which enables the bank to also finance social organisations that are not covered by EIF guarantees.

Overall, Erste Group provided finance in the total amount of EUR 31.7 million in 2023. 68% of the social organisations surveyed as part of the 2023 Impact Assessment said that thanks to the support they received from Social Banking, they were now better placed to fulfil their mission.

In 2023, Erste Social Finance EGB again offered quasi-equity for the social sector and sustainable enterprises. Quasi-equity is provided in the form of a qualified subordinated loan, which contributes to strengthening customers' equity positions, enabling them to grow and expand their social impact. Quasi-equity is made available to social enterprises, non-profit and non-governmental organisations in Austria, Czechia, Slovakia, Serbia, Croatia, and Romania. In addition, support is provided in the form of free non-financial support, such as bespoke counselling, mentoring, training and technical support for social and sustainable entrepreneurs. These non-financial services are greatly appreciated by the participants. 72% of social organisations surveyed as part of the Impact Assessment said that participation in non-financial support activities had strengthened the skills and expertise of their employees.

## STAND WITH UKRAINE

The Stand with Ukraine movement provided us with an opportunity to demonstrate how seriously we take our responsibility to give all people in the region access to basic financial products and provide support in times of extreme need. Erste Group's multi-faceted cross-border activities include the provision of humanitarian aid, the establishment of a day centre in Vienna as well as services such as accounts and social banking. For these efforts, Erste Group, along with Caritas der Erzdiözese Wien, was awarded first place in the 2023 Wirtschaft Hilft (business helps) Awards in the 'large enterprises' category.

## Performance indicators

### Social banking financing

	2023	2022	2021	2020	2019	2018	till 2018
New Social Banking financing in EUR million	121.3	49.8	39.8	52.3	120.8	85.7	115.3
New Social Banking financing in number of new clients	4,074	1,270	1,159	1,357	3,231	2,500	6,433
Microfinance and start-up finance in EUR million	89.6	26.4	24.0	38.0	91.0	68.7	64.9
Microfinance and start-up finance in number of new clients	3,864	1,087	1,018	1,259	3,108	2,317	7,211
Social organisation finance in EUR million	31.7	23.4	15.8	14.3	29.8	17.0	29.9
Social organisation finance in number of new clients	210	183	141	98	123	183	277
Number of supported private clients in financial difficulties (cumulative)	25,006	23,440	22,288	21,240	19,433	-	-
Number of financial education participants	17,499	13,323	6,679	4,372	9,811	6,349	7,311
Number of preserved and created jobs (cumulative)	99,438	-	77,536	-	44,897	-	-

This table includes also the activities of the associates Erste Social Finance Holding und BCR Social Finance.

## 5.2 FINANCIAL EDUCATION

GRI 3-3

In line with its corporate goal of creating and securing prosperity, Erste Group is involved in a wide variety of financial education activities, helping people of all ages to acquire the skills and abilities they need. In accordance with the recommendation of the Organisation for Economic Cooperation and Development (OECD) that financial education should start as early as possible, Erste Group places particular emphasis on financial education projects for children and young people. Erste Group helps young people to acquire the confidence they need to actively participate in economic life and to understand how the financial system works.

### Impacts, risks and opportunities

Financial literacy is essential for creating equal opportunities, economic well-being, and social inclusion. Conversely, a lack of financial literacy may limit what people are able to achieve in life. By participating in financial education and financial literacy initiatives and projects in all our core markets, Erste Group makes a valuable contribution to preventing poverty and fostering a strong and stable financial system.

Customers who lack sufficient financial literacy are more likely to be exposed to financial risks that may lead to losses both for the customers and the bank. Improving financial literacy enables customers to make better investment and financial decisions. Customers having more confidence in their own financial decisions also means fewer complaints and higher customer satisfaction ratings.

## Governance

FLiP (Financial Life Park) is responsible for the business and financial education strategy. The owner of FLiP is Erste Social Finance Holding, which is 51% owned by ERSTE Stiftung and 49% by Erste Group Bank AG. The premises of FLiP at the Erste Campus in Vienna are provided free of charge by Erste Bank Oesterreich. As needs and interests vary across Erste Group's markets, depending on local circumstances, specific projects and initiatives for financial education are determined and managed by the respective local management boards and supervisory boards.

## Targets

Our goal is to offer our customers financial education with a sustained effect.

## Measures and performance indicators

Erste Group's financial education efforts are geared primarily towards offering increased scalability while maintaining or even raising existing quality levels. For this reason, Erste Group subjects its financial education projects to constant evaluation and makes continuous efforts to identify potential for improvement for the various projects in the countries of the region.

### FLiP

FLiP is a financial education project that offers a broad range of options aiming to promote personal responsibility, counteract over-indebtedness and thus prevent poverty. FLiP guided tours make the importance of finance for people's personal lives tangible. Since FLiP opened its doors in October 2016, more than 80,000 visitors from all types of schools and age groups have taken part in the interactive tours offered in Vienna. Supported by Erste Bank Oesterreich and the regional savings banks, FLiP2Go, the mobile version of FLiP launched in April 2019, has attracted more than 35,000 visitors on its tour across all of Austria.

Demand for FLiP Challenges kept growing in 2023. Under the overarching theme of 'Geld im Griff' (Take Control of Your Money), FLiP has partnered up with the NGO The Connection to develop teaching resources to be used in German-language courses for young people with a migrant background with the aim of building financial, consumer and language skills. In summer 2023, FLiP held workshops for children up to the age of twelve at the Junge Uni (Young University) of Danube University Krems and at Kinderuni-Wien (the Vienna Children's University). Since its inception, the financial education that FLiP offers have reached more than 300,000, mainly children and young people. 2023 saw the launch of the 'FLiP to Metaverse' project: partnering with IBM iX, FLiP is creating a virtual financial education escape room, with a prototype (MVP – minimum viable product) scheduled for the first quarter of 2024.

### MONEY SCHOOL

Banca Comercială Română continued its Money School programme in 2023, organising both online and offline training courses for over 55,000 participants (children and adults alike). In April, it hosted the national day of financial education, offering young people in Bucharest ideas on how to achieve their future plans by taking informed financial decisions and improving the management of their money. October 2023 was declared the month of financial education, with training events organised for 10,000 participants.

### FINQ

The FinQ programme of Slovenská sporiteľňa is a unique initiative that aims to improve the financial education of students and young people. It offers an innovative, holistic approach to financial education at schools. 2023 is the fourth year that the programme has been implemented. At present, 205 primary and secondary schools from all regions of Slovakia participate and 1,009 teachers were trained in 2023. The number of students tested is estimated to come to approximately 20,000.

### ČSF

Česká spořitelna is the founder of Česká spořitelna Foundation (ČSF) which ranks among the top three corporate foundations in Czechia. It makes the case for societies becoming stronger and more sustainable if they can rely on financially literate and confident

individuals and enterprises. Its main task is to provide active support for skill development in children and young people and to encourage teachers and school administrators to align classroom teaching with a skills-based approach to education. In 2023, the foundation made a sum of more than CZK 110 million available to its partner organisations. The ČSF's proprietary programme called 'Volunteers for Schools', which was launched in 2022 and brings knowledgeable volunteers from the business world together with schools, was continued in 2023. More than 50,000 children have benefited from the programme since its inception (in 2023 more than 30,000 children). Teachers from all regions of Czechia can tap the expertise of more than 1,400 volunteers from a variety of fields.

### **ABC OF MONEY**

Česká spořitelna's 'ABC of Money' initiative is the largest financial education programme in Czechia. The programme is free of charge and targets not only children, parents, and teachers but also older people, who are invited to develop their digital skills. In 2023, 70,000 children at 750 schools and 1,200 older people in Czechia participated in the programme. A similar Ukrainian-language programme was made available for Ukrainian children.

### **EBH SOCIAL BANKING**

Erste Bank Hungary's financial education activities have always been focused on disadvantaged groups in society. Working with its NGO partners, the bank launched two initiatives in 2023 under its Financial Patron Programme, the EBH's umbrella brand for efforts to promote financial literacy. One of these aims to provide financial education to children living under state care. The project reached 400 children, many of which visited the Erste Tower three times in 2023. The second initiative is focused on helping families in need pay off their (non-Erste) loans. 16 EBH employees started working with 20 families from two disadvantaged communities. Overall, more than 4,000 individuals have benefited from EBH's financial education activities since they were first started in 2019.

### **SMART FINANCE SCHOOL**

Erste Bank Croatia is aware of the importance of financial education, especially among children and young people, including students. In 2023, it placed its focus on holding Smart Finance School workshops at primary and secondary schools as well as at student associations. Between year-end 2022 and the end of September 2023, 80 workshops were held, which were attended by around 1,850 participants. At the same time, workshops were also offered to schoolteachers and other staff. Workshops were likewise organised for employees of public and private enterprises in consultation with their respective human resources departments and in line with recommendations given by colleagues working in Erste Bank Croatia's corporate business sector and by SMEs. This way, more than 20 workshops were hosted for slightly more than 350 participants. The bank keeps organising workshops for which registrations can be made online and that are staged either via the MS Teams app or live in the bank branches. From year-end 2022 to the end of September 2023, a total of 130 workshops were conducted with more than 2,500 participants. Overall, more than 13,500 individuals attended School of Smart Finance workshops.

### **#ERSTEZNALI**

Erste Bank Serbia further developed its financial education programme #ErsteZnali, adding new content in 2023. The programme, which also comprises the #ErsteZnali platform providing online financial education to the public at large since 2019, focused on activities for the younger generation in 2021, 2022 and 2023. These included a mobile phone game for 7 to 10-year-olds ('Guardians of the Dragon's Treasure'), Money School – an initiative to promote financial literacy in primary schools organised in cooperation with the Ministry of Education, as well as workshops for young adults and the development of educational content for teachers and students at the secondary level.

## **6. Business ethics**

GRI 2-16, 2-23, 2-24, 2-25, 2-26, 2-27, 3-3, 205-1, 205-3

Ethically correct behaviour is just as important for us as a banking group as it is for our stakeholders. We see this as a basic prerequisite for our entrepreneurial activities and the pursuit of our strategic priorities.

Our Statement of Purpose provides two key questions that must be answered every time a business decision is taken: 'Is it profitable?' and 'Is it legal?'. For Erste Group, this has never been enough. Every employee must consider a 'third question' as well: 'Is it the right thing to do?'.

Building on this Statement of Purpose, our Code of Conduct (which was approved by the management board in 2015 and last updated in 2021) defines binding rules and ethical principles applicable in day-to-day business for employees and members of both the management board and supervisory board. At the same time, the Code of Conduct underlines that in pursuing its business activities, Erste Group values responsibility, respect, and sustainability.

Under the UN Global Compact, we further commit ourselves to meeting our responsibilities regarding human rights, labour standards and the fight against corruption. The principles which are included within our strategy derive from the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the United Nations Convention Against Corruption, amongst others.

## Impacts, risks and opportunities

Unethical behaviour can harm our stakeholders as well as negatively impact Erste Group's corporate value through reputational damage as well as court and criminal proceedings. Non-compliance, and especially incidents of corruption, have the potential to not only undermine the rule of law and the stability of political institutions, but also to be detrimental to the economic, political, and social development of a country. Non-compliance promotes an unequal distribution of both resources and opportunities. Even a suspicion of corruption can lead to drastic financial penalties and a loss of business, while at the same time damaging the reputation of our organisation. Furthermore, members of the management board, senior management, and the supervisory board may be held personally liable. Finally, misconduct can also result in strict disciplinary measures and legal consequences for employees.

Consistently implementing ethical behaviour enables us to make a positive contribution towards continued trust in the financial sector, which has a stabilising impact in both economic and social terms. A high level of ethical integrity translates into a low number of customer complaints and higher customer satisfaction. In addition, we have a range of preventive measures in place to protect our employees on an individual level from inadvertently engaging in potential misconduct.

## Governance

Responsibility for compliance matters - in the event of breaches of ethical behaviour - lies with Group Compliance, which is assigned to the Chief Risk Officer but reports directly to the management board.

## Targets

Zero tolerance is the policy we enforce in respect to any violation of our compliance rules, and we have explicitly set ourselves the goal of having no incidents of bribery and corruption within our corporate structures. In the event of verified violations, disciplinary action is initiated without exception, up to and including termination of employment or dismissal.

## Measures

Our business is based on being a reliable partner and always acting in alignment with the law. Respect, trust, fairness, and integrity are the key principles that guide all our business activities. To achieve this, we rely on a corporate culture characterised by responsibility, on a clear-cut compliance framework and on employees who have the appropriate qualifications. Our focus is on measures designed to prevent money laundering, financial crime, terrorist financing and fraud and to ensure compliance with financial sanctions and embargoes, securities compliance, and good conduct compliance (which also includes conflict of interest, anti-bribery and anti-corruption agendas). We pro-actively provide information to our staff, on the intranet, through training, and through their line managers, thus laying the basis for a shared understanding of values within the Group.

## POLICIES

The Code of Conduct provides the primary guidance for Erste Group's staff and defines binding rules for our day-to-day business. Together with national and international laws and standards, it forms the basis for the compliance management system which ensures conduct in compliance with laws and standards.

A group-wide Policy on Conflicts of Interest and Anti-Bribery & Corruption ensures that everyone in Erste Group is familiar with the most important rules and with the minimum standards – such as key national provisions, e.g., the Austrian Criminal Code, as well as the UK Bribery Act and the US Foreign Corrupt Practices Act (FCPA) – and knows how to apply them. In 2023, the policy was also rolled out to all institutions of the *Haftungsverbund* (cross-guarantee system) and thus became applicable to 90 entities. Another comprehensive update is scheduled for 2024.

We have adopted in-house policies and procedural instructions which are being implemented by our compliance officers for the purposes of conflict-of-interest management. Such policies govern the protection of customer interests and ensure equal treatment of (groups) of persons, the prevention of tangible disadvantages and reputational damage, the handling of confidential information, compliance with the need-to-know principle, as well as the combatting of political interference and unlawful conduct. We refuse to accept or award benefits of any kind that could lead to undue influence or corruption, or that might merely be perceived as such.

## MEMBERSHIPS

Erste Group is a member of Transparency International (TI), and Erste Group's chairman of the supervisory board is a board member of TI. Group Compliance plays an active role in TI working groups, having contributed, for instance, to a booklet on intangible corruption which was published by TI in 2023. Such activities help to keep us in the loop and enable us to make active contributions to the debate on topical issues.

## COMPREHENSIVE TRAINING EFFORTS

Erste Group has introduced a compliance training programme which includes targeted policies, guidelines and training initiatives defining rules and principles for its staff. To ensure compliance with all laws and regulations, policies and processes are continuously evaluated and reviewed across the Group. Compliance training is mandatory for all employees and includes awareness building as well as an introduction to the prevention of compliance risks, including conflicts of interest, corruption, money laundering, and terrorist financing. Specific awareness-building initiatives and training events as well as frequent sharing of information are additional measures implemented in higher-risk business units (e.g., those dealing with large and international clients and public officials, sponsorship, procurement, top management) or in units which support the prevention of conflicts of interest in their controlling capacity (Controlling, People & Culture, Internal Audit, Non-Financial-Risk Management).

Our multilingual e-learning programme on conflicts of interest and anti-corruption, which was introduced across the Group in 2022 and rolled out to further Erste Group entities in 2023, supports the management board, the line management and all staff members to implement our policy in their day-to-day activities. In April 2022, the completion of the e-learning programme was made mandatory for all employees and managers. Furthermore, the e-learning contents were translated into the respective CEE languages in 2022 and 2023, and the programme will be rolled out for implementation on a step-by-step basis to further relevant Erste Group entities (banks and non-banks) in Austria and in the CEE region on the strong recommendation of Group Compliance. By year-end 2023, e-learning has been made mandatory in 15 companies in Austria and in CEE and clearly recommended to a further 75 companies by the Group Compliance.

Group Compliance monitors the e-learning completion rates with support from the department of Group People Development (GPD) which part of Group People & Culture and is locally responsible for the monitoring of the e-learning implementation and escalating in cases of non-completion. According to GPD statistics at the end of 2023 the completion rate varies across entities in Austria and CEE depending on the calculation logic and lies between 60% and 100%.

## COMPLIANCE PROCESSES AND SYSTEMS

The systems we use to monitor money laundering, financial crime and terrorist financing, financial sanctions and embargoes, fraud, data protection, securities compliance and good conduct compliance are subject to ongoing critical review and, where necessary, improvement.

## **ERSTE INTEGRITY PLATFORM - WHISTLEBLOWING (2022: ERSTE INTEGRITY LINE)**

Erste Group is legally required to offer its staff a mechanism for reporting incidents of non-compliance. Erste Integrity – the in-house reporting office – is a cornerstone of the programme. It is the contact point for employees to report suspicious incidents or ask questions about what actions might constitute non-compliance. Erste Integrity reviews all reports submitted to it in line with a standardised process. The Whistleblowing Committee then decides on the further steps to take in each individual case. The further processing of such reports is confidential and subject to the need-to-know principle. All reports are appropriately investigated, and the necessary measures are taken as and when required. The Erste Integrity policy defines protective arrangements and key parameters for whistleblowers, including protection of anonymity, protection of persons involved, and protection against false accusations.

## **MIFID INVESTOR PROTECTION**

Financial markets are based to a large extent on mutual trust existing between market participants. Success in the banking business requires relationships between customers, banks, and staff to be characterised by fairness, solidarity, and mutual trust. As a service provider, Erste Group pays special attention to the interests of its customers. Under its zero-tolerance approach, Erste Group expects its employees to show integrity and commitment, with customer interests taking precedence over those of Erste Group itself and its staff. Erste Group takes extensive measures to ensure that employees avoid any questionable behaviour, interlocking interests or dependencies that could compromise their free decision to act in the best interests of the customers.

Erste Group has established comprehensive principles to regulate the execution of transactions in financial instruments in order to guarantee a high level of quality in the execution of transactions and to safeguard the integrity of the financial system. Group Compliance monitors and evaluates the established policies and procedures, as well as the actions taken to address any deficiencies in compliance, with regard to the provisions of the Austrian Securities Supervision Act 2018 (WAG 2018) and the EU Delegated Regulation on Investor Protection. These policies and procedures are designed to detect any potential failure to comply with the defined obligations, as well as the associated risks. In particular, the measures and procedures are intended to minimise risks. The policies, procedures, controls, and measures are assessed for adequacy and effectiveness on a regular basis to allow action to be taken to address any deficiencies.

The competent Compliance units have to perform regular risk-based monitoring to ensure that the policies established, the procedures adopted, and the organisational and work instructions issued, are complied with. In particular, staff working in units providing investment services have the necessary awareness of compliance risks, as well as the employees of the business divisions that also provide investment services. Group Compliance has a dual function in the assessing and monitoring of MiFID investor protection/compliance risks: in addition to acting as a local compliance function, it also has the technical steering function for the entire Erste Group regarding MiFID investor protection topics.

## **HANDLING CONFLICTS OF INTEREST WITHIN THE SCOPE OF THE AUSTRIAN SECURITIES SUPERVISION ACT (WAG)**

Erste Group has taken precautions to prevent conflicts of interest between Erste Group and its customers and/or among customers from adversely affecting customer interests. To avoid such conflicts of interest to the greatest possible extent, Erste Group has a multi-level organisation in place where tasks are distributed and assigned accordingly. Both Erste Group and its employees are under the obligation to provide investment services honestly, fairly, and professionally and also to avoid conflicts of interest as best as possible. To meet this obligation, Erste Group has set up a compliance organisation that takes various measures in this respect. We have set up confidentiality areas to assess and restrict the flow of information and have drawn up guidelines for employee transactions. Employees are obliged to disclose their transactions in financial instruments, and these are regularly monitored. We keep watch lists and blacklists to prevent the selling of financial instruments in cases of a conflict of interest and have regulations in place that govern order acceptance and execution as well as investor and investment-specific advice. We provide ongoing training to our staff and have established procedures for the approval of new products. Secondary employment, shareholdings, and board functions, as well as rules on receiving and awarding gifts and benefits are all covered by our guidelines and policies. Unbiased investment advice in our customers' best interests is at the top of our agenda, and we prevent the preferential selling of specific financial instruments.

If conflicts of interest cannot be avoided in individual cases through the above division of tasks or our compliance organisation, we will inform our clients of this in accordance with these principles (disclosure). If necessary, we will refrain from assessing, advising, or recommending the respective financial instrument.



## ASSESSMENT OF CORRUPTION AND CONFLICT-OF-INTEREST RISKS

This assessment relates both to the evaluation of corruption risk drivers and to the general conflicts of interest that can potentially occur in an EG entity:

- Governance
- Organisational conflicts of interest
- Relationships conflicts of interest
- Conflicts of interest from secondary activities
- Sponsorship, cooperative ventures, donations
- Confidentiality
- Remuneration conflicts of interest
- Conflicts of interest in procurement management
- Accepting and awarding benefits and anti-corruption

Throughout the year, the risk assessment was started in Erste Group Bank AG, Erste Bank Oesterreich and other entities and preliminary results were analysed. Risk assessment for the subsidiaries is to be completed by the end of 2023, so the risk results at the entity and consolidated levels will be available in the first quarter of 2024 (retroactively for 2023). On this basis, new internal controls will then be established for particularly risky processes at the local or the Group-wide level. In 2023 Erste Group did not record any incident of corruption.

## CONFLICTS-OF-INTEREST AND CORRUPTION RISK INDICATORS

Critical conflicts of interest (especially those that indicate corruption) are reported to the board and supervisory board of Erste Group Bank AG on a quarterly basis or, if necessary, ad hoc. Ad-hoc reporting on 'critical conflicts of interest' is submitted through Group Compliance to Group Internal Audit as well as the management board and the supervisory board. Other key indicators (operational risk incidents, internal and external findings, e-learning completion rate, whistle-blower reports, and qualitative queries on anti-corruption measures, conflicts of interest and governance) are analysed, assessed and reported on by type of conflict of interest within the scope of the above-mentioned risk assessment, and addressed by order of priority in a conflict of interest and ABC monitoring plan.

In 2023, each quarterly report included a few non-critical cases of conflicts of interest depending on the reported entity (EBOe, EGB and the main 6 banking entities in CEE), all of which were successfully resolved or included in a conflict-of-interest watchlist (in cases where an ongoing observation is needed to manage a non-critical conflict of interest). No critical conflicts of interest or unauthorised benefits were reported in 2023.

## PRIORITIES IN THE FIGHT AGAINST MONEY LAUNDERING AND TERRORIST FINANCING

To be able to effectively counter the risk of money laundering and terrorist financing, Erste Group relies on, among other things, a risk-based approach in accordance with statutory requirements. Any measures taken will adhere to the principle of proportionality, which ensures that measures taken are proportionate to the potential risk. Monitoring of customers and accounts involves subjecting transactions to a risk analysis based on suitable criteria, such as transaction complexity. As part of the risk analysis for Erste Group, all potential risks relating to money laundering and terrorist financing are identified based on data and information. This also considers risk factors, such as a possible country risk.

Compliance with anti-money laundering (AML) and counter terrorist financing (CTF) regulations and laws is the primary responsibility of Erste Group's management and employees, with Group Compliance playing a key role in developing policies and procedures. To combat money laundering and terrorist financing, we have established specific roles within Erste Group, including a Management Board member for AML/CTF matters, as well as an Anti-Money Laundering Officer at Group and local level. Our experts work closely together to be able to identify risks early on and take suitable measures.

## CUSTOMER DUE DILIGENCE OBLIGATIONS, INCLUDING THE KNOW-YOUR-CUSTOMER PRINCIPLE

To be able to meet the various regulatory requirements, Erste Group ensures that due diligence obligations are fulfilled not only at the start, but also during the course of any business relationships with customers. During risk assessment, a risk classification process is triggered and carried out automatically, assigning a risk classification to each and every customer, giving special consideration to

risk assessment criteria such as ‘customers’, ‘selected products’, ‘executed transactions’ and ‘risk factors in supply channels’. The outcome of this process is for Erste Group customers to be assigned to one of four categories – Unacceptable, High, Medium, and Low. Potential customers falling into the first category will not be accepted by Erste Group.

The Know-Your-Customer or KYC principle is applied as well – it ensures that Erste Group knows as much as possible about its customers, their activities, and their business partners. The aim of applying the KYC principle is to minimise the risk of Erste Group and its employees being used for the purposes of money laundering, fraud, or terrorist financing. In addition to detailed customer identification, other disclosure obligations concern the purpose and type of business activities, the origin of funds or assets, fiduciary transactions, and more stringent KYC requirements for sensitive business units.

## **TRANSACTION MONITORING**

The transactions carried out during the course of a business relationship are subjected to regular reviews in all customer risk categories to ensure that the transactions carried out meet the institution’s or person’s knowledge about the customer in question. For this reason, Erste Group has set up an IT system (NetReveal) for ongoing monitoring and transaction monitoring in all subsidiaries. Group AML regularly reviews the reports generated by NetReveal transaction monitoring and submits them to the management board.

## **REPORTING OBLIGATIONS**

Our staff members must meet a variety of reporting duties, including reporting on accepting or awarding benefits, both in the public and the private sectors, as well as benefits received from, or awarded to, third parties within the meaning of MiFID II. The direct line managers represent the first line of defence in assessing benefits offered or accepted. If employees have any questions or are in doubt, they can contact the Compliance department. This can be done by using e-mail or conflict of interest reporting tools, as well as anonymous reporting channels (whistleblowing). The primary purpose of the conflict-of-interest reporting tool is for internal staff and management to report and obtain prior approval in cases of conflicts of interest of a general nature, such as accepting or awarding benefits, or secondary employment.

Where Erste Group has reasonable grounds to suspect that customer funds (including those of walk-in and potential customers) are derived from criminal activity or related to terrorist financing, such suspicion will be reported without delay and in an anonymised form to the local Financial Intelligence Unit (FIU) or the competent public authority.

## **MANAGEMENT OF CONSEQUENCES**

Misreporting or failure to abide by the anti-bribery and corruption policies and procedures leads to disciplinary consequences, regardless of any civil and criminal law consequences that might also be applicable. All cases where there is a suspicion of corruption are reviewed, and disciplinary action is taken as necessary. The management of consequences is assigned to People and Culture; the relevant processes are set out in a works agreement.

## **FRAUD MANAGEMENT**

Erste Group’s fraud management covers all kinds of fraud related to transactions, loans, cards, and in-house fraud. A comprehensive in-house project was set up to implement scenarios, instructions, and suitable processes at all levels, which are regularly updated to take account of the latest trends in fraudulent activities. Erste Group has established risk indicators to simplify risk analysis and trend identification both at group and local levels. Annual fraud evaluations are carried out based on a qualitative questionnaire. We also regularly share experience and knowledge of new fraud cases, schemes, trends, projects, and initiatives both within the Group and with other industry players and relevant public authorities.

## **TAX COMPLIANCE**

Based on Erste Group’s General Code of Conduct, the Tax Code of Conduct sets out clear principles of conduct and action in respect of tax matters. It is based on the General Code of Conduct of Erste Group. In the Tax Code of Conduct, our employees commit to comply with tax laws, guidelines, regulation, reporting and disclosure obligations in all the countries in which Erste Group operates. This includes paying taxes on time. Emphasis is placed on proactive and transparent dealings with the tax authorities.

Every two years, a review of the Tax Code of Conduct is submitted to Erste Bank Group AG's CFO for approval. All major subsidiaries in Austria and abroad agree to the Tax Code of Conduct in their own processes, which creates a uniform understanding of tax strategy across the Group. Every quarter, tax experts from all major foreign consolidated entities as well as a representative selection of Austrian saving banks come together to share information and ensure uniform standards in tax matters across the Group.

## OMBUDS OFFICE

Both our customers and stakeholders can address complaints to Erste Group's central ombuds office in Vienna. Complaints Management, which reports to the Chief Executive Officer, coordinates and monitors the handling of complaints of the local banks.

The banks of Erste Group work to constantly improve their clients' complaint experience and meet their expectations. Banca Comercială Română and Erste Bank Serbia implemented technical developments in the Contact Centre and organized operational workshops with the aim to reduce the handling time. Slovenská sporiteľňa implemented an automated message service (Smart IVR), which almost instantaneously takes a call and then guides the client via menus to solve the issue or to find an answer.

## Performance indicators

With the aim of monitoring complaint appearance, performance of complaints handling and providing an early-warning system for potential problems, the central ombuds office reviews the operations of local ombuds offices across the Group based on two key risk indicators (KRIs):

- Complaint ratio, which is the number of complaints received per 1,000 active customers. The purpose of this KRI is to show how well the bank captures complaints and how open and able the bank is to receive messages of dissatisfaction. This indicator records negative values when too few or too many complaints are recorded. A level which is too low is regarded as negative because it points out to insufficient capturing. A too high level is also not desirable.
- Number of complaints settled in more than 30 days: complaints which are not settled within this term entail legal risks, which is why it is particularly important to keep the number of such cases to a minimum.

These indicators are further broken down by products and processes per country. Should the number of cases rise, Operational Risk will carry out an in-depth analysis.

The 2023 results were in general good, despite several challenges, especially due to a high number of online and card fraud cases across Erste Group. These translated into more complaints recorded and a longer resolution time. Furthermore, there were local increases due to specific events. For example, replacing the core banking system in Erste Bank Serbia in May led to an increase in the volume of processed complaints.

In 2023 in 4 out of 7 local banks, the monitored KRIs recorded a few values outside the optimal zone.

This includes for example the Complaint Ratio in Erste Bank Croatia in January (the Euro implementation had significant impact, however the situation stabilised quickly) and in November and December, mainly due to the large number of card transactions, some of them fraudulent. The bank informs and raises clients' awareness regarding the fraud risk, but ultimately their influence is limited in such cases.

Banca Comercială Română recorded several months in red with complaints closed in over 30 days, over 95% of the cases being chargeback and fraud cases, which have different legal terms of response and allow a response time higher than 30 days. To improve the situation, the bank implemented the procedure of crediting the client's account in advance, the investigation then continues in parallel.

In Česká spořitelna the complaints closed in over 30 days were mainly due to card complaints which recorded the highest number of cases in Q4, particularly chargeback and phishing cases. The bank took several improvement measures such as: raising awareness via TV and YouTube, an early detection mechanism to stop transfers before they go through and a better handling of payments directed to suspiciously looking accounts. Despite these measures, the bank has relatively limited options to decrease the influx of complaints, because the source (fraud and phishing) is beyond the bank's control.

In Slovenská sporiteľňa the Complaint Ratio KPIs recorded lower than normal values, mainly due to a volatile evolution of the cyber-attacks which recorded a decrease in Q2-Q4 2023, together with an improved rate of fraud prevention.

## 7. EU Taxonomy Disclosure

The European Union's Taxonomy Regulation serves as a basis for redirecting capital flows towards sustainable economic activities and as a fundamental support of the transition to a sustainable European economy. On the one hand, this is ensured by the introduction of a common classification system for sustainable economic activities ('taxonomy alignment') and on the other hand, through an introduction of specific reporting obligations for both financial and non-financial undertakings.

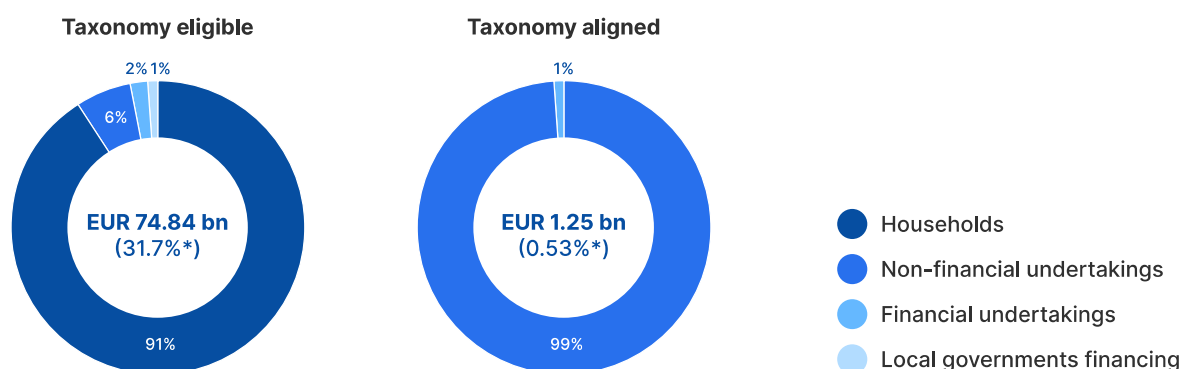
To be considered **taxonomy aligned**, financings of economic activities need to make a substantial contribution ('SC') to one of the 6 EU environmental objectives, do no significant harm to the other environmental objectives ('DNSH') and must be compliant with minimum social safeguard standards ('MSS'). The Green Asset Ratio ('GAR') represents the ratio of the taxonomy aligned assets or economic activities financed by Erste Group in relation to the total 'covered assets'. The covered assets are the total assets of the group, except for assets with respect to central governments and supranational issuers, as well as exposures towards central banks and the trading book.

Of the covered assets, the following are currently **taxonomy eligible**, i.e., can potentially be classified as taxonomy aligned:

- Assets from financial and non-financial undertakings subject to the Non-Financial Reporting Directive ('NFRD') reporting requirements, provided they carry out economic activities for which the taxonomy currently specifies alignment criteria,
- Financing of residential properties and motor vehicles for private households,
- Financing of housing and other special financing to local governments, and
- Repossession of real estate collateral.

If the purpose of the financing is unknown to a company subject to NFRD reporting (i.e., working capital loans), then the financing is considered on a pro rata basis, weighted by the published taxonomy KPIs of the respective counterparty, in the numerator of the GAR.

As of 31.12.2023, EUR 74.84 billion, or 31.7% of covered assets are Taxonomy eligible and EUR 1.25 billion, or 0.53% of covered assets are taxonomy aligned in the turnover-based view.



\* Covered Assets

The taxonomy eligible volume consists of the following components:

- Financing of real estate and motor vehicles to private households to the amount of EUR 67.7 billion,
- Use of proceeds known and unknown financing to non-financial undertakings to the amount of EUR 4.8 billion and to financial undertakings to the amount of EUR 1.2 billion. The use of proceeds unknown component has been classified proportionately as taxonomy eligible based on the key figures published by the respective counterparties.

— Financing of housing to local governments to the amount of EUR 1.1 billion.

The taxonomy aligned volume primarily consists of financing to non-financial undertakings to the amount of EUR 1.24 billion, with about 81.2% (around EUR 1 billion) resulting from use of proceeds unknown financings that were classified proportionately as taxonomy aligned, based on the alignment KPIs published by the respective counterparties.

To consider the draft commission notice from the European Commission of 21 December 2023 (see section 'Assumptions and interpretations' below), Erste Group has not considered any assets with respect to private households as taxonomy aligned. Based on the applicable SC criteria, taxonomy aligned assets from private households would have amounted to EUR 4.7 billion. This would have resulted in an overall GAR of 2.6% (instead of the disclosed 0.53%).

## Limitations of data availability

As part of the review of the DNSH-criterion for private residential properties, Erste Group is carrying out an extensive climate risk analysis regarding physical risks using an in-house methodology. However, there is currently a lack of standardised evidence of the mitigation measures that may be necessary for private households.

In addition, it is currently difficult to provide technical evidence of taxonomy alignment regarding the individual projects of non-financial undertakings subject the NFRD reporting requirements as well as regional governments because there is not yet sufficient information and data available.

For financial undertakings, the obligation to publish taxonomy alignment is delayed by one year. For this reason, assets from financial undertakings can only be classified as taxonomy aligned to a very limited extent in this year's reporting.

Due to the EU's 'Environmental Act', this year's disclosure also includes information on taxonomy eligibility related to environmental objectives 3 to 6 (sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, protection and restoration of biodiversity and ecosystems) which are now relevant. However, there is currently insufficient data regarding these four environmental objectives to publish the corresponding information.

## Reporting methodology

### Scope of consolidation

Erste Group determines the relevant performance indicators for its CRR regulatory consolidation group. These will be published on the Erste Group homepage as part of the Basel 3 – Pillar 3 disclosure.

### Recognition of the (gross) carrying amounts of the assets presented

Based on the (gross) carrying amounts shown in Template 1, the following approach was chosen:

- For all relevant financial assets at amortised cost and debt instruments at FVOCI (measured at fair value through other comprehensive income), the amortised cost is used before adjusting for credit loss allowances, regardless of the type of counterparty.
- For all other assets that fall into lines 1-48 of Template 1, the book value (i.e., the amount that is actually recorded and used in the CRR-consolidated IFRS FINREP balance sheet) is used. This means:
  - For contractually performing debt instruments at FVPL (measured at fair value through profit or loss), the gross carrying amount corresponds to the fair value. For non-performing debt instruments at FVPL, the gross carrying amount corresponds to the fair value after adding up any cumulative negative changes in fair value due to default risk.
  - The carrying amount in accordance with IAS28/IFRS11 is used for all investments in associates and joint ventures.
  - The fair value is used for all equity instruments recognised at FVPL.
  - For all non-financial assets (“collateral obtained through taking possession” or “other assets”) the book values in accordance with the IFRS balance sheet are used.

### Allocation and scope of covered assets

- Financing to multilateral development banks is treated as financing to financial companies (credit institutions).
- Private Households:
  - Financing to private households only includes real estate-related financing or motor vehicle loans. Other financing to private households (e.g., consumer loans) are reported under “other assets”.
  - Financing that is used to renovate buildings and is collateralised by real estate is only considered in the line “of which building renovation loans” to avoid double counting.
- Use of proceeds unknown financing to local governments is shown in the row for central governments and supranational issuers.
- For fund units not held for trading purposes, the assets in the funds are analysed individually (look-through approach).
- Assets under management are also treated based on a look-through approach. However, only securities from issuers subject to NFRD reporting requirements are considered as relevant assets.

### Use of KPIs from NFRD-obliged non-financial undertakings

The KPIs from non-financial parent companies subject to NFRD are used to determine taxonomy alignment for all subsidiaries of that respective group (“closest reporting parent”) provided that no separate KPIs are available for the specific counterparty.

### Scope of the published templates.

- Templates 1 to 5 are each presented in a turnover view and CapEx view, which are based on the counterparties’ taxonomy eligibility and alignment KPIs. In addition, Template 5 (off-balance sheet exposures) is displayed in the stock and flow view.
- The presentation of the templates has not been adapted to the fact that 2023 is their first year of application. Therefore, the sections for the previous year are not filled out for the corresponding templates. In addition, the underlying data (published KPIs of the counterparties at the end of 2022) relevant to environmental objectives 3-6 are not yet available this year, which is why the corresponding columns in the templates are not filled out.
- Further clarifications on the procedure for determining the values presented are provided as footnotes under the respective tables in terms of turnover. The same approaches were used analogously to determine the corresponding CapEx-based values.

## Assumptions and interpretations

This reporting is based on our understanding of EU taxonomy at the time of this report. No comprehensive market practices, standards or data validation have yet been established for the application and interpretation of the EU taxonomy. In this respect, assumptions had to be made for reporting purposes. Erste Group will monitor further developments on an ongoing basis and will take any necessary changes into account in the future.

On 21 December 2023, Erste Group published the commission notice from the European Commission “on interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of EU Taxonomy Regulation on the reporting of Taxonomy eligible and Taxonomy aligned economic activities and assets (third notice of Commission)”. The FAQ answers contained therein are carefully evaluated and considered in this disclosure as much as possible.

Erste Group (scope of consolidation for financial reporting according to IFRS) differs only slightly from the regulatory (CRR) scope of consolidation. Non-financial subsidiaries are of secondary importance and their activities are closely related to our core business. Erste Group therefore does not assume (even taking FAQ 9 into account) that it would be obliged to separately determine and disclose the relevant KPIs for financial and non-financial subsidiaries, or to assign the relevant KPIs for the group by determining the weighting between financial and non-financial activities. Furthermore, regarding FAQ 7, Erste Group does not constitute a financial conglomerate within the meaning of the Financial Conglomerates Act.

## 0. Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation

		Total environmentally sustainable assets	KPI Turnover	KPI CapEx	% coverage (over total assets)	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Main KPI	Green asset ratio (GAR) stock	1,251	0.53%	0.76%	29.43%	70.57%	30.77%

		Total environmentally sustainable activities	KPI Turnover	KPI CapEx	% coverage (over total assets)	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Additional KPIs	GAR (flow)	254	0.78%	1.34%	24.42%	75.58%	10.12%
	Trading book						
	Financial guarantees	351	16.22%	19.29%			
	Assets under management	1,596	6.78%	8.01%			
	Fees and commissions income						





31	Collateral obtained by taking possession: residential and commercial immovable properties	21	21	-	-	-	-	-	-	-	-
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	135,851	-	-	-	-	-	-	-	-	-
33	Financial and Non-financial undertakings	97,468	-	-	-	-	-	-	-	-	-
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	87,652	-	-	-	-	-	-	-	-	-
35	Loans and advances	86,176	-	-	-	-	-	-	-	-	-
36	of which loans collateralised by commercial immovable property	28,880	-	-	-	-	-	-	-	-	-
37	of which building renovation loans	992	-	-	-	-	-	-	-	-	-
38	Debt securities	855	-	-	-	-	-	-	-	-	-
39	Equity instruments	620	-	-	-	-	-	-	-	-	-
40	Non-EU country counterparties not subject to NFRD disclosure obligations	9,816	-	-	-	-	-	-	-	-	-
41	Loans and advances	7,621	-	-	-	-	-	-	-	-	-
42	Debt securities	2,165	-	-	-	-	-	-	-	-	-
43	Equity instruments	30	-	-	-	-	-	-	-	-	-
44	Derivatives	184	-	-	-	-	-	-	-	-	-
45	On demand interbank loans	863	-	-	-	-	-	-	-	-	-
46	Cash and cash-related assets	3,232	-	-	-	-	-	-	-	-	-
47	Other categories of assets (e.g. Goodwill, commodities etc.)	34,104	-	-	-	-	-	-	-	-	-
48	<b>Total GAR assets</b>	<b>236,277</b>	<b>74,826</b>	<b>1,247</b>	<b>233</b>	<b>287</b>	<b>384</b>	<b>8</b>	<b>4</b>	<b>-</b>	<b>1</b>
49	Assets not covered for GAR calculation	105,010	-	-	-	-	-	-	-	-	-
50	Central governments and Supranational issuers	48,894	-	-	-	-	-	-	-	-	-
51	Central banks exposure	47,343	-	-	-	-	-	-	-	-	-
52	Trading book	8,773	-	-	-	-	-	-	-	-	-
53	<b>Total assets</b>	<b>341,287</b>	<b>74,826</b>	<b>1,247</b>	<b>233</b>	<b>287</b>	<b>384</b>	<b>8</b>	<b>4</b>	<b>-</b>	<b>1</b>
54	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations										
54	Financial guarantees	2,162	819	351	-	10	83	-	-	-	-
55	Assets under management	23,547	7,693	1,446	-	-	28	686	150	-	-
56	Of which debt securities	14,048	4,174	615	-	-	4	206	31	-	-
57	Of which equity instruments	9,499	3,519	831	-	-	25	480	119	-	-

Footnote: We refer to the explanations in the section 'Reporting methodology' for information on filling out the template.



37	of which building renovation loans	-	-	-	-	-	-	-	-
38	Debt securities	-	-	-	-	-	-	-	-
39	Equity instruments	-	-	-	-	-	-	-	-
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-
41	Loans and advances	-	-	-	-	-	-	-	-
42	Debt securities	-	-	-	-	-	-	-	-
43	Equity instruments	-	-	-	-	-	-	-	-
44	Derivatives	-	-	-	-	-	-	-	-
45	On demand interbank loans	-	-	-	-	-	-	-	-
46	Cash and cash-related assets	-	-	-	-	-	-	-	-
47	Other categories of assets (e.g. Goodwill, commodities etc.)	-	-	-	-	-	-	-	-
<b>48</b>	<b>Total GAR assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
49	Assets not covered for GAR calculation	-	-	-	-	-	-	-	-
50	Central governments and Supranational issuers	-	-	-	-	-	-	-	-
51	Central banks exposure	-	-	-	-	-	-	-	-
52	Trading book	-	-	-	-	-	-	-	-
53	Total assets	-	-	-	-	-	-	-	-
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations								
54	Financial guarantees	-	-	-	-	-	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-



37	of which building renovation loans	-	-	-	-	-	-	-	-
38	Debt securities	-	-	-	-	-	-	-	-
39	Equity instruments	-	-	-	-	-	-	-	-
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-
41	Loans and advances	-	-	-	-	-	-	-	-
42	Debt securities	-	-	-	-	-	-	-	-
43	Equity instruments	-	-	-	-	-	-	-	-
44	Derivatives	-	-	-	-	-	-	-	-
45	On demand interbank loans	-	-	-	-	-	-	-	-
46	Cash and cash-related assets	-	-	-	-	-	-	-	-
47	Other categories of assets (e.g. Goodwill, commodities etc.)	-	-	-	-	-	-	-	-
<b>48</b>	<b>Total GAR assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
49	Assets not covered for GAR calculation	-	-	-	-	-	-	-	-
50	Central governments and Supranational issuers	-	-	-	-	-	-	-	-
51	Central banks exposure	-	-	-	-	-	-	-	-
52	Trading book	-	-	-	-	-	-	-	-
53	Total assets	-	-	-	-	-	-	-	-
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations								
54	Financial guarantees	-	-	-	-	-	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-

	ab	ac	ad	ae	af
	Year ending on 31.12.2023				
	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
	Of which environmentally sustainable (Taxonomy-aligned)				
		Of which Use of Proceeds	Of which transitional	Of which enabling	
in EUR million					
<b>GAR - Covered assets in both numerator and denominator</b>					
1 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	74,813	1,251	233	287	385
<b>2 Financial undertakings</b>	<b>1,217</b>	<b>9</b>	-	-	-
3 Credit institutions	1,150	-	-	-	-
4 Loans and advances	403	-	-	-	-
5 Debt securities, including UoP	744	-	-	-	-
6 Equity instruments	4	-	-	-	-
7 Other financial corporations	67	9	-	-	-
8 of which investment firms	-	-	-	-	-
9 Loans and advances	-	-	-	-	-
10 Debt securities, including UoP	-	-	-	-	-
11 Equity instruments	-	-	-	-	-
12 of which management companies	-	-	-	-	-
13 Loans and advances	-	-	-	-	-
14 Debt securities, including UoP	-	-	-	-	-
15 Equity instruments	-	-	-	-	-
16 of which insurance undertakings	2	-	-	-	-
17 Loans and advances	-	-	-	-	-
18 Debt securities, including UoP	-	-	-	-	-
19 Equity instruments	2	-	-	-	-
<b>20 Non-financial undertakings</b>	<b>4,752</b>	<b>1,242</b>	<b>233</b>	<b>287</b>	<b>385</b>
21 Loans and advances	4,175	1,152	233	264	332
22 Debt securities, including UoP	570	88	-	23	52
23 Equity instruments	8	1	-	-	1
<b>24 Households</b>	<b>67,744</b>	-	-	-	-
25 of which loans collateralised by residential immovable property	64,975	-	-	-	-
26 of which building renovation loans	2,643	-	-	-	-
27 of which motor vehicle loans	126	-	-	-	-
<b>28 Local governments financing</b>	<b>1,100</b>	-	-	-	-
29 Housing financing	347	-	-	-	-
30 Other local government financing	752	-	-	-	-
<b>31 Collateral obtained by taking possession: residential and commercial immovable properties</b>	<b>21</b>	-	-	-	-
<b>32 Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	-	-	-	-	-
<b>33 Financial and Non-financial undertakings</b>	-	-	-	-	-
34 SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	-	-	-	-	-
35 Loans and advances	-	-	-	-	-
36 of which loans collateralised by commercial immovable property	-	-	-	-	-
37 of which building renovation loans	-	-	-	-	-
38 Debt securities	-	-	-	-	-
39 Equity instruments	-	-	-	-	-
40 Non-EU country counterparties not subject to NFRD disclosure obligations	-	-	-	-	-
41 Loans and advances	-	-	-	-	-

42	Debt securities	-	-	-	-	-
43	Equity instruments	-	-	-	-	-
44	Derivatives	-	-	-	-	-
45	On demand interbank loans	-	-	-	-	-
46	Cash and cash-related assets	-	-	-	-	-
47	Other categories of assets (e.g. Goodwill, commodities etc.)	-	-	-	-	-
<b>48</b>	<b>Total GAR assets</b>	<b>74,834</b>	<b>1,251</b>	<b>233</b>	<b>287</b>	<b>385</b>
49	Assets not covered for GAR calculation	-	-	-	-	-
50	Central governments and Supranational issuers	-	-	-	-	-
51	Central banks exposure	-	-	-	-	-
52	Trading book	-	-	-	-	-
53	Total assets	74,834	1,251	233	287	385
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations					
54	Financial guarantees	819	351	-	10	83
55	Assets under management	8,379	1,596	-	-	28
56						
	Of which debt securities	4,381	645	-	-	4
57						
	Of which equity instruments	3,998	951	-	-	25





32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	-	-	-	-	-	-	-	-	-	-
33	Financial and Non-financial undertakings	-	-	-	-	-	-	-	-	-	-
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-
35	Loans and advances	-	-	-	-	-	-	-	-	-	-
36	of which loans collateralised by commercial immovable property	-	-	-	-	-	-	-	-	-	-
37	of which building renovation loans	-	-	-	-	-	-	-	-	-	-
38	Debt securities	-	-	-	-	-	-	-	-	-	-
39	Equity instruments	-	-	-	-	-	-	-	-	-	-
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-
41	Loans and advances	-	-	-	-	-	-	-	-	-	-
42	Debt securities	-	-	-	-	-	-	-	-	-	-
43	Equity instruments	-	-	-	-	-	-	-	-	-	-
44	Derivatives	-	-	-	-	-	-	-	-	-	-
45	On demand interbank loans	-	-	-	-	-	-	-	-	-	-
46	Cash and cash-related assets	-	-	-	-	-	-	-	-	-	-
47	Other categories of assets (e.g. Goodwill, commodities etc.)	-	-	-	-	-	-	-	-	-	-
48	<b>Total GAR assets</b>	-	-	-	-	-	-	-	-	-	-
49	Assets not covered for GAR calculation	-	-	-	-	-	-	-	-	-	-
50	Central governments and Supranational issuers	-	-	-	-	-	-	-	-	-	-
51	Central banks exposure	-	-	-	-	-	-	-	-	-	-
52	Trading book	-	-	-	-	-	-	-	-	-	-
53	<b>Total assets</b>	-	-	-	-	-	-	-	-	-	-
54	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-
54	Financial guarantees	-	-	-	-	-	-	-	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-



37	of which building renovation loans	-	-	-	-	-	-	-	-
38	Debt securities	-	-	-	-	-	-	-	-
39	Equity instruments	-	-	-	-	-	-	-	-
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-
41	Loans and advances	-	-	-	-	-	-	-	-
42	Debt securities	-	-	-	-	-	-	-	-
43	Equity instruments	-	-	-	-	-	-	-	-
44	Derivatives	-	-	-	-	-	-	-	-
45	On demand interbank loans	-	-	-	-	-	-	-	-
46	Cash and cash-related assets	-	-	-	-	-	-	-	-
47	Other categories of assets (e.g. Goodwill, commodities etc.)	-	-	-	-	-	-	-	-
<b>48</b>	<b>Total GAR assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
49	Assets not covered for GAR calculation	-	-	-	-	-	-	-	-
50	Central governments and Supranational issuers	-	-	-	-	-	-	-	-
51	Central banks exposure	-	-	-	-	-	-	-	-
52	Trading book	-	-	-	-	-	-	-	-
53	Total assets	-	-	-	-	-	-	-	-
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations								
54	Financial guarantees	-	-	-	-	-	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-



37	of which building renovation loans	-	-	-	-	-	-	-	-
38	Debt securities	-	-	-	-	-	-	-	-
39	Equity instruments	-	-	-	-	-	-	-	-
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-
41	Loans and advances	-	-	-	-	-	-	-	-
42	Debt securities	-	-	-	-	-	-	-	-
43	Equity instruments	-	-	-	-	-	-	-	-
44	Derivatives	-	-	-	-	-	-	-	-
45	On demand interbank loans	-	-	-	-	-	-	-	-
46	Cash and cash-related assets	-	-	-	-	-	-	-	-
47	Other categories of assets (e.g. Goodwill, commodities etc.)	-	-	-	-	-	-	-	-
<b>48</b>	<b>Total GAR assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
49	Assets not covered for GAR calculation	-	-	-	-	-	-	-	-
50	Central governments and Supranational issuers	-	-	-	-	-	-	-	-
51	Central banks exposure	-	-	-	-	-	-	-	-
52	Trading book	-	-	-	-	-	-	-	-
53	Total assets	-	-	-	-	-	-	-	-
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations								
54	Financial guarantees	-	-	-	-	-	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-

	bg	bh	bi	bj	bk
	Year ending on 31.12.2022				
	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
	Of which environmentally sustainable (Taxonomy-aligned)				
		Of which Use of Proceeds	Of which transitional	Of which enabling	
in EUR million					
<b>GAR - Covered assets in both numerator and denominator</b>					
1 Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	-	-	-	-	-
<b>2 Financial undertakings</b>	-	-	-	-	-
3 Credit institutions	-	-	-	-	-
4 Loans and advances	-	-	-	-	-
5 Debt securities, including UoP	-	-	-	-	-
6 Equity instruments	-	-	-	-	-
7 Other financial corporations	-	-	-	-	-
8 of which investment firms	-	-	-	-	-
9 Loans and advances	-	-	-	-	-
10 Debt securities, including UoP	-	-	-	-	-
11 Equity instruments	-	-	-	-	-
12 of which management companies	-	-	-	-	-
13 Loans and advances	-	-	-	-	-
14 Debt securities, including UoP	-	-	-	-	-
15 Equity instruments	-	-	-	-	-
16 of which insurance undertakings	-	-	-	-	-
17 Loans and advances	-	-	-	-	-
18 Debt securities, including UoP	-	-	-	-	-
19 Equity instruments	-	-	-	-	-
<b>20 Non-financial undertakings</b>	-	-	-	-	-
21 Loans and advances	-	-	-	-	-
22 Debt securities, including UoP	-	-	-	-	-
23 Equity instruments	-	-	-	-	-
<b>24 Households</b>	-	-	-	-	-
25 of which loans collateralised by residential immovable property	-	-	-	-	-
26 of which building renovation loans	-	-	-	-	-
27 of which motor vehicle loans	-	-	-	-	-
<b>28 Local governments financing</b>	-	-	-	-	-
29 Housing financing	-	-	-	-	-
30 Other local government financing	-	-	-	-	-
<b>31 Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-
<b>32 Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	-	-	-	-	-
<b>33 Financial and Non-financial undertakings</b>	-	-	-	-	-
34 SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	-	-	-	-	-
35 Loans and advances	-	-	-	-	-
36 of which loans collateralised by commercial immovable property	-	-	-	-	-
37 of which building renovation loans	-	-	-	-	-
38 Debt securities	-	-	-	-	-
39 Equity instruments	-	-	-	-	-
40 Non-EU country counterparties not subject to NFRD disclosure obligations	-	-	-	-	-
41 Loans and advances	-	-	-	-	-

42	Debt securities	-	-	-	-	-
43	Equity instruments	-	-	-	-	-
44	<b>Derivatives</b>	-	-	-	-	-
45	<b>On demand interbank loans</b>	-	-	-	-	-
46	<b>Cash and cash-related assets</b>	-	-	-	-	-
47	<b>Other categories of assets (e.g. Goodwill, commodities etc.)</b>	-	-	-	-	-
<b>48</b>	<b>Total GAR assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
49	<b>Assets not covered for GAR calculation</b>	-	-	-	-	-
50	Central governments and Supranational issuers	-	-	-	-	-
51	Central banks exposure	-	-	-	-	-
52	Trading book	-	-	-	-	-
53	<b>Total assets</b>	-	-	-	-	-
<b>Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations</b>						
54	Financial guarantees	-	-	-	-	-
55	Assets under management	-	-	-	-	-
56			Of which debt securities	-	-	-
57			Of which equity instruments	-	-	-

## 2. GAR sector information

	a	b	c	d	e	f	g	h								
									Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)			
									Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
									[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
in EUR million	Of which environmentally sustainable (CCM)	in EUR million	Of which environmentally sustainable (CCM)	in EUR million	Of which environmentally sustainable (CCA)	in EUR million	Of which environmentally sustainable (CCA)									
Breakdown by sector - NACE 4 digits level (code and label)																
1	D 35.11 Production of electricity	380	287	-	-	-	-	-								
2	L 68.20 Renting and operating of own or leased real estate	1,221	160	-	-	-	-	-								
3	D 35.13 Distribution of electricity	205	112	-	-	-	-	-								
4	C 30.20 Manufacture of railway locomotives and rolling stock	119	95	-	-	-	-	-								
5	C 24.10 Manufacture of basic iron and steel and of ferro-alloys	181	70	-	-	-	-	-								
6	C 23.32 Manufacture of bricks, tiles and construction products, in baked clay	81	63	-	-	-	-	-								
7	H 49.31 Urban and suburban passenger land transport	84	59	-	-	-	-	-								
8	C 29.10 Manufacture of motor vehicles	499	46	-	-	-	-	-								
9	C 24.42 Aluminium production	46	46	-	-	-	-	-								
10	H 53.10 Postal activities under universal service obligation	150	37	-	-	-	-	-								
11	C 23.20 Manufacture of refractory products	36	36	-	-	-	-	-								
12	H 49.20 Freight rail transport	45	35	-	-	-	-	-								
13	D 35.12 Transmission of electricity	34	29	-	-	-	-	-								
14	D 35.22 Distribution of gaseous fuels through mains	77	27	-	-	-	-	-								
15	D 35.30 Steam and air conditioning supply	35	17	-	-	-	-	-								
16	Other	1,554	121	-	-	5	4	-								

Footnote 1: The individual 'gross carrying amount' columns only take into account the taxonomy-eligible portions of the gross carrying amounts of each financing, as assets can generally only be assigned to individual environmental objectives after assessing taxonomy-eligibility.

Footnote 2: The depicted NACE codes account for more than 80% of the taxonomy-aligned assets against NFRD-obliged non-financial undertakings. The remaining share of taxonomy-aligned assets is represented in the consolidated line 'Other'.



	i	j	k	l	m	n	o	p
	Water and marine resources (WTR)				Circular economy (CE)			
	Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
	[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Of which environmentally sustainable (WTR)		Of which environmentally sustainable (WTR)		Of which environmentally sustainable (CE)		Of which environmentally sustainable (CE)
<b>Breakdown by sector - NACE 4 digits level (code and label)</b>	in EUR million		in EUR million		in EUR million		in EUR million	
1 D 35.11 Production of electricity	-	-	-	-	-	-	-	-
2 L 68.20 Renting and operating of own or leased real estate	-	-	-	-	-	-	-	-
3 C 29.10 Manufacture of motor vehicles	-	-	-	-	-	-	-	-
4 D 35.22 Distribution of gaseous fuels through mains	-	-	-	-	-	-	-	-
5 D 35.13 Distribution of electricity	-	-	-	-	-	-	-	-
6 C 30.20 Manufacture of railway locomotives and rolling stock	-	-	-	-	-	-	-	-
7 D 35.12 Transmission of electricity	-	-	-	-	-	-	-	-
8 C 24.10 Manufacture of basic iron and steel and of ferro-alloys	-	-	-	-	-	-	-	-
9 H 49.31 Urban and suburban passenger land transport	-	-	-	-	-	-	-	-
10 C 23.32 Manufacture of bricks, tiles and construction products, in baked clay	-	-	-	-	-	-	-	-
11 D 35.30 Steam and air conditioning supply	-	-	-	-	-	-	-	-
12 C 24.42 Aluminium production	-	-	-	-	-	-	-	-
13 H 49.20 Freight rail transport	-	-	-	-	-	-	-	-
14 D 35.23 Trade of gas through mains	-	-	-	-	-	-	-	-
15 H 53.10 Postal activities under universal service obligation	-	-	-	-	-	-	-	-
16 Other	-	-	-	-	-	-	-	-



	y	z	aa	Ab
	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
	Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
	[Gross] carrying amount		[Gross] carrying amount	
		Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)		Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
Breakdown by sector - NACE 4 digits level (code and label)	in EUR million	in EUR million	in EUR million	in EUR million
1 D 35.11 Production of electricity	380	287	-	-
2 L 68.20 Renting and operating of own or leased real estate	1,221	160	-	-
3 D 35.13 Distribution of electricity	205	112	-	-
4 C 30.20 Manufacture of railway locomotives and rolling stock	119	95	-	-
5 C 24.10 Manufacture of basic iron and steel and of ferro-alloys	181	70	-	-
6 C 23.32 Manufacture of bricks, tiles and construction products, in baked clay	81	63	-	-
7 H 49.31 Urban and suburban passenger land transport	84	59	-	-
8 C 29.10 Manufacture of motor vehicles	499	46	-	-
9 C 24.42 Aluminium production	46	46	-	-
10 H 53.10 Postal activities under universal service obligation	150	37	-	-
11 C 23.20 Manufacture of refractory products	36	36	-	-
12 H 49.20 Freight rail transport	45	35	-	-
13 D 35.12 Transmission of electricity	34	29	-	-
14 D 35.22 Distribution of gaseous fuels through mains	77	27	-	-
15 D 35.30 Steam and air conditioning supply	35	17	-	-
16 Other	1,559	124	-	-

### 3. GAR KPI stock turnover-based view

	a	b	c	d	e	f	g	h	i
	Year ending on 31.12.2023								
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
% (compared to total covered assets in the denominator)		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which enabling		
<b>GAR - Covered assets in both numerator and denominator</b>									
1 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	74.50%	1.24%	0.23%	0.29%	0.38%	0.01%	-	-	-
<b>2 Financial undertakings</b>	<b>8.14%</b>	<b>0.06%</b>	-	-	-	<b>0.02%</b>	-	-	-
3 Credit institutions	8.64%	-	-	-	-	-	-	-	-
4 Loans and advances	7.61%	-	-	-	-	-	-	-	-
5 Debt securities, including UoP	9.36%	-	-	-	-	-	-	-	-
6 Equity instruments	4.96%	-	-	-	-	-	-	-	-
7 Other financial corporations	3.99%	0.55%	-	-	-	0.19%	0.03%	-	-
8 of which investment firms	-	-	-	-	-	-	-	-	-
9 Loans and advances	-	-	-	-	-	-	-	-	-
10 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
11 Equity instruments	-	-	-	-	-	-	-	-	-
12 of which management companies	-	-	-	-	-	-	-	-	-
13 Loans and advances	-	-	-	-	-	-	-	-	-
14 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
15 Equity instruments	-	-	-	-	-	-	-	-	-
16 of which insurance undertakings	0.87%	-	-	-	-	-	-	-	-
17 Loans and advances	0.01%	-	-	-	-	-	-	-	-
18 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
19 Equity instruments	2.18%	-	-	-	-	-	-	-	-
<b>20 Non-financial undertakings</b>	<b>37.67%</b>	<b>9.83%</b>	<b>1.85%</b>	<b>2.28%</b>	<b>3.05%</b>	<b>0.04%</b>	<b>0.03%</b>	-	-
21 Loans and advances	36.77%	10.13%	2.05%	2.33%	2.92%	0.04%	0.03%	-	-
22 Debt securities, including UoP	46.05%	7.15%	-	1.82%	4.23%	-	-	-	-
23 Equity instruments	30.28%	5.32%	-	0.93%	3.20%	-	-	-	-
<b>24 Households</b>	<b>94.38%</b>	-	-	-	-	-	-	-	-
of which loans collateralised by residential immovable property	94.15%	-	-	-	-	-	-	-	-
26 of which building renovation loans	100.00%	-	-	-	-	-	-	-	-
27 of which motor vehicle loans	100.00%	-	-	-	-	-	-	-	-
<b>28 Local governments financing</b>	<b>100.00%</b>	-	-	-	-	-	-	-	-
29 Housing financing	100.00%	-	-	-	-	-	-	-	-
30 Other local government financing	100.00%	-	-	-	-	-	-	-	-
<b>31 Collateral obtained by taking possession: residential and commercial immovable properties</b>	<b>100.00%</b>	-	-	-	-	-	-	-	-
<b>32 Total GAR assets</b>	<b>31.67%</b>	<b>0.53%</b>	<b>0.10%</b>	<b>0.12%</b>	<b>0.16%</b>	-	-	-	-

Footnote 1: We note that Annexes V & VI of the Commission Delegated Regulation allow for different interpretations of populating the percentages in columns a to ae. In our publication, we have decided to give preference to the procedure derived from Annex V. The denominators of the respective percentages thus correspond to the covered assets at line level from column a of Template 1.

Footnote 2: Column af is calculated from the covered assets at line level from column a divided by the total assets in column a line 53.

	j	k	l	m	n	o	p	q
	Year ending on 31.12.2023							
	Water and marine resources (WTR)			Circular economy (CE)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
% (compared to total covered assets in the denominator)		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		
<b>GAR - Covered assets in both numerator and denominator</b>								
1 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	-	-	-	-
<b>2 Financial undertakings</b>	-	-	-	-	-	-	-	-
3 Credit institutions	-	-	-	-	-	-	-	-
4 Loans and advances	-	-	-	-	-	-	-	-
5 Debt securities, including UoP	-	-	-	-	-	-	-	-
6 Equity instruments	-	-	-	-	-	-	-	-
7 Other financial corporations	-	-	-	-	-	-	-	-
8 of which investment firms	-	-	-	-	-	-	-	-
9 Loans and advances	-	-	-	-	-	-	-	-
10 Debt securities, including UoP	-	-	-	-	-	-	-	-
11 Equity instruments	-	-	-	-	-	-	-	-
12 of which management companies	-	-	-	-	-	-	-	-
13 Loans and advances	-	-	-	-	-	-	-	-
14 Debt securities, including UoP	-	-	-	-	-	-	-	-
15 Equity instruments	-	-	-	-	-	-	-	-
16 of which insurance undertakings	-	-	-	-	-	-	-	-
17 Loans and advances	-	-	-	-	-	-	-	-
18 Debt securities, including UoP	-	-	-	-	-	-	-	-
19 Equity instruments	-	-	-	-	-	-	-	-
<b>20 Non-financial undertakings</b>	-	-	-	-	-	-	-	-
21 Loans and advances	-	-	-	-	-	-	-	-
22 Debt securities, including UoP	-	-	-	-	-	-	-	-
23 Equity instruments	-	-	-	-	-	-	-	-
<b>24 Households</b>	-	-	-	-	-	-	-	-
25 of which loans collateralised by residential immovable property	-	-	-	-	-	-	-	-
26 of which building renovation loans	-	-	-	-	-	-	-	-
27 of which motor vehicle loans	-	-	-	-	-	-	-	-
<b>28 Local governments financing</b>	-	-	-	-	-	-	-	-
29 Housing financing	-	-	-	-	-	-	-	-
30 Other local government financing	-	-	-	-	-	-	-	-
<b>31 Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-
<b>32 Total GAR assets</b>	-	-	-	-	-	-	-	-



	aa	ab	ac	ad	ae	af	
	Year ending on 31.12.2023						
	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)						
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered	
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)						
			Of which Use of Proceeds	Of which transitional	Of which enabling		
% (compared to total covered assets in the denominator)							
<b>GAR - Covered assets in both numerator and denominator</b>							
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	74.51%	1.25%	0.23%	0.29%	0.38%	29.42%
<b>2</b>	<b>Financial undertakings</b>	<b>8.16%</b>	<b>0.06%</b>	-	-	-	<b>4.37%</b>
3	Credit institutions	8.64%	-	-	-	-	3.90%
4	Loans and advances	7.61%	-	-	-	-	1.55%
5	Debt securities, including UoP	9.36%	-	-	-	-	2.33%
6	Equity instruments	4.96%	-	-	-	-	0.02%
7	Other financial corporations	4.18%	0.58%	-	-	-	0.47%
8	of which investment firms	-	-	-	-	-	0.29%
9	Loans and advances	-	-	-	-	-	0.25%
10	Debt securities, including UoP	-	-	-	-	-	0.04%
11	Equity instruments	-	-	-	-	-	0.01%
12	of which management companies	-	-	-	-	-	0.01%
13	Loans and advances	-	-	-	-	-	0.01%
14	Debt securities, including UoP	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-
16	of which insurance undertakings	0.87%	-	-	-	-	0.07%
17	Loans and advances	0.01%	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	0.04%
19	Equity instruments	2.18%	-	-	-	-	0.03%
<b>20</b>	<b>Non-financial undertakings</b>	<b>37.71%</b>	<b>9.86%</b>	<b>1.85%</b>	<b>2.28%</b>	<b>3.05%</b>	<b>3.69%</b>
21	Loans and advances	36.81%	10.16%	2.05%	2.33%	2.92%	3.32%
22	Debt securities, including UoP	46.06%	7.15%	-	1.82%	4.23%	0.36%
23	Equity instruments	30.28%	5.32%	-	0.93%	3.20%	0.01%
<b>24</b>	<b>Households</b>	<b>94.38%</b>	-	-	-	-	<b>21.03%</b>
25	of which loans collateralised by residential immovable property	94.15%	-	-	-	-	20.22%
26	of which building renovation loans	100.00%	-	-	-	-	0.77%
27	of which motor vehicle loans	100.00%	-	-	-	-	0.04%
<b>28</b>	<b>Local governments financing</b>	<b>100.00%</b>	-	-	-	-	<b>0.32%</b>
29	Housing financing	100.00%	-	-	-	-	0.10%
30	Other local government financing	100.00%	-	-	-	-	0.22%
31	Collateral obtained by taking possession: residential and commercial immovable properties	100.00%	-	-	-	-	0.01%
<b>32</b>	<b>Total GAR assets</b>	<b>31.67%</b>	<b>0.53%</b>	<b>0.10%</b>	<b>0.12%</b>	<b>0.16%</b>	<b>29.43%</b>





	ap	aq	ar	as	at	au	av	aw
	Year ending on 31.12.2022							
	Water and marine resources (WTR)				Circular economy (CE)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
% (compared to total covered assets in the denominator)			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
<b>GAR - Covered assets in both numerator and denominator</b>								
1 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	-	-	-	-
<b>2 Financial undertakings</b>	-	-	-	-	-	-	-	-
3 Credit institutions	-	-	-	-	-	-	-	-
4 Loans and advances	-	-	-	-	-	-	-	-
5 Debt securities, including UoP	-	-	-	-	-	-	-	-
6 Equity instruments	-	-	-	-	-	-	-	-
7 Other financial corporations	-	-	-	-	-	-	-	-
8 of which investment firms	-	-	-	-	-	-	-	-
9 Loans and advances	-	-	-	-	-	-	-	-
10 Debt securities, including UoP	-	-	-	-	-	-	-	-
11 Equity instruments	-	-	-	-	-	-	-	-
12 of which management companies	-	-	-	-	-	-	-	-
13 Loans and advances	-	-	-	-	-	-	-	-
14 Debt securities, including UoP	-	-	-	-	-	-	-	-
15 Equity instruments	-	-	-	-	-	-	-	-
16 of which insurance undertakings	-	-	-	-	-	-	-	-
17 Loans and advances	-	-	-	-	-	-	-	-
18 Debt securities, including UoP	-	-	-	-	-	-	-	-
19 Equity instruments	-	-	-	-	-	-	-	-
<b>20 Non-financial undertakings</b>	-	-	-	-	-	-	-	-
21 Loans and advances	-	-	-	-	-	-	-	-
22 Debt securities, including UoP	-	-	-	-	-	-	-	-
23 Equity instruments	-	-	-	-	-	-	-	-
<b>24 Households</b>	-	-	-	-	-	-	-	-
25 of which loans collateralised by residential immovable property	-	-	-	-	-	-	-	-
26 of which building renovation loans	-	-	-	-	-	-	-	-
27 of which motor vehicle loans	-	-	-	-	-	-	-	-
<b>28 Local governments financing</b>	-	-	-	-	-	-	-	-
29 Housing financing	-	-	-	-	-	-	-	-
30 Other local government financing	-	-	-	-	-	-	-	-
<b>31 Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-
<b>32 Total GAR assets</b>	-	-	-	-	-	-	-	-



	bf	bg	bh	bi	bj	bk
	Year ending on 31.12.2022					
	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
			Of which Use of Proceeds	Of which transitional	Of which enabling	
% (compared to total covered assets in the denominator)						
<b>GAR - Covered assets in both numerator and denominator</b>						
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	-
<b>2</b>	<b>Financial undertakings</b>	-	-	-	-	-
3	Credit institutions	-	-	-	-	-
4	Loans and advances	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-
6	Equity instruments	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-
8	of which investment firms	-	-	-	-	-
9	Loans and advances	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-
11	Equity instruments	-	-	-	-	-
12	of which management companies	-	-	-	-	-
13	Loans and advances	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-
15	Equity instruments	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-
17	Loans and advances	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-
19	Equity instruments	-	-	-	-	-
<b>20</b>	<b>Non-financial undertakings</b>	-	-	-	-	-
21	Loans and advances	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-
23	Equity instruments	-	-	-	-	-
<b>24</b>	<b>Households</b>	-	-	-	-	-
25	of which loans collateralised by residential immovable property	-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-
<b>28</b>	<b>Local governments financing</b>	-	-	-	-	-
29	Housing financing	-	-	-	-	-
30	Other local government financing	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-
<b>32</b>	<b>Total GAR assets</b>	-	-	-	-	-

## 4. GAR KPI flow turnover-based view

	a	b	c	d	e	f	g	h	i	
	Year ending on 31.12.2023									
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
% (compared to flow of total eligible assets)			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling	
<b>GAR - Covered assets in both numerator and denominator</b>										
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	61.99%	2.86%	1.31%	0.24%	0.90%	-	-	-	-
<b>2</b>	<b>Financial undertakings</b>	<b>1.15%</b>	-	-	-	-	-	-	-	-
3	Credit institutions	1.79%	-	-	-	-	-	-	-	-
4	Loans and advances	1.79%	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-	-	-	-	-	-	-
7	Other financial corporations	0.45%	0.01%	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-
16	of which insurance undertakings	0.05%	-	-	-	-	-	-	-	-
17	Loans and advances	0.05%	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-
<b>20</b>	<b>Non-financial undertakings</b>	<b>22.21%</b>	<b>10.12%</b>	<b>4.63%</b>	<b>0.84%</b>	<b>3.19%</b>	<b>0.01%</b>	-	-	-
21	Loans and advances	22.21%	10.12%	4.63%	0.84%	3.19%	0.01%	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-	-	-
<b>24</b>	<b>Households</b>	<b>87.11%</b>	-	-	-	-	-	-	-	-
	of which loans collateralised by residential immovable property	86.40%	-	-	-	-	-	-	-	-
26	of which building renovation loans	100.00%	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	100.00%	-	-	-	-	-	-	-	-
<b>28</b>	<b>Local governments financing</b>	<b>100.00%</b>	-	-	-	-	-	-	-	-
29	Housing financing	100.00%	-	-	-	-	-	-	-	-
30	Other local government financing	100.00%	-	-	-	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties	100.00%	-	-	-	-	-	-	-	-
<b>32</b>	<b>Total GAR assets</b>	<b>16.84%</b>	<b>0.78%</b>	<b>0.35%</b>	<b>0.06%</b>	<b>0.24%</b>	-	-	-	-

Footnote 1: We note that the flow perspective is understood as a filter on actual new business originated in the reporting period 2023. This means that it focuses on new loans and advances, debt securities, shareholdings. As assets for calculating the flow percentages, we use the gross carrying amounts of these identified new businesses as of 31 December 2023.

Footnote 1: We note that the flow perspective is understood as a filter on actual new business originated in the reporting period 2023. This means that it focuses on new loans and advances, debt securities, shareholdings. As assets for calculating the flow percentages, we use the gross carrying amounts of these identified new businesses as of 31 December 2023.

Footnote 2: We note that Annexes V & VI of the Commission Delegated Regulation allow for different interpretations of populating the percentages in columns a to ae. In our publication, we have decided to give preference to the procedure derived from Annex V. Thus, the denominators of the respective percentages correspond to the covered assets at the line level from column a of Template 1 with a filter on the new business in 2023. The necessary Template 1 in flow view, which is the basis for this, is not published.

Footnote 3: Column af is calculated from the covered assets at line level from column a divided by the 'total assets' in column a line 53, restricted with a filter on the new business of 2023.



Year ending on 31.12.2023

	Pollution (PPC)			Biodiversity and Ecosystems (BIO)		
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling
<b>% (compared to flow of total eligible assets))</b>						
<b>GAR - Covered assets in both numerator and denominator</b>						
1 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	-	-
<b>2 Financial undertakings</b>	-	-	-	-	-	-
3 Credit institutions	-	-	-	-	-	-
4 Loans and advances	-	-	-	-	-	-
5 Debt securities, including UoP	-	-	-	-	-	-
6 Equity instruments	-	-	-	-	-	-
7 Other financial corporations	-	-	-	-	-	-
8 of which investment firms	-	-	-	-	-	-
9 Loans and advances	-	-	-	-	-	-
10 Debt securities, including UoP	-	-	-	-	-	-
11 Equity instruments	-	-	-	-	-	-
12 of which management companies	-	-	-	-	-	-
13 Loans and advances	-	-	-	-	-	-
14 Debt securities, including UoP	-	-	-	-	-	-
15 Equity instruments	-	-	-	-	-	-
16 of which insurance undertakings	-	-	-	-	-	-
17 Loans and advances	-	-	-	-	-	-
18 Debt securities, including UoP	-	-	-	-	-	-
19 Equity instruments	-	-	-	-	-	-
<b>20 Non-financial undertakings</b>	-	-	-	-	-	-
21 Loans and advances	-	-	-	-	-	-
22 Debt securities, including UoP	-	-	-	-	-	-
23 Equity instruments	-	-	-	-	-	-
<b>24 Households</b>	-	-	-	-	-	-
25 of which loans collateralised by residential immovable property	-	-	-	-	-	-
26 of which building renovation loans	-	-	-	-	-	-
27 of which motor vehicle loans	-	-	-	-	-	-
<b>28 Local governments financing</b>	-	-	-	-	-	-
29 Housing financing	-	-	-	-	-	-
30 Other local government financing	-	-	-	-	-	-
<b>31 Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-
<b>32 Total GAR assets</b>	-	-	-	-	-	-

	aa	ab	ac	ad	ae	af	
	Year ending on 31.12.2023						
	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)						
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total new assets covered	
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)						
			Of which Use of Proceeds	Of which transitional	Of which enabling		
% (compared to flow of total eligible assets)							
<b>GAR - Covered assets in both numerator and denominator</b>							
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	61.99%	2.86%	1.31%	0.24%	0.90%	24.42%
<b>2</b>	<b>Financial undertakings</b>	<b>1.15%</b>	-	-	-	-	<b>1.95%</b>
3	Credit institutions	1.79%	-	-	-	-	1.02%
4	Loans and advances	1.79%	-	-	-	-	1.02%
5	Debt securities, including UoP	-	-	-	-	-	-
6	Equity instruments	-	-	-	-	-	-
7	Other financial corporations	0.45%	0.01%	-	-	-	0.93%
8	of which investment firms	-	-	-	-	-	0.74%
9	Loans and advances	-	-	-	-	-	0.74%
10	Debt securities, including UoP	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-
16	of which insurance undertakings	0.05%	-	-	-	-	-
17	Loans and advances	0.05%	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-
<b>20</b>	<b>Non-financial undertakings</b>	<b>22.21%</b>	<b>10.12%</b>	<b>4.63%</b>	<b>0.84%</b>	<b>3.19%</b>	<b>6.89%</b>
21	Loans and advances	22.21%	10.12%	4.63%	0.84%	3.19%	6.89%
22	Debt securities, including UoP	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-
<b>24</b>	<b>Households</b>	<b>87.11%</b>	-	-	-	-	<b>15.48%</b>
25	of which loans collateralised by residential immovable property	86.40%	-	-	-	-	14.67%
26	of which building renovation loans	100.00%	-	-	-	-	0.58%
27	of which motor vehicle loans	100.00%	-	-	-	-	0.22%
<b>28</b>	<b>Local governments financing</b>	<b>100.00%</b>	-	-	-	-	<b>0.10%</b>
29	Housing financing	100.00%	-	-	-	-	-
30	Other local government financing	100.00%	-	-	-	-	0.10%
31	Collateral obtained by taking possession: residential and commercial immovable properties	100.00%	-	-	-	-	-
<b>32</b>	<b>Total GAR assets</b>	<b>16.84%</b>	<b>0.78%</b>	<b>0.35%</b>	<b>0.06%</b>	<b>0.24%</b>	<b>24.42%</b>



## 5. KPI off-balance sheet exposures turnover-based view, stock

	a	b	c	d	e	f	g	h	i
	Year ending on 31.12.2023								
	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling
% (compared to total eligible off-balance sheet assets)									
1 Financial guarantees (FinGuar KPI)	37.90%	16.22%	-	0.49%	3.85%	-	-	-	-
2 Assets under management (AuM KPI)	32.67%	6.14%	-	-	0.12%	2.91%	0.64%	-	-

Footnote: The denominators of the respective percentages correspond to the covered assets at the line level from column a of Template 1.

	j	k	l	m	n	o	p	q
	Year ending on 31.12.2023							
	Water and marine resources (WTR)				Circular economy (CE)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
% (compared to total eligible off-balance sheet assets)								
1 Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-
2 Assets under management (AuM KPI)	-	-	-	-	-	-	-	-

	r	s	t	u	v	w	x	z
	Year ending on 31.12.2023							
	Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling
% (compared to total eligible off-balance sheet assets)								
1 Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-
2 Assets under management (AuM KPI)	-	-	-	-	-	-	-	-

	aa	ab	ac	ad	ae
	Year ending on 31.12.2023				
	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
			Of which Use of Proceeds	Of which transitional	Of which enabling
<b>% (compared to total eligible off-balance sheet assets)</b>					
1 Financial guarantees (FinGuar KPI)	37,90%	16,22%	-	0,49%	3,85%
2 Assets under management (AuM KPI)	35,58%	6,78%	-	-	0,12%

## 5. KPI off-balance sheet exposures turnover-based view, flow

	a	b	c	d	e	f	g	h	i
	Year ending on 31.12.2023								
	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
% (compared to total eligible off-balance sheet assets)		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which enabling		
1 Financial guarantees (FinGuar KPI)	23.15%	12.23%	-	0.15%	1.01%	-	-	-	-
2 Assets under management (AuM KPI)	30.28%	4.33%	-	-	-	1.77%	0.26%	-	-

Footnote: The denominators of the respective percentages correspond to the covered assets at the line level from column a of Template 1 with a filter on the new business in 2023.

	j	k	l	m	n	o	p	q
	Year ending on 31.12.2023							
	Water and marine resources (WTR)				Circular economy (CE)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
% (compared to total eligible off-balance sheet assets)		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		
1 Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-
2 Assets under management (AuM KPI)	-	-	-	-	-	-	-	-

	r	s	t	u	v	w	x	z
	Year ending on 31.12.2023							
	Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
% (compared to total eligible off-balance sheet assets)		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		
1 Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-
2 Assets under management (AuM KPI)	-	-	-	-	-	-	-	-

	aa	ab	ac	ad	ae
	Year ending on 31.12.2023				
	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
			Of which Use of Proceeds	Of which transitional	Of which enabling
<b>% (compared to total eligible off-balance sheet assets)</b>					
1 Financial guarantees (FinGuar KPI)	23,15%	12,23%	-	0,15%	1,01%
2 Assets under management (AuM KPI)	32,04%	4,59%	-	-	-

## 1. Assets for the calculation of GAR, CapEx-based view

	a	b	c	d	e	f	g	h	i	j
	Year ending on 31.12.2023									
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				
	Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
	Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				
in EUR million	Total [gross] carrying amount			Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which enabling	
<b>GAR - Covered assets in both numerator and denominator</b>										
1 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	100,405	75,683	1,773	233	186	645	10	6	-	6
<b>2 Financial undertakings</b>	<b>14,921</b>	<b>1,181</b>	-	-	-	-	<b>1</b>	-	-	-
3 Credit institutions	13,315	1,147	-	-	-	-	-	-	-	-
4 Loans and advances	5,292	396	-	-	-	-	-	-	-	-
5 Debt securities, including UoP	7,945	747	-	-	-	-	-	-	-	-
6 Equity instruments	78	4	-	-	-	-	-	-	-	-
7 Other financial corporations	1,607	34	8	-	-	-	1	-	-	-
8 of which investment firms	998	-	-	-	-	-	-	-	-	-
9 Loans and advances	849	-	-	-	-	-	-	-	-	-
10 Debt securities, including UoP	130	-	-	-	-	-	-	-	-	-
11 Equity instruments	19	-	-	-	-	-	-	-	-	-
12 of which management companies	33	-	-	-	-	-	-	-	-	-
13 Loans and advances	29	-	-	-	-	-	-	-	-	-
14 Debt securities, including UoP	4	-	-	-	-	-	-	-	-	-
15 Equity instruments	1	-	-	-	-	-	-	-	-	-
16 of which insurance undertakings	225	-	-	-	-	-	-	-	-	-
17 Loans and advances	14	-	-	-	-	-	-	-	-	-
18 Debt securities, including UoP	121	-	-	-	-	-	-	-	-	-
19 Equity instruments	90	-	-	-	-	-	-	-	-	-
<b>20 Non-financial undertakings</b>	<b>12,603</b>	<b>5,658</b>	<b>1,773</b>	<b>233</b>	<b>186</b>	<b>645</b>	<b>8</b>	<b>6</b>	-	<b>6</b>
21 Loans and advances	11,341	4,976	1,598	233	158	546	8	6	-	6
22 Debt securities, including UoP	1,237	670	171	-	29	96	-	-	-	-
23 Equity instruments	25	12	4	-	-	3	-	-	-	-
<b>24 Households</b>	<b>71,781</b>	<b>67,744</b>	-	-	-	-	-	-	-	-
25 of which loans collateralised by residential immovable property	69,012	64,975	-	-	-	-	-	-	-	-
26 of which building renovation loans	2,643	2,643	-	-	-	-	-	-	-	-
27 of which motor vehicle loans	126	126	-	-	-	-	-	-	-	-
<b>28 Local governments financing</b>	<b>1,100</b>	<b>1,100</b>	-	-	-	-	-	-	-	-
29 Housing financing	347	347	-	-	-	-	-	-	-	-
30 Other local government financing	752	752	-	-	-	-	-	-	-	-
<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	<b>21</b>	<b>21</b>	-	-	-	-	-	-	-	-
31										

	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>										
32		135,851	-	-	-	-	-	-	-	-	-
33	<b>Financial and Non-financial undertakings</b>	<b>97,468</b>	-	-	-	-	-	-	-	-	-
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	87,652	-	-	-	-	-	-	-	-	-
35	Loans and advances	86,176	-	-	-	-	-	-	-	-	-
36	of which loans collateralised by commercial immovable property	28,880	-	-	-	-	-	-	-	-	-
37	of which building renovation loans	992	-	-	-	-	-	-	-	-	-
38	Debt securities	855	-	-	-	-	-	-	-	-	-
39	Equity instruments	620	-	-	-	-	-	-	-	-	-
40	Non-EU country counterparties not subject to NFRD disclosure obligations	9,816	-	-	-	-	-	-	-	-	-
41	Loans and advances	7,621	-	-	-	-	-	-	-	-	-
42	Debt securities	2,165	-	-	-	-	-	-	-	-	-
43	Equity instruments	30	-	-	-	-	-	-	-	-	-
44	Derivatives	184	-	-	-	-	-	-	-	-	-
45	On demand interbank loans	863	-	-	-	-	-	-	-	-	-
46	Cash and cash-related assets	3,232	-	-	-	-	-	-	-	-	-
47	Other categories of assets (e.g. Goodwill, commodities etc.)	34,104	-	-	-	-	-	-	-	-	-
<b>48</b>	<b>Total GAR assets</b>	<b>236,277</b>	<b>75,704</b>	<b>1,773</b>	<b>233</b>	<b>186</b>	<b>645</b>	<b>10</b>	<b>6</b>	<b>-</b>	<b>6</b>
49	Assets not covered for GAR calculation	105,010	-	-	-	-	-	-	-	-	-
50	Central governments and Supranational issuers	48,894	-	-	-	-	-	-	-	-	-
51	Central banks exposure	47,343	-	-	-	-	-	-	-	-	-
52	Trading book	8,773	-	-	-	-	-	-	-	-	-
53	<b>Total assets</b>	<b>341,287</b>	<b>75,704</b>	<b>1,773</b>	<b>233</b>	<b>186</b>	<b>645</b>	<b>10</b>	<b>6</b>	<b>-</b>	<b>6</b>
	<b>Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations</b>										
54	Financial guarantees	2,162	950	416	-	12	90	2	1	-	1
55	Assets under management	23,547	4,719	1,849	-	-	29	96	38	-	-
56	Of which debt securities	14,048	2,487	941	-	-	4	53	20	-	-
57	Of which equity instruments	9,499	2,232	908	-	-	25	43	17	-	-

	k	l	m	n	o	p	q	r
	Year ending on 31.12.2023							
	Water and marine resources (WTR)				Circular economy (CE)			
	Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
	Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
		Of which Use of Proceeds	Of which transitional			Of which Use of Proceeds	Of which enabling	
in EUR million								
<b>GAR - Covered assets in both numerator and denominator</b>								
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	-	-	-
<b>2</b>	<b>Financial undertakings</b>	-	-	-	-	-	-	-
3	Credit institutions	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-
6	Equity instruments	-	-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-
<b>20</b>	<b>Non-financial undertakings</b>	-	-	-	-	-	-	-
21	Loans and advances	-	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-
<b>24</b>	<b>Households</b>	-	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	-	-	-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-	-
<b>28</b>	<b>Local governments financing</b>	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-
<b>31</b>	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-
<b>32</b>	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	-	-	-	-	-	-	-
<b>33</b>	<b>Financial and Non-financial undertakings</b>	-	-	-	-	-	-	-
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	-	-	-	-	-	-	-
35	Loans and advances	-	-	-	-	-	-	-
36	of which loans collateralised by commercial immovable property	-	-	-	-	-	-	-

37	of which building renovation loans	-	-	-	-	-	-	-	-
38	Debt securities	-	-	-	-	-	-	-	-
39	Equity instruments	-	-	-	-	-	-	-	-
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-
41	Loans and advances	-	-	-	-	-	-	-	-
42	Debt securities	-	-	-	-	-	-	-	-
43	Equity instruments	-	-	-	-	-	-	-	-
44	Derivatives	-	-	-	-	-	-	-	-
45	On demand interbank loans	-	-	-	-	-	-	-	-
46	Cash and cash-related assets	-	-	-	-	-	-	-	-
47	Other categories of assets (e.g. Goodwill, commodities etc.)	-	-	-	-	-	-	-	-
<b>48</b>	<b>Total GAR assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
49	Assets not covered for GAR calculation	-	-	-	-	-	-	-	-
50	Central governments and Supranational issuers	-	-	-	-	-	-	-	-
51	Central banks exposure	-	-	-	-	-	-	-	-
52	Trading book	-	-	-	-	-	-	-	-
53	<b>Total assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations</b>								
54	Financial guarantees	-	-	-	-	-	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-



Year ending on 31.12.2023

in EUR million	Pollution (PPC)			Biodiversity and Ecosystems (BIO)		
	Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)		
	Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)		
	Of which Use of Proceeds	Of which transitional		Of which Use of Proceeds	Of which transitional	Of which enabling
<b>GAR - Covered assets in both numerator and denominator</b>						
1 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	-	-
<b>2 Financial undertakings</b>	-	-	-	-	-	-
3 Credit institutions	-	-	-	-	-	-
4 Loans and advances	-	-	-	-	-	-
5 Debt securities, including UoP	-	-	-	-	-	-
6 Equity instruments	-	-	-	-	-	-
7 Other financial corporations	-	-	-	-	-	-
8 of which investment firms	-	-	-	-	-	-
9 Loans and advances	-	-	-	-	-	-
10 Debt securities, including UoP	-	-	-	-	-	-
11 Equity instruments	-	-	-	-	-	-
12 of which management companies	-	-	-	-	-	-
13 Loans and advances	-	-	-	-	-	-
14 Debt securities, including UoP	-	-	-	-	-	-
15 Equity instruments	-	-	-	-	-	-
16 of which insurance undertakings	-	-	-	-	-	-
17 Loans and advances	-	-	-	-	-	-
18 Debt securities, including UoP	-	-	-	-	-	-
19 Equity instruments	-	-	-	-	-	-
<b>20 Non-financial undertakings</b>	-	-	-	-	-	-
21 Loans and advances	-	-	-	-	-	-
22 Debt securities, including UoP	-	-	-	-	-	-
23 Equity instruments	-	-	-	-	-	-
<b>24 Households</b>	-	-	-	-	-	-
25 of which loans collateralised by residential immovable property	-	-	-	-	-	-
26 of which building renovation loans	-	-	-	-	-	-
27 of which motor vehicle loans	-	-	-	-	-	-
<b>28 Local governments financing</b>	-	-	-	-	-	-
29 Housing financing	-	-	-	-	-	-
30 Other local government financing	-	-	-	-	-	-
<b>31 Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-
<b>32 Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	-	-	-	-	-	-
<b>33 Financial and Non-financial undertakings</b>	-	-	-	-	-	-
34 SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	-	-	-	-	-	-
35 Loans and advances	-	-	-	-	-	-
36 of which loans collateralised by commercial immovable property	-	-	-	-	-	-

37	of which building renovation loans	-	-	-	-	-	-	-	-
38	Debt securities	-	-	-	-	-	-	-	-
39	Equity instruments	-	-	-	-	-	-	-	-
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-
41	Loans and advances	-	-	-	-	-	-	-	-
42	Debt securities	-	-	-	-	-	-	-	-
43	Equity instruments	-	-	-	-	-	-	-	-
44	Derivatives	-	-	-	-	-	-	-	-
45	On demand interbank loans	-	-	-	-	-	-	-	-
46	Cash and cash-related assets	-	-	-	-	-	-	-	-
47	Other categories of assets (e.g. Goodwill, commodities etc.)	-	-	-	-	-	-	-	-
<b>48</b>	<b>Total GAR assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
49	Assets not covered for GAR calculation	-	-	-	-	-	-	-	-
50	Central governments and Supranational issuers	-	-	-	-	-	-	-	-
51	Central banks exposure	-	-	-	-	-	-	-	-
52	Trading book	-	-	-	-	-	-	-	-
53	Total assets	-	-	-	-	-	-	-	-
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations								
54	Financial guarantees	-	-	-	-	-	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-

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Year ending on 31.12.2023

TOTAL (CCM + CCA + WTR + CE + PPC + BIO)

Of which towards taxonomy relevant sectors (Taxonomy-eligible)

Of which environmentally sustainable (Taxonomy-aligned)

in EUR million

		Of which Use of Proceeds	Of which transitional	Of which enabling	
<b>GAR - Covered assets in both numerator and denominator</b>					
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	75,693	1,787	233	651
<b>2</b>	<b>Financial undertakings</b>	<b>1,182</b>	<b>8</b>	-	-
3	Credit institutions	1,147	-	-	-
4	Loans and advances	396	-	-	-
5	Debt securities, including UoP	747	-	-	-
6	Equity instruments	4	-	-	-
7	Other financial corporations	36	8	-	-
8	of which investment firms	-	-	-	-
9	Loans and advances	-	-	-	-
10	Debt securities, including UoP	-	-	-	-
11	Equity instruments	-	-	-	-
12	of which management companies	-	-	-	-
13	Loans and advances	-	-	-	-
14	Debt securities, including UoP	-	-	-	-
15	Equity instruments	-	-	-	-
16	of which insurance undertakings	-	-	-	-
17	Loans and advances	-	-	-	-
18	Debt securities, including UoP	-	-	-	-
19	Equity instruments	-	-	-	-
<b>20</b>	<b>Non-financial undertakings</b>	<b>5,666</b>	<b>1,779</b>	<b>233</b>	<b>651</b>
21	Loans and advances	4,984	1,604	233	552
22	Debt securities, including UoP	670	171	-	96
23	Equity instruments	12	4	-	3
<b>24</b>	<b>Households</b>	<b>67,744</b>	-	-	-
25	of which loans collateralised by residential immovable property	64,975	-	-	-
26	of which building renovation loans	2,643	-	-	-
27	of which motor vehicle loans	126	-	-	-
<b>28</b>	<b>Local governments financing</b>	<b>1,100</b>	-	-	-
29	Housing financing	347	-	-	-
30	Other local government financing	752	-	-	-
<b>31</b>	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	<b>21</b>	-	-	-
<b>32</b>	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>33</b>	<b>Financial and Non-financial undertakings</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	-	-	-	-
35	Loans and advances	-	-	-	-
36	of which loans collateralised by commercial immovable property	-	-	-	-
37	of which building renovation loans	-	-	-	-
38	Debt securities	-	-	-	-
39	Equity instruments	-	-	-	-
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-	-	-	-
41	Loans and advances	-	-	-	-

42	Debt securities	-	-	-	-	-
43	Equity instruments	-	-	-	-	-
44	Derivatives	-	-	-	-	-
45	On demand interbank loans	-	-	-	-	-
46	Cash and cash-related assets	-	-	-	-	-
47	Other categories of assets (e.g. Goodwill, commodities etc.)	-	-	-	-	-
<b>48</b>	<b>Total GAR assets</b>	<b>75,714</b>	<b>1,787</b>	<b>233</b>	<b>186</b>	<b>651</b>
49	Assets not covered for GAR calculation	-	-	-	-	-
50	Central governments and Supranational issuers	-	-	-	-	-
51	Central banks exposure	-	-	-	-	-
52	Trading book	-	-	-	-	-
53	<b>Total assets</b>	<b>75,714</b>	<b>1,787</b>	<b>233</b>	<b>186</b>	<b>651</b>
<b>Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations</b>						
54	Financial guarantees	950	417	-	12	91
55	Assets under management	4,814	1,887	-	-	29
56						
	Of which debt securities	2,539	962	-	-	4
57						
	Of which equity instruments	2,275	925	-	-	25

	ag	ah	ai	aj	ak	al	am	an	ao	ap
	Year ending on 31.12.2022									
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				
	Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
	Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				
in EUR million	Total [gross] carrying amount			Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which enabling	
<b>GAR - Covered assets in both numerator and denominator</b>										
1 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	-	-	-	-	-	-
<b>2 Financial undertakings</b>	-	-	-	-	-	-	-	-	-	-
3 Credit institutions	-	-	-	-	-	-	-	-	-	-
4 Loans and advances	-	-	-	-	-	-	-	-	-	-
5 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
6 Equity instruments	-	-	-	-	-	-	-	-	-	-
7 Other financial corporations	-	-	-	-	-	-	-	-	-	-
8 of which investment firms	-	-	-	-	-	-	-	-	-	-
9 Loans and advances	-	-	-	-	-	-	-	-	-	-
10 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
11 Equity instruments	-	-	-	-	-	-	-	-	-	-
12 of which management companies	-	-	-	-	-	-	-	-	-	-
13 Loans and advances	-	-	-	-	-	-	-	-	-	-
14 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
15 Equity instruments	-	-	-	-	-	-	-	-	-	-
16 of which insurance undertakings	-	-	-	-	-	-	-	-	-	-
17 Loans and advances	-	-	-	-	-	-	-	-	-	-
18 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
19 Equity instruments	-	-	-	-	-	-	-	-	-	-
<b>20 Non-financial undertakings</b>	-	-	-	-	-	-	-	-	-	-
21 Loans and advances	-	-	-	-	-	-	-	-	-	-
22 Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-
23 Equity instruments	-	-	-	-	-	-	-	-	-	-
<b>24 Households</b>	-	-	-	-	-	-	-	-	-	-
25 of which loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-
26 of which building renovation loans	-	-	-	-	-	-	-	-	-	-
27 of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-
<b>28 Local governments financing</b>	-	-	-	-	-	-	-	-	-	-
29 Housing financing	-	-	-	-	-	-	-	-	-	-
30 Other local government financing	-	-	-	-	-	-	-	-	-	-
<b>31 Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-
<b>32 Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	-	-	-	-	-	-	-	-	-	-



	k	l	m	n	o	p	q	r
	Year ending on 31.12.2022							
	Water and marine resources (WTR)			Circular economy (CE)				
	Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
	Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)				
		Of which Use of Proceeds	Of which transitional		Of which Use of Proceeds	Of which enabling		
in EUR million								
<b>GAR - Covered assets in both numerator and denominator</b>								
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	-	-	-
<b>2</b>	<b>Financial undertakings</b>	-	-	-	-	-	-	-
3	Credit institutions	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-
6	Equity instruments	-	-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-
<b>20</b>	<b>Non-financial undertakings</b>	-	-	-	-	-	-	-
21	Loans and advances	-	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-
<b>24</b>	<b>Households</b>	-	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	-	-	-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-	-
<b>28</b>	<b>Local governments financing</b>	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-
<b>31</b>	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-
<b>32</b>	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	-	-	-	-	-	-	-
<b>33</b>	<b>Financial and Non-financial undertakings</b>	-	-	-	-	-	-	-
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	-	-	-	-	-	-	-
35	Loans and advances	-	-	-	-	-	-	-
36	of which loans collateralised by commercial immovable property	-	-	-	-	-	-	-

37	of which building renovation loans	-	-	-	-	-	-	-	-
38	Debt securities	-	-	-	-	-	-	-	-
39	Equity instruments	-	-	-	-	-	-	-	-
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-
41	Loans and advances	-	-	-	-	-	-	-	-
42	Debt securities	-	-	-	-	-	-	-	-
43	Equity instruments	-	-	-	-	-	-	-	-
44	Derivatives	-	-	-	-	-	-	-	-
45	On demand interbank loans	-	-	-	-	-	-	-	-
46	Cash and cash-related assets	-	-	-	-	-	-	-	-
47	Other categories of assets (e.g. Goodwill, commodities etc.)	-	-	-	-	-	-	-	-
<b>48</b>	<b>Total GAR assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
49	Assets not covered for GAR calculation	-	-	-	-	-	-	-	-
50	Central governments and Supranational issuers	-	-	-	-	-	-	-	-
51	Central banks exposure	-	-	-	-	-	-	-	-
52	Trading book	-	-	-	-	-	-	-	-
53	Total assets	-	-	-	-	-	-	-	-
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations								
54	Financial guarantees	-	-	-	-	-	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-



ay                      az                      ba                      bb                      bc                      bd                      be                      bf

Year ending on 31.12.2022

Pollution (PPC)	Biodiversity and Ecosystems (BIO)
Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which towards taxonomy relevant sectors (Taxonomy-eligible)
Of which environmentally sustainable (Taxonomy- aligned)	Of which environmentally sustainable (Taxonomy- aligned)
Of which Use of Proceeds	Of which Use of Proceeds
Of which transitional	Of which enabling

in EUR million

<b>GAR - Covered assets in both numerator and denominator</b>							
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	-	-
<b>2</b>	<b>Financial undertakings</b>	-	-	-	-	-	-
3	Credit institutions	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-
6	Equity instruments	-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-
<b>20</b>	<b>Non-financial undertakings</b>	-	-	-	-	-	-
21	Loans and advances	-	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-
<b>24</b>	<b>Households</b>	-	-	-	-	-	-
25	of which loans collateralised by residential immovable property	-	-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-
<b>28</b>	<b>Local governments financing</b>	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-
<b>31</b>	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-
<b>32</b>	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	-	-	-	-	-	-
<b>33</b>	<b>Financial and Non-financial undertakings</b>	-	-	-	-	-	-
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	-	-	-	-	-	-
35	Loans and advances	-	-	-	-	-	-
36	of which loans collateralised by commercial immovable property	-	-	-	-	-	-

37	of which building renovation loans	-	-	-	-	-	-	-	-
38	Debt securities	-	-	-	-	-	-	-	-
39	Equity instruments	-	-	-	-	-	-	-	-
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-
41	Loans and advances	-	-	-	-	-	-	-	-
42	Debt securities	-	-	-	-	-	-	-	-
43	Equity instruments	-	-	-	-	-	-	-	-
44	Derivatives	-	-	-	-	-	-	-	-
45	On demand interbank loans	-	-	-	-	-	-	-	-
46	Cash and cash-related assets	-	-	-	-	-	-	-	-
47	Other categories of assets (e.g. Goodwill, commodities etc.)	-	-	-	-	-	-	-	-
<b>48</b>	<b>Total GAR assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
49	Assets not covered for GAR calculation	-	-	-	-	-	-	-	-
50	Central governments and Supranational issuers	-	-	-	-	-	-	-	-
51	Central banks exposure	-	-	-	-	-	-	-	-
52	Trading book	-	-	-	-	-	-	-	-
53	Total assets	-	-	-	-	-	-	-	-
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations								
54	Financial guarantees	-	-	-	-	-	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-

bg bh bi bj bk

Year ending on 31.12.2022

TOTAL (CCM + CCA + WTR + CE + PPC + BIO)

Of which towards taxonomy relevant sectors (Taxonomy-eligible)

Of which environmentally sustainable (Taxonomy-aligned)

in EUR million

			Of which Use of Proceeds	Of which transitional	Of which enabling
<b>GAR - Covered assets in both numerator and denominator</b>					
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-
<b>2</b>	<b>Financial undertakings</b>	-	-	-	-
3	Credit institutions	-	-	-	-
4	Loans and advances	-	-	-	-
5	Debt securities, including UoP	-	-	-	-
6	Equity instruments	-	-	-	-
7	Other financial corporations	-	-	-	-
8	of which investment firms	-	-	-	-
9	Loans and advances	-	-	-	-
10	Debt securities, including UoP	-	-	-	-
11	Equity instruments	-	-	-	-
12	of which management companies	-	-	-	-
13	Loans and advances	-	-	-	-
14	Debt securities, including UoP	-	-	-	-
15	Equity instruments	-	-	-	-
16	of which insurance undertakings	-	-	-	-
17	Loans and advances	-	-	-	-
18	Debt securities, including UoP	-	-	-	-
19	Equity instruments	-	-	-	-
<b>20</b>	<b>Non-financial undertakings</b>	-	-	-	-
21	Loans and advances	-	-	-	-
22	Debt securities, including UoP	-	-	-	-
23	Equity instruments	-	-	-	-
<b>24</b>	<b>Households</b>	-	-	-	-
25	of which loans collateralised by residential immovable property	-	-	-	-
26	of which building renovation loans	-	-	-	-
27	of which motor vehicle loans	-	-	-	-
<b>28</b>	<b>Local governments financing</b>	-	-	-	-
29	Housing financing	-	-	-	-
30	Other local government financing	-	-	-	-
<b>31</b>	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-
<b>32</b>	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	-	-	-	-
<b>33</b>	<b>Financial and Non-financial undertakings</b>	-	-	-	-
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	-	-	-	-
35	Loans and advances	-	-	-	-
36	of which loans collateralised by commercial immovable property	-	-	-	-
37	of which building renovation loans	-	-	-	-
38	Debt securities	-	-	-	-
39	Equity instruments	-	-	-	-
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-	-	-	-
41	Loans and advances	-	-	-	-

42	Debt securities	-	-	-	-	-
43	Equity instruments	-	-	-	-	-
44	<b>Derivatives</b>	-	-	-	-	-
45	On demand interbank loans	-	-	-	-	-
46	Cash and cash-related assets	-	-	-	-	-
47	Other categories of assets (e.g. Goodwill, commodities etc.)	-	-	-	-	-
<b>48</b>	<b>Total GAR assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
49	Assets not covered for GAR calculation	-	-	-	-	-
50	Central governments and Supranational issuers	-	-	-	-	-
51	Central banks exposure	-	-	-	-	-
52	Trading book	-	-	-	-	-
53	<b>Total assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations</b>						
54	Financial guarantees	-	-	-	-	-
55	Assets under management	-	-	-	-	-
56			Of which debt securities	-	-	-
57			Of which equity instruments	-	-	-

## 2. GAR sector information, CapEx-based view

	a	b	c	d	e	f	g	h
	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)			
	Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
	[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Of which environmentally sustainable (CCM)		Of which environmentally sustainable (CCM)		Of which environmentally sustainable (CCA)		Of which environmentally sustainable (CCA)
Breakdown by sector - NACE 4 digits level (code and label)	in EUR million	in EUR million	in EUR million	in EUR million	in EUR million	in EUR million	in EUR million	in EUR million
1 D 35.11 Production of electricity	642	485	-	-	-	-	-	-
2 L 68.20 Renting and operating of own or leased real estate	1,169	179	-	-	-	-	-	-
3 C 29.10 Manufacture of motor vehicles	491	132	-	-	-	-	-	-
4 D 35.22 Distribution of gaseous fuels through mains	199	110	-	-	-	-	-	-
5 D 35.13 Distribution of electricity	302	109	-	-	-	-	-	-
6 C 30.20 Manufacture of railway locomotives and rolling stock	121	93	-	-	-	-	-	-
7 D 35.12 Transmission of electricity	88	70	-	-	-	-	-	-
8 C 24.10 Manufacture of basic iron and steel and of ferro-alloys	191	66	-	-	-	-	-	-
9 H 49.31 Urban and suburban passenger land transport	84	66	-	-	-	-	-	-
10 C 23.32 Manufacture of bricks, tiles and construction products, in baked clay	68	57	-	-	-	-	-	-
11 D 35.30 Steam and air conditioning supply	53	45	-	-	-	-	-	-
12 C 24.42 Aluminium production	45	45	-	-	-	-	-	-
13 H 49.20 Freight rail transport	45	38	-	-	-	-	-	-
14 D 35.23 Trade of gas through mains	33	32	-	-	-	-	-	-
15 H 53.10 Postal activities under universal service obligation	47	15	-	-	8	6	-	-
16 Other	2,082	231	-	-	-	-	-	-



	q	r	s	t	u	v	w	x
	Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
	Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
	[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Of which environmentally sustainable (PPC)		Of which environmentally sustainable (PPC)		Of which environmentally sustainable (BIO)		Of which environmentally sustainable (BIO)
Breakdown by sector - NACE 4 digits level (code and label)	in EUR million		in EUR million		in EUR million		in EUR million	
1 D 35.11 Production of electricity	-	-	-	-	-	-	-	-
2 L 68.20 Renting and operating of own or leased real estate	-	-	-	-	-	-	-	-
3 C 29.10 Manufacture of motor vehicles	-	-	-	-	-	-	-	-
4 D 35.22 Distribution of gaseous fuels through mains	-	-	-	-	-	-	-	-
5 D 35.13 Distribution of electricity	-	-	-	-	-	-	-	-
6 C 30.20 Manufacture of railway locomotives and rolling stock	-	-	-	-	-	-	-	-
7 D 35.12 Transmission of electricity	-	-	-	-	-	-	-	-
8 C 24.10 Manufacture of basic iron and steel and of ferro-alloys	-	-	-	-	-	-	-	-
9 H 49.31 Urban and suburban passenger land transport	-	-	-	-	-	-	-	-
10 C 23.32 Manufacture of bricks, tiles and construction products, in baked clay	-	-	-	-	-	-	-	-
11 D 35.30 Steam and air conditioning supply	-	-	-	-	-	-	-	-
12 C 24.42 Aluminium production	-	-	-	-	-	-	-	-
13 H 49.20 Freight rail transport	-	-	-	-	-	-	-	-
14 D 35.23 Trade of gas through mains	-	-	-	-	-	-	-	-
15 H 53.10 Postal activities under universal service obligation	-	-	-	-	-	-	-	-
16 Other	-	-	-	-	-	-	-	-

		y	z	aa	Ab
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount	
			Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)		Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
	Breakdown by sector - NACE 4 digits level (code and label)	in EUR million	in EUR million	in EUR million	in EUR million
1	D 35.11 Production of electricity	642	485	-	-
2	L 68.20 Renting and operating of own or leased real estate	1,169	179	-	-
3	C 29.10 Manufacture of motor vehicles	491	132	-	-
4	D 35.22 Distribution of gaseous fuels through mains	199	110	-	-
5	D 35.13 Distribution of electricity	302	109	-	-
6	C 30.20 Manufacture of railway locomotives and rolling stock	121	93	-	-
7	D 35.12 Transmission of electricity	88	70	-	-
8	C 24.10 Manufacture of basic iron and steel and of ferro-alloys	191	66	-	-
9	H 49.31 Urban and suburban passenger land transport	84	66	-	-
10	C 23.32 Manufacture of bricks, tiles and construction products, in baked clay	68	57	-	-
11	D 35.30 Steam and air conditioning supply	53	45	-	-
12	C 24.42 Aluminium production	45	45	-	-
13	H 49.20 Freight rail transport	45	38	-	-
14	D 35.23 Trade of gas through mains	33	32	-	-
15	H 53.10 Postal activities under universal service obligation	55	21	-	-
16	Other	2,083	231	-	-



### 3. GAR KPI stock CapEx-based view

	a	b	c	d	e	f	g	h	i
	Year ending on 31.12.2023								
	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
% (compared to total covered assets in the denominator)			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling
<b>GAR - Covered assets in both numerator and denominator</b>									
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	75.38%	1.77%	0.23%	0.19%	0.64%	0.01%	0.01%	-	0.01%
<b>2 Financial undertakings</b>	<b>7.92%</b>	-	-	-	-	<b>0.01%</b>	-	-	-
3 Credit institutions	8.61%	-	-	-	-	-	-	-	-
4 Loans and advances	7.49%	-	-	-	-	-	-	-	-
5 Debt securities, including UoP	9.40%	-	-	-	-	-	-	-	-
6 Equity instruments	4.96%	-	-	-	-	-	-	-	-
7 Other financial corporations	2.14%	0.50%	-	-	-	0.09%	0.02%	-	-
8 of which investment firms	-	-	-	-	-	-	-	-	-
9 Loans and advances	-	-	-	-	-	-	-	-	-
10 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
11 Equity instruments	-	-	-	-	-	-	-	-	-
12 of which management companies	-	-	-	-	-	-	-	-	-
13 Loans and advances	-	-	-	-	-	-	-	-	-
14 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
15 Equity instruments	-	-	-	-	-	-	-	-	-
16 of which insurance undertakings	-	-	-	-	-	-	-	-	-
17 Loans and advances	-	-	-	-	-	-	-	-	-
18 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
19 Equity instruments	-	-	-	-	-	-	-	-	-
<b>20 Non-financial undertakings</b>	<b>44.89%</b>	<b>14.07%</b>	<b>1.85%</b>	<b>1.48%</b>	<b>5.11%</b>	<b>0.07%</b>	<b>0.05%</b>	-	<b>0.05%</b>
21 Loans and advances	43.87%	14.09%	2.05%	1.39%	4.81%	0.07%	0.05%	-	0.05%
22 Debt securities, including UoP	54.17%	13.80%	-	2.31%	7.76%	-	-	-	-
23 Equity instruments	47.56%	17.48%	-	1.06%	10.21%	-	-	-	-
<b>24 Households</b>	<b>94.38%</b>	-	-	-	-	-	-	-	-
of which loans collateralised by residential immovable property	94.15%	-	-	-	-	-	-	-	-
26 of which building renovation loans	100.00%	-	-	-	-	-	-	-	-
27 of which motor vehicle loans	100.00%	-	-	-	-	-	-	-	-
<b>28 Local governments financing</b>	<b>100.00%</b>	-	-	-	-	-	-	-	-
29 Housing financing	100.00%	-	-	-	-	-	-	-	-
30 Other local government financing	100.00%	-	-	-	-	-	-	-	-
<b>31 Collateral obtained by taking possession: residential and commercial immovable properties</b>	<b>100.00%</b>	-	-	-	-	-	-	-	-
<b>32 Total GAR assets</b>	<b>32.04%</b>	<b>0.75%</b>	<b>0.10%</b>	<b>0.08%</b>	<b>0.27%</b>	-	-	-	-



Year ending on 31.12.2023

	Pollution (PPC)			Biodiversity and Ecosystems (BIO)		
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling
<b>% (compared to total covered assets in the denominator)</b>						
<b>GAR - Covered assets in both numerator and denominator</b>						
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	-	-	-	-	-
<b>2</b>	<b>Financial undertakings</b>	-	-	-	-	-
3	Credit institutions	-	-	-	-	-
4	Loans and advances	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-
6	Equity instruments	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-
8	of which investment firms	-	-	-	-	-
9	Loans and advances	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-
11	Equity instruments	-	-	-	-	-
12	of which management companies	-	-	-	-	-
13	Loans and advances	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-
15	Equity instruments	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-
17	Loans and advances	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-
19	Equity instruments	-	-	-	-	-
<b>20</b>	<b>Non-financial undertakings</b>	-	-	-	-	-
21	Loans and advances	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-
23	Equity instruments	-	-	-	-	-
<b>24</b>	<b>Households</b>	-	-	-	-	-
25	of which loans collateralised by residential immovable property	-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-
<b>28</b>	<b>Local governments financing</b>	-	-	-	-	-
29	Housing financing	-	-	-	-	-
30	Other local government financing	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-
<b>32</b>	<b>Total GAR assets</b>	-	-	-	-	-

	aa	ab	ac	ad	ae	af	
	Year ending on 31.12.2023						
	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)						
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered	
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)						
			Of which Use of Proceeds	Of which transitional	Of which enabling		
% (compared to total covered assets in the denominator)							
<b>GAR - Covered assets in both numerator and denominator</b>							
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	75.39%	1.78%	0.23%	0.19%	0.65%	29.42%
<b>2</b>	<b>Financial undertakings</b>	<b>7.92%</b>	<b>0.06%</b>	-	-	-	<b>4.37%</b>
3	Credit institutions	8.61%	-	-	-	-	3.90%
4	Loans and advances	7.49%	-	-	-	-	1.55%
5	Debt securities, including UoP	9.40%	-	-	-	-	2.33%
6	Equity instruments	4.96%	-	-	-	-	0.02%
7	Other financial corporations	2.24%	0.52%	-	-	-	0.47%
8	of which investment firms	-	-	-	-	-	0.29%
9	Loans and advances	-	-	-	-	-	0.25%
10	Debt securities, including UoP	-	-	-	-	-	0.04%
11	Equity instruments	-	-	-	-	-	0.01%
12	of which management companies	-	-	-	-	-	0.01%
13	Loans and advances	-	-	-	-	-	0.01%
14	Debt securities, including UoP	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	0.07%
17	Loans and advances	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	0.04%
19	Equity instruments	-	-	-	-	-	0.03%
<b>20</b>	<b>Non-financial undertakings</b>	<b>44.96%</b>	<b>14.12%</b>	<b>1.85%</b>	<b>1.48%</b>	<b>5.16%</b>	<b>3.69%</b>
21	Loans and advances	43.95%	14.14%	2.05%	1.39%	4.87%	3.32%
22	Debt securities, including UoP	54.17%	13.80%	-	2.31%	7.76%	0.36%
23	Equity instruments	47.56%	17.48%	-	1.06%	10.21%	0.01%
<b>24</b>	<b>Households</b>	<b>94.38%</b>	-	-	-	-	<b>21.03%</b>
25	of which loans collateralised by residential immovable property	94.15%	-	-	-	-	20.22%
26	of which building renovation loans	100.00%	-	-	-	-	0.77%
27	of which motor vehicle loans	100.00%	-	-	-	-	0.04%
<b>28</b>	<b>Local governments financing</b>	<b>100.00%</b>	-	-	-	-	<b>0.32%</b>
29	Housing financing	100.00%	-	-	-	-	0.10%
30	Other local government financing	100.00%	-	-	-	-	0.22%
31	Collateral obtained by taking possession: residential and commercial immovable properties	100.00%	-	-	-	-	0.01%
<b>32</b>	<b>Total GAR assets</b>	<b>32.04%</b>	<b>0.76%</b>	<b>0.10%</b>	<b>0.08%</b>	<b>0.28%</b>	<b>29.43%</b>

	ag	ah	ai	aj	ak	al	am	an	ao
	Year ending on 31.12.2022								
	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
% (compared to total covered assets in the denominator)			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling
<b>GAR - Covered assets in both numerator and denominator</b>									
1 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	-	-	-	-	-
<b>2 Financial undertakings</b>	-	-	-	-	-	-	-	-	-
3 Credit institutions	-	-	-	-	-	-	-	-	-
4 Loans and advances	-	-	-	-	-	-	-	-	-
5 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
6 Equity instruments	-	-	-	-	-	-	-	-	-
7 Other financial corporations	-	-	-	-	-	-	-	-	-
8 of which investment firms	-	-	-	-	-	-	-	-	-
9 Loans and advances	-	-	-	-	-	-	-	-	-
10 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
11 Equity instruments	-	-	-	-	-	-	-	-	-
12 of which management companies	-	-	-	-	-	-	-	-	-
13 Loans and advances	-	-	-	-	-	-	-	-	-
14 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
15 Equity instruments	-	-	-	-	-	-	-	-	-
16 of which insurance undertakings	-	-	-	-	-	-	-	-	-
17 Loans and advances	-	-	-	-	-	-	-	-	-
18 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
19 Equity instruments	-	-	-	-	-	-	-	-	-
<b>20 Non-financial undertakings</b>	-	-	-	-	-	-	-	-	-
21 Loans and advances	-	-	-	-	-	-	-	-	-
22 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
23 Equity instruments	-	-	-	-	-	-	-	-	-
<b>24 Households</b>	-	-	-	-	-	-	-	-	-
25 of which loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-
26 of which building renovation loans	-	-	-	-	-	-	-	-	-
27 of which motor vehicle loans	-	-	-	-	-	-	-	-	-
<b>28 Local governments financing</b>	-	-	-	-	-	-	-	-	-
29 Housing financing	-	-	-	-	-	-	-	-	-
30 Other local government financing	-	-	-	-	-	-	-	-	-
<b>31 Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-
<b>32 Total GAR assets</b>	-	-	-	-	-	-	-	-	-



	ax	ay	az	ba	bb	bc	bd	be
	Year ending on 31.12.2022							
	Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
	Of which Use of Proceeds				Of which Use of Proceeds			
	Of which enabling				Of which enabling			
% (compared to total covered assets in the denominator)								
<b>GAR - Covered assets in both numerator and denominator</b>								
1 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	-	-	-	-
<b>2 Financial undertakings</b>	-	-	-	-	-	-	-	-
3 Credit institutions	-	-	-	-	-	-	-	-
4 Loans and advances	-	-	-	-	-	-	-	-
5 Debt securities, including UoP	-	-	-	-	-	-	-	-
6 Equity instruments	-	-	-	-	-	-	-	-
7 Other financial corporations	-	-	-	-	-	-	-	-
8 of which investment firms	-	-	-	-	-	-	-	-
9 Loans and advances	-	-	-	-	-	-	-	-
10 Debt securities, including UoP	-	-	-	-	-	-	-	-
11 Equity instruments	-	-	-	-	-	-	-	-
12 of which management companies	-	-	-	-	-	-	-	-
13 Loans and advances	-	-	-	-	-	-	-	-
14 Debt securities, including UoP	-	-	-	-	-	-	-	-
15 Equity instruments	-	-	-	-	-	-	-	-
16 of which insurance undertakings	-	-	-	-	-	-	-	-
17 Loans and advances	-	-	-	-	-	-	-	-
18 Debt securities, including UoP	-	-	-	-	-	-	-	-
19 Equity instruments	-	-	-	-	-	-	-	-
<b>20 Non-financial undertakings</b>	-	-	-	-	-	-	-	-
21 Loans and advances	-	-	-	-	-	-	-	-
22 Debt securities, including UoP	-	-	-	-	-	-	-	-
23 Equity instruments	-	-	-	-	-	-	-	-
<b>24 Households</b>	-	-	-	-	-	-	-	-
25 of which loans collateralised by residential immovable property	-	-	-	-	-	-	-	-
26 of which building renovation loans	-	-	-	-	-	-	-	-
27 of which motor vehicle loans	-	-	-	-	-	-	-	-
<b>28 Local governments financing</b>	-	-	-	-	-	-	-	-
29 Housing financing	-	-	-	-	-	-	-	-
30 Other local government financing	-	-	-	-	-	-	-	-
<b>31 Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-
<b>32 Total GAR assets</b>	-	-	-	-	-	-	-	-

	bf	bg	bh	bi	bj	bk
	Year ending on 31.12.2022					
	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
			Of which Use of Proceeds	Of which transitional	Of which enabling	
<b>% (compared to total covered assets in the denominator)</b>						
<b>GAR - Covered assets in both numerator and denominator</b>						
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	-	-	-	-	-
<b>2</b>	<b>Financial undertakings</b>	-	-	-	-	-
3	Credit institutions	-	-	-	-	-
4	Loans and advances	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-
6	Equity instruments	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-
8	of which investment firms	-	-	-	-	-
9	Loans and advances	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-
11	Equity instruments	-	-	-	-	-
12	of which management companies	-	-	-	-	-
13	Loans and advances	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-
15	Equity instruments	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-
17	Loans and advances	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-
19	Equity instruments	-	-	-	-	-
<b>20</b>	<b>Non-financial undertakings</b>	-	-	-	-	-
21	Loans and advances	-	-	-	-	-
22	Debt securities, including UoP	-	-	-	-	-
23	Equity instruments	-	-	-	-	-
<b>24</b>	<b>Households</b>	-	-	-	-	-
25	of which loans collateralised by residential immovable property	-	-	-	-	-
26	of which building renovation loans	-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-
<b>28</b>	<b>Local governments financing</b>	-	-	-	-	-
29	Housing financing	-	-	-	-	-
30	Other local government financing	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-
<b>32</b>	<b>Total GAR assets</b>	-	-	-	-	-



## 4. GAR KPI flow CapEx-based view

	a	b	c	d	e	f	g	h	i
	Year ending on 31.12.2023								
	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
% (compared to flow of total eligible assets)		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which enabling		
<b>GAR - Covered assets in both numerator and denominator</b>									
1 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	65.42%	4.85%	1.31%	0.20%	1.74%	0.09%	0.07%	-	0.07%
<b>2 Financial undertakings</b>	<b>0.71%</b>	-	-	-	-	-	-	-	-
3 Credit institutions	1.35%	-	-	-	-	-	-	-	-
4 Loans and advances	1.35%	-	-	-	-	-	-	-	-
5 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
6 Equity instruments	-	-	-	-	-	-	-	-	-
7 Other financial corporations	-	-	-	-	-	-	-	-	-
8 of which investment firms	-	-	-	-	-	-	-	-	-
9 Loans and advances	-	-	-	-	-	-	-	-	-
10 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
11 Equity instruments	-	-	-	-	-	-	-	-	-
12 of which management companies	-	-	-	-	-	-	-	-	-
13 Loans and advances	-	-	-	-	-	-	-	-	-
14 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
15 Equity instruments	-	-	-	-	-	-	-	-	-
16 of which insurance undertakings	-	-	-	-	-	-	-	-	-
17 Loans and advances	-	-	-	-	-	-	-	-	-
18 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
19 Equity instruments	-	-	-	-	-	-	-	-	-
<b>20 Non-financial undertakings</b>	<b>34.49%</b>	<b>17.18%</b>	<b>4.63%</b>	<b>0.72%</b>	<b>6.16%</b>	<b>0.32%</b>	<b>0.24%</b>	-	<b>0.24%</b>
21 Loans and advances	34.49%	17.18%	4.63%	0.72%	6.16%	0.32%	0.24%	-	0.24%
22 Debt securities, including UoP	-	-	-	-	-	-	-	-	-
23 Equity instruments	-	-	-	-	-	-	-	-	-
<b>24 Households</b>	<b>87.11%</b>	-	-	-	-	-	-	-	-
of which loans collateralised by residential immovable property	86.40%	-	-	-	-	-	-	-	-
26 of which building renovation loans	100.00%	-	-	-	-	-	-	-	-
27 of which motor vehicle loans	100.00%	-	-	-	-	-	-	-	-
<b>28 Local governments financing</b>	<b>100.00%</b>	-	-	-	-	-	-	-	-
29 Housing financing	100.00%	-	-	-	-	-	-	-	-
30 Other local government financing	100.00%	-	-	-	-	-	-	-	-
<b>31 Collateral obtained by taking possession: residential and commercial immovable properties</b>	<b>100.00%</b>	-	-	-	-	-	-	-	-
<b>32 Total GAR assets</b>	<b>17.77%</b>	<b>1.32%</b>	<b>0.35%</b>	<b>0.06%</b>	<b>0.47%</b>	<b>0.02%</b>	<b>0.02%</b>	-	<b>0.02%</b>



Year ending on 31.12.2023

	Pollution (PPC)			Biodiversity and Ecosystems (BIO)		
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling
<b>% (compared to flow of total eligible assets))</b>						
<b>GAR - Covered assets in both numerator and denominator</b>						
1 Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	-	-	-	-	-	-
<b>2 Financial undertakings</b>	-	-	-	-	-	-
3 Credit institutions	-	-	-	-	-	-
4 Loans and advances	-	-	-	-	-	-
5 Debt securities, including UoP	-	-	-	-	-	-
6 Equity instruments	-	-	-	-	-	-
7 Other financial corporations	-	-	-	-	-	-
8 of which investment firms	-	-	-	-	-	-
9 Loans and advances	-	-	-	-	-	-
10 Debt securities, including UoP	-	-	-	-	-	-
11 Equity instruments	-	-	-	-	-	-
12 of which management companies	-	-	-	-	-	-
13 Loans and advances	-	-	-	-	-	-
14 Debt securities, including UoP	-	-	-	-	-	-
15 Equity instruments	-	-	-	-	-	-
16 of which insurance undertakings	-	-	-	-	-	-
17 Loans and advances	-	-	-	-	-	-
18 Debt securities, including UoP	-	-	-	-	-	-
19 Equity instruments	-	-	-	-	-	-
<b>20 Non-financial undertakings</b>	-	-	-	-	-	-
21 Loans and advances	-	-	-	-	-	-
22 Debt securities, including UoP	-	-	-	-	-	-
23 Equity instruments	-	-	-	-	-	-
<b>24 Households</b>	-	-	-	-	-	-
25 of which loans collateralised by residential immovable property	-	-	-	-	-	-
26 of which building renovation loans	-	-	-	-	-	-
27 of which motor vehicle loans	-	-	-	-	-	-
<b>28 Local governments financing</b>	-	-	-	-	-	-
29 Housing financing	-	-	-	-	-	-
30 Other local government financing	-	-	-	-	-	-
<b>31 Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-
<b>32 Total GAR assets</b>	-	-	-	-	-	-

	aa	ab	ac	ad	ae	af	
	Year ending on 31.12.2023						
	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)						
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total new assets covered	
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)						
			Of which Use of Proceeds	Of which transitional	Of which enabling		
% (compared to flow of total eligible assets)							
<b>GAR - Covered assets in both numerator and denominator</b>							
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	65.51%	4.92%	1.31%	0.20%	1.81%	24.42%
<b>2</b>	<b>Financial undertakings</b>	<b>0.71%</b>	-	-	-	-	<b>1.95%</b>
3	Credit institutions	1.35%	-	-	-	-	1.02%
4	Loans and advances	1.35%	-	-	-	-	1.02%
5	Debt securities, including UoP	-	-	-	-	-	-
6	Equity instruments	-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	0.93%
8	of which investment firms	-	-	-	-	-	0.74%
9	Loans and advances	-	-	-	-	-	0.74%
10	Debt securities, including UoP	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-
<b>20</b>	<b>Non-financial undertakings</b>	<b>34.81%</b>	<b>17.43%</b>	<b>4.63%</b>	<b>0.72%</b>	<b>6.40%</b>	<b>6.89%</b>
21	Loans and advances	34.81%	17.43%	4.63%	0.72%	6.40%	6.89%
22	Debt securities, including UoP	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-
<b>24</b>	<b>Households</b>	<b>87.11%</b>	-	-	-	-	<b>15.48%</b>
25	of which loans collateralised by residential immovable property	86.40%	-	-	-	-	14.67%
26	of which building renovation loans	100.00%	-	-	-	-	0.58%
27	of which motor vehicle loans	100.00%	-	-	-	-	0.22%
<b>28</b>	<b>Local governments financing</b>	<b>100.00%</b>	-	-	-	-	<b>0.10%</b>
29	Housing financing	100.00%	-	-	-	-	-
30	Other local government financing	100.00%	-	-	-	-	0.10%
31	Collateral obtained by taking possession: residential and commercial immovable properties	100.00%	-	-	-	-	-
<b>32</b>	<b>Total GAR assets</b>	<b>17.80%</b>	<b>1.34%</b>	<b>0.35%</b>	<b>0.06%</b>	<b>0.49%</b>	<b>24.42%</b>

## 5. KPI off-balance sheet exposures CapEx-based view, stock

	a	b	c	d	e	f	g	h	i
	Year ending on 31.12.2023								
	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which enabling		
% (compared to total eligible off-balance sheet assets)									
1 Financial guarantees (FinGuar KPI)	43.93%	19.25%	-	0.55%	4.19%	0.10%	0.05%	-	0.05%
2 Assets under management (AuM KPI)	20.04%	7.85%	-	-	0.12%	0.41%	0.16%	-	-

	j	k	l	m	n	o	p	q
	Year ending on 31.12.2023							
	Water and marine resources (WTR)				Circular economy (CE)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		
% (compared to total eligible off-balance sheet assets)								
1 Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-
2 Assets under management (AuM KPI)	-	-	-	-	-	-	-	-

	r	s	t	u	v	w	x	z
	Year ending on 31.12.2023							
	Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		
% (compared to total eligible off-balance sheet assets)								
1 Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-
2 Assets under management (AuM KPI)	-	-	-	-	-	-	-	-

	aa	ab	ac	ad	ae
	Year ending on 31.12.2023				
	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
			Of which Use of Proceeds	Of which transitional	Of which enabling
<b>% (compared to total eligible off-balance sheet assets)</b>					
1 Financial guarantees (FinGuar KPI)	43.93%	19.29%	-	0.55%	4.23%
2 Assets under management (AuM KPI)	20.45%	8.01%	-	-	0.12%

## 5. KPI off-balance sheet exposures CapEx-based view, flow

		a	b	c	d	e	f	g	h	i
		Year ending on 31.12.2023								
		Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
% (compared to total eligible off-balance sheet assets)		Of which Use of Proceeds		Of which transitional	Of which enabling		Of which Use of Proceeds		Of which enabling	
1	Financial guarantees (FinGuar KPI)	32.12%	16.62%	-	0.17%	3.92%	0.01%	-	-	-
2	Assets under management (AuM KPI)	15.83%	5.89%	-	-	-	0.42%	0.16%	-	-

		j	k	l	m	n	o	p	q	
		Year ending on 31.12.2023								
		Water and marine resources (WTR)				Circular economy (CE)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
% (compared to total eligible off-balance sheet assets)		Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which enabling			
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	-	-	-	-	-	-	-	-	-

		r	s	t	u	v	w	x	z	
		Year ending on 31.12.2023								
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
% (compared to total eligible off-balance sheet assets)		Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which enabling			
1	Financial guarantees (FinGuar KPI)	-	-	-	-	-	-	-	-	-
2	Assets under management (AuM KPI)	-	-	-	-	-	-	-	-	-

	aa	ab	ac	ad	ae
	Year ending on 31.12.2023				
	TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
			Of which Use of Proceeds	Of which transitional	Of which enabling
<b>% (compared to total eligible off-balance sheet assets)</b>					
1 Financial guarantees (FinGuar KPI)	32.13%	16.62%	-	0.17%	3.92%
2 Assets under management (AuM KPI)	16.25%	6.04%	-	-	-



## Quantitative indicators related to activities in the nuclear and fossil gas sectors

This subchapter discloses the nine required reporting templates for the nuclear and fossil gas sectors. They are based on the templates of the Appendix XII of the Delegated Regulation 2021/2178. Templates 2-5 are each presented in the turnover and CapEx view.

There are no use of proceeds known financings in Erste Group's portfolio that are related to activities in the areas of nuclear energy and fossil gas. The filling of the relevant tables is therefore based on the KPIs published by the respective counterparties in the corresponding tables.

### TEMPLATE 1 NUCLEAR AND FOSSIL GAS RELATED ACTIVITIES, STOCK

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	YES
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	YES
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	YES
<b>Fossil gas related activities</b>		
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous	YES
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES

## TEMPLATE 2 TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (DENOMINATOR), STOCK, TURNOVER-BASED VIEW

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	-	-	-	-	-	-
2	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	-	-	-	-	-	-
3	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	80	0.03%	80	0.03%	-	-
4	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	-	-	-	-	-	-
5	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	-	-	-	-	-	-
6	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	-	-	-	-	-	-
7	<b>Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the Total GAR stock</b>	<b>1,171</b>	<b>0.50%</b>	<b>1,167</b>	<b>0.49%</b>	<b>4</b>	<b>-</b>
<b>8</b>	<b>Total Total GAR stock</b>	<b>1,251</b>	<b>0.53%</b>	<b>1,247</b>	<b>0.53%</b>	<b>4</b>	<b>-</b>

## TEMPLATE 3 TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (NUMERATOR), STOCK, TURNOVER-BASED VIEW

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the Total GAR stock	-	-	-	-	-	-
2	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the Total GAR stock	-	-	-	-	-	-
3	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the Total GAR stock	80	6.40%	80	6.42%	-	-
4	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the Total GAR stock	-	-	-	-	-	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the Total GAR stock	-	-	-	-	-	-
6	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the Total GAR stock	-	-	-	-	-	-
7	<b>Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the Total GAR stock</b>	<b>1,171</b>	<b>93.60%</b>	<b>1,167</b>	<b>93.58%</b>	<b>4</b>	<b>100.00%</b>
<b>8</b>	<b>Total amount and proportion of taxonomy-aligned economic activities in the numerator of the Total GAR stock</b>	<b>1,251</b>	<b>100.00%</b>	<b>1,247</b>	<b>100.00%</b>	<b>4</b>	<b>100.00%</b>

## TEMPLATE 4 TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES, STOCK, TURNOVER-BASED VIEW

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	-	-	-	-	-	-
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	2	-	2	-	-	-
3	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	-	6.40%	-	6.42%	-	-
4	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	163	-	163	-	-	-
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	136	-	136	-	-	-
6	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	12	-	12	-	-	-
7	<b>Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the Total GAR stock</b>	<b>73,269</b>	<b>93.60%</b>	<b>73,265</b>	<b>93.58%</b>	<b>4</b>	<b>100.00%</b>
8	<b>Total amount and proportion of taxonomy eligible but not taxonomy- aligned economic activities in the denominator of the Total GAR stock</b>	<b>73,583</b>	<b>100.00%</b>	<b>73,579</b>	<b>100.00%</b>	<b>4</b>	<b>100.00%</b>

## TEMPLATE 5 TAXONOMY NON-ELIGIBLE ECONOMIC ACTIVITIES, STOCK, TURNOVER-BASED VIEW

Row	Economic activities	Amount	Percentage
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	-	-
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KP	-	-
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	-	-
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	17	0.01%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	-	-
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	-	-
7	<b>Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the Total GAR stock</b>	<b>161,426</b>	<b>68.32%</b>
8	<b>Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the Total GAR stock</b>	<b>161,443</b>	<b>68.33%</b>

## TEMPLATE 2 TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (DENOMINATOR), STOCK, CAPEX-BASED VIEW

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	3	-	3	-	-	-
2	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	-	-	-	-	-	-
3	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	77	0.03%	77	0.03%	-	-
4	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	-	-	-	-	-	-
5	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	-	-	-	-	-	-
6	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	-	-	-	-	-	-
7	<b>Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the Total GAR stock</b>	<b>1,708</b>	<b>0.72%</b>	<b>1,693</b>	<b>0.72%</b>	<b>6</b>	<b>-</b>
<b>8</b>	<b>Total Total GAR stock</b>	<b>1,787</b>	<b>0.76%</b>	<b>1,773</b>	<b>0.75%</b>	<b>6</b>	<b>-</b>

## TEMPLATE 3 TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (NUMERATOR), STOCK, CAPEX-BASED VIEW

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the Total GAR stock	3	0.18%	3	0.19%	-	-
2	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the Total GAR stock	-	-	-	-	-	-
3	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the Total GAR stock	77	4.28%	77	4.32%	-	-
4	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the Total GAR stock	-	-	-	-	-	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the Total GAR stock	-	-	-	-	-	-
6	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the Total GAR stock	-	-	-	-	-	-
7	<b>Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the Total GAR stock</b>	<b>1,708</b>	<b>95.53%</b>	<b>1,693</b>	<b>95.49%</b>	<b>6</b>	<b>100.00%</b>
<b>8</b>	<b>Total amount and proportion of taxonomy-aligned economic activities in the numerator of the Total GAR stock</b>	<b>1,787</b>	<b>100.00%</b>	<b>1,773</b>	<b>100.00%</b>	<b>6</b>	<b>100.00%</b>

## TEMPLATE 4 TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES, STOCK, CAPEX-BASED VIEW

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	-	-	-	-	-	-
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	-	-	-	-	-	-
3	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	-	-	-	-	-	-
4	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	31	0.01%	31	0.01%	-	-
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	81	0.03%	81	0.03%	-	-
6	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	-	-	-	-	-	-
7	<b>Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the Total GAR stock</b>	<b>73,814</b>	<b>31.24%</b>	<b>73,819</b>	<b>31.24%</b>	<b>3</b>	<b>-</b>
8	<b>Total amount and proportion of taxonomy eligible but not taxonomy- aligned economic activities in the denominator of the Total GAR stock</b>	<b>73,926</b>	<b>31.29%</b>	<b>73,931</b>	<b>31.29%</b>	<b>3</b>	<b>-</b>

## TEMPLATE 5 TAXONOMY NON-ELIGIBLE ECONOMIC ACTIVITIES, STOCK, CAPEX-BASED VIEW

Row	Economic activities	Amount	Percentage
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	-	-
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KP	-	-
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	-	-
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	15	0.01%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	-	-
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Total GAR stock	-	-
7	<b>Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the Total GAR stock</b>	<b>160,547</b>	<b>67.95%</b>
8	<b>Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the Total GAR stock'</b>	<b>160,563</b>	<b>67.96%</b>

## 8. GRI Index

Statement of use		Erste Group Bank AG has reported in accordance with the GRI Standards for the period from 1 January 2023 to 31 December 2023.				
GRI 1		GRI 1: Foundation 2021				
GRI Standard	Disclosure	Location	Omission			Remarks
			Requirement(s) omitted	Reason	Explanation	
General disclosures						
GRI 2: General disclosures 2021	2-1 Organizational details	Management Report 2023 a. General information in the notes to the consolidated financial statements b. Ownership, legal form: Chapter 'Capital, share, voting and control rights and associated agreements' in the group management report c. Place of headquarters: Chapter 'Branches' in the group management report d. Countries in which it operates: Note 1 (segment reporting) in the notes to the group financial statements				a) Erste Group Bank AG c) Am Belvedere 1, Wien 1100
	2-2 Entities Included in the organization's sustainability reporting	Note 57				
	2-3 Reporting period, frequency and contact point	Imprint				1.1.2023 to 31.12.2023 annually
	2-4 Restatements of information					No significant changes in the organization (neither in terms of size, structure) or supply chain
	2-5 External assurance	p. 168-169				
	2-6 Activities, value chain and other business relationships	Management Report 2023 Chapter: Cooperation between Erste Group Bank AG and Vienna Insurance Group (VIG); Part Consolidation section in the Annex				Partnership with Vienna Insurance
	2-7 Employees	p. 33-34	2-7 iii) Employees with non-guaranteed working hours	Not applicable	Does not apply to Erste Group	.
	2-8 Workers who are not employees			Not applicable	Workers who are not employees do not perform a significant portion of organization's activities	
	2-9 Governance structure composition	CG report				TCFD: Governance
	2-10 Nomination and selection of the highest governing body	CG report	2-10 i) Consideration of views of stakeholder (inc.shareholder) for the nomination of the highest governance body members	Not applicable	Syndicate members are subordinated to the Erste Foundation	
	2-11 Chair of the highest governance body	CG report				

GRI Standard	Disclosure	Location	Omission			Remarks
			Requirement(s) omitted	Reason	Explanation	
GRI 2: General disclosures 2021	2-12 The role of the highest governance body in overseeing the management of impacts	p. 7-9 and CG report				TCFD: Governance
	2-13 Delegation of responsibility for managing impact	p. 7-9				TCFD: Governance
	2-14 Role of the highest governance body in sustainability reporting	p. 7-9 and CG report				TCFD: Governance
	2-15 Conflicts of interest	CG report				
	2-16 Communication of critical concerns	p. 64				
	2-17 Collective knowledge of the highest governance body	CG Report and 7-9				TCFD: Governance
	2-18 Evaluation of the performance of the highest governance body	p. 9-10				
	2-19 Remuneration policies	p. 9-10				
	2-20 Process to determine remuneration	p. 9-10				
	2-21 Annual total compensation ratio	p.11				
	2-22 Statement on sustainable development strategy	p. 2-3; 4-7				
	2-23 Policy commitments for responsible business conduct	p. 2-3; 60				Code of Conduct: <a href="https://www.erstegroup.com/de/ueber-uns/nachhaltigkeit-esg">https://www.erstegroup.com/de/ueber-uns/nachhaltigkeit-esg</a>
	2-24 Embedding policy commitments for responsible business conduct	p. 60-66				
	2-25 Processes to remediate negative impacts	p. 60-66				
2-26 Mechanisms for seeking advice and raising concerns	p. 60-66					

GRI Standard	Disclosure	Location	Omission			Remark
			Requirement(s) omitted	Reason	Explanation	
GRI 2: General disclosures 2021	2-27 Compliance with Laws and Regulations					There were no significant penalties in 2023 as a result of non-compliance with social, economic and environmental laws and regulations.
	2-28 Membership in associations					Erste Group Bank AG has the following significant memberships: WSBI (World Savings Banks Institute), ESBG (European Savings Banks Group), Österreichischer Sparkassenverband, WKO (Austrian Economic Chambers, Industry Sector: Banking and Insurance Division), ÖVFA (Österreichische Vereinigung für Finanzanalyse und Asset Management), BWG (Bankwissenschaftliche Gesellschaft), WIFO (Wirtschaftsforschungsinstitut Österreich), Österreichische Industriellenvereinigung (IV), respACT (Austrian Business Council for Sustainable Development), Transparency International, UNEP FI, Net Zero Banking Alliance, PCAF; UN GC participant Erste Group's banking subsidiaries in CEE have following significant memberships: Erste Bank Croatia: Croatia Green Building Council (CGBC), Croatian Association of Accountants and Financial Experts (CAAFE); Erste Bank Serbia: Association of Banks of Serbia, Chamber of Commerce Serbia; Slovenská sporiteľňa: Slovak Banking Association, Central European Corporate Governance Association; Erste Bank Hungary: Hungarian Banking Association, Budapest Chamber of Commerce and Industry; Banca Comercială Română: Romanian Banking Association, Financial Markets Association; Česká spořitelna: Czech Banking Association, Economic chamber of the Czechia
	2-29 Approach to stakeholder engagement	p. 11				
	2-30 Collective bargaining agreements	p. 39-40				



GRI Standard	Disclosure	Location	Omission			Remark	
			Requirement(s) omitted	Reason	Explanation		
<b>Material Topics</b>							
GRI 3: Material topics in 2021	3-1 Process to determine material topics	p. 3-4					
	3-2 List of material topics	p. 4					
<b>Climate and Environment - Financed Emissions</b>							
GRI 3: Financed emissions	3-3 Management of material topics	p. 12-22					
<b>Climate and Environment - Sustainable Finance and Investments</b>							
GRI 3: Sustainable financing and investments Financed emissions	3-3 Management of material topics	p. 22-28					
<b>Climate and Environment - Ecological Impacts of Banking Operations</b>							
GRI 3: Material topics in 2021	3-3 Management of material topics	p. 28-33					
GRI 302: Energy 2016	302-1 Energy consumption within the organization	p. 28-33	d. in joules, watt-hours or multiples of units, the total(s): i. electricity sold ii. heat sold iii. cooling energy sold iv. steam sold	Not applicable	Erste Group does not generate revenues from the sale of electricity, heat, steam or cooling energy	TCFD metrics and goals;	
	302-2 Energy consumption outside of the organization			Information is not available	Data on energy consumption outside the organization is not available, but is included in the Group's Scope 3 emissions using a spend-based calculation approach.		
	302-3 Energy Intensity	p. 28-33					
	302-4 Reduction of energy consumption	p. 28-33				TCFD Metrics and Goals	
	302-5 Reduction of energy requirements for products and services				Not applicable	Our products are intangible and therefore do not require energy.	
GRI 305: Emissions 2016	305-1 Direct (scope 1) GHG emissions	p. 28-33	c. Biogenic CO2 emissions in tonnes of CO2 equivalent	Not applicable	No biogenic emissions are emitted	TCFD Metrics and Goals	
	305-2 Energy Indirect (scope 2) GHG emissions	p. 28-33				TCFD Metrics and Goals	
	305-3 Other indirect (scope 3) emissions	p. 28-33	c. Biogenic CO2 emissions in tonnes of CO2 equivalent	Not applicable	No biogenic emissions are emitted		
	305-4 GHG emissions intensity	p. 28-33					
	305-5 Reduction of GHG emissions	p. 28-33					
	305-6 Emissions of ozone depleting Substances (ODS)				Not applicable	Not applicable due to the nature of our business.	
	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant air emissions				Not applicable	Not applicable due to the nature of our business.	

GRI Standard	Disclosure	Location	Omission			Remarks
			Requirement(s) omitted	Reason	Explanation	
<b>Our Employees- Diversity and Inclusion</b>						
GRI 3: Material topics in 2021	3-3 Management of material topics	p. 35-39				
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	p. 38 and CG Report	405-1 b)	b) Information unavailable	b) Figures were not collected.	
GRI 405: Diversity and equal opportunity 2016	405-2 Ratio of basic salary and remuneration of women to men	p.36		Data not complete	Gender Pay Gap project ongoing	
GRI 406 Anti-Discrimination 2016	406 -1 Non-discrimination	p. 36-37				
<b>Our employees – Occupational health and work-life balance</b>						
GRI 3: Material topics in 2021	3-3 Management of material topics	p. 40-43				
GRI 403: Occupational Health and Safety 2018	403-1 Occupational Health and safety management system	p.41-42				
	403-2 Hazard Identification, risk assessment, and Incident Investigation	p. 40-43				
	403-3 Occupational health services	p. 41-42				
	403-4 Worker participation,, consultation and communication on occupational health and safety	p. 41				
	403-5 Worker training on occupational health and safety	p. 42				
	403-6 Promotion of worker health	p. 40-43				
	403-7 Prevention and mitigation of occupational health and safety impacts linked directly to business relationships	p. 40-43				
	403-8 Workers covered by an occupational health and safety management system	p.40				
	403-9 Work-related injuries	p.43				
	403-10 Work-related ill health	p.43				

GRI Standard	Disclosure	Location	Omission			Remarks
			Requirement(s) omitted	Reason	Explanation	
<b>Our Employees - Attractiveness for Talents</b>						
<b>GRI 3: Material topics in 2021</b>	3-3 Management of material topics	p. 43-47				
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	p. 45-46				
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees			Not applicable	Benefits are provided to all employees	
	401-3 Parental leave	p. 43	401-3 d and e	No data available	Data was not collected	
<b>GRI 404 Training and education 2016</b>	404-1 Average hours on training per year and employee	p. 44	ii) Employee category	No data available	Data was not collected	
	404-2 Programs for upgrading the skills of employees and transition assistance programs	p. 45				
	404-3 Percentage of employees receiving regular performance and career development reviews	p. 45				

GRI Standard	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
<b>Our Customers - Customer Satisfaction</b>					
GRI 3: Material topics in 2021	3-3 Management of material topics	p. 50-53			
<b>Our customers – data security</b>					
GRI 3: Material topics in 2021	3-3 Management of material topics	p. 47-49			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches customer privacy and losses of customer data	p. 49			
<b>Financial inclusion and capacity building</b>					
GRI 3: Material topics in 2021	3-3 Management of material topics	p. 53-59			
<b>Business ethics - Anti-Corruption</b>					
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption		205-1 a. Total number and percentage of operations assessed for risks related to corruption.	Information is not available	Data will only be available to internal committees after the presentation of compliance annual reports.
	205-2 Communication and training on anti-corruption policies and procedures			Information is not available	Data is not available in this form
	205-3 Confirmed incidents of corruption and measures taken	p. 63			
<b>Business ethics</b>					
GRI 206: Anti-Competitive Conduct 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust and monopoly formation				In 2023 no legal action for anti-competitive behavior, anti-trust, or monopoly practices were initiated against Erste Group Bank AG. One new proceeding was initiated with a dawn raid performed by the respective Competition Authority. Therefor three cases are pending. We do not expect these cases to lead to any fines or sanctions that would have a material effect on Erste Group..

## 9. Principles for Responsible Banking



### Principle 1: Alignment

We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

#### 1.1 — BUSINESS MODEL

Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, segments (i.e. by balance sheet and/or off-balance sheet) or by disclosing the number of customers and clients served.

Erste Group aims to be the leading bank for retail and corporate customers in the CE region, including Austria. In all of its core markets, Erste Group pursues a well-balanced business model that is designed to offer each customer the best banking services. Today, Erste Group serves approx. 16.1 million customers in Austria (market share in retail lending 21.4%), the Czech Republic (26.4%), Slovakia (24.6%), Romania (16.6%), Hungary (11.5%), Croatia (14.7%) and Serbia (7.1%).

Business with retail customers is our core business and our particular strength. It is at the heart of the development of products such as modern digital banking, which enables us to meet customer expectations more effectively. The retail customer business covers the entire spectrum of loan, deposit and investment products as well as account management and credit cards. We also use and promote digital sales channels such as the internet and mobile banking, both to take account of the increased importance of digital banking and to actively shape the digital future. George, our digital platform, plays a key role in this.

Business with SME, regional and multinational corporations and real estate companies is our second main business area, which also contributes significantly to Erste Group's success. Our aim is to deepen our customer relationships so that they go beyond the pure lending business.

A customer-oriented capital market business is also part of our comprehensive offering to our private and corporate customers. We therefore see our capital market business as a link between the financial markets and our customers.

Adequate infrastructure in the areas of transportation, energy and municipal services is essential for long-term, sustainable economic growth. Infrastructure financing and all associated financial services are therefore of enormous importance to us.

Chapter:  
Business overview and  
Erste Group website (pre-  
sentations of results)

#### 1.2 — STRATEGY ALIGNMENT

**Does your corporate strategy identify and reflect sustainability as strategic priority/ies for your bank?**

Yes  No

Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.

**Does your bank also reference any of the following frameworks or sustainability regulatory reporting requirements in its strategic priorities or policies to implement these?**

- UN Guiding Principles on Business and Human Rights
- International Labour Organization fundamental conventions
- UN Global Compact
- UN Declaration on the Rights of Indigenous Peoples
- None of the above

The concept of sustainability has been a key pillar of Erste Group since its foundation. Sustainability means to act successfully in social, ecological and economic terms. Erste Group pursues a clearly defined ESG strategy based on the strategic pillars of green transition and social inclusion.

For us, a green transition means providing financial resources for climate action. The Group aims to achieve a net zero status for its portfolio by 2050, thereby contributing to the goal of the Paris Climate Agreement. A net zero status for the banking operations is to be attained by 2030. Erste Group was one of the first banking groups in the region to join the Net Zero Banking Alliance. Our efforts are designed to implement specific, science-based targets for each defined sector.

We understand social inclusion to include financial inclusion and education, social banking, affordable housing and gender equality. We believe that a sound socio-economic environment provides the basis for solid banking operations and has a beneficial impact on our economic performance. This is what we are working towards every day.

As a token of our long-term commitment, we signed the UN Global Compact supporting the 17 Sustainable Development Goals (SDGs) as early as 2015. Our shared ambition: to achieve the development goals in respect of the major societal challenges by 2030. Erste Group supports seven of the 17 SDGs through its social activities and financial services: “No poverty”, “Quality education”, “Gender equality”, “Clean water and sanitation”, “Sustainable cities and communities”, “Sustainable consumption and production” and “Climate action”.

Chapter:  
1.1 Embedded ESG strategy as key to success



## Principle 2: Impact and Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products, and services. To this end, we will set and publish targets where we can have the most significant impacts.

### 2.1 — IMPACT ANALYSIS

Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target-setting. The impact analysis shall be updated regularly and fulfil the following requirements/elements (a-d):

#### a. Scope

What is the scope of your bank’s impact analysis? Please describe which parts of the bank’s core business areas, products/services across the main geographies that the bank operates in (as described under 1.1) have been considered in the impact analysis. Please also describe which areas have not yet been included, and why.

Our impact analysis was first performed in 2022 and continues to be of relevance in 2023 reporting. For the impact analysis we included our most important corporate and retail business activities across all of our Core Markets, which account for 91% of the Group’s total operating income.

For the corporate business we applied an exposure threshold per industry sector of EUR 1 billion, which allowed us to focus on the financed economic activities with the most impact. We thereby achieved a coverage of our corporate lending book of 93%.

We did not consider investment banking, capital markets and third-party asset management that we offer to our clients as a service as these areas are not part of our mainstream banking activities.

Chapter:  
Business overview

## b. Portfolio composition

Has your bank considered the composition of its portfolio (in %) in the analysis? Please provide proportional composition of your portfolio globally and per geographical scope

i) by sectors & industries for business, corporate and investment banking portfolios (i.e. sector exposure or industry breakdown in %), and/or  
ii) by products & services and by types of customers for consumer and retail banking portfolios.

If your bank has taken another approach to determine the bank's scale of exposure, please elaborate, to show how you have considered where the bank's core business/major activities lie in terms of industries or sectors.

When analyzing our corporate customer portfolio, we focused on the most important industrial sectors in our portfolio (NACE code classification). The composition was measured by the share of the credit risk volume in % and the share of financed emissions (calculated according to PCAF). The composition of our portfolio is also reflected in our prioritized decarbonization sectors. This results in the following composition: real estate (share of credit risk volume of 12% / share of financed emissions 7%), energy (5% / 27%), construction (5% / 9%), natural resources and commodities (4% / 20%), non-cyclical consumer goods (3% / 4%) and automotive (2% / 2%).

For our analysis of the retail business, we used the total exposure of all products offered by Erste Group. Our assessment of the relevance of products and services is based on the number of customers per type of product, which showed the most important categories to be current accounts (47%), savings accounts (22.9%), consumer loans (21.8%), credit cards (5.3%) and mortgage loans (2.9%). Even though mortgage loans represent only a small number of customers, they account for a significant portion of volume outstanding (30%).

Chapters:  
Business overview and  
2.1 Financed emissions

## c. Context

What are the main challenges and priorities related to sustainable development in the main countries/regions in which your bank and/or your clients operate? Please describe how these have been considered, including what stakeholders you have engaged to help inform this element of the impact analysis.

*This step aims to put your bank's portfolio impacts into the context of society's needs.*

The economic and social costs of a net zero transition are not necessarily distributed fairly. Affordability of staple goods and services as well as access to affordable housing have become a major concern for a large part of society. Inflation and the persistent energy crisis have been speeding up these developments. These may lead to inequality and a division of society and reduce public support for key climate protection measures. It is therefore the shared responsibility of all of us to support a fair transition that leaves no-one behind.

With our ESG strategy we aim to strengthen the capability of our region to adapt to climate change and mitigate its main risks as identified by the Intergovernmental Panel on Climate Change (IPCC). Among these risks are heat, lower crop yields, water scarcity and flooding.

We believe that it is only through communication and collaboration with our stakeholders that we can meet their needs and expectations. It is only with the trust and the support of our stakeholders that we will be able to keep developing our business successfully and contribute to a green transition and social inclusion. It is therefore important for us to conduct an open dialogue with our stakeholders. For details on the stakeholder groups of relevance to us refer to Chapter "1.4 Stakeholder engagement".

Chapter:  
1.4 Stakeholder engagement and Erste Group Climate Report 2023

Based on these first 3 elements of an impact analysis, what positive and negative impact areas has your bank identified? Which (at least two) significant impact areas did you prioritize to pursue your target setting strategy (see 2.2)? Please disclose.

By using the Context Module provided by UNEP FI we were able to make a first high-level assessment of the main priorities in all our core markets. Availability, accessibility, affordability & quality of resources and services, as well as climate stability and circularity were identified as common fields of priority for all seven countries. Based on the statistical data provided by UNEP FI, improvement is needed with regard to access to good quality food, affordable housing and the countries' health security and capabilities. In addition to social concerns, more attention also needs to be given in our core markets to the environment, specifically the avoidance of climate risks, resource intensity and waste recycling.

Both the Institutional and the Consumer Banking modules have shown us how the main priorities of our core markets can be translated into the most important positive and negative impact areas of Erste Group by considering our actual business activities in the corporates and retail business. As a conclusion from these findings we classified financial health and inclusion as well as climate action as those two relevant impact areas in which we want to set targets within the framework of our Principles for Responsible Banking commitment.

#### **d. For these (min. two prioritized impact areas): Performance measurement**

Has your bank identified which sectors & industries as well as types of customers financed or invested in are causing the strongest actual positive or negative impacts? Please describe how you assessed the performance of these, using appropriate indicators related to significant impact areas that apply to your bank's context.

In determining priority areas for target-setting among its areas of most significant impact, you should consider the bank's current performance levels, i.e. qualitative and/or quantitative indicators and/or proxies of the social, economic and environmental impacts resulting from the bank's activities and provision of products and services. If you have identified climate and/or financial health&inclusion as your most significant impact areas, please also refer to the applicable indicators in the Annex.

If your bank has taken another approach to assess the intensity of impact resulting from the bank's activities and provision of products and services, please describe this.

*The outcome of this step will then also provide the baseline (incl. indicators) you can use for setting targets in two areas of most significant impact.*

#### Measuring our impact on climate change:

To measure the impact of our business activities on climate change we regularly perform a detailed calculation of our financed emissions using the PCAF methodology. The calculation helps us to identify the most emission intensive sectors we are financing. Understanding our financed emissions was the basis for our Net-Zero commitment by 2050 and our membership in the Net-Zero Banking Alliance. The first set of decarbonisation targets was defined in 2022 for the following sectors: mortgages, commercial real estate, electricity and heat & steam production. The 2023 Non-Financial Report shows targets for the following additional sectors: cement production, oil & gas extraction, iron & steel and automotive production.

#### Identifying our contribution to Financial Health and Inclusion:

The outcomes of Erste Group's social banking activities are measured as part of regular impact assessments. This is done on the basis of output data such as the number of newly created jobs, the number of participants in educational activities, etc. and supplemented with the results of anonymous customer surveys. Erste Group's social banking initiatives focus on financially excluded or vulnerable individuals (people at risk of poverty or social exclusion), start-ups, micro-entrepreneurs and social organisations (non-profit sector, non-governmental organisations and social enterprises), offering them fair access to financial products, sound financial advice, as well as business training and mentoring.

#### Chapter:

1.2 Strategic priorities,  
2.1 Financed emissions,  
Chapter 5. Financial  
inclusion and capacity  
building



### Self-assessment summary

Which of the following components of impact analysis has your bank completed, in order to identify the areas in which your bank has its most significant (potential) positive and negative impacts?

Scope	<input checked="" type="radio"/> Yes	<input type="radio"/> In progress	<input type="radio"/> No
Portfolio composition	<input checked="" type="radio"/> Yes	<input type="radio"/> In progress	<input type="radio"/> No
Context	<input checked="" type="radio"/> Yes	<input type="radio"/> In progress	<input type="radio"/> No
Performance measurement	<input checked="" type="radio"/> Yes	<input type="radio"/> In progress	<input type="radio"/> No

### Which most significant impact areas have you identified for your bank, as a result of the impact analysis?

Climate change mitigation and financial health & inclusion

### How recent is the data used for and disclosed in the impact analysis?

- Up to 6 months prior to publication
- Up to 12 months prior to publication
- Up to 18 months prior to publication
- Longer than 18 months prior to publication

## 2.2 — TARGET SETTING

Show that your bank has set and published a minimum of two targets which address at least two different areas of most significant impact that you identified in your impact analysis.

The targets have to be Specific, Measurable (qualitative or quantitative), Achievable, Relevant and Time-bound (SMART). Please disclose the following elements of target setting (a-d), for each target separately:

### a. Alignment

which international, regional or national policy frameworks to align your bank's portfolio with have you identified as relevant? Show that the selected indicators and targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks.

*You can build upon the context items under 2.1.*

Erste Group is committed both to adapting to climate change and mitigating it in accordance with the Paris Agreement. We contribute to limiting global warming to 1.5°C and to achieving net zero status by 2050. We believe that it is the shared responsibility of all of us to work for a fair transition that is in conformity with achieving the UN Goals for Sustainable Development.

Inadequate financial literacy and financial health remain a main limitation of the wellbeing of many in the region. Our main objective through social banking is to make financing accessible for the currently non-banked population and to support them with financial education and knowledge building. With this aspiration we are contributing to the EU goal of reducing poverty by 50% by 2030 as well as to progress on the UN SDGs.

Chapter:  
2.1 Financed emissions and 5. Financial inclusion and capacity building;  
Erste Group Climate Report 2023

### b. Baseline

Have you determined a baseline for selected indicators and assessed the current level of alignment? Please disclose the indicators used as well as the year of the baseline.

For our impact area of climate action, we aligned the structure of our reporting with the requirements set by the Net Zero Banking Alliance and have therefore included the following indicators:

Impact area	Indicator code	Response / Chapter
Climate action	A.1.1 – Climate strategy	Yes
	A.1.2 – Paris Alignment target	Yes + Chapter 2.1
	A.1.3 – Policy, process and climate relationships	Yes
	A.1.4 – Portfolio analysis	Yes + Chapter 2.1
	A.1.5 – Business opportunities	Yes + Chapters 2.1 and 2.2
	A.2.1 – Client engagement	Yes + Chapters 2.1 and 2.2
	A.2.2 – Absolute financed emissions	Total GHG emissions or CO <sub>2</sub> e + Chapter 2.1
	A.2.3 – Sector-specific emission intensity	Chapter 2.1
	A.2.4 – Proportion of financed emissions covered by decarbonisation targets	Kapitel 2.1
	A.3.1 – Financial volume of Green Assets	Chapters 2.2 and 7.
	A.3.2 – Financial volume lent to/invested in carbon intensive sectors and activities	Kapitel 2.1
	A.4.1 – Reduction of GHG emissions	Chapter 2.1
	A.4.2 – Portfolio alignment	Chapter 2.1

For our financial health and inclusion impact area we have included the following indicators for reporting purposes:

Impact area	Indicator code	Response / Chapter
Financial health and inclusion	Products and advisory services with focus on financial health	Chapter 4.
	Participants using advisory services to strengthen financial health	Chapter 4.
	New social banking financing (in EUR million and number of customers)	Chapter 5.
	Microfinance and start-up-finance (in EUR million and number of customers)	Chapter 5.
	Financing of social organisations (in EUR million and number of customers)	Chapter 5.
	Number of customers supported in financial difficulties	Chapter 5.
	Number of jobs created and preserved	Chapter 5.
	Number of participants in financial literacy initiatives	Chapter 5.

### c. SMART targets (incl. key performance indicators (KPIs))

Please disclose the targets for your first and your second area of most significant impact, if already in place (as well as further impact areas, if in place). Which KPIs are you using to monitor progress towards reaching the target? Please disclose.

To make our portfolio contribute to the achievement of the goals of the Paris Agreement and to attain a net zero status by 2050 we defined decarbonisation targets for the emission-intensive sectors of our portfolio.

To promote financial health and inclusion in our region, we defined milestones up to 2030 under our Social Banking programme: construction of affordable housing units, providing finance through social banking, rolling out financial literacy initiatives and the creation and preservation of jobs. The impact of the measures taken to achieve these targets will be disclosed regularly in a separate impact report.

For details on the targets set and KPIs applied we refer to the relevant chapters of the report.

Chapter:  
2.1 Financed emissions,  
4. Our customers and 5.  
Financial inclusion and  
capacity building  
Social Banking Impact  
Report

### d. Action plan

Which actions including milestones have you defined to meet the set targets? Please describe.

Please also show that your bank has analyzed and acknowledged significant (potential) indirect impacts of the set targets within the impact area or on other impact areas and that it has set out relevant actions to avoid, mitigate, or compensate potential negative impacts.

The following steps have been defined as essential on the pathway to the successful **decarbonisation** of our portfolios: measurement of financed greenhouse gas emissions, setting well-defined decarbonisation targets and, finally, implementation and control of an effective action plan (also: transition plan) for the portfolio. The four pillars of our climate strategy are designed to take advantage of opportunities for green growth and mitigate climate risks that are specific to our region:

1. **Energy efficiency** – buildings in CEE are generally less energy efficient than in the rest of the EU. This offers a great opportunity for reducing emissions while at the same time lowering the cost of living and improving the occupants' quality of life.
2. **Industrial decarbonisation** – CEE must reduce emissions from carbon-intensive production, lower its reliance on coal and increase the availability and storage of renewable energy. This creates opportunities for promoting financing of sustainable technologies and renewable energy while at the same time supporting the climate protection efforts of emission-intensive clients.
3. **Better land use** – sustainable land management including best practices in agriculture and reduced deforestation can support land-based carbon sinks in CEE.
4. **A fair transition** – the economic and social costs of a net zero transition are not necessarily fairly distributed. This may lead to inequality and division and reduce public support for key climate protection measures. It is our shared responsibility to support a fair transition that does not leave anyone behind.

To promote **financial health**, we rely on proven personal advice as well as increased transparency supported by digital tools. Selected corporate customers are provided with an overview of their ratings and key financial metrics covering specified periods and benchmarked against available industry data. Overviews and metrics are updated at regular intervals and discussed with customers face to face.

Financial health is not only confined to financial metrics, however. It also includes reviewing our contracts for ease of understanding, the development of a digital advisory tool for photovoltaics and offering financial training for our customers' employees – to name just a few examples from Erste Group.

Partnering and cooperating with outside partners, we also offer innovative solutions with the aim of streamlining our customers' management of their financial affairs with the support of new digital or AI technologies.

We finally believe in our obligation to keep our customers as well as our customer relationship managers well informed about trends, new technologies and approaches. We communicate through webinars, meetings and conferences but also by means of news releases, training events or via our website with and without cooperation partners.

Chapter:  
1. Sustainability at Erste  
Group, 2.1 Financed  
emissions, 4. Our  
customers, 5. Financial  
inclusion and capacity  
building; Erste Group  
Climate Report 2023

To measure the impact of Erste Group’s various **social banking activities** we regularly perform impact assessments. These are based on output data such as the number of newly created jobs, the number of participants in educational activities, etc., and supplemented by the results of anonymous customer surveys.

In addition, we are steadily working on product innovation to help our clients become financially healthy and integrate into society.

#### Self-assessment summary

Which of the following components of target setting in line with the PRB requirements has your bank completed or is currently in a process of assessing for your areas of most significant impact.

	Climate Change Mitigation			Financial Health & Inclusion		
<b>Alignment</b>	<input checked="" type="radio"/> Yes	<input type="radio"/> In progress	<input type="radio"/> No	<input checked="" type="radio"/> Yes	<input type="radio"/> In progress	<input type="radio"/> No
<b>Baseline</b>	<input checked="" type="radio"/> Yes	<input type="radio"/> In progress	<input type="radio"/> No	<input checked="" type="radio"/> Yes	<input type="radio"/> In progress	<input type="radio"/> No
<b>SMART targets</b>	<input checked="" type="radio"/> Yes	<input type="radio"/> In progress	<input type="radio"/> No	<input checked="" type="radio"/> Yes	<input type="radio"/> In progress	<input type="radio"/> No
<b>Action plan</b>	<input checked="" type="radio"/> Yes	<input type="radio"/> In progress	<input type="radio"/> No	<input checked="" type="radio"/> Yes	<input type="radio"/> In progress	<input type="radio"/> No

## 2.3 — TARGET IMPLEMENTATION AND MONITORING

### For each target separately

Show that your bank has implemented the actions it had previously defined to meet the set target.

Report on your bank’s progress since the last report towards achieving each of the set targets and the impact your progress resulted in, using the indicators and KPIs to monitor progress you have defined under 2.2.

### Or, in case of changes to implementation plans (relevant for 2nd and subsequent reports only):

describe the potential changes (changes to priority impact areas, changes to indicators, acceleration/review of targets, introduction of new milestones or revisions of action plans) and explain why those changes have become necessary.

For details on progress towards our targets see the section entitled “Targets” in Chapters „2.1 Financed emissions” and “5. Financial inclusion and capacity building”.



## Principle 3: Clients and Customers

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

### 3.1 — CLIENT ENGAGEMENT

Does your bank have a policy or engagement process with clients and customers in place to encourage sustainable practices?

Yes  In progress  No

Does your bank have a policy for sectors in which you have identified the highest (potential) negative impacts?

Yes  In progress  No

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities). It should include information on relevant policies, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.

*This should be based on and in line with the impact analysis, target-setting and action plans put in place by the bank (see Principle 2).*

Erste Group believes that sustainable finance benefits from public and entrepreneurial awareness, commitment and specific knowledge.

For the purpose of offering its corporate customers targeted advisory services, Erste Group has set up dedicated teams in a number of its core markets, known in Austria as Sustainable Finance Corporates.

A concrete example of how we engage with our customers is the support we offer them in coping with the challenges involved in the renovation of buildings and dwellings: in addition to running comprehensive information campaigns we have set up in-house teams of experts who assist and advise customers on a large variety of questions related to renovation. Their expertise ranges from available subsidies to energy consulting, where we co-operate in Austria with klimaaktiv, an initiative of the Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology.

Chapter:  
2.1 Financed emissions,  
2.2 Sustainable finance  
and investment

### 3.2 — BUSINESS OPPORTUNITIES

Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how you have worked on these in the reporting period. Provide information on existing products and services, information on sustainable products developed in terms of value (USD or local currency) and/or as a % of your portfolio, and which SDGs or impact areas you are striving to make a positive impact on (e.g. green mortgages – climate, social bonds – financial inclusion, etc.).

We have developed sustainable products and solutions for our key customer industries. For details see Chapters “2.1 Financed emissions” and “2.2 Sustainable finance and investment” in this report.

Chapter:  
2.1 Financed emissions  
and 2.2 Sustainable  
finance and investment



## Principle 4: Stakeholders

We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

### 4.1 — STAKEHOLDER IDENTIFICATION AND CONSULTATION

Does your bank have a process to identify and regularly consult, engage, collaborate and partner with stakeholders (or stakeholder groups) you have identified as relevant in relation to the impact analysis and target setting process?

Yes  In progress  No

Please describe which stakeholders (or groups/types of stakeholders) you have identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process.

For details of the stakeholder groups of most relevance for Erste Group see Chapter “1.4 Stakeholder engagement”.

In report, GRI index  
memberships



## Principle 5: Governance & Culture

We will implement our commitment to these Principles through effective governance and a culture of responsible banking

### 5.1 — GOVERNANCE STRUCTURE FOR IMPLEMENTATION OF THE PRINCIPLES

Does your bank have a governance system in place that incorporates the PRB?

Yes  In progress  No

Please describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support the effective implementation of the Principles. This includes information about

- which committee has responsibility over the sustainability strategy as well as targets approval and monitoring (including information about the highest level of governance the PRB is subjected to),
- details about the chair of the committee and the process and frequency for the board having oversight of PRB implementation (including remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected), as well as
- remuneration practices linked to sustainability targets.

Accountability for fulfilling our Principles for Responsible Banking commitment as well as our ESG strategy lies at the Management Board and Supervisory Board level, specifically with the Sustainability Board and the Strategy and Sustainability Committee. Meetings are held several times per year. For details and information on sustainability-linked remuneration we refer to Chapter “1.3 Governance”.

Chapter:  
1.3 Governance

### 5.2 — PROMOTING A CULTURE OF RESPONSIBLE BANKING

Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, e-learning, sustainability trainings for client-facing roles, inclusion in remuneration structures and performance management and leadership communication, amongst others).

To achieve sustainable change, we have to incorporate sustainability both into our operations and into our corporate culture. Our employees’ expertise, their experience and the decisions they take every day play a key role in implementing our climate strategy. We have been setting up Erste Green Communities in all countries to build a culture of ecological and climate responsibility from within our organisation.

To establish ESG as an important component of our strategy, employee training is of major importance. In 2023, a mandatory web-based ESG basic training was rolled out across the entire Erste Group for all employees regardless of their position. We also developed a special in-house web-based training programme for employees working in Corporates and Markets.

Remuneration principles applicable to the Management Board are in conformity with Erste Group’s strategy and designed to motivate board members to promote a sustainable and positive development of the business. The group-wide implementation of sustainability and responsible banking principles is also supported by ESG key performance indicators defined under variable remuneration agreements at the senior and lower management levels.

Chapter:  
1.3 Governance, 2.2 Sustainable finance and investment and 2.3 Ecological impact of banking operations

### 5.3 — POLICIES AND DUE DILIGENCE PROCESSES

Does your bank have policies in place that address environmental and social risks within your portfolio? Please describe.

Please describe what due diligence processes your bank has installed to identify and manage environmental and social risks associated with your portfolio. This can include aspects such as identification of significant/salient risks, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures you have in place to oversee these risks.

Erste Group has policies in place that describe our due diligence processes for environment, social and governance. Details can be found in the following chapters:

- 2.1 Financed emissions
- 2.2 Sustainable finance and investment
- 3. Our employees
- 6. Business ethics

#### Self-assessment summary

Does the CEO or other C-suite officers have regular oversight over the implementation of the Principles through the bank's governance system?

Yes  No

Does the governance system entail structures to oversee PRB implementation (e.g. incl. impact analysis and target setting, actions to achieve these targets and processes of remedial action in the event targets/milestones are not achieved or unexpected neg. impacts are detected)?

Yes  No

Does your bank have measures in place to promote a culture of sustainability among employees (as described in 5.2)?

Yes  In progress  No



## Principle 6: Transparency & Accountability

We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

### 6.1 — ASSURANCE

Has this publicly disclosed information on your PRB commitments been assured by an independent assurer?

Yes  Partially  No

If applicable, please include the link or description of the assurance statement.

Details of the limited assurance provided for this reporting can be found in the Assurance Report.

### 6.2 — REPORTING ON OTHER FRAMEWORKS

Does your bank disclose sustainability information in any of the listed below standards and frameworks?

- GRI
- SASB
- CDP
- IFRS Sustainability Disclosure Standards (to be published)
- TCFD
- Other: ...

### 6.3 — OUTLOOK

What are the next steps your bank will undertake in next 12 month-reporting period (particularly on impact analysis, target setting and governance structure for implementing the PRB)? Please describe briefly.

Over the next 12 months we plan to complete the following steps to further progress on the fulfilment of our Principles for Responsible Banking commitment and the targets we have set ourselves:

1. Define additional concrete measures to decarbonise our portfolio and develop specific product offerings
2. Extend our Responsible Financing policy
3. Expand our range of Financial Health products

### 6.4 — CHALLENGES

Here is a short section to find out about challenges your bank is possibly facing regarding the implementation of the Principles for Responsible Banking. Your feedback will be helpful to contextualise the collective progress of PRB signatory banks.

What challenges have you prioritized to address when implementing the Principles for Responsible Banking? Please choose what you consider the top three challenges your bank has prioritized to address in the last 12 months (optional question).

- |   |  |
|---|--|
| <input type="radio"/> Embedding PRB oversight into governance                               | <input type="radio"/> Customer engagement                        |
| <input type="radio"/> Gaining or maintaining momentum in the bank                           | <input type="radio"/> Stakeholder engagement                     |
| <input type="radio"/> Getting started: where to start and what to focus on in the beginning | <input checked="" type="radio"/> Data availability               |
| <input type="radio"/> Conducting an impact analysis   | <input type="radio"/> Data quality                               |
| <input type="radio"/> Assessing negative environmental and social impacts                   | <input type="radio"/> Access to resources                        |
| <input checked="" type="radio"/> Choosing the right performance measurement methodology/ies | <input type="radio"/> Reporting                                  |
| <input type="radio"/> Setting targets   | <input type="radio"/> Assurance                                  |
| <input type="radio"/> Other: ...  | <input checked="" type="radio"/> Prioritizing actions internally |



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**Management Board**

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Willibald Cernko mp, Chairman

Ingo Bleier mp, Member

Stefan Dörfler mp, Member

Alexandra Habeler-Drabek mp, Member

David O'Mahony mp, Member

Maurizio Poletto mp, Member

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Vienna, 29 February 2024

We draw attention to the fact that the English translation of this report is presented for the convenience of the reader only and that the German wording is the only legally binding version.

# Independent Limited Assurance Report on the (Consolidated) Non-financial Report as at December 31, 2023

(Translation)

We performed a limited assurance engagement on the (consolidated) non-financial report of Erste Group Bank AG, Vienna, as at December 31, 2023.

## Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the (consolidated) non-financial report as at December 31, 2023, is not prepared, in all material respects, in accordance with section 243b and section 267a UGB as well as Article 8 of Regulation (EU) 2020/852 (“EU Taxonomy Regulation”) and the Delegated Acts issued thereon.

## Emphasis of matter - Interpretation uncertainties with regard to the delegated acts issued in relation to Art. 8 of the EU Taxonomy Regulation

We draw attention to the disclosures of the legal representatives in Chapter 7 of the (consolidated) non-financial report which explains that the EU Taxonomy Regulation and the related Delegated Acts use phrases and terms that are still subject to considerable interpretation uncertainties. The legal representatives explain, in particular in the section “Discretionary decisions and interpretive uncertainties”, how they have made the interpretations of the EU Taxonomy Regulation and the related Delegated Acts as required. Due to the inherent risk that undefined legal terms can be interpreted differently, the legal conformity of the interpretation is subject to uncertainties. Our conclusion is not modified in respect of this matter.

## Other matters - Disclaimer of liability towards third parties

This report is addressed to the Supervisory Board and is intended solely to inform the Supervisory board of the result of the engagement. The report may therefore not be suitable for any other purpose than the purpose named above and is not intended to serve as basis for any (investment) decisions by third parties. Therefore, no legal claims of third parties can be derived from it.

## Management’s Responsibility

Management is responsible for the preparation of the (consolidated) non-financial report in accordance with section 243b and section 267a UGB as well as the EU Taxonomy Regulation and the Delegated Acts issued thereon.

Management’s responsibility includes the selection and application of appropriate methods to prepare the report as well as making assumptions and estimates with respect to specific disclosures which are reasonable in the circumstances, including the interpretation of the phrases and terms used in the EU Taxonomy Regulation and its Delegated Acts. Management is also responsible for such internal control as management determines is necessary to enable the preparation of a non-financial report that is free from material misstatement, whether due to fraud or error.

## Auditor’s Responsibility

Our responsibility is to express a conclusion based on our procedures performed and evidence obtained as to whether anything has come to our attention that causes us to believe that the (consolidated) non-financial report as at December 31, 2023, is not prepared, in all material respects, in accordance with section 243b and section 267a UGB as well as Article 8 of Regulation (EU) 2020/852 (“EU Taxonomy Regulation”) and the Delegated Acts issued thereon.

We performed our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) – Assurance Engagements other than Audits or Reviews of Historical Financial Information. These standards require that we plan and perform our procedures to be able to express a limited assurance conclusion based on the assurance obtained. We do not, however, provide a separate conclusion for each disclosure. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. The selection of the procedures lies in the sole discretion of the auditor.

In the course of our engagement, we performed, amongst others, the procedures and other activities below:

- Inquiries of employees responsible for performing the materiality analysis regarding the update of the identification of material topics and inspection of the corresponding protocols
- Update of our understanding of the structure of the sustainability organisation and the organisation of the reporting process through interviews and inspection of documents
- Update of our understanding of the concepts pursued in relation to environmental, social and employee matters, respect for human rights and the fight against corruption and bribery, including the due diligence processes and risks applied
- Understand and evaluate the processes for determining the information and key performance indicators relevant to the material topics identified and the internal controls related to these processes, in particular
  - inquiry of employees and inspection of documentation to gain an understanding of the process for estimating financed emissions, and
  - evaluation of the methodology used to determine financed emissions
  - obtaining an understanding of the process of identifying and allocating Taxonomy eligible and Taxonomy aligned exposures, based on the relevant internal policies and inquiries
- Assessment of risks of material misstatements in the (consolidated) non-financial report
- Corroboration of selected qualitative disclosures in the (consolidated) non-financial report with appropriate evidence such as resolutions, minutes, internal documentation, group guidelines, protocols and manuals
- Analytical procedures and random plausibility checks of selected quantitative disclosures in the (consolidated) non-financial report
- Tests, on a sample basis, of the recording and calculation of financed emissions
- Assessment of the use of the templates in accordance with Annex VI of Delegated Regulation 2021/2178 and the presentation in the templates in terms of compliance with legal requirements, logical and mathematical accuracy
- Reconciliation of the total assets and total gross carrying amounts of the assets recognised for the green asset ratio reported in the templates with the consolidated financial information, and assessment of the allocation to individual items
- Verification, on a sample basis, of the correct recording and calculation of exposures recognised as Taxonomy aligned
- Comparison of selected disclosures in the non-financial report with corresponding data in the consolidated financial statements
- Evaluation of the presentation and the completeness of the relevant disclosures based on the implemented framework pursuant to section 243b para. 5 UGB and section 267a para. 5 UGB (GRI standards 2021)

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

### **Ensuring the Auditor's independence and quality**

We are independent of the Company in accordance with Austrian Generally Accepted Accounting Principles and professional requirements, and we have fulfilled our other ethical responsibilities, in particular the requirements for quality assurance, in accordance with these requirements.

Vienna

February 29, 2024

PwC Wirtschaftsprüfung GmbH

Dorotea-E. Rebmann  
Austrian Certified Public Accountant

signed

